

Chapter 6

Post Office

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6.1 Background

This chapter of the SOP describes Navy Cash procedures for selected operations in the ship's post office.

NOTES:

- 1. Navy Cash does not affect non-monetary postal procedures, which will continue to have their full force and effect. Neither does Navy Cash eliminate the need for maintaining existing money-handling procedures for contingency operations in the unlikely event that Navy Cash experiences a catastrophic failure and ceases to function.*
- 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.*
- 3. In Navy Cash, all dates and times are recorded and reported in Greenwich Mean Time (GMT) (Coordinated Universal Time (UTC)).*

6.2 Planned Maintenance System

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 6541/080-14 applies to Navy Cash. In particular, proper cleaning of the card readers can significantly reduce the incidence of card readers failing to read the Navy Cash card.

6.3 Establishing the Post Office as a Navy Cash Merchant

a. The ship's post office is established as a Navy Cash merchant as a part of the process of implementing Navy Cash on board the ship. The post office is actually set up with three merchants in order to track and report on stamps, money orders, and metered mail separately.

b. The Treasury Financial Agent, JPMorgan Chase Bank, N.A., 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.

6.4 Sales

a. The Point-Of-Sale device(POS) is the card reader and keypad device used to register sales transactions in Navy Cash. Depending on the size of the ship, one or more POSs are permanently installed in the post office and operate in an online mode. If necessary, the Disbursing Officer can configure and issue a POS to the Postal Officer to operate in an offline, portable mode.

b. A POS can be configured with each of the three separate Navy Cash merchant accounts in the Post Office, POST OFFICE – STAMPS, POST OFFICE – MONEY ORDERS, and, POST OFFICE- METERED MAIL, in order to report specifically on Postage Sales, Money Order Sales, and Meter Sales. See paragraph 2.2.2, Admin Mode – Setting Up the POS, in Chapter 2, POS, CAD, & Kiosk Operating Procedures, of this SOP for instructions on configuring and operating the POS.

c. The sales procedure is performed in accordance with paragraph 2.2.6, Normal Mode – Purchases, in Chapter 2 of this SOP.

d. All USPS Postal Money Orders will be cashed at the disbursing office.

6.5 Sale of USPS Stamps to Ship's Store

Navy post offices are authorized to sell USPS stamp booklets to the Sales Officer, or designated representative, for sale in the ship's store. Sale of single stamps is not authorized. The Sales Officer will purchase the stamps using the ship's store Navy Cash merchant card. Procedures for the purchase and sale of stamps by the ship's store operation are included in NAVSUP P487, paragraph 3400 and in Appendix M.

6.6 Refunds

Refunds in the ship's Post Office are to be processed through the USPS and not through Navy Cash. When a customer is eligible for a refund, PS Form 3533 is filled out in accordance with Domestic Mail Manual (DMM) section 604.9.0 and sent to Postmaster New York or Postmaster San Francisco, as appropriate. The Postmaster actually issues the refund to the member.

PS Form 3533 is available at http://www.usps.com/forms_pdf/ps3533.pdf.

6.7 End-of-Business-Day Procedures

Flexible Credit Operations

- a. The post office business is secured at the end of the business day.
- b. All military postal clerks log-off the system.
- c. The Disbursing Officer initiates Navy Cash end of day processing.
- d. The military postal clerk prepares PS Form 1412 by completing AICs 090, 096, 100, 101, 109, 353, 400, 553, 680, 800, 840, 841, 845, 848, 851, 852, and 853, as applicable. Money orders issued will be recorded on the reverse of PS Form 1412 (see paragraph 6.11.1 for an example of PS Form 1412). PS Form 1412s will be filed onboard for four years.
- e. After all clerk disks have been consolidated on the supervisor disk, the COPE must select option #4, Adjust Unit AIC, on the consolidate menu. The COPE must then check AIC 751, or 752 if this AIC is being used, and enter the dollar amount shown under AIC 751 (or 752) in AIC 680, Cash Remitted–EFT. The amount must be exact. By entering the amount in AIC 680, the amount in AIC 751 (or 752) will be brought to zero.
- f. The Postal Officer compares the totals for stamp, Postage Validation Imprinter (PVI), and money order sales reported on PS Form 1412 to the total amounts collected and reported for the Post Office on the Merchant Sales Summary Report to determine if they match (see paragraph 6.11.2 for an example of a Merchant Sales Summary Report). If both reports match, there is no discrepancy. The Merchant Sales Summary Report can be generated at any time by selecting the “View Reports” link in the Navy Cash application, clicking on “Merchant Sales Summary” in the “Application Reports” window, filling in the start and end dates for the inclusive period, and clicking on the “Generate” button. The Disbursing Officer will provide copies of these reports to the post office for filing. A copy of the Merchant Sales Summary Report must be attached to and filed with the corresponding unit PS Form 1412.
- g. The post office may contact the disbursing office at any time during the business day to generate a Merchant Sales Summary Report. The post office can use this report to verify that the total transactions for the current business day are correct by comparing the report against the clerk or unit preliminary tape (printed PS Form 1412).
- h. If the reports do not match, an error has occurred that must be investigated and resolved. At this point, the investigation would be conducted with the same procedures used

prior to the implementation of Navy Cash. Records must be reviewed to determine if a sale was not properly receipted or an incorrect sales amount was deducted from a Navy Cash card. The more detailed Merchant Sales by Operator (MSO) Detail Report for the day in question can be requested from the disbursing office to research discrepancies and facilitate the investigation. All discrepancies must be corrected before the PS Form 1412 is submitted to USPS. Two possible scenarios for account shortages with procedures for corrective action follow:

(1) Scenario 1 — Window Clerk Is Short. In this case, “short” means that the stamps close (AIC 853) is greater than the actual amount of clerk stamp stock audited on a quarterly/monthly/daily audit. Corrective Action: The responsible window clerk can correct this account shortage by inserting his/her personal Navy Cash card in the POS and entering the amount of the shortage as a sales transaction. The clerk will then log on to his/her IRT disk, press the "postage sales" key, and enter the same amount (the shortage amount) he/she entered on the POS. This amount will show as a postage sale on the PS 1412; however, since the clerk did not take that stamp stock out of his/her account, this sale would then bring him/her back in balance. A separate report to the Military Postal Service Agency (MPSA) or USPS is not required, but a note should be made in the "Notes, etc." section of the OPNAV Form 5112/2 to document the transaction.

(2) Scenario 2 — Window Clerk Is Short. In this case, “short” means that the cash remitted (AIC 752) on the daily 1412 does not equal the amount reported on the daily Navy Cash transaction report for the daily remittance. Corrective Action 1: If the shortage is found before unit consolidation, the responsible clerk can correct this account shortage by inserting his/her personal Navy Cash card in the POS and entering the amount of the shortage as a sales transaction. This sale will bring both reports in balance. Corrective Action 2: If the shortage is found after submission of the unit 1412, the responsible clerk will log on to his/her IRT disk on the next business day and enter the shortage amount in financial differences overage (AIC 247). The clerk will then insert his/her personal Navy Cash card in the POS and enter the shortage amount as a sales transaction. Entering the shortage amount in AIC 247 informs the USPS that there is an overage being submitted, and it does not affect the unit 1412 balances. The USPS will then credit this overage to the previous business day’s shortage remittance.

i. The Custodian of Postal Effects (COPE) uploads the unit 1412 data using the RCU disk via the Automated Military Postal System (AMPS) website in accordance with existing procedures. To set up the computer to upload the RCU data:

- (1) Ensure RCU disk is consolidated for the normal end-of-day transmission.
- (2) Log onto the AMPS website.
- (3) Insert the IRT RCU disk into the floppy disk drive.
- (4) Click on the Finance Tab, and then click on “RCU Disk Upload” on the left side of the screen.
- (5) Click on ZIPRCU. Note: If Windows NT or 98 is used, click the “Open” button on the “File Download” box. If Windows 2000 is used, click on “Run This Program from Its Present Location” and then click the “OK” button.
- (6) Wait for the process to finish, and then click the “Browse” button.
- (7) Select “3½ Floppy (A)” from drop-down in “Look in:” on “Choose File” box.
- (8) Select file “IRT_RCU.zip”.
- (9) Click “Open” button on “Choose File” box.

(10) Click “Submit” button.

(11) A screen should appear indicating successful transmission. Print this page, stamp it with the All Purpose Date Stamp (APDS), and file it with your daily business records.

j. A copy of the Merchant Sales Summary Report will be attached to a copy of the corresponding PS Form 1412. The PS 1412 and the Merchant Sales Summary Report must be kept on file for four years.

k. During monthly audits, the Monies Audits Board must account for the copies of the PS Form 1412s and the Merchant Sales Summary Reports. Audits will be conducted in accordance with Chapter 3 of NAVSUP INST 5119.1.

l. Auditing Officers should, in conjunction with accounting for the amounts in AIC 853 and 840, check AIC 680, Cash Remitted–EFT, to ensure the total matches the amount of money sent electronically to the Treasury Financial Agent, JPMorgan Chase, as delineated on the Navy Cash Merchant Sales Summary Report for the post office. The Merchant Sales Summary Report, which reflects post office sales (the total of Postage Sales (090), Money Order Sales (100), Money Order Fees (101), and Postage Validation Imprinter Sales (109)), must equal the total amount in AIC 400 (Cash Required) on the Custodian of Postal Effects’ (COPE’s) Unit PS 1412 Report. If a discrepancy is found, check to see if the military postal clerk entered daily business information correctly in the K-22 card reader. Postage Sales (F1), Money Order Sales (F2), and Meter Sales (F3) should be listed separately on the K-22.

m. Merchant Settlement Reports. Merchant settlement reports list all Navy Cash deposits made to the bank account specified by USPS and can be used to assist in reconciling the account. These shore reports are generated automatically at the completion of each end-of-day round trip and placed into a shore reports directory by date (see paragraph 8.4.21). A sample report is contained in paragraph 6.11.4. In Navy Cash, all dates and times are recorded and reported in Greenwich Mean Time (GMT) (Coordinated Universal Time (UTC)).

6.8 End of Quarter Procedures

All financial data from the PS Form 1412 must be reported on the quarterly Postal Accounting Report System (PARS) in accordance with existing procedures and sent to the appropriate Fleet Postal Officer as an attachment to an e-mail.

6.9 Contingency Operations

a. Short-Term Outage.

(1) The POS in post office normally operates in the normal mode and is connected online to the Navy Cash server through the ship’s LAN. If connectivity to the server is expected to be a problem, an operator should remain logged on to the POS at the end of the day so that Navy Cash payments can be processed offline the next day even if connectivity is not available. A POS in normal mode operating offline can store up to 10,000 messages in the internal and SD card message queues before it is full and can no longer process transactions.

(2) When connectivity to the Navy Cash server is restored, sales receipts transaction messages stored on the POS are forwarded automatically to the Navy Cash server. This download starts when the LAN connection to the server is made and the “Offline Indicator” on the Status Bar of the POS screen disappears, usually within a minute. The “Internal Queue Message Indicator” and the “SD Card Queue Message Indicator on the Status Bar of the POS screen remain displayed until all transactions have been downloaded to the server from the internal and SD card message queues.

b. Localized Network Outage.

(1) The POS must be online to the Navy Cash server through the ship's LAN for an operator to log on. If the network is down at the beginning of the day, the operator will not be able to log on to the system to conduct business. However, if the outage is localized to the area of MWR, the Postal Officer or Custodian of Postal Effects (COPE) can go to the disbursing office and sign out a spare POS to use in the offline portable mode.

(2) Operator Log-On. The operator can log on to the portable POS (and the merchants can be set to post office stamps, money orders, and metered mail) at any operating Navy Cash network connection point or download box (in the disbursing office, general mess, or other locations set up during the Navy Cash installation). The operator disconnects the POS device currently in operation (if any) and connects the portable POS. Once connected, the operator can log-on to the POS following the normal procedure. After log-on is complete, the operator can disconnect the data cable and proceed to operate the POS in the offline mode. If a POS was disconnected to permit the log-on, it should be reconnected at this time. The operator should make sure that the portable POS has fresh batteries and that additional batteries are readily available.

(3) Download Sales Transactions. If the network outage is localized, the sales receipts stored on the portable POS can be downloaded at the end of each day at one of the Navy Cash connection points or download boxes as described in paragraph (2) above.

c. Long-Term Outage. In the unlikely event that connectivity to the Navy Cash server is down for a lengthy period of time (days, weeks), the post office can, with the authorization of the Commanding Officer, revert to accepting cash, following the same procedures used prior to implementing Navy Cash.

6.10 Official Mail Service

a. In accordance with the DoD Official Mail Manual 4525.8-M, C2.7.1.2, use of a credit card is authorized to pay for postal services. On Navy Cash ships, the ship's Official Mail Manager (OMM) is authorized to use a Navy Cash card to pay for postage and postal services when processing official mail.

b. A card report (see paragraph 8.4.14) can be generated using the Disbursing Application to document postage and postal services purchased in lieu of "receipts", which are no longer available in the ship's Post Office. Procedures for the use of a Navy Cash card in processing official mail are included in Appendix N.

6.11 Post Office Forms and Reports (Examples)

6.11.1 PS Form 1412

US POSTAL SERVICE						
DAILY FINANCIAL REPORT					23-05	
Station or Unit	USS NEVERSAIL		SFA No	9876		
Stamp Accountability			AIC	\$ Amount		
I certify this is a true statement and the accountability consigned to me is as shown on this form.			Opening Balance	840	\$ 10,000.00	
Signature		Date		Stock Received (+)	841	
PC2 Pastrana, Milagritos		17-May-05		Subtotal	\$ 10,000.00	
Receipts			Stamped Envelope Discount (-)	846		
Description	AIC	\$ Amount		Stock Returned (-)	848	
Postage Sales	090	\$ 11.10		Subtotal	\$ 10,000.00	
Bird Stamp Sales	091			Total Sales (-)	\$ 11.10	
Philatelic Product Sales	092	\$ -		Closing Balance	\$ 9,988.90	
Vending Sales	096	\$ -		Disbursements		
Domestic	Value	100	\$ 609.97	Description	AIC	\$ Amount
Money Orders	Fee	101	\$ 1.25	PS 3533	553	
Postage Validation Imprinter		109	\$ 150.00	NO FEE MONEY ORDER	586	\$ -
Vending Overages		175				
Overage - Flexible Credit		57				
Shortage Flexible Credit		767		Adjustment for Previous Overage		
Adjustment for Previous Shortage				Cash Remitted-EFT	680	\$ 772.32
Cash Retained for Previous Report		353	\$ -	Cash Retained Today	753	\$ -
Cash Required		400	\$ 772.32	Cash Accounted For	800	\$ 772.32

PS Form 1412-B, June 1992

Front of PS Form 1412

DAILY MONEY ORDERS

MO SER NUM USED	MO ISSUED	FEES	MO SER NUM USED	MO ISSUED	FEES
1234567890	\$100.00	0.25	1234567791	\$200.00	0.25
1234567891	\$100.00	0.25	1234567792	\$130.72	0.25
1234567892	\$79.25	0.25			
TOTAL MO ISS/FEES	\$279.25	\$ 0.75	TOTAL MO ISS/FEES	\$330.72	\$ 0.50
GT MO ISS/FEES	\$609.97	\$ 1.25	Paid MO:		\$ -
NO FEES		\$ -			\$ -
TOTAL DEBIT/CREDIT	\$ 611.22				\$ -
					\$ -

Back of PS Form 1412

6.11.2 Daily Report

In Navy Cash, all dates and times are recorded and reported in Greenwich Mean Time (GMT) (Coordinated Universal Time (UTC)).

Run Date: 05/17/2005 Run Time: 17:08:16
Report Name: NC_133
Start Date: 05/16/2005 End Date:: 05/17/2005
Merchant Sales

Merchant Name	Merchant ID	Total Amount	Transaction Count
WARDROOM MESS - FOOD	800000003675	102.75	3
WARDROOM MESS - DUES	800000003677	28.50	2
NAVY DISBURSING	800000003693	150.50	6
POST OFFICE - STAMPS	800000003695	11.10	6
POST OFFICE - MONEY ORDERS	800000003697	611.22	5
POST OFFICE - METERED MAIL	800000003699	150.00	10
SHIP STORE #1	800000003701	1120.35	110
NAVY MWR	800000003705	90.00	6
VENDING STORE ITEMS	VMCAND0000000001	10.60	20
VENDING STORE ITEMS	VMCAND0000000001	40.00	80
VENDING SODA	VMCAND0000000001	45.50	91
VENDING SODA	VMCAND0000000001	26.50	53
VENDING SODA	VMCAND0000000001	85.00	170
VENDING SODA	VMCAND0000000001	24.00	48

6.11.3 Monthly Report

Run Date: 05/31/2005 Run Time: 19:07:33
 Report Name: NC_133
 Start Date: 05/01/2005 End Date:: 05/31/2005
 Merchant Sales

Merchant Name	Merchant ID	Total Amount	Transaction Count
WARDROOM MESS - FOOD	800000003675	3082.37	92
WARDROOM MESS - DUES	800000003677	915.00	40
VENDING SODA	800000003691	240.00	1
NAVY DISBURSING	800000003693	-19922.57	183
POST OFFICE - STAMPS	800000003695	35.49	13
POST OFFICE - MONEY ORDERS	800000003697	4200.00	36
POST OFFICE - METERED MAIL	800000003699	2250.00	150
SHIP STORE #1	800000003701	36610.47	3242
NAVY MWR	800000003705	2773.00	178
VENDING STORE ITEMS	VMCAND0000000001	202.20	530
VENDING STORE ITEMS	VMCAND0000000001	932.10	2300
VENDING SODA	VMCAND0000000001	1340.00	2690
VENDING SODA	VMCAND0000000001	793.50	1587
VENDING SODA	VMCAND0000000001	2475.50	4951
VENDING SODA	VMCAND0000000001	725.50	1451

6.11.4 Merchant Settlement Report

Run Date: 05/18/2005
Run Time: 00:08:42
Report name: TRAN_Ship_Merchant_Settle_D
Page: 1

Navy Cash
Daily Transaction Detail Report - Merchant Settlement
Location: USS NEVERSAIL
Date: 05/16/2005 00:12:52 To 05/17/2005 03:43:22

Merchant: POST OFFICE 800000026283
Settlement Date: 17-MAY-05
Settlement Type: NAVY CASH

Batch	Date	Amount	C
R21452_1022	05/17/05 03:20	\$772.32	
Settlement Total		\$772.32	

Merchant POST OFFICE 800000026283 Total: \$772.32

* C = Correction Transactions.

***** End of the Report *****

