

Claims Report

United States Army Claims Service

Tort Claims Note

Manual Defense Finance and Accounting Service (DFAS) Payments

The Defense Finance and Accounting Service-Rome, New York, has been prohibited from continuing its past practice of allowing U.S. Army offices to use the Standard Financial System (STANFINS) to transmit payment reports for payment. Additionally, the Computerized Accounts Payable System for Windows (CAPS-W) system is not usable by claims offices due to computer system differences. As a result, the U.S. Army Claims Service (USARCS) and DFAS-Rome, New York, agreed that effective 1 May 2000, a *Manual DFAS Payment Procedure* would be followed for the payment of claims. The USARCS was the first participant under the new manual DFAS payment system. By July 2000, all claims offices were under the new system. The system applies to all Army claims offices processing claim payments through DFAS-Rome, to include Hawaii and Puerto Rico.

These Army claims offices will no longer make electronic claim payments under STANFINS or CAPS-W. Additionally, manual payments other than those outlined under the new agreement will not be permitted. Accordingly, participating claims offices will process all applicable DFAS payments manually via fax to DFAS-Rome, New York. These procedures, however, do not apply to claim payments submitted to Financial Management Service, Department of Treasury, the Army Central Insurance Fund, or the Corps of Engineers.

All participating claims offices were provided a copy of a standard operating procedure (SOP) that contains all required instructions and amended payment reports. Under the SOP, claim payments will be submitted via fax to DFAS-Rome using a fax cover sheet in a format provided by DFAS-Rome along with a completed payment report. Standard Form 1034, Public Voucher for Purchases and Services other than Personal, will no longer be used for payment of a claim. The cover sheet will serve as a transmittal sheet listing all claims submitted to DFAS-Rome for payment. Along with the transmittal sheet, a copy of the payment report for each claim to be paid will be provided. The version of the payment report used will depend on the type of claim payment, personnel or tort, being made.

If the claimant requests payment to an account other than an account in the claimant's name, such as to the attorney's escrow or trust account, the claimant must forward a written request to do so. Additionally, if the claimant desires that the claim payment be transmitted by electronic means, the claimant must submit Standard Form 3881 (ACH Vendor/Miscellaneous Payment Enrollment Form) or provide a voided check from the claimant's bank account.

Some of the pertinent changes under the new manual DFAS payment system include:

- (1) The claims officer will sign the payment report as the "Certifying Officer." Certifying is defined in 31 U.S.C. § 3528(a) as the act of attesting to the legality, propriety and correctness of the payment report.
- (2) A full fund cite will be reflected on the payment report, rather than the four-digit codes presently used.
- (3) The social security number (SSN) or tax identification number (TIN) of the payee will be entered on the payment report. On a joint payment being made to the claimant and his attorney, the claimant's SSN or TIN will be entered, but not the attorney's.
- (4) Joint payments to more than one claimant are not allowed. One payment report will be prepared per claimant receiving payment, even though the claimants filed jointly.
- (5) The contract number entered on the payment report will be comprised of the acronym JAG, followed by the claims office three-digit office code, a dash, a two-digit current fiscal year code, and the claims office full claim number. For example, a fiscal year 99 claim would be identified as JAGCO1-0099COIT111.

The DFAS-Rome's intent under this new procedure is to have the payment uploaded to the disbursement system no later than four working days after receipt of the faxed transmittal cover sheet and payment report from the submitting claims office. Approximately three days after the payment has been entered into CAPS-W by DFAS-Rome, a claims office will be able to query STANFINS Redesign-1 (SRD-1) or a web site to get a "come-back" copy of the payment report.

The above procedures do not change the requirement for claims offices to maintain a copy of all payment documents in the claims file. Any questions arising after claims offices receive the new SOP may be addressed to Ms. Joanne Roe at the USARCS budget office, or, if they are tort claim specific, to Mr. Kenneth R. Roberts of the Tort Claims Division. Mr. Roberts and Ms. Roe.