

NAVSUP Publication 727

**Navy Cash[®] Financial System
Standard Operating Procedure**

Ready. Resourceful. Responsive!



Part 1

18 May 2020

Summary of Changes

This Standard Operating Procedure (SOP) is a complete re-write of the previous version 1.15v2 (with v2 update)) dated 6 October 2017. This SOP has two parts. Part 1 includes procedures and policy content from the previous SOP. Previous appendices containing procedural information is included in Part 1. Part 2 contains reference materials, examples, samples, guides and additional references. Previously published SOP change content to version 1.15v2 have been incorporated as appropriate.

Record of Changes

Change Title	Date of Change	Summary of Change

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SECTION 1 – Navy Cash Introduction

This section contains an overview of the program, stakeholder roles and responsibilities, Navy Cash equipment, the different card types, maintenance, and different versions of Navy Cash software.

SECTION 1 - NAVY CASH® INTRODUCTION

1. NAVY CASH OVERVIEW. Navy Cash is a joint undertaking between the Department of the Navy and the U.S. Department of the Treasury, Bureau of the Fiscal Service (Fiscal Service). Navy Cash is a cash management application. The Navy Cash card combines electronic closed-loop and open-loop accounts to reduce the need for Sailors and Marines to carry cash. The Navy Cash closed-loop account on the card provides for a cashless environment within the ship. The Mastercard® debit open-loop account on the card provides pre-paid debit access to the funds in the account at more than 23 million Mastercard® acceptance locations and more than 2 million ATMs in over 210 countries and territories worldwide. To support these transactions, Navy Cash also provides for electronic access to card holders checking and savings accounts.

Sailors and Marines continue to have their pay deposited in their bank and credit union accounts through the Navy's Direct Deposit System (DDS). On board ship, card holders can use Navy Cash Kiosks to access their accounts electronically to transfer money into their Navy Cash closed- and open-loop accounts. Navy Cash provides these electronic banking capabilities without additional charge to Sailors and Marines card holders. Sailors who elect the Split Pay Option (SPO) can also have a portion of their pay sent directly to their Navy Cash open-loop accounts each payday.

Sailors and Marines use the closed loop on their Navy Cash cards at Point-Of-Sale (POS) terminals for all their purchases in the ship's store, post office, MWR, general mess, wardroom, and other "retail" locations throughout the ship, including vending machines. This cashless environment not only improves service to customers but also reduces workload aboard ship by automating payment transactions and reducing the circulation of cash.

Off ship, Sailors and Marines can use the open loop on their Navy Cash cards to make purchase using the Navy Cash card directly. They can also obtain the cash they need during port visits from the ATMs that are available in the local area. Overseas, these local ATM transactions generally provide the best exchange rate for foreign currency. Card holders are limited to the value on their open loop account.

NAVY CASH SYSTEM DEVICE AND PROCEDURE PILOTS. At times, there may be advancements in technology that allow for upgrades of Navy Cash procedures, hardware or software. During these pilots, Disbursing Officers may have increased responsibilities for communication with development or pilot stakeholders. On occasion, Disbursing Officers may be requested to participate in user acceptance and testing activities.

1.1. ROLES AND RESPONSIBILITIES. The Navy Cash Fleet Support Groups (FSG)'s primary mission is to provide training, and assistance for Navy Cash and disbursing operations on board the ships in their areas of responsibility. The FSGs are located at the Fleet Logistics Centers (FLCs) in Norfolk, San Diego, and Yokosuka. The FSG representatives also provide support to Navy Cash system installations and upgrades, acting as the Government's on-site coordinator for the Navy Cash program. Reference Section 5A for a list of FSG contacts.

- 1.1.1. GENERAL FLEET SUPPORT. Provide Navy Cash training and assistance to ships as needed on a daily basis; covering disbursing operations, and fiscal issues, and general operability, maintenance, upkeep, and troubleshooting of Navy Cash equipment.
- 1.1.2. ON-SITE SUPPORT. Provide on-site Navy Cash, disbursing, and fiscal support as required. Assist with out-of-balance conditions and troubleshooting. Provide advice and conduct training as needed.
- 1.1.3. TRAINING. Provide basic and integrated training as needed on Navy Cash, disbursing, fiscal issues, and general operability, maintenance, and upkeep of Navy Cash equipment.
- 1.1.4. END-OF-MONTH (EOM) CLOSEOUTS. Assist ships with monthly EOM closeouts. Coordinate with the Treasury Agent settlement group to confirm 100 percent of ships have closed out each accounting period.
- 1.1.5. SITE VISITS. Conduct quarterly site visits to ships in areas not serviced by local representatives. Provide training and assistance to ships as needed.
- 1.1.6. ASSIST WITH OPEN TROUBLE CALLS. Work with ships when requested to have open trouble calls resolved as quickly as possible. Coordinate with NAVSUP and Navy Cash Technical Support (NCTS) to identify higher-priority issues and re-prioritize trouble calls as necessary. Coordinate with NCTS and field support contractor to assist ships with distance-support efforts to troubleshooting and resolve hardware, software, and communications issues.
- 1.1.7. CERTIFYING OFFICER. Act as Certifying Officer for collections of debts associated with negative open-loop account balances.
- 1.1.8. PRE-DEPLOYMENT BRIEFINGS. Provide Navy Cash pre-deployment briefings covering the unique situations specific to ships in a deployed status. Address any questions and concerns from the ships. Ensure pre-deployment service call is a part of each ship's pre-deployment checklist. Pre-deployment service calls, provided by the Navy Cash field support contractor, include shipboard verification of system hardware, software, communications, operations, documentation, spares, and ship-specific training.
- 1.1.9. POST-DEPLOYMENT ASSIST VISIT. Assist ships returning from deployment. Address any unresolved Navy Cash issues.
- 1.1.10. PROVIDE TRAINING FOR MARINE CORPS AND SUPPORT FOR MILITARY SEALIFT COMMAND (MSC). Provide training as needed for Marine Disbursing personnel embarking on Navy ships equipped with Navy Cash, including hands-on training prior to deployment, and support for MSC ships equipped with Navy Cash.

1.1.11. BQC TRAINING. Provide Navy Cash EOM closeout and Fiscal training for the Supply Corps Officer Basic Qualification Course (BQC) at the Navy Supply Corps School (NSCS), Newport, RI.

1.1.12. REFRESHER TRAINING. Coordinate and conduct Navy Cash refresher training courses in conjunction with field support contractor at Fleet concentration areas on a regular basis.

1.1.13. TRAINING SUPPORT CENTERS. Provide Navy Cash training at Training Support Centers and Detachments in their areas of responsibility.

1.1.14. DEPOSIT-IN-TRANSIT (DIT) VARIANCES. Assist DFAS, the Treasury, and the ships in resolving variances in deposits in transit.

1.1.15. INSTALLATION SUPPORT. Provide support as required for new Navy Cash installations and for technical refresh and other upgrade installations for existing Navy Cash systems.

1.1.16. ON-SITE INSTALLATION COORDINATOR (OSIC). Coordinate with and monitor the Alteration Installation Team (AIT) contractor to ensure all steps in the AIT process are completed. All contract requirements are fulfilled and are compliant with written quality procedures. Participate in daily and weekly production and progress meetings as required.

1.1.17. QUALITY ASSURANCE. Maintain competency in the AIT Manager's Quality Assurance Program (AMQAP) to ensure AIT contractor compliance with technical and quality requirements for all work conducted on Navy Cash systems.

1.1.18. PRE-INSTALLATION SUPPORT. Provide executive-level overview briefings on Navy Cash program and pre-installation planning briefings as required. Participate in advance planning meetings as required with the AIT contractor and shipyard.

1.1.19. REGIONAL MAINTENANCE AND MODERNIZATION COORDINATION OFFICE (RMMCO) CHECK-IN. Participate in AIT contractor check-in through RMMCO which allows AIT contractor to perform work.

1.1.20. ORIENTATION AND ENROLLMENT TRAINING. For new Navy Cash installations, coordinate and conduct Navy Cash orientation and enrollment training in conjunction with AIT contractor. Collect and process enrollment forms prior to Navy Cash Go-Live. Coordinate with ship to generate chart of accounts to collect banking information needed to establish Navy Cash merchants prior to Go-Live on a ship.

1.1.21. FUNCTIONAL TRAINING. Coordinate functional training the week prior to Go-Live for Navy Cash operators. Participate in On-the-Job Training (OJT) after Navy Cash Go-Live to provide hands-on training, particularly for EOM closeout support.

1.1.22. RMMCO CHECKOUT. Participate in AIT contractor Out-Brief and Installation Sign Off through RMMCO.

1.1.23. BARGE MOVES. When ships need to move Navy Cash equipment to a barge during an availability, provide assistance to coordinate the requirement with the Barge Managers for ship to barge moves. Provide assistance to coordinate barge to ship moves with Navy Cash field support contractor as necessary.

1.1.24. HOMEPORT CHANGES. Assist ships preparing for homeport changes.

1.1.25. DECOMMISSIONING SHIPS. Coordinate support as required for ships decommissioning, to include the shutdown of Navy Cash operations, financial closeout, suspension of cardholder and merchant Navy Cash accounts, and removal and disposition of Navy Cash equipment.

1.1.26. DISBURSING TECHNICAL ADVISORS. Serve as Disbursing Technical Advisors to Naval Supply Systems Command (NAVSUP).

1.1.27. OTCNET. Act as local security administrator for the Over the Counter Channel (OTCnet) application, enrolling and assisting ships as needed.

1.2. **SPAWAR ACQUISITION INTEGRATED LOGISTICS ONLINE REPOSITORY (SAILOR)**. Navy Cash technical system documentation can be found on the Naval Information Warfare Center (NIWC) SPAWAR Acquisition Integrated Logistics Online Repository. SAILOR 2.1 is designed to deploy critical logistics, configuration, and technical documentation and provide a single location to obtain systems support information for programs of record, including Navy Cash. Disbursing Officers should let the ship's ITs supporting Navy Cash operations know that they can find configuration and troubleshooting documents, ACAS scanning instructions, and other supporting documents for the Navy Cash system on SAILOR 2.1. The link for SAILOR 2.1 is <https://sailor.navy.mil> (use DoD ID PKI certificate).










2. NAVY CASH SYSTEM.

2.1. **NAVY CASH DEPENDS ON SHIP-TO-SHORE SATELLITE COMMUNICATIONS**. To keep communications demands to a minimum, Navy Cash was designed to work on a store-and-forward basis—every six hours transactions are transmitted ashore. This store-and-forward design affects the time that Navy Cash transactions are processed, both on the ship and on the shore.

2.2. **NAVY CASH SYSTEM DEVICE COMPONENTS**. The main hardware components of the Navy Cash Financial System are two servers, two to five workstations, from one to five Kiosks, POS card readers at retail locations throughout the ship, and Card Access Devices (also known as Card Accepting Devices) (CADs) in all vending machines. The number of Navy Cash Kiosks, POS, and CAD devices depends on ship class. A sample Navy Cash Equipment Checklist is included in Section 5D. This checklist is tailored for each ship as a part of the Navy Cash installation. The checklist provides an aid to assist in

troubleshooting any equipment or software problems and should also be used to review the status of all the ship’s Navy Cash devices on a periodic basis.

Table S1 - 1. Navy Cash System Software Versions

<i>Navy Cash Version 1.4.7.1</i>	<i>Navy Cash Version 1.4.7.3</i>	<i>Navy Cash Version 1.4.7.4</i>
 <p>Ship Server Laptop or Workstation</p>	 <p>Ship Server Laptop or Workstation</p>	 <p>Ship Server Workstation</p>
 <p>Kiosk - NCR SelfServe 60</p>	 <p>Kiosk - NCR SelfServe 60 Disbo & Kiosk VeriFone MX925</p>	 <p>Disbo & Kiosk VeriFone MX925</p>
 <p>POS - IPA280</p>	 <p>POS - BlueBird MT280 CAD - Vend ITC2020CE</p>	 <p>POS - BlueBird MT280 CAD - Vend ITC2020CE</p>

2.2.1. NAVY CASH VERSION 1.4.7.1 USES THE FOLLOWING SOFTWARE.
Windows Server 2008r2; Workstations Windows 7 Enterprise x86; Disbursing App Version 4.9.1.

2.2.2. NAVY CASH VERSION 1.4.7.3 USES THE FOLLOWING SOFTWARE.
Windows Server 2008r2; Workstations Windows 7 Enterprise x86; Disbursing App Version 4.9.1.

2.2.3. NAVY CASH VERSION 1.4.7.4 USES THE FOLLOWING SOFTWARE.
Windows Server 2012r2; Workstations Windows 10 Enterprise x64; Disbursing App Version 4.9.1.

2.3. **TRANSACTION DATES AND TIMES.** In Navy Cash, all transaction dates and times are recorded and reported in Greenwich Mean Time (GMT) (Coordinated Universal Time (UTC)). Do not change the time or time zone on the Navy Cash server as changes may cause errors and delays in End-Of-Day (EOD) processing. These errors can only be resolved through manual intervention guided by technical support personnel ashore.

2.4. NAVY CASH SYSTEM MAINTENANCE.

2.4.1. **MAINTENANCE.** Preventive maintenance for the Navy Cash Financial System is covered through the Planned Maintenance System (PMS). PMS information for Navy Cash is available from the ship's Maintenance and Material Management (3-M) Coordinator. Maintenance Index Page (MIP) number 6541 series applies to Navy Cash. In particular, proper cleaning of the card readers can significantly reduce the incidents of card readers failing to read the Navy Cash card. Use the points of contact listed in Section 5A if you have any questions concerning maintenance.

2.4.2. **NOTIFICATIONS.** The Navy Cash Team distributes two types of bulletins to inform cardholders and Disbursing Officers of planned maintenance or operations issues. These bulletins identify the specific audience, define a topic, the effective dates of impact and summarize the impacts of affected users:

A. **Planned.** Outage bulletins are normally issued within 72 hours of scheduled downtime to perform infrastructure upgrades, maintenance or security updates.

B. **Unplanned.** Outage bulletins are issued after the Navy Cash Customer Support team detects impacts reported from multiple ships. These Operations Impact Alert bulletins contain a described of the reported impacts, the stakeholders involved in troubleshooting and an estimated timeframe for resolution if known.

3. **NAVY CASH CARDS.** The Navy Cash open-loop debit Mastercard® is a prepaid debit card, not a credit card or a check card. It does not provide a line of credit or access to the pay deposited automatically in a checking account. The amount of money that can be spent is limited by the amount of money a cardholder loads onto the card. If a cardholder forgets to add money to the open-loop account, a recurring payment that exceeds the available balance will be declined, but only if the merchant tries to get authorization first. If the merchant is “force posting” the transaction without getting prior authorization, a recurring payment that exceeds the available balance will result in a negative balance. Negative balances show on reports the next day, and the Disbursing Officer must notify the cardholder to come to disbursing office to clear the negative balance.

- Navy Cash Cards without the Mastercard® logo (visitor cards)
- The card with the Mastercard® logo is used for instant issue or merchant cards

A matrix to help identify which card should be issued to which type of cardholder is included in Section 2 – Cardholder Management.

3.1. **CARDHOLDER CARDS.** Each member of the crew is enrolled in the Navy Cash program and issued a Navy Cash card, either as part of the initial bulk enrollment prior to installation of Navy Cash on board the ship, or at the disbursing office if an individual reports to the ship after the bulk enrollment is completed. Navy Cash orientation training is provided as a part of the enrollment process.

3.1.1. OPEN-LOOP DEBIT MASTERCARD®. The Navy Cash open-loop debit Mastercard® can be used to pay for things ordered over the phone or on a website. When the merchant asks for a billing address, the correct address is the ship’s mailing address or whatever mailing address the cardholder provided during the application process. Using the Navy Cash card for recurring payments should be discouraged to all cardholders.

3.1.2. CARDS. Personal embossed, Merchant Cards, Instant Issue Cards, and Visitor Cards all use the card stock pictured below. Cards are funded using a variety of options detailed in Section 2 - Cardholder Management. These include Split Pay Option (SPO), use of Kiosks on board the ship to conduct transfers, and as a last resort, writing a check at the disbursing office or converting cash.

Table S1 - 2. Navy Cash Card Images

<i>Visitor Card</i>	<i>Personal/Instant Issue, Merchant</i>
 <p>The image shows a Navy Cash Visitor Card. It features the text 'NAVY CASH' at the top left, a small gold chip on the left, and a background image of a ship's mast and rigging. A small circular logo is in the top right corner.</p>	 <p>The image shows a Navy Cash Personal/Instant Issue/Merchant Card. It features the text 'NAVY CASH' at the top left, a small gold chip on the left, and a background image of a ship's mast and rigging. It includes a card number '1234 5678 9012 3456', the word 'debit', and the Mastercard logo in the bottom right corner.</p>

4. NAVY CASH ROLES AND RESPONSIBILITIES.

4.1. NAVY CASH ACCOUNTABLE OFFICIALS (APPOINTMENT VIA 577).

4.1.1. DISBURSING OFFICER. Because Navy Cash is a financial system, and the handling of public and private funds is inherent, a Department of Defense (DD) Form 577, Appointment / Termination Record—Authorized Signature, shall be signed by the Commanding Officer appointing the Disbursing Officer, or other responsible individual, as the Navy Cash Accountable Officer. This appointment delineates what his or her accountability and responsibilities include (see the Department of Defense Financial Management Regulation (DoD FMR), Volume 5, Chapters 2 and 10). The Disbursing Officer must ensure the Navy Cash Deputy is completely trained on Navy Cash operations and able to fully cover during any absences. The Navy Cash Deputy should have the knowledge and ability to resolve any Navy Cash technical and / or financial issues that may arise. The Navy Cash Deputy can recruit the assistance of the ship’s IT personnel for technical issues as needed. Subsequent DD Form 577s from the Disbursing Officer to his or her deputy, agents, or cashiers shall also be maintained (see sample DD Form 577s in Part 2, Section 5B).

4.1.2. NAVY CASH DEPUTY. The Navy Cash Accountable Officer must appoint a Navy Cash Deputy. If the Navy Cash Accountable Officer is unavailable, e.g., attending training class, on leave or on Temporary Additional Duty (TAD), the Navy Cash Deputy must be available to perform the duties of the Navy Cash Accountable Officer, primarily to operate and manage the Navy Cash program and system on the ship. A DD Form 577 shall be signed by the Navy Cash Accountable Officer to the responsible individual as the Navy Cash Deputy, delineating what his or her responsibilities include. Training for the Navy Cash Deputy is available upon request from the FSGs.

4.1.3. MULTIPLE ASSIGNED RESPONSIBILITIES. If a Navy Cash Accountable Officer is also appointed as a Disbursing Officer, Deputy Disbursing Officer, or Disbursing Agent, and the responsibilities of the Navy Cash program are covered by that appointment, then an additional DD Form 577 is not required (see DoD FMR, Volume 5, Chapters 2 and 10).

4.1.4. DISBURSING OFFICERS (DUTIES AND RESPONSIBILITIES GUIDED BY SECTION 4). The Disbursing Officer will retain the flexibility to receive cash and checks under certain circumstances. When collecting or disbursing cash or checks, the existing cash-based disbursing processes and procedures remain in effect.

4.1.4.1. NAVY CASH ACCOUNTABLE OFFICER (NCAO). On most ships equipped with Navy Cash, the Disbursing Officer is appointed as the Navy Cash Accountable Officer (NCAO). In this SOP, the term Disbursing Officer refers to the Disbursing Officer and properly authorized and appointed representatives, such as Disbursing Agents, Deputy Disbursing Officer, or Navy Cash Deputy, primarily in their roles as Navy Cash accountable officials responsible for the operation and maintenance of the Navy Cash system.

4.1.4.2. DISBURSING OFFICER RESOURCES. Navy Cash SOPs, troubleshooting guidance, functional /system training, supporting documentation, and “how-to” maintenance videos, are available on line at <https://fiscal.treasury.gov/navy-cash/>. SAIC (a Navy Cash contractor) provides three-day refresher training in Fleet concentration areas periodically. Contact the appropriate Navy Cash Fleet Support Group (FSG) at NAVSUP FLC Norfolk, San Diego, or Yokosuka for refresher training information and schedule.

4.2. **AUTHORIZED MERCHANTS.** During the initial installation of Navy Cash aboard ship, and based upon the ship’s class, a chart of accounts is used to establish the appropriate merchant accounts used to manage transactions aboard ship. Navy Cash merchants are established as part of the process of implementing Navy Cash on board the ship. The merchant uses a local bank or credit union checking account set up in the name of the ship’s merchant account to manage operating funds. The merchant provides the Treasury Agent with a checking account number and ABA Routing number, the account name printed on the checks (e.g., USS Neversail Merchant Fund), and whether the checking account is a business or consumer account. PNC Bank (PNC) can then transfer funds to the merchant checking account and the merchant closed-loop and open-loop accounts whenever the merchant directs

a funds transfer. All transactions involving funds on Navy Cash accountable official cards shall be reported in appropriate accountability statements in accordance with applicable regulations, policies, and procedures. Merchant account management procedures are detailed in *Section 3 – Merchant Management*.

4.2.1. MERCHANT CARDS: The merchant accountable official card is not for personal use. As an accountable official, the merchant must complete and sign an FS Form 2888, Application Form for U.S. Department of the Treasury Accountable Official Stored Value Card (SVC), prior to being issued a Navy Cash merchant card. A sample form is included in Section 5B. The form is also available on the U.S. Department of the Treasury, Bureau of the Fiscal Service, Navy Cash website (navycash.gov).

Personal funds of the merchant must not be loaded onto the card. The funds loaded onto the card must be limited to money held by the merchant in his / her official capacity as an accountable official. The merchant is responsible and accountable for all funds loaded onto their accountable official card and may be held pecuniary liable for the loss or misuse of such funds.

4.2.2. TRANSFER OF RESPONSIBILITY UPON RELIEF. At turnover, the relieving merchant must complete and sign a new FS Form 2888. The relieved and relieving merchant must confirm that the account balance (both closed-loop and open-loop) on the merchant card is zero or be able to account fully for any funds remaining in the closed-loop and open-loop accounts. The Personal Identification Number (PIN) for the merchant card must be changed by the relieving merchant at turnover.

4.2.3. DEPOSITS.

4.2.3.1. CASH TO NAVY CASH CARD. As required, the merchant presents cash to the disbursing office for deposit. The disbursing office accepts the cash from the merchant and executes the cash deposit to the merchant's closed-loop account via the "Funds Transfer to Chip" transaction screen.

NOTE: Cash to open-loop transactions should not be done for any merchant.

4.2.3.2. CHECK TO NAVY CASH CARD. The merchant has two options to deposit checks into the merchant's account.

A. As necessary, the merchant presents the checks to the disbursing office for deposit in the merchant's closed-loop account. Disbursing office accepts the checks and executes the deposit via the "Funds Transfer to Chip."

B. The merchant may choose to settle Navy Cash transactions to the merchant fund bank or credit union checking account or to the merchant open-loop account.

4.2.4. **END-OF-BUSINESS DAY PROCEDURE.** Merchant's business is secured at the end of the business day. The merchant should obtain a copy of the merchant's Daily Transaction Detail Report for reconciliation and management purposes. The Daily Transaction Detail Report can be printed at the disbursing office or the Navy Cash website. An example of this report is contained in Section 5B.

5. EAGLECASH GENERAL MESS OPERATIONS ABOARD NAVAL SHIPS. Aboard the Navy LCS class ship, there are no retail operations. There are also no merchants other than Food Service. Cardholders are issued an EagleCash card and only fund these cards using the EagleCash laptop. These cards cannot be funded using cash or check.

6. STANDARD OPERATING PROCEDURE (SOP) MAINTENANCE AND REVIEW PROCESS. Naval Supply Systems Command, Navy Cash Program Office (NAVSUP N4) is responsible for this SOP. This SOP is effective throughout the life of the Navy Cash Financial System or as long as the system remains installed on U.S. Navy ships. The Navy Cash Financial System SOP has been assigned NAVSUP Publication Number 727. This SOP will be reviewed at least semi-annually by the Navy Cash Program Office and revised on an as-needed basis. Lessons learned and program changes are incorporated using Navy Cash SOP Change Notices on a continuing basis.

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SECTION 2 – Cardholder Management

This section covers the enrollment process and describes how the issuance of and the creation of new accounts. Also covered is card inventory, loading of funds, management of negative balances, and support of guests and visitors.

SECTION 2 - CARDHOLDER MANAGEMENT

1. **NAVY CASH CARDS.** Navy Cash Stored Value Cards (SVCs) provide the ability to operate in both the closed-loop, offline environment aboard ship and the open-loop, online environment ashore.

1.1. **NAVY CASH.** The stored value on a Navy Cash card is used for purchases aboard ship. Navy Cash closed-loop can only be used on board ship, but it can be used on any ship equipped with the Navy Cash system.

1.2. **MASTERCARD® DEBIT.** The stored value on a Navy Cash card used for purchases off the ship. Also known as the open-loop, Mastercard® debit can only be used off the ship, but it provides access to funds in the Mastercard® debit account to pay for purchases ashore everywhere Mastercard® debit cards are accepted and to obtain local currency at any ATM ashore that carries the Mastercard®, Maestro®, or Cirrus® brand mark. All Navy Cash cards in the custody of the Disbursing Officer shall be safeguarded in accordance with the procedures for blank Treasury checks prescribed in DoD FMR, Volume 5, Chapter 7.

1.2.1. **INSTANT ISSUE NAVY CASH CARDS.** Instant issue cards combine the Navy Cash (closed-loop) and Mastercard® debit (open-loop) capabilities and can be used both on and off the ship. Instant issue cards are embossed with NAVY CARDHOLDER and a Debit Mastercard® card number. Instant issue cards are issued on the ship to personnel newly enrolling in Navy Cash and as replacements for lost, stolen, damaged, or expiring cards. Issued on the spot, instant issue cards provide individuals access to all Navy Cash capabilities. Newly enrolled members will have access after the first successful roundtrip. For example, cardholders can transfer funds at the Cashless ATM, also known as the Navy Cash Kiosk or Kiosk, on the ship to the closed-loop or open-loop account from a U.S. bank or credit union account ashore and can access funds in the closed-loop account at ATMs ashore or to pay for purchases at retail locations ashore.

1.2.2. **VISITOR NAVY CASH CARDS.** On a limited basis, Visitor cards are closed-loop-only cards that can only be used on board ship. Visitor cards may be used to pay for purchases on any ship equipped with Navy Cash, and value can be added at the disbursing office on any Navy Cash ship. Visitor cards are reusable and must be cashed out (closed-loop balance must be zero) and turned in to the disbursing office when the visitor is done with the card, and before they leave the ship so they can be reissued to another visitor.

When a ship expects a high volume of visitors or transient personnel, contact the appropriate FLC. Specific requirements will be handled on a case-by-case basis so that the ship's inventory of Navy Cash cards is not depleted.

1.2.3. **EMBOSSSED PERMANENT NAVY CASH CARDS.** Generally, embossed permanent navy cash cards are only issued as a part of bulk enrollment when Navy Cash is initially implemented on a ship. Embossed permanent cards also combine the closed-

and open-loop capabilities. Embossed permanent cards are embossed with the cardholder's name and a debit Mastercard® card number. Produced individually at the card manufacturing facility, they must be delivered to the individual on the ship after they are produced.

1.3. CARD INVENTORY REQUIREMENTS. The Disbursing Officer is responsible for maintaining a stock of Navy Cash cards. Navy Cash cards shall be safeguarded in accordance with the procedures for blank Treasury checks prescribed in DoD FMR, Volume 5, Chapter 7. The Disbursing Officer may delegate the responsibility for custody of Navy Cash cards to a designated representative.

1.3.1. BULK NAVY CASH CARD LOG. Maintaining this log is mandatory. This card log contains the Navy Cash card numbers, date, and signature of the person to whom a working stock of Navy Cash Cards is issued. A sample log is included in Section 5B. Unused working stock shall be returned to the Disbursing Officer or designated representative at least once each week for audit. Record return of unused working stock and results of audit/inventory on Bulk Card Log. All Navy Cash cards shall be individually counted and sequential serial numbers verified.

1.3.2. INITIAL INVENTORY. An initial inventory shall be completed and recorded using the Bulk Navy Cash Card Log upon receipt of all instant issue, embossed permanent, visitor Navy Cash cards, and even single cards. For bulk shipments, any open container shall be inventoried by individual count and sequential serial numbers of the cards. All damaged containers, or those bearing evidence of having been tampered with, shall be opened and inventoried.

1.3.3. MONTHLY INVENTORY. All Navy Cash cards shall be inventoried at least once each calendar month, and an entry shall be made in the Bulk Navy Cash Card Log to document the inventory. A detailed record of the inventory, to include total cards on hand and sequential serial numbers, by card type, shall be retained in the disbursing office, and a copy shall be given to the Cash Verification Team (CVT) as an attachment to their quarterly cash verification report. At least once during each calendar quarter, the CVT shall conduct a surprise verification of Navy Cash cards to include cards received, issued, returned, and on hand.

1.4. CARD ISSUANCE. All card actions taken must be annotated on either the Bulk Navy Cash Card Log or the Navy Cash Card Issue Log. Disbursing Officers must ensure rotation of card stock to ensure oldest cards are issued first.

1.4.1. NAVY CASH CARD ISSUE LOG. A separate Card Issue Log shall be maintained for all Navy Cash cards issued from the disbursing office. The log contains the last four digits of the card number for instant issue and embossed permanent cards. The log also must show the entire card sequence number for visitor cards, name and last four digits of the SSN of the cardholder, issue date, signature of the recipient, date returned for visitor, instant issue, and embossed permanent Navy Cash cards, and the name and signature of the issuer. The Card Issue Log also contains columns to document

destruction of a card when a card is returned or canceled. The Disbursing Officer is responsible for ensuring a cardholder signs the card issue log to document the destruction of a card. A sample log is included in Part 2, Section 5B. The Navy Cash Card Issue Log shall be handled in accordance with the requirements for sensitive personal data.

1.4.1.1. **NAVY CARDHOLDER ISSUED CARD REPORT.** A report can be generated for instant issue cards issued through the Disbursing Application at any time by selecting the “View Reports” link; then clicking on “Navy Cardholder Issued Card Report” in the “Operations Reports” window. Fill out start and end dates for the inclusive period, and click on the “Generate” button. The Navy Cardholder Issued Card Report provides a list sorted by operator ID, the last four digits of the card numbers, name, last four digits of the SSN of the cardholders, and issue dates for any cards issued during the period.

1.5. **CARDHOLDER AGREEMENTS – TERMS AND CONDITIONS.** The Navy Cash, and Navy Cash Visitor Card Cardholder Agreement is a key part of the Navy Cash program’s overall efforts to comply with the Federal consumer financial laws and regulations that govern many consumer financial products and services. The Cardholder Agreement lays out the terms and conditions for the use of the Navy Cash card and provides information about cardholder rights, responsibilities, and liabilities. The Cardholder Agreement is included in the envelope with every Navy Cash and Visitor card. The Disbursing Officer must ensure each cardholder is aware of and receives a copy of the Cardholder Agreement whenever new or replacement Navy Cash cards or Navy Cash visitor cards are issued at the disbursing office. A copy of the Cardholder Agreement is available on the U.S. Department of the Treasury, Bureau of the Fiscal Service (Fiscal Service), Navy Cash resource website (<https://fiscal.treasury.gov/navy-cash/resources.html#cardholder>).

1.5.1. **CARD ACTIVATION FOR EMBOSSED PERMANENT CARDS.** For security reasons and to prevent fraud, all embossed permanent Navy Cash cards are delivered to the ship in a “pendactive” status and must be activated before they will work. If a cardholder comes to disbursing office to report a card that no longer works, verify that the card has been activated.

1.5.1.2. **DISBURSING ACTIVATES CARD AT DISBURSING APPLICATION.**

A. To activate a card, the Disbursing Officer selects “Change Card Status” in the “Card Maintenance” pull-down menu.

B. If the cardholder has an instant issue or embossed permanent card that is about to expire, the Disbursing Officer must first insert the card into the POS and click on the “Get Card Info” button so that card can be canceled before issuing a new instant issue card.

C. To provide quicker access to any funds remaining in the closed-loop account on the instant issue or embossed permanent card, the cardholder can move the funds in the closed loop to the open loop using the Kiosk before coming to the disbursing office. Otherwise, the system will automatically do a closed-loop to open-loop transfer to restore the value in the closed loop when the Disbursing Officer clicks the “Update Card Status” button in the step below, and the funds won’t be available in the open-loop account until the next end-of-day processing is completed between the ship and the shore.

D. The Disbursing Application brings up the card ID number(s) associated with the search criteria. After verifying the cardholder’s identity and ownership of the card, the Disbursing Officer selects the correct card in the “Cards Found” window, selects the “Canceled” status in the “Report Card Status” window, and clicks “Update Card Status” to initiate the change in card status.

E. The Disbursing Officer must immediately destroy a canceled card in the presence of the cardholder. Cards can be destroyed by cutting them up or shredding them. The cardholder must sign the card issue log to document the destruction of the card.

F. The Disbursing Officer then inserts the new embossed permanent Navy Cash card into the POS and clicks on the “Get Card Info” button.

G. The Disbursing Officer selects the correct card in the “Card Maintenance” pull-down, selects the “active” status in the “Change Card Status” screen, and clicks “Update Card Status” to initiate the change in card status. (see Part 2, Section 5E, Disbursing Application User Guide)

H. The new embossed permanent Navy Cash card is now active and immediately usable on the ship. Since the active status of the card will not be reported to the Navy Cash backend ashore until the next end-of-day processing is initiated, the card will not be usable ashore until the end-of-day processing between the ship and the shore is completed.

1.6. REPLENISHING NAVY CASH CARD STOCKS. The Disbursing Officer is responsible to ensure replacement card inventory remains at standard levels and expiration dates exceed 12 month on current card stock inventory.

1.6.1. SPARE NAVY CASH CARD STOCK. Navy Cash instant issue stock are identified by ship types in the table below. These standard recommendations support operational readiness and should support ship needs for up to 6 months.

1.6.1.1. VISITOR CARD STOCK. Visitor card stock should be managed carefully, these card types are provided to ships on an as needed basis, and orders must be approved by your Navy Cash FLC representative. Visitor cards are reusable, when issued they should be returned at the conclusion of the cardholders

time onboard ship, any remaining balance refunded and the card then secured until needed again.

1.6.2. NAVY CASH CARD STOCK: MARINES. MEUs that require Navy Cash cards to issue to their cardholders for upcoming activities will place their orders with their Stored Value Card Program Management Office or their Marine Disbursing representative (Camp Pendleton, Camp Lejeune, or Camp Foster). Ship board Navy Disbursing Officers manage their card inventory based on ship size but may assist with card inventory for Marine Disbursing Officers if needed.

1.6.3. REORDER POINT. The Disbursing Officer will place an order when instant Issue cards inventory drops near or below the reorder-point indicated in parenthesis in the table below, or when a ship is about to change status. Cards are shipped within two to three weeks after the order has been approved.

Table S2 - 1. Card Stock Reorder Points

Card Stock Reorder Points				
	DDG/CG	LPD/LSD/ AS/LCC	LHA/LHD	CVN
Instant Issue Cards (Navy Cardholder Cards)				
1. Pre-Deployment/Pre-Surge	200	200	1,000	2,000
2. Deployed/Surge Homeport/Local Ops	100 (50)	100 (50)	500 (200)	1,000 (500)

1.6.4. TO ORDER INSTANT ISSUE REPLENISHMENT STOCK. To order replacement instant issue cards, the Disbursing Officer should send an email request to the CSU at navycashcenter@frb.org to obtain a case number. The email request should include the following information:

- Current inventory on hand?
- Number of cards ordering?
- Ships status: Please indicate #1 for Pre-Deployment/Pre-Surge and #2 for Deployed, Surge, Pier side, Local Ops.

If requesting cards above established SOP inventory levels please provide a brief justification or the special circumstances to support the increase.

2. MANAGEMENT OF CARDHOLDER ACCOUNTS.

2.1. **CREATE NEW CARDHOLDER ACCOUNT.** FS Form 2887 must be used to apply for enrollment in the Navy Cash® program and issuance of a Navy Cash® card. FS Form 2887 authorizes debits and credits to your bank or credit union account at your request. FS Form 2887 provides your consent to immediate collection from pay (military or civilian DoD pay) of any amount that may become due and owing as a result of use of the SVC. If employed by a contractor or if no longer receiving military or civilian DoD pay and amounts remain or become due and owing, FS Form 2887 authorizes the government to initiate debt

collection procedures. The originals of the FS Form 2887 shall be forwarded to the Treasury Agent responsible for Navy Cash in accordance with the Navy Cash Standard Operating Procedure (SOP) every 30 days. The FS Form 2887 may be imaged and kept on file by the Treasury Agent. The electronic image shall be considered the legal equivalent of the original. In accordance with the SOP, the Disbursing Officer shall retain a copy.

2.1.1. **SELF-ENROLLMENT.** Individuals are able to self-enroll in Navy Cash by navigating to <https://www.navycash.com>. The “Enroll Here” link is located below the LOGIN button on the website listed above. Disbursing Officers are required to verify members CAC or ID card before issuing a Navy Cash card.

- To complete an application online, members must supply their full social security number, full date of birth, an email address, personal bank or credit union name and routing number, and an account number. New cardholders are required to review the Navy Cash Cardholder agreement, and agree to the terms and conditions of agreement. Once the form is completed, and the user clicks the "I Agree and Apply" button, an email is sent to the personal email address entered into the form.
- Cardholders have four hours to open the email and click on the link provided in the email to validate and authenticate the application. A link to a copy of the e-signed agreement (consent to receive electronic disclosures and communications such as emailed receipts from Navy Cash) and a link to the terms and conditions are included in the validation email for future reference. Members will have to fill out the enrollment form over again if they do not reply within four hours of receiving the validation email.

2.1.2. **CARDHOLDER PIN NUMBERS.** Personal Identification Numbers (PINs). PIN mailers are not created and sent to the ships for instant issue or visitor cards. Instant issue and visitor cards are always handed out by the disbursing office, so the individuals receiving these cards can select a PIN when they pick up their cards. PIN mailers will continue to be sent to the ships with embossed permanent cards. Cardholders can change the PIN associated with their Navy Cash card at any time using the Navy Cash Kiosk by following the screen prompts on the Kiosk. The PIN number can also be changed at the disbursing office.

2.2. **ENROLLMENT FORM 2887 UPLOAD.** This feature is only available to the Navy Disbursing or Marine Disbursing role within the Navy Cash application. A ‘Forms’ option has been added to the left navigation menu. This feature allows searches for cardholders by either SSN or first/last name. Matching cardholders will show in the results. Use the ‘Browse’ button to navigate to the .pdf Form 2887 file located on your computer. If the upload is successful, user will see a green pop-up message indicating that the upload was received. Uploaded forms are available to disbursing and the CSU immediately upon upload completion.

Note: To view existing forms, search for the cardholder’s profile and select the ‘Personal’

tab. Click ‘View ENROLLMENT Form in the File System.’ Uploaded forms stay with the user’s profile until replaced.

2.3. SHIP-ASSIGNED SAILORS AND VISITORS.

2.3.1. NAVY CASH CHECK-IN. Disbursing Officer should verify whether or not the cardholder previously had a Navy Cash account. If a sailor previously had a Navy Cash account the Disbursing Officer will move the profile to their ship via the Navy Cash website. Validate that all personal contact and bank account information is current.

If a sailor did not previously have an account, a new enrollment will be accomplished via the Disbursing Application or Navy Cash Self Enrollment.

2.3.2. NAVY CASH CHECK-OUT. Any card received for an individual cardholder who has left the ship cancelled and destroyed. All cardholders separating, retiring or transferring must have the account moved to shore command which will temporarily suspend the card.

Cash Out Visitor Cards. Visitor cards are reusable. When a cardholder no longer needs a visitor card, the card should be turned in to the disbursing office, and any value remaining in the closed loop must be cashed out and returned to the cardholder immediately.

2.4. **MARINE ENROLLMENT.** Deploying and training units leaving Pendleton, Lejeune or Okinawa are required to ensure their Marines are enrolled in or have an active Navy Cash card prior to embarking onboard ships. Marine Disbursing Officers can accomplish this in the following manner:

2.4.1. BULK ENROLLMENT. Prior to embarking on a deployment, Marines should be enrolled in Navy Cash. The Marine Logistics Groups (MLGs) – MLG 1 Camp Pendleton, MLG 2 Camp Lejeune, and MLG 3 Okinawa-are responsible for coordinating the bulk enrollment of the entire Marine Expeditionary Unit (MEU). This bulk enrollment process, which includes training and enrolling the Marines, should be completed about four to six weeks prior to the date of embarkation to provide enough lead time to manufacture and deliver the Navy Cash cards for distribution just before or just after embarking on the ship. Bulk enrollment support can be obtained from the Operations Section in Kansas City or from Fleet Logistics Center (FLC) Navy Cash representatives. Bulk enrollment only applies to new Navy Cash cardholders.

2.4.2. SELF ENROLLMENT. Marine Corps personnel can self-enroll in the Navy Cash Stored Value Card (SVC) program by navigating to <https://www.navy.cash.com>. “Need a Navy Cash Card? Enroll Here” message displays below the “LOGIN” button on the Navy Cash homepage. This option is available to all Marine personnel who have not yet registered for or have a Navy Cash card. Self-enrolling Marines can choose their local Finance Office or assigned ship as their pickup location for their new card.

Marine personnel who have the Navy Cash card should contact their Marine Disbursing Officer or the Customer Service Unit (CSU) at FRBKC to move their Navy Cash profile from ashore to their assigned ship and check in at the Navy Cash kiosk upon arrival.

Marine personnel who have previously had a Navy Cash Card but no longer have it in their possession should contact their Marine Disbursing Officer for a new card or the CSU at FRBKC to activate their profile and be issued a new card either at their Finance Office or onboard the ship.

2.4.3. CARD REPLACEMENT INVENTORY. Marine Disbursing will provide card replacements to a ship or FLC Navy Cash representative upon request.

2.4.4. MARINE ONBOARDING. Marine personnel will advise their assigned ship's Disbursing Officer of deployment/training events. Navy Disbursing Officers and FLCs will advise the Operations Section in Kansas City of known deployment/training events as they hear of them to the general mailbox: RFF-KCIMail@usmc.mil. KC Ops will handle all DISBO/FLC inquiries and info the program manager.

Foreign Nationals accompanying Marine/MEUs during the deployment will be issued an Instant Issue card by the Navy Disbursing Officer afloat.

2.4.5. MARINES DISEMBARKING. MEU Disbursing Officers will ensure that all Marines are transferred back to the appropriate MLG upon return from deployment. Marines without disbursing support on ship will ensure they notify the ship's disbursing office or call CSU to move their account to Shore Command or MLG if known.

2.5. **VISITORS, GUESTS, AND DEPENDENTS.** Under Navy Cash, visitors, guests, and dependents who are on the ship for only a few hours or for the day can buy things in the ship's store, such as snacks, drinks, souvenirs, and emblematic items, or pay for meals in the General Mess or Wardroom. Cash sales should be the exception to accommodate visitors that are only going to be on the ship for a short time, e.g., less than 72 hours.

2.5.1. ACCOMODATING VISITORS, GUESTS, AND DEPENDENTS ON BOARD SHIPS EQUIPPED WITH NAVY CASH. These instances are examples only, and each ship must develop its own policy and procedures.

The Navy Cash Card should be returned to the disbursing office and the value cashed out.

If not cashed out any value remaining on a card after it has been turned in will be handed over to Treasury and cannot be recovered.

Table S2 - 2. Cards/Forms Prescribed by Guest Type

Guest	Card & Forms Required
One-Time Visitors and/or Distinguished Visitor (DV)	Visitor Card
Government Contractor	Instant Issue Card (2887 & 2889)
Government Civilian	Instant Issue (2887)
Aircrew or Other Personnel on Board	Instant Issue Card (2887)

2.6. LINKED NAVY CASH ACCOUNTS TO PERSONAL BANK ACCOUNTS.

When a Navy Cash cardholder or merchant registers an account or makes changes to the bank or credit union account linked to Navy Cash, use the cardholder website to confirm the change has taken effect before attempting an ACH transfer request to or from the new account at a Navy Cash kiosk.

2.7. UPDATING CARDHOLDER ACCOUNT INFORMATION. A cardholder's Navy Cash account information can be updated by the preferred method of the Navy Cash website. Secondary method can be by contacting the Navy Cash CSU by phone or email or by using the Disbursing Application.

2.7.1. TIMELINESS OF UPDATES. Updates made within the Disbursing Application need to be validated by the cardholder on the Navy Cash website before any ACH transactions at the Kiosk . Updates done through the Navy Cash Disbursing Website do not go into effect on board the ship until a round trip is completed between ship and shore. Updates made by calling the CSU do not go into effect on board the ship until the CSU receives the information, processes the request, and a round trip is completed between ship and shore.

2.7.2. CARDHOLDER REQUESTS. If Navy Cash cardholders need to update their Navy Cash account information to change bank or credit union account information, change last name or update an email address, follow the procedures below: Cardholders should never include their full SSN, their Mastercard® number, or their PIN.

2.7.2.1. ACCOUNT PROFILE UPDATE REQUESTS VIA EMAIL. Call the CSU to request account profile changes. The customer service representative will ask the caller a series of questions to verify their identity before making any updates. If cardholders don't have access to a phone, they can email their update requests to the CSU. The email must come from a .mil address to ensure transmission of this data is encrypted. The following data is required for CSU representatives to fulfill the request for changes:

- First and last name
- Date of birth

- Mother's maiden name (or Keyword)
- Last four of SSN

Cardholders will receive confirmation via email from the CSU when their accounts have been updated.

2.7.2.2. ACCOUNT BANKING UPDATE REQUESTS. If cardholders want to change the bank or credit union account information associated with their Navy Cash account, direct them to the disbursing office. Cardholder's can present the Disbursing Officer with a cancelled check or deposit slip when requesting changes. After validating cardholder identity, the Disbursing Officer can then make changes to banking information for cardholders using the Disbursing Website.

2.7.3. DISBURSING OFFICE REQUESTS. Cardholders can update their account information by visiting the Disbursing Officer or their authorized representative, who may contact the CSU using the phone, email, or by using the Navy Cash Disbursing website. The Disbursing Officer shall verify the ABA routing number and account number for new accounts. Guidelines for using the Disbursing Website are included in Part 2, Section 5F.

2.8. ISSUING CARD REPLACEMENTS. When a card expires or will be expiring at the end of a month, a cardholder must report to the disbursing office where they will be issued an instant issue Navy Cash card as a replacement. Instant issue cards have every capability that embossed permanent cards have, including the Debit Mastercard®, immediate access to any funds in the closed-loop account associated with the expiring card, and the ability to access Split Pay option. Once a new instant issue card is assigned, the card will be useable on the ship immediately, and ashore after the next round trip is executed by the ship. Funds on the chip of the old card will normally post to the strip of the new card within 24-72 hours.

2.8.1. HOT LIST FOR LOST, STOLEN OR DAMAGED CARDS. To limit a cardholder's loss, cardholders must report lost, stolen, or damaged cards to the Disbursing Officer or Navy Cash CSU immediately.

2.9. CLOSING A NAVY CASH CARD ACCOUNT. If there is no linked bank or credit union account or the account information is not valid, funds will remain in the open-loop account. If at all possible, the individual cardholder should be contacted and asked to provide a bank or credit union account number, ABA routing number, and his or her name as it appears on the account, so the positive balance can be pushed back to that account. The Disbursing Officer shall then request the Navy Cash CSU push any funds remaining in the open-loop account back to the designated bank or credit union account.

As a last resort, and after every effort to identify and locate the individual cardholder and return the residual funds has been exhausted, the Disbursing Officer must cash out any value remaining on the card and do a collection for the amount using a DD 1131 in accordance with DoD FMR, Volume 5, Chapter 8, Paragraph 0806, and Chapter 10, Paragraph 100505. These funds will be credited to one of two accounts at the Treasury, Account 20X6133, Payment of Unclaimed Moneys, for amounts of \$25 and greater, and Account 17R1060, Forfeitures of Unclaimed Money and Property, for amounts of less than \$25. Cardholders

retain the right to submit a claim for a refund to the U.S. Department of the Treasury, Bureau of the Fiscal Service. Any claim must include enough facts to validate the accuracy of the claim and justify the refund.

2.10. CARD EXPIRATION AND CARD CANCELLATIONS. The Disbursing Officer must ensure the customer understands when a particular visitor card expires and that the card must be turned in before the expiration date to cash out any remaining value on the ship. When a Navy Cash card expires, the chip on the card stops functioning. The actual expiration date is the last day of the month indicated in the “Valid Thru” date embossed on the front of instant issue and embossed permanent cards and the date printed on the back of the visitor card. For embossed permanent and instant issue cards, any funds remaining in the closed-loop account are automatically transferred to the open-loop account associated with the card.

2.10.1. EMBOSSSED PERMANENT OR INSTANT ISSUE CARDS. Cardholders whose embossed permanent or instant issue cards have expired or are expiring at the end of a month must report to disbursing where they will be issued instant issue Navy Cash cards as replacements. Instant issue cards have every capability that embossed permanent cards have, including the Debit Mastercard® open-loop account, immediate access to any funds in the open-loop account associated with the expiring card, and the ability to access the Split Pay option. Once new instant issue cards are assigned, the cards will be usable on the ship immediately, and ashore after the next round trip is completed by the ship.

2.10.2. VISITOR CARDS. Cardholders whose visitor cards have expired or are expiring must report to the disbursing office. After a visitor card expires, the chip can no longer be read on the ship, so any value remaining in the closed-loop account on the card cannot be cashed out and returned directly.

2.10.3. EXPIRED CARDS. All expired Navy Cash cards must be cancelled. When visitor cards are turned in to disbursing and cashed out, the Disbursing Officer should check the expiration dates on the cards. Cards can be destroyed by cutting them up or shredding them. Document destruction of the cards using the Navy Cash Card Issue Log (see example in Part 2, Section 5B)

2.11. INACTIVE ACCOUNTS. When a card expires, if there has been no activity on the card (open and closed loop) in the last 365 days, the account is considered inactive. As a part of this process, any remaining balance is transferred to the linked bank or credit union account automatically, if the linked account is still valid. Additionally, the Navy Cash open-loop account is suspended and Navy Cash access to the bank or credit union account is blocked automatically.

2.11.1. MONTHLY AUTOMATED TRANSFER OF DORMANT PROFILES FROM SHIP TO SHORE. To assist in maintaining a current Navy Cash roster on the ship, a monthly automated process detects and transfers member profiles that have not already

been transferred to the Shore Command, if there has been no activity on cardholder Navy Cash accounts (closed-loop, split pay option, or ACH transfer activity) in the past 180 days.

2.11.1.1. **ONE YEAR INACTIVITY.** After 365 days of no activity, any funds remaining in the open-loop account will be pushed to the linked bank / credit union account (if there is a valid account linked to the Navy Cash member profile), the Navy Cash open-loop account will be suspended, and Navy Cash ACH access to a bank / credit union account will be blocked automatically.

2.11.1.2. **RESTORAL USING SHIP CHECK IN.** If a cardholder attached to the ship has not used their Navy Cash card in the past year and is transferred to the Shore Command in error, they can simply do a “Ship Check In” at a Navy Cash Kiosk (Cashless ATM). Full access to Navy Cash capabilities will be restored as soon as the next round-trip processing is completed between ship and shore.

To keep the Navy Cash roster current and avoid dormant accounts, the Disbursing Officer should keep the transfer date in each cardholder’s member profile up to date. The transfer date is used to pull accounts of cardholders who have left the ship off the ship’s Navy Cash roster, transfer the accounts to the Navy Cash Shore Command, suspend the Navy Cash open-loop accounts, and block Navy Cash ACH access to bank and credit union accounts, all automatically on the date indicated. This automated process runs daily.

2.12. **DESTRUCTION OF NAVY CASH CARDS.** Cardholders are responsible for destroying their own cards when no longer needed. If the disbursing office has to destroy any Navy Cash cards, destruction should be documented in the Navy Cash Card Issue Log. Examples of destruction documentation needed would be cards in inventory about to expire discovered during inventory, unclaimed permanent cards or cards found/turned-in should be destroyed and documented.

2.13. **DELIVERY OF CARDS.** For security reasons and to prevent fraud, embossed cards arrive on the ship in a “pendactive” status and must be activated before they will work (see para 1.5.1.1). Instant issue cards are delivered to the Disbursing Officer in an active status. If there are less than 10 cards being sent to a ship, the individual cards are sent via the U.S. Postal Service (USPS) directly to the individual cardholders. Shipments of 10 or more cards are sent via FedEx to the Disbursing Officer for further distribution to the individual cardholders. FedEx shipments can be tracked. Navy Cash cards shipped via FedEx should arrive at Naval Supply Systems Command (NAVSUP) Fleet Logistics Center (FLC) or Defense Logistics Agency (DLA) about 10 business days after the Treasury Agent receives the enrollment data electronically. Contact the ship’s local FLC representative to check on the status of card shipments.

3. CARDHOLDER TRANSACTIONS.

3.1. **HOME ACCOUNT TO OPEN OR CLOSED LOOP ACCOUNT TRANSFERS.** If cardholders transfer money from their home bank or credit union account to their open- or

closed-loop accounts at the Navy Cash Kiosk, the funds are available for use on the ship immediately. The funds will generally be available ashore within 72 hours, if the ship completes its end-of-day processing between ship and shore. Disbursing Officers may refer cardholders to the [Navy Cash Cardholder Basics tri-fold](#) prior to going ashore.

3.2. OPEN OR CLOSED LOOP TO HOME OR CLOSED LOOP TO OPEN LOOP ACCOUNT TRANSFERS. Funds will generally be available in home accounts within one to two business days, after the ship completes its end-of-day processing.

3.3. USE OF CLOSED-LOOP FUNDS ASHORE. Use of closed-loop funds are not available ashore.

3.4. PIN CHANGES. PIN changes aboard ship are effective immediately. PIN changes ashore are effective after a successful round trip (normally within 24 to 72 hours).

3.5. QUESTIONS OR DISPUTES ABOUT FRAUDULENT OR ERRONEOUS TRANSACTIONS. A cardholder has every right to dispute an ATM withdrawal or purchase ashore if they suspect fraudulent or erroneous activity on their Mastercard® debit account.

Fraudulent Transactions: A fraudulent transaction is one in which the cardholder did not authorize, participate in, or benefit from.

Erroneous Transactions: An erroneous transaction is one in which the cardholder believes was in error and was not fraudulent, e.g., a dispute with a merchant or an ATM that does not dispense the amount of money requested.

In the event of a fraudulent transaction, a cardholder should stop using their card and immediately notify Customer Service:

Phone: 1 866 3NAVY CASH
1 866 362-8922
Website: www.navycash.com
Email: navycash@frb.org
Fax: 866-280-5057

Mailing Address:
FRB-KC Omaha Branch
Attention: Disputes
2201 Farnam St.
Omaha, NE 68102

3.5.1. NOTIFICATION. In case of a question or dispute about the Mastercard® debit (open-loop) account on their Navy Cash card, cardholders should contact Navy Cash Customer Service by phone at 1 (866) 362-8922 or email at navycash@frb.org as soon as the cardholder notices an error or has a question.

3.5.2. DOCUMENTATION. To dispute a fraudulent or erroneous transaction, a cardholder must fill out, sign, and date a dispute form and then forward the form to the Navy Cash Treasury Agent (see Part 2, Section 5B for copies of the dispute forms and more detailed procedures.)

3.5.2.1. OPEN A CASE. The cardholder must fill out all applicable information on the form, providing as much information as possible about the transactions in

question. The preferred and most efficient transmission of the form is to scan and email it to the CSU on the same day that the fraudulent or erroneous activity was discovered. The CSU will open a case in the ticketing system and forward the case to the Treasury Agent's transactions processor. Complete and send the dispute form to the Treasury Agent's customer service facility:

3.5.2.2. **FRAUDULENT INVESTIGATION FOLLOW-UP.** The transaction processor will investigate the dispute and respond directly to the cardholder via letter or through the CSU. Depending on the disposition of the dispute case, the CSU will return the funds to the cardholder's Mastercard® debit open-loop account.

3.5.2.3. **TO REQUEST STATUS OF DISPUTE CLAIM.** Any questions from the cardholder or Disbursing Officer about the status of the dispute case should be directed to the CSU.

3.6. **TRANSACTION HISTORY REPORT (RECEIPT).** Navy Cash cardholders may also access their transaction history on the Navy Cash website (<https://www.navycash.com>). Receipts for all kiosk transactions are available at the disbursing office during normal business hours.

3.7. **CARDHOLDER PURCHASES.**

3.7.1. **WEB AND TELEPHONE PURCHASES.** The Navy Cash open-loop debit Mastercard® can be used to pay for things ordered over the phone or from a website. Items ordered can be shipped to almost any address, but, when the merchant asks for a billing address, the correct address is the ship's mailing address because that's the billing address that's been entered in the Mastercard® data base for the Navy Cash cards. To protect against fraudulent use of lost and stolen debit and credit cards, many merchants and their financial networks compare the billing address given by the customer against the billing address registered in the data base. These addresses may need to be the same before they will approve the transaction.

3.7.2. **RECURRING PAYMENTS.** Recurring or automatic bill payment is a one way to pay for such things as telephone or cable television service, health club membership, magazine subscriptions, or internet service. Recurring payments can be made with credit and debit cards. Either a fixed amount, like a monthly internet service bill, or a variable amount, like a telephone bill, is pre-authorized. Although the Navy / Marine Cash card can be used for recurring payments, it is not recommended.

The Navy Cash open-loop debit Mastercard® is a prepaid debit card, not a credit card or a check card. It does not provide a line of credit or access to the pay deposited automatically in a checking account. Normally, the amount of money that can be spent is limited by the amount of money a cardholder loads onto the card. If a cardholder forgets to add money to the open-loop account, a recurring payment that exceeds the available balance will be declined, but only if the merchant tries to get authorization first. If the merchant is "force posting" the transaction without getting prior authorization, a

recurring payment that exceeds the available balance will result in a negative balance. The negative balance will be reported the next day, and the Disbursing Officer must notify the cardholder to come to the disbursing office to clear the negative balance.

If a cardholder has used a Navy Cash card for a recurring payment and, for some reason, a merchant continues to submit the recurring payment after the cardholder notified them to cancel their service, the cardholder must first contact the merchant to work out the problem. If the cardholder is unable to settle the issue, they may contact CSU for help in resolving the dispute with the merchant. The Fraud/Claims Group will contact the merchant and work to halt the recurring payment and restore the funds to the Navy Cash account.

4. CARDHOLDER FUNDS.

4.1. **CARD LIMITS.** These pre-set limits may prevent accountable officials from making large purchases on the ship in a single payment. In a situation like this, the accountable official can elect to make more than one payment with the organization's Navy Cash merchant card or simply pay by check.

4.1.1. INDIVIDUAL CARDHOLDERS STANDARD CLOSED-LOOP LIMIT. No more than \$1,000 can be loaded on or debited from the Navy Cash closed loop.

4.1.2. INDIVIDUAL CARDHOLDERS STANDARD ACH TRANSFER LIMIT. A \$400 daily maximum limit has been pre-set on funds transfers from a bank or credit union account to the closed-loop and/or open-loop accounts.

4.2. LOADING FUNDS.

4.2.1. NAVY CASH KIOSK. Funds transfers can be accomplished on board ship at a Navy Cash Kiosk. Funds can be transferred between the Navy Cash closed-loop and open-loop accounts and the bank or credit union account that was associated with the Navy Cash accounts during enrollment.

4.2.2. SPLIT PAY OPTION (CHANGE OR INITIATE) ONLY AVAILABLE FOR ACTIVE DUTY NAVY PERSONNEL. Split Pay Option (SPO) is normally processed ashore and posted to their open-loop account the day before pay day so the funds are available on the ship on pay day. SPO funds are available for use ashore as soon as they are posted to their open-loop account. Sailors should visit the Personnel Office onboard the ship to start, stop or change split pay.

4.2.3. CARD-TO-CARD TRANSFERS. A PIN is required to complete any close-loop-to-closed loop funds transfer between Navy Cash cardholders.

4.2.4. **CASH-TO-CARD:** Cash to closed-loop/open-loop is an option IAW the shipboard Navy Cash Operating Procedure.

4.3. **REFUNDS.** When a cardholder desires a refund from a merchant on the ship (for example, ship's store, MWR, General Mess), they must first obtain authorization from the Merchants, or a designated representatives on a standard, serialized, Navy Cash Refund Chit. The cardholder will then take the refund chit to the Navy Cash Accountable Officer. See sample of the Refund Chit in Part 2, Section 5B.

4.4. **NEGATIVE BALANCES.** For a cardholder with a negative balance, a funds transfer directly to his or her open-loop account provides an additional option to clear the negative balance (see Section 4, para 2.2.2, Negative Navy Cash Balances). The cardholder can provide cash to the Disbursing Officer in an amount sufficient to return the open-loop account balance to zero or a positive amount.

4.4.1. **REPRESENTMENT.** If a cardholder's ACH transfer request at the Navy Cash Kiosk is returned for NSF and is more \$5.00 or more, the ACH transaction will automatically be presented up to two more times on successive pay days. If the account still shows a negative balance, access to the cardholder's bank or credit union account will be blocked until the negative balance is cleared.

Navy Cash access to a bank or credit union account is blocked automatically when a transfer request is returned for NSF and an open-loop account goes negative, a cardholder may opt to go to the disbursing office to clear a negative balance and unblock access. Just prior to initiating representment, the Navy Cash system ashore checks the open-loop account balance. If the account is no longer negative, i.e., the account balance is "zero" or positive, the transaction returned for Non-Sufficient Funds (NSF) will not be represented. It is important to note that the cardholder must clear the negative balance in sufficient time for a round trip to be completed between ship and shore. Although a zero or positive balance will be reflected on the ship immediately, the new open-loop account balance must be posted ashore before the Navy Cash system checks the account balance. If the account balance ashore is still negative, the returned ACH transaction will be represented. Cardholders should be sure there are sufficient funds available in their bank or credit union account to cover any representment.

With representment, the majority of returned ACH transactions and resulting negative balances will be handled automatically. However, the Disbursing Officer must continue to review the Negative Balance and Returned Items Detail Reports on a daily basis and collect on any negative balances not covered by representment. If a cardholder's open-loop account balance has gone negative for a reason other than NSF, the transaction returned for NSF is under \$5, or there have been two representments since the account went negative, the Disbursing Officer is responsible for collecting on that debt.

4.4.1.1. **NOTIFICATIONS TO CARDHOLDER.** Cardholders will receive a notice of negative balance from the Navy Cash Accountable Officer. (See Part 2,

Section 5B for a sample memorandum notifying the cardholder of negative balance.)

4.4.1.2. NEGATIVE BALANCE FOR INACTIVE SERVICE MEMBERS. Even if a member leaves the service before settling a negative account balance, the Defense Finance and Accounting Service (DFAS), Directorate of Debt and Claims Management, and the Department of the Treasury, Bureau of the Fiscal Service (Fiscal Service), are responsible for collecting delinquent debts owed the government by former military members.

4.4.1.3. OTHER MILITARY BRANCHES OR CIVILIANS. The military member or civilian should contact their servicing finance office to resolve negative balance or debt collection issues.

4.4.2. **COLLECTION OPTIONS.** There are several options available to collect on the amount of a negative balance. The Disbursing Officer must ensure that the cardholder's access to his or her home bank or credit union account remains blocked until the negative balance is cleared. Do not unblock access until the cardholder's open-loop account balance is zero or positive.

4.4.2.1. Deposit Cash to Open-Loop Account. The Disbursing Officer can have the cardholder provide cash at the Disbursing Office and transfer the value directly to the cardholder's open-loop account.

4.4.2.2. Closed- to Open-Loop Account Transfer. The Disbursing Officer can have the cardholder transfer any value in the closed loop on his / her Navy Cash card to the open-loop account by escorting the cardholder to the Kiosk, and verifying that the funds are transferred to the open loop.

4.4.2.3. Change or Initiate Split Pay Option (SPO). The Disbursing Officer may, with the approval of the cardholder, change or initiate the cardholder's split pay payroll amount, which is transferred directly to the cardholder's open-loop account on payday, to cover the amount of the negative balance.

4.4.2.4. Immediate Collection from Pay. The Disbursing Officer can initiate an immediate collection from pay to clear the amount of any negative balance by producing a DD 139 Pay Adjustment Authorization. The Disbursing Officer will present the DD 139 to the Personnel Officer on board, who will then have a "DS01" Format Identifier posted to in the DMO system in accordance with the DMO Procedural Training Guide. The Company Code for Navy Cash is D411179. When DFAS-CL receives the information from the DMO system, the debt will be reconciled with the Treasury Agent via a collection from the cardholder's military pay account.

4.4.2.5. Automated Controls. To prevent cardholders from abusing the system, Navy Cash automatically blocks Navy Cash access to a bank or credit union account when ACH transactions are returned for NSF and the open-loop account balance goes

negative. For the first or second NSF, the block is temporary, until the account balance returns to zero or a positive amount. For the third return, the block is “permanent”, and the Disbursing Officer must decide whether or not to unblock access when the account balance returns to zero or a positive amount. It is important to realize that **every** NSF transaction advances the counter. To be clear, with automatic representment, a single ACH transfer request returned for NSF could result in a cardholder’s Navy Cash ACH access being blocked permanently if both representments are also returned for NSF. It is also important to realize that these controls do not go into place until the bank receives the information. Therefore, the cardholder may have the opportunity to create multiple NSF transactions before these automated controls are implemented.

4.4.2.6. **Manual Controls.** Manual controls provide additional options to prevent abuse of the system or to discipline a cardholder who continues to have problems with negative account balances. Manual controls can be put into effect through either the Disbursing Application (see Section 5E, paragraph 14, Account Information Update) or the Navy Cash Disbursing Website (Part 2, Section F), or by sending a request to the CSU by phone or email.

4.5. **BLOCKING ACCESS TO BANK OR CREDIT UNION ACCOUNTS ASHORE.**

The CSU does not automatically unblock cardholder access to home bank or credit union accounts when the banking information is updated. Cardholders may not request that access to their home bank or credit union accounts be blocked or unblocked.

A Navy Cash Disbursing Officer or Disbursing Deputy may also block or unblock cardholder access to home account on the Navy Cash Disbursing website (www.navycash.com) (see Section 4, para 2.2.3.8). A Navy Cash Accountable Officer or their Navy Cash Deputy may also contact the CSU by phone or email and request the blocking or unblocking of a cardholder’s access to home bank or credit union account. This request may be included in the same email as the request to update account information.

4.5.1. **UNCLAIMED FUNDS.** Cardholders retain the right to submit a claim for a refund to the U.S. Department of the Treasury, Bureau of the Fiscal Service. Any claim must include enough facts to validate the accuracy of the claim and justify the refund.

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SECTION 3 – Merchant Management

This section covers the enrollment process and describes the creation of new accounts, and the issuance of cards. Also covered is card inventory, loading of funds, and support of guests and visitors.

SECTION 3 - MERCHANT MANAGEMENT

1. **MERCHANTS.** The Navy Cash Accountable Officer is responsible for the merchant management requirements in this section.

1.1. **MERCHANT ACCOUNTS.** In Navy Cash, there are four different types of merchants in Navy Cash: 1) Private Merchants; 2) Generic Private Merchants; 3) Line of Accounting (LOA) Merchants; and 4) Transient Merchants.

A set of standard merchants has been established within Navy upon implementation of Navy Cash on each ship, specific merchants are set up based on the class of ship.

1.1.1. **PRIVATE MERCHANTS.** Merchants are created for shipboard organizations such as, Wardroom and MWR (see Table S3-1 below for a complete merchant list). These merchants are created with a connection to a private commercial bank or credit union for the purpose of supporting an organization using a Navy Cash card for financial transactions in the sale of goods.

1.1.1.1. **GENERIC PRIVATE.** These merchant accounts are used for short-term situations by various organizations. Generic private merchant names cannot be changed to accommodate a short-term need on a ship. For example, if the generic merchant PRIVATE ONE has been assigned to Cruise Book Sales for a particular deployment, PRIVATE ONE will appear on the POS screen and in Navy Cash reports related to Cruise Book Sales.

1.1.2. **LINE OF ACCOUNTING MERCHANTS.** LOA merchants, such as the General Mess, Disbursing Office, Marine Disbursing, Ship's Store, and SSPN to MWR Navy Cash transactions are settled or "registered" to the appropriate lines of accounting at the end of each month through the Disbursing Officer's monthly returns.

1.1.3. **TRANSIENT MERCHANTS.** Transient merchants are used when Navy Cash transactions must be settled on an as-needed basis to pay a vendor or concessionaire without delay for goods or services provided. The transient merchants are usually only needed for a short time and are commonly settled to a different vendor each time they are used. Transient merchants are designed to settle to the Disbursing Office merchant open-loop account on a daily basis and not to a bank or credit union account. The Disbursing Officer then provides an ex-cash-remittance check or cash to the vendor in the amount of the Navy Cash transactions collected by the vendor.

Table S3 - 1. Navy Cash Merchant List

LOA Merchants		Generic Private Merchants	
NAVY DISBURSING			
MARINE DISBURSING		PRIVATE ONE	*PRIVATE ELEVEN
GENERAL MESS – FOOD		PRIVATE TWO	*PRIVATE TWELVE
GENERAL MESS – SURCHARGES		PRIVATE THREE	*PRIVATE THIRTEEN
SHIP STORE		PRIVATE FOUR	*PRIVATE FOURTEEN
SHIP STORE #1		PRIVATE FIVE	*PRIVATE FIFTEEN
SHIP STORE #2		*PRIVATE SIX	
SSPN to MWR		*PRIVATE SEVEN	
BEVERAGE BAR		*PRIVATE EIGHT	
HANGAR BAY SALES		*PRIVATE NINE	
VENDING STORE ITEMS		*PRIVATE TEN	
VENDING SODA			
Private Merchants		Flag, Air Wing & Squadron Merchants	
NAVY MWR	1ST CLASS ASSN	CVW CPO MESS DUES	
MARINE MWR	TAXI MERCHANT <i>(only for ship's crew)</i>	CVW WARDROOM DUES	
POST OFFICE – METERED MAIL		CVW 1ST CLASS DUES	
WARDROOM MESS – FOOD	2ND CLASS ASSN	CVW MWR FUND	
WARDROOM MESS – DUES	PROT RELIGIOUS SERVICES	*SQDN CPO MESS DUES (1-9)	
CPO MESS – DUES	ORTH RELIGIOUS SERVICES	*SQDN WARDROOM DUES (1-9)	
FLAG MESS – FOOD	CATH RELIGIOUS SERVICES	*SQDN 1STCLASS DUES (1-9)	
FLAG MESS – DUES		*SQDN MWR FUND (1-9)	
Transient Merchants			
FOREIGN CONCESSIONAIRE			
HUSBANDING AGENT			
COLLEGE COURSES		<i>*Generally assigned to large-deck ships only.</i>	
COLLEGE BOOKS			
MISC EVENTS			

2. CURRENCY EXCHANGE ON BOARD SHIP. During port visits in foreign ports, currency exchange can be provided on board ship through the local husbanding agent, and this service can be requested as a part of the LOGREQ sent prior to a port visit. Navy Cash Point of Sale devices (POSs) will be available to the husbanding agent so that Navy Cash cardholders can use the closed-loop account on their Navy Cash cards to “purchase” currency.

2.1. PREPARATION. Before the sale of currency begins, an exchange rate that will remain in effect throughout the port visit will be agreed upon with the currency exchange vendor. Once established, the exchange rate will not be changed. The vendor will maintain a currency exchange log and record each transaction.

2.2. CLOSEOUT. Closeout Day Prior to Payment. At the end of each day the vendor will bring the POS and the currency exchange logs back to the disbursing office for verification and POS recharging.

To close out at the end of the port visit, download POS and Copy Logs. The Disbursing Officer or Deputy shall make copies of the logs.

2.3. GENERATE SHIP REPORT. As soon as the sales information on the POS is uploaded to the server on the ship, the Disbursing Officer shall use the Disbursing Application to generate and print a Merchant Transaction Report that shows the total amount of Navy Cash transactions collected by the vendor.

2.4. RECONCILE NAVY CASH REPORT AND VENDOR LOGS.

2.4.1. If the Merchant Transaction Report generated by the Navy Cash system and the vendor’s currency exchange logs agree, the Disbursing Officer is ready to pay the vendor for the amount of the Navy Cash transactions collected by the vendor. If they do not agree, the Disbursing Officer and the husbanding agent must reconcile the differences. To simplify settlement and payment, this reconciliation should be completed before initiating the IEOD function.

2.4.2. The Disbursing Officer shall use the Navy Cash Disbursing Application to generate a Merchant Transactions Report for the period covered by the logs presented by the vendor and using the merchant and operator ID number that was assigned to the POS used by the vendor.

2.4.3. For out-of-balance conditions, the Disbursing Officer and husbanding agent must compare the Navy Cash Merchant Transactions Report for the currency exchange vendor, which lists every Navy Cash transaction the vendor performed that day, and the vendor’s currency exchange log to determine, through a process of elimination, which transactions are missing or were recorded at incorrect amounts.

2.4.4. If the analysis reveals that cash (currency) was lost, misplaced, or stolen, it should be handled in accordance with Chapter 6 of DoD FMR Volume 5 and existing procedures.

2.4.5. Once the Merchant Transactions Report and Currency Exchange Log agree, the reconciliation is successful, and the Disbursing Officer is ready to pay the vendor with a US Treasury check or cash for the amount of the money exchanged using Navy Cash.

2.4.6. The Disbursing Officer shall maintain the Merchant Transactions Reports and any reconciliation worksheets associated with currency exchange must be retained with the Disbursing Officer's monthly returns.

3. MERCHANT ACCOUNTABLE OFFICIAL ENROLLMENT. As accountable officials, Navy Cash merchants must complete and sign an FS Form 2888, Application Form for U.S. Department of the Treasury Accountable Official Stored Value Card (SVC), prior to being issued a Navy Cash merchant card. A sample of FS Form 2888 is included Part 2, Section 5B. The form is also available on the Treasury Fiscal Service Navy Cash website (<https://www.navycash.com>).

3.1. ACCOUNTABLE OFFICIAL CARDS. Navy Cash merchant cards must only be issued to accountable officials who are authorized to use Navy Cash in an official capacity. Navy Cash Accountable Official cards are not for personal use. The personal funds of merchant cardholders must not be loaded onto the cards. The funds loaded onto the cards must be limited to money held by the merchant cardholders in their official capacity as accountable officials. Each merchant cardholder is responsible and accountable for all funds loaded onto her / his accountable official card and may be held pecuniary liable for the loss or misuse of such funds. All transactions involving funds on Navy Cash accountable official cards shall be reported in appropriate accountability statements in accordance with applicable regulations, policies, and procedures.

3.1.1. NAVY CASH MERCHANT CARDS. Merchant cards must be kept in a safe or secure container when not in use. All merchant cards not currently assigned to a Navy Cash merchant must be in the custody of the Disbursing Officer. Any merchant card in the Disbursing Officer's custody must have a zero balance or be properly be accounted for.

3.1.1.1. NAVY CASH MERCHANT CARD PINS. The Personal Identification Numbers (PINs) for the accountable official merchant cards must be changed by the relieving accountable individual at turnover.

3.1.1.2. MANAGING PRIVATE MERCHANT CARDS. When the need for a private merchant is over, the account will no longer be used. A private merchant can be reused when a new requirement emerges by contacting the CSU and providing the new account information. The PINs for the merchant cards must be changed by the new "merchant" when the cards are reissued.

3.1.2. CARDS TURNED IN. When a card is turned back in, the Disbursing Officer must change the linked bank / credit union account number for each merchant to all "9's" by entering the "9" digit 17 times in the "Bank Account Number" field using the Navy Cash website (preferred), the Disbursing Application or by sending a request to the

CSU by phone or email.

3.1.2.1. **CASH OUT MERCHANT CARDS.** The account balance (both closed loop and open loop) for all merchant cards in the custody of the Disbursing Officer and not currently in use must be zero. When a merchant card is turned in, the Disbursing Officer must verify that any value left in the closed-loop account has been cashed out and returned to the merchant prior to accepting custody of the card.

3.1.3. **LINKED ACCOUNT CHANGED WHEN MERCHANT CARD REUSED.** When a generic merchant card is reissued, if a new Accountable Official wants to link a bank / credit union account, the Disbursing Officer must update the linked account information immediately using either the Navy Cash website (preferred), the Disbursing Application or by sending a request to the CSU.

3.1.4. **ENROLLMENT FORM SIGNATORY FOR CVNS, LHAS, AND LHDS.** Due to higher card limits associated with their Navy Cash merchant cards, the accountable official enrollment form for the Disbursing Officer, MWR Officer, and Wardroom Mess Treasurer must also be signed by the ship's Commanding Officer (CO). The form must be signed by the ship's CO for any merchants with limits higher than \$10,000. A copy of the CO's appointment letter to the accountable official signed by the CO may be attached to the FS Form 2888 in lieu of the CO's signature on the form.

3.2. **MERCHANT CARDHOLDER LIMITS – ACCOUNTABLE OFFICIALS.** The Disbursing Officer can modify the closed-loop load and debit limit and the ACH transfer limit for merchant cardholders on board that ship through the Disbursing Application (see Part 2, Section 5B, paragraph 5c) but only up to a maximum of \$1,000 in the closed-loop account and a maximum of \$400 per day for ACH transfers. For any amount above the maximum limits, the Disbursing Officer must contact the CSU, and request that a merchant cardholder limit be modified, but only up to the standard limits listed above. Again, the Disbursing Officer cannot change the closed-loop load and debit limit, ACH transfer limit, or the transfer limit between closed- and open-loop accounts using the Navy Cash Disbursing website, navycash.com.

3.2.1. Any updates to card limits done through the Disbursing Application are effective immediately on board the ship and will regulate any subsequent funds transfer requests the individual or merchant cardholder attempts at the Navy Cash Kiosk. Updates done through the CSU do not go into effect on board the ship until the CSU receives the information, processes the request, and a round trip is completed between ship and shore.

3.2.2. **CLOSED-LOOP AND OPEN-LOOP STANDARD LOAD AND TRANSFER LIMITS.** The transfer limits shown below do not apply to Line Of Accounting (LOA) Navy Cash merchants (Disbursing, Sales, and Food Service), who settle through the Disbursing Officer at EOM, or to the transient merchants (Foreign Concessionaire, Husbanding Agent, College Courses, College Books, Miscellaneous Events), who settle

to the Navy Disbursing Office merchant open-loop account on a daily basis.

Table S3 - 2. Accountable Official Standard Card Limits

CLOSED-LOOP LOAD / DEBIT LIMITS	
<p>LARGE DECKS (CVNs, LHAs, LHDs)</p> <p>\$50,000</p> <p>MWR</p> <p>Wardroom Mess–Food</p> <p>Navy Disbursing Office</p> <p>\$10,000</p> <p>Rest of Accountable Officials</p>	<p>SMALL DECKS (LPDs, LSDs, LCCs, ASs, CGs, DDGs)</p> <p>\$10,000</p> <p>All Accountable Officials</p>
TRANSFER LIMITS BETWEEN CLOSED AND OPEN LOOP	
<p>LARGE DECKS (CVNs, LHAs, LHDs)</p> <p>\$50,000</p> <p>MWR</p> <p>Wardroom Mess–Food</p> <p>\$5,000</p> <p>Rest of Accountable Officials</p>	<p>SMALL DECKS (LPDs, LSDs, LCCs, ASs, CGs, DDGs)</p> <p>\$10,000</p> <p>MWR</p> <p>Wardroom Mess–Food</p> <p>\$2,500</p> <p>Rest of Accountable Officials</p>

3.2.3. STANDARD ACH TRANSFER LIMIT. For merchants who settle to bank or credit union accounts, a \$5,000 daily maximum limit has been pre-set on funds transfers from a bank or credit union account to the closed- and/or open-loop accounts.

3.2.4. MODIFYING CARD LIMITS. The Disbursing Officer can modify the closed-loop load and debit limit and the ACH transfer limit of cards through the Disbursing Application (see Part 2, Section 5E, paragraph 14h), or via the Navy Cash website in accordance with established limits.

4. TRANSFER OF RESPONSIBILITY UPON RELIEF. At turnover, the relieving merchant accountable official must complete and sign a new FS Form 2888. The relieved and relieving merchant accountable officials must confirm that the account balances (both closed and open loop) on the Navy Cash merchant card account fully for any funds remaining in the closed- and open-loop accounts. The Personal Identification Number (PIN) for the merchant card must be changed by the relieving merchant accountable official at turnover.

4.1. UPLOAD NEW ACCOUNTABLE OFFICIAL ENROLLMENT FORMS TO TREASURY AGENT. The Disbursing Officer may upload the signed FS Form 2888 to the Navy Cash Website or send the original FS Form 2888 to the Treasury Agent where they will be retained. All enrollment forms will be retained ashore for seven years past the termination of the Agency Agreement with the Treasury Agent for Navy Cash. The electronic image shall be considered the legal equivalent of the original.

5. ACCOUNT CREATION AND ACTIVATION.

5.1. ACTIVATE A PRIVATE MERCHANT. To activate a merchant who settles to a bank or credit union checking account ashore or to a Navy Cash merchant card open-loop account on the ship, the Disbursing Officer must change banking information on the Navy Cash website. If the merchant elects to settle to a bank or credit union account, the request should include the routing number and account number for the settlement account. By default, private merchants are initially set up to settle on a daily basis. If the merchant elects to establish a Navy Cash merchant account without a corresponding checking account, funds will be transferred only to the open-loop account.

5.2. ACTIVATE A GENERIC PRIVATE, STAFF, AIR WING, OR SQUADRON MERCHANT. When the need for a generic private merchant is over, the merchant account will no longer be used, and the merchant account can be reused when a new requirement emerges. It is critical that all the funds on the Navy Cash merchant card (if one was provided to the merchant) be removed and that the balance for both the closed- and open-loop accounts be zero when the generic merchant account is no longer needed. The funds can be pushed from the closed and open loops back to the home bank or credit union account using the Navy Cash Kiosk. Alternatively, the funds can be moved from the closed to the open loop using the Kiosk, and the closed loop can then be cashed out at the Disbursing Office. The Navy Cash merchant cards must be returned to Disbursing when the need for the generic merchant is over. The PINs for the merchant cards must be changed by the Navy Cash Accountable Officer the next time the cards are issued.

5.3. LOA MERCHANTS. LOA merchants are preset for each ship class. To add a new vending machine to an existing merchant, the Disbursing Officer simply goes to the “Vending and Ship’s Store” link in the Disbursing Application (see Part 2, Section 5E, para 21). No transactions can occur at the new vending machine until the CAD terminal ID number is associated with the machine in the Disbursing Application.

5.4. CONFIRM LINKED ACCOUNT. The Disbursing Officer must ensure newly assigned private and generic private, staff, air wing, or squadron merchants use the “ACH

Funding” screen on the Navy Cash Cardholder Website (<https://www.navycashcenter.com>) to confirm that the “Linked Bank Account” information associated with their Navy Cash merchant card reflects the correct bank or credit union information. This account information screen is also where the merchant can verify account information prior to requesting any transfers at the Navy Cash Kiosk to or from their open- or closed-loop account and bank or credit union account.

5.5. POINT OF SALE CONFIGURATION. The Navy Cash Point of Sale device (POS) is the card reader and keypad device used to register sales transactions in Navy Cash. A POS is configured for each merchant during Navy Cash installation. See Part 2, Section 5D for details on POS operations.

5.6. MERCHANT SETTLEMENTS. All merchants settle daily.

5.6.1. SETTLE ONLY TO OPEN-LOOP ACCOUNT. To simplify the reconciliation and settlement process, these merchants by default settle only to the merchant's open-loop account.

5.6.2. OPTION TO SETTLE TO BANK / CREDIT UNION OR OPEN-LOOP ACCOUNT. A mess treasurer may choose to settle Navy Cash transactions to the mess bank or credit union account or to the mess merchant open-loop account. Funds may be transferred among the mess merchant Navy Cash card closed-loop and open-loop accounts and the bank or credit union checking account.

5.6.3. MERCHANT SETTLEMENT REPORTS. Merchant settlement reports list all Navy Cash deposits made to the specified bank or credit checking account or merchant open-loop account and can be used to assist in reconciling the account. These shore reports are generated automatically at the completion of each EOD round trip and placed into a shore reports directory by date (see Part 2, Section 5B for an example).

6. MERCHANT TRANSACTIONS.

6.1. TIMING OF SETTLEMENT TRANSACTIONS. All merchants must understand that funds settled to bank or credit union accounts ashore are not immediately available for expenditure. Navy Cash transactions are sent to the Treasury Agent daily, but deposits are not made immediately. Automated Clearance House (ACH) transactions are only processed Sunday through Friday at 10:00 PM Eastern Time (8:00 PM on Sunday) by the Federal Reserve System. Transactions will generally be posted to bank or credit union accounts within 48 hours, and funds are normally available the next business day after the transactions are posted. Funds settled to non-general mess merchant open-loop accounts are available as soon as the end-of-day round trip is completed between ship and shore.

7. MERCHANT ACCOUNT MANAGEMENT.

7.1. **GENERAL MESS.** The general mess is established as a Navy Cash merchant during installation. Two merchants are set up for the general mess and configured on the POS device: General Mess–Food to record standard meal prices and General Mess–Surcharges to record meal surcharges. General Mess and General Mess Surcharge End of Month totals showing on the NAVSUP 1359 must match the Navy Cash End of Month Summary Report. The exception would be any cash or check transactions outside of Navy Cash reference *NAVSUP Publication 486, Volume 1, Food Service Management – General Messes.*

Note: Mess Merchants Aboard LCS Ships use EagleCash (a separate Treasury Stored Value Card program similar to Navy Cash) to support mess operations.

7.1.1. POINT OF SALE (POS) DEVICE. The POS is the card reader and keypad device used to register sales transactions in Navy Cash.

7.1.2. POS CONFIGURATION. A POS device will be configured for each private mess, the POS can be configured to operate online from the private mess office or offline in the portable mode. When the Afloat Wardroom Mess operates with two Navy Cash merchant accounts, “Food” and “Dues”, to maintain the separation of funds described above, the mess treasurer will be able to indicate “Food” and/or “Dues” as appropriate by selecting the appropriate merchants from the Merchant Selection screen during the process of entering purchase transactions. See Section 5D for instructions on operating the POS.

7.1.3. CASH SALE OF MEALS. When meal sales transactions are being collected, the cashier will be able to indicate General Mess–Food and General Mess–Surcharges as appropriate by selecting the merchants from the Merchant Selection screen during the process of entering purchase transactions. A meal sale with surcharge is entered as two separate amounts on the POS. See Section 5D of this SOP for detailed operating instructions for the POS.

7.1.3.1. WITH NAVY CASH CARD.

- A. The FSO has the option to have visitors pay for meals in advance or as-they-go or upon departure from the ship.
- B. The visitor, guest, or dependent can use their Navy Cash card to purchase meal(s) from the general mess.
- C. The visitor reports to the FSO/cashier to purchase the meal.
- D. The FSO keys in the meal price and the surcharge (if applicable) as two separate amounts.
- E. The POS deducts the total amount from the visitor’s Navy Cash card and records the transaction for download to the Navy Cash system. The Navy Cash reports will also record the collection, as if a cash collection had actually occurred and the sales proceeds for the day were deposited in disbursing.

General Mess Food and General Mess Surcharges will each be reported separately.

7.1.3.2. **WITH LARGE GROUPS.** For large groups of visitors, guests, and dependents it may not be feasible to issue instant issue or visitor Navy Cash cards, for example, a dependent's cruise or tiger cruise on board an aircraft carrier. For these special events the Commanding Officer (CO) may assign a "cruise coordinator" to plan for the accounting for and payment of meals consumed from the general mess by the guests.

7.1.3.3. **MEMBERS OF MESSES THAT SUBSIST FROM THE GENERAL MESS.** Shipboard messes may include the Wardroom, CO, or Unit Commander (Flag), depending on the size of the ship.

A. The FSO computes the total mess bill based on the meal consumed counts (NS Form 1046) and standard meal cost rates and presents an invoice (DD 1149) to the mess treasurer in accordance with existing procedures.

B. If the monthly mess invoice is \$10,000 or less (\$50,000 or less for the wardroom mess treasurer on CVNs, LHAs, and LHDs), the mess treasurer can pay the FSO with the Officer's mess Navy Cash card.

C. If the monthly mess invoice is greater than \$10,000 (\$50,000 for the wardroom mess treasurer on CVNs, LHAs, and LHDs), the mess treasurer can make more than one payment with the mess Navy Cash card or pay the FSO with a check drawn on their bank or credit union checking account in accordance with existing procedures (in which case Navy Cash is not involved at all).

7.1.4. PAYMENT OF MESS EXPENSES.

7.1.4.1. **ABOARD SHIP:** Aboard ship, the treasurer makes purchases with the private mess merchant Navy Cash card closed loop feature in the same manner that individual crewmembers purchase items on the ship.

7.1.4.2. **ASHORE:** Ashore, the treasurer uses the private mess merchant Navy Cash card debit function (open-loop account) to make purchases in the same manner as any debit card procedure.

7.1.5. TRANSFER OF FUNDS BETWEEN MESS CHECKING ACCOUNT AND NAVY CASH ACCOUNTS. Funds transfers can be accomplished on board ship at a Navy Cash Kiosk. Funds can be transferred to and from the Afloat Wardroom Mess merchant Navy Cash closed-loop and open-loop accounts and the bank or credit union accounts that were associated with the Navy Cash accounts. It is imperative for private mess treasurers to use the appropriate "food" or "dues" merchant Navy Cash card in order to maintain the separation of funds discussed in paragraph 4.3 of this SOP.

Follow the directions that are displayed on the screen of the Navy Cash Kiosks located on the ship or provided over the telephone from the Navy Cash CSC representative.

7.1.6. **HANDLING OF OFFICIAL REPRESENTATION FUNDS (ORF).** In situations where the ship sponsors a special event, such as a reception during a port visit, the private mess may receive ORF under a special Line of Accounting (LOA) to reimburse the mess for expenses incurred for hosting the special event.

Navy Cash does not affect the existing ORF handling procedure but provides an option to the treasurer. If the funds issued by disbursing are \$10,000 or less (\$50,000 or less for the wardroom mess treasurer on CVNs, LHAs, and LHDs). The treasurer can have disbursing add the advance ORF funds to the closed-loop account on the private mess Navy Cash card (a standard check/cash to chip transaction) or the funds can be loaded directly to the open-loop account on the card. The treasurer can then use the Navy Cash card to pay some or all of the special event expenses.

7.1.7. **MESS REFUNDS.** Mess bill and mess share refunds and commuted ration rebates are sometimes necessary, e.g., when the treasurer buys back the mess share of a member who is detaching from the ship. These refunds shall be conducted like any other refund process within Navy Cash.

7.1.7.1. Refund chit and refund control log examples are contained in Section 5B.

The member reports to the disbursing office with their Navy Cash card and presents the approved refund chit. Disbursing personnel then follow standard Navy Cash procedure to perform the refund transaction that adds the refund value to the member's Navy Cash closed-loop account (see paragraph 3.1a in Part 2, Section 5E).

The Disbursing Officer retains the liquidated refund chit and forwards it to the accountable merchant at the end of the business day for follow up action.

7.1.7.2. **LIQUIDATING THE REFUND.** On the day the refund is liquidated, and after receiving the liquidated refund chit from disbursing, the treasurer will note the date of liquidation on the original refund entry in the Refund Control Log.

8. POST OFFICE. The ship's post office is established as a Navy Cash merchant. The post office uses the Post Office–Metered Mail Navy Cash merchant. The Treasury Agents, the Federal Reserve Bank (FRB) and PNC, and the NAVSUP Postal Policy Division will work with the United States Postal Service (USPS) Postal Financial Officer to set up the appropriate bank account number for the settlement account for postal transactions. NAVSUP Postal Division will provide Navy Cash Team with appropriate SFA numbers for each ship. Navy Cash Refunds for the Post Office merchants should never be processed. Refunds must be requested directly from the USPS.

NOTES:

1. Navy Cash does not affect non-monetary postal procedures, which will continue to have their full force and effect. Nor does it eliminate the need for maintaining existing

money-handling procedures for contingency operations in the unlikely event that Navy Cash experiences a catastrophic failure and no longer functions.

2. The term Postal Officer used throughout this SOP refers to the Postal Officer and individuals that have been properly authorized and appointed as his/her agents.

9. RETAIL OPERATIONS. Retail operations End of Month totals showing on the DD Form 1149 must match the Navy Cash End of Month Summary Report. The exception would be any cash or check transactions outside of Navy Cash.

NOTE: The purpose of this SOP is to provide guidance for use of Navy Cash for purchases in the ship's store and vending machines. It is provided as an addendum to existing policy and procedures outlined in NAVSUP P487.

9.1. SALE OF MERCHANDISE. See Part 2, Section 5D for conducting sales using the Point of Sale (POS) device.

9.2. VENDING SODA AND VENDING STORE SALES. See Part 2, Section 5D CAD Operations, for Vending Maintenance and Sales End of Month Procedures.

9.3. DISTRIBUTION OF SHIP STORE PROFITS TO MWR. The Navy Cash system has the capability to allow Disbursing Officers the ability to transfer Ship's Store profits to MWR and eliminate the use of cash or checks.

9.3.1. REFUND PROCEDURES (TO COMPLETE PAYMENT TO THE MWR TREASURER):

9.3.1.1. Upon receipt of signed voucher by the Commanding Officer, the Disbursing Officer will complete vouchering the SF1034.

9.3.1.2. MWR Treasurer will report to Disbursing Officer with the MWR Merchant card.

9.3.1.3. MWR Treasurer will sign the SF1034 as follows:

Payee: Name of MWR Treasurer
Per: Receipted signature
Title: Treasurer

9.3.1.4. Access funds transfer, individual refund, miscellaneous refund, insert amount, select "SSPN transfer to MWR" NOT MWR MERCHANT from list of Merchants.

9.3.1.5. Process refund to Chip of the MWR Merchant card. No partial refund is authorized. Exact total as shown on SF1034 must be refunded.

*** Process may include more than one load based on chip limit. Treasurer will visit KIOSK to clear chip to allow additional refunds until total is refunded ***

9.3.1.6. Confirm refund by verifying Merchant Sales Summary Report (MSSR). This completes payment to MWR Treasurer.

9.3.2. REPORTING PROCEDURES:

9.3.2.1. On DD Form 2657, Record the transferred amount of Ship's Store profits on line 4.1 (Gross Disbursement) and as a negative entry on line 4.2A (Deposits Presented or Mailed to Bank).

9.3.2.2. Retain copy of MSSR with SF1034 to support entry to 4.2a until EOM is completed

*** The actual Debit Voucher will not be available until EOM has been completed ***

9.3.2.3. Upon receipt of the EOM Voucher Summary Report the refund will show as follows:

20190820	171022	20190925	155839	SSPN TRANSFER - CHIP	0.00	-
					20000.00	-20000.00

SSPN Transfer to MWR	DV31309	CHIP	09/25/2019	20000.00
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9.3.2.4. Record debit voucher as normal on your SODA and submit SF1034 following regular Disbursing Procedures.

9.4. EOM CLOSEOUT FOR RETAIL OPERATIONS. The Sales Officer, or designated representative, must wait until the monthly EOM Summary Report and monthly transaction detail reports are received from shore before finalizing the Navy Cash sales receipts numbers for Sales and preparing the DD Form 1149 Cash Sales Memorandum Invoice.

Prior to initiating an EOM inventory and closeout each month, the Sales Officer and Disbursing Officer will coordinate specific start and end dates when Sales and Navy Cash activities will be closed out. It is common practice, especially on larger ships, to specify different EOM closing dates for different vending machines. To assist in closing out each month, the Navy Cash application allows different EOM closing dates to be specified for each vending machine.

9.4.1. CLOSING OUT THE NAVY CASH SYSTEM. To determine the total of sales receipts collected by Navy Cash that will be recorded in the ROM back office for both ship's store and vending, the Sales Officer or designated assistant must work with the

Disbursing Officer to close out the Navy Cash system. Navy Cash enforces a specific sequence of steps for closing out each month or period.

9.4.1.1. First, the Sales Officer must close out all the vending machines for a particular merchant.

9.4.1.2. Second, the Sales Officer must close out all the merchants, to include both vending merchants and ship's store(s).

9.4.1.3. Third, the Disbursing Officer must perform the actual Navy Cash EOM, but can only do so after the first and second phases have been completed in order. The EOM Summary Report and monthly transaction detail reports from shore are generated automatically only after the Disbursing Officer completes this third and final phase of the EOM process and a round trip is completed between ship and shore. Step-by-step procedures are detailed in Part 2, Section 5E, paragraph 21.b.

A. Phase One. Proceed to each vending machine to close out the vending machine following procedures in Part 2, Section 5D. Ship's store personnel will take with them the Navy Cash merchant card associated with the particular type of vending machine. The merchant card is used to activate the CAD EOM function. There are separate Navy Cash merchants and separate merchant cards for vending soda and vending store items (e.g., snack or soap) and vending stamp (if applicable).

1. Verify Off-Line Queue Is Empty. To ensure that all transactions are included in the current month, ship's store personnel should verify the off-line queue in the CAD is empty before proceeding with Phase One of EOM. Each CAD has three hidden "buttons" designed to access diagnostic information like CAD terminal ID number, current software version of the CAD, or numbers of transaction messages in the queue. The diagnostic menu can be accessed when the CAD is in an idle state with no card inserted and the "Welcome Screen" is displayed. Navigation of the CAD "Diagnostic Menu" is described in detail in paragraph 2.3.3 and Part 2, Section 5D.

2. Close Out Each Vending Machine. When ready, insert the merchant card associated with the particular type of vending machine into the CAD to activate the EOM function. A message is displayed on the CAD that indicates that processing is taking place while the card is authenticated and checked against the negative card list.

3. Vending Inventory. Ship's store personnel will complete the EOM inventory following the procedures outlined in the

NAVSUP P487, paragraph 9004, and the ROM User's Guide when determining units sold. Ship's store personnel will print the profitability report of the non-EPOS vending machines following the procedures outlined in the ROM User's Guide.

B. Phase Two. After all vending machines have been closed out, the Sales or Disbursing Officer will close out each vending and ship's store merchant (parent) using the Navy Cash application at the sales or disbursing office. Log into the Navy Cash application and click on the "Vending and Ship's Store" link. Verify the appropriate month is shown (selected) in the "Display Status for Period" pull-down menu. When the "Merchants and Vending Machines" menu tree is expanded, the screen displays all the vending and ship's store merchants, all the vending machines associated with each vending merchant, and the Terminal ID numbers for the CADs associated with each of the vending machines within the Navy Cash system. Step-by-step procedures are detailed in Part 2, Section 5D. All merchants, including both vending and ship's store, must be closed out before the actual end of month can be performed.

Successful processing of the IEOD round trip ashore at EOM sends the EOM shore reports to the ship, including the monthly Transaction Detail Reports and the EOM Summary Report.

1. **Monthly Transaction Detail Reports.** The Sales Officer must compare the EOM Summary Report and the Ship's Store, Vending Soda, Vending Store Items, and Hangar Bay Sales Monthly Transaction Detail Reports. The totals from each report should match. For assistance, contact your Navy Cash Fleet Support Group POC listed in Part 2, Section 5A.

10. TRANSIENT MERCHANTS (VENDORS ACTIVATING MISCELLANEOUS EVENTS). The following provides basic procedures for vendors using the Miscellaneous Events transient merchant to collect payments on board ship.

Generally used when Navy Cash transactions must be settled on an as-needed basis to pay a vendor for goods or services provided, transient merchants are ordinarily only needed for a short time and are commonly settled to a different vendor each time they are used. Within Navy Cash, the standard transient merchants are: Husbanding Agent, Foreign Concessionaire, College Courses, College Books, and Miscellaneous Events. Transient merchants are included in the merchants set up for every Navy Cash ship.

10.1. **ESTABLISHING A MISCELLANEOUS EVENTS MERCHANT.** While the other transient merchants were set up for fairly specific purposes, Miscellaneous Events (MISC EVENTS) was established to handle fund-raising and other events, like a Navy Spouses' bake sale or the Navy Marine Corps Relief Society (NMCRS) annual active duty fund drive. Transient merchants are configured to settle to the Disbursing Office merchant

open-loop account on a daily basis and not to a bank or credit union account. The Disbursing Officer then provides an ex-cash-remittance check or cash to the vendor in the amount of the Navy Cash transactions collected by the vendor. Transient merchant cards are not required and are not issued.

The standard Navy Cash transient merchant names cannot be changed to accommodate a short-term need on a ship. For example, if the generic merchant MISC EVENTS has been assigned to the NMCRS annual fund drive, MISC EVENTS will appear on the POS screen and in Navy Cash reports related to the NMCRS fund drive.

13.1.1. SET UP A POINT OF SALE (POS) DEVICE. Refer to Part 2, Section 5D for setup instructions.

10.1.1. TRANSACTION LOG. The vendor is required to maintain a separate log and record each transaction. IF a POS is lost or destroyed before the payment transaction data stored in the POS is downloaded to the server, Navy Cash Technical Support (NCTS) personnel may be able to reconstruct the payment transactions using the documented transactions recorded in the log or from copies of sales receipts.

11. END OF BUSINESS DAY – DOWNLOAD TRANSACTIONS AND CLOSEOUT.

11.1. **CLOSEOUT DAY PRIOR TO PAYMENT.** At the end of the business day or at the end of the event, the vendor must bring the POS device and the transaction logs back to the disbursing office for closeout and payment.

11.1.1. The vendor must close out at the end of the business day prior to the day that payment is desired.

11.1.2. Navy Cash payment transactions collected by transient merchants are settled to the Disbursing Office merchant open-loop account, normally within 24 to 72 hours, but the amount is not actually transferred to the account or the new balance reflected until an Indicate End of Day (IEOD) function and subsequent round trip between the ship and shore are completed.

11.2. **DOWNLOAD POS AND COPY TRANSACTION LOGS.** The Disbursing Officer will make copies of the logs and then plug the POS into an available "download box" or LAN drop, e.g., in the disbursing office. When the POS comes on line with the Navy Cash server on the ship, the payment transaction data contained on the POS will be uploaded to the server automatically.

11.3. **GENERATE SHIP REPORT.** As soon as the transaction information on the POS is uploaded to the server on the ship, the Disbursing Officer will use the Disbursing Application to generate and print a Merchant Sales Summary Report that shows the total amount of Navy Cash transactions collected by the Miscellaneous Events merchant.

11.4. RECONCILE NAVY CASH REPORT AND VENDOR LOGS.

11.4.1. If the Merchant Sales Summary Report generated by the Navy Cash system and the vendor's transaction logs agree, the Disbursing Officer is ready to pay the vendor for the amount of the Navy Cash transactions collected by the Miscellaneous Events merchant. If they do not agree, the Disbursing Officer and the vendor must reconcile the differences. To simplify settlement and payment, this reconciliation should be completed before initiating the IEOD function.

11.4.2. The Disbursing Officer shall use the Disbursing Application to generate a Merchant Transactions Report for the period covered by the logs presented by the vendor and using the merchant and operator ID number that was assigned to the POS used by the vendor.

11.4.3. OUT OF BALANCE SITUATIONS. For either a shortage or overage out of balance condition, the Disbursing Officer and vendor must compare the Navy Cash Merchant Transactions Report for the Miscellaneous Events merchant.

12. MERCHANT TASKS.

12.1. **USE OF REPORTS FOR SETTLEMENT AND RECONCILIATION.** Merchant settlement reports are produced for all merchants listing all Navy Cash deposits. These shore reports are generated automatically at the completion of each EOD round trip and placed into a shore reports directory by date (Refer to report samples in Part 2, Section 5B).

12.2. **DAILY/MONTHLY SETTLEMENT TO LINES-OF-ACCOUNTING (LOAS).** All LOA merchants are accountable for all Navy Cash EOM Summary report totals. The general mess merchants settle to LOAs. Receipts from the sale of meals are sent ashore as a part of each End-Of-Day (EOD) process and held in the appropriate merchant accounts within Navy Cash until the End of Month (EOM). At EOM, the sales receipts for the month are settled or “registered” to the appropriate LOAs through the Disbursing Officer’s monthly returns. Navy Cash receipts from the sale of meals for the month are reported in the Food Service Officer’s (FSO’s) Monthly General Mess Operating Statement (NS 1359) and the Disbursing Officer’s Statement of Accountability (SF 1219). Each month, the Food Service Officer, Sales Officer, and Disbursing Officer must coordinate their monthly reporting responsibilities to make certain that the Disbursing Officer’s monthly returns are prepared and submitted on time, so that the funds are credited to the appropriate LOAs on a timely basis.

SECTION 4 – Disbursing Operations

This section covers the establishment of the Navy Cash Program; setting up Internal Procedures, equipment custodial responsibilities, managing Navy Cash accounts and transactions, handling negative balances, audits, fraud and risk, as well as recurring Disbursing

SECTION 4 - DISBURSING OPERATIONS

1. ESTABLISHING THE NAVY CASH PROGRAM.

1.1. NAVY CASH ACCOUNTABLE OFFICER APPOINTMENTS. On most ships equipped with Navy Cash, the Disbursing Officer is appointed as the Navy Cash Accountable Officer (NCAO). In this SOP, the term Disbursing Officer refers to the Disbursing Officer and his properly authorized and appointed representatives, such as disbursing agents, Deputy Disbursing Officer, or Navy Cash Deputy, primarily in their roles as Navy Cash accountable officials responsible for the operation and maintenance of the Navy Cash system.

1.1.1. DD FORM 577. Because Navy Cash is a financial system, and the handling of public and private funds is inherent, a Department of Defense (DD) Form 577, Appointment / Termination Record—Authorized Signature, shall be signed by the Commanding Officer appointing the Disbursing Officer, or other responsible individuals, as the Navy Cash Accountable Official. The form delineates what his or her accountability and responsibilities include (see the Department of Defense Financial Management Regulation (DoD FMR), Volume 5, Chapters 2 and 10). Subsequent DD Form 577s from the Disbursing Officer to his or her deputy, agents, or cashiers shall also be maintained (see sample DD Form 577s in Part 2, Section 5B).

1.1.2. NAVY CASH DEPUTY. The Navy Cash Accountable Officer must appoint a Navy Cash Deputy. If the Navy Cash Accountable Officer is not available, e.g., attending training class or on leave or Temporary Additional Duty (TAD), the Navy Cash Deputy must be available to perform the duties of the Navy Cash Accountable Officer, primarily to operate and manage the Navy Cash program and system on the ship. A DD Form 577 shall be signed by the Navy Cash Accountable Officer to the responsible individual as the Navy Cash Deputy, delineating what his or her responsibilities include.

1.1.2.1. The Disbursing Officer must ensure the Navy Cash Deputy is properly trained on Navy Cash operations and able to fully cover during any absences. The Deputy should have the knowledge and ability to resolve any Navy Cash technical and / or financial issues that may arise. The Navy Cash Deputy can recruit the assistance of the ship's IT personnel for technical issues as needed.

1.1.2.2. Additional training for the Navy Cash Deputy is also available on request from the FSGs.

1.2. INTERNAL PROCEDURES AND CONTROLS. To facilitate effective management and administration of Navy Cash operations, each ship should develop a ship's instruction that provides a framework for associated duties and responsibilities and lays out internal management controls and specific policies and procedures for Navy Cash. A sample instruction is included in Part 2, Section 5B.

1.3. NAVY CASH DISBURSING APPLICATION. See Part 2, Section 5F.

2. MANAGEMENT OF THE NAVY CASH SYSTEM.

2.1. EQUIPMENT CUSTODIAL RESPONSIBILITIES.

2.1.1. NAVY CASH CARD STOCK. The Disbursing Officer is responsible for maintaining a stock of Navy Cash cards. Navy Cash cards shall be safeguarded in accordance with the procedures for blank Treasury checks prescribed in DoD FMR, Volume 5, Chapter 7. The Disbursing Officer may delegate the responsibility for custody of Navy Cash cards to a designated representative.

2.1.2. NAVY CASH SYSTEMS MOVES. Ships undergoing availabilities in shipyards often use barges as temporary office, messing, and berthing spaces. To relocate Navy Cash equipment from the ship to the barge, the ship will be responsible for all labor, equipment moves, set up, and bringing the system up operationally. This includes both physical equipment and electrical/communications systems availability and operation. When the ship relocates the equipment using ship's force, the ship will be responsible for any damages to Navy Cash equipment sustained during the move.

2.1.3. CUSTODY OF SPARE POS AND CADS.

2.1.3.1. SPARE POS. The Disbursing Officer is responsible for control of all spare POSs held in ready reserve for periodic functions such as MWR sales, Husbanding Agent sale of currency, and concessionaire sales. These units should be accounted for as Operating Space Items (OSIs) in the ship's allowance for stock. POSs checked out for these periodic functions should be signed out on a locally generated and maintained custody log. When a POS has been used in the offline mode and transactions have been recorded (stored) but have not yet been downloaded to the Navy Cash server, it should be kept in a safe, for example, the Disbursing Officer's or Sales Officer's safe. POS OSIs that do not have transactions stored on them should be kept in a safe or in a secure storeroom or space on the ship that is locked when not occupied and has limited access, for example, the disbursing office. Spare POSs not being held in reserve for periodic functions (and without transactions store on them) should be maintained as stock items in a secure storeroom.

2.1.3.2. SPARE CADS. The Sales Officer is responsible for all spare Card Accepting Devices (CADs) held in ready reserve as Operating Space Item (OSI). When a CAD has been removed from a vending machine, and still has transactions recorded (stored) on it that have not yet been downloaded to the Navy Cash server, it should be kept in a secure location (see Part 2, Section 5D for procedures for recovering transactions from the SD card backup in a CAD). CADs held as OSIs that do not have transactions stored on them should be kept in a safe or in a secure storeroom or space on the ship that is locked when not occupied and has limited access. In general, CADs should be maintained as stock items in a secure storeroom.

2.1.3.3. INVENTORY CONTROL. Failure to maintain inventory control over Navy Cash items can result in missing items, especially during turnover of key

personnel. Inventory of Navy Cash spares must be completed twice annually and upon turnover of the accountable individual.

2.1.3.4. **CUSTODY OF NAVY CASH CARD CARDSTOCK.** The CVT shall verify all blank Navy Cash card stock by count against the Bulk Card Log, and the audit shall be documented as the next entry in the Bulk Card Log. The Disbursing Officer shall collect and destroy any cards that have expired or will soon expire.

2.1.3.5. **RESPONSIBILITIES FOR FAILED EQUIPMENT.** Whenever a piece of Navy Cash equipment, such as a POS, CAD, or switch, fails, the failure must be reported to the CSU. The CSU will assign a case number. The CSU will handle the trouble call directly if at all possible or forward the call to the proper person. When directed to return failed equipment to the Navy Cash depot (CADs and POSs with stuck transactions are sent to SAIC), retain the email from the CSU with the traceable tracking number and date shipped. A copy of the email with the case number assigned by the CSU and the equipment serial number should be included with all Navy Cash equipment returns.

*SHIPPING ADDRESS AND CERTIFIED
MAILING ADDRESS NAVY CASH DEPOT*

SAIC
ATTN: Navy Cash Depot
7580 Metropolitan Drive, Suite 207
San Diego, CA 92108
Phone: (619) 278-5472 (*Shipment related issues only*)

2.1.3.6. **MAILING OR SHIPPING EQUIPMENT WITH BATTERIES
CONTAINED IN THE EQUIPMENT.**

A. **Hazardous Materials Regulations.** Batteries must be disposed of locally via shipboard HAZMAT procedures and must never be mailed or shipped.

B. **Ingenico iPA280.** The iPA280 POS (*on ships with release v1.4.7.1*) uses a rechargeable lithium-ion battery to provide power when used in the portable mode. In preparing an iPA 280 for mailing or shipping, the rechargeable lithium-ion battery must be removed from the device. The iPA280 also contains a backup battery (button cell) to prevent data loss during exchange of the rechargeable battery. This backup battery (button cell) is imbedded in the device on the motherboard and cannot be removed.

C. **BLUEBIRD:** The Bluebird POS (MT 280) (*on ships with release v1.4.7.3/1.4.7.4*) uses a rechargeable lithium-ion battery to provide power when used in the portable mode. In preparing a Bluebird for mailing or shipping, the rechargeable lithium-ion battery must be removed from the

device. The Bluebird also contains a backup battery (button cell) to prevent data loss during exchange of the rechargeable battery. This backup battery (button cell) is not user replaceable.

D. MX925: This device does not contain an internal lithium-ion battery. It only works when plugged in.

E. **Packaging POSs for Shipment.** Packages prepared for shipment (by USPS, UPS, FedEx, etc.) are likely to travel by air for at least one flight segment and must be treated as air shipments. Do not ship batteries with POSs to SAIC.

2.2. **MANAGEMENT OF NAVY CASH ACCOUNTS.**

2.2.1. **NAVY CASH ACCOUNT ENROLLMENTS.** Enrollment in Navy Cash is highly recommended for all crewmembers.

2.2.1.1. **NORMAL ENROLLMENTS.** After the initial bulk enrollment is completed, personnel reporting to the ship can enroll in the Navy Cash program at the disbursing office. To enroll, they must fill out and sign an enrollment form and turn the form in to Disbursing (a sample Navy Cash enrollment form is included in, Part 2, Section 5B). Disbursing Officer uses the Navy Cash Disbursing Application to enter the information needed from the enrollment form, which is then forwarded automatically to the Navy Cash backend ashore to complete the enrollment process. Disbursing office retains a copy of the enrollment form on board the ships and forwards the original to the Treasury Agent to image and keep on file electronically.

Personnel newly enrolling in Navy Cash are normally issued an instant issue Navy Cash card. Pre-embossed with the name as “NAVY CARDHOLDER” and a Mastercard® account number, instant issue cards are issued on the spot at the disbursing office. Instant issue cards provide individuals immediate access to all Navy Cash capabilities. A new enrollee can load the closed-loop account on the card at the disbursing office immediately by writing a personal check or converting cash, and the card can then be used for purchases on the ship. As soon as the account information on the ship and shore has been updated with the new account and card number, the card can also be used aboard ship. Cardholders are able to transfer funds at Navy Cash Kiosks on the ship to the closed-loop or open-loop accounts from bank or credit union accounts ashore and can access funds in the open-loop account at ATMs ashore or to pay for purchases at retail locations ashore. The update occurs when the next “round-trip” processing is completed between ship and shore, normally within 24 to 48 hours

2.2.2. **NAVY CASH NEGATIVE BALANCES.** The amount of any negative open-loop account balance represents a debt to the U.S. Treasury’s Navy Cash funds pool. The Disbursing Officer is responsible for collecting on that Government debt.

2.2.2.1. **DISBURSING OFFICER’S RESPONSIBILITIES.** When a cardholder’s open-loop account balance is negative, the Disbursing Officer is responsible for management of negative balance collections in accordance with the ship’s internal procedures and this SOP.

2.2.2.2. **HOW NEGATIVE BALANCES OCCUR.**

A. A negative balance occurs when cardholder requests to transfer funds at a Navy Cash Kiosk are dishonored and returned from cardholders’ home bank or credit union accounts. *ACH Codes for Returned Transactions* can be found in Part 2, Section 5C.

B. Transaction timing issues can result in negative balances on debit card purchases or ATM withdrawals ashore when there are not sufficient funds in cardholders’ open-loop accounts. Possible causes include merchant holds, merchant without online authorization capability, shipboard Navy Cash kiosk transactions, network unavailable, etc.

When cardholders use their Navy Cash debit feature ashore, the new balance in their Navy Cash open-loop accounts will be reflected ashore immediately, but will not be reflected on the ship until the next round-trip processing is completed between ship and shore.

2.2.3. **NAVY CASH SYSTEM CHECKS.** The Navy Cash system automatically blocks Navy Cash access to a cardholder’s bank or credit union account when an Automated Clearing House (ACH) transaction return is received and the cardholder’s open-loop account goes negative. If the reason for dishonoring and returning the ACH transfer request is NSF, once the negative balance is cleared, the ACH block is automatically removed. If an ACH return is received for a reason other than NSF, ACH access remains blocked until the disbursing officer unblocks the account. The Disbursing Officer should work with the cardholder to update any invalid bank or credit union account information, so Navy Cash ACH access can be unblocked.

2.2.3.1. **REPRESENTMENT.** This is a method of streamlining collections for negative balance accounts due to insufficient funds of greater than \$5.

A. **ACH Transfer Requests Returned for NSF.** If a cardholder’s request at the Navy Cash Kiosk to transfer funds from a bank or credit union account is returned for NSF, the ACH transaction will automatically be represented up to two more times on successive paydays.

B. **Representment Process.** Military payday is on the 1st and 15th of each month. If the 1st or 15th falls on a weekend or holiday, payday is the duty day preceding the weekend or holiday. The Navy Cash system ashore will create an ACH representment file one day prior to payday, so the receiving banks or credit unions can debit the accounts first thing on payday.

C. Specific Characteristics of Representation.

1. **Funds Held for Five Days.** When a returned transaction is represented, the funds will not be posted immediately but will be held for five business days to ensure the cardholder does not use those funds until it is reasonably certain the represented transaction will not be returned for NSF as well.

a. Returned Transactions of \$5 or More. Automatic ACH representation will proceed only if the value of the returned transaction is \$5 or more.

2.2.3.2. COLLECTING ON NEGATIVE BALANCES. It is the Disbursing Officer’s responsibility for management of negative balances. With automatic representation, the majority of returned ACH transactions and resulting negative balances will be handled automatically. If representation fails for two paydays, the following are alternative options for collections by the Disbursing Officer:

Table S4 - 1. Negative Balance Collection Options

Navy	Marines
Kiosk transfer (closed to open loop)	Kiosk transfer (closed to open loop)
Collection of cash at disbursing office	Collection of cash at disbursing office
Split Pay	Not Applicable
DD Form 139 (Navy Company Code: D411179)	Marine equivalent

2.2.3.3. NEGATIVE BALANCE REPORT. Review the daily negative balance report and take appropriate actions. Cardholders with negative balances greater than 10 days without representation will result in an audit discrepancy.

A. **Representation Pending.** If within 48 hours of payday, the Disbursing Officer should not take any collection action on negative accounts because representation actions are pending.

- a. **If the ACH REPRESENTMENT COUNT = 0,** the ACH request is scheduled to be represented for the first time on the date.
- b. **If the ACH REPRESENTMENT COUNT = 1,** either the ACH request was represented on the date and is in the five-day waiting period, or the ACH request is scheduled to be represented for the second time on the date.
- c. **If the ACH REPRESENTMENT COUNT = 2,** the ACH request was represented a second time on the date and is in the five-day waiting period.

B. **Navy Cash Website.** Assists in researching causes of negative balances via the ACH tab on the cardholder's profile.

2.2.3.4. **NOTIFY CARDHOLDER.** Immediately notify cardholder and their chain of command. Once notified, cardholder shall report immediately to the Disbursing Officer to resolve the negative balance.

2.2.3.5. **DISCIPLINARY ACTION.** The Disbursing Officer should notify the commanding officer if willful negligence or fraud is suspected.

2.2.3.6. **BLOCK CONDITION DURATION.** The Disbursing Officer must ensure the cardholder's Navy Cash access to a bank or credit union account ashore remains blocked until the negative balance is resolved and the balance is zero or positive.

2.2.3.7. **COMMAND POLICY.** The Commanding Officer is responsible for establishing a Navy Cash internal procedures for the command to include policy on negative balance collections and disciplinary actions. Refer to the sample provided in Section 5B.

Table S4 - 2. Guidelines for Negative Cash Open-Loop Account

Reason for Negative Balance	Guidelines ¹ for Negative Navy Cash Open-Loop Account Balances		
	First Occurrence	Second Occurrence	Third Occurrence
Returns from Home Account Requests ²	<p>System <i>temporarily</i> blocks access to DDA until negative balance is corrected.³ Disbursing Officer has discretion to unblock access</p> <p>Options:</p> <ul style="list-style-type: none"> • Counseling from Disbursing Officer on managing Navy Cash accounts more effectively • Disbursing Officer has discretion to reduce daily max limit down from \$400 for 30 days⁴. • If willful negligence or fraud suspected, Non-Judicial Punishment (NJP) or court-martial under Article 92 of Uniform Code of Military Justice (UCMJ) 	<p>System <i>temporarily</i> blocks access to DDA until negative balance is corrected.³ Disbursing Officer has discretion to unblock access</p> <p>Options:</p> <ul style="list-style-type: none"> • Counseling from Disbursing Officer on managing Navy Cash accounts more effectively • Notify member of second occurrence via member’s chain of command • Disbursing Officer has discretion to reduce daily max limit from previous limit for 60 days • Block access to DDA for 30 days • If willful negligence or fraud suspected, NJP or court-martial under Article 92 of UCMJ 	<p>System <i>permanently</i> blocks access to DDA.³ Disbursing Officer has discretion to unblock access</p> <p>Options:</p> <ul style="list-style-type: none"> • Notify member of third occurrence via member’s chain of command • Block (suspend) Navy Cash account indefinitely • Confiscate Navy Cash card; provide visitor card funded only via cash or SPO • If willful negligence or fraud suspected, NJP or court-martial under Article 92 of UCMJ
ATM and Point-of-Sale Purchases Ashore ⁵	<p>Options:</p> <ul style="list-style-type: none"> • Counseling from Disbursing Officer on managing Navy Cash accounts more effectively • If willful negligence or fraud suspected, NJP or court-martial under Article 92 of UCMJ 	<p>Options:</p> <ul style="list-style-type: none"> • Counseling from Disbursing Officer on managing Navy Cash accounts more effectively • Notify member of second occurrence via member’s chain of command • Block (suspend) Navy Cash account 30 days • If willful negligence or fraud suspected, NJP or court-martial under Article 92 of UCMJ 	<p>Options:</p> <ul style="list-style-type: none"> • Notify member of third occurrence via member’s chain of command • Block (suspend) Navy Cash account 60 days • Confiscate Navy Cash card; provide visitor card funded only via cash or SPO • If willful negligence or fraud suspected, NJP or court-martial under Article 92 of UCMJ

¹ Several options are presented for each reason a Navy Cash account balance might go negative. Actual action taken is at discretion of cardholder’s chain of command. Guidelines are based on the number of times a cardholder’s account has gone negative and are listed in order of severity, from least severe to most severe.

² ACH transactions returned from cardholder’s home bank or credit union account resulting in a negative balance. Reasons for returned transactions include: nonsufficient funds (NSF), closed account, invalid account information, etc.

³ ACH access automatically blocked when ACH return received and open-loop account goes negative. If NSF and balance restored to \$0 or greater, block is removed in first two instances of NSF returns. ACH block remains in place on receipt of third NSF return. If non-NSF return received, ACH access remains blocked until banking info updated.

⁴ For first occurrence, reduction could be based on graduated access limits determined by rate/rank: E1–E2 \$50, E3–E4 \$75, E5–E6 \$100, E7 and above \$200. For second occurrence: E1–E2 \$10, E3–E4 \$25, E5–E6 \$50, E7 and above \$100. For third occurrence, access to DDA could be blocked indefinitely.

⁵ Debit card purchases or ATM withdrawals ashore that cause the open-loop account to go negative. Possible causes include merchant holds, merchant without online authorization capability, transaction below merchant floor limit, network unavailable, etc.

2.2.3.8. BLOCKING AND UNBLOCKING ACCESS TO HOME ACCOUNTS.

An authorized Disbursing Officer or Deputy can block or unblock a cardholder's ACH access to their home bank or credit union account through either the Disbursing Application or the Navy Cash disbursing website, or by sending a request to the CSU by phone or email.

When a Navy or Marine Cash cardholder's ACH access privileges are blocked, the account information is updated as follows on the Navy Cash disbursing website:

- a. The "ACH Allowed" flag is set to "N".
- b. The "ACH Decline Count" is set to "99".
- c. The "99" code indicates that the ACH privileges on the account were deliberately blocked by either a Customer Service Representative (CSR) or authorized disbursing personnel. Even if the account balance returns to \$0 or greater, the blockage is not removed.
- d. This "99" account blockage can only be removed by authorized disbursing personnel or by the CSR at the request of authorized disbursing personnel.

When an ACH transaction is returned with a code other than R01/R09/NSF, the account is automatically blocked, and account information is updated as follows on the website:

- A. The "ACH Allowed" flag is set to "N".
- B. The "ACH Decline Count" is set to "98".
 1. Note that the "98" indicates that the ACH privileges were blocked automatically due to an ACH return other than NSF.
 2. This "98" account blockage can only be removed by authorized disbursing personnel or by the CSR at the request of authorized disbursing personnel. The request should include new or updated home bank or credit union account information that has been validated by the disbursing office so that any errors in the account information on file can be corrected.

Table S4 - 3. Summary of ACH Decline Counts

0,1,2,3	Number of returns for NSF	Allow unblock
90,91, 92,93	Blocked on transfer Previous value 0,1,2,3	Allow unblock
95	No linked account information provided during enrollment	Allow unblock if bank or credit union account and ABA numbers updated
96	Unacceptable NFCU account provided	Allow unblock if account number updated
97	Technical error processing account	Allow unblock if error corrected
98	Return other than NSF, e.g., invalid account number	Allow unblock if bank or credit union account and ABA numbers updated
99	Manually blocked by disbursing	Allow unblock

Blocking access only prevents Navy Cash access to bank and credit union accounts from the ship. Suspending an account only prevents online ATM withdrawals and online PIN-based and signature-based purchases ashore. The individual can still use the value in the closed-loop account for purchases on the ship.

2.2.3.9. COURT ORDERS AND LEVIES AND SUBPOENAS ON NAVY CASH ACCOUNTS. On occasion, the Treasury Agent for Navy Cash, receives Court Orders and Levies (COAL) and Subpoenas on accounts with deposits in the bank. Subpoenas are court orders to provide specific information about customer accounts and transactions against accounts. COAL are specific instructions received from the courts for search and investigative requirements about accounts and for holds, debits, and credits on accounts. The Treasury Agent must carry out these directives based on the specific instructions received from the courts. The Navy Cash backend ashore now has automated capabilities to respond to instructions received from the courts.

Any hold, debit, or credit action that results from COAL instructions will always be applied to the open-loop account. The value in the closed-loop account is not affected by this process and can still be used for purchases on the ship.

A. If a hold is placed on an open-loop account that does not have sufficient funds to cover the hold, the available balance on the account will go negative, and the closed-loop load limit will be set to zero. As a result, all transfers to the closed loop, including ACH transfers, funds transfers to load cash at disbursing office, closed-loop-to-closed-loop transfers, and open-to-closed-loop transfers, are blocked. When the open-loop account is replenished up to or beyond the amount of the negative balance, the closed-loop load limit will be reset to the limit set prior to the hold, and funds can again be transferred to the closed-loop account.

B. Any negative balance resulting from a hold will not be reflected on the Navy Cash Daily Negative Balance Report, since the report only reflects negative

balances on the account's "ledger balance", while holds are applied to the account's current available balance.

The round trip process will reflect any holds on an account in the available balance returned to the ship. Debit and/or credit transactions are processed and posted to Navy Cash accounts daily in accordance with instructions provided. Any hold, debit, or credit action is logged and reported on the Navy Cash Cardholder Website (<https://www.navycash.com>). To log in to the website, cardholders need a username and password. The first time cardholders access the website, they use their 16-digit Mastercard® card number and PIN. They are then asked to set up a username and password and set up answers to two security questions. A detailed transaction history is available to review all closed- and open-loop transactions for the current month and the last six months.

If Navy Cash cardholders have questions about a hold, debit, or credit on their account that resulted from COAL instructions, Disbursing Officers should direct them to call the Cardholder Customer Service Center (CSC) at (866) 362-8922.

2.2.4. NAVY CASH ACCOUNT SETTLEMENT.

2.2.4.1. MISCELLANEOUS PAYMENTS TO NAVY CASH CARD. The disbursing office will follow existing procedures to pay laundry claims, travel reimbursements, or other miscellaneous payments. The value can be added to the cardholder's or merchant's Navy Cash card following the "Funds Transfer to Closed-loop" procedures in Part 2, Section 5E, paragraph 2.1. *(For other miscellaneous payments see Section 3, of this SOP and Chapter 8, Part D, paragraph 8300, of the Ship's Store Afloat Manual (P-487) for additional details.)*

2.2.4.2. COLLECTIONS FROM PORTABLE POINT OF SALE (POS) DEVICES. When a LAN drop is not accessible, the Disbursing Officer will issue the merchant a hand-held battery-operated POS point of sale device in accordance with Chapter 2 of this SOP. If the POS is expected to be used remotely for an extended period, the Disbursing Officer should make sure the merchant has additional batteries readily available. The merchant will be accountable for this device and use it to collect value from the cardholders' Navy Cash cards. The user will be required to sign out the POS on a locally generated and maintained custody log. Since a portable POS stores the value of sales transactions, it should be protected like a cash box. The merchant is required to maintain a separate log and record each transaction.

A. At the end of each business day, the merchant will upload the information from the POS to the Navy Cash server by simply plugging the POS into any Navy Cash LAN drop. The information will be uploaded automatically. Part 2, Section 5E contains more detailed procedures.

B. At the end of the current business day, the Navy Cash server will generate a report showing the name of the merchant account to which the money will

be settled, the number of transactions, and total dollar value.

C. Disbursing Officer and responsible individual must compare report to the merchant's transaction log to verify that the amounts reported by the Navy Cash server are correct.

D. When the daily files are sent ashore as a part of the end-of-day process, the Treasury Agent will settle the appropriate amount of money from the funds pool to the appropriate account.

2.2.5. RECONCILIATION.

2.2.5.1. **DIFFERENCE IN EOM SUMMARY REPORT AND MONTHLY TRANSACTION DETAIL REPORTS.** Differences in the Navy Cash totals reported in the EOM Summary Report from shore and the Monthly Transaction Detail Reports from shore for Navy Disbursing, Sales, Food Service, or Marine Disbursing, the Disbursing Officer must be reported. Report these discrepancies by sending an email to the Navy Cash Settlement Group at the Treasury Agent at navycashcenter@frb.org and to the appropriate Fleet Support Group (FSG) at the NAVSUP Fleet Logistics Center (FLC) in Norfolk, San Diego, or Yokosuka to alert them and request assistance as needed in resolving them. Because the SF 215 Deposit Ticket data, and SF 5515 Debit Voucher data for the month for Navy Disbursing, Sales, Food Service, and Marine Disbursing (*when embarked*), were automatically sent ashore by the Navy Cash backend directly to Treasury's CIR when EOM indicators were received and processed, the EOM Summary Report must be used to report Navy Cash numbers for the month. Any difference must be resolved and necessary adjustments must be made in the next month's business.

2.2.5.2. **DIFFERENCE IN EOM SUMMARY REPORT AND ROM OR FSM REPORTS.** Similarly, if there is a difference in the Navy Cash totals reported in the EOM Summary Report and the totals reported in the Disbursing Activity, ROM, or FSM, the basic business rule is the Navy Cash figures reported in the EOM Summary Report are always correct. The Disbursing Officer, Sales Officer, Food Service Office, and Marine Disbursing Officer (when embarked) must use the EOM Summary Report to report their Navy Cash numbers for the month. The out-of-balance condition must be researched. Part 2, Section 5B, End-Of-Month Procedures Worksheet includes basic guidelines for reconciliation and determining the cause of any out-of-balance condition. Any differences must be resolved and any necessary adjustment must be made in the next month's business. Again, the Disbursing Officer must send an email to the Treasury Agent Navy Cash Settlement Group at navycashcenter@frb.org and to the appropriate FSG at the NAVSUP FLC in Norfolk, San Diego, or Yokosuka to alert them about these differences and to request assistance as needed in resolving them.

Shore Reports Available on Navy Cash Disbursing Website. If there are any problems downloading the EOM Summary Report, or any other shore reports, one

option is to download the report using Navy Cash Disbursing Website (<https://www.navycash.com> – see Part 2, Section 5F).

2.3. NAVY CASH QUARTERLY CASH VERIFICATION AUDIT. All funds collected, disbursed, or maintained by the Disbursing Officer, Deputies, and Agents are considered public funds. Therefore, responsible individuals will be required to show auditable proof for the disposition of those funds. Any accountable items, to include cash, checks, Navy Cash card stock, and the like, will be verified in the same manner as prescribed within the DoD FMR Volume 5 Appendix A.

The Cash Verification Team (CVT) shall use the Navy Cash Transaction Ledger as well as the Disbursing Officer's Disbursing Accountability Reports, to include the Disbursing Transaction Detail Report, to substantiate all funds being held on line 6.9 of the DD Form 2657. A sample Cash Verification Team Navy Cash Checklist is included in Part 2, Section 5B.

All Navy Cash funds collected and reported as deposits on the SF 1219 can be substantiated by the End of Month reports generated by the Navy Cash System. For example, the Disbursing Officer reports a \$10,000 deposit on line 4.2 of the SF 1219 for the Ship's Store. There should be a corresponding End of Month report showing \$10,000 in electronic collections for the same month.

2.3.1. REQUIRED NAVY CASH ACCOUNTABILITY DOCUMENTATION. The CVT shall verify that the Daily Cash Transaction Ledger(s) and Disbursing Transactions Detail Report (*sorted by operator*) are retained with each DD Form 2657, and that the Monthly Transaction Summary Report (*shore report summarizing merchant figures for month*), EOM Summary Report, SF 215s/5515s, and complete DD Form 2657 packages for each day of month are retained as part of monthly financial returns with each SF 1219 at EOM.

2.3.2. DISPOSITION OF FUNDS ON SELECTED NAVY CASH MERCHANT CARDS.

2.3.2.1. DISBURSING OFFICE MERCHANT NAVY CASH CARD. The CVT shall confirm that the Disbursing Office merchant Navy Cash card account balance is zero (both closed and open loop) and review the disposition of deposits, withdrawals, or transfers made with the Disbursing Office merchant card since the last quarterly cash verification.

A. See Part 2, Section 5E for details on the use of the Disbursing Office merchant open- and closed-loop accounts - paragraph 30; Correcting Unmatched Chip-to-Chip Transactions - paragraph 5; Restoring Value on Lost, Stolen, or Damaged Visitor Cards - paragraph 8c(2); and Transient Merchants—Vendors and Foreign Concessionaires – paragraph 30.1.

B. Generic Private, Staff, Air Wing, Squadron Merchant Navy Cash Cards. The CVT shall verify that all generic merchant cards not currently

assigned to, and in use by a Navy Cash merchant, are in the custody of the Disbursing Officer. Disbursing Officer must confirm that the account balance for the generic merchant cards in custody is zero (both closed- and open-loop); and review the disposition of deposits, withdrawals, or transfers made with those generic merchant cards since the last quarterly cash verification.

1. Generic private, staff, air wing, squadron merchant Navy Cash cards are used to activate a merchant not specifically named in the Navy Cash merchant listing. There are fifteen generic private merchants within Navy Cash, PRIVATE ONE through PRIVATE FIFTEEN. PRIVATE SIX through PRIVATE FIFTEEN are generally assigned to large-deck ships only.
2. **Generate and Print Transaction Histories.** The CVT shall go to the Navy Cash Cardholder Website (www.navycash.com) and generate and print the “Transaction History” information for each of the selected Navy Cash merchant cards (Disbursing Office and Generic Private, Staff, Air Wing, and Squadron Merchants) to cover the period from the date and time of the last quarterly cash verification to the present date and time. To log in to the website, merchants need a username and password. The first time merchants access the website, they use their 16-digit Mastercard® card number and PIN. They are then asked to set up a username and password and set up answers to two security questions. The CVT shall obtain the Transaction History information for each of the selected Navy Cash merchant cards in turn, i.e., the Disbursing Office merchant card and the generic merchant cards in custody.
3. **Confirm Closed- and Open-Loop Balance is Zero.** The Transaction History lists both closed- and open-loop transactions. Any balance other than zero in the closed- and/or open-loop account in any of the selected Navy Cash merchant cards (Disbursing Office and Generic Private, Staff, Air Wing, and Squadron Merchants) shall be noted in the CVT report sent to the Commanding Officer, and this same discrepancy shall again be reviewed during the next quarter’s cash verification.
4. **Review Disposition of Funds.** The CVT shall review the Transaction History to ensure any remaining balances other than zero in the selected Navy Cash merchant cards closed- and/or open-loop accounts (Disbursing Office and Generic Private, Staff, Air Wing, and Squadron Merchants) agree with the transactions in the respective Transaction History reports. The CVT shall also review the Transaction History to verify that no unauthorized deposits, withdrawals, or transfers were made using the Disbursing Officer merchant Navy Cash card closed- and open-loop accounts or the generic merchant card closed- and open-loop accounts since the last quarterly cash verification.

5. **Include Transaction Histories in CVT Report.** The CVT shall include a copy of the Transaction History reports for the Disbursing Office merchant card and each of the generic merchant cards reviewed as an enclosure to the CVT report sent to the Commanding Officer.

2.3.3. **NAVY CASH DISBURSING APPLICATION USERS.** The CVT shall generate card reports for the Navy Cash cards of all Navy Cash Disbursing Application users (see Part 2, Section 5E, paragraph 10, Card Report). The card reports will be used to verify that no unauthorized deposits were made to their closed-loop accounts since the last quarterly cash verification. To generate a Card Report, select “Card Report” in the “Card Maintenance” pull-down menu, insert the cardholder’s card into the POS, click the “Get Chip Info” button, select start and end dates for the report, and click on the generate button. This will produce a report on the screen which displays a breakdown of all transactions that have occurred on the closed loop. If a hardcopy printout is required, click on the Print button and a paper report will be generated.

2.3.3.1. **RETAIN COPY OF CVT REPORT ON FILE FOR INSPECTION.** The Disbursing Officer shall retain a copy of the CVT report and all enclosures on file for inspection.

2.3.3.2. **CLEAR ANY BALANCE OTHER THAN ZERO.** The Disbursing Officer must clear any remaining balances (closed- and/or open-loop) after thoroughly researching the source of funds credited to the Disbursing Office merchant card and to any of the generic merchant cards. If needed, the Disbursing Officer may contact the Navy Cash CSU or the Navy Cash FSGs for assistance.

2.4. **GUIDELINES FOR FRAUD AND RISK.**

2.4.1. **CARDHOLDERS.** A Navy Cash cardholder, either an individual or a merchant, who suspects there has been unauthorized activity on their Navy Cash card or account, should stop using the card and report the incident to the Disbursing Office and/or the Navy Cash Customer Service Center (CSC) (1-866-3NAVY CASH (1-866-362-8922)). Specific guidelines for reporting and handling problems with suspected fraudulent activity depend on the type of transaction involved. Information about cardholder rights, responsibilities, and liabilities can be found in the *Navy Cash Card and Navy Cash Visitor Card [Cardholder Agreement](#)*.

Table S4 - 4. The Summary of Navy Cash Transactions group problems with Navy Cash transactions into four categories: Debit transactions on shore, funds transfers at the Navy Cash Kiosk, closed-loop transactions, and home bank or credit union account transfers. The actions a cardholder should take for suspected fraudulent activity with each category of transactions are discussed in turn.

Table S4 - 4. Summary of Navy Cash Transactions

DEBIT TRANSACTIONS ON SHORE	FUNDS TRANSFERS AT KIOSK
1. ATM withdrawal – PIN required 2. PIN-based purchase – PIN required 3. Signature-based purchase – PIN not required	4. Open loop to home account – PIN required 5. Open to closed loop – PIN required 6. Closed to open loop – PIN required 7. Closed loop to home account – PIN required
CLOSED-LOOP TRANSACTIONS	HOME ACCOUNT TRANSFERS
8. POS purchase – PIN required 9. Vending purchase – PIN not required 10. Closed-loop-to-closed-loop transfer – PIN required	11. Home account to closed loop – PIN required 12. Home account to open loop – PIN required

2.4.1.1. CARDHOLDER ACTIONS.

A. Debit Transactions on Shore. Withdrawals at Automated Teller Machines (ATMs) ashore and both PIN-based and signature-base purchases at stores, restaurants, gas stations, and other retail locations ashore are transacted as Mastercard® debit transactions from the Mastercard® debit open-loop account.

1. **Actions.** A cardholder who suspects someone made, or may make, an unauthorized ATM withdrawal or a PIN-based or signature-based purchase ashore using their Navy Cash card open-loop account without permission must notify the Treasury Agent at once, either by requesting their Disbursing Officer contact the CSC immediately or by calling the CSC directly. The CSC will open a case in the ticketing system and forward the case to the Treasury Agent’s transactions processor. Similarly, a cardholder who believes their Navy Cash card has been lost or stolen must notify the Treasury Agent at once, either by requesting their Disbursing Officer contact the CSC immediately or by calling the CSC directly so they can assign a case tracking number. In both cases, a telephone call is the preferred way to notify the CSC, but email notification is also acceptable.

If the Disbursing Officer or cardholder elects to notify the CSC via email, they must restrict the Personally Identifiable Information (PII) they provide in the email. They should simply state either that they believe the card has been lost or stolen or that someone has transferred, or may transfer, money from the account without permission.

They should include only the name, email address, and last four digits of the SSN to help the CSC in identifying the correct Navy Cash cardholder account and in responding to their email. They should also “cc” the Disbursing Officer on the email they send to the CSC. A cardholder’s full SSN, Mastercard® number, or PIN should never be included in an email to the CSC.

Phone: 1 866 3NAVY CASH
1 866 362-8922
Website: www.navycash.com
Email: navycash@frb.org
Fax: 813 533-5711

2. **Dispute Form.** To dispute a fraudulent or erroneous transaction, an individual must fill out, sign, and date a dispute form. There are two separate dispute forms, the Fraud Transaction Dispute Form and the Non-Fraud Transaction Dispute Form. The Disbursing Officer can provide a cardholder the appropriate form. The form must then be faxed or mailed to Treasury Agent’s customer service in Omaha, Nebraska. Copies of the two dispute forms are included in Section 5B.

FRB-KC Omaha Branch
Attention: Disputes
2201 Farnam St.
Omaha, NE 68102
(866) 662-8922

B. Funds Transfers at the Kiosk on the Ship. Funds transfer requests at the kiosk from the open-loop or closed loop account to a home bank or credit union account require a PIN.

1. **Actions.** A cardholder who suspects someone transferred, or may transfer, money from his/her Navy Cash card open-loop or closed-loop accounts without permission must notify the Customer Service Center (CSC) AT ONCE, either by requesting their Disbursing Officer contact the CSC immediately or by calling the CSC directly so they can assign a open a case in the ticketing system. A telephone call is the preferred way to notify the CSC, but email notification is also acceptable.

C. Closed-Loop Account Transactions on the Ship. The closed loop on the Navy Cash card replaces cash for purchases on the ship. Funds in the closed-loop account are considered cash. Any loss of funds is similar to the loss of cash and may not be recoverable.

1. **Actions.** A cardholder who suspects fraudulent activity on closed-loop purchases or closed-loop-to-closed-loop transfers should notify the

Disbursing Officer and the ship's Master at Arms immediately. Any loss of funds would need to be pursued via Navy investigative and judicial processes. The Commanding Officer (CO) may appoint an investigating officer/board to conduct a formal investigation or request a criminal investigation if one is warranted. If it becomes necessary to request account information, transaction history, or any Personally Identifiable Information (PII) concerning a cardholder's Navy Cash account to support a formal or criminal investigation, refer to the guidance below in paragraph 4, Requests for Cardholder Information.

D. Home Account Transfers at the Kiosk on the Ship. Funds transfer requests at the kiosk from the home bank or credit union account to the closed or the open loop are debited from the cardholder's bank or credit union account.

1. **Actions.** Cardholders who suspect fraudulent activity on home account transfer requests should notify Disbursing Officer and contact their bank or credit union directly to dispute any unauthorized transactions. For all calls received by the CSC from the cardholder or by the Navy Cash Central Support Unit (CSU) from Disbursing regarding disputes for these types of transactions, the caller will be referred to the individual cardholder's bank or credit union for resolution.

Table S4 - 5. Summary of Cardholder Actions

TRANSACTION TYPES	CARDHOLDER ACTIONS
DEBIT TRANSACTION ON SHORE	
1. ATM withdrawal 2. PIN-based purchase 3. Signature-based purchase	Call CSU immediately so a case can be opened 1-866-3NAVY CASH (1-866-362-8922) <i>(also printed on back of Navy Cash card).</i> Fill out, sign, and date appropriate dispute form <i>(available at Disbursing)</i> and mail to: Address: FRB-KC Omaha Branch Attention: Disputes 2201 Farnam Omaha, NE 68102 Fax: 866-280-5057
FUNDS TRANSFERS AT KIOSK ON SHIP	
4. Open loop to home account 5. Open loop to closed loop 6. Closed loop to open loop 7. Closed loop to home account	Call CSU immediately so a case can be opened 1-866-3NAVY CASH (1-866-362-8922).
CLOSED-LOOP TRANSACTIONS ON SHIP	
8. POS purchase 9. Vending purchase 10. Closed loop-to-closed loop transfer	Notify Master at Arms and Disbursing immediately. Funds in closed-loop account are considered cash and may not be recoverable if lost, so disputes must be pursued via Navy investigative/judicial processes.
HOME ACCOUNT TRANSFERS AT KIOSK ON SHIP	
11. Home account to closed loop 12. Home account to open loop	Contact bank or credit union directly to dispute any unauthorized transactions.

Safeguard Navy Cash Card and PIN. Remember, a cardholder is responsible for all debits they authorize using the card. Therefore, a cardholder must take precautions to safeguard the card and PIN at all times. A cardholder must not give his/her card or PIN, or make the card or PIN available, to any other person. If a cardholder permits other persons to use his/her card, the cardholder is responsible for any transactions they authorize from the cardholder's closed-loop or open-loop account.

2.4.2. LOST OR DAMAGED POS OR CAD.

2.4.2.1. The Point of Sale (POS) and Card Access Device (CAD) are used to process closed-loop purchase transactions at retail locations and vending machines on the ship. Any loss of funds is similar to the loss of cash and may not be recoverable if lost. In each instance of loss of funds due to a damaged or lost device, the liability will be determined on a case basis by the Fiscal Service and NAVSUP.

2.4.2.2. **MERCHANT ACTIONS.** The POS and CAD devices can be used to store the value of sales transactions and should be protected like a cash box, particularly when the POS is operated in the off-line mode. When being transported off the ship or over water, these devices should be carried in a waterproof container equipped with a flotation device. In the unlikely event that a POS is lost, damaged, or destroyed before the sales transaction data recorded in it are downloaded to the server, the CSU may be able to reconstruct the sales transactions from copies of the electronic records or manual logs of sales receipts kept by each merchant in accordance with this SOP.

A. The Navy Cash closed-loop balance is essentially maintained in two places, physically on the chip and electronically in the database ashore. If sales transactions are not captured on the Navy Cash server on the ship, e.g., the POS is lost overboard before the transactions are downloaded to the server, then no transactions can be posted to the shore database, and the Navy Cash database ashore has no way of knowing the value to transfer to that particular merchant's account or the correct closed-loop balances on cardholders' cards. The balance on the closed loop on the card (the correct value) will be different from the closed-loop balance that is maintained in the shore database.

B. The information required to reconstruct the sales transactions would need to be provided by whoever collected the transactions. It could come from the ROM reports, if it was the Ship's Store POS that was lost or damaged, or from a sales receipts log or copies of receipts given to customers, e.g., in the Wardroom, Chiefs Mess, or MWR. The amounts that were deducted from cardholders' cards and the customers' names or card numbers would be provided to the CSU. The CSU would then adjust each cardholder's closed-loop balance in the shore database. This should synchronize the closed-loop balance on the shore with the closed-loop balance on the cardholders' Navy Cash cards and enable the payment to the merchant account. The accuracy will only be as good as the information provided to the CSU.

2.4.3. DISBURSING OFFICE. If unauthorized activity on a Navy Cash card or account is suspected in the disbursing office, the guidelines described above for cardholders for debit transactions on shore, funds transfers at the kiosk, closed-loop transactions, and home bank or credit union account transfers apply.

2.4.3.1 Article 0814, U.S. Navy Regulations (1990), requires COs to recommend or convene an investigation under the provisions of the Manual of the Judge Advocate General (JAGMAN) into the circumstances of all losses or excesses of public funds or property in the custody of persons under their command, unless properly excused by higher authority.

In accordance with the JAGMAN, section 0249, Loss or Excess of Government Funds or Property, a consultation with an appropriate assist team and a prompt audit to verify the existence and amount of a loss of funds should normally precede the decision to convene a JAGMAN investigation. Criminal law enforcement investigations are required if there is any indication that the loss of funds was caused by fraud, embezzlement, theft, or other criminal act. In accordance with section 0201 of the JAGMAN, any such investigation should be coordinated with the Naval Criminal Investigative Service (NCIS).

2.4.4. RESTITUTION. A court martial has no power to adjudge civil remedies. For example, a court martial may not adjudge the payment of damages, collect private debts, order the return of property, or order a criminal forfeiture of seized property.

2.4.4.1. When the U.S. Government, e.g., the Treasury's Navy Cash funds pool (see paragraph 2.a), has suffered any loss of money through unlawful acts, e.g., larceny, fraud, etc., for which persons, other than accountable officers as defined in DoD FMR Volume 5, Chapter 2, section 0203, have been convicted by court-martial or competent authority has determined that the loss occurred through fraud, forgery, or other unlawful acts, the amount of such loss constitutes an indebtedness to the U.S. Government. That indebtedness will be set off against the final pay and allowances due such persons at the time of dismissal, discharge, or release from active duty, if necessary without the member's consent, to make the Treasury's Navy Cash funds pool whole. Immediate recovery action against current pay may be instituted without the member's consent if such recovery is authorized by statute (see DoD FMR Volume 7A, Chapter 50) or on the basis of a voluntary offer from the member, i.e., with the member's consent, to make restitution of all or part of any indebtedness to the Government to make the Treasury's Navy Cash funds pool whole. The voluntary offer constitutes assumption of pecuniary responsibility for the loss and, as such, is sufficient to authorize checkage of current pay. (See JAGMAN, section 0167, Setoff of Indebtedness of a Person Against Pay.)

2.4.4.2. For accountable individuals, the ideal method for resolving a loss of funds is recovery from the beneficiary of the loss, e.g., recovery of missing cash from the finder. In cases where the accountable individual is denied relief of liability, collection from the accountable individual (see DoD FMR Volume 7A, Chapter 50) to make the Treasury's Navy Cash funds pool whole. When losses cannot be recovered (including those instances where relief of liability has been denied and recoupment cannot be made from the accountable individual) or relief of liability is granted to the accountable individual, appropriated funds shall be made available to

remove the deficiency from the Disbursing Officer's Statement of Accountability, SF 1219, i.e., the Navy shall identify the appropriation and funding necessary to resolve the loss (see DoD FMR Volume 5, Chapter 6) and to make the Treasury's Navy Cash funds pool whole.

2.4.4.3. When an individual cardholder has suffered any loss of money, Article 139, Uniform Code of Military Justice (UCMJ), can be a valuable tool for COs (see JAGMAN, Chapter IV, Article 139 Claims—Redress of Damage to Property). Article 139 provides an opportunity to force the wrongdoer to compensate victims for property damage or destruction. A wrongful taking is essentially theft. Claims for property that was taken through larceny, forgery, embezzlement, misappropriation, fraud, or similar theft offenses are normally payable. Command emphasis is required to ensure these investigations are completed quickly. Article 139 claims operate independently of any criminal action, and should not be delayed pending the outcome of adverse criminal or administrative initiatives. The claim must be submitted to the CO within 90 days of the incident. However, the CO can extend this time period if there is good reason for the delay. In addition, since respondents are often pending separation, it is crucial that Article 139 claims be filed and processed as quickly as possible to ensure valid claims are paid before the respondent is separated and no longer subject to military pay withholding (see DoD FMR Volume 7A, Chapter 50). Once the offender is no longer receiving military pay, the claimant may have no effective remedy for his loss.

2.4.5. REQUESTS FOR CARDHOLDER INFORMATION.

2.4.5.1. NAVY CASH ACCOUNT STATEMENTS. Individual Navy Cash cardholders do not need to submit a written request to obtain their own account information. Cardholder can access their account information on the Navy Cash Cardholder Website at any time (www.navycash.com). To log in to the website, cardholders need a username and password. The first time cardholders access the website, they use their 16-digit Mastercard® card number and PIN. They are then asked to set up a username and password and set up answers to two security questions. Once a cardholder has logged in to the website, they can view account information, list both ship and shore transactions, and print an account statement for the current month and the last six months.

2.4.5.2. REQUESTED BY CARDHOLDER OR INDIVIDUAL WITH A CURRENT POWER OF ATTORNEY. If a Navy Cash cardholder, or an individual who provides the Treasury Agent with an appropriate and current power of attorney form, submits a request for account information, transaction history, or any PII concerning her/his own Navy Cash account, the Treasury Agent may provide such information. This information may NOT be provided to anyone other than the cardholder, or an individual who provides the Treasury Agent with an appropriate and current power of attorney form, without prior written approval from the U.S. Treasury. To authorize disclosure of account information, transaction history, or any PII concerning a cardholder's own Navy Cash account information (e.g., to a military

or civilian law enforcement agency) the cardholder, or an individual who provides a current power of attorney form, must fill out, sign, and date an FS Form 5752, Authorization to Disclose Information Related to Stored Value Account.

2.4.5.3. REQUESTED BY OTHER THAN CARDHOLDER WITHOUT A SUBPOENA.

A. If someone other than the Navy Cash cardholder submits a request for account information, transaction history, or any PII concerning Navy Cash accounts, e.g. NAVSUP, NCIS investigators, other state or police agencies, the Treasury Agent may not provide such information. This information may not be provided to anyone other than the cardholder without prior written approval from the U.S. Treasury. When approval is received, the Treasury Agent will provide such information to the U.S. Treasury or an approved agent of the Treasury for further distribution.

B. The U.S. Treasury may grant release of account information, transaction history, or other PII concerning Navy Cash accounts to DoD law enforcement agencies for a civil or criminal law enforcement activity under the following conditions. When the activity is authorized by law, and is requested in writing by the head of the agency specifying the particular information desired and the law enforcement activity for which the information is sought.

C. In a single exception to this procedure, the U.S. Treasury has granted approval for the Treasury Agents to provide account information, transaction history, or PII to a Disbursing Officer who is acting as an agent of the U.S. Treasury in collecting and clearing negative balances. This approval has been granted under exemption (b)(1) of the Privacy Act, and that information can be provided routinely without written approval from the U.S. Treasury.

2.4.5.4. REQUESTED BY A SUBPOENA. If account information, transaction history, or any PII concerning a Navy Cash account is requested by a valid subpoena, such information may only be provided after the Treasury Agent receives confirmation of the validity of the subpoena from internal legal counsel. Upon confirmation of the validity of the subpoena, The Treasury Agent will notify the U.S. Treasury of the information requested in the subpoena.

2.4.6. DISPUTING FRAUDULENT OR ERRONEOUS TRANSACTIONS. See Section 2, para 3.7 for guidance on disputing fraudulent or erroneous transactions.

2.5. BEFORE CARDHOLDERS LEAVE THE SHIP FOR A PENDING TRANSFER OR DISCHARGE

2.5.1. Before Navy Cash cardholders leave the ship, the Disbursing Officer must ensure any negative account balances have been cleared. Any remaining funds in Navy Cash closed-loop and Mastercard® debit open-loop accounts) have been zeroed out. Any Split

Pay Option (SPO) has been stopped at least 30 days prior.

2.5.2. Cardholders depart the ship on a regular basis, some detaching for Permanent Change of Station (PCS) transfers or to be discharged from the Service, and others returning to their home units at the end of a deployment. There have been periodic problems when cardholders leave the ship and have not cleared negative balances or have not “zeroed out” funds remaining on Navy Cash instant issue and embossed permanent cards (Navy Cash closed-loop and Mastercard® debit open-loop accounts) and visitor cards (Navy Cash closed-loop account only). These problems are magnified when deployed squadrons, air detachments, or Marine elements disembark and a large number of cardholders leave the ship at the same time.

2.5.3. Monitor Cardholder Transfer Dates. To track cardholders who will be leaving the ship, the Disbursing Officer must work closely with the personnel office, e.g., refer to the report of Prospective Gains and Losses and the Transfer Information Sheet, to monitor individuals who are scheduled to transfer within the next 30, 60, and 90 days.

2.6. **RECURRING DISBURSING OFFICER TASKS.** See Part 2, Section 5B for the Checklist for Recurring Navy Cash Tasks. This checklist covers daily, weekly and monthly tasks with references to specific procedures within this SOP and other guides or instructions.