

VOLUME 5, “DEFINITIONS”**SUMMARY OF MAJOR CHANGES**

Changes are identified in this table and also denoted by **blue font**.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

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

The previous version dated **February 2024** is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Updated hyperlinks and formatting to comply with current administrative instructions.	Revision
Funds Held Outside of the Treasury	Added definition that applies throughout this volume.	Addition

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DEFINITIONS

1.0 General

The following list defines general terms of significance or importance in financial accounting policies for the Federal Government or the DoD that are discussed in various chapters of this volume. These definitions are provided for general information; it is by no means an exhaustive list of all financial management terms, and it does not define terms when standard dictionary definitions apply. Authoritative guidance with more detailed explanations or nuances may be found in specific chapters. These definitions apply throughout this volume.

2.0 List of Definitions

Accommodation Exchange

The exchange of U.S. Treasury checks or other U.S. dollar instruments for U.S. dollars (i.e., check cashing) for the convenience of authorized personnel, the exchange of U.S. dollars or dollar instruments for foreign currency for the convenience of authorized personnel or, where permitted, the exchange of foreign currencies for U.S. dollars or dollar instruments.

Account Statement

The Account Statement Module is an online query driven component that provides a daily refreshed view of a Federal Program Agency's (FPA) Fund Balance with Treasury (FBWT). The Account Statement provides FPAs with a central source for retrieving a near real-time picture of their account balances.

Accountable Officials

Accountable individual, accountable official and accountable officer are used synonymously throughout Volume 5. The term “accountable official” is used in Title 31, United States Code, section 3527 ([31 U.S.C. § 3527](#)) to refer to the class of officers or employees of an agency who are pecuniarily liable for repayment of losses or deficiencies of public money, vouchers, checks, securities, or records. Such officials are appointed using a DoD (DD) Form 577, Appointment/Termination Record - Authorized Signature. Only officers and employees of an agency are eligible for appointment as accountable officials. Accountable Officials include Certifying Officers (CO), Disbursing Officers (DO), Deputy Disbursing Officers (DDO), Disbursing Agents (DA), cashiers, Departmental Accountable Officials (DAO), and similar employees who are accountable for government funds.

Accounts Receivable Office

The Accounts Receivable Office, normally located at a Defense Finance and Accounting Service site, records and reports accounts receivable and may be responsible for debt management and collection.

Agency Location Code (ALC)

A numeric symbol identifying the agency accounting and/or reporting office. A three-digit Regional Finance Center, four-digit Non-Treasury Disbursing Officer (NTDO), or eight-digit Treasury Disbursing Office identifier assigned by the U.S. Department of Treasury, Bureau of the Fiscal Service (FS). An eight-digit ALC's first two digits identify the department or agency, the third and fourth identify the particular bureau within the department, and the remaining four identify the particular agency account within that bureau. DoD Disbursing Station Symbol Numbers (DSSNs) are NTDOs whose ALCs begin with four zeros and include the DSSN (e.g., 00001234).

Approving Official

A person responsible for one or more Government Purchase Card (GPC) holders or for approving travel vouchers using the Defense Travel System (DTS).

Automated Information Systems (AIS) Administrator

A person who programs, schedules, or operates computerized programs, and maintains one or more AIS.

Automated Teller Machine (ATM)

An electronic machine that dispenses cash and may perform other functions such as funds transfers among a customer's various accounts and acceptance of deposits. Equipment generally is activated by a plastic card in combination with a personal identification number. Typically, when the cardholder's account is with a financial institution other than the one operating the ATM, its use results in the assessment of a fee from the ATM network (e.g., Armed Forces Financial Network, Cirrus, or Plus) that processes the transaction.

Basic Agreement

An intergovernmental instrument negotiated with the government of a friendly nation that states in general terms the policies of [DoD Instruction 5530.03](#), [International Agreements](#), and authorizes the implementation of those provisions by mutual consent.

Business Event Type Code (BETC)

A code consisting of up to eight characters. The code is used in combination with the Treasury Account Symbol (TAS) to determine the transaction effect on the FBWT. The code indicates the type of activity being reported (e.g., disbursements, collections).

Canceled Treasury Check

The process whereby an issued Treasury check that has not been presented for payment is put in a paid status in the Treasury's Check Processing and Reconciliation System (CP&R).

Canceled Treasury Check Types

- a. Canceled available check: A check in the possession of a DO and either canceled due to non-entitlement, or because it is mutilated or otherwise undeliverable.
- b. Canceled unavailable check: A properly vouchered and issued check not held by a DO or payee (not received by payee, i.e., lost, stolen, or destroyed).
- c. Mass-canceled check: A check issued before October 1, 1989, automatically canceled by the Treasury if not cashed by October 1, 1990.
- d. Limited-payability canceled check: A check issued on or after October 1, 1989, automatically canceled by the Treasury if not cashed within 12 months from its date of issue.

Card Acquiring Service

The government's means of collecting debts via credit or debit card transactions, and whose objective is to increase electronic collections received by the government and process them in an efficient, timely and cost-effective manner.

Cardholder

A person an agency designates to be issued a GPC and/or government travel card.

Cash Holding Authority (CHA)

The authority to obtain and maintain cash on hand (upon approval of commander or other authority) at their personal risk. DDO, agents, and cashiers outside of the main disbursing office may hold cash at personal risk, with the amount to be held subject to the approval of the parent DO or local activity commander.

Cash and Investments Held Outside of Treasury (CIHO)

Funds (U.S. and foreign currency and coin) under the custodial responsibility of federal government agencies and/or their employees, officers, or agents which includes imprest funds, change funds, cash with agents (e.g., Paying Agent), and cash on deposit in a Limited Depositary Account (LDA). [CIHO is also known as Funds Held Outside of the Treasury \(FHOT\).](#)

Cashier

A military member or DoD civilian employee appointed by a DO to perform duties involving the handling of cash. The recruitment, screening, and selection of persons for these positions should be accomplished with primary regard to the sensitive nature of the position.

Central Accounting Reporting System (CARS)

The central accounting system of record for the FS. CARS is utilized for Treasury-level accounting and reporting for all federal agencies.

a. CARS Daily Reporter: Federal agency that submits the TAS/BETC reporting classification of each payment or collection daily to CARS via the Payment Information Repository (PIR) or Collection Information Repository (CIR). DoD DOs report cash disbursements and U.S. and foreign currency collections held for future operational needs via the Classification Transaction and Accountability (CTA) system.

b. CARS Non-Daily Reporter: Federal agency that reports disbursements and collections through monthly reporting on the Standard Form (SF) 1220, Statement of Transactions According to Appropriations, Funds and Receipt Accounts, and SF 1219, Statement of Accountability.

Certification

The act of attesting to the legality, propriety, and accuracy of a voucher for payment. See [31 U.S.C. § 3528](#).

Certifying Officer (CO)

An individual designated to attest to the correctness of statements, facts, accounts, and amounts appearing on a voucher, or other documents. A CO is pecuniarily liable for payments in accordance with 31 U.S.C. § 3528.

Change Fund Custodian

A person who operates from an appropriated fund sales activity (e.g., dining hall, hospital, commissary), is responsible for safeguarding the cash provided, and may be held pecuniarily liable for any loss in the change fund.

Check Issue Discrepancy

Occurs when the issue amount reported by the disbursing office differs from the amount for which the check was issued as evidenced by the printed amount on the check when presented for payment.

a. Check Issue Overdraft: Occurs when the amount printed on either a Treasury or limited depositary (LD) check and paid by the Treasury or LD, as applicable, is greater than the issue amount of that check reported by a DO on the check issue report, or when the amount printed on a check and paid by the Treasury or LD is greater than the amount due shown on the payment voucher.

b. Check Issue Underdraft: Occurs when the amount printed on either a Treasury or LD check and paid by the Treasury or LD bank, as applicable, is less than the issue amount of that check as reported by a DO on the check issue report, or when the amount printed on a check and paid by the Treasury or LD bank is less than the amount due shown on the payment voucher.

Civilian Pay

Addresses entitlements to DoD civilian employees and is also a functional area within the payment process.

Classification Transactions and Accountability (CTA)

A system used by FPAs to report their monthly accounting activity to the FS.

Coalition Forces

Temporary alliances of nations or factions for a specific purpose (e.g., those engaged internationally in times of conflict or war).

Coin

Metallic specie representing either U.S. dollars and foreign currency fractional units or multiples thereof.

Collection Agent

An individual appointed by a local commander to perform duties relating to the collection of official funds, including funds held as safekeeping deposits, at a point other than a disbursing office. Performs duties under the general supervision of, and as prescribed by, the appointing officer. Should not be involved with billing or accounting for funds received, and may not be appointed from, among disbursing office personnel. Responsibility for duties and functions should be segregated between receipt of funds, recordkeeping, determination of the amount owed, and making demands on the debtor to minimize opportunities for unauthorized, fraudulent, or otherwise irregular acts.

Collections Information Repository (CIR)

Formerly the Transaction Reporting System (TRS). A collections reporting tool, supplying the latest information on deposits and details of collection transactions to federal agencies. It allows financial transaction information from all collections systems and settlement mechanisms to be exchanged in a single system.

Commander/Director

A person assigned as a combatant commander, base or installation commander, commanding officer, officer-in-charge, director of a defense activity, U.S. Property and Fiscal Officer (National Guard), or equivalent civilian head.

Continental United States

The 48 contiguous states and the District of Columbia.

Contingency Operation

A military operation designated by the Secretary of Defense (SecDef) in which members of the U.S. Armed Forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or an opposing military force; or results in the call, order to, or retention of, active duty of members of the Uniformed Services under [10 U.S.C. § 688](#), [10 U.S.C. § 12301\(a\)](#), [10 U.S.C. § 12302](#), [10 U.S.C. § 12304](#), and [10 U.S.C. § 12306](#), or any other law during a war or a national emergency declared by the President or the Congress. Includes, but is not limited to, a combat, peacekeeping, or noncombatant evacuation operation, or humanitarian assistance or disaster relief effort.

Contract Pay

The entitlement process to pay contractors.

Contractor

Any person, organization, or business concern engaged in a profession, trade, or business, and may also be a not-for-profit entity operating as a contractor, including state and local governments and foreign entities, but excluding federal entities and foreign governments, doing business under a contract with an element of the U.S. Government.

Credit Card Collections

A government-wide network under Treasury's Pay.gov program enabling federal agencies to accept collections by credit card over the internet for offered products and services.

Credit Gateway

A deposit program that the FS uses for the receipt of federal agency Fedwire and Automated Clearing House (ACH) credit transactions. A component of the FS's Collections and Cash Management Modernization initiative, a multi-year effort to simplify and modernize collections and cash management programs.

Currency

Paper money in the form of U.S. dollars and foreign banknotes.

Currency Custody Account

An arrangement approved by the Treasury allowing safety stocks of U.S. currency held as a 100 **percent** cash reserve on the books of overseas military central funding officers physically held in the government's contractor-operated Military Banking Facility (MBF), with daily settlement between the MBF operator and central funding officer. Absent ready access to the Federal Reserve System, assures the availability of U.S. currency to support the dollar economy exported to support U.S. Armed Forces stationed overseas.

Defense Check Reconciliation Module (DCRM)

A check register that records the issuance of DoD manual checks. It includes Check Issue and Unavailable Check Cancellation subsystems.

Dependent

See [37 U.S.C. § 401](#).

The term “dependent,” with respect to a member of a uniformed service, means the following persons:

- a. Spouse;
- b. Unmarried child under the age of 21, including an adopted child or a stepchild, but not after the divorce of the member from the stepchild's natural parent;
- c. An unmarried illegitimate child under the age of 21, provided the parentage on the part of the member is established by a birth certificate with the Service Members' name cited, by court order, or by a signed affidavit of parentage (signed and sworn by a notary) from the Service Member;
- d. An unmarried child under the age of 21 who has been placed in the member's home by a local, state, or foreign government placement agency, or a government-approved adoption agency as a part of a normal adoption process provided the member produces a document from such agency establishing the fact of relationship and the effective date of relationship;
- e. An unmarried child who is at least 21 years of age, but under 23 years of age, who is enrolled in a full-time course of study at an educational institution approved by the Secretary concerned, when the member demonstrates in a statement listing the child's income and expenses that the child is in fact dependent on the member for over one-half of the child's support;

f. An unmarried child, 21 years of age or older, who is incapable of self-support because of a mental or physical incapacity and who is in fact dependent upon the member for more than one-half of the incapacitated child's support;

g. A parent, including a stepparent, parent by adoption, or any person who has stood in loco parentis at any time for a continuous period of at least five years before the member's 21st birthday, or a parent, a stepparent, or adopted parent of the member's spouse, any of whose dependency on the member has been determined in accordance with the rules and regulations established by the Secretary concerned; and

h. An unmarried person who has been placed in the Service Member's legal custody as a result of a court of competent jurisdiction in the United States, Puerto Rico, or a possession of the United States for a period of at least 12 months.

1. The person must be under 21 years of age or at least 21 years of age, but under 23 and be enrolled in a full-time course of study at an institution of higher learning approved by the Secretary concerned, or must not be capable of self-support because of a mental or physical incapacity that occurred while the person was a dependent of the Service Member or former Service Member before age 21 or 23;

2. The person must be dependent upon the member for over one-half of the person's support;

3. The person must reside with the member unless separated by the necessity of military service or to receive institutional care as a result of disability, incapacitation, or other circumstances as prescribed in the regulations of the Secretary concerned; and

4. The person may not be a dependent of any member under any other part of this definition.

Deputy Disbursing Officer (DDO)

A person appointed as a deputy to a DO to act in the name of and for that DO to perform any and all acts relating to the receipt, disbursement, custody, and accounting for public funds. The appointing DO may restrict the acts a deputy is authorized to perform. DDOs must be U.S. citizens.

Disbursing

The paying of public funds to entities to whom the Government is indebted; the collection and deposit of monies; the safeguarding of public funds; and the documenting, recording, and the reporting of these transactions.

Disbursing Agent (DA)

An agent of a DO, not appointed as a DDO, who generally operates a permanently-located disbursing office that is often geographically separated from the disbursing office.

Disbursing Office

An activity or the organizational unit of an activity whose principal function consists of the disbursement, collection, and reporting of public funds. Includes both tactical and non-tactical disbursing activities. Each has a DO and at least one DDO under the DO's direct control. Disbursing offices within DoD formerly were referred to as Finance and Accounting Offices, Accounting and Finance Offices, and Finance Offices.

Disbursing Officer (DO)

An officer or employee of a [federal department](#) or [agency](#) designated to disburse money and render accounts according to laws and regulations governing the disbursement of public money (see [31 U.S.C. § 3321](#)). The term DO within Volume 5, unless otherwise stated (e.g., Treasury DO, U.S. DO (USDO)), is specific to DoD DOs. DoD DOs are considered NTDOs in Treasury terms.

Disbursing Station Symbol Number (DSSN)

A four-digit number assigned to each disbursing office by the Treasury. In addition, an identification number that indicates the authority to receive and disburse public funds and issue checks on behalf of the Treasury. See "Agency Location Code (ALC)."

Doctrine of Laches

A legal term based upon neglect or omission to do what one should do in a reasonable amount of time so as not to prejudice the adverse party. The defense can be used against an untimely claim to establish a presumption of abandonment of a right or claim (e.g., if a payee neglects or fails to file a timely request) the payer can presume that the payee has abandoned the claim.

DoD Activity

A ship, camp, post, station, base, activity, unit, installation, or facility operating within the DoD.

DoD Personnel

All DoD Active and Reserve Component military personnel, military retired members, DoD civilian employees (including foreign national direct hire and indirect hire, as well as non-appropriated fund employees), contractors and host nation support personnel.

Duplicate Check

A check issued by a DSSN with the same serial number as a previously issued check.

Electronic Commerce

A range of financial functions performed using data communication techniques.

Electronic Signature

An electronic sound, symbol, or process, attached to or logically associated with a contract or other record and executed or adopted by a person with the intent to sign the record. See [15 U.S.C. § 7006\(5\)](#).

Emergency Condition

Any situation resulting from war, armed aggression, or other hostilities against U.S. personnel or interests; and sudden, extensive natural or manmade disasters.

Employee

A civilian paid from appropriated (or non-appropriated, if applicable) funds.

Erroneous Payment

A fiscal irregularity resulting from routine or non-routine processed payments that are not in strict conformity with laws and regulations, including but not limited to, an overpayment to a payee; two or more payments to a payee for the same entitlement (i.e., a duplicate payment); a payment to the wrong payee; a Treasury check issue overdraft (in some cases); a shortage caused by negotiation of both an original and a substitute Treasury check; payment based on fraudulent, forged, or altered documents; or a payment made in violation of law or regulation.

Exchange-for-Cash Check

A check issued by a DO to obtain cash funds for disbursements or in exchange-for-cash for official or accommodation purposes.

Facsimile Signature

An impression of a signature made by a rubber stamp and authenticated by the initials of the CO or the designated individual. May also be a metal plate or electronic digitized facsimile signature medium.

Federal Program Agency (FPA)

A department, instrumentality, office, commission, board, service, or other establishment of the U.S. Government.

Federal Reserve Bank (FRB)

The central bank of the United States, divided into 12 federal district banks. Created by the Federal Reserve Act of 1913 to provide the nation with a safe, flexible and stable monetary and financial system.

Financial Services

Commonly associated with financial institutions in the United States, such as electronic banking (e.g., ATMs and personal computing banking); in-store banking; checking, share and savings accounts; funds transfers; sales of official checks, money orders, and travelers checks; loan services; safe deposit boxes; trust services; sale and redemption of U.S. Savings Bonds, and acceptance of utility payments; and any other services provided by financial institutions.

Fiscal Irregularity

Any action (or lack thereof), event, practice, or circumstance (or lack thereof) that causes an out-of-balance condition in the financial accountability of a DO, deputy, agent, and cashier entrusted with public funds. Includes irregularities resulting from physical losses of funds or erroneous payments.

Foreign Exchange

Identifies the conversion (exchange) of foreign currencies (i.e., the legal monetary unit of a foreign nation), and negotiable instruments, such as travelers checks, money orders, and bank drafts payable in such monetary units.

Foreign National Personnel

A foreign national employee is an individual who is employed by or performing work for U.S. forces outside the United States, its territories, and possessions in a system of employment. Under the direct hire arrangement, the legal employer of the foreign national assumes responsibility for all administrative and management functions related to foreign national employment. Under the indirect hire arrangement, the host government serves as the legal employer of U.S. forces foreign nationals.

Fraudulent Claim

Any claim against the government involving the presentation of false information, or misrepresentation on the part of a claimant or any other party having an interest in a claim.

Functional Area

A specialized entitlement area (also known as a subject matter area) not under the direct cognizance/control of the DO. Functional areas are responsible for specific types of transactions, e.g., accounts control, travel, military pay, commercial sales, and civilian pay. Functional areas are not considered part of the disbursing office.

Fund Balance with Treasury (FBWT)

An asset account that shows the available budget spending authority of federal agencies. Collections and disbursements increase or decrease the balance in the account.

*Funds Held Outside of the Treasury (FHOT)

Physical cash held by a DoD DO, Deputy DO, or agent in a vault or in a Limited Depository Account under the responsibility of the DO. Also known as CIHO, FHOT is the preferred term.

G-Invoicing

G-Invoicing offers an online portal to support the exchange of information in Intragovernmental Transactions activity by federal trading partners. G-Invoicing will serve as an agreement broker (the mechanism by which agencies arrange and negotiate information electronically) and a data exchange platform.

General Depository

A financial institution designated by the Treasury to accept deposits of cash and checks from specifically authorized DOs.

Governmentwide Accounting (GWA) and Reporting Modernization

A project addressing the central accounting and reporting functions and processes associated with budget execution, accountability, and cash/other asset management. Includes the collection and dissemination of financial management and accounting information from and to federal program agencies. Also includes the business processes in the FS that are related to ledger accounting for each appropriation, fund, and receipt account's FBWT, General Ledger accounting for the cash and monetary assets of the Government, and the preparation of the Monthly Treasury Statement and the U.S. Government Combined Statement and Appendix. This project improves timeliness and accuracy to support financial analysis and decision-making.

Holder-in-Due-Course

A person, financial institution, or business other than the original payee who in good faith takes possession of a check through endorsement. A claim to payment by a holder-in-due-course will be honored, even if the original payee is not due or entitled to the check.

Host Nation

A nation supported by the forces and/or supplies of allied nations; and/or coalition partners located on, operating in, or transiting through its territory.

Imprest Fund

A cash fund of a fixed amount established by an advance of funds, with or without charge to an appropriation, from a DO to a duly appointed cashier, for disbursement as needed in making cash payments for relatively small purchases.

Imprest Fund Cashier

An individual appointed by the local commander to make authorized cash payments for materials or services. An imprest fund cashier is required to maintain custody of public funds and to file periodic vouchers to account for and replenish the imprest fund. Disbursing personnel are not eligible for appointment as imprest fund cashiers.

International Treasury Services (ITS)

Treasury's comprehensive international payment and collection system, and the preferred payment method for foreign currency transactions.

Intra-governmental Payment and Collection (IPAC) System

A Treasury automated system used for the payment and collection of intra-governmental billing services and supplies.

a. IPAC Adjustment: A reversal of a transaction by the receiving agency up to but not to exceed the amount of the original transaction reported in the accounting month in which they are processed in IPAC. Receiving agencies cannot reject IPAC transactions that have been processed by the Treasury.

b. IPAC Billing Agency: The agency originating a collection or receiving a payment transaction. In the Treasury's Disbursing and Adjustment menu screens, the billing ALC represents the originator of the transaction.

c. IPAC Corrections: Refers to erroneous reporting on the SF 1219. The error can be caused by amounts being over or understated or by the failure of an agency to record the transaction in the proper month of accountability.

d. IPAC Customer Agency: Originates a payment or receives a collection transaction. In the Treasury's Disbursing menu screen, the customer ALC represents the agency receiving the transaction. In the Treasury's Adjustment menu screen, the Billing ALC of Original Bill field represents the agency receiving the adjustment transaction.

Limited Depository (LD)

A U.S. or foreign commercial bank designated by the Treasury to receive deposits from DOs for credit to their official LD checking accounts.

Limited Depository Account (LDA)

A LDA is a checking account, generally in a foreign currency, maintained in an LD by a DO, DDO, or another agent specifically designated by the DO, in his or her own name.

Lockbox Service

A collection and processing service provided by a financial institution to accelerate cash flow to Treasury's General Account.

Member

A person appointed, enlisted, or conscripted into a Uniformed Service or a person retired from active duty (including those receiving retainer pay) or a reserve component.

Micro-purchase Threshold

See the [Federal Acquisition Regulation, Subpart 2.101](#).

Military Banking Facility (MBF)

A banking office normally located on an overseas DoD installation and operated by a financial institution the Secretary of the Treasury specifically has authorized under its designation as a "Depository and Financial Agent of the U.S. Government" to provide certain banking services at the installation.

Military Pay

An entitlement and pay process for military members. Also refers to a functional pay area. Examples:

- a. Armed Forces Americas (AA): Central and South America, e.g., Army Post Office (APO) and Fleet Post Office (FPO) Miami are now APO and FPO AA, respectively.
- b. Armed Forces Europe (AE): Canada, Europe, Africa, and the Middle East, e.g., APO and FPO New York are now APO and FPO AE, respectively.
- c. Armed Forces Pacific (AP): Pacific area, e.g., APO and FPO San Francisco, and APO and FPO Seattle are now APO and FPO AP, respectively.

National Bank

An association approved and chartered by the Comptroller of the Currency to operate a banking business.

Negligence

The failure to act as a reasonably prudent person would act under similar facts, conditions, and circumstances.

Non-tactical Disbursing Activity

Any disbursing activity permanently assigned to an installation and not subject to mobilization or deployment.

Officer or Military Officer

A commissioned or warrant officer (appointed officer) of the Uniformed Services.

Official Authorization List

Identifies all individuals who are authorized to transact business and provide instructions to the FRB on behalf of a [component](#).

On-base

Refers to physical presence on a domestic or overseas DoD installation.

Original Signature

A signature is in permanent dark blue, blue-black, or black ink. For electronic and digital signatures, see Chapter 1, subparagraph 3.5.3.

Outstanding Check

A check that Treasury's CP&R system shows as issued but not paid.

Over-the-Counter Channel Application (OTCnet)

A web-based application that integrates Check Capture and Deposit Reporting functionalities in one system. Created from two legacy systems, Paper Check Conversion Over-the-Counter and Treasury General Account (TGA) Deposit Reporting Network, the [Over-the-Counter Channel Application \(OTCnet\)](#) application design accommodates check capture and deposit reporting using electronic collection mechanisms instead of paper based processing. The OTCnet application check capture activities are primarily performed online;

however, there is an offline check capture capability for agencies operating in locations where internet connectivity and bandwidth are intermittent or unavailable.

Overage of Funds

An amount greater than the amount shown to be on hand by the daily accountability records.

Overseas

A military installation (or community) located outside the United States, the District of Columbia, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, or the U.S. Virgin Islands.

Paid Status

Identifies a Treasury check presented to the Treasury for payment through the banking system, or reported as void (zero value issue), or canceled.

Pay (Salary)

Includes basic, special, incentive, retired or retainer pay; consultant's fees; and any other authorized pay and allowances.

Pay.gov

A program developed to meet the commitment to process collections electronically using internet technologies. Satisfies agencies' and consumers' demands for electronic alternatives by providing the ability to complete forms, make payments, and submit queries 24 hours a day electronically.

Pay Period

Normally biweekly for civilians working for federal agencies, may be monthly or twice monthly for active duty military personnel, monthly for retirees, or periodically based on completion of active or inactive duty for training for Reserve Component personnel.

Payability

The length of time during which a Treasury check is negotiable. Also relates to "claimability," the length of time a payee may present a claim of non-receipt, loss, or theft of a Treasury check to a government agency. Claims are valid on underlying obligations until expiration of the statute of limitations, normally six years. If a payee's right to entitlement has expired, the claim is denied, but under [31 U.S.C. § 3702](#), the SecDef may waive this for claims not exceeding \$25,000.

Paying Agent (PA)

PA's qualifications and responsibilities are;

- a. A military member or DoD civilian employee appointed by a commander to act as an agent of a DO to make specific payments, currency conversions, or check cashing transactions from cash the DO temporarily advances to the agent;
- b. An individual whose regular duties do not involve disbursing functions and who is not organizationally located in the disbursing office;
- c. Appointed to the position of PA as an additional duty, is under the exclusive supervision of the DO in all matters concerning custody and disposition of cash advanced, and complies with all instructions and regulations pertaining to their PA duties issued by the DO;
- d. Makes payments or currency conversions for and in the name of the DO to whom the PA is appointed; and
- e. Holds the advanced cash at personal risk and must account for it to the DO immediately upon completion of the transaction(s) for which advanced.

Payment Information Repository (PIR)

A centralized information repository for federal payment-related data to improve and increase the transparency of government payments and streamline the reporting of accounting classification information from NTDOs, e.g., DoD DOs.

Payment Review Official

A person who conducts pre-payment and post-payment reviews (not an inherently-governmental function), issues and controls inquiries regarding possible financial irregularities, but is not subject to pecuniary liability because of not being in an accountable position.

Pecuniary Liability

Personal financial liability for fiscal irregularities of accountable officials, as an incentive to guard against errors and theft by others, as well as, protect the government against errors and dishonesty by the officers themselves.

Physical Loss of Funds

A physical loss of funds includes:

- a. A loss of U.S. Government cash by theft, embezzlement, unexplained disappearance, or cash handling errors;

- b. A loss of paid vouchers and/or negotiable instruments from a disbursing office;
- c. A loss of an official deposit in route from a disbursing office to a depository or after confirmation by a depository;
- d. Any payment based on fraudulent, forged, or altered documents prepared or presented by individuals, both accountable and non-accountable disbursing personnel, who work in the disbursing office;
- e. A loss or theft of cash from an imprest fund;
- f. A failure to obtain (or loss of) official receipts and/or documents representing cash;
- g. A loss or destruction by fire, accident, or natural disaster;
- h. Unidentifiable DO suspense account charges; or
- i. Losses associated with counterfeit currency transactions.

Presumption of Negligence

Title 31 U.S.C. § 3527, is the basis for automatically holding a CO or DO pecuniarily liable for a fiscal irregularity. The presumption of negligence established by law does not apply to DAO.

Prevailing Rate of Exchange

The most favorable rate legally available to the U.S. Government for acquisition of foreign currencies for its official expenditures and accommodation exchange transactions.

Public Funds

Cash, paid vouchers, or cash collected by a disbursing official for goods or services subject to the control or regulation of the United States or any of its officers, agents, or employees.

Receipt, Appropriation (Expenditure), and Fund Accounts

See [**Treasury Financial Manual, Volume 1, Part 2, Chapter 1500**](#) for complete account descriptions.

Receiving Official

A military member or DoD civilian employee authorized to substantiate the receipt, inspection, and acceptance of goods and/or services.

Recertified Payment

A replacement payment by Treasury check with a check serial number different from that of the original check. The replacement Treasury check may be issued after the presentation and review of required documentation to replace any lost, stolen, or destroyed original check (except for holder-in-due-course situations), regardless of the disbursement purpose (e.g., pay, travel, or vendor payment).

Relief from Liability

Pursuant to 31 U.S.C. § 3527, an action taken by an individual with appropriate legal authority to relieve DOs, certifying officers, or other accountable officials of pecuniary liability for a fiscal irregularity.

Replacement Check

A check issued to replace a check that is for a proper payment but has been classified as void, not been reported to the Treasury as a valid check issue, or is not cashable due to misprint or mutilation during the issue process.

Retiree

A military person retired from active duty or a Reserve Component, including those receiving retainer pay.

Review Official

A military member or DoD civilian employee appointed in writing to conduct pre-payment and post-payment reviews, to initiate and control inquiries, and to initiate investigations of possible fiscal irregularities.

Salary Offset

A deduction from a current pay account to liquidate a debt. May be from basic, special, incentive, retired, and/or retainer pay; or in the case of an individual not entitled to basic pay, other authorized pay.

Seized Funds

Cash confiscated by coalition forces during military operations and governed by the laws and usages of war. Normally captured foreign currency is delivered promptly into the custody of the State Department's USDO supporting the particular country involved. Any DoD DO acquiring captured foreign currency safeguards and delivers it to the USDO as soon as possible, but does not collect **it** into **their** accountability.

Settlement Office

A disbursing office designated to clear outstanding transactions and/or deficiencies from the accounts of predecessor DOs. The DO assigned to the settlement office is referred to as a settlement officer.

Shared Accounting Module (SAM)

A FS application that carries out the process of validating or deriving the appropriate TAS and BETC combinations to assist GWA in classifying financial transactions as they occur.

Smart Cards

Includes: Stored Value Cards (SVC), debit cards and combination cards (hybrids that contain both SVC and debit card features). These cards store or provide access to “electronic money” and provide a more secure method of handling funds, alleviate the need to carry cash and provide electronic payment to vendors for items purchased or services rendered.

Spoiled Check

A check that has been reported to the Treasury as a valid issue, has been returned by the payee as not cashable due to mutilation or defect, represents a valid payment to the payee, and is less than one year old.

Sponsor

See [20 U.S.C. § 932](#).

A person who is

- a. a member of the Armed Forces serving on active duty, or
- b. a full-time civilian officer or employee of the DoD and a citizen or national of the United States; and
- c. who is authorized to transport dependents to or from an overseas area at Government expense and is provided an allowance for living quarters in that area.

Standard Financial Information Structure (SFIS)

The SFIS is a comprehensive data structure that supports requirements for budgeting, financial accounting, cost/performance, interoperability, and external reporting needs across the DoD enterprise. It is a common business language that enables budgeting, performance-based management, and the generation of financial statements. SFIS standardizes financial reporting across DoD and allows revenues and expenses to be reported by programs that align with major goals, rather than basing reporting primarily on appropriation categories. It also enables

decision-makers to efficiently compare programs and their associated activities and costs across DoD and provides a basis for common valuation of DoD programs, assets, and liabilities. SFIS compliance is required for all target accounting systems and target financial business feeder systems (Volume 1, Chapter 4).

Standard Line of Accounting (SLOA)

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

Standard Reporting Format (SRF)

SRF is a Fiscal Service defined input file specification defining the data elements and validation rules that all NTDOs use to report issued payments and associated TAS/BETC information. Payment and accounting data are submitted to the PIR reporting tool using SRF.

Stored Value Card (SVC)

A smart card application capable of storing electronic monetary value on the card's embedded computer chip. The SVC is used to conduct financial transactions in a number of DoD settings. These include: EagleCash, Navy Cash, Marine Cash, Ezpay, Debit cards, combination cards, and others.

Supplemental Agreement

Statement of local operating procedures formulated and used by the commanders of the Armed Forces of two friendly foreign nations, whose governments have signed a basic agreement, as contemplated under DoD Instruction 5530.03. Use these procedures in territories of mutual concern to provide each other with emergency financial support, under the policies of the basic agreement. Supplemental agreements may be entered into by commanders of unified or separate Armed Forces, as considered appropriate.

Suspense/Budget Clearing Accounts

A disbursement transaction that has been reported to the Treasury and has not been identified to a specific fund holder or is placed in a suspense account while research efforts are underway. Budget Clearing Account (suspense), F3875, temporarily credits unclassified transactions from the public when there is a reasonable presumption that the amounts belong to the agency.

Tactical Disbursing Activity

Any tactical unit (including Navy ships) authorized to provide disbursing services under an assigned DSSN and is subject to movement from one location to another. Some of these activities provide disbursing services on a full-time basis (e.g., Navy ships); others perform them only while deployed (or mobilized). When not deployed, the DSSNs are held in reserve, in an inactive status, for use on short notice as required.

Tolled

To suspend or stop temporarily, e.g., an event that suspends the running of time related to a statute of limitations.

Transaction Reporting System (TRS)

See Collections Information Repository (CIR).

Travel Authorizing Official

An individual designated in writing by organizational title having authority to issue travel orders, sign/approve travelers' claims, verify that all transactions made were necessary expenses, and were accomplished in accordance with the [Joint Travel Regulations](#).

Travel Order

A document authorizing official government travel.

Traveler

A military member, DoD civilian employee, or invitational traveler traveling in an official capacity.

Treasury Account Symbol (TAS)

An identification code assigned by the Department of the Treasury. The TAS represents individual appropriation, receipt, and other fund accounts for agencies and bureaus.

Treasury Check Information System (TCIS)

A system that records and reconciles the worldwide issuance and payment of Treasury checks. It also allows end users to query the Payments, Claims & Enhanced Reconciliation system for claim status on ACH payments.

Treasury General Account (TGA)

A demand account titled TGA in a designated commercial bank specifically authorized by the Treasury Department to maintain that account in the name of the Treasury for the purpose of accepting deposits. A non-U.S. bank located overseas (an International TGA) may also be authorized to perform this function.

Undeliverable Check

A check not delivered to the payee within 60 days after the month of issue.

Valuables

Any articles or representations of value in which the United States has any interest, or in connection with which it has any obligation or responsibility.

Vendor

See "Contractor."

Vendor Pay

The process of computing the amount due a contractor or vendor for all contract/purchase orders, except those administered by the Defense Contract Management Agency, or a functional pay area.

Voided Check

A check pre-numbered with a serial number, invalidated for any reason before issuance by a DO, and reported with a zero dollar value.

Voucher

A document certified by a CO to a DO (under [31 U.S.C. § 3325](#)) to make a payment.