

CHAPTER 08

CHECK DISTRIBUTION, DISPOSITION, AND CANCELLATION0801 PROMPT DELIVERY OF CHECKS

080101. General. After preparation, checks shall be delivered promptly to the payee. With respect to payroll checks, the DoD has mandated participation in the Direct Deposit Program (DD/EFT) for all newly enlisted, reenlisted, appointed, or retired military personnel and all newly hired civilian personnel.

080102. Delivery of Checks. DFAS policy on the delivery of checks is:

A. Checks shall be properly safeguarded and should be handled as few times and by as few people as practical.

B. Controls shall include procedures for ensuring the proper custody, signing, and delivery of checks. If checks are handed to the payees, identification is required.

C. Checks not delivered within the time specified by the DO shall be returned to the DO promptly.

D. Checks shall be kept in a safe, vault, or locked fireproof cabinet, pending distribution or return to the DO.

E. Personnel engaged in pay delivery activities shall be designated in writing and adequately supervised in order to help prevent any unauthorized, fraudulent, or other irregular activities.

080103. Delivery by Mail. The normal method of check delivery is by mail through the U.S. Postal Service. Delivery shall be made to the payee's residential mailing address or post office box. At overseas activities where personal mail is received through the organizational address, the organizational address shall be considered as the payee's residential mailing address. In all other cases, an organizational address is not considered a valid mailing address. Where commanders or their designee find that in individual cases it is not practical to mail checks,

each commander may provide a specific location where the payees may obtain their paychecks, with proper identification. If checks are mailed to a specific location for delivery, the DO shall make a written appointment of the person at the specific location who will deliver the checks as a designated third party (see paragraph 080105 below).

080104. Outside the United States

A. Restrictions. The Secretary of the Treasury has determined that agencies shall not issue checks intended for delivery in the following prohibited areas: People's Republic of Albania; Republic of Cuba (except checks sent to the Naval Base, Guantanamo Bay for delivery to payees at the base); Democratic Kampuchea (Cambodia); North Korea; or, Socialist Republic of Vietnam. See Circular 655 (reference (ag)). In lieu of issuing a check, the DoD Component shall withhold payment and establish the liability on its books.

B. Exceptions. The restrictions outlined in subparagraph 080104.A are not applicable to checks payable to foreign governments, nor to checks issued in payment of salaries or wages, or for goods or services purchased by the Government of the United States.

C. Claims for the Proceeds of Withheld Payments. Claims for the proceeds of checks which were drawn and subsequently forwarded to the Treasury for deposit in deposit fund account Proceeds of Withheld Foreign Checks, 20X6048, pursuant to previously existing procedures should be submitted with a recommendation on such payment to: Department of the Treasury, Financial Management Service, Finance Division, Liberty Center, Room 257, Washington, DC 20227. If a valid claim is received and no check has been previously prepared due to the restrictions outlined in subparagraph 080104.A above, the DoD Component that withheld the payment will arrange for the issuance of a check and will decrease the respective liability on its books.

080105. Delivery of Checks by Designated Third Parties. Delivering multiple checks personally may be impractical for the DO or it may not be expedient to mail them to addresses of record. Under such circumstances and with the guidance for delivery of checks noted in paragraph 080102 above, the DO may deliver or mail checks to a designated third party for distribution. A third party is any individual authorized to distribute a quantity or bulk shipment of checks to payees. A person who maintains pay accounts or prepares checks is not authorized to distribute checks.

A. Appointment of Designated Third Parties. The DO shall make written appointment of those individuals (by title and organization only) who will serve as a designated third party for delivery of bulk checks using SF 1195, Recommendation for Designation and Revocation of Agents to Receive and Deliver Checks and Savings Bonds. A record of each individual so authorized shall be maintained. One or more alternates should be appointed to prevent distribution delays in the absence of the principal designee. Alternates may also assist in the check distribution when conditions warrant.

B. Transport of Checks to Designated Third Parties. Bulk shipments of prepared checks shall be packaged separately from correspondence and shall be mailed by registered mail. Bulk shipments of checks for a unit or group of units should be dispatched to a third party for distribution or delivery to payees or for reshipment to another third party for delivery where the military unit is located. Such shipments shall include only the checks, transmittal letter, and documentation needed for the specific payment. These shipments are not subject to the provisions of the Government Losses in Shipment Act.

C. Release of Checks to Other than Payee. Designated third parties shall not release checks to anyone other than the payee. See subparagraph 080105.E below if payee is absent at the time of delivery.

D. Judge Advocate or Investigative Agent Third Parties. In cases where advance payments are issued for witnesses subpoenaed for trial, delivery of the check shall be performed by either a representative from a DoD Compo-

nent investigative agency or a judge advocate charged with serving the subpoena.

E. Third Party Disposition of Undelivered Checks. Unless otherwise provided, checks for payees not present at the time a third party attempts delivery shall be returned to the DO before the close of business that day. Payees who were absent, or who for other reasons did not get their checks, should be advised to call at the disbursing office or other stated place to pick up their checks. If locked fireproof file cabinets or safes are available, the DO may authorize the designated third party to hold undelivered checks for a specified, short period. When payees are on extended periods of leave or absences, checks shall be returned to the DO for disposition. Checks which are found to be in error shall be returned to the DO. After appropriate corrective action has been taken, a new check will be issued to the payee.

★0802 DISPOSITION OF SPOILED, CONTROL, AND VOIDED CHECKS

080201. Spoiled Checks

A. General. A check may be classified as spoiled and replaced with a control check when: it represented a valid payment; it is in the possession of the DO; it is uncashable due to a misprint or mutilation during the issue process; or it is returned by the payee as uncashable due to mutilation or a defect in the check itself; and it is less than one year old. The DO must receive a large enough portion of a mutilated check to positively identify the check number, issuing DSSN, date, and amount. If a sufficient portion of a check is not provided for the DO to make positive identification, an SF 1184 shall be processed and (at such time as the DO decides) a recertified voucher and check issued. All spoiled checks shall be rendered non-negotiable by typing or stamping on the face of the check the words: "SPOILED - NOT NEGOTIABLE; REPLACEMENT ISSUED UNDER CONTROL NUMBER _____."

★ B. Disposition. DOs shall maintain DD Form 2661, Spoiled/Control Check Record as prescribed in paragraph 080202.C below. The DD Form 2661 shall be retained as a permanent part to the DOs retained records; i.e. 6 years, 3 months from the check issue date, after which

time it may be destroyed. At least once each quarter, spoiled checks shall be destroyed locally by the DO by shredding or incineration. If destroyed by shredding, fragments shall be no larger than 1/4 inch in width and 3 1/2 inches in length. If destroyed by burning, the checks shall be completely burned. A certificate of destruction shall be prepared in an original and one copy and shall include the: complete mailing address of the disbursing station; date and method of destruction; DSSN; serial number of each check; typed name, title, grade or rank, and signature of at least one witness; and, typed name, title, grade or rank, and signature of the DO. When blocks of checks are destroyed, the beginning and ending serial numbers of the block may be shown. Otherwise, each check shall be listed in numerical sequence. An example of a Certificate of Destruction is provided as figure 8-1.

080202. Control Checks

A. General. Control checks are used to replace prenumbered check stock that is spoiled for any reason, before or after release by the disbursing office. Control checks do not have a preprinted serial number in the upper right hand corner. Instead, control checks are preprinted with a number, called a "control number," which is positioned at the bottom edge of the check. A control check misprinted or mutilated during the issue process may also be spoiled and replaced by another control check as described in this paragraph. A control check shall not be issued if the: original check was issued under a different DSSN than that used by the DO (refer payee (claimant) to issuing disbursing office); original check is more than one year old; original check was issued to a different payee; original check was issued in a different amount; original check is not available or positively identifiable; or, when it appears that a payee (or other person) has altered or attempted to alter the check.

B. Preparation. Disbursing offices shall inscribe the original check serial number on the control check and have in place internal controls or review processes to verify that the check serial number is inscribed correctly.

C. DD Form 2661, Spoiled/Control Check Record. DOs shall maintain DD Form

2661 for all control checks issued. This record may be maintained in a mechanized or manual format. At a minimum, this record must show the original check number and the control check number. Additional information such as the payee and amount are optional based on the availability of this information in other disbursing office records. An example of a manually prepared DD Form 2661 is provided as figure 8-2.

D. Certification of Payroll Officer. If the payee of a civilian payroll check requests that a control check be issued in a name different from the name as stated on the original check, a signed statement authorizing the change in name shall be obtained from the payroll officer who certified the original payroll prior to issuance of the control check. The statement shall be retained by the DO and attached to the retained copy of the payroll.

080203. Voided Checks

A. General. A voided check is a check that is misprinted or mutilated during the issue process and for which no control check is to be issued. Unused blank checks that are to be destroyed shall be reported as voids. Lost or stolen blank checks shall be reported as voids. Checks voided by the DO shall be rendered non-negotiable by typing or stamping the words "VOID - NOT NEGOTIABLE. NO CHECK ISSUED UNDER THIS NUMBER" on the face of the check. Once a check has been reported to the Treasury under check-issue reporting procedures, it cannot be voided under any circumstances. The check shall be processed as a spoiled check, an available check cancellation, or an unavailable check cancellation as appropriate to the circumstances in each case.

B. Reporting Voided Check Issues. Voided checks shall be reported as a check issue having a zero (0) dollar value. When hard copy check-issue reports are forwarded to another disbursing office for conversion to magnetic tape, the DO forwarding the reports shall stamp or mark the listing of checks issued to indicate that the check is voided and the dollar amount is zero. Do not obliterate the serial number of the voided check from the check listing. DOs submitting check-issue reports on diskettes to another disbursing officer for conversion to magnetic

tape shall ensure that the serial number and date of the voided checks are included on the diskette. If a voided check has not been dated, a date shall be reported for the check to facilitate check-issue reporting. DOs submitting check issue reports by magnetic tape shall ensure that the serial number and date of the voided check are included on the tape.

★ C. Disposition of Voided Checks. Voided checks shall be stored in the vault or safe segregated from all other checks until destroyed. The voided checks shall be destroyed locally by the DO at least once each quarter by either burning or shredding. If destroyed by burning, the checks shall be completely burned. If destroyed by shredding, fragments shall be no larger than 1/4 inch in width and 3 1/2 inches in length. In either event, a certificate of destruction similar to figure 8-1 shall be prepared listing the serial numbers and method of destruction and shall be signed by the DO and at least one witness. DOs shall destroy all voided checks using the procedures in the following subparagraphs.

1. Prepare a Certificate of Destruction. The certificate shall be prepared in an original and one copy and shall include the: complete mailing address of the disbursing station; date and method of destruction; DSSN; serial number of each check; typed name, title, grade or rank, and signature of the witness(es); and, typed name, title, grade or rank, and signature of the DO. When blocks of checks are destroyed, the beginning and ending serial numbers of the block may be shown. Otherwise, each check shall be listed in numerical sequence.

2. Verification. The DO and at least one witness shall: examine the checks to verify they are the actual checks to be destroyed; verify the check numbers and DSSN with information on the certificate of destruction; and, sign the certificate of destruction only after witnessing the actual destruction of the checks.

3. Distribution of the Certificate of Destruction. The original certificate shall be included and forwarded with the monthly disbursing financial reports. A copy shall be maintained in the DO's retained financial records.

★0803. CHECK CANCELLATION. A cancellation is accomplished in one of the ways described below.

★080301. Available Check Cancellation. The DO holds the check and processes an SF 1098. The SF 1098 credits the proceeds to the appropriation originally charged when the check was issued. See section 0804.

★080302. Unavailable Check Cancellation. The DO requests cancellation by submission to Treasury of an SF 1184 or magnetic tape. Depending on the status of the check (outstanding or paid), the cancellation credit may or may not be provided by the U.S. Treasury. See section 0805.

★080303. Limited Payability Check Cancellation. The Treasury automatically cancels checks issued on or after October 1, 1989, which have not been negotiated to a financial institution within 12 months of the date of issue. This cancellation occurs in the 14th month after the date of the check. See section 0806.

★080304. Pre-effective Date Limited Payability Cancellation. The Treasury automatically canceled all checks issued before October 1, 1989, which were not negotiated by October 1, 1990.

★0804 CANCELLATION OF AVAILABLE CHECKS

★080401. General. As provided in the Competitive Equality Banking Act of 1987, Public Law 100-86 (reference (ah)) and Treasury Financial Manual, Bulletin 90-03 (reference (ai)), the time limit for negotiation of Treasury checks is one year from the date of issue. DOs may cancel checks within this one year period when the check is drawn under the DO's own DSSN, under the account of a predecessor DO of the same activity and DSSN, or under an account being settled by the DO. Checks may be canceled when: the disbursing account is closed or current; or, the proceeds of the check are for repayment to an appropriation or fund account which is current or expired. Treasury checks in the possession of the DO shall be canceled when it is determined that the payee or estate is no longer entitled to the proceeds of the check or the check is undeliverable for 60 days after the

month of issue. UNDER NO CIRCUMSTANCES SHALL A DO CANCEL A CHECK USING THE PROCEDURES IN THIS SECTION IF THE CHECK IS OVER ONE YEAR OLD.

★080402. Exceptions

★ A. Checks drawn for cash or for advances to cashiers that are later found not to be required shall not be processed for cancellation in the DO's accounts. Instead, they shall be endorsed by the DO or cashier (as applicable) and deposited as prescribed in chapter 05 of this Volume.

★ B. An original check which is returned to or recovered by the DO after it is more than one year old (from date of issue) or has been canceled by submission of an SF 1184 shall not be canceled on an SF 1098, Schedule of Canceled or Undelivered Checks. However, the check shall be marked "VOID - NOT NEGOTIABLE" on the front and held in the DO's safe or vault until the Daily Advice of Status (DAS) is received from the Treasury and then the marked check shall be destroyed locally by burning or shredding. No report of destruction is made to the Treasury. The date of destruction and supporting documentation shall be noted in DD Form 2662, Recertified Check Register.

★080403. Undeliverable Treasury Checks. All undeliverable checks shall be kept in a safe or vault. The checks shall be filed in an order best suited for ready identification when claimed or for mailing when a proper address is ascertained. The DO shall maintain a record of undeliverable checks using DD Form 2658, Returned and Undeliverable Check/Bond Record which indicates: date the check is returned; check number; check date; amount; payee; voucher number; disposition; and, date of disposition. An example of DD Form 2658 is provided as figure 8-3. The DO shall provide a copy of DD Form 2658 to rollkeepers, agents, cashiers, and the appropriate entitlement office for their use. Undelivered checks shall not be removed from the safe or vault, or held by the DO's deputies, agents, or cashiers except for immediate delivery to payees, or for cancellation and deposit.

★ A. Time Limit for Holding Undeliverable Checks. The DO shall attempt to make

delivery of checks to the proper payees. If delivery is not effected within 60 days after the month of issue, undeliverable checks being held by the DO shall be disposed of as provided in the subparagraphs below. Checks payable to deceased payees should be held no longer than 5 days.

★ 1. Undelivered checks held by the issuing DSSN shall be collected to the credit of the issuing appropriation or to a suspense account and deposited as prescribed in paragraph 080405 below.

★ 2. Undelivered checks held by other than the issuing DO shall be returned to the issuing DO by registered mail within two weeks, together with a reason for non-delivery. If the address of the issuing DSSN is unknown, contact the servicing DFAS Center.

★ 3. An undeliverable check returned to the DO after the 45th day of the time limit prescribed above shall be recorded on the DD Form 2658, Returned and Undeliverable Check/Bond Record. Research shall be conducted to determine if the check has been canceled using the SF 1184, Unavailable Check Cancellation, and whether a replacement check has been issued. If an SF 1184 has been submitted to Treasury, dispose of the original check as prescribed in paragraph 080513.D. If an SF 1184 has not been submitted to Treasury, cancel the original check as prescribed above within 15 days of the date of receipt.

★ B. Undeliverable Due to Death of Payee

1. Deceased Military Members. Checks drawn to deceased military members shall be canceled by the issuing DSSN. The check shall be promptly canceled and credited to the individual's pay account pending payment to a properly designated beneficiary.

2. Deceased Civilian Employee Checks. For special instructions on the handling of checks drawn to deceased civilian employees, see Volume 8 of this Regulation.

★ 3. Other Payees. Checks drawn to other deceased individuals shall be taken up and deposited as undeliverable checks. An SF

1055, Claim Against the United States for Amounts Due in the Case of a Deceased Creditor shall be obtained and processed as prescribed in Volumes 8 and 10 of this Regulation. The accounting data chargeable and references required on the voucher shall be as prescribed in paragraph 080406.

★ C. Checks Undelivered at Time of Relief. When a DO is relieved by another DO or the DSSN is deactivated and disbursing for that activity is assumed by another activity or ship as a result of consolidation, transfer of function, or other reason, the relieving DO or gaining activity shall assume custody of the undelivered checks for processing as provided in this section. However, when a DO is transferred from disbursing duty without a relief or the disbursing function is not assumed by another activity, the undelivered checks shall be taken up as a collection on an SF 1098 and deposited whether or not the 60-day holding period has elapsed. The DD Form 2658 shall be turned over to the office designated to settle the accounts of the DO.

★ D. Special Actions on Canceled Checks Held by the Disbursing Office

1. Military Payrolls. When a check in payment of military pay and allowances is canceled, the DO shall take the action prescribed in Volume 7 of this Regulation for the appropriate adjustment to the Master Military Pay Account to be made.

2. Civilian Payrolls. When a check in payment of a civilian payroll is canceled, the DO shall notify the payroll preparing office in order for the appropriate payroll adjustment to be made.

★080404. SF 1098, Schedule of Canceled or Undelivered Checks

A. General. A check that is undelivered within 60 days after the month of issue shall be credited to the appropriation originally charged by use of an SF 1098 prepared in triplicate. The following data shall be shown for each check in the spaces provided in the body of the form: month and year of issue; check serial number (and DSSN if other than DSSN shown in heading of the form); name of payee; amount of check; and, accounting data credited. The origi-

nal and one copy of each SF 1098 shall be submitted with the financial reports and one copy shall be retained. See figure 8-4.

★ B. Lack of Accounting Data. If the proper appropriation to be credited cannot be determined immediately, collect the amount of the check into the budget clearing account (suspense) **F3875. The SF 1098 should include all information available as to the identity and location of the payee of the check. If after one year the appropriation is still not determinable, process an SF 1081 to transfer the funds to Treasury's miscellaneous receipt account **R1060.

★080405. Disposition of Canceled Available Checks

★ A. General. Canceled check transactions authorized by this section shall be processed in a manner similar to that for collections. Upon receipt of a check to be canceled, prepare an SF 1098 as the collection voucher with credit to the appropriation charged when the payment was made. Note: All lines of accounting data charged and credited on the original disbursement voucher shall be shown on the SF 1098. Assign a collection voucher number to the SF 1098 and print this number and the date of collection on the reverse of the canceled check. The canceled checks shall be deposited for credit to the DSSN used by the DO making the cancellation. No payee endorsement on the reverse of the check is necessary; only the DO's endorsement stamp is required.

B. Stamped Legend Placed on Checks for Cancellation. The following legend shall be typed or stamped on the face of each canceled check: "NOT NEGOTIABLE - FOR PAYMENT AND CREDIT IN THE U.S. TREASURY. D.O. SYMBOL ____." The letters of the legend shall be of prominent size to remove all possibility of negotiation. The stamp shall be placed so that the defacement will not interfere with data to be captured by an optical character recognition (OCR) scanner.

★ C. Deposit Ticket. Canceled checks shall be deposited on an SF 215 separate from any other negotiable instruments. DOs shall make canceled check deposits as prescribed below.

★ D. Frequency of Deposits. Checks received for cancellation need not be deposited on a daily basis. The canceled checks may be held in the DO's safe or vault for preparation of a consolidated SF 215. Deposits shall be forwarded to the FRB or branch not later than the 25th of the month in which received. Checks received for cancellation during the remainder of the month shall be processed as collections, but may be retained for depositing in the following month. All CONUS DOs shall deposit all canceled Treasury checks with the nearest FRB or branch. DOs located in Alaska, Hawaii, and in foreign countries will deposit with the general depositary normally used for making deposits for credit to Treasury's General Account. Refer to chapter 05 of this Volume for deposit reconciliation requirements.

★080406. Claims for the Proceeds of Canceled Available Checks. When a claim is received for the proceeds of a canceled available check and it is determined that all or a portion of the amount is due the claimant, payment shall be made on a payroll or other voucher prepared and processed in the same manner as a current payment. Claims shall be paid by the disbursing office which made the collection and deposit of the original undeliverable check. This is not to say an undeliverable military pay check cannot be canceled by the issuing DO so that the member may be paid at a new duty station. The disbursement shall be made on an SF 1034 and charged to the accounting data credited on the SF 1098. Reference shall be made to the original undeliverable check by serial number, amount, DSSN, and the month, year, and account in which the undeliverable check was collected. In cases where the undeliverable check was collected to **R1060, the DO should process an SF 1081 to adjust out the funds that were collected into the receipt account in error. A record of the claim and disposition shall be entered on the DD Form 2658.

★0805 UNAVAILABLE CHECK CANCELLATIONS

★080501. General. Unavailable Treasury checks that are reported to the DO as lost, stolen, mutilated, or not received by the payee shall be canceled using the procedures described in this section if the check is less than 12 months old. The procedures in this section also apply to

situations where the payee is not entitled to the proceeds of a check which is unavailable to the DO. These situations include: death of the payee before the check issue date; non-receipt of a recertified payment check by the payee when the original check has been received and cashed; receipt of a cash payment and a check payment for the same entitlement; and, loss of the check after the payroll is prepared and the payee is a military member already transferred. Payees have 1 year from the date of issue of the check to file a claim of non-receipt with the issuing disbursing office for submission to Treasury. The issuing disbursing office must submit an SF 1184, Unavailable Check Cancellation to Treasury within 13 months of the date of issue. Treasury has 18 months from the date a check is paid to reclaim monies from the financial institution if a claim of forgery or unauthorized endorsement is filed by the payee. Checks, which are unavailable to the payee and/or the DO and for which entitlement to the payment exists, may be replaced by a new check called a recertified payment check. A recertified payment check bears a new check serial number and is vouchered and recorded as a new disbursement using the procedures in this section. Original and recertified payment checks shall be controlled, cross-referenced, and tracked indefinitely or until both have been paid, recovered and destroyed, or canceled.

★080502. Claims of Non-receipt, Destruction, Loss, or Theft. A claim of non-receipt, destruction, loss, or theft of a Treasury check issued on or after October 1, 1989, will be denied by the Treasury unless it is presented by the payee to the issuing disbursing office within 1 year from the date of issuance. The claim will be documented by the disbursing office on an SF 1184. The SF 1184 must be processed through the servicing DFAS Center and received at Treasury within 13 months from the date of issue of the check. If a cancellation credit is denied, a Daily Advise of Status will be provided with one of the status codes listed in table 8-4. The DO will advise the payee of the check status. If the check has been negotiated and the payee wishes to continue the claim process, the payee must initiate the FMS Form 1133, Claim Against the United States for the Proceeds of a Government Check, and the FMS Form 3858, Claims Document, upon receipt from Treasury. The DO shall forward these two forms, the photocopy of

the check and any other supporting documentation for the claim to the Treasury for processing.

If the payee files a claim of forgery or unauthorized endorsement (FMS Form 1133) against the check, no recertified payment check will be issued prior to receipt of an FMS Form 3859, Claims Disposition Notice from the Treasury. See paragraph 080515 below.

★080503. DD Form 2662, Recertified Check Register. To provide the necessary cross-reference and control over unavailable check cancellations, DD Form 2662 shall be maintained. As shown in figure 8-5, DD Form 2662 shall contain information to identify the original check serial number, date, amount, payee, and status of the check as provided by Treasury, as well as identifying information regarding the recertified payment check, payee claims, and collection information.

★080504. SF 1184, Unavailable Check Cancellation. The SF 1184 is required for all cancellations covered by this section. Each individual unavailable check to be canceled shall be reported on an SF 1184 to the servicing DFAS Center either manually or via mechanized input. The DFAS Centers will consolidate the input for submission to the Treasury. Bulk losses of original checks will require the preparation of an SF 1184 for each check. Unavailable check cancellation credits or chargebacks resulting from Treasury receipt and processing of an SF 1184 or the negotiation of a canceled unavailable check will be forwarded by Treasury to the DFAS Centers at Cleveland, Denver, and Indianapolis. The DFAS Cleveland, Denver, and Indianapolis Centers will forward check credit or chargeback information (including the detail information) applicable to the DFAS Columbus Center disbursing accounts to the DFAS Columbus Center. The DFAS Cleveland Center also will forward the cancellation credit or chargeback information (including the detail information) applicable to the DFAS Kansas City Center and Marine Corps disbursing offices to the DFAS Kansas City Center.

★080505. DD Form 2660, Statement of Claimant Requesting Recertified Check. When a payee reports the loss, theft, mutilation, or non receipt of a Treasury check, the DO shall obtain a statement, in writing, from the payee. The statement is mandatory to substantiate the payee's entitle-

ment to a recertified payment. The DD Form 2660 is the preferred form of the required statement, however, DOs may accept a signed letter from the payee in lieu of the DD Form 2660. An example of the DD Form 2660 is shown as figure 8-6. If the payee negotiates both checks, the statement could be used to establish fraudulent intent. Upon receipt of the signed statement, the DO shall complete the information required to identify the check (issue date, check number, amount, voucher number, etc.), prepare an SF 1184 to cancel the unavailable check, and forward a copy of the statement and a copy of the SF 1184 to the appropriate entitlement area for certification of entitlement and preparation of the appropriate payment voucher.

★080506. Authorization to Issue Recertified Checks

★ A. General. By 31 CFR Parts 245 and 248 (reference (z)), the Treasury has delegated to the DoD the authority to issue recertified checks to replace checks originally issued by DoD DOs. That authority includes replacement of checks lost, stolen, or destroyed both in transit and after receipt by applicable payees. The Treasury has authorized the DoD to issue a recertified payment at the same time the SF 1184 is prepared if, based on the facts available, the payee should receive immediate replacement and the risk of loss from overpayment to the payee is low. Subject to the restrictions in the following paragraphs, recertified checks may be issued as replacements for original checks at any time commencing with the submission of the SF 1184. The circumstances associated with each unavailable check shall govern when the recertified check is actually issued.

★ B. Limitations. No recertified check will be issued if: the original check was not issued by the same DSSN requested to issue the recertified check; the payee of the original check is not entitled to the proceeds of the check; the payee died before the original check-issue date; sufficient mail time (at least 3-mail delivery days after the date the original check was mailed (see paragraph ?)) has not lapsed for delivery or return of the original check; the payee has an outstanding obligation against which the payment can be offset; or, the original check is more than 12 months old. Situations that require the exercise of good judgment in deter-

mining when to issue recertified checks are high value unavailable checks, payees involved in adverse actions that could result in early discharge or termination, and non-permanent employees who have no vested retirement benefits or no sustained work history at the issuing activity. The ability of the payee to make restitution in cases of a double negotiation and the possibility of offsetting a double negotiation against money, other than salary, due the payee shall be considered in the determination. **Note: Except for deactivated and closed disbursing offices, only the disbursing office that issued the original check is authorized to issue a recertified check to replace an original check reported as lost, stolen, mutilated, or not received. For deactivated disbursing offices, the designated settlement office is authorized to issue recertified checks under the settlement office DSSN. For closed disbursing offices, only the servicing DFAS Center is authorized to issue recertified checks under the Center's DSSN. Except as prescribed in paragraph 080512.A, recertified checks may only be issued as a disbursement from the appropriation (or if no longer available, a current appropriation available for the same general purpose subject to limitations on its use) charged when the original check was issued.**

★ **C. Issue Before Receipt of Treasury Status.** Because of the effect such delays have on military and civilian employees' personal financial affairs, DoD relations with private business and other intangible benefits obtained, recertified checks may be issued immediately for some payees. Therefore, DOs are authorized to use stop code "A" on the SF 1184 when recertified checks are to be issued immediately to replace undelivered, lost, stolen, mutilated, or destroyed original checks issued under their DSSN for the payees listed below, if less than 31 days have elapsed since the check issue date.

1. Military and civilian personnel for payment of pay and allowances.

★ 2. Banks, credit unions and other financial institutions unless it is determined to be in the best interest of the DoD to obtain Treasury status before issuing a recertified check.

3. Agencies of the U.S. Government.

4. Foreign governments. (Where doubt exists as to the status of a foreign payee, treat payment as a foreign business and issue a recertified check after receipt of status from Treasury as prescribed below.)

★ 5. Any payment made under protest as described in chapter 01 of this Volume.

★ 6. Any composite/consolidated check regardless of amount.

D. Issue After Receipt of Treasury Status. The payees described below are not eligible for immediate payment replacement by recertified check and shall have their unavailable check cancellations submitted under stop codes "D" or "G" and receive a recertified check only when the Treasury reports the check status as "outstanding".

1. Foreign businesses and contractors where check payment is made to addresses or financial institutions outside the United States.

2. Payees who have previously negotiated both the original check and the recertified check issued to replace it.

3. Payees who have received more than three recertified check payments in the past 6 months or who have received more than four recertified check payments in a 12-month period.

4. Payees who report non receipt of a recertified check.

★ 5. Payees requesting recertification of an original check more than 30 days old.

6. Payees other than a deputy, agent, or cashier requesting replacement of an exchange for cash check.

★ **E. Issue When the Treasury Status Is Paid.** Except as provided in paragraph 080515 below, no recertified payment check shall be

issued when the DAS from Treasury indicates the check status is paid.

★080507. Mechanized Input of the SF 1184. Air Force DOs with access to the Comptroller Network (commonly referred to as the JUMPS Data Collection Network) have the capability to mechanically prepare and transmit the SF 1184 daily using the on-line DFAS-DE centralized Unavailable Check Cancellation (UCC) system. The UCC system was developed to replace individual submissions of SFs 1184. Procedures for accessing the DFAS-DE reporting system to add, change, inquire, or delete an SF 1184 request are found in a DFAS-DE/PGB letter dated December 15, 1990.

★080508. Manual Preparation of the SF 1184

A. General. These procedures apply only to DOs who do not have the capability to electronically produce and transmit SFs 1184. The SF 1184 is a dual purpose document. If more than one check is to be cancelled, each check shall be processed on a separate SF 1184. In addition, the SF 1184 is used as a transmittal document for the item cancellations submitted. Instructions for preparation of the transmittal document are slightly different from the individual check reporting document. However, instructions for preparing both documents are contained in this paragraph. Transmittals shall be submitted each day for item cancellations prepared that day. IF NO CANCELLATIONS ARE PREPARED, A TRANSMITTAL IS NOT REQUIRED. A transmittal cannot include more than 50 item cancellations.

B. Completion of SF 1184 (Item Cancellation). The SF 1184 shall be prepared by typewriter using uppercase letters for all alphabetic characters. **DO NOT** submit forms prepared by pen or pencil. The data fields and their contents are described below. See figure 8-7.

1. CK. SYM. Enter the four-digit DSSN of the disbursing office that issued the original check. Required four-digit numeric field.

2. CK. SERIAL. Enter the check number of the original check that is being canceled and on which "STOP PAYMENT" action is being requested of the Treasury. Required eight-

digit field. The field is an all numeric field zero-filled from the left. No commas shall be typed to separate the check number digits.

3. CK. AMOUNT. Enter the total amount of the original check. This required field is limited to 10 digits, all numeric. Do not use dollar signs. Use of commas is optional provided the 10-digit requirement is not exceeded. Show the decimal point separating dollars and cents.

4. CK. ISSUE DATE. Enter the date of the original check. This is a required numeric field containing six digits: month (two digits), day (two digits), and year (two digits).

5. AGY/PAYEE ID NO. Enter the identification number assigned to the payee. This is a required alpha-numeric field, maximum of 11 digits. Start from the left and leave unused spaces blank. Activities that do not normally assign specific ID numbers may use vendor contract numbers, DSSN, Social Security numbers, or other reference numbers. For Navy and Marine Corps disbursing offices, the 11-digit field is assigned as follows: positions 1-4, DSSN of the preparing disbursing office; positions 5-7, julian date of preparation; position 8, the unit position of the calendar year of preparation; and, positions 9-11, a 3-digit sequential serial number commencing with 001 on October 01 of each year and continuing through 999 before recycling the sequential numbers. Do not use 000 as a sequential number.

6. LINE CODE. A required numeric digit indicating the total number of lines used for the payee's name and address fields. For Navy and Marine Corps disbursing offices: use "0" for direct deposit checks; use "1" for non-entitlement; and in all other cases, use digits "3" through "6" (as appropriate for the number of lines used in the name and address fields). If the name and address is only two lines, pad the third line with blanks so "3" will be the correct line code.

7. STOP CD. Enter the alpha character code for the appropriate stop reason code based on the definitions listed in table 8-1. The stop code describes the nature of the action required on the original check. The only codes authorized for use are "A," "D," "E," "F," "G," "K,"

"L", "M", "R", "U", and, for Navy and Marine Corps disbursing offices only, "P".

8. AGENCY CODE. The agency code is a single alpha character. The following codes shall be used by the respective DoD Components. Defense agencies other than the Army, Navy, and Air Force shall use the appropriate agency code based on which Military Service provided the DSSN.

<u>CODE</u>	<u>COMPONENT</u>
A	Department of the Army
F	Department of the Air Force
L	U.S. Marine Corps
N	Department of the Navy

9. PAYEE NAME. Enter the payee's name as it appeared on the original check. This is a required alpha-numeric field limited to 2 lines with a maximum of 30 digits each. The second line is intended to accommodate listing both names when there is a joint payee. If the payee's name is more than 30 characters, use both lines. If there has been a name change, type the NEW name in this field and show the OLD name as it appeared on the original check in the FOR AGENCY USE block.

10. ADDRESS. The address in this alphanumeric field shall be the current address of the payee because the Treasury uses this address to prepare claims document address labels. The address is required for STOP REASON CODES "D" and "G". For Navy and Marine Corps disbursing offices, when STOP REASON CODE "F" is used, the disbursing office address will be entered in this field. Each line of the address field is limited to 30 characters.

11. NAME OF DECEDENT. This field is required ONLY when the STOP REASON CODE is "E." The field length is 30 characters. Type the deceased payee's name: last name; first name; middle initial(s). DO NOT use punctuation marks. If the name of the decedent is not provided with a "deceased" STOP REASON CODE "E", the SF 1184 will be rejected by the Treasury.

12. DATE OF DEATH. This field is required when the DoD Component has rendered the payee or payee's estate not entitled to the proceeds of the check, therefore, the date of death is required for only STOP REASON CODES "E" or "U."

13. AMT. TO BE RECLAIMED. The "amount to be reclaimed" is a required field for all STOP REASON CODES. This is a required 10-digit field containing the check amount. In some rare cases, the amount to which the payee is no longer entitled (that is the amount to be reclaimed) will be less than the full amount of the original check. In cases where the payment status is "paid", the amount to be reclaimed will be used by Treasury when seeking to recover from the banking system. A lesser amount could occur in the case of non-entitlement, where the payee was entitled to a lesser amount than the original check. In that case, the amount to be reclaimed would be the difference between the amount of the original check and the amount to which the payee is entitled. The field is limited to 10 digits. Do not use dollar signs. Use of commas is optional provided the 10 digit maximum is not exceeded. Always show the decimal point separating dollars and cents.

14. AGY. LOC. CODE. The Agency Location Code is a four- or eight-digit numeric symbol used by Treasury to identify accounting reports and documents prepared by or for accounting stations and financial offices. The following four- or eight-digit numeric codes shall be entered in this block by the respective DoD Components. Defense agencies other than the Army, Navy, and Air Force shall use the appropriate agency location code based on which Military Service provided the DSSN.

1700XXXX	Navy and Marine Corps disbursing offices. Note: The XXXX represents the disbursing office DSSN. Insert the assigned DSSN in lieu of "XXXX".
2100XXXX	Army disbursing offices. Note: The XXXX represents the disbursing office DSSN. Insert the assigned DSSN in lieu of "XXXX". Corps of

Engineers that disburse from civilian funds shall enter the DSSN only.

5700XXXX Air Force disbursing offices. Note: The XXXX represents the DSSN. Insert the assigned DSSN in lieu of "XXXX".

15. AGENCY OUTPUT. This code is a required single numeric digit indicating the type of output (hard copy or magnetic tape) to be generated by the agency. Table 8-2 is a list of the output codes and the description of each. Army disbursing offices enter "2" if SF 1184 submission is by paper; enter "4" if SF 1184 submission is by magnetic tape. All Air Force disbursing offices enter "4" in this field. All Navy and Marine Corps disbursing offices enter "3" in this field.

16. AGENCY REFERENCE. THIS FIELD IS OPTIONAL. DOs may use this 35-character field as necessary to enter information that will assist in identifying this particular SF 1184, identify actions, or explain the reason for the SF 1184.

17. FOR D.O. USE. Enter the DSSN on the D.O. Activity line. The DO or deputy shall sign on the signature line provided.

18. FOR AGENCY USE. Enter the DoD Component name (i.e., Army or Air Force) on the Agency line. Navy and Marine Corps disbursing offices enter the name of the preparing disbursing office on the Agency line. The DO or deputy shall sign the signature line on every SF 1184 submitted.

C. Completion of Transmittal Document. A transmittal SF 1184 shall be prepared daily for each batch of 50, or fewer, items submitted on any date. A separate SF 1184 shall be used as the transmittal document. Under no circumstances shall a batch contain more than 50 items. The required data fields for the transmittal SF 1184 and their contents are described below. Use of fields other than those listed will result in rejection of the entire batch by the Treasury. This form shall be prepared by typewriter. See figure 8-8.

1. ADDRESS. This field accommodates 120 characters. Enter the DO's name and complete disbursing office address.

2. FOR D.O. USE. Type the DSSN of the preparing disbursing office in the space directly above D.O. Activity. The DO or deputy shall sign the SF 1184 transmittal document in the space provided.

3. AGY. LOC. CODE. The following numeric codes shall be used by the respective DoD Components. Defense agencies other than the Army, Navy, and Air Force shall use the appropriate agency location code based on which Military Service provided the DSSN.

1700	Navy and Marine Corps
2100	Army
5700	Air Force

4. AGENCY OUTPUT. This code is a required single numeric digit indicating the type of output (hard copy or magnetic tape) to be generated by the agency. Table 8-2 is a list of the output codes and the description of each. Army disbursing offices enter "2" if SF 1184 submission is by paper; enter "4" if SF 1184 submission is by magnetic tape. All Air Force disbursing offices enter "4" in this field. All Navy and Marine Corps disbursing offices enter "3" in this field.

5. FOR AGENCY USE. When the SF 1184 is used as a transmittal document enter in this field the total number of SFs 1184 attached and the batch number of the batch being transmitted. The batch number consists of 13 digits. The batch number shall be composed of the submitting DO's DSSN (four digits); the date (MMDDYY) (six digits), and a three-digit sequential number beginning with 001 each day. The batch sequential number shall also be recorded DD Form 2662. The SF 1184 Total indicates to Treasury and the DFAS Centers the total number of individual cancellation documents being submitted with a transmittal document. Use one numeric digit for batches containing one to nine items. Use two numeric digits for batches containing 10 to 50 items. Enter the DoD Component name (i.e., Army, Air Force, Navy, or Marine Corps) on the Agency line. The DO

or deputy shall sign the signature line for each transmittal submitted.

★080509. Submission of Unavailable Check Cancellation. All cancellations shall be submitted on the day they are prepared along with a transmittal covering the item cancellations in every batch. Even though only one item cancellation is being submitted, it shall be covered by a transmittal. The DFAS Centers addresses are:

★ Defense Finance and Accounting Service
Cleveland Center
DFAS-CL/AABA
1240 E. Ninth Street
Cleveland, OH 44199-2056

Defense Finance and Accounting Service
Columbus Center
DFAS-CO/FP
Columbus, OH 43218-2317

Defense Finance and Accounting Service
Denver Center
DFAS-DE/AAC
6760 E. Irvington Place
Denver, CO 80279-8000

Defense Finance and Accounting Service
Indianapolis Center
DFAS-IN/JFP (Mail Stop 101)
8899 East 56th Street
Indianapolis, IN 46249-0833

Defense Finance and Accounting Service
Kansas City Center
DFAS-KC/AE
Kansas City, MO 64197-0001

The agency receipt copy of the batch transmittal will be returned by the servicing DFAS Center to advise the DO that the entire batch has been accepted and processed. If the agency receipt copy has not been returned within 20 days after submission, the DO should contact the appropriate DFAS Center listed above and request assistance. The distribution of the manually prepared SF 1184 is shown in table 8-3.

★080510. Daily Advice of Status. With the exception of the transmittal documents, the Treasury will return a Daily Advice of Status (DAS) on every SF 1184 received. An essential

control technique is for DOs to keep a complete file of SFs 1184 submitted. Periodic review of the file will show, either by copy of the DAS or by copy of the agency receipt copy of batch transmittals, that the Treasury has received and processed all submissions. Incomplete file items should be followed-up within 30 days through the servicing DFAS Center by telephone and if necessary, by processing a second SF 1184. The status codes used by the Treasury on the DAS are listed in table 8-4. When the Treasury has issued a DAS with a status of "Outstanding check canceled, agency credited," future requests to cancel or obtain photocopies of the canceled check will receive a response status code "11" indicating the canceled check has been paid. However, until the original check is presented through the banking system, no photocopy will be available. Therefore, once a disbursing office has received a DAS with a status code of outstanding, no additional SFs 1184 can be submitted for that check number. If the original check is ever presented through the banking system for payment, the servicing DFAS Center will notify the DO that the credit to Unavailable Check Cancellations and Overpayments, Suspense, **F3880, has been reversed by Treasury and the Treasury will, at that time, provide a photocopy of the original check, a claims document, and a claim form (FMS Forms 3858 and 1133).

★080511. Recertification Follow-up Procedures. After submitting the second SF 1184 for a check, DOs shall use the FMS Form 3864, Agency Recertification Follow-up to maintain contact with Treasury regarding previously submitted SFs 1184 if a hard-copy DAS from the Treasury is not received within 30 days. The DO shall complete parts A and B as prescribed below. Treasury will complete part C and return the form to the disbursing office. See table 8-5 for details on when to submit FMS Form 3864 to Treasury.

A. FMS Form 3864, Part A. The DO shall complete this portion from retained records (original SF 1184 submitted, the DAS, and/or claims document). If status code is known, provide it in the proper block. The information entered on this form shall be typed.

B. FMS Form 3864, Part B. The DO shall complete this portion indicating the reason for submitting the FMS Form 3864. See table 8-5

for more details regarding the reasons for follow-up and required follow-up time frames.

C. FMS Form 3864, Part C. The Treasury will place a check mark in the appropriate block in reply to the DO's follow-up request, and will enter a further explanation in part C-9, OTHER, when warranted. Part C-8 will be checked only when the Treasury cannot furnish an immediate response to a follow-up request. A further response should be provided by Treasury within 30 calendar days.

★080512. Accounting for Recertified Checks

★ A. General. All credits for canceled unavailable checks and charges resulting from negotiation of a previously canceled unavailable check are provided by the Treasury through budget clearing account Unavailable Check Cancellations and Overpayments (Suspense), **F3880. The **F3880 account is restricted to unavailable check transactions and shall not be used for any other purpose. The **F3880 account is available to hold credit or chargeback amounts only until the appropriation or fund that was charged when the original check was issued can be identified. All amounts in the **F3880 account must be transferred to the proper appropriation of fund as expeditiously as possible. Note: As indicated in chapter 07 of this Volume, exchange-for-cash checks are generally issued as advances to deputies, agents, or cashiers, or as an accommodation service for the benefit of a payee. These exchange-for-cash transactions are not charged to an appropriation on fund. If a deputy, agent, or cashier loses such a check, the loss will be treated as a physical loss of funds as prescribed in chapter 06 of this Volume. If Treasury determines the check to be outstanding, the unavailable check credit shall be used to offset the loss of funds. If the unavailable check should later be negotiated and Treasury reverses the credit, the physical loss of funds shall be reestablished. If a payee who received an exchange-for-cash check as an accommodation service loses such a check, the unavailable check credit shall be used to reimburse the payee for the loss. However, since there was no entitlement chargeable to an appropriation, reimbursement shall not be made until the period of negotiability (1 year from the date of issue) of the original check has lapsed.

★ 1. Credits Resulting from Submission of SFs 1184. If an unavailable check is outstanding (not negotiated), the Treasury will provide a DAS indicating the check is outstanding and that the agency will be credited with the proceeds. The Treasury will cancel the check and credit the funds derived from the cancellation to the **F3880 account. The DFAS Centers at Cleveland, Denver and Indianapolis will receive the cancellation credits monthly from the Treasury on an SF 1081, Voucher and Schedule of Withdrawals and Credits, along with a magnetic tape listing of checks canceled. Identifying information for the checks being canceled will be included on the magnetic tape. Where available, the proceeds of these canceled checks will be forwarded to the DFAS Centers through the Government On-line Accounting Link System/On-line Payment and Collection (GOALS/OPAC). Any identifying information provided in the original check issue data submission will be reflected as detail in the credit transmission. The detail also will be provided on microfiche monthly. The DFAS Cleveland, Denver, and Indianapolis Centers will forward check credit information (including the detail information) applicable to the DFAS Columbus Center disbursing accounts to the DFAS Columbus Center. The DFAS Cleveland Center also will forward the cancellation credit information (including the detail information) applicable to the DFAS Kansas City Center and Marine Corps disbursing offices to the DFAS Kansas City Center.

★ 2. Reversals of Cancellation Credits. If a canceled unavailable check is negotiated to a financial institution after cancellation by Treasury, the Treasury will reverse the cancellation credit and provide a DAS indicating the check has been negotiated and the credit reversed. The Treasury will provide a copy of the paid check, and FMS Forms 1133 and 3858. The reversal transactions will be separate from the monthly cancellation credits described above. The DFAS Centers at Cleveland, Denver and Indianapolis will receive the cancellation credit reversals from the Treasury on an SF 1081, Voucher and Schedule of Withdrawals and Credits, along with a magnetic tape listing of checks for which credit was reversed. Identifying information for the checks will be included on the magnetic tape. The DFAS Cleveland, Denver, and Indianapolis Centers will forward

the credit reversal information (including the detail information) applicable to the DFAS Columbus Center disbursing accounts to the DFAS Columbus Center. The DFAS Cleveland Center also will forward the credit reversal information (including the detail information) applicable to the DFAS Kansas City Center and Marine Corps disbursing offices to the DFAS Kansas City Center.

★ **B. DFAS Center.** Treasury regulations require the proceeds from canceled checks to be returned to the appropriation from which the check was issued originally and to treat the canceled check as an account payable. Within 15 days of receipt, the DFAS Center should provide the check cancellation and credit detail information to both the disbursing office that issued the check and the accounting office that services the disbursing office. Treasury reversal of previous cancellation credits also should be provided to the applicable disbursing and accounting offices.

★ **C. Accounting Office.** When canceled check credits are received, the accounting office should promptly transfer the individual check credits from **F3880 to the appropriation charged when the check was issued and establish an account payable. If an unavailable check is replaced by a recertified check prior to receipt of credit from the Treasury, the accounting office should establish an account receivable in the appropriation or fund charged for the check issue and remove the receivable when the credit is received. Reversal of a previous credit also should be promptly transferred from **F3880 to the appropriation charged when the check was issued.

★ **D. Disbursing Office.** Upon receipt of the DAS indicating cancellation credit or reversal information from the servicing DFAS Center, the disbursing officer is responsible for initiating research on the check issue data submitted to the Treasury to ensure that the detailed information provided is accurate. That is, the DSSN, check serial number, date of issue, and issue amount provided in the cancellation credit or reversal must agree with the original check issue data reported to Treasury when the check was issued. Any discrepancy in this data must be researched to determine the cause of the discrepancy and appropriate action taken to correct the discrepancy. The disbursing office also should notify the

appropriate entitlement or subject matter area (i.e., military pay, civilian pay, travel pay, or commercial accounts payable) that the Treasury has returned credit to the activity because the check was not negotiated or reversed a previous credit because the check was negotiated and provide a copy of the DAS.

★ **E. Entitlement Area.** When notified that an unavailable check has been canceled and credit provided, the appropriate entitlement or subject matter area should determine whether the liability for payment of the underlying obligation is valid and prepare the appropriate vouchers for payment if the payee was not issued an immediate recertified payment when the SF 1184 was submitted.

★ **F. Recertified Payments.** Any recertified payment (including immediate replacements under stop code "A") must be vouchered and charged to the appropriation or fund charged when the original check was issued. Recertified payments may be issued at the same time that the disbursing office submits the SF 1184 or at any subsequent point in the claims cycle; that is--

★ **1.** Before the status of the original check is known, when less than 31 days have elapsed from the date of the original check. See paragraph 080506.C.

★ **2.** After the disbursing office has been advised by the DAS that the original is outstanding and credit will be provided.

★ **3.** After credit has been received from the Treasury through the DFAS Center.

Making a recertified payment under items 1 and 2 above will require an account receivable to be established in the appropriation or fund for the amount due on cancellation of the original check. A copy of the SF 1184 and/or DAS may be used to support the account receivable.

★080513. Preparation and Disposition of Recertified Checks

A. **General.** Recertified checks shall be prepared and distributed in the same manner as regular checks previously described in chapter 07 of this Volume. If a payee claims non-receipt, loss, or destruction of a recertified check, the

unavailable check cancellation procedures in this section also apply to the recertified check.

★ **B. Undeliverable Recertified Checks.** An undeliverable recertified check shall be processed in the same manner as any other undeliverable check immediately after it is found to be undeliverable. The 60-day time limit for holding undelivered checks is not applicable to undeliverable recertified checks. The check shall be canceled on an SF 1098 with credit to the appropriation charged when it was issued in accordance with paragraph 080512. The check shall then be deposited with the nearest FRB or branch on an SF 215 as prescribed in section 0804 of this chapter.

★ **C. Returned and Recovered Recertified Checks.** When a recertified check is returned by the payee after the original check which it replaced has been found and negotiated by the payee, the recertified check shall be canceled on an SF 1098 and credited to the appropriation charged when it was issued. The check shall then be deposited with the nearest FRB or branch on an SF 215 as prescribed in section 0804 of this chapter. The charge-back to the **F3880 account from Treasury for the negotiated original check must be transferred to the appropriation charged when the original check was issued.

★ **D. Returned and Recovered Original Checks.** An original check which is returned to or recovered by the DO after it is more than one year old (from date of issue) or has been canceled by submission of an SF 1184 shall not be canceled on an SF 1098, Schedule of Canceled or Undelivered Checks. However, the check shall be marked "VOID - NOT NEGOTIABLE" on the front and held in the DO's safe or vault until the Daily Advice of Status (DAS) is received from the Treasury and then the marked check shall be destroyed locally by burning or shredding. No report of destruction is made to the Treasury. The date of destruction and supporting documentation shall be noted in DD Form 2662, Recertified Check Register.

★080514. Forgery

★ **A. General.** A payee may have a valid claim against the Check Forgery Insurance Fund (CFIF) to enforce the Government's obligation on account of the check when the Treasury

has determined the original check to have been paid. When the check status is "Paid", the Treasury will provide a photocopy of the original check, an FMS Form 1133, Claim Against the United States for the Proceeds of a Government Check, and an FMS 3858, Claims Document. If a photocopy of the check is not available within 60 days, Treasury will provide a modified FMS Form 1133. If Treasury does not provide the modified FMS Form 1133, the DO should request one by using FMS Form 3864. If the payee of the original check is deceased, not entitled to the proceeds of the check, or the check was endorsed before it was lost or stolen, the Treasury will take no action on the claim if the photocopy of the paid check is not available within 60 days. The FMS Forms 1133 and 3858 are combined in a four-page form set. The FMS Form 1133 is for the payee's declarations and information concerning the unavailable check. The FMS Form 3858 is the claim reference document that contains the necessary information for Treasury Check Claims Operations to identify the check. A copy of the FMS Form 3858 must be attached to any correspondence with the Treasury concerning the unavailable check.

★ **B. Check Forgery Insurance Fund (CFIF).** Only the Treasury's Division of Check Claims is authorized to adjudicate claims of forgery against Treasury checks. As explained in section 0806 below, a claim against the CFIF is governed by the 1 year statute of limitations provided in the Competitive Equality Banking Act of 1987 (CEBA), since a claim against the CFIF constitutes a claim on account of a Treasury check. Therefore, a claim of forgery must be presented within 1 year from the date the check was issued. If the claim is not presented within the 1 year statutory period (from the date the check was issued), the claim on the check is barred and the payee is not entitled to payment out of the CFIF. **NOTE:** The running of the statutory 1 year limit on the claim against the CFIF has no effect on the underlying obligation of the Government for the payment. If the Treasury determines a check endorsement was forged and the payee's claim meets the statutory requirements, the Treasury will institute reclamation procedures to recover the proceeds of the forged check from the banking system. CEBA also set a statutory time limit of 18 months from the date a check is negotiated for accomplishment of bank reclamation. As stated in Comp-

troller General Decision B-242666 dated August 31, 1993, reference (aj), if the statutory requirements for the claim have been met and the proceeds of the check cannot be recovered from the banking system through bank reclamation procedures, the Treasury is responsible for issuance of the settlement check with the payment charged to the CFIF.

★080515. Forgery Claims

★ A. General. As stated in the previous paragraph, a payee may have a valid claim against the CFIF when the unavailable original check has been determined by Treasury to have been paid. The DO shall deliver the FMS Form 1133 portion of the form set to the payee for completion and return to the disbursing office if the SF 1184 was submitted with stop codes of A, D, F, or G. If the payee claims the endorsement signature is a forgery, the FMS Form 1133 must be completed by the payee and returned to the DO for submission to Treasury. The DO shall inform the payee that only the Treasury is authorized to adjudicate claims of forgery against Treasury checks. If a recertified payment check has not yet been issued, no recertified payment check will be issued prior to receipt of an FMS Form 3859, Claims Disposition Notice from the Treasury. If the Treasury determines the check was not forged, the claim will be considered closed and normally the payee will not be authorized to receive a recertified payment. Also, if the Treasury determines the original check was not forged and the original check has been replaced by a recertified payment check, the payee shall be liable for the value of the recertified check and must make immediate payment. **NOTE: CHECKS LOST BY THE PAYEE AFTER THEY WERE ENDORSED BY THE PAYEE ARE NOT FORGERIES.**

★ B. FMS Form 3859, Claims Disposition Notice. A payee is only entitled to a recertified check in settlement of a claim of forgery based on an FMS Form 3859 issued by Treasury. The FMS Form 3859 is used to advise the payee and the DO of the results of Treasury's investigation of the claim of forgery. The conditions by which the DO is authorized to issue a recertified check to the payee are described below.

★ 1. The Treasury has determined that the endorsement on the original check was

forged and is in the process of collecting the proceeds through the banking system (bank reclamation), refund pending. In this instance, should the bank reclamation process fail, the settlement to the payee should properly be chargeable to the CFIF. Therefore, the recertified payment check should not be issued until the Treasury further advises that the proceeds have been recovered from the banking system and the credit provided to **F3880.

★ 2. The Treasury has determined that payee is entitled to the proceeds of the check (the endorsement on the original check was forged but the time period for bank reclamation has expired), settlement authorized. This situation generally does not occur unless the payee failed to file the claim against the original check within the statutory 1 year period from the date the check was issued. As explained in paragraph 080514 above, the running of this 1 year statutory period does not effect the underlying obligation to make payment. In this instance, if the underlying obligation is otherwise determined to be valid (payee entitled to the payment), the recertified check may be issued with the payment charged to the appropriation or fund charged when the original check was issued. If the original appropriation or fund is no longer available, the recertified payment should be charged to a current appropriation available for the same general purpose subject to limitations on its use.

★080516. Collections of Double Negotiations

A. General. Negotiation of an original check which has been replaced by a recertified check is considered to be an illegal, incorrect, or improper payment for purposes of pecuniary liability. DOs are responsible for collection from payees to recover illegal, incorrect, or improper payments made by the DOs and/or deputies and agents. In the event that the payee separates from Government service, the DO shall continue to be responsible for assuring collection action. Normally, collections for illegal, incorrect, or improper payments are one-time cash refunds or lump-sum collection by pay account checkage or salary offset and do not warrant installment liquidation. A decision to permit repayment in installments is reserved for extreme personal hardship and is left to the discretion of the DO.

★ B. Procedures

★ 1. Collection Action. When the DO is notified that the Treasury has reversed a previous credit to **F3880 from the cancellation of the original check, the DO shall and immediately begin collection action. Due process rights of collection specified in Part II of this Volume shall be afforded the payee in each case. Normally, the most effective measure of effecting expeditious recovery will be to present the payee a photocopy of the paid original check and a copy of the signed statement of claimant containing the clause acknowledging that the payee was not entitled to both the original and the recertified check, and to enforce the agreement contained therein. Due process rights of collection include the opportunity for the payee to contest the validity of the debt. In cases of double negotiation, this opportunity is provided by the payee's right to complete the FMS Form 1133. If upon presentation of the copy of the negotiated check the payee asserts that the check was negotiated over a forged endorsement, collection should not begin until the Treasury's Division of Check Claims adjudicates the payee's claim of forgery. However, if the payee does not provide the properly completed FMS Form 1133 within the time frame allowed for presentation of documentation as to why the debt is not owed, the payee will be deemed to have acknowledged the debt and collection will begin immediately. If the payee provides the properly completed FMS Form 1133 and the Treasury determines the check was forged, the payee would not owe the debt. If the Treasury denies the payee's claim of forgery (i.e., the Treasury determines the check was not forged), the full amount of the check is due and payable immediately. Collection action shall be completed within 90 days of the receipt of the DAS from Treasury indicating the canceled unavailable original check has been paid or within 90 days of receipt of the FMS Form 3859 from Treasury indicating the payee's claim of forgery is denied, as applicable to the circumstances of each individual case as described above. The DO shall document all attempts to collect illegal, incorrect, or improper payments. If all reasonable steps have been taken to make collection and the illegal, incorrect, or improper payment becomes locally uncollectible within the 90-day time limit, the DO shall transfer the debt to the servicing DFAS Center designated to pursue collection of locally uncollectible debts.

2. Determination of Fraud.

Double negotiations could indicate misrepresentation or fraudulent intent. If the DO suspects that the negotiation of the original check is the result of fraudulent activity, the procedures outlined in chapter 06 of this Volume for reporting the event, and for possible investigative and disciplinary action shall be followed. Collection action shall be taken as specified in Part II of this Volume.

★080517. Relief of Liability for Uncollectible Illegal, Incorrect, or Improper Payments. The DO may request relief of liability for illegal, incorrect, or improper payments following the procedures in chapter 06 of this Volume. As stated in 65 Comp. Gen. 812 (reference (ak)), the policy of the Comptroller General is to deny relief in cases where the DO does not make all reasonable attempts to collect from the payee and delays more than 3 months before referring the debt to the appropriate activity for further collection. In the case of DoD Components, the appropriate activity to refer debts is the servicing DFAS Center.

★080518. Separation of Duties. The payment recertification process is subject to the same management controls as other more routine disbursements. The same individual shall not authorize, process, and review recertified check transactions. Except as provided below, the minimum acceptable separation of duties shall consist of preparation of the SF 1184 by one individual; review and approval of the DD Form 2660 and SF 1184 by a deputy or the DO; preparation of a disbursement voucher by one individual in the appropriate entitlement area; review and approval of the voucher and supporting documentation by a first line supervisor other than the deputy or DO authorizing the transaction; and authorization of the disbursement by the DO or a deputy. At locations where the entitlement and disbursing offices are combined into one unit (as is the case at small activities and most tactical units), whenever possible neither the person preparing the SFs 1184 and disbursement vouchers nor the person reviewing the transaction and supporting documents shall prepare the check.

★0806 TREASURY CHECKS CANCELED UNDER LIMITED PAYABILITY

★080601. Background. The Competitive Equality Banking Act of 1987, Public Law 100-86 (reference (ah)) (CEBA) amended 31 U.S.C. § 3328 (reference (o)), and created a new section 3334 to establish time limits on the payability (negotiability) of Treasury checks. CEBA affects the time period permitted for negotiation of Treasury checks, initiating and processing claims on those checks, recovering monies from financial institutions, and replacement of Treasury checks. However, CEBA has no effect on the underlying obligation of the United States for which a Treasury check was issued. Electronic Fund Transfer (EFT) payments and limited depositary checking account payments are also not affected by CEBA.

★ A. Pre-CEBA. Prior to the effective date of CEBA (October 1, 1989), 31 U.S.C. § 3328(a) provided that a Treasury check could be paid (negotiated) at any time and 31 U.S.C. § 3328(c) provided that the limitation on claims against the Government in 31 U.S.C. § 3702 (Barring Act) did not apply to an unpaid (not negotiated) Treasury check. These principles may be shown with the following hypothetical examples.

★ 1. An individual makes a claim for payment of \$1000 in December 1978 with an agency and receives a Treasury check in payment in January 1979. The individual does not negotiate the check until 1986. In this example, the underlying obligation is the amount due in satisfaction of the claim. The individual tolled the Barring Act by submitting the claim for payment in December 1978. Upon the issuance of a Treasury check, the individual also has a separate claim on the Treasury check, which was, in 1979, payable in perpetuity. 31 U.S.C. § 3328(a) (1982). Thus, prior to CEBA, the individual's right to obtain a replacement check on account of the original unnegotiated Treasury check masked the effect of the Barring Act (31 U.S.C. § 3702 (b)) on the underlying obligation.

★ 2. The effect of the Barring Act on the underlying obligation may be shown by modifying this example slightly. In addition to the earlier facts, assume further that the individual discovered that he had failed to claim all that was due in December 1978 and that the agency in fact owed him another \$250. He may obtain payment of the additional amount of the underlying obligation only if he submits a new claim

for the additional amount to the agency within the 6-year period following the accrual of the original claim, December 1978. If, however, in 1986 the individual, in addition to negotiating the check, submitted a claim for the additional \$250, the claim for the additional amount would have been barred since more than six years had elapsed from the accrual of the original claim.

★ B. CEBA. The Competitive Equality Banking Act (CEBA) established a one-year limitation on the negotiability of a Treasury check. However, the negotiability of a check does not affect the obligation underlying the check. Effective October 1, 1989, CEBA left the two causes of action separate, that is, one on the underlying obligation and one on the Treasury check. However, CEBA imposed a statutory limitation on the period during which a Treasury check may be paid and on any claim on account of a Treasury check. CEBA requires that Treasury checks must be negotiated within one year of the date of issuance and states that any claim on account of a Treasury check is barred unless the agency which issued the check receives a claim within one year of the issuance date. Following this one-year period, a request for payment based on the Treasury check is forever barred. However, since a claim on the underlying obligation is separate from a claim on the check, payment may still be made on the underlying obligation subject to the six-year statute of limitations in the Barring Act (31 U.S.C. § 3702(b)). Accordingly, after the six-year period following the accrual of the claim, a check may be issued only if the claimant has tolled the Barring Act by making a timely claim on the underlying obligation. To make CEBA applicable in the above example, change the years of the hypothetical case. If the individual submitted the claim in December 1989, and the date of issuance of the check was January 1, 1990, a claim on the check expired one year after the issuance date, December 31, 1990. Thus, the individual had to perfect his claim on the Treasury check before the one year period expired in order to obtain a replacement check. This, however, does not affect a claim on the underlying obligation. In this example, because a claim for payment, that is, the claim submitted in December 1989, was timely submitted, the running of the period of limitations in the Barring Act was tolled, and a replacement check may be issued, even if more than 6 years pass. Con-

versely, if a timely claim on the underlying obligation had not been received, the claim on the underlying obligation is barred and an agency may not issue a replacement check. Therefore, if a claimant has submitted a valid claim to toll the statute of limitations on the underlying obligation, he may obtain a payment check even if more than 6 years has passed since the claim accrued or the check was issued. However, that is not to say that tolling of the Barring Act on the underlying obligation permits payment in perpetuity. Entitlement to payment is not unlimited; any appropriate defense remains available to the government. For example, where following cancellation of a Treasury check under CEBA, a claimant waits an inordinate period of time to request payment on the underlying obligation, laches may apply. Furthermore, Treasury records show only that a check has not been presented to the Treasury for payment, and not whether it was presented to and paid by an intermediary bank.

★080602. Treasury Check Payability. All Treasury checks issued prior to October 1, 1989, have been canceled. All Treasury checks issued on or after October 1, 1989, bear the legend "Void After One Year." The Treasury will decline payment of all checks which are not negotiated to a financial institution within 1 year from the check issue date. Financial institutions will advise the payee to contact the agency which issued the check because the check is no longer negotiable. Any physical checks returned to the disbursing office because they are no longer payable (negotiable) shall be stamped "VOID - NOT NEGOTIABLE" and shredded once the disbursing office has confirmed receipt of the Limited Payability cancellation credit. Treasury checks issued prior to October 1, 1989, have already been mass canceled and may be shredded without confirmation of receipt of a Limited Payability cancellation credit.

★080603. Treasury Check Claimability. Any claim on account of a Treasury check is barred unless it is presented to the agency that issued the check within 1 year after the date of issuance. Since CEBA established a 1-year statute of limitations for claims against a Treasury check, DOs are not authorized to process any claim for replacement of a check which is over 12 months old (from date of issue). Therefore, under the provisions of CEBA, DOs must reject all claims

against Treasury checks as time barred (i.e., claims for replacement of Treasury checks) which are not received prior to the expiration of the 12-month period of negotiability (from the date of issue) of the check. The DOs should notify the claimant that a claim of non-payment of the underlying obligation of the Government must be filed with the appropriate entitlement office (contracting officer for vendors or commercial payees, military pay office, civilian pay office, travel office, etc.).

★080604. Limited Payability Check Cancellation Process. During the 14th month after issuance, Treasury will identify and cancel all checks that have not been negotiated within 12 months from the date of issue. Where the check issue data is submitted after the limited payability period, the cancellation of checks that are outstanding will occur at the end of the month in which the check issue data is submitted. The Treasury credits the funds derived from the cancellation of checks dated on or after October 1, 1989, to Unavailable Check Cancellations and Overpayments (Suspense), **F3880. The DFAS Centers at Cleveland, Denver, and Indianapolis will receive the limited payability cancellation credits monthly from the Treasury on an SF 1081, Voucher and Schedule of Withdrawals and Credits, along with a magnetic tape listing of checks canceled. Identifying information for the checks being canceled will be included on the magnetic tape. Where available, the proceeds of these canceled checks will be forwarded to the DFAS Centers through the Government On-line Accounting Link System/On-line Payment and Collection (GOALS/OPAC). Any identifying information provided in the original check issue data submission will be reflected as detail in the credit transmission. The detail also will be provided on microfiche monthly. The DFAS Cleveland, Denver, and Indianapolis Centers will forward check credit information (including the detail information) applicable to the DFAS Columbus Center disbursing accounts to the DFAS Columbus Center. The DFAS Cleveland Center also will forward the cancellation credit information (including the detail information) applicable to the DFAS Kansas City Center and Marine Corps disbursing offices to the DFAS Kansas City Center. Note: All checks issued before October 1, 1989, that were not negotiated by October 1, 1990, were also canceled by Treasury (referred to as "mass cancellation"). However, the proceeds

of these canceled checks were not returned to the check issuing agency but were applied to the Treasury's uncollectible accounts receivable.

★080605. Reversals of Limited Payability Cancellations. In some cases, checks will be negotiated to financial institutions within 1 year from the date of issue, but processing in the Federal Reserve System or in the Treasury's Reconciliation Branch will prevent the payment from being applied to the Check Payment and Reconciliation (CP&R) system before the limited payability cancellation has occurred. In these instances it will be necessary for the Treasury to reverse the cancellation credit and provide a copy of the paid check. Reversal transactions will be separate from the monthly cancellation credits described above.

★080606. Accounting for Limited Payability Cancellation Credits or Reversals

★ A. DFAS Center. Treasury regulations require the proceeds from canceled checks to be returned to the appropriation from which the check was issued originally and to treat the canceled check as an account payable. Within 15 days of receipt, the DFAS Center should provide the check cancellation and credit detail information to both the disbursing office that issued the check and the accounting office that services the disbursing office. Treasury reversal of previous cancellation credits also should be provided to the applicable disbursing and accounting offices.

★ B. Accounting Office. The accounting office should promptly transfer the individual check credits from **F3880 to the appropriation charged when the check was issued and establish an account payable. Reversal of a previous credit should also be promptly transferred from **F3880 to the appropriation charged when the check was issued and the account payable removed.

★ C. Disbursing Office. Upon receipt of the detailed limited payability cancellation credit or reversal information from the servicing DFAS Center, the disbursing officer is responsible for initiating research on the check issue data submitted to the Treasury to ensure that the detailed information provided is accurate. That is, the DSSN, check serial number, date of issue, and issue amount provided in the cancellation credit

or reversal must agree with the original check issue data reported to Treasury when the check was issued. Any discrepancy in this data must be researched to determine the cause of the discrepancy and appropriate action taken to correct the discrepancy. In addition, the disbursing officer shall ensure that disbursing records are researched to determine if a claim of loss, theft, non-receipt, etc., has been filed on the limited payability canceled check. This includes a determination of whether the check was previously replaced by a control check, recertified check, or other type of replacement check. The disbursing office also should notify the appropriate entitlement or subject matter area (i.e., military pay, civilian pay, travel pay, or commercial accounts payable) that the Treasury has returned credit to the activity because the check was not negotiated within the prescribed period. Upon the request of an entitlement area, DOs should accomplish the verifications described at paragraphs 080608.A, 080608.D through 080608.A, 080608.D below and advise the entitlement area whether the original Treasury check was canceled or negotiated, or whether it was previously replaced.

★080607. Claims of Non-payment of the Underlying Obligation. Comptroller General decision B-244431.5, dated August 23, 1995 (reference (al)), stated that whether a check may be replaced following the limited payability cancellation of a Treasury check depends on whether a timely claim on the underlying obligation has been submitted to toll the applicable statute of limitation, 31 U.S.C. § 3702 (b) (1988) (Barring Act). As explained in the following subparagraphs, where documentary evidence of a timely claim on the underlying obligation exists, or other appropriate evidence that a timely claim was received, an agency may issue a new check. As required by paragraph 080603, when a Treasury check claim or replacement request is received by a DO more than 1 year after the check issuance, the DO should notify the claimant that a claim on account of the Treasury check is barred, and that any claims on underlying obligations should be filed by the payee with the appropriate entitlement area or agency with jurisdiction over the underlying obligation. In all cases, entitlement to payment on these claims must be determined by the appropriate entitlement area. For approved claims, the source of funding for the recertified

payment must be the appropriation charged when the original check was issued, or if no longer available, a current appropriation available for the same general purpose subject to limitations on its use. For checks issued on or after October 1, 1989, which were canceled under limited payability, proceeds were provided as described in the previous paragraph and should have been transferred to the original appropriation charged when the check was issued and an account payable established. For checks issued before October 1, 1989, which were mass canceled and for which the proceeds were not returned to the issuing agency, the source of funding for approved claims should be the appropriation charged when the original payment was made. If no longer available, charge a current appropriation available for the same general purpose as the original appropriation subject to limitations on its use. After determination of a payee's entitlement to a recertified payment, the entitlement area should prepare and certify the payment voucher and forward the voucher and supporting documentation to the disbursing officer for payment.

★ A. Claim of Individual Payees

★ 1. Military Pay. Claims of non-payment of members of the Armed Forces (to include active duty, reserve, retired, and annuitant) must be submitted to the appropriate military payroll office for determination of entitlement and that a timely claim on the underlying obligation was submitted. Note that Treasury checks issued in payment of obligations relating to military pay and allowance entitlements ordinarily are not issued in response to claims. Therefore, the payee usually will not have tolled the Barring Act by asserting a claim prior to issuance of the original check. It may, however, be necessary for the entitlement area to consider the extent to which the Barring Act was tolled during periods of active duty performed by the claimant. If it is determined that the payee has submitted a timely claim and that the payee has not been paid, the claim must be certified and forwarded to the appropriate disbursing office for payment See paragraph 080608 below for payment procedures.

★ 2. Civilian Pay. Claims of non-payment for wages earned by civilian employees of the Federal Government must be submitted to

the appropriate civilian payroll office for determination of entitlement and that a timely claim on the underlying obligation was submitted. Note that Treasury checks issued in payment of obligations relating to civilian pay entitlements ordinarily are not issued in response to claims. Therefore, the payee usually will not have tolled the Barring Act by asserting a claim prior to issuance of the original check. If it is determined that the payee has submitted a timely claim and that the payee has not been paid, the claim must be certified and forwarded to the appropriate disbursing office for payment. See paragraph 080608 below for payment procedures.

★ 3. Travel Pay. Claims of non-payment for travel entitlement by members of the Armed Forces or civilian employees must be submitted to the appropriate travel office for determination of entitlement and that a timely claim on the underlying obligation was submitted. Note that Treasury checks issued in payment of obligations relating to travel pay entitlements ordinarily are issued in response to claims asserted by claimant submission of travel vouchers. Unlike military and civilian pay cases, the Barring Act's statute of limitations in travel payment cases usually will have been tolled before issuance of the original check when the claimant submitted the travel voucher. If it is determined that the payee has submitted a timely claim and that the payee has not been paid, the claim must be certified and forwarded to the appropriate disbursing office for payment See paragraph 080608 below for payment procedures.

★ 4. Residual Claim Categories. Treasury checks also are issued to individuals in satisfaction of miscellaneous Government obligations. For example, legal claims under the Federal Tort Claims Act, 28 U.S.C. §§ 1346(b), 2671-2680, should be asserted by claimant-payees before the entitlement area within the military department with tort claim settlement authority over the claim. Similarly, claims of properly losses incurred incident to Government service may be cognizable under the Military Personnel and Civilian Employees' Claims Act, 31 U.S.C. § 3721, and should be asserted by claimants before entitlement areas with claim settlement authority, such as military judge advocate general departments. Note that Treasury checks issued in payment of these types of obligations are

issued in response to claims asserted by the claimants. Unlike military and civilian pay cases, the Barring Act's statute of limitations in these cases usually will have been tolled before issuance of the original check when the claimant submitted the claim. If it is determined that the payee has submitted a timely claim and that the payee has not been paid, the claim must be certified and forwarded to the appropriate disbursing office for payment. See paragraph 080608 below for payment procedures.

★ B. Claims of Commercial Payees. As used herein, the term "commercial payees" includes vendors, contractors, and any individual under contract for miscellaneous services. Claims of non-payment from commercial payees or their authorized agents must be submitted by the claimant to the contracting officer. If the contracting officer determines that the commercial payee remains entitled to payment of the contractual obligation, and if a payment voucher is prepared and forwarded with supporting documentation to the disbursing office, the DO must then determine if a replacement check should be issued based on the criteria in paragraph 080608 below.

★080608. Claim Processing Procedures. Upon receipt of an approved claim and certified payment voucher from the appropriate entitlement area, along with appropriate supporting documentation, the DO shall take the actions prescribed below.

★ A. Verify that the original check was canceled under limited payability.

★ B. Verify that credit for the check was received from Treasury and transferred by the accounting office to the original appropriation charged when the check was issued. If receipt of the credit cannot be verified or no information is available locally, the DO shall prepare and submit to the servicing DFAS Center an SF 1184 for each check using Stop Reason Code "K" (photocopy), "L" (certified photocopy), or "M" (status) and citing "Limited Payability Cancellation Replacement Request" in the "For Agency Use" block. This action is also required to ensure that the check was canceled under mass cancellation before making any recertified payment for an obligation represented by a check dated before October 1, 1989. Stop

reason codes, status codes, and message responses are provided in tables 8-1 and 8-4.

★ C. Verify that the original check was not spoiled or voided and replaced by a control check or a check bearing a different check number.

★ D. Verify that the original check has not previously been replaced by a recertified check, substitute check, or replacement check (i.e., was not previously the subject of a claim of non-receipt, loss, theft, etc.).

★ E. Issue a replacement check upon receipt of an approved claim and certified payment voucher from the entitlement area, provided that the verifications under subparagraphs 080608.C, 080608.D and 080608.C, 080608.D confirm that the original check previously has not been replaced. If the above verifications disclose that the original check previously has been replaced, the DO shall reproduce a copy of the payment voucher on which the replacement was issued and obtain a photocopy of the replacement from Treasury as prescribed in section 0805. The copy of the voucher and replacement check shall be provided to the entitlement area for use in providing notification to the claimant that the claim was previously settled. In order to provide the necessary cross-reference and control over issuance of replacement checks, DOs shall maintain a DD Form 2662, Recertified Check Register as prescribed in paragraph 080503 of this chapter.

Note: Except for deactivated and closed disbursing offices, only the disbursing office that issued the original check is authorized to issue a recertified payment for an underlying obligation represented by a check canceled under Limited Payability. For deactivated disbursing offices, the designated settlement office is authorized to make these recertified payments under its own DSSN. For closed disbursing offices, only the servicing DFAS Center is authorized to make these recertified payments under its own DSSN. Under no circumstances is any DO authorized to issue a recertified payment for these claims citing a direct charge to the **F3880 account. Recertified payments for the underlying obligations represented by a check canceled under Limited Payability may only be made from the original appropriation

or if no longer available, from a current appropriation available for the same general purpose as the original appropriation, subject to limitations on its use.

★0807 HOLDERS-IN-DUE-COURSE

★080701. General. A holder-in-due-course is a person, financial institution, or business other than the original payee who, in good faith, takes possession of a check through endorsement. A holder-in-due-course may be the second, third, fourth, or later holder to whom the check has been transferred by endorsement. A holder-in-due-course has no direct claim against the issuer (issuing DSSN) of a Treasury check. However, all DOs shall assist the holder-in-due-course in filing claims as provided in this section.

★080702. Exceptions. A check sent to a financial institution for credit to the account of a member, employee, or vendor and made payable to the financial institution does not create a holder-in-due-course relationship. When these checks are lost, stolen, or destroyed, the recertified check procedures in section 0805 of this chapter apply.

★080703. Lost-in-Transit Items. When the holder-in-due-course is a financial institution (commercial bank, credit union, savings and loan, etc.), the DO should advise them to submit their claim through the nearest FRB as a lost-in-transit item. However, the DO may accept claims from financial institutions if the holder cannot submit the claim through the FRB.

★080704. Processing Claims. Any DO, not just the DO of the DSSN which issued the check, can process a holder-in-due-course claim if all the data needed to complete the SF 1184 is supplied. If all the data is not provided the accepting DO shall submit the holder's claim supported by a signed statement from the payee and/or holder to the disbursing office that issued the check. The issuing disbursing office shall then complete the SF 1184 and forward the completed package to the Treasury. The disbursing office processing a valid holder-in-due-course claim **SHALL NOT** issue a recertified check to the holder.

★080705. Preparation and Distribution of the SF 1184 for Holder-in-Due-Course

A. Preparation. Holder-in-due-course SFs 1184 cannot be submitted via mechanized systems. Using a typewriter, complete the following blocks on the SF 1184 and make no other entries.

1. CK. SYM. Enter the DSSN of the disbursing office that issued the check. (Processing DSSN may be different).

2. CK. SERIAL. Enter the serial number of the lost, stolen, or destroyed check.

3. CK. AMOUNT. Enter the exact amount of lost, stolen, or destroyed check.

4. CK. DATE. Enter the date of lost, stolen, or destroyed check.

5. FOR DO USE

a. Enter an "X" in the "Request Processed" block.

b. Enter the name and DSSN of the preparing DO's activity, post, station, or unit on "DO Activity" line.

c. The DO, deputy, or other authorized person shall sign the "Signature" line.

6. FOR AGENCY USE

a. Type the words "Holder-In-Due-Course".

★ b. Type the word "Payee:" and the name and SSN of the payee of the lost, stolen, or destroyed check.

c. Type the word "Claimant:" and the name and address of the holder making the claim for the check.

7. AGENCY LINE. Type "U.S. Army", "U.S. Navy", "U.S. Air Force", or "U.S. Marine Corps", as appropriate. Defense agencies other than the Army, Navy, and Air Force shall enter the appropriate agency name based on which Military Service provided the DSSN.

8. SIGNATURE LINE. The DO or a deputy shall sign the SF 1184.

LEAVE ALL OTHER FIELDS OF THE SF 1184 BLANK.

B. Distribution. Attach the statements of the payee and the holder to the SF 1184 original copy. Mail the original SF 1184 and statements to: Department of the Treasury, Financial Management Service, Exception Processing Unit, Operations Division Check Claims, P.O. Box 1849, Hyattsville, MD 20788. File the "Disbursing Office Copy" in the processing DO's retained records. If the processing DSSN is not the DSSN issuing the original check, mail the "Agency Receipt Copy" to the issuing DSSN. Otherwise, destroy the "Agency Receipt Copy" and the "Administrative Agency Copy". See figure 8-9 for a properly completed SF 1184 (Holder-In-Due-Course).

★080706. Payment of Claims. The Treasury will determine the payment status of the original check, advise the holder of the status and the action to be taken, and forward copies of paid checks to the holder. The processing DO **shall not issue a recertified check** for any holder-in-due-course claim received and processed through the Treasury. In addition, when an "Agency Receipt Copy" is received by the disbursing office that issued the check, action shall be taken to ensure that the check issue records for the original check identified on the SF 1184 are flagged or blocked by a clear and unmistakable signal to prevent future cancellation and replacement of the original lost or stolen check.

STOP CODE	MEANING	CONDITIONS FOR USE
A	RECERTIFIED CHECK	<ol style="list-style-type: none"> 1. Payee entitled to original check. 2. Payee claims nonreceipt, loss, theft, or mutilation. 3. Check was not endorsed by payee when lost or stolen. 4. DoD is making a second payment by RECERTIFIED CHECK. 5. Payment was not a direct deposit/electronic funds transfer check.
D	ENTITLEMENT	The same conditions apply as for Code A above except the agency prefers to recertify the payment after it has been advised of the status of the original payment, or after receiving credit from Treasury on the outstanding check. A recertified check is not issued until the status of the original check has been determined.
E	DECEASED	<ol style="list-style-type: none"> 1. Payee died before original check issue date. 2. Payee's estate is not entitled to the proceeds of the original check.
F	NON-ENTITLEMENT	Payee is not entitled to all, or any part of the proceeds of the check.
G	LOST/STOLEN - ENDORSED	<ol style="list-style-type: none"> 1. Payee entitled to proceeds of the check. 2. Check was in payee's possession and had been endorsed before it was lost or stolen.
K	PHOTOCOPY	<ol style="list-style-type: none"> 1. Photocopy needed for administrative purposes. 2. No indication of nonreceipt, loss, theft or that a claim will be involved. 3. This code does not cancel an original check.
L	CERTIFIED PHOTOCOPY	<ol style="list-style-type: none"> 1. Certified photocopy needed to satisfy legal requirements. 2. No indications of nonreceipt, loss, theft, or other evidence that a claim for a check by the payee is involved. 3. This code does not cancel an original check.
M	STATUS	<ol style="list-style-type: none"> 1. Used to determine payment status only, when a photocopy is not required for administrative purposes. 2. This code does not cancel an original check.
R	FOLLOW-UP TO PRE-RECERTIFICATION STOP	<ol style="list-style-type: none"> 1. DO needs information on Request for Stop Payment (Standard Form 1180) submitted prior to recertification procedures (prior to July 27, 1984). 2. This code does not cancel an original check.
U	LEGAL INCAPACITATION	Agency determines payee is no longer legally entitled to the proceeds of the check.
P	LIMITED PAYABILITY CANCELLATION REQUEST	This code is for use only by Navy and Marine Corps disbursing offices. It is used to verify credit for limited payability cancellation from Treasury. This code does not cancel an original check.

Table 8-1. Unavailable Check Cancellation Stop Codes

OUTPUT CODE	DESCRIPTION
1	Magnetic tape input through Treasury Financial Centers and magnetic tape output from the CSD. (Note: agencies may not use this code unless they have entered into agreements with the Treasury's Field Operations and the CSD).
2	Paper Standard Form 1184 input; paper output.
3	Reserved.
4	Magnetic tape input from non-Treasury disbursing agencies and magnetic tape output from the CSD.
5	Reserved.
6	Reserved.

Table 8-2. Agency Output Codes

FOR AN ITEM CANCELLATION		FOR A BATCH TRANSMITTAL	
Original	DFAS Center	Original	DFAS Center
D.O. copy	Disbursing office retain	D.O. copy	Disbursing office retain
Agency receipt copy	Not used - destroy	Agency receipt copy	DFAS Center
Admin. agency copy	DFAS Center	Admin. agency copy	DFAS Center

Table 8-3. Distribution of Manually Prepared SF 1184, Unavailable Check Cancellation

STOP REJECT CODES			
1A	Rejected - symbol missing.	4D	Rejected - UCC/CSI code unauthorized for ALC: Certain stop codes are reserved for special use. If you submit a UCC with a stop code that is not available to the DoD, the UCC will reject.
1B	Rejected - check serial number missing.		
1C	Rejected - check amount missing.		
1D	Rejected - original check date missing.		
1E	Rejected - UCC/CSI reason code missing.	4E	
1F	Rejected - payee ID number missing.	5A	
1H	Rejected - payee name missing.	5B	
1I	Rejected - address missing.	5C	
1J	Rejected - decedent name missing.	5D	
1K	Rejected - date of death missing.	5E	
1L	Rejected - agency location code missing.	6A	
1N	Rejected - amount to be reclaimed missing.	6B	
1O	Rejected - agency output indicator missing.	7A	
2A	Rejected - check description error; resubmit corrected stop.		
3A	Rejected - date of death after check date.	8A	Rejected - ck canceled/agency credited.
3C	Rejected - decedent payee wrong/payee.	8B	Rejected - void check-DO never issued check.
4A	Rejected - invalid UCC/CSI.	9A	Rejected - amount not equal to issue amount.
4C	Rejected - invalid agency location code.		
PAID STATUS CODES			
11	Paid - photocopy and claim to follow. Paid - DCC reclamation; no photocopy to agency. Paid - photocopy to follow. Subsequently the DO will receive FMS Form 3838 with one of the following messages: 1. Check paid - copy enclosed. 2. Check previously canceled by Standard Form 1184 and proceeds made available to agency. 3. Check previously canceled by available check cancellation. 4. Check canceled pursuant to limited payability. The proceeds were made available to the agency 14 months after the issuance of the check.	15	Paid - certified photocopy to follow.
13		16	Paid - status. The check has been presented for payment or canceled and only status was requested.
14		17	Paid - endorsement may prohibit claims action; photocopy and claim to follow.
		18	Paid - statute of limitations expired; no photocopy available. The statute of limitations for making an unavailable check cancellation claim has expired. If status is needed, use stop reason code M.
		20	Paid - declined check; photo/claim to follow.
		21	Paid - ACC credit by DO - no photo available.
LIMITED PAYABILITY STATUS CODES			
25	Paid - no further information available. A copy of the check has been requested under stop codes K or L. Treasury is not able to provide copies of checks issued prior to November 7, 1986. Copies of checks issued on or after November 7, 1986 are generally available for 78 months.	26	Limited Payability Mass Cancellation. Check was issued prior to October 1, 1989 and was included in the cancellation of all outstanding checks on November 30, 1990. No further assistance available.
		27	Check Previously Canceled By Limited Payability. The check was outstanding after 14 months from its issue date and was canceled.
OUTSTANDING STATUS CODES			
32	Outstanding - check canceled, agency credited.	34	Outstanding - status.
33	Outstanding - no photocopy.		

Table 8-4. Daily Advice of Status Codes and Messages

PAYMENT EXCEPTION STATUS CODES			
40	Payment Exception - DCC to review and advise.	43	Payment Exception - DCC to review and advise.
41	Payment Exception - DCC to review and advise.	44	Payment Exception - DCC to review and advise.
42	Payment Exception - DCC to review and advise.		
SUBSEQUENT STOP CODES			
53	Rejected - duplicate stop.	63	Payment Over Cancellation - Reversal of previous agency credit on (<u>date</u>) by SF 1081 (<u>Voucher #</u>). Photocopy and claim attached. Endorsement may prohibit claims action. Payment Exception - ODCC to review and advise.
54	Check has been previously canceled.		
61	Payment Over Cancellation - Reversal of previous agency credit on (<u>date</u>) by SF 1081 (<u>Voucher #</u>). Photocopy and claim attached.	90	
62	Payment Over Cancellation - Reversal of previous agency credit on (<u>date</u>) by SF 1081 (<u>Voucher #</u>). Photocopy used for DCC reclamation on deceased stop.		

Table 8-4. Daily Advice of Status Codes and Messages (Continued)

Reason	Time Frame	Remarks
1. DAS states duplicate stop.	Immediately.	
2. DAS states exception category.	No earlier than 60 days from receipt of DAS.	
3. DAS states check paid. a. Photocopy of check and claim form not received. b. Photocopy of check received, no claim form. c. Received claim form without photocopy of check. d. Photocopy of check has different check symbol and serial number from DAS.	No earlier than 30 days from receipt of DAS. Immediately upon receipt of photocopy of check. Immediately upon receipt of claim form. Immediately upon receipt of photocopy of check.	Check items 4, 4a, and 4b of FMS Form 3864. Check items 4 and 4b of FMS Form 3864. Check items 4 and 4a of FMS Form 3864. Return photocopy of check. Check items 4 and 4c of FMS Form 3864.
4. Standard Form 1081 received with a claim document. a. Without photocopy of check. b. Without claim form (not applicable for stop code E or T when no photocopy of check can be obtained). c. Without a photocopy of check and claim form. d. With wrong photocopy of check.	Immediately upon receipt of Standard Form 1081. Immediately upon receipt of Standard Form 1081. Immediately upon receipt of Standard Form 1081 and claims document. Immediately upon receipt of Standard Form 1081 and claims document.	Check items 5 and 5a of FMS Form 3864. Check items 5 and 5b of FMS Form 3864. Check items 5, 5a, and 5b of FMS Form 3864. Check items 5 and 5c. In item 10, OTHER, state whether the check problem involves a wrong payee or a wrong symbol and serial number. Return the photocopy of the check.
5. Treasury has not responded to a claim form.	No earlier than 30 days from submission of the claim form.	Enter the date claim form submitted on FMS Form 3864.
6. Claims disposition notice (CDN) indicates need for investigation or refund from bank, but final CDN not received.	a. No earlier than 120 days from CDN that states "Pending investigation." b. No earlier than 180 days from CDN that states "Pending refund from bank."	Treasury does not continually follow-up with banks. DO's should follow-up with Treasury monthly when credit is anticipated.
7. DAS advised outstanding check canceled, credit not received.	No earlier than 21 days from receipt of DAS.	
8. Credit not received as a result of deceased payee when Treasury requesting refund from bank.	No earlier than 180 days from receipt of DAS.	Treasury does not continually follow-up with banks. DO's should follow-up with Treasury monthly when credit is anticipated.
9. FMS Form 3864 submitted, no response.	Submit second FMS Form 3864 no earlier than 30 days from date of original FMS Form 3864.	

Table 8-5. Reason and Time Frame for Submitting FMS Form 3864

(USE APPROPRIATE LETTERHEAD)

February 12, 19XX

MEMORANDUM FOR RECORD

This memorandum certifies that on February 12, 19XX, one hundred and one (101) spoiled U.S. Treasury checks bearing disbursing station symbol number 7834 and serially numbered from 70,006,499 through 70,006,599 (both numbers inclusive, were completely destroyed by shredding.

J.A. HANCOCK
LT, SC, USN
Disbursing Officer

We the undersigned certify by signature hereon that the checks listed above were physically verified by us and that all were completely destroyed by shredding in our presence on February 12, 19XX.

G.C. GARLAND, LT, USN

WILLIAM B. ELLIS, ENS, SC, USNR

Figure 8-1. Sample Certificate of Destruction

STANDARD FORM 1098 Revised July 1980 Department of the Treasury 1 TFRM 4-7000 1098-110						SCHEDULE OF CANCELED OR UNDELIVERED CHECKS	
						CANCELED <input checked="" type="checkbox"/> UNDELIVERED <input type="checkbox"/>	
DEPARTMENT OR ESTABLISHMENT Department of the Army				SCHEDULE NUMBER 123			
BUREAU OR OFFICE Disbursing Office				SHEET NUMBER 1 of 1			
LOCATION Fort Finance, IN 46216				D.O. SYMBOL NO. 0001			
ACCOUNTING PERIOD				AGENCY LOCATION CODE (ALC)			
DATE OF ISSUE	CHECK NUMBER	PAYEE	VOUCHER NUMBER APPLICABLE	AMOUNT	SYMBOL OF APPROPRIATION OR FUND TO BE CREDITED		
30 Aug XX	01234567	Cance L. Check, SGT	400398	132.37	(Cite the complete accounting classification to be credited)		
TOTAL				132.37			
The amount of the above check(s) was deposited for credit in the account of the U.S. Treasury, on deposit ticket no.			DATE OF DEPOSIT TICKET 30 Oct 19XX	FORWARDED (Date)			
DISBURSING OR ACCOUNTABLE OFFICER C.D. JEFFREY, LTC, FC			DATE 31 Oct 19XX	BY (Name)			
				TITLE			

NSN 7540-00-634-4287 PREVIOUS EDITION NOT USABLE

Figure 8-4. Sample SF 1098, Schedule of Canceled or Undelivered Checks

RECERTIFIED CHECK REGISTER													
1. ORIGINAL CHECK INFORMATION				2. SF 1184 INFORMATION				3. RECERTIFIED CHECK INFORMATION			5. COLLECTION INFORMATION		
PAYEE/SSN a.	ORIG CHECK NUMBER	CHECK DATE	RETURN DATE	DATE TO TREASURY	DAS STATUS CODE	TFS FOLLOW UP	DOV NUMBER SF 1034	DATE OF RECERT	RECERT CHECK RTN DATE	4. PAYEE CLAIMS FORGERY DATE TFS 1133 TO TREAS	SF 1081 DEBIT DATE	RECOUP COLL NUMBER	
	CHECK AMOUNT	DOV NUMBER	DESTROY DATE	STOP REASON CODE	RESUBMIT DATE	e.	a.	b.	c.				d.
1. Sally K. Smith 123-45-6789	60345121	9/2/XX		9/8/XX	32		789378	9/8/XX	SF 1081 1098 DATE		a.		c.
	100.00	398020		A			60789230	9/29/XX					
	32890456	9/3/XX		9/8/XX	01A	see line 4							
2. Jerry Jake 123-90-8790	345.00	659789		A	9/21/XX								
	60999034	9/22/XX	9/28/XX	9/20/XX	32		788234	9/20/XX					
3. Ida M. Jones 345-00-6789	789.00	399656	10/5/XX	A			60999567	10/15/XX					
				9/21/XX	32		700123	10/8/XX					
4. Continued from line 2 Jerry Jake				A			cash payment	10/15/XX					

DD Form 2662, AUG 93

Figure 8-5. Sample DD Form 2662, Recertified Check Register

STATEMENT OF CLAIMANT REQUESTING RECERTIFIED CHECK				Form Approved OMB No. 0730-0002 Expires Dec 31, 1996	
Public reporting burden for this collection of information is estimated to average 5 per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Service, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0730-0002), Washington, DC 20503.					
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. RETURN COMPLETED FORM TO THE ADDRESS OF THE AGENCY WHO PROVIDED THIS FORM.					
PRIVACY ACT STATEMENT					
AUTHORITY:		31 CFR 245.8.			
PRINCIPAL PURPOSE:		To request a recertified check.			
ROUTINE USE(S):		Information is used by the Disbursing Office as the basis for issuing a recertified check and for canceling the original. It is also used to verify how original check was lost, stolen, etc., and to establish a proper mailing address. This information may also be used for other lawful purposes, including law enforcement and litigation.			
DISCLOSURE:		Voluntary; however, if payee does not provide information, a recertified check cannot be issued.			
WARNING: Title 18, Sec 287, US Code: "Whoever makes or presents to any person or officer in the civil, military, or naval service of the United States, or to any department or agency thereof, any claim upon or against the United States, or any department or agency thereof, knowing such claim to be false, fictitious, or fraudulent, shall be fined not more than \$10,000 or imprisoned not more than five years, or both."					
1. PAYEE <i>(Show business name or financial organization, if applicable)</i>				2. SSN <i>(or employee identification number)</i>	
Ida M. Jones				345-00-6789	
3. CO-PAYEE OR PAYEE TO BE CREDITED IF ITEM 1 IS A FINANCIAL ORGANIZATION					
4. ADDRESS TO WHICH CHECK WAS MAILED <i>(Include 9-digit ZIP Code)</i>			5. CORRECT MAILING ADDRESS <i>(if different from Item 4)</i>		
123 Apple Tree Lane New City, FL 12345-0000					
6. PURPOSE FOR WHICH CHECK WAS ISSUED <i>(Check applicable box)</i>					7. DATE DUE <i>(Approximate)</i>
<input checked="" type="checkbox"/>	REGULAR PAY	<input type="checkbox"/>	TRAVEL PAY	<input type="checkbox"/>	VENDOR PAY
<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	OTHER <i>(Specify)</i>
8. (Check applicable boxes)					
<input checked="" type="checkbox"/>	a. CHECK WAS NOT RECEIVED				
<input type="checkbox"/>	b. CHECK WAS RECEIVED BUT WAS:	<input type="checkbox"/>	(1) LOST	<input type="checkbox"/>	(2) STOLEN
<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	(3) DESTROYED
<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	(4) MUTILATED
9. (Check applicable box)					
<input checked="" type="checkbox"/>	a. CHECK WAS NOT ENDORSED		b. CHECK WAS ENDORSED		
10. CERTIFICATION					
I certify that I (we) have in no way benefitted from the proceeds of the above check, and do hereby request a recertified check be issued to me. I further certify that if I recover the original check, I will not negotiate it but will immediately return it to the Disbursing Office. I fully understand that negotiation of both the original and recertified check constitutes a fraudulent act against the United States Government and as such is subject to punishment as provided by law. I further consent to immediate recoupment from future pay and allowances due me if I negotiate both the original and recertified checks, including interest and administrative costs.					
11. SIGNATURE OF PAYEE <i>(or payee representative)</i>			12. DATE	13. SIGNATURE OF CO-PAYEE/THIRD PARTY	
			9/26/XX		
FOR DISBURSING OFFICE USE					
15. CHECK DATA					
a. CHECK NUMBER	b. DATE OF CHECK	c. CHECK AMOUNT	d. ISSUING DSSN	e. VOUCHER NUMBER	
60990341	9/20/XX	789.00	5098	399656	
16. DO REMARKS					

DD Form 2660, FEB 94

REPLACES DA FORM 3037, AUG 87; AND
AF FORM 326, JUN 85, WHICH ARE OBSOLETE

★Figure 8-6. Sample DD Form 2660, Statement of Claimant Requesting Recertified Check

BGFO - BUREAU OF GOVERNMENT FINANCIAL OPERATIONS				NSN 7540-00-526-3709	
Standard Form No. 1184 (Rev. 6-84) Prescribed by Dept. of the Treasury 1 TFRM 4-7000 1184-105 Previous Edition Unusable					
UNAVAILABLE CHECK CANCELLATION					
CK. SYM	CK. SERIAL	CK. AMOUNT	CK. DATE	AGY./PAYEE ID NO.	
5037	14868291	432.81	0812XX	410-86-8447	
LINE CODE	STOP CD.	AGENCY CODE			
3	A	F			
PAYEE NAME					
Sam Davis					
ADDRESS					
1234 Sunset Trail					
Lost Wages, Nevada 54321					
NAME OF DECEDENT					
D. OF DEATH	AMT. TO BE RECLAIMED	AGY. LOC. CODE	AGENCY OUTPUT		
	432.81	57005037	4		
AGENCY REFERENCE					
503700P004567/P005678CK15068123					
FOR AGENCY USE					
Air Force					
Agency			(Signature)		

Figure 8-7. Sample SF 1184, Unavailable Check Cancellation (Item Cancellation)

BGFO - BUREAU OF GOVERNMENT FINANCIAL OPERATIONS				NSN 7540-00-526-3709	
Standard Form No. 1184 (Rev. 6-84) Prescribed by Dept. of the Treasury 1 TFRM 4-7000 1184-105 Previous Edition Unusable		UNAVAILABLE CHECK CANCELLATION			
CK. SYM	CK. SERIAL	CK. AMOUNT	CK. DATE	AGY./PAYEE ID NO.	
LINE CODE	STOP CD.	AGENCY CODE			
PAYEE NAME					
ADDRESS					
Joey E. Lewis, Lt, USAF					
WPAFB/ACFP					
Wright-Patterson AFB, OH 65117					
NAME OF DECEDENT					
D. OF DEATH	AMT. TO BE RECLAIMED	AGY. LOC. CODE	AGENCY OUTPUT		
		5700	4		
AGENCY REFERENCE					
FOR AGENCY USE					
SF 1184 Total: 12					
Batch Control No. 5030092990001					
U.S. Air Force					
Agency			(Signature)		

Figure 8-8. Sample SF 1184, Unavailable Check Cancellation (Transmittal Document)

BGFO - BUREAU OF GOVERNMENT FINANCIAL OPERATIONS				NSN 7540-00-526-3709	
Standard Form No. 1184 (Rev. 6-84) Prescribed by Dept. of the Treasury 1 TFRM 4-7000 1184-105 Previous Edition Unusable		UNAVAILABLE CHECK CANCELLATION			
CK. SYM	CK. SERIAL	CK. AMOUNT	CK. DATE	AGY./PAYEE ID NO.	
5100	06843111	250.00	1026XX		
LINE CODE	STOP CD.	AGENCY CODE			
PAYEE NAME					
ADDRESS					
NAME OF DECEDENT					
D. OF DEATH	AMT. TO BE RECLAIMED	AGY. LOC. CODE	AGENCY OUTPUT		
AGENCY REFERENCE					
FOR AGENCY USE					
Holder-In-Due-Course					
Payee: John H. O'Hare					
559-00-1234					
Claimant: Sunshine Realty Corp.					
Slew Road					
Outskirts, OK					
U.S. Marine Corps					
Agency			(Signature)		

Figure 8-9. Sample SF 1184, Unavailable Check Cancellation (Holder-In-Due-Course)

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