



UNITED STATES MARINE CORPS

MARINE CORPS BASE
PSC BOX 20004
CAMP LEJEUNE, NORTH CAROLINA 28542-0004

BO 5300.7C
MCCS

FEB 09 2006

BASE ORDER 5300.7C

From: Commanding Officer
To: Distribution List

Subj: PERSONAL CHECKS FOR NONAPPROPRIATED FUND ACTIVITIES

Ref: (a) UCMJ, Art. 123
(b) UCMJ, Art. 123A
(c) North Carolina General Statute 14-107 (NOTAL)
(d) Title 18, U.S. Code, Sec 13 (Assimilative Crimes Act)
(e) MCO 7220.49A
(f) MCO P1700.27

Encl: (1) Procedures/Information Regarding Check Cashing
(2) General Information Concerning Dishonored Checks/Forgery/Appeals
(3) Notification of Returned Check
(4) Notification of Returned Check (Second Notice)
(5) Endorsement Letter
(6) Check Cashing Privilege Suspension Policy

1. Situation. Each year nonappropriated fund activities aboard the Base incur losses due to returned personal checks, which are not redeemed. Reference (a) establishes forgery of checks as a military offense and reference (b) establishes the writing or presenting of a check without sufficient funds as a military offense. Reference (b) further provides that failure to redeem a dishonored check within five working days of notice, oral or written, is proof of intent to defraud. Reference (c) establishes the presenting of worthless checks as a misdemeanor for checks in the amount of \$2000 or less and a Class I felony for checks in excess of \$2000. When committed aboard a Federal Reservation, such action becomes a federal offense by virtue of reference (d), the Assimilative Crimes Act. The U.S. Magistrate may try civilians and dependents in the Federal District Court. Reference (e) outlines the process for deductions from pay for delinquent debts. Reference (f) is the Marine Corps Community Services (MCCS) policy manual.

2. Cancellation. BO 5300.7B.

3. Mission

a. This Order publishes policy and procedures relative to processing and redemption of personal checks to decrease losses that are incurred due to returned personal checks that are not redeemed.

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b. Summary of Revision. This Order has been completely revised and should be reviewed in its entirety.

4. Execution

a. Commanders Intent and Concept of Operations

(1) Commanders Intent. To provide checking services to all eligible personnel while holding people responsible for dishonored checks written aboard Marine Corps Base, Camp Lejeune.

(2) Concept of Operations. Cashing will be done in accordance with enclosure (1). Enclosure (2) provides information regarding dishonored checks, forgery, and routine process for appeals. Enclosure (6) includes the suspension policy relevant to all active duty military, retired or separated personnel, and civilian employees in the event a dishonored check is written.

b. Coordinating Instructions. Commanding Officers will be notified for action in the event a Marine in their section has written a dishonored check aboard Camp Lejeune.

c. Tasks:

(1) Director, MCCA shall:

(a) Process dishonored checks tendered at nonappropriated fund activities at Marine Corps Base, Camp Lejeune.

(b) Enter transactions on a daily basis to maintain the automated dishonored personal check system.

(c) Provide MCCA activities and the Command Inspector with a biweekly dishonored check listing.

(d) Notify military personnel, civilian employees, retired/separated personnel and military dependents of their dishonored checks by written notification.

(e) Initiate pay checkages for military personnel, if payment for a dishonored check has not been received within 30 days of notification. The U.S. Treasury Offset Program will be used for civilians, dependents and individuals separated from the service.

(f) Maintain a historical file on suspensions.

(g) Endorse checkout forms for military personnel separating from Camp Lejeune.

(2) Command Inspector shall:

(a) Monitor records based on data input from the MCCS Accounts Receivable office on worthless checks received.

(b) Approve financial institution letters.

(c) Process forgery notices from NCIS/CID.

(d) Process appeals for restoration of check cashing privileges.

5. Administration and Logistics. Not Applicable.

6. Command and Signal

a. Signal. This Order is effective the date signed and has been coordinated with and concurred in by the Commanding Generals, II Marine Expeditionary Force; 2d Marine Logistics Group; and the Commanding Officer, Marine Corps Air Station, New River.

b. Command. This Order is applicable to Marine Corps Base, Camp Lejeune and all tenant organizations.


A. E. HODGES

DISTRIBUTION: A

DISTRIBUTION STATEMENT A: Approved for public release; distribution is unlimited.

PROCEDURES/INFORMATION REGARDING CHECK CASHING

1. Acceptance of personal checks at nonappropriated fund activities is a privilege extended for the convenience of patrons.
2. Nonappropriated fund activities shall accept personal checks made payable to Marine Corps Community Services (MCCS) Activity.
3. Personal checks accepted by nonappropriated fund activities must contain the following information on the front of the check:
 - a. Name of person cashing check (drawer) and sponsor's name, if applicable, to include grade, last name, first name and middle initial.
 - b. Unit address or local home address.
 - c. A local telephone number at which the drawer or sponsor can be reached.
4. Presentation of Identification (ID) Cards will be requested, except for officers and staff noncommissioned officers in uniform. Social security numbers (SSN) will be used to validate a patron's check against established and manual dishonored check lists. The SSN must be taken from an ID card. Expired ID cards will be not be accepted as proof of identification.

ENCLOSURE (1)

GENERAL INFORMATION CONCERNING DISHONORED CHECKS/FORGERY/APPEALS

1. Per reference (a), failure to redeem a dishonored personal check within five days of notification may constitute admissible evidence in a trial by court martial of intent to defraud or deceive. Check cashing and Star Card privileges are suspended immediately upon receiving a dishonored check in the Accounts Receivable office.
2. Per references (b) and (e), action will be initiated to collect the amount due to Marine Corps Community Services (amount of check(s) plus service charge(s) of \$35.00 each) through military pay checkage, if not paid within 30 days of notification of the dishonored check(s).
3. Dishonored checks are available for inspection at the Marine Corps Community Services Accounts Receivable office. Collection efforts are supplemented by use of the U.S. Magistrate and the U.S. Treasury Offset Program (TOPS). Collection through the TOPS program may affect a patron's credit history.
4. In accordance with the references, Commanding Officers shall assist in the collection of debts and counsel individuals regarding their responsibility to make timely restitution. Additionally, the individual should be advised that failure to redeem checks will result in an involuntary pay checkage. Commanding Officers should also advise individuals that continued financial irresponsibility could result in disciplinary action and/or denial of promotion and reenlistment.
5. Commanding Officers are requested to notify the Financial Management Division, Account Receivable office when an individual with dishonored checks has been separated from the service, is on appellate leave, is in an unauthorized status, or is pending investigation for subject checks. Commands are also requested to provide dates, home of record addresses and any other pertinent information on Endorsement letter to the Marine Corps Community Service Accounts Receivable office, Building 895.
6. A personal check shall not be accepted in redemption of a dishonored check.
7. The nonappropriated fund activity is authorized to charge a total fee of \$35, which includes a service fee and a bank fee. In cases where a financial institution commits an error,

ENCLOSURE (2)

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no charge will be levied against the drawer, provided the drawer renders written documentation that the returned check was caused by the institution's error.

8. Forgery. In the event a check, accepted by an activity, is returned dishonored and written allegation of forgery arises, the Criminal Investigation Division of the Provost Marshal's Office shall be promptly notified. If the identity of the originator (forger) of the check can be established, the procedures prescribed in enclosure (6) of this Order will be used to recover losses. In no case shall the check in question be released to anyone except the proper military authority.

9. Appeals. Appeals for restoration of check cashing privileges will be made in writing, addressed to the Commanding Officer, Marine Corps Base (Command Inspector) via the chain of command.

ENCLSOURE (2)

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MARINE CORPS COMMUNITY SERVICES

(ATTN: MCFO)
1401 WEST ROAD
CAMP LEJEUNE, NORTH CAROLINA 28547-2539

1700
MCPO
1 Nov 05

From: Accounts Receivable Supervisor
To: John Smith, Personnel Administration School, Marine Corps
Combat Service Support School (MCCSSS)

Subj: NOTIFICATION OF RETURNED CHECK

SSN#: 888-88-8888

1. This is to notify you that your check number 149 in the amount of \$200.00 has been returned unpaid.
2. You are required to redeem the check plus pay a \$35.00 service charge within 15 days from the date of this letter. A temporary suspension is in effect immediately.
3. Payment to be made by cash, money order, or cashier's check, payable to MCCS.
4. Failure to redeem check(s) will result in the suspension of your check cashing, DPP, and Star Card privileges aboard all military installations. For military personnel, the failure to redeem checks may result in the checkage of pay, please see enclosure.
5. Should you have a question concerning this matter, please call MCCS Accounts Receivable Office, at (910) 451-5585.
6. If payment has already been made, please disregard this letter.

Signature
Accounts Receivable Supervisor

ENCLOSURE (3)

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MARINE CORPS COMMUNITY SERVICES

(ATTN: MCFO)
1401 WEST ROAD
CAMP LEJEUNE, NORTH CAROLINA 28547-2539

1700
MCPO
1 Nov 05

From: Accounts Receivable Supervisor
To: John Smith, Personnel Administration School, Marine Corps
Combat Service Support School (MCCSSS)
Via: Commanding Officer

Subj: NOTIFICATION OF RETURNED CHECK (SECOND NOTICE)

SSN#: 888-88-8888

1. This is to notify you that your check number 149 in the amount of \$200.00 has been returned unpaid.
2. You are required to redeem the check plus pay a \$35.00 service charge within 15 days from the date of this letter. A temporary suspension is in effect immediately.
3. Payment to be made by cash, money order, or cashier's check, payable to MCCS.
4. Failure to redeem check(s) will result in the suspension of your check cashing, DPP, and Star Card privileges aboard all military installations. For military personnel, the failure to redeem checks may result in the checkage of pay, please see enclosure.
5. Should you have a question concerning this matter, please call MCCS Accounts Receivable Office, at (910) 451-5585.
6. If payment has already been made, please disregard this letter.

Signature
Accounts Receivable Supervisor

ENCLOSURE (4)

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COMMANDING OFFICER

LETTERHEAD

FIRST ENDORSEMENT

From: _____

To: Supervisor, Accounts Receivable Office, Fiscal Branch,
Financial Management Division, Marine Corps Community
Services, Marine Corps Base, Camp Lejeune

1. Returned.

2. _____ was notified and counseled
concerning the dishonored check(s) on _____.

3. It is desired that action be initiated immediately to check
SNM's pay for the amount of the dishonored check(s) and
appropriate service charges as contained in paragraph 1 of the
basic letter.

4. Additional remarks: _____

Note: Please indicate appropriate paragraph, above, by circling
the paragraph number.

(Signature)

CHECK CASHING PRIVILEGE SUSPENSION POLICY

Suspension Policy

1. A temporary suspension shall be immediately imposed when a personal check is returned as dishonored. The temporary suspension shall remain in effect until all dishonored checks and service charges are paid.
2. A six-month suspension shall be imposed on any patron who cashes two or more dishonored checks after twice having been placed on the dishonored checklist during the preceding year.
3. A one year suspension shall be imposed on any patron who:
 - a. cashes a dishonored check drawn on a nonexistent or closed account;
 - b. cashes a dishonored check while on suspension;
 - c. has dishonored check(s) redeemed as a result of nonpayment through the pay checkage process; or
 - d. Is convicted of larceny, fraud, forgery, or any other actual or attempted bad check offense, or is held liable in a civil action as a result of any dishonored check written to an agency, instrumentality, or activity of the United States.

Suspension of Privileges

1. When a personal check is returned as a dishonored check, the check maker's check cashing and Star Card privileges are immediately suspended until the check is redeemed. The total redemption amount includes the payment of the dishonored check and the established fee for the check.
2. After the check has been redeemed, the suspension will be removed and privileges will be restored subject to the penalties listed in enclosure (6).
 - a. When a personal check is returned unpaid by the financial institution, written notification of the dishonored check (enclosure (3)) will be forwarded to the individual.
 - b. If the dishonored check was caused by an accounting error on the part of the financial institution, the sponsor or drawer concerned should obtain a letter from the financial institution acknowledging the error and bring the letter personally to the Command Inspector's office.

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After approval from the Command Inspector, the sponsor or drawer concerned will present the approved letter to the MCCS Accounts Receivable office. This must be accomplished within 24 hours after approval from the Command Inspector. After reimbursement of the dishonored check, the service charges will be waived including the return of any service charges paid to the MCCS Accounts Receivable office prior to obtaining the financial institution's letter. The checks associated with that particular error will be removed from the individual's dishonored check record.

c. If an active duty or retired drawer is notified and voluntary redemption of the dishonored check is not made within 30 days from the notification date, the MCCS Accounts Receivables office is authorized to initiate a pay checkage. Incidents involving civilians and dependents will be forwarded to the U.S. Magistrate for prosecution in the Federal District Court or to the Personal and Family Readiness Division (MR) for processing through the U.S. Treasury Offset Program.

(1) Active Duty Military Personnel. Active duty person personnel who continually abuse the system can be court-martialed and/or receive a discharge under other than honorable (OTH) conditions.

(a) Enclosure (3) will be used to notify the individual's Commanding Officer when dishonored checks are not redeemed within 15 days of notification.

(b) Commanding Officers shall advise the individuals with dishonored checks that, subject to the status of the individual's pay account, after 30 days of the notification date, a pay checkage can be authorized to redeem the total amount of the dishonored checks and any associated returned check service charges. If pay checkage is initiated, an automatic suspension of check cashing privileges for one year shall be imposed.

(c) If the account is closed and the drawer has transferred from Camp Lejeune, the MCCS Accounts Receivable office will advise the individual's new command of the indebtedness, or attempt collection through the home address if the drawer has been discharged or released from active duty.

(2) Civilian Employees. If the drawer concerned does not redeem the dishonored check within 15 days and/or continues to issue dishonored checks, the MCCS Accounts Receivable office shall request, in writing, that the Staff Judge Advocate's office file a complaint against the subject individual with the U.S. Magistrate. The U.S. Treasury Offset Program will be used by MCCS.

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(3) Retired or Separated Personnel. If retired or separated personnel and/or their dependents do not redeem a dishonored check within 15 days and/or continue to issue dishonored checks, the MCCS Accounts Receivable office shall request, in writing, that the Staff Judge Advocate's office file a complaint against the subject individual with the U.S. Magistrate. Pay checkages or the use of the U.S. Treasury Offset Program is authorized to redeem any dishonored checks, plus applicable administrative fees.

(4) Military Dependents. A copy of the written notification will be provided to the sponsor, via his Commanding Officer. If the account is closed and the drawer's sponsor has been transferred from Camp Lejeune, the MCCS Accounts Receivable office will advise the sponsor's new command of the indebtedness, or attempt collection through the home address if the sponsor has been discharged or released from active duty. If the check is not redeemed, the MCCS Accounts Receivable office shall pursue collection through the U.S. Treasury Offset Program.

3. Military personnel, active duty or retired, will be held responsible for redemption of personal checks written aboard Base that originate from accounts where they have either sole or joint responsibility for the account.

4. Dishonored checks written aboard the Base at an exchange, club, recreation facility or any other nonappropriated fund activity can be redeemed at the MCCS Accounts Receivable Office located in Building 895, (Molly Pitcher Road).

ENCLOSURE (6)