

INTRODUCTION

The Army MWR Academy developed this senior managers' handbook as a handy source of information basic to Morale, Welfare and Recreation (MWR) and Family Program management. It is rather a brief reference of essential program management information.

The handbook provides an overview of MWR for senior managers. The contents focus on:

- ❖ Overview of MWR & MWR defined
- ❖ Fiscal Management
- ❖ NAF Personnel Management
- ❖ MWR Programs - Business, Family & Recreation
- ❖ MWR Support Services
- ❖ Program Delivery & Evaluation

Appendices provide reference materials needed to effectively administer MWR programs.

The MWR Academy extracted information, charts or tables from various regulations to provide concise information. We provide the regulatory reference so that your staff may review the materials within their original context.

We hope this handbook is a valuable tool for you. Any suggestions for improvement are welcome.

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CHAPTER 1
INTRODUCTION/OVERVIEW

★ MWR FOCUS ★

SUMMARY: Management of Morale, Welfare & Recreation (MWR) programs presents the new Installation Commander with a change in focus from traditional mission orientation to one that is more business oriented. Management and command skills, gained over years of highly successful performance, must be refocused to manage programs which are less doctrinally structured, more market-driven, and dependent, to a great extent, on an entirely different financial management system.

MAJOR CHANGES IN FOCUS: Some of the changes that you will see are:

❖ **Business oriented.**

- **Doctrine vs. flexibility.** In MWR, flexibility is key in delivering business-oriented programs.
- **Structured system vs. empowered employees.** To provide customer service in a business environment, employees must be empowered to make decisions.
- **Tactical mission support vs. QOL support.** Ensuring that Army families receive the Quality of Life services they deserve is tantamount to mission readiness.

❖ **Market-Driven Systems.**

- **Command decision vs. customer in charge.** The customer's needs must be considered above the desires of the command.
- **Serve customers vs. customer service.** In the Army we provide services that meet minimum standards to meet a basic requirement. In MWR, we must provide services that are responsive to customer desires.
- **Measure activities vs. measure outcomes.** In bureaucracies, we measure activity or workload or the number of customers served in a given time. In MWR, we measure success in terms of such results as customer satisfaction.
- **Meet expectations vs. exceed expectations.** Our customers deserve the same quality of service that they receive from our competitors outside of the gate. To successfully compete, we must exceed those expectations.

❖ **Appropriated Funds to Non-Appropriated Funds.**

- **Use or lose vs. net worth.** With APF, dollars are lost at the end of the fiscal year, if not used. NAF dollars carry over from year to year to be used for future investments.
- **Maximum obligation rate vs. minimize expense/maximize revenue.** With APF, importance is placed on how quickly we can spend dollars. With NAF, we spend as little of the revenue generated as possible in order to reinvest in improved facilities and services.

➤ **PBAC/FAD/DRM vs. business based decisions.** APF decisions are based on committee's desires. NAF decisions are based on business requirements.

WHAT TO LOOK FOR:

- **Business-Based Decision-Making:** Look for indications that the MWR program decision process is based on business considerations, rather than on perceived doctrinal requirements which dictate the scope and availability of programs.
- **Market-Driven Systems:** A review of MWR programs should reveal a commitment to customer service and responding to market requirements. Success, under such a system, should be measured in terms of outcomes, i.e., customer use and satisfaction.
- **Non-Appropriated Funds:** Financial management of the MWR Fund should reflect a strategy of maintaining or increasing its net worth to continuously improve programs and facilities. The assets of the Fund should not be viewed as resources that must be expended or used indiscriminately to subsidize non-profitable programs.

★ MWR DEFINED ★

SUMMARY: Morale, Welfare and Recreation (MWR), is a quality of life program that directly supports readiness, by providing a variety of community, soldier, and family support activities and services. Included are social, fitness, recreational, educational, and other activities that enhance community life, foster soldier and unit readiness, promote mental and physical fitness, and generally provide a working and living environment that attracts and retains quality soldiers.

MWR BASIC PRINCIPLES: Since MWR is a command directed program; senior MWR management will review various MWR services and activities to ensure they meet command needs. The decisions to offer, retain, or curtail a service or program will be based on a number of factors, including funding. All MWR programs will meet the following objectives, as outlined in AR 215-1:

- ❖ **Meets needs.** Programs are designed to meet the needs of the installation community. This includes soldiers, units, retirees, civilian employees, and families.
- ❖ **Prioritized by readiness.** Programs are prioritized based on their impact on readiness.
- ❖ **Supports Readiness.** Programs support readiness, recruiting, and retaining highly qualified soldiers.
- ❖ **Returns NAFs.** NAFs are returned to soldiers, their families, and other authorized patrons by providing needed MWR services and capital improvements.
- ❖ **Is continuous.** Program management is based on long-range planning, generation of NAF resources, and application of authorized APF resources to meet current operating requirements while providing for reinvestment in programs, facilities, and equipment.

BASIC PROGRAM OBJECTIVES: AR 215-1 lists the following objectives of the Army's MWR program:

- ❖ To support combat readiness and effectiveness.
- ❖ To support recruitment and retention of quality personnel.
- ❖ To provide leisure time activities that support a quality of living commensurate with generally accepted American values.
- ❖ To promote and maintain the mental and physical well-being of authorized personnel.
- ❖ To foster community pride, soldier morale, and family wellness, and promote unit esprit de corps.
- ❖ To ease the impact of unique aspects of military life, such as frequent relocations and deployment.

DEALING WITH THESE OBJECTIVES: These objectives are all fairly straightforward. There is also no doubt that all of these tenets are valid. The problem, however, is that they often do not stand-alone nor are they mutually exclusive. Often the programs that customers want are not wholly self-sufficient and the challenge is funding the program. Sometimes customers want programs that, in good conscience, cannot be justified under the basic objectives of the MWR program. The command should look at activities in terms of “how” or “if” they support the basic objectives of the MWR program.

As part of the senior leadership team, you may be the one who ultimately makes the call and justifies those decisions to the command. Since everyone on post participates in some portion of MWR, you will get a lot of advice on how, when, and where programs should operate. Some of that advice will invariably come from senior people at the installation or their family members. Other advice will come from lower ranking personnel or their families. In each case, you and your staff will have to look at the basic tenets of the MWR program and decide whether to implement or reject the advice. Telling the customers “no” will be a challenge for you and your staff since frequently the politics of the installation affect decision making. Consistent application of the basic tenets will provide senior MWR leaders with a solid foundation upon which to build the program.

★ NAFs AND NAFIs ★

SUMMARY: MWR is funded with a mix of appropriated (APFs) and nonappropriated funds (NAFs). The appropriated funds used to support MWR are, for the most part, Operations and Maintenance Army (OMA) and are part of the installation's BASOPS funding. Nonappropriated funds are those “real” dollars generated from sales and participation fees and are separate from the funds appropriated by Congress. This mix of funding is covered in greater detail in the Fiscal Management Section of this handbook. NAFIs were established to meet the requirement to collect, disburse, and safeguard these nonappropriated funds.

NONAPPROPRIATED FUNDS (NAFIs)

- ❖ **Not from Congress.** NAFs are cash and other assets received from sources other than monies appropriated by the Congress.
- ❖ **Earned at installations.** NAFs are money taken as fees and charges from soldiers, families, and other authorized patrons.
- ❖ **Used for collective benefit.** NAFs are government funds, which must be used for the collective benefit of those who generate them.
- ❖ **Separate from US Treasury.** NAFs are separate and apart from the funds on the books of the Treasurer of the United States.

WHAT IS A NAFI?

A DoD organizational entity that:

- ❖ Performs an essential government function.
- ❖ Acts in its own name to provide MWR programs.
- ❖ Maintains custody of and control over NAFs.
- ❖ Is not incorporated under the laws of any state.
- ❖ Is tax exempt, with the legal status of any U. S. instrumentality.

TYPES OF INSTALLATION NAFIs

In addition to the Installation Morale, Welfare, and Recreation Fund (IMWRF), there may be several other NAFIs on the installation, including:

- ❖ Transient Lodging (Billeting) Fund
- ❖ Civilian Welfare Fund
- ❖ Post Restaurant Fund
- ❖ Chaplain's Fund

★ MWR PATRON ELIGIBILITY ★

SUMMARY: There are twenty-six categories of authorized patrons of MWR facilities in Table 6-1, Army Regulation 215-1. Generally, MWR activities are established primarily for active duty military personnel, AD reserve personnel, retirees, DoD civilian employees, and their families. Family members may participate in any MWR activity whether or not accompanied by the sponsor. Active duty military personnel receive first priority for participation or use. All others have equal access after first priority patrons, on a first come basis. Based on the availability of space, equipment, funding, and other installation factors, the installation commander can limit or expand patron eligibility. The decision can apply to all facilities or on a program-by-program basis.

PATRON ELIGIBILITY CONSIDERATIONS: Senior managers may find that patronage has been limited to active duty military, their family members, retirees and civilians. Many times a program can handle additional patrons, but there is some hesitancy to allow others because of non-clarity of the rules, a fear of reducing services already provided, etc. Senior managers should be sensitive to these concerns. However, when, after review of the usage data, there is clearly additional space available for additional categories, it may be in the best interest of the IMWRF to expand the patronage. Consider the following when making determinations about expanding the patron base:

❖ **Consider APF requirements.** Expansion of use for programs largely or fully funded with APFs (i.e., gymnasiums, libraries, etc.) may create more demand for scarce APF dollars.

❖ **Consider Congressional/regulatory requirements.** Expansion of patron eligibility for certain congressionally authorized or mandated programs, such as Army Community Services or Child Development Services, may violate congressional intent or other regulatory restrictions. The MACOM or CFSC program proponent should be consulted.

❖ **Consider impact on customer service.** Expansion of patronage for business programs that are generating income may provide NAFs to operate other MWR activities or programs that do not generate income. However, this expansion may have an unfavorable impact on the current authorized patrons, who may perceive increased waiting, decreased service, etc.

❖ **Grant no special privileges.** Army Regulation 215-1, para 7-5g, includes guidance stating that no person or group will be given special privileges, nor will special prices be given to functions designated as “command sponsored.” It does, however, state that this does not prohibit tailoring unique promotions to large target groups in order to increase participation.

❖ **Be aware of damaging perceptions.** Review the current patronage policies and customer feedback information to detect indications of patronage restriction violations. The most damaging perceptions are those concerning use of facilities by unauthorized patrons or preferential treatment for one patron group at the expense of another. Retired military and private organization members are often the focus of these perceptions. There is a potential for conflict between authorized patrons and members of the local community. Garrison commanders often face balancing the use of facilities by the local community to improve community relations with allegations of unfair competition from off post establishments. Most garrison commanders agree that, once expanded, it is very difficult to restrict eligibility.

★ MWR STRUCTURE AND FUNCTIONS ★

SUMMARY: Within the garrison structure, Morale, Welfare & Recreation and Community & Family Support Programs fall within the DPCA (Director of Personnel and Community Activities) or DCA area of responsibility. Within the DPCA, the commander has considerable flexibility in developing a structure appropriate for the installation. Functionally, community and family activities fall into five areas and are often found as separate divisions, which reflect the original Standard Installation Organization Structure for MWR. The five functional areas or divisions and the programs that comprise them are discussed briefly below.

MWR FUNCTIONAL AREAS: Much like the basic program objectives, the mission and functions for key positions must be accomplished. For general discussion, we will define the key positions as follows:

- ❖ **Community Recreation Programs** - includes physical and mental fitness programs, as well as recreational activities.
- ❖ **Community Operations Programs** - includes MWR business programs, such as clubs, bowling, and golf.
- ❖ **Family Support Programs** - includes family programs, such as Army Community Service, Child Development Services, and Youth Services.
- ❖ **Financial Management** - provides support services to the above operating divisions in the form of financial analysis, budgeting, internal controls for NAF, and sometimes APF, resources.
- ❖ **Services** - provides support services to the three operating divisions in the form of logistics, NAF contracting, marketing, automation, training, and maintenance.

Many installations have combined functional areas to flatten the organization and reduce program overhead costs. This has allowed them to shift resources to activities that provide direct support to soldiers and families. As there are no regulatory restrictions on the commander's flexibility in structuring MWR, organizations can be tailored to the installation's need and available resources.

Regardless of the structure of the installation and organization, the individual functions must be accomplished. If you elect to consolidate divisions, then you must ensure that someone in the organization performs all of the functions normally assigned to the eliminated position. In combining some of the positions, as an example SD and FMD, be sure to carefully assign functions to maintain separation of duties for internal control purposes. As an example, without care the FMD could easily be responsible for ordering, receiving, and authenticating a given purchase that is in clear conflict of internal control requirements for purchasing.

The specific mission and functions of each of the positions are summarized in Appendix B of this manual. In addition, there are several regulations that assign a number of MWR related functions and responsibilities directly to the Installation Commander. These functions are listed in Appendix C of this manual. You may wish to review this appendix to ensure that the functions are being accomplished and if appropriate, delegated to a lower level.

CHAPTER 2
FISCAL MANAGEMENT

★ INTRODUCTION TO FUNDING ★

SUMMARY: In 1992, the MWR Board of Directors (BOD) adopted the following guiding principles for MWR:

- ❖ MWR supports readiness, retention, and recruiting.
- ❖ The MWR program customer is America's Army.
- ❖ Nonappropriated funds (NAFs) return profits to customers through provision of market-driven services, activities, and capital improvements.
- ❖ The MWR system will be managed consistently with "businesslike practices."

Each of these principles requires the expenditure of funds that must in turn generate additional dollars to provide for future operations. To continue meeting the needs of your customers, capital improvements will be necessary to maintain a viable and profitable business. Decisions in the area of improvements should be based on solid, effective businesslike practices. There is the obligation to make decisions that are in the best interests of the owners of the MWR fund—soldiers and their families.

Business is all about money and risk, and we don't take on risk, (that is, invest in capital improvements or new programs and services), unless we expect to be compensated with additional return on our investment. Dollars flow into and out of business on a daily basis. The funds generated by MWR programs are deposited to the MWR bank accounts daily and used to pay for day-to-day expenditures, such as resale inventory, supplies and salaries. Funds are also used for long-term investments in equipment and facilities.

MWR is unique, however, in that some programs are funded with Appropriated Funds (APFs). As caretakers of taxpayer dollars, senior managers are responsible for using those funds wisely and operating MWR programs efficiently.

Balancing APFs and NAFs, operating programs efficiently, and making wise business decisions are tough tasks. Since all business decisions require a certain degree of risk, it is important to understand the aspects of financial management within MWR. The remainder of this section, titled "Fiscal Management," provides information to guide smart business decisions.

★ MWR FUNDING ★

SUMMARY: Funding for MWR programs is somewhat complex; however, the commander is afforded the flexibility to fund many programs with a variety of funding sources. MWR programs are dual-funded and rely heavily on the mix of both APFs and NAFs. The general philosophy of funding MWR programs is to maximize the use of authorized APFs; use NAFs to fund only the activities, resale items, etc. which are not authorized for APF support; and as a last resort, use NAFs to supplement APF shortfalls.

SOURCES OF FUNDING:

As stated above, MWR programs are funded with a mix of APFs and NAFs. Figure 2-1 depicts all of the funding sources for MWR activities.

APFs used primarily to fund MWR Category A and B activities. APF support comes to the installation as Operations, Maintenance Army (OMA) dollars. OMA is a one-year appropriation that provides funds for the operation and maintenance of all organizational equipment and facilities within the Army, to include: procurement of operating supplies, production of training aids, operation of service-wide activities, expenses of courts and boards, and salaries for civilian personnel. APF dollars directly and indirectly support MWR.

❖ Direct BASOPS support from APF is provided in:

- **Base Operations (BASOPS)** direct funding for MWR. Salaries, supplies, and nonexpendable equipment for all MWR activities except CDS, ACS, and YDP are funded from this account.
- **QCCS, QACS, and QYDP** - Management Decision Package (MDEP) for Child Development Services (CDS), Army Community Services (ACS), and the Youth Development Program (YDP). CDS, ACS, and YDP dollars are tracked separately due to the many congressional funding requirements; however, these accounts are a part of BASOPS and are not fenced.

It is important to understand that although dollars may be designated for a particular function or purpose, the installation commander has the authority to reprogram those dollars to other areas for which he or she deems necessary. If the first two digits of the Army Management Structure (AMS) code are identical, the commander may reprogram dollars to meet installation needs. This flexibility makes it essential for senior MWR managers to effectively understand the funding requirements and defend the use of APF dollars. Since MWR is the only program at the installation with more than one funding source, it is often very tempting to cut APFs from MWR to fund other installation programs. However, this results in double taxation for the soldiers, whose APF (tax) dollars are being replaced with NAF (also known as “soldiers’) dollars.

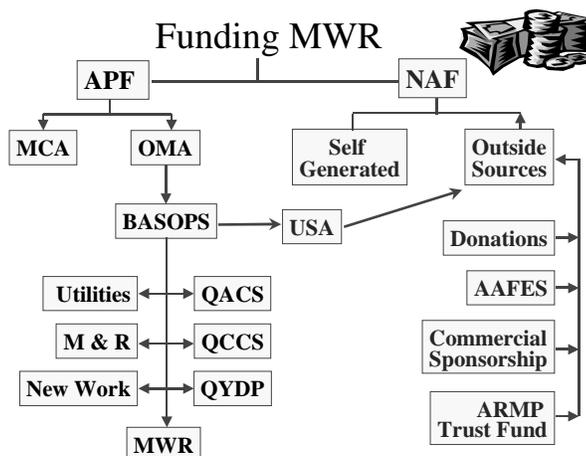


Figure 2-1 MWR Funding

❖ **Examples of indirect BASOPS support provided for MWR activities are:**

- Utilities
- Maintenance and repair of facilities
- Minor construction
- Refuse
- DPCA personnel
- DFAS personnel

Military Construction Army (MCA) - APF construction dollars. These funds are used to build MWR facilities that are authorized for APF funding. Facilities required to be funded with MCA dollars are listed in Appendix C.

Office of the Secretary of Defense (OSD) funds for use in specific programs. These funds are fenced and are expressly for the Family Advocacy and Relocation programs.

NAFs. These are the final source of funding for MWR programs. As previously stated, NAFs are intended to fund programs that are not authorized for APF support and to provide additional support to APF programs when APF support is genuinely not available. Unfortunately, NAFs are frequently used in support of authorized APF programs simply because it is easier or quicker than using the procedures required to spend APFs. Senior managers must be aware that in order to use NAFs for authorized APF expenditures, a statement of nonavailability of APFs must be obtained. In addition, there are some expenditures not authorized for NAFs under any circumstances, i.e., activities and programs not related to MWR, except for Non-MWR Supplemental Mission activities.

NAFs are generated from one of several sources:

Locally Generated Income (LGI) earned at the installation. LGI consists of dollars earned through sales of merchandise and various service fees. Simply stated, LGI is all of the money collected in fees and charges by the various MWR programs. LGI is also generated from concession operations, where the MWR program licenses other activities to operate on the installation and collects a commission or portion of the sales.

Outside Sources - Donations, AAFES revenue, interest on dollars in the bank, commercial sponsorship, and Army Recreation Machines.

Donations - CFC, Private Organizations, etc. These may be in the form of dollars, equipment, or supplies.

AAFES Revenue. Each installation receives a percent of the gross revenue from all Army and the Air Force Exchange Service (AAFES) businesses on that installation, the entire net income (NI) from the Package Beverage Stores, and the pay telephone revenue.

Interest Income. Installations receive interest earned on money in the bank.

Commercial Sponsorship. Cash or goods received (as stipulated by contractual arrangement) from commercial businesses in exchange for market exposure. Details are provided under the Support Services tab.

ARMP Dividend. OCONUS MACOMs and installations receive a percent of the revenue from Army recreation machines. The activity where the gaming machines are located receives 10% of the machine collection. The remaining net income is divided between the AMWRF (40%) and the OCONUS MACOM (60%). The MACOMs further divide proceeds with the installations. The MACOM/installation split varies among MACOMs. All installations that receive amusement machine support from ARMP split the revenue from those machines in accordance with their contractual agreement with ARMP.

Utilization, Support, and Accountability (USA). Designed to facilitate the effective use of funds for MWR programs. Based on an advance Memorandum of Agreement, MWR functions authorized APF funding may be performed using NAF. An APF repayment, limited to the actual costs, then offsets the costs of those services.

★ CATEGORIES OF MWR PROGRAMS ★

SUMMARY: The categorization of MWR activities is based primarily on two things: (1) the relationship of the activity to readiness and retention and (2) the activity's ability to generate revenue. The complete list of activities by category is provided in Appendix A.

CATEGORIES:

Category A - Mission Sustaining Activities. Should be funded 100% with APFs. These are the activities considered most essential in meeting the organizational objectives of the military service by promoting the physical and mental well-being of the soldier. The activities are funded almost totally by APFs, and by their nature have little potential to generate NAFs.

Category B - Basic Community Support Activities. Should receive a majority of basic funding from APFs. These activities are closely related, in terms of support, to those grouped in Category A. They satisfy the basic physiological and psychological needs of the Army family, providing the community support systems that make military bases temporary hometowns for a mobile military population. They receive substantial APF support but differ from those in Category A due to their ability to generate NAF revenue. In no case, however, can they be sustained without substantial APF support.

Category C - Business Activities. Almost completely funded with NAFs. These activities are considered less essential from the perspective of the military mission, but are still highly desirable as a means of providing recreational services. These activities receive minimal APF support and are comparable to self-sustaining businesses in funding most of their expenses.

Once the category is identified, the type of APF support authorized is determined by referring to Appendix C, AR 215-1. Additional guidance on manpower utilization is contained at Appendix D, AR 215-1. Since there are several exceptions to the general funding rules, pay careful attention to footnotes when referencing the Appendix.

As support staff discover that MWR has the option to use NAFs when APFs are not available, it often becomes easier to determine which APFs are unavailable. Senior MWR managers may find themselves in many discussions about the proper uses of NAFs. It is good to remember that when NAFs are used to fund activities authorized APF, soldiers are required to use their own money to fund programs that should be supported by the American taxpayer.

★ APF ACCOUNTING SYSTEM ★

SUMMARY: The Army is vested with the public's trust and confidence for defending our nation and is responsible for protecting its assets. Resource management is an integral part of the commander's role in fulfilling this responsibility. Responsible resource management is the key to sustaining and modernizing the Army and is essential for the Army's readiness posture. To have responsible resource management practices, we must understand the accounting systems that control these resources.

GENERAL APF RULES:

The APF accounting system was established to comply with DoD directives on the expenditure of public funds. It is designed to ensure that funds are not obligated in excess of what has been authorized in the Funding Authorization Document (FAD).

❖ Some general rules that apply are:

➤ **The Antideficiency Act.**

➤ **Over obligating funds.** Forbids any officer or employee of the Federal Government from making or authorizing an obligation in excess of the amount available in an appropriation.

➤ **Advance payments.** Forbids involving the Government in any contract or obligation to pay money in advance of appropriations.

➤ **Exceeding limitations.** Forbids exceeding statutory or administrative limitations on a given transaction.

➤ **Penalties.** Provides administrative and criminal penalties for a violation.

➤ **Requires apportionment.** Requires apportionment by months, quarters, or other regular periods; by activities or functions; or by a combination of both methods.

❖ Flexibility in shifting funds:

➤ The DoD Authorization Acts often include guidance concerning the transfer of funds.

➤ Laws and congressional reports may provide flexibility in specific circumstances.

➤ Commanders generally cannot shift funds from one budget activity to another.

BUDGET ACTIVITIES:

To allow the installation commander flexibility in operating the installation and executing the installation's mission, the Army has refined the DoD program structure. The Army has added four Budget Activities, subdivided into more specific mission and/or support areas. Budget activities are used to identify every homogenous mission in the Defense Establishment. Costs generated at the installation are charged to the applicable Budget Activity, summarized and reported up the chain of command. The four Budget Activities are as follows:

❖ Budget Activity 1 - Operating Forces

❖ Budget Activity 2 - Mobilization

❖ Budget Activity 3 - Training and Recruiting

❖ Budget Activity 4 - Administrative/service-wide activities

Installation personnel generally cannot transfer funds from one Budget Activity to another.

STAGES OF EXPENDITURE ACCOUNTING:

The accounting system used to control appropriations is expenditure accounting, and there are six stages:

- ❖ **Authority received** – Authorization provided on a funding document
- ❖ **Commitment** - Administrative reservation of funds
- ❖ **Obligation** - The legal reservation of funds
- ❖ **Accrued Expenditure** – Actual or constructive receipt of supplies or services
- ❖ **Expense** – Consumption of goods or services to accomplish a mission (usually simultaneous with accrued expenditure.
- ❖ **Disbursement** - Actual payment of the invoice

The most critical budgeting stage that must be tracked and watched carefully is the obligation stage. An obligation may be recorded only when supported by documentary evidence.

- ❖ **Fundamental principles of obligations.** There are several basic principles that must be observed in budgeting and recording obligations. The most important ones to consider are:
 - ❖ **Bona fide need of the current fiscal year.** The supplies or services required are intended to fill a bona fide need for the current fiscal year.
 - ❖ **Intent of performance.** Contracts for supplies or services are executed only if there is a bona fide intent on the part of the contractor to commence work promptly or in accordance with the contract.
 - ❖ **Ensure availability.** Before binding the Government in an agreement with a second party, the responsible official must ensure that proper funds are available.
 - ❖ **Charge immediately.** Obligations, when incurred, must be charged immediately to the applicable funds.

APF ACCOUNTING CLASSIFICATION CODE:

In order to track and manage APFs, you must be able to interpret the various reports and documents that are used to identify APF transactions. STANFINS (Standard Financial System) is designed to perform the normal installation APF accounting functions. It is standard throughout the Army with a centrally designed and controlled automated system. Data processing codes are used to track all financial information. These codes give the installation, MACOM, HQDA, and DoD the information necessary to provide budgetary control over appropriated funds from the time they are received until they are disbursed. Details for constructing the accounting and classification codes for all funds received by the Army are contained in AR 37-100-FY.

The following fund cite of a transaction illustrates an accounting classification code:

21 2 2020 57-6224 325719.ZO 2572 QCCS DRN:MODRICRCR913 B12L 44177.

Translating the fund cite:

CODE	DATA ELEMENT
21	Department Code (DA)
2	Period of Availability (FY02)
2020	OMA Appropriation
57	Operating Agency (TRADOC)
6224	Allotment Number - assigned by operating agency
325719.ZO	AMS Code (TRADOC; Center-based CDS)
2572	Element of Resource (Contracts - Other)
QCCS	MDEP Identifier - CDS
MODRICRCR913	Document Control Number (locally assigned)
B12L	Account Processing Code (APC) (locally assigned)
44177	Fiscal Station

Senior MWR managers have administrative support to help track funding. Nevertheless, it is important for managers to keep a close eye on where funds are going, as well as the rate at which those funds are being obligated. If funds are not obligated at a reasonable rate, they may be reprogrammed to other installation programs in need of additional resources.

★ NAF FINANCIAL STATEMENTS ★

SUMMARY: The purpose of financial statements is to present information useful in making business decisions regarding investments and management performance. To understand the NAF Accounting System, the senior manager must be able to read and understand the NAF financial statements. NAF financial statements depict the financial performance of the Installation Morale, Welfare, and Recreation Fund (IMWRF). They are made up of two primary parts: (1) the balance sheet and (2) the income statement. A discussion of these elements follows.

FINANCIAL STATEMENT COMPONENTS:

Balance Sheet: A statement that reflects the business' financial position at a specific point of time measured in assets, liabilities and fund equity (net worth). Measures solvency, which is the ability to pay liabilities. Unlike businesses operating in the civilian sector, IMWRFs are prohibited by Army policy from carrying any commercial financing debt.

Income Statement: Presents the revenues and expenses and resulting net income (NI) or operating loss for a period of time, such as a month or year. Measures profitability.

LEVELS OF INCOME STATEMENTS.

Each business entity (activity) on the installation is divided into departments, locations, and programs and is provided a code to identify and report financial information on the income statement. Figure 2-2 is an example of income statement reporting.

Department - The lowest level of income statement. For example, if a Child Development Center (CDC) has a Full Day service, a Part Day service, and an Hourly Care service, each one has its own department code, to identify the income and expenses incurred by each service.

Location - A front door. All department-level income statements within a facility are consolidated to provide a total of all income and expenses for a particular location.

Program - A particular function of the NAFI that provides recreation and/or welfare support services commonly furnished by other employers, or state and local governments to their employees or citizens. A program may have more than one outlet or facility and includes all the locations and/or departments of a particular function. For example, an installation may have more than one CDC. Each center would be a location, and the different locations would be consolidated to provide a program-level income statement. Installation MWR Fund - The total of all programs on the installation within the MWR single fund. All program- code level income statements are consolidated into one statement of financial profitability results for the entire IMWRF for a particular period.

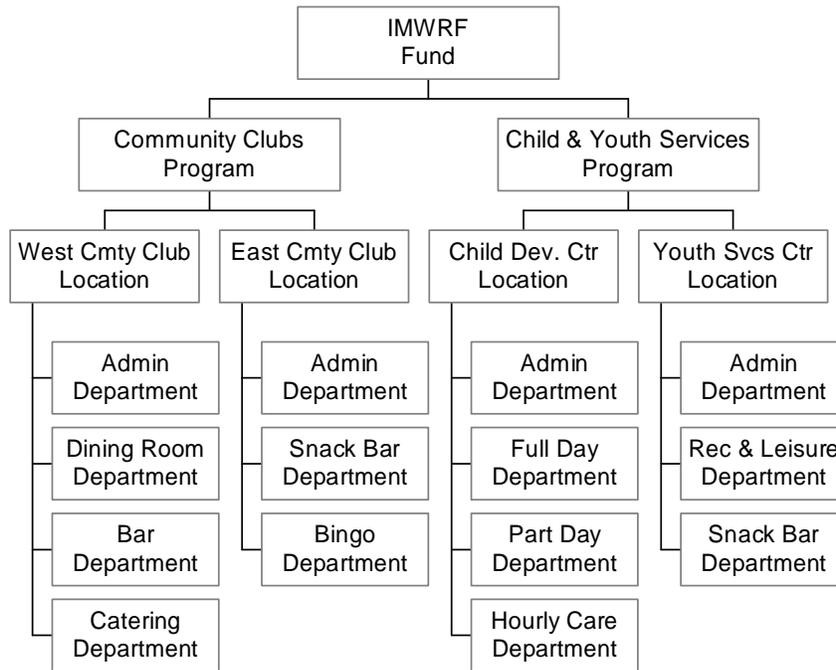


Fig. 2-2 Levels of income statements

★ BALANCE SHEET ★

SUMMARY: The balance sheet is prepared for a Nonappropriated Fund instrumentality (NAFI) at the end of each accounting period (monthly). It depicts the status of the IMWRF for a particular point in time. As time passes and the numbers change, management must estimate what numbers have changed and how that change has affected the solvency of the fund. The balance sheet is divided into three major categories—assets, liabilities, and fund equity—and many subcategories. With even a limited understanding of the balance sheet, a senior manager can make wise choices in funding decisions that influence the IMWRF.

MAJOR CATEGORIES/SUBCATEGORIES:

Assets - Resources owned by the IMWRF. Assets are listed on the balance sheet in order of ease of liquidity, i.e., how easily they can be converted into cash. They are divided into three subcategories:

Current Assets. Assets that can be turned into cash in a relatively short period (less than a year). DoD 7000.14-R, Chapter 3 provides a complete list of the accounts categorized as current assets. The subcategories of current assets are:

- ❖ **Cash.** Money in the bank, petty cash funds, etc.
- ❖ **Investments.** Money placed in long-term investments.
- ❖ **Receivables.** Money owed to the fund.
- ❖ **Inventory.** Merchandise for resale (carried at cost)
- ❖ **Prepaid expenses.** Payments made for items used in later months.

Fixed Assets. Real property items costing more than \$1000 with a life expectancy of two or more years. These items are listed on the balance sheet at their original purchase price and remain there for the life of the asset. Depreciation is entered each month to show the net (book) value of the asset. There are several categories of fixed assets:

- ❖ **Buildings**
- ❖ **Furniture, fixtures, and equipment**
- ❖ **Vehicles, aircraft, and boats**
- ❖ **Breeding livestock**
- ❖ **Building improvements**
- ❖ **Land improvements**
- ❖ **Government titled buildings and improvements**
- ❖ **Other government titled assets**

Other Assets. Represents special investments set aside for specific purpose. Examples of other assets are:

- ❖ **Local Payments for NAF Major Construction**
- ❖ **Capital Commitments**

Liabilities – debts and obligations. Liabilities are the money owed by the fund to creditors or the money collected for which service has not yet been provided. Liabilities may be bills owed to vendors or payroll that is pending. Liabilities are divided into two subcategories:

- ❖ **Current Liabilities.** Debts owed and expected to be paid within the current accounting period (one year). There are two subcategories of current liabilities:
 - ❖ **Payables, Accruals, and Withholdings.** Includes vendor payables, all salary and employee benefits payable, and all accruals for future payments.
 - ❖ **Unearned Income.** Payments received for services not yet rendered.
- ❖ **Long-Term Liabilities.** Debts owed for periods longer than one year. It is very rare to find an installation with long-term liabilities.
- ❖ **Fund Equity.** Amount left over when liabilities are subtracted from assets. Fund equity is divided into two subcategories:
 - ❖ **Contributed Capital.** Money contributed to the fund from sources outside the NAFI, i.e., grants for construction.
 - ❖ **Retained Earnings.** The monthly NI or loss for the fund.

BASIC FORMULA:

The basic formula used in constructing the balance sheet is:

$$\text{Assets} - \text{Liabilities} = \text{Fund Equity}$$

In other words, the assets held by IMWRF to provide service less what is provided to IMWRF by creditors is what the IMWRF owns.

RELATIONSHIPS OF COMPONENTS:

It is as important to analyze the balance sheet, as it is the income statement. A comparative analysis, comparing month-to-month, quarter-to-quarter, or year-to-year will identify trends that may be helpful in managing MWR money. Most IMWRFs are no longer a “bottomless pit” to provide for the recreational and family support which meets the expectations of everyone on the installation. Judicious business decisions must be made.

When comparing balance sheet data, senior MWR managers should have both the fund balance sheet and income statement together to review the balance sheet in any meaningful way. Look at such areas as whether cash is increasing or decreasing. If it is decreasing, determine why. Was it a planned action? Were fixed assets purchased? If not, look at other areas. For example, are accounts receivable increasing? If so, it may be time to review collection procedures or perhaps reconsider offering credit. Liabilities may be increasing. If so, where? Are any due, e.g., to an increase in labor? Reviewing labor costs and/or other operating expenses is an example of why also having the income statement is important. Another area to review is fixed assets verses depreciation. Is the depreciation amount close to the purchase price of the fixed asset? If so, the physical plant is probably in need of some substantial repair, renovation, or replacement that will require a substantial investment.

KEY POINTS TO LOOK FOR:

When analyzing the balance sheet, it is wise to be aware of the following:

The Cash to Debt Ratio. The BOD standards require a Cash to Debt Ratio of 1:1 to 2:1. Simply stated, MWR should have no more than \$2 in cash for every \$1 in debt; and have no less than \$1 in cash for every \$1 in debt. Generally, management can safely operate programs with a ratio of 1:1.

Managing the solvency of the fund. Senior managers should analyze the balance sheet monthly. Available cash must be tracked against the monthly cash projection to execute the CPMC program as planned and to ensure fund solvency as well as available cash to meet current liabilities (such as payroll).

★ INCOME STATEMENTS ★

SUMMARY: The income statement provides a comparison of revenues and expenses for a given period of time. The income statement period is on a monthly basis, normally during the fiscal year beginning 1 October and ending 30 September. In addition to the annual fiscal year statement, the Central Accounting Office (CAO) produces interim statements at the end of each month. These statements are used to evaluate the financial status of individual programs on a monthly basis. When appropriate, operational adjustments may become necessary and operational changes are made to bring performance in line with the budgeted objectives.

INCOME STATEMENT FORMAT:

There are seven basic components of the income statement. Each component is derived from adding together all of the General Ledger Account Codes (GLACs) that are used within a particular category to provide a total. The many GLACs classify transactions and are used to provide information to management to help in making operational decisions. Income components are added and expense components are subtracted in a format to provide the manager with categories or groups of financial information required to make clear management decisions. See Figure 2-3.

The Army separates sales of merchandise on the income statement from income/revenue received from providing services.

Following are the basic components of the income statement:

Sales - Revenue. Monies generated from the sale of merchandise. (Includes GLACs 301-306.)

Cost of Goods Sold (COGS) - Expense. The calculated actual cost of the items sold. (Includes all GLACs in the 400 series.)

Gross Income from Sales - Subtotal. The gross profit generated from sales. The formula for determining Gross Income from Sales is Sales - COGS.

Other Operating Income - Revenue generated from services provided within the activities; e.g., service fees are childcare fees, greens fees, cart rental fees, bowling lane fees, club dues, etc. (Includes all 500 series GLACs.)

Gross Income from Operations - Subtotal. Gross Income from Sales plus Other Operating Income.

Labor Expense. The cost of NAF employee salaries and benefits. (Includes GLACs 601-625)

Other Operating Expenses - Expense. Expenses other than COGS and Labor incurred to provide services; e.g., flowers and decorations, maintenance and repair of equipment, utilities, and credit card expenses. (Includes GLACs 626-799.)

NI/Loss from Operations - Subtotal. Gross Income from Operations minus Labor and Other Operating Expenses.

Other Income and Other Expenses. Income and expenses sometimes incurred but not normally controlled by the manager; e.g., fluctuation in foreign currency, interest income, and donations. (Includes GLACs 801-850.)

NI/Loss Before Depreciation - Subtotal. NI or Loss from Operations plus Other Income and minus Other Expenses (does not include BRAC non-cash expenses).

Depreciation - Expense. The purchase price of fixed assets prorated over the life expectancy of the asset. (Includes GLACs 851-859.)

NI/Loss After Depreciation - Total. Consists of NIBD minus non-cash BRAC gains and losses, any extraordinary gains and losses, and Depreciation.

Income Statement Format

1.	Net Sales	\$ 5,000
2.	- Cost of Goods Sold	2,500
		= Gross Income from Sales 2,500
3.	+ Other Operating Income	10,000
		= Gross Income from Ops 12,500
4.	- Labor	3,500
5.	- Other Operating Expense	2,000
		= NI/Loss from Ops 7,000
6.	+ Other Income	500
	- Other Expense	100
		= NIBD 7,400
7.	- Depreciation	400
		= NIAD \$ 7,000

Figure 2-3 Income Statement Format

TOTAL REVENUE: The total of all revenue/income generated. In order to calculate most percents, the Total Revenue for the program must be known. The formula for total revenue is Net Sales Revenue + Other Operating Income + Other Income.

PERCENTS:

Percents are used in comparing the financial data with a previous period's data or the budget for a particular period. The formulas for percents are:

Cost of Goods Sold (COGS) dollars divided by Net Sales dollars for the same time period.

If the COGS percent is 47.1%, for example, that translates to spending \$.47 out of every \$1 received from the sale of merchandise for the cost of the items that were sold.

All other percents - X divided by Total Revenue. For example, if a senior manager wants to know the labor percent. The formula is labor dollars ÷ total revenue dollars. Assume labor percent is 45.0%. This would mean \$.45 out of every \$1 received is for labor.

WHAT TO LOOK FOR:

When reviewing monthly or quarterly income statements, the senior manager should look for certain things. Listed below is a summary of the types of things to look for:

Actual percents equal budgeted amounts. Managers budget many expenses based on the percent of that expense to income. For example, COGS is always budgeted as a percent of Net Sales Revenue. If the COGS percent is larger than budgeted, the program is generating less profit from sales than originally planned. There could be many different causes for the problem, i.e., pricing is too low, a product is more costly than expected, poor internal control procedures or a combination of all these factors. The inventory of resale items should have individual prices set to achieve an overall desired cost of goods sold percent based on an historical sales mix. There must be strong internal management control procedures in place to ensure the inventory is protected and accounted for properly. If the COGS are less than budgeted, then a larger profit is being generated. This is not always good. For example, the activity could be using lower quality merchandise, or giving smaller portions than planned. Even though percents are seldom exactly as budgeted, they should be within 2 - 3 percent points of budget. (See Variance Analysis in this section for percent targets.)

Actual financial performance meets or exceeds budgeted performance. When reviewing financial data, it is important to ensure that the program or activity meets or exceeds its budgeted goals. Many plans are made based on the projected cash flow of the IMWRF. If the cash is not generated, many projects, such as capital purchases or minor construction projects, cannot be implemented.

Plan of action to correct areas not meeting budget. Many times unforeseen problems occur, preventing a program from meeting its budgeted goals. The senior manager should be able to provide the financial manager a detailed plan of action to identify corrections that must be made and the approximate time needed to get the program back on track.

★ TREND ANALYSIS ★

SUMMARY: Trend analysis is the comparison of data on the income statement or balance sheet with previous period performance (historical data) or with planned performance (budget). If the revenues increase or expenses decrease, the financial trend is considered positive. Conversely, if revenues decrease or expenses increase, the financial trend is negative.

Trends, whether positive or negative, should be reviewed for causes. A positive trend could, sometimes, have a long-term negative effect on a program. For example, if management cuts operating expenses to the bare minimum, the short-term effect could be a desired profit; the long-term effect of this action, however, could result in lower patronage or large capital investments to get the facility back to its original state.

TYPES OF TREND ANALYSIS:

There are several types of trend analyses. The manager can determine the appropriate type of analyses to use, based on the information which he/she wishes to gather and compare. The most commonly used types include:

This month vs. previous month(s). Several months of data are displayed side by side, so that emerging upward or downward trends are evident.

This month vs. budget. This analysis highlights how much the actual performance varies from the planned management estimate.

This month vs. the same month last year. Comparing the same months from year to year allows management to see changes over time. This analysis is particularly useful for seasonal activities where month-to-month trends may be deceiving.

Year to Date (YTD) - this year vs. YTD last year. This analysis provides a good overall picture of how the activity is performing compared to the previous year.

YTD this year vs. budget YTD. This analysis identifies how income and expenses match the management plan for the fiscal year.

WHAT TO LOOK FOR:

The senior manager should not have to perform trend analyses for programs under his/her direction, rather his/her financial manager must perform these analyses and make appropriate recommendations for changes that may need to take place in the operation of programs.

Positive and negative trends. Trend analysis should be done at the activity manager level and briefed to senior MWR management monthly. All trends, positive and negative, should be identified and explained.

Performance plan for correcting negative trends. When negative trends occur, it is the management team's responsibility to detect the cause of the trend and determine what action is necessary to correct it. Detection of the problem is usually the easy part. Developing and enforcing the plan for correction is often more difficult, since management must often deal with patron complaints.

★ BUDGET VARIANCE ANALYSIS ★

SUMMARY: Variance analysis is a comparison of budgeted projections with actual operating results. As variances and their causes are identified, activity managers must adjust their programs or business operations in order to meet their budgeted goals.

GUIDELINES FOR VARIANCE ANALYSIS:

Required by MACOM. Monthly or quarterly budget variance reports are prepared by installations and communities based on MACOM instructions.

Must be prepared for each separate program or activity. While consolidated reports prepared at the program code level may not reveal significant variances, reports prepared at the department or location level may reveal significant variances that may partially offset each other when consolidated.

Both dollar amounts and percents should be analyzed. When evaluating budget variances, both dollar amounts and percents are important. For example, COGS is always computed as a percent of Net Sales Revenue, while other percents are computed based on Total Revenue. The actual dollar cost of goods, by itself, is not significant; however, the cost of goods as a percent of sales is significant. For example, if sales are budgeted at \$1,000 and the cost of goods sold is budgeted at 40%, or \$400, and actual sales were \$900 and actual COGS was \$380, or 42.2%, the important variance is that the COGS was 2.2 percent points over budget, not that the COGS was \$20 under budget.

A semi-variable expense, such as labor, should be evaluated in terms of both percents and actual cost. For example, if labor were budgeted at \$2,000, or 40% of \$5,000 Total Revenue, and

actual labor was \$2,300 or 38% of \$6,000 in actual Total Revenue, labor is 2 percent points under budget, even though it is \$300 over budget, since labor costs normally rise in proportion to income. Conversely, if revenue fell to \$4,000 and labor costs were \$1,800, or 45%, the variance would be \$200 under budget but 5 percent points over budget.

Use as a tool to monitor income, control expenses, and hold managers accountable for results. Department managers should be required to keep expenses within budgeted limits, either as percents or actual dollar amounts (whichever is the greater dollar amount), except for COGS, which is always controlled as a percent. If revenues increase significantly, budgeted expense percents will also normally increase. If revenues decrease significantly, the budget should be carefully re-evaluated and expense limitations reduced, since a department could still remain within budgeted dollar limits and not achieve its NI goal.

SIGNIFICANT VARIANCES:

Expenses that are significantly below budget may indicate problems. For example, if COGS in a food service activity is budgeted at 30% of Net Sales Revenue (based on established raw ingredient costs, portion sizes, and sales mix) and actual COGS is 25%, the variance may be an indicator of the following potential problems:

- ❖ **Cheaper ingredients have been substituted, causing a decrease in quality.**
- ❖ **Portions served to customers are not correct.**
- ❖ **The sales mix of items with different COGS percents has changed and the budget goal should be revalidated or the menu revised.**

Variations between budgeted and actual amounts will occur. A one-month variance may not be particularly significant, but a sustained unfavorable variance may adversely affect NI goals and expected cash levels. The following are considered to be significant variances, either positive or negative, which warrant management review:

- ❖ **Cost of goods sold.**
- ❖ **Inventory, such as items expensed as resale spoilage, breakage, obsolescence and miscellaneous inventory shortages.**
- ❖ **Bar and beverage stores greater than plus or minus 1 percent point of the budgeted goal.**
- ❖ **Other sales activities that are more than 3 percent points of the budgeted goal.**

These variances should be used with sales accountability analyses, since percents may be in line but revenue unaccounted for; or conversely, all revenue accounted for but percents at variance due to sales mix change.

Revenues of 10% below budgeted levels. Revenues that exceed budgeted levels by more than 10% are not considered negative variances, but should be evaluated to determine if a budget revision is warranted. Perhaps operations changed or have been revised.

Operating Expenses that exceed the budgeted dollar or the budgeted percent, whichever is greater.

NI, by itself, cannot be considered a significant variance, since it is the result of all income and expenses. Any variance in NI must be evaluated in terms of its individual elements. NI variances should be looked at first, in addition to income and expense variances, since other small variances can collectively produce large negative impacts on NI and, therefore, affect cash flow and financing of capital expenditures.

★ CASH MANAGEMENT ★

SUMMARY: NAF cash management is a critical element of a senior MWR manager's responsibility. Dollars flow into the IMWRF through many sources, i.e., sales of merchandise, service fees, donations, etc. Dollars also flow out of the IMWRF in the form of salaries, utility costs, insurance, resale merchandise, etc. The goal of the IMWRF manager is to generate dollars in an amount large enough to pay operating costs on time when due, reinvest in capital equipment and facilities and, at the same time, provide new innovative programs. Of course, he/she must also maintain reasonable prices and fees. This challenge is often more difficult than it appears.

This section identifies various documents that assist senior managers in efficient cash management. Also identified are documents that the IMWRF manager can adopt to provide a quick picture of the status of the fund.

DETERMINING THE APPROPRIATE AMOUNT OF NIBD:

How much profit? One of the first decisions that must be made is how much profit you want to make. Some guidelines to help you make that decision follow.

Industry rule of thumb. Maintain a capital reinvestment plan of 10 - 15% of a company's asset base each year. If a large proportion of assets are new, using the lower end of the range would be reasonable.

Need for capital reinvestment drives the level. Many times the IMWRF will reinvest what it has available, rather than determining what its needs are and then developing a plan to earn the money to achieve its goals. Management must determine the level of capital reinvestment on the installation.

Minimum NIBD schedule. Each installation must assess its own cash situation and capital reinvestment plan in view of the above guidelines. CFSC provides an optional minimum NIBD Schedule. It is an automated template, available to assist the senior manager in making these determinations.

MWR BOD Financial Standards. The BOD has a NIBD financial standard for NIBD for the Fund as a percent of Total Revenue. Currently, the NIBD standard is 8% of Total Revenue. The standard for Cash to Debt Ratio is 1:1 minimum and 2:1 maximum. A complete list of BOD Financial Standards is included in Section 8.

WHAT TO LOOK FOR:

Cash to Debt Ratio. Ensure that the Cash to Debt Ratio does not go below 1:1 or above 2:1 and fund NIBD is greater than 0. This ratio simply states that there is one dollar in the bank for every dollar of debt incurred.

Look to the future. Many of your plans for installation improvements will take three to six years or more to come to completion. In order to have the dollars available to complete those plans, the installation must begin to plan now.

★ RETURN ON INVESTMENT (ROI) ★

SUMMARY: To meet patron needs, management must provide the capital improvements necessary to maintain a viable and profitable business. When making decisions in the area of capital improvements, managers must ensure their decisions are based upon solid, effective, business-like practices. Each decision requires a degree of risk. One of the ways to decrease the degree of risk is to perform a ROI prior to sinking large amounts of cash into projects.

MAKING SMART DECISIONS:

All investment decisions involve making a choice of various alternative courses of action. If two alternative actions are under consideration, quantitative analysis generally will show which action will lead to a greater return, or, if an investment is involved, which leads to the higher ROI.

ROI relates income to the size of the capital required to generate it and allows for comparisons between alternative investments. It may be expressed as the ratio of income per period to the average investment per period. There are two key factors to consider when appraising any investment project:

How much cash will the investment earn?

When will the activity get the money?

In general, managers should select the alternative that provides the greatest return in the least amount of time, because a dollar today is worth more than a dollar tomorrow.

The four major methods used to measure ROI are:

❖ **Simple ROI.** Easy to use and understand; however, does not take into account the time factor of money.

❖ **Payback Period.** Determines the length of time it takes to recover the entire cost of a project from the resulting annual net cash flow. Simple and easy to use; however, it ignores both the time value of money and the expected cash flows beyond the payback period.

❖ **Net Present Value (NPV).** Compares the present value of the expected cash flows of a project to the present value of the expected cost of the project. If the NPV is positive, the project could be accepted.

❖ **Internal Rate of Return (IRR).** The discount rate that exactly equates the present value of the expected benefits from a project to the cost of the project or the discount rate, which will drive the NPV of a project to zero.

SELECTING THE BEST ALTERNATIVE:

The first step in using ROI tools to select the best alternative is to attempt to determine the outcome of each alternative. Since this involves forecasting the future, some degree of error is always present. The forecasts usually rely heavily on historical data, which may or may not prove true in the future. The accuracy of the forecast determines the quality of the ROI calculation.

The formula for the Simple ROI is:

$$\frac{\text{Net Cash Inflows} - \text{Investment}}{\text{Investment}}$$

Let's assume we are considering a project with an initial investment cost of \$20,000 with projected profits of \$10,000 per year for three years. The simple ROI would be:

$$\frac{\$30,000 - \$20,000}{\$20,000} = 50\%$$

This formula is simple and straightforward, which makes it easy to use and understand. Conversely, the simplicity is also a major weakness. It does not take into account the time factor of money.

Payback Period:

Payback is simply the length of time it takes to recover the entire cost of a project from the resulting annual net cash flow. In the previous example, if the investment cost was \$20,000 and the projected cash inflows were \$10,000 per year for three years, it would take two years to payback our original investment. A short Payback Period is considered desirable because the sooner the project cost is recovered, the sooner those funds can be used for future projects. A short Payback Period also reduces the risk that future circumstances will not allow for planned revenues. Long-term cash flow forecasts are not as reliable as those projected for the short term. Although Payback is a simple and easy-to-use tool, it is not the best method on which to base decisions about how to allocate scarce MWR funds, because it ignores both the time value of money and the expected cash flows beyond the Payback Period.

Simple ROI and Payback are good initial tools in reviewing projects and may be sufficient for small investment decisions. The time involved to perform a more detailed analysis may not be cost effective. Keep in mind, however, these tools may not be appropriate or adequate for major investment decisions.

Net Present Value (NPV):

NPV compares the present value of the expected future benefits (cash flows) of a project to the present value of the expected cost of the project. The NPV is simply the difference between the present value of the benefits and the present value of the costs. If the NPV is positive, then the project could be accepted.

The first step is to forecast how much cash flow the project will generate over time and then calculate how much that money would be worth in today's dollars. Discounting is the process used to determine the present value of future cash flows. You can then compare this amount with the cost of the project. If the profits in today's dollars are greater than the cost of the project, it should be a good investment.

A dollar deposited in the bank today will be worth more than a dollar will be worth one year from now. If we currently earn approximately 5% interest on deposits today, one dollar deposited today will be worth \$1.05 one year from now. If we look at this from another perspective, \$.95238 invested at 5% today will be worth one dollar one year from now or the present value of that dollar a year from now is \$.9524.

Discounting works on the same principle as interest, except you work backwards.

There are two things that must be considered when discounting:

- ❖ **Rate of Discount.** Generally for MWR, the discount rate will be equal to the interest rate for funds on deposit with the central bank. In other words, investment return should, at minimum, equal the return realized if the funds were left in the bank.

❖ **Time Period.** Compared with today, investment returns are less valuable the higher the discount rate and less valuable as more time passes.

There are five steps required to assess a project using NPV:

Step 1 - Forecast expected net cash flows on an annual basis for the expected life of the project.

Step 2 - Choose the discount rate.

Step 3 - Use the Discounted Cash Flow (DCF) (see Appendix D) table to determine what each year's cash inflows are worth in today's dollars.

Step 4 - Total the "today" value of future cash inflow.

Step 5 - Subtract the total of Step 4 from the project cost. This is the NPV of the project.

When the NPV is equal to zero, the project provides a rate of return exactly equal to the discount rate. A positive NPV means that the project provides a rate greater than the discount rate. A negative NPV means that the investment yields a return less than the discount rate. When there is more than one project to choose from, the one with the highest NPV will provide the best return.

In comparing projects that have different investment amounts, the Present Value Index must first be calculated. It is calculated by dividing the total present value of the net cash flows by the amount of the investment. Next the Present Value Index of each project is compared. The project with the highest Present Value Index provides the best return.

Internal Rate of Return (IRR):

The IRR is the discount rate that exactly equates the present value of the expected benefits from a project to the cost of the project or the discount rate, which will drive the NPV of a project to zero. IRR is expressed as a percent rate. The IRR can be found by trial and error methods or by computer programs that greatly simplify the process.

The IRR decision rule says that any project with an IRR greater than or equal to the cost of capital is acceptable. The cost of capital for most businesses is the rate at which they can borrow money. Since MWR does not incur loans, cost of capital is the interest MWR would earn if the funds were on deposit with the central bank. Obviously, when comparing two projects, the project with the higher IRR would offer the best return.

WARNING!!!

These tools can certainly increase a manager's ability to assess projects and aid in more effective decision making, but they do not eliminate the most critical factor—RISK. All of the ROI tools discussed depend on forecasts. There is no guarantee that the profits forecasted will actually occur. The MWR manager must consider the amount of risk involved in a project and decide whether the potential returns justify the risks. Tools are great, but the bottom line is that the manager must make the decision.

★ BREAKEVEN ANALYSIS (BEA) ★

SUMMARY: Breakeven analysis is a simple yet powerful tool in financial decision making that calculates the point at which expenses equal revenue. It is based on the relationship between costs and revenues. There are five major applications of the breakeven technique:

- ❖ **Pricing decisions.** BEA can be used to forecast the effect of changing price and volume relationships on total profit.
- ❖ **Expense control.** After making a decision using BEA, the project should be carefully monitored to track revenues and planned expenses.
- ❖ **Projection of profits.** BEA can be used to figure the amount of revenue required to achieve a specific percent of profit.
- ❖ **Measure the impact of management decisions.** BEA can be used to study the effect of management options before a decision is made.
- ❖ **New product/service decisions.** BEA can be used to determine the volume required to break even, assuming expected prices and costs have been accurately forecasted. An informed decision can then be made to offer or not offer the new product or service.

CALCULATING THE BREAKEVEN POINT:

The first step in calculating the Breakeven Point is to define all costs as either fixed or variable.

Fixed Costs are expenditures that do not vary as output changes. Examples of fixed costs for a Recreation Center are management staff, utilities, depreciation, and RIMP.

Variable Costs (VC) increase or decrease directly and proportionately with changes in volume. Cost of COGS is the best example of a variable cost. There is a direct relationship between COGS and sales volume. In a dining room at the O'Club, wait staff could be a variable expense; as sales increase, additional labor must be added to handle the increased customer load.

Once costs are defined as either fixed or variable, the manager can use the breakeven formula to calculate the Breakeven Point. The first step is to calculate the Contribution Margin (CM). The

contribution margin is the excess of revenue in dollars over variable expenses. There are two basic formulas to determine the CM. One calculates the CM in total dollars to break even:

$$\text{CM} = 1.00 - \text{VC}\%$$

The other calculates the total number of units that must be sold to break even:

$$\text{CM} = \text{Unit Sales Price} - \text{VC in } \$\$$$

Let's look at an example. An employee tells us that he wants to open a small hot dog stand at the sports complex. He has calculated fixed costs per week and variable cost per hot dog. Market analysis has determined that \$1.25 would be a reasonable price to charge for each hot dog sold.

Fixed Costs:	Depreciation	\$20.00
	Labor	\$300.00
	Rental of Space	\$ 30.00
Variable Costs:	Hot dog & bun	\$.30
	Napkin	.05

If our hot dogs sell for \$1.25, the contribution margin is:

$$\begin{aligned} \text{CM} &= \$1.25 - .35 \\ \text{CM} &= \$.90 \end{aligned}$$

In other words, the first \$.35 earned from each hot dog sold goes to pay for the variable cost (in this case, the hot dog, bun, and napkin). The next \$.90 pays for the fixed costs (depreciation, labor, and space rental). After the fixed costs are covered for the week, \$.90 from each hot dog sold is profit.

Now we are ready to calculate the Breakeven Point. The formula is:

$$\text{BE} = 389 \text{ hot dogs per week}$$

The breakeven formula has determined that the hot dog stand must sell 389 hot dogs per week to break even. The contribution margin is the amount available to, first of all, cover the fixed costs and then generate profit. In our example, we would need to sell 389 hot dogs each week to cover our fixed costs. After that, every hot dog sold would generate \$.90 in profit.

BASIC ASSUMPTIONS:

When breakeven analysis is used to aid in decision making, managers must not forget that the formula makes some basic assumptions. If these assumptions prove to be incorrect or change during the operation of the program, the manager must be fully aware of the possible effect.

These assumptions are:

- ❖ All costs can be defined as either fixed or variable.
- ❖ All cost/volume/profit relationships are linear.
- ❖ Prices will not change with the changes in volume.
- ❖ Efficiency remains constant.

Breakeven analysis is a useful tool if its limitations are recognized and its applications are kept in proper perspective. Simplicity is both the virtue and weakness of breakeven analysis. Although it can be helpful as a rough guide to decision making, it generally falls far short of being a complete planning tool. Breakeven analysis is useful in developing the basic data required for pricing and for financial decisions, but more detailed analysis is required when major funding decisions are required.

★ FORMAL MWR BUDGET PROCESS ★

SUMMARY: We will now look at how the pieces of the MWR budget fit together, the installation review process and, finally, senior management's role in this process. We will assume that since the MWR existed in the previous year, it had a budget plan encompassing generally the same fiscal information required in this plan. Except where an installation has experienced a major mission change, troop increase or decrease, or closure, managers will be:

- ❖ Reviewing last year's program performance
- ❖ Comparing that performance to the plan
- ❖ Identifying required changes
- ❖ Modifying the plan for the future

Updating the existing plan is much less encompassing than beginning a plan from scratch. In some programs the modifications required will be minor, and in others they may be much more dramatic.

THE ORDER OF BUDGET DOCUMENT PREPARATION:

The Activity Manager's Narrative. The manager must take time to develop this step. The plan, like a road map, gives the manager a direction in which to aim.

The Command Budget Estimate (CBE). The APF budget requires input from MWR Category A and B activity managers. It is important to know the amount of APF support to be received in order to balance the program with NAF dollars. Since NAF dollars must be earned, a shortage of APF dollars could require a change in program, fees charged, hours of operation, etc.

The Capital Purchase and Minor Construction Budget - CPMC. This budget identifies all fixed assets and minor construction requirements for the coming two years. The manager should carefully review the fixed asset hand receipt to determine the age of equipment; and look at the narrative to identify new items needed.

The Annual Operating Budget (AOB). This is the operational plan identified in dollars for the budget year. This budget can be very detailed, down to budgeting individual GLACs (General Ledger Account Codes) and is the document used to measure the performance of each program.

The NAF Major Construction Schedule. This budget lays out the cash flow required to support NAFMC from project development through completion.

Five-Year Cash Projection Schedule. This document shows cash flow by quarter for the current budget year and totals for the four outyears. This document will identify any shortfalls that may occur in the budget plan.

The APF/NAF Financial Plan (Form 1). This document is a compilation of all of the other documents in one. This document identifies all of the APF and NAF income and expense requirements including CPMC and NAF Major Construction for the budget year and the four outyears based on five-year narrative and the other documents.

Monthly Cash Projection. This document shows cash flow by month and allows the fund manager to ensure that the fund maintains a positive financial position.

Minimum NIBD Schedule. This schedule, when complete, is a cross check to ensure that the minimum NIBD for the budget year (based on the AOB input) will provide sufficient cash flow to allow the MWR fund to execute the Five Year Plan and meet the MWR BOD goals.

PUTTING THE PIECES TOGETHER:

In the MWR budget process, the five-year plan is the base document upon which all the other budget estimates are based. It identifies program requirements for the current budget year and four outyears. Major construction (both APF and NAF) budget format submissions are generated out of the Five-Year Plan. This process is demonstrated at Figure 2-4.

MAJOR CONSTRUCTION:

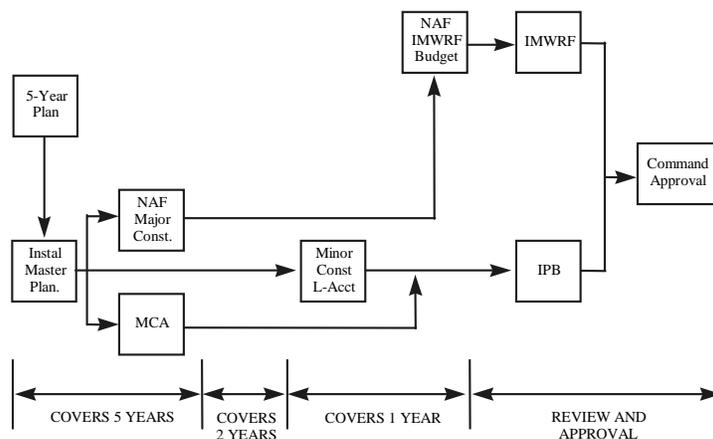


Figure 2-4 NAF Budget Process - Construction

Key points to remember when including projects in either the APF or NAF construction process are:

- ❖ Must be in the Five-Year Plan. All major construction projects must be included in the installation master Five-Year Plan.
 - ❖ APF and NAF major construction projects travel through different installation review processes before final approval by the commander and submission to higher headquarters.
 - ❖ MWR APF projects are submitted to the Installation Planning Board (IPB) with all of the other installation MCA projects.
- The IPB prioritizes. The IPB recommends the projects in priority order for command approval.
 - The DPCA is a member of the IPB and is the primary proponent for MWR programs. History reveals that the DPCA must be a strong proponent since normally the only projects that get built are those with a priority number of one or two.

❖ NAF major construction projects must be in the installation master plan.

- Coordinated informally with the IPB.
- Included in the NAF MWR budget.

❖ Formal project paperwork (cost estimate and supporting documents both APF and NAF) is forwarded through DPW channels to the MACOM and DA.

❖ Minor construction projects are reviewed and prioritized by the IPB and recommended to the commander who determines which projects are to be accomplished first.

APF SUPPORT:

The APF/NAF Five-Year Plan documents and identifies requirements for APF in support of the MWR program. See Figure 2-5

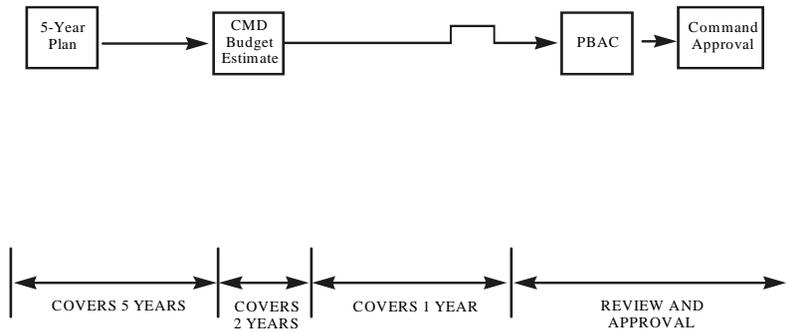


Figure 2-5 Budget Process - APF Support

Key points to remember when developing the APF operating portion of the budget process are:

The Command Budget Estimate is formulated from the information contained in the Five-Year Plan and program budget guidance provided from the DRM.

It is consolidated for MWR activities and submitted to the DRM.

The Program Budget Advisory Committee (PBAC) reviews all of the requirements for APF and recommends to the commander how the available APF should be allocated.

The DPCA is the MWR defender sitting as a representative on the PBAC.

The DPCA must know the amount of funding authorized and required for the various programs and the impact of lost APF support.

Relate mission to readiness. The DPCA must be able to articulate the MWR program in terms that relate to mission and readiness since he/she will be competing for funding with other missions/functions more obviously associated with readiness.

NAF BUDGET PROCESS:

Just as with the construction process and the APF budget submission, the remainder of the NAF budget flows out of the APF/NAF Five-Year Plan.

Key points to remember when developing the NAF budget include:

Tentative estimates. At five years out, the dollar estimates for CPMC, operating expenses, and cash requirements are tentative estimates.

Accuracy increases with time. As the plan gets closer to the execution year, the numbers get closer to the estimates that will be executed and, therefore, must be more accurate.

Annual updates. Updating the dollar estimates takes place yearly as the new budget submission is formulated.

CPMC expenditures are expanded in year two, from a total dollar figure to specific individual projects to:

- ❖ Allow management to view the estimated costs in detail.
- ❖ Determine when the cash will be needed to pay for the items.

The Five-Year Plan, CPMC, and AOB drive the Five-Year Cash Projection and the Monthly Cash Projection. See Figure 2-8.

One package. All of these documents are packaged together, summarized by a narrative, and submitted to the MWR Council which:

- ❖ Reviews the package
- ❖ Suggests changes as required
- ❖ Recommends approval to the commander
- ❖ DPCA is representative for MWR
- ❖ DPCA serves as both member and secretary.
- ❖ DPCA explains and defends the comprehensive plan that the MWR professional staff has developed.
- ❖ DPCA briefs the plan to the command group.

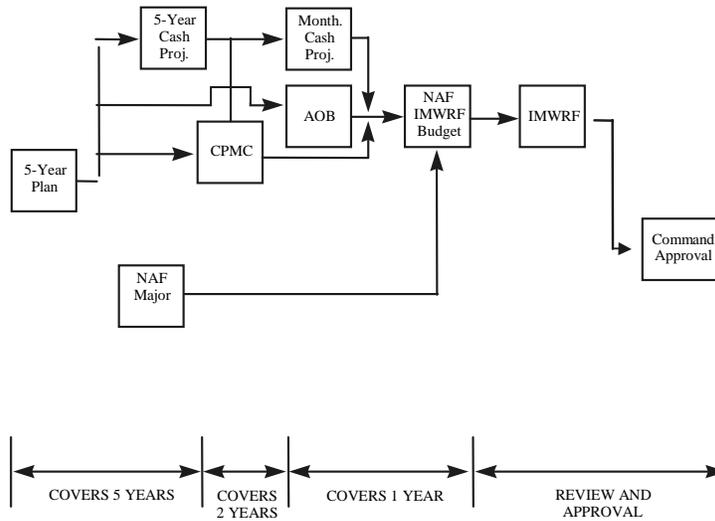


Figure 2-6 NAF Budget Process - Cash Projection

A DPCA who is familiar with the process and can carry the plan effectively to members of the MWR Council and the command group can win approval for the plan.

When we place all of the pieces together in Figure 2-7, the complexity of the planning process is evident.

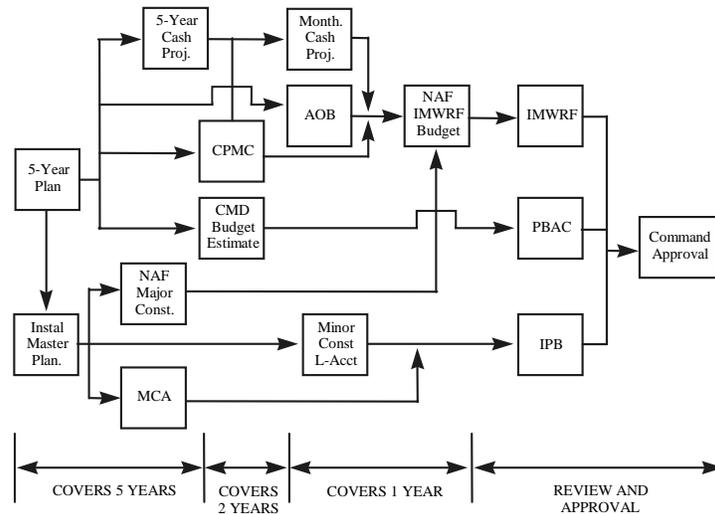


Figure 2-7 NAF Budget Process

In summary, the process involves:

- ❖ Defining the program for the future
- ❖ Integrating the various parts
- ❖ Estimating the dollars to execute
- ❖ Obtaining funding and approval

It cannot be accomplished without the concerted effort of the entire MWR staff. Regardless of how well the process is laid out, it is difficult to accomplish without one or several of the program managers feeling that they did not get a “fair share” for their program.

Experience says that the key issue in maintaining buy-in from program managers, even those who may be have nots in the current budget cycle, is to:

- ❖ **Have a clearly defined process of budget review that expresses the goals for the MWR.**
- ❖ **Identify why some programs are funded to a greater degree than others are.**

The DPCA must oversee the program, provide policy guidance as required, represent MWR activities in the various committees and with the command group, as well as provide the leadership and supervision to keep the program on track. Senior management must be equally involved in the process.

BALANCE SHEET

	Current FY				FY -1	FY -2
	1st QTR	2nd QTR	3rd QTR	4th QTR		
CURRENT ASSETS						
Cash						
Receivables						
Inventories						
Prepaid						
TOTAL CURRENT ASSETS						
FIXED ASSETS						
Fixed Assets						
Accumulated Depreciation						
TOTAL FIXED ASSETS						
TOTAL ASSETS						
CURRENT LIABILITIES						
Payables						
Accruals & Withholding						
Unearned Income						
TOTAL CURRENT LIABILITIES						
FUND EQUITY						
TOTAL FUND EQUITY						
LIABILITIES & FUND EQUITY						
CASH TO DEBT RATIO						

IMWRF INCOME STATEMENT
 YTD - MARCH FY**

	BUDGET YTD	%	ACTUAL YTD	%	OCT-MAR FY -1	%
Net Sales						
- Cost of Goods Sold						
= Gross Income from Sales						
+ Other Operating Income						
= Gross Income from Operations						
- Labor						
- Other Operating Expenses						
= Net Income/Loss from Operations						
+ Other Income						
- Other Expense						
= NIBD						
- Depreciation						
= Net Income						

FINANCIAL PERFORMANCE

By Program - 1 April FY**

DIVISION/PROGRAM	BOD STANDARD	BUDGETED NIBD YTD FY**	ACTUAL NIBD YTD FY**	ACTUAL NIBD YTD FY** %	ACTUAL FY -1	ACTUAL FY -2	%
CAT A							
Gymnasium/physical fitness							
Library							
Recreation Center							
Sports							
CAT A TOTAL							
CAT B							
Arts & Crafts							
Auto Craft							
Child Development Center	NIBD>=0						
Outdoor Recreation							
Youth Services							
ITR							
CAT B TOTAL	NIBD>=0 *						
CAT C							
Bowling Center	NIBD>=17%						
Golf Course	NIBD>=17%						
Stables	NIBD>=0						
Community Club	NIBD>=8%						
CAT C TOTAL							
TOTAL	NIBD>=8% *						

* Category B NIBD standard excludes CDS, which is assessed separately

** MWR USA Revenue removed from Total Revenue for calculation of NIBD%

FINANCIAL PERFORMANCE

Overhead - 1 April FY**

DIVISION/PROGRAM	BOD STANDARD	BUDGETED NIBD YTD FY**	ACTUAL NIBD YTD FY**	ACTUAL FY -1	ACTUAL FY -2
		%	%	%	%
NAF OVERHEAD					
Financial Management*					
AAFES Revenue					
CRA	2%				
TOTAL FIN MGMT DIV					
IMWRF Admin					
Community Operations Div					
Family Support Div					
Community Recreation Div					
Marketing					
Recycling					
Services Div					
Central Accounting Office					
Civilian Personnel Office					
TOTAL NAF OVERHEAD					
IMWRF NIBD TOTAL	NIBD =>8%				

* Does not include AAFES revenue

CASH FLOW PLAN

	1st QTR	2nd QTR	Current FY 3rd QTR	4th QTR	Total FY**	FY +1	FY +2	FY +3	FY +4	FY +5
Beginning Cash										
Plus/Minus Unusual Inc/Dec to Cash										
SUBTOTAL										
+NIBD										
- CPMC										
- NAFMC										
ENDING CASH										
TOTAL LIABILITIES										
CASH TO DEBT RATIO										

APF/NAF REVIEW

**By Program
1 Apr FY****

DIVISION/PROGRAM	APF ANNUAL BUDGET FY01	APF ACTUAL YTD FY01	APF ACTUAL EXECUTION RATE	NAF BUDGET		NAF ACTUAL	
				NIBD YTD FY01	FY01	NIBD YTD FY01	FY01
<u>CAT A</u>							
Gymnasium/physical fitness							
Library							
Recreation Center							
Sports							
<u>CAT B</u>							
Arts & Crafts							
Auto Craft							
Child Development Center							
Outdoor Recreation							
Youth Services							
ITR							
<u>NAF OVERHEAD</u>							
Administrative Offices							

CHAPTER 3

CIVILIAN PERSONNEL MANAGEMENT

★ OVERVIEW ★

The Federal Personnel Program is based on an extensive series of laws beginning with the Civil Service Act of 1883. These laws, along with legal decisions, Executive Orders, and other administrative interpretations (Comptroller General, GAO, etc.) provide the basis for the Civilian Personnel System. Until quite recently, this system was administered by the procedures outlined in the Federal Pay Manual (FPM). This document provided extensive guidance and rules for employment using appropriated funds. On December 31, 1993, the majority of this document was abolished. While the requirements of law remain in place for the APF system, the abolishment of the FPM now allows management more flexibility in the manner of implementing the policies. During this period, the opportunity exists to eliminate many of the bureaucratic procedures not founded in law. It is a time for senior managers to develop and institutionalize effective personnel management techniques that ensure fair treatment of the employee and minimize cost of administration.

Nonappropriated Fund (NAF) employment, in contrast, is based on a statutory provision that allows DA/DOD to establish NAFIs. While some direct linkage exists to APF policies (e.g., prevailing rate pay schedules for some NAFI "blue collar" employees), NAF personnel policies (AR 215-3) are less extensive. The recent modernization trend in NAF personnel systems is toward greater decentralization and management responsibility. NAF employees have portability of employment service credit, pay, and retirement coverage in moving between NAF and APF positions in certain circumstances. NAF managers also have authority by DOD to determine specific pay within a pay range (band) for certain "white collar" and management positions.

★ MERIT SYSTEM ★

SUMMARY: As an employer, DA subscribes to the concept that all personnel actions are based on individual ability and performance. Merit principles apply to both APF and NAF employees even though policies may differ on certain actions, e.g., reduction-in-force (RIF). All Federal policies and procedures are designed to assure that the best possible employees are hired, treated fairly, and have the opportunity to go as far as their abilities allow.

BASIC PRINCIPLES:

The following basic principles for personnel practices originate in a series of laws and Executive Orders that reflect Congressional concern for a merit system.

- ❖ Recruit employees from all segments of society. Select and advance on the basis of ability, skills, knowledge, and job relevant factors. Maintain fair and open competition.
- ❖ Equitable treatment in managing personnel. No regard to politics, race, color, religion, national origin, sex, marital status, handicap, or age. Proper regard for privacy, constitutional rights, and due process.

- ❖ Equal pay for work of equal value, considering both national and local rates of private employers. Incentives and recognition for excellent performance.
- ❖ High standards of integrity, conduct, and public interest concern.
- ❖ Efficient and effective use of workforce.
- ❖ Correct inadequate performance; retain employees who perform well; separate those who cannot or will not meet required standards.
- ❖ Improve performance through effective education and training.
- ❖ Protect employees from arbitrary action, personal favoritism, or political coercion.
- ❖ Protect employees against reprisal for lawful disclosures of information. No personnel action to punish "whistleblower."

★ PERSONNEL MANAGEMENT & ADMINISTRATION ★

SUMMARY: The immediate supervisor is the Human Resources Officer. The line official who operates or manages a unit/activity establishes the practices, takes actions, and maintains the day-to-day relationships that influence the climate, productivity, and efficiency of that particular unit. The legal and regulatory policy framework is the guide to managing the workforce. Another way of looking at rules and standards is that they attempt to establish benchmarks--employees and management share common references. The policies themselves do not build or operate effective organizations. The Human Resources Office (HRO) is your technical resource. As DPCA you have the overall responsibility for the MWR staff, including the personnel practices of your subordinates.

Personnel administration is the application of rules, regulations, laws, policies, and standards to the personnel actions requested by operating officials.

Performed by the civilian personnel officer (HRO). This technical expert role includes providing advice, guidance, options, and research assistance to supervisors or managers on any aspect of employee utilization. The HRO assures proposed personnel actions comply with technical and legal requirements. Employee records and related files are maintained IAW applicable regulations.

Note that personnel administration excludes the actual management of MWR staff and responsibility for job performance outcomes. The HRO is not directly responsible for the results that you achieve with the human assets of the MWR mission. The amount and quality of advice and assistance you receive from HRO will influence your success. Be sure the HRO understands you need to know not only what can't be done, but also what options exist for a given situation. From the start, ask for solutions, not regulations. Don't hesitate to ask to see a specific policy/regulation if faced with a new or unusual situation.

★ PAY SYSTEMS IN MWR ★

There are different pay systems possible in the DA NAF workforce. The Personnel Overview chart (Figure 3-1, page 3-8) depicts significant differences between systems in terms of pay-related issues and delegation of authority.

❖**GS, GM.** Both are APF "white collar" with a national rate for each grade, adjusted for locality rates. The General Schedule (GS) has steps and longevity increases. Recent changes in the law have deleted Merit Pay for former GM employees. These employees will remain designated GM but will be paid under provision of the normal GS system.

❖**WG.** APF "blue collar" is based on local rates for grades, steps, and longevity increases. This Federal Wage System (WG) includes leaders (WL) and supervisors (WS).

❖**NA/NL/NS.** NAF "blue collar" is similar to WG. This NAF system also includes leaders (NL) and supervisors (NS). (Generally lower rates of pay than similar jobs paid from APF due to the types of industries surveyed, (i.e., retail activities), and the local area.)

❖**CYPPP.** The Caregiving Personnel Pay Program (CYPPP) links competency based staff training requirements to wages. NAF Child Care pay bands are based on the GS national rate. Each band has two grades/levels with ten steps for each grade. The pay rate at hire is based on education and experience with no longevity increases. Pay adjustments are based on mandatory training and performance. (Pay system is based on DOD unique law.) The CYPPP applies to ALL Child and Youth staff.

❖**NF.** NAF "white collar" and manager plan has 6 pay levels (bands) with no steps/longevity. Pay is based on qualifications and performance. Lower levels are based on local rates. The top range of level 3 and above is based on national rate. (Pay level salary ranges overlap between the maximum of the next lower level and the minimum of the next higher level.)

	GS	WG, NA, NL, NS	CYPA	NAF Pay Band
Laws – OPM – FPM	Yes	Yes	Partial	DODAuth
Qualification Standards	Yes	Yes	Yes	Yes
Classification Standards	Yes	Yes	Yes	Yes
Standards Position Guides	No	No	Yes	Yes
Rigid Pay Adjustment Procedures	Yes	Yes	No	No
Step Increases	Yes	Yes	No	No
Nation-wide Rates	Yes	No	Partial	Partial
Pay Adjustment Is Performance-based	No	No	Yes	Yes
Local Premium Pay Options	No	No	No	Yes
Promotion Pay Increase	Fixed	Fixed	6% min	5% min
HRO Decides Title, Series And Grade	Yes	Yes	StdJobs	Yes *
Business-Based Decisions	No **	Yes	Yes	Yes

* DCA and Manager decides pay band

** Must be a Reduction in Force (RIF), with all RIF procedures, such as bumping

Figure 3-1 Personnel Overview

★ CPAC/NAF HRO FUNCTIONS ★

The Civilian Personnel Advisory Center (CPAC), which provides APF civilian personnel support is a local office. The Civilian Personnel Operations Center (CPOC) is a regional office. The NAF Civilian Personnel Unit (CPU) is located on your installation. The staffs of both the CPAC and the NAF CPU should:

- ❖ Provide advice and guidance to management.
- ❖ Solve technical personnel problems.
- ❖ Develop plans for workforce changes.

- ❖ Assist managers in meeting operational needs: training and education; utilization and scheduling; discipline; behavior and motivational change.
- ❖ Administer incentive/ recognition programs.
- ❖ Maintain employee and related records. (These are at the CPOC, not the CPAC.)
- ❖ Assure personnel actions comply with spirit and intent of law, policy, and regulations.

As a senior manager, you should receive specific information on the detailed organization and functions of the CPAC and NAF CPU. You may have to specifically ask the HR Officer for this information if you are new to the job/installation. Let the CPAC and NAF CPU know you expect responsive service, as well as advice and options if you are to be proactive. The NAF CPU is a key member of your staff and should be included in your management meetings.

★ SENIOR MANAGERS OF MWR STAFF ★

SUMMARY: No one expects senior MWR managers to become technical experts on civilian personnel rules and regulations. That is the job of the CPAC/NAF CPU. As a manager, you are expected to have a working knowledge of basic rules covering assignments, leave and attendance, job performance, and discipline. Your employment cycle responsibilities are outlined in the following ten-step model. Procedures, pay, and technical rules will vary according to the specific position and system. This model focuses on specific managerial responsibilities within MWR for both NAF and APF positions.

Personnel management is usually perceived as a vast barrier of rules and prohibitions. Rules and procedures are an attempt to define specific common expectations (benchmarks) for the employee-supervisor relationship. The "model" shown below emphasizes your direct responsibility for subordinate performance. The objective is to examine what you need to do to fully utilize your people resources.

MODEL OF EMPLOYMENT CYCLE RESPONSIBILITIES:

STEP 1 - Establishing Positions (Space Management).

- ❖ Verify funds and manpower spaces available (TDA, PRD, over hire approval).
- ❖ Draft job description changes if new duties cannot be combined with existing position(s).
- ❖ Consider the most efficient organization (MEO) and verify the need for support and supervisory positions.
- ❖ Consider total labor costs as well as utilization of existing positions, skills, and work schedules.
- ❖ As staff changes, consider the following:

- Are existing jobs scrutinized carefully for deletion of obsolete or low priority duties?
- Are vacancies reviewed for job sharing, shifting of higher duties to current staff, and or deletion and fill of the position at a lower grade?
- Are workload data routinely accumulated and checked to see if labor resources are applied to the high priority activities?

STEP 2 - Rules of the Workplace.

Understand the routine rules of the workplace in the following situations:

Scheduling staff, routine day-to-day personnel administration, and time and attendance reporting. Management must review many types of data when performing this step. Are work schedules validated frequently and compared to actual workload and client count? Do current labor budgets reflect actual labor costs, including shift differentials and premium pay? Do supervisors submit timely changes to reflect details and temporary assignments or change in duty assignments? Are work schedule changes posted in advance and are tours of duty properly recorded on Time and Attendance Records? Are employees being scheduled to the maximum benefit for providing services to customers?

All of the information above must be considered when orienting employees, developing staffing patterns, and preparing actual work schedules. This information provides the foundation from which managers determine the type of employees needed and their appointment category. It allows managers to schedule effectively and minimize labor costs while providing quality services to the customer.

STEP 3 - Hiring the Workforce.

Senior managers must review this process carefully to ensure the correct matching of "space" and person. Do labor resources reflect a good mix of employee categories and work schedules to include flex (intermittent) and part-time? Are controls in place to verify prudent use of funds and spaces? Does each vacancy have an approved job description and performance standards? Are work schedule and other unique job requirements reflected in the announcement?

A second area of concern for senior managers is how well managers are using the local placement system. Are managers familiar with local placement and interview policies and do they give appropriate consideration to each referral list? Are interviews planned and documented? Are background checks completed as required (especially for Child Development and Youth Services employees)? What feedback do you get from current employees about the hiring process?

STEP 4 - Orient and Train Staff.

Verify "what subjects" and "the extent of coverage" is included in the local HRO/ installation orientation. Determine what other information is covered in handbooks. Ensure that supervisors cover all additional information in their orientation. Ensure supervisors use job related data (SOPs, MOIs, LOIs and policies) along with job descriptions and standards, job books, and task lists when conducting orientation or on-the-job-training for new employees.

Orientation checklists will be used to ensure consistency. They should include specific employee responsibilities for internal controls, inventory management, and physical security. Emphasis should be placed on establishing work rules and attendance requirements. The local policies on attendance, tardiness, vacation schedules, lunch hours, breaks, personal emergencies, and sickness should be discussed in detail.

Supervisors should be required to establish employee records in accordance with local policy. This card or file should be used to record entry-on-duty training and orientation, chronicle specific day-to-day events or discussions, identify training needs, and document coaching/ counseling. Review of these records should be accomplished when senior managers visit the activity.

Ensure that training is provided to improve KSAs (knowledge, skills, or abilities) needed in their job or to prepare for new equipment, procedures, or operating systems. For current employees, training may be needed for back-up assignments or when job duties are changed/consolidated. Review training to ensure that it is not being used in lieu of discipline for problem behavior, conduct, or performance.

Ensure that formal training does not replace OJT or worksite supervision. Ensure training is monitored for need, completion, and post-course application at the worksite. Training completed must be documented properly via DD Form 1556. Encourage managers and employees to share training received and become worksite trainers with their newfound skills.

STEP 5 - Managing Performance.

All APF and regular NAF employees are under a formal evaluation system with written performance standards. Local policy may require Flex employees to have some evaluation system. Flex NF employees (or CC) are in a pay for performance system. A system should be in place to evaluate their performance. The forms, procedures, and completion dates will vary based on the pay system and grade of the employee.

Managers must have established specific operational goals and priorities which supervisors use to establish objectives and tasks. Employees are consulted on performance planning and development of standards. With these standards in place, coaching is based on clear, specific responsibilities, written standards, and direct observation/site visits.

STEP 6 - Performance Improvement and Recognition.

After appraisals are completed, supervisors initiate actions to reward, recognize, encourage, and/or improve employees. In addition to formal awards, supervisors should use creative and unique techniques to encourage improved performance and efficiency. These techniques can be as simple as identifying what the employee perceives as an appropriate award. Monitor awards and recognition in terms of fiscal and operational results.

Senior managers must ensure that "problem" employee performance/conduct receives timely corrective action. HRO assists management in preparing disciplinary actions and formulating Performance Improvement Plans. Following-up on marginal performance or other "problem" conduct cases must remain a high priority. Spot check the records kept by your supervisors and ensure there is a genuine intent to rehabilitate the employee.

STEP 7 - Staffing for Change.

Planning for future staffing/operational changes may require a variety of analytical and control steps. These include monitoring of program activity/customers and corresponding reduction in work schedules; freeze on hiring in marginal or targeted activities; staff details in anticipation of retirement or resignation; reassignment of "surplus" staff; and use of reduced work tours.

Management at all levels must initiate and follow-up on administration to support the required changes. Personnel actions must be timely and anticipate retirements, reassignments or changes in tours of duty. Hire procedures must be expedited for routine job "fills" using NAF modernization procedures. Position changes must be identified and documented on the TDA or PRD. These changes must reflect funding decisions and serve as a basis for reducing, increasing, or changing the workforce.

If reductions in APF staff are required, then formal RIF procedures must be initiated. Management must identify the specific positions to be abolished, changed, or consolidated. The rationale for changing or abolishing the job must be included on the personnel action or documented in the transmittal letter submitting the action to CPAC. The RIF procedure eliminates the job and triggers a formal displacement system to determine which employee is affected. Management must remember that the employee displaced by a RIF is often not the employee in the job position affected.

NAF staff reductions or "Business Based Actions" (BBA) are handled more directly by management and a lot less formally. Based on the position(s) selected for change, only that incumbent and incumbents in similar positions are affected. Under these procedures employees are ranked based on management developed criteria (which must consider at least service and performance ratings) and lower rated employees are selected for separation/ change in employment/adjustment in pay. Generally, no bumping is allowed and formal notice to employees is less extensive than under RIF procedures. Formal documentation and approval of

the Business Based Action is required at the Installation/Garrison Commander level. BBA speeds up the process, and reduces administration while ensuring an equitable reduction of the workforce to adjust the labor costs based on a change in business activity.

★ NAF PERSONNEL MODERNIZATION SYSTEM ★

SUMMARY: The NAF Personnel Modernization System provides MWR managers the flexibility to operate in a more businesslike manner. The intent is to provide management the ability to adjust the work force to meet operational changes in market-driven MWR programs. The basic provisions of NAF Modernization include simplified and streamlined procedures to establish positions, recruit employees, adjust pay based on performance, establish incentive systems, set hours and work schedules, and adjust the workforce based on business activity. The intent of the system is not to circumvent fair treatment of employees, and a number of safeguards have been included to prevent inequity.

GENERAL PROVISIONS OF THE NAF PERSONNEL MODERNIZATION

Qualification Requirements: Managers develop and incorporate qualification requirements based on standards and using only bona fide occupational qualifications in positions guides. Qualification requirements for childcare positions are included in the Care giving Personnel Pay Program Implementing Guidance and the Child and Youth Personnel Pay Program Guidance.

❖ Appointment Categories:

- Regular Full Time (RFT) (40 hrs/week)
- Regular Part Time (RPT) (20-39 hrs/week)
- Flexible employees can be scheduled or serve on an as needed basis with no upper limit on hours worked each week

Recruitment:

- ❖ Managers can be delegated direct recruitment authority for NF levels 1 to 3.
- ❖ Publication of vacancy announcements is a local determination (3 days minimum).
- ❖ EEO requirements must be met.
- ❖ **Selection priorities:**

- Spouse Employment Preference
- Involuntarily Separated Military
- Current and former employees
- Outside applicant - veteran
- Outside applicant - non-veteran

❖ Business Based Actions:

- Reduction in pay rate (pay band employees only)
- Reduction in pay level/grade
- Reduction in hours of work
- Change in employment category
- Furlough
- Separation

❖ Employee Incentive Programs:

- Traditional: Performance or special act awards as either pay adjustments or cash bonuses.
- Revenue sharing programs: Cash bonuses based on financial performance of revenue producing activities.
- Non-Traditional: Cash equivalents, such as TVs, VCRs, jewelry, etc., or "time off" with pay.

CLOSING COMMENTS:

Senior managers should review personnel actions to ensure fairness in the following:

Business Based Actions: As these actions may be grieved or appealed, you must ensure that business based actions, used to reduce labor costs, are legitimate and fully justified. The flexibility provided to activity managers under NAF Personnel Modernization could create the potential for a manager to use a business-based action to correct an employee performance or disciplinary problem.

Employee Incentive Programs: You should be involved in establishing incentive programs to ensure equity and prevent abuse, which could jeopardize the solvency of the fund. Of particular concern are profit sharing systems that you should establish only after clearly defining control and accountability procedures.

NAF PAY BANDING SYSTEM

SUMMARY: The NAF Pay Banding System is a pay for performance system that provides MWR managers the flexibility to operate in a more businesslike manner. The system establishes six pay bands with a wide range of salary options. These pay bands, loosely compared to the GS pay scale, are depicted on the chart at the end of this section. The NAF Pay Banding System is a business based personnel system which compensates employees on the basis of both individual performance and performance of the activity or program, rather than longevity.

GENERAL PROVISIONS OF NAF PAY BANDING

❖ Pay Band Changes:

- NF 1, 2 and beginning of NF3 change when DOD locality rates change.
- NF 3-5 change when GS pay rates change.
- NF 6 changes when SES rates change.

❖ Assignment of Positions to Pay Bands Based On:

- Position responsibilities.
- Degree of difficulty.
- Position qualification requirements.
- Characteristics developed for each pay band.

❖ Initial Pay Rate

- Established upon assignment, transfer, etc.
- Established by management based on business factors, recruitment market, etc.
- Negotiated between manager and employee.

❖ Pay Adjustments Determined by Manager

- Based on individual performance.
- Based on program/activity performance.
- Based on an incentive agreement.
- Minimum 5 percent increase for promotion.
- Pay can be increased or reduced based on business factors.

CLOSING COMMENTS:

Senior managers should be actively involved in the following:

Business Based Pay Adjustments: You should be involved in pay reduction decisions that result from reduced business activity. The General Officer Installation Commander is the final decision authority for those actions that have a negative impact on the workforce and may be subject to grievance procedures.

Pay Adjustments: Since managers are usually vested with the authority to grant pay increases for their employees, there is some potential for favoritism. There should be some review mechanism within DCA. You may want to annually review these pay adjustments to ensure equitability.

NAF PAY BANDS

General Schedule		Nonappropriated Fund (NF)			
1	16,451 - 20,575	}	NF1	\$12,840 - \$29,200	} Based on Locality
2	18,497 - 23,273		NF2	\$19,371 - \$38,070	
3	20,181 - 26,231		NF3	\$21,561 - \$51,500	
4	22,655 - 29,447				
5	25,347 - 32,952				
6	28,253 - 36,732				
7	31,397 - 40,818				
8	34,772 - 45,206				
9	38,406 - 49,924	}	NF4	\$30,500 - \$81,000	
10	42,294 - 54,986				
11	46,469 - 60,405				
12	55,694 - 72,400	}	NF5	\$55,500 - \$127,798	
13	66,229 - 86,095				
14	78,265 - 101,742				
15	92,060 - 119,682				
SES	125,972 - 138,200		NF6	\$93,000 - \$137,901	

Figure 3-2 NAF Pay Bands (2002)

CHAPTER 4
SUPPORT SERVICES

★ SUPPORT SERVICES ★

SUMMARY: Your Installation Morale, Welfare, and Recreation Fund (IMWRF) has a myriad of support services, which, at first glance, may appear a duplicate of APF services already provided. This, however, is true only in the respect that similar APF supported services are often provided on the installation. Usually, that is where the similarities end. Because of the flexibility provided within NAF, you will often find that NAF can do things "faster and cheaper." MWR, if operated using businesslike practices, must receive quick, inexpensive responses to everyday problems.

TYPES OF MWR SUPPORT SERVICES: We will review the following support services in detail.

- ❖ **Automation**
- ❖ **Central Accounting Offices**
- ❖ **NAF Civilian Personnel Offices**
- ❖ **NAF Major Construction**
- ❖ **NAF Minor Construction**
- ❖ **Maintenance and Repair**
- ❖ **NAF Contracting**
- ❖ **Financial Management Division**
- ❖ **Private Organizations**
- ❖ **Marketing**
- ❖ **Commercial Sponsorship**

★ MWR AUTOMATION SUPPORT ★

SUMMARY: The MWR Board of Directors (BOD) has approved, mandated use of, and funded support for eleven functional applications that would automate MWR activities on every Army installation. This initiative provides a fully integrated Management Information System (MIS) that allows installation MWR managers and senior leaders to make well-informed, timely decisions.

COMPONENTS OF THE MWR MIS:

The system consists of eleven applications that support specific core managerial functions. The components and their functions are:

Time Labor Management System (TLMS). Commercial-off-the-Shelf (COTS) workforce management system that electronically records time and attendance for all Nonappropriated Fund (NAF) employees and provides for employee work scheduling.

Financial Management Budget System (FMBS). NAF budgeting application that allows managers to use "what if" scenarios for decision making. It also includes NAF budget preparation and management modules.

RecTrac! COTS participation tracking; scheduling, facilities' management, and Point-of-Sales (POS) application for recreation programs, including a modest food and beverage module.

Foodtrack. COTS application that provides food and beverage operations with data management of resale inventory and menu costing, and sales and customer figures.

Golftrac! COTS participation tracking, scheduling, facilities' management and point-of-sales application designed specifically for golf program and course management, including a modest food and beverage module.

Catermate. COTS catering management application with the capability of scheduling special events, maintaining customer profiles, preparing mailing labels, and producing inventory reports.

Child and Youth Management System (CYMS). COTS automated management application that provides for Child Development Services (CDS) and Youth Services (YS) program management, including producing automated annual reports required by Congress.

Standard Management Information Reports for Finance (SMIRF). Provides financial analysis reports for MWR managers at all levels.

Standard NAF Automated Contracting System (SNACS). COTS application that provides the capability for paperless contracting and Internet based paperless procurements, with associated tracking and reporting features.

Integrated NAF Financial Operating Resources for Management (INFORM). An automated management application that provides reports on daily business activity in near real time (next day).

Army Lodging Property Management System (ALPMS). COTS lodging property management system that provides front desk and back office functions for Army lodging properties.

MIS REQUIREMENTS:

MWR MIS personnel, hardware and software requirements are:

Information Services Officer (ISO). The ISO is the installation-level MIS support technician. Each installation is responsible for hiring an ISO to support their MWR activities.

Hardware. The Army MWR Fund (AMWRF) funds the purchase and installation of computers,

cash drawers, receipt printers, bar code scanners, and communication modems for the MIS applications and systems.

Software. All software, including network operating systems and user licenses are centrally managed at CFSC and funded by the AMWRF.

Training. Users are trained at the time of installation with follow-on training provided as required through various methods, including on-site delivery, contractor support, and at the MWR Academy.

Support. Support is provided by three MIS Regional Support Teams; one each located in Korea, Germany, and at Aberdeen Proving Ground, MD. These teams provide user help-desk, training, implementation support, and technical assistance.

KEY GOALS FOR MWR AUTOMATION:

- ❖ The IM community is customer focused. Systems and technical architectures are applied to ensure interoperability and seamless integration.
- ❖ The IT acquisition process uses prototypes, demonstrations, and exercises to develop IT capabilities in full collaboration with end users.
- ❖ IT services and products are benchmarked to achieve “world-class” performance at the lowest possible cost.
- ❖ IM organizations continually improve their internal processes, such as software design and technology insertion.
- ❖ IM empowers its people and embodies the principles of a “learning organization.”

LEGAL/REGULATORY GUIDANCE APPLICABLE TO MWR AUTOMATION SUPPORT:

- ❖ Army Regulation 25-1, 15 February 2000, Army Information Management
- ❖ Public Law (P.L.) 04-106, The Clinger-Cohen Act of 1996
- ❖ P.L. 104-104, Telecommunication Act of 1996
- ❖ P.L. 104-13, Paperwork Reduction Act of 1980
- ❖ AR 215-1, NAF Instrumentalities (NAFI) and MWR Activities.

INDICATORS OF SUCCESS:

- ❖ Processes are benchmarked, eliminated, outsourced, consolidated, standardized and re-engineered in accordance with strategic plans before investing in IT.
- ❖ Mission analyses and assessments that apply business process re-engineering to identify better ways to accomplish tasks and meet performance targets.
- ❖ Investments in IT are measured with outcome-based performance measures that are tied to the business processes the IT investment supports.

- ❖ Operational architectures provide a uniform, systematic method to specify needs.
- ❖ Solutions integrate information and technology with improvements in doctrine, processes, organizations, and training.
- ❖ Individual systems and other IT acquisitions are managed in the context of investment portfolios and systems architectures.
- ❖ IT solutions seamlessly support garrison and deployed modes of operation, reducing training and infrastructure resources.
- ❖ The appropriate level of information security is applied, commensurate with risk.

QUESTIONS COMMANDERS SHOULD ASK:

Are the DCA/DPCA/MWR Activity managers using INFORM? If not, why?
 What level of support does the Director of IM provide to the MWR mission? Is this support adequate?
 What is being done to ensure all QOL/MWR activities are connected to the installation network?
 Does every MWR activity have and use the MWR MIS systems? If not, why?
 Is the MWR information infrastructure included in the Installation Master Plan? If not, why?

★ CENTRAL ACCOUNTING OFFICE (CAO) ★

SUMMARY: A Central Accounting Office (CAO) located at Red River Army Depot in Texarkana, Texas services each fund on the installation, except USMA, USAREUR, USARJ, and EUSA. The USAREUR and EUSA each have a single MACOM CAO located overseas. The USMA and USARJ have a CAO located on the installations. The CAO's primary responsibilities to the installation are to produce and pay bills for the installation IMWRF MWR NAFIs. The CAO uses the Nonappropriated Fund Information Standard Subsystem (NAFISS), an automated accounting package specifically tailored to NAF that produces all financial reports.

POLICIES AND PROCEDURES:

Generally Accepted Accounting Principles (GAAP). The NAF accounting system is designed around the GAAP adopted by such major accounting bodies as the American Institute of CPA.

The CAO - NAF Financial Services (NFS). The NFS at Red River establishes support agreements with the MACOMs and the installations for which it furnishes accounting services. The agreement is based on the number of transactions handled.

CAO RESPONSIBILITIES:

The most common CAO responsibilities are listed below:

- ❖ **Maintains all books.** The CAO prepares and maintains all journals, ledgers and subsidiary ledgers.
- ❖ **Maintains all NAF fixed asset records.**
- ❖ **Prepares all disbursement vouchers and checks.** After assuring availability of funds, the CAO prepares and signs checks to pay liabilities of all serviced funds.
- ❖ **Provides discount lost or late penalty list.** Provides each fund manager a list of disbursements in which a discount was lost or a penalty or late payment was made.
- ❖ **Prepares periodic financial reports.** Examples of reports provided are income statements, balance sheets, and monthly variance analysis reports.
- ❖ **Provides technical advice to managers.**
- ❖ **Reconciles bank accounts for serviced NAFIs.**
- ❖ **Maintains stock record cards.** As an additional service, if NAFI management determines it is feasible and cost effective, the CAO will maintain stock record cards.

FUNDING:

NAF Financial Services (NFS). The NFS Red River CAO will fee all NAF organizations serviced to cover their operating costs. Fees are prorated based on the number of transactions handled.

LEGAL AND REGULATORY GUIDANCE: DoD 7000.14-R.**★ NAF CIVILIAN PERSONNEL UNIT ★**

SUMMARY: AR 215-3, NAF Personnel Policies and Procedures, requires that a NAF personnel unit or staff be established on each installation to administer all NAF personnel requirements.

NAF CPU RESPONSIBILITIES: The NAF CPU will conduct the following in accordance with applicable regulations and policies:

- ❖ **Recruitment and placement.** When recruitment has been delegated to activity managers, NAF CPU will provide compliance review for selection preference.
- ❖ **Position classification.** Classifies Federal Wage System positions and performs compliance review for Fair Labor Standards Act (FLSA) exemption determinations for pay band positions.
- ❖ **Administers the performance evaluation system.**
- ❖ **Provides advice and guidance on personnel administration.** This advice includes the process of disciplinary actions, appeals, and grievances.

- ❖ **Provides information management** on established NAF personnel policies, including employee rights and benefits.
- ❖ **Documents training and development** of employees in supervisory responsibilities and skills.
- ❖ **Oversight of business based actions.**
- ❖ **Pay management.**
- ❖ **On the job injuries.** Ensures the proper reporting of on-the-job injuries.

REPORTS TO: Installation Civilian Personnel Advisory Center (CPAC) Officer.

FUNDING: NAF CPU must be funded with NAF. The operating expenses are shared on a pro rata basis by the IMWRF and each serviced NAFI outside the IMWRF, i.e. Billeting Fund, Chaplains Fund, etc. Installation commanders assess and control amounts to be paid by NAFIs for the total salary costs for NAF positions assigned to the NAF CPU.

LEGAL AND REGULATORY GUIDANCE: AR 215-3

★ NAF MAJOR CONSTRUCTION (NAFMC) ★

SUMMARY: The NAFMC program consists of all NAF MWR real property construction projects costing \$500K or more, whether centrally funded or funded by the installation. Facilities that must be funded through the NAFMC program are listed in Appendix A of this handbook.

DOCUMENTATION REQUIREMENTS:

Complete DD Form 1391. This electronic form produced by the DPW provides a full description of the project, cost estimates, Return on Investment (ROI), determination and certification of need, etc.

Project Validation Assessment (PVA). This in-depth assessment of a proposed project determines if the new facility is needed and can be locally supported, and is performed by a qualified, unbiased firm in the private sector. Since the FY96 NAFMC program, all PVAs are centrally funded.

ROI. ROI is an analysis of the facility's ability to generate revenue. MWR Category C facilities must meet certain financial self-sufficiency criteria. The result of the ROI is also important for MWR Category B activities however, since these programs can have a significant impact on the single fund if NAFs are used to support them.

Office of the Secretary of Defense (OSD) Additional Data Sheets. These documents, required by OSD, answer questions OSD or Congress may have on projects and are required for projects submitted in the annual Greenbook.

DoD Commissary Surcharge and NAFMC Project Installation Certification. This form, signed by both the MWR official (DPCA or equivalent) and the Installation Commander, states that they accept fiduciary responsibility for the project.

DoD Commissary Surcharge and NAFMC Project. This form requests additional data used by OSD to answer questions on the project cost, economic analysis (ROI), operational information, etc.

PLANNING PROCESS:

Following is a list of preliminary requirements that must be met at the installation, prior to submitting the request to DA.

Recognized need. Before a project can be considered for the NAFMC program, the installation must first identify the need for the project through the triennial needs assessment. The need must be documented through survey results, etc.

Site Plan. Once the need has been verified, the DPW Master Planner determines a site location. This determination is made only after determining the requirements based on market survey results and meetings with the DCA and activity manager.

DD Form 1391. Created in the DD1391 Processor, by the DPW and electronically submitted to the MACOM and CFSC, the DD1391 is the formal programming document that is forwarded through channels to OSD and Congress. The project number is established automatically when the form is created in the Processor.

Five-Year Plan. The construction project must be included in the MWR Five-Year Plan and the Installation Long-Range Plan.

CHANNELS FOR REVIEW AND APPROVAL: The NAFMC project goes through many levels of review at the installation, MACOM, DA, OSD, and Congress before approval. Though the process may vary slightly depending on the installation or MACOM, it will be quite similar to the following:

INSTALLATION:

- ❖ **Activity Manager.** Begins the process by preparing preliminary documentation listed above.
- ❖ **DCA.** Reviews and approves documentation prior to forwarding to DPW for site plan and DD1391.
- ❖ **DPW.** Develops tentative site plan and prepares preliminary DD1391 to obtain project number.
- ❖ **Installation Planning Board (IPB).** Reviews the preliminary documentation prior to submitting project to MACOM. This step ensures that all participants on the installation are aware of the project plans as well as ensures that the project becomes a part of the

installation master plan.

MACOM:

❖ **DCSPER.** The MACOM forwards the project to CFSC in its consolidated five-year plan. A MACOM representative follows the project through each step of the process from this point.

DA:

❖ **CFSC.** Reviews the DD1391 for adequacy of documentation, ensuring that all supporting documents are complete, i.e., signatures are included, etc., and orchestrates the Capital Investment Review Board (CIRB).

❖ **CIRB.** Prioritizes projects eliminating weak, unnecessary or unsupported projects prior to the MWR Board of Directors (BOD) review.

❖ **BOD.** The BOD reviews the prioritized list and recommended funding level, and approves the final list prior to submission to OSD.

❖ **Office of the Assistant Chief of Staff for Installation Management (OACSIM).** The OACSIM, in coordination with the Army Corps of Engineers, consolidates the NAF construction programs and creates the Greenbook and forwards it to ASA (I&E).

❖ **Assistant Secretary of the Army (Installations & Environment).** Conducts the final Army review and approval prior to Greenbook submission.

OSD/Congress: OSD reviews all Services' NAF construction programs, and consolidates them into one report forwarded to Congress.

Congress: House and Senate MWR Panels. OSD briefs projects to these panels; CFSC may be asked to assist. Decisions/releases are made at a later date. When released, OSD will notify the construction directorate to prepare for award. If additional data is required for projects prior to release, CFSC will obtain information through the MACOM.

FUNDING:

AMWRF. The NAFMC program is centrally funded at the Army level. Since funding is limited, installations compete for funding based on the viability of the projects requested.

Locally funded. If the installation has excess funds to construct a NAFMC project, local funds may be used; however, the established approval process must be followed.

LEGAL AND REGULATORY GUIDANCE: AR 215-1, Chapter 10; Appendix E

When considering construction projects, the following should be kept in mind.

- ❖ **No additional APF is available.** In this period of restricted resources, it is quite doubtful that installations will receive additional APF funding to operate MWR Category B programs, even after facilities are constructed.
- ❖ **Consolidate programs.** Projects that consolidate programs and reduce operating costs usually receive favorable consideration for funding.
- ❖ **Generate NAFs.** Projects that provide NAF resources to support other non-revenue-generating programs receive favorable consideration.
- ❖ **Customer Demand.** Documentation should clearly demonstrate that there is a high customer demand, and that the soldier wants the programs that the facility will house.

★ NAF MINOR CONSTRUCTION ★

SUMMARY: NAF Minor Construction follows two different procedures depending on the cost of the project. Projects costing less than \$200K are funded by the installation, reported on the Capital Purchase and Minor Construction (CPMC) Budget, and require no approvals higher than the MACOM. A NAF MWR real property construction project costing from \$200K - \$500K is approved by the MACOM. The following information pertains to the latter.

DOCUMENTATION REQUIREMENTS:

DD1391. This electronic form produced by DPW provides the cost estimate and a full description of the project. Normally, only the "front-page" DD1391 is prepared. ("Front -page" includes Sections 1-4. Completion of the remainder of the form is optional.)

Reporting Requirement: MACOM has approval authority for CPMC projects \$200K - \$500K. A copy of the approved DD Form 1391 will be provided to USACFSC, ATTN: CFSC-CO to be included in the annual report to Congress.

★ MAINTENANCE AND REPAIR ★

SUMMARY: Maintenance and Repair (M&R) of MWR activities is a subject that can be discussed extensively without resulting in consensus. See regulatory requirements from AR 215-1.

POLICIES:

Coordinated with DEH/DPW. All operation, M&R, and construction of real property facilities used to support MWR activities are to be fully coordinated with the servicing DEH/DPW.

NAFs may be used under certain circumstances (see AR 215-1, Appendix D or Appendix D). Normally, NAFs will not be used for MWR facility M&R. Installation Commanders can make exceptions when APF are not available and failure to accomplish the work would preclude operation of MWR programs at minimally acceptable standards.

FUNDING:

APF is authorized to fund routine grounds maintenance and M&R work required to:

- ❖ **Prevent or correct all life-safety deficiencies** for all MWR activities.
- ❖ **Ensure structural and operational integrity** of the building components (such as roofing, foundations, ceilings, floors, walls, windows, doors, etc.) and installed building equipment and systems (such as plumbing, heating, ventilating, cooling, air conditioning, electrical, fire protection, and security, etc.) for all MWR activities.
- ❖ **Preserve the exterior of a facility.** (Note: Routine grounds maintenance is not authorized for golf courses.)
- ❖ **All other work required to maintain or repair building components** for all MWR activities, except MWR Category C.

NAFs are authorized:

- ❖ **For redecoration or renovation** to enhance the facility and make it more "user friendly."
- ❖ **When APFs are not available and a statement signed** by the Installation Commander is provided.
- ❖ **M&R Projects.** NAFs may be used for M&R projects when the Installation Commander has certified that APFs are not available (see AR 420-10 and AR 215-1).

★ NAF CONTRACTING ★

SUMMARY: NAF contracting, governed by AR 215-4, is designed to provide the user with a great deal of flexibility, as well as fast turn around time on all purchases. It is important that this vital area of the NAF system works properly. For a manager to operate a program using recognized business practices, a quick, easy system must be used. The NAF system has been designed with fast-turnaround time in mind.

SENIOR MANAGER RESPONSIBILITIES:

Installation Commanders or their designees are responsible for the following:

Management and oversight. Management and oversight of NAF contracting acquisitions.

Warrants. Appointment of NAF contracting officers and issuance of warrants.

Separation of functions. Ensuring separation of functions and avoidance of conflicts of interest in the acquisition process.

Purchase approvals. Approval of purchases at certain dollar thresholds and for some commodities or services.

Compliance with applicable laws. Ensures that acquisition personnel comply with applicable laws, executive orders, regulations, statutes, and other related policies and procedures.

Irregular procurement Ratifications. Determines whether unauthorized procurements can be ratified.

SMALL PURCHASE PROCEDURES

In an effort to simplify and reduce the costs of the procurement process, the following new procedures have been adopted.

Different rules than the Federal Acquisition Regulation (FAR). NAF rules are designed to be more flexible and responsive than the FAR.

NAF Credit Purchase Card. Use of the NAF credit card is mandatory for small purchases.

Blanket Purchase Agreements (BPA). The BPA is a simplified method of filling repetitive needs by establishing "charge accounts" with established vendors.

Prime Vendor contractConsolidated contracts. This worldwideContracts administered by the Army CFSC NAF Contracting Office is are not mandatory, but available for installation use, . and has proven toThey reduce the overall costs of items, such as food and beverages, cost of goods sold items in most casesand bed and bath linens.

Smart Buy Program. The Army Purchase Review Board designated seven items for Army-wide mandatory purchase, i.e. bowling pins, rental bowling shoes, house bowling balls, etc. This program has significantly reduced the individual costs of these commonly purchased items.Automated Procurement System. The NAF contracting community is making use of an automated system called PRISM Web to initiate purchase requests, award orders and contracts, and to close out files.

REPORT TO: The NAF Contracting Office generally reports to the Services Division; however, many installations use some flexibility in locating the office in other areas. When relocating NAF Contracting, there must be no conflict of interest as a result of the move.

WARRANTS: Dollar limitations for NAF contracting officer appointments will not exceed the following amounts except as listed below:

- ❖ Supplies, services, entertainment, and construction are not to exceed \$5K (with NAF Basic Contracting Course), \$25K (with NAF Basic and Advanced Contracting Course) or \$100K (with \$100K warrant training).
- ❖ Resale is not to exceed \$25K (with NAF Basic Contracting Course), and \$50K (with NAF Basic and Advanced Contracting Course).
- ❖ Delivery orders against competitively awarded contracts and agreements are unlimited or as set forth in the agreement.

TRAINING.

In addition to the NAF Basic Contracting Course and the NAF Advanced Contracting Course, CFS Training Center/MWR Training Academy provides, at no cost to the installation, five advanced courses enabling your contracting personnel to obtain a \$100K warrant. Those courses are:

- ❖ Government Contract Administration
- ❖ Government Contract Law
- ❖ Government Contract Negotiations
- ❖ Government Cost and Price Analysis
- ❖ Government Construction Contracting

The MWR Academy also offers intermediate and advanced courses for contract personnel working toward warrants greater than \$100K.

PROHIBITIONS:

Split buys. NAF activities are prohibited from splitting purchases in order to retain small purchase procedures.

NAF purchases for APF. NAF procurement may not be used to purchase items that are designated APF purchases unless the DRM or his designee signs a statement of non-availability. The MWR USA program is the exception to this regulation.

FUNDING OF NAF CONTRACTING POSITIONS: Funded with NAF. APF funds are authorized to support this service only through technical advice and assistance from APF Contracting.

LEGAL AND REGULATORY GUIDANCE: AR 215-4

★ FINANCIAL MANAGEMENT DIVISION (FMD) ★

SUMMARY: The Financial Management Division (FMD) is not an accounting office and was not designed to perform as one. This division was established primarily to serve as an advisor on financial matters to the commander, senior MWR leadership and activity managers.

RESPONSIBILITIES: The primary responsibilities of the FMD are listed below:

- ❖ **Principal staff advisor for the broad spectrum of financial management.**
- ❖ **Fund Management.** Assists with fund management duties or serves as fund manager.
- ❖ **Develops plans and policies for the effective use of resources.**
- ❖ **Serves as liaison with the Central Accounting Office.**

Budget documents. Administers and coordinates the Annual Operating Budget (AOB), Capital Purchase, Minor Construction (CPMC) and IMWRF cash budgets, the Appropriated Fund Support Budget (AFSB) and MWR input to the Command Operating Budget (COB).

- ❖ **Monitors budget execution.** Conducts necessary reviews and trend analysis (Both APF and NAF).
- ❖ **Manpower.** Monitors the APF and NAF manpower program for all MWR activities.
- ❖ **Internal Controls.** Administers the internal control program for the IMWRF.
- ❖ **Certifies the availability of funds for all NAF purchase requests.**
- ❖ **Cash management.** Conducts necessary reviews to ensure that cash flow meets the liability requirements of the fund.
- ❖ **Private organizations.** Exercises staff surveillance and overview for the installation's private organizations. Details of private organizations are identified in the next section of this handbook, beginning on page 7-33.

REPORTS TO: The FMD should report directly to the DPCA or DCA. Commanders sometimes consolidate the FMD duties with other divisions, however, it is important to ensure that personnel assuming the responsibilities are well qualified and able to deal with the many technical requirements of the job.

FUNDING: The FMD is primarily to be funded with APF. Also, all direct administrative support to this position is authorized APF funding.

★ PRIVATE ORGANIZATIONS (POs) ★

SUMMARY: The commander must approve POs for operation on the installation. Those approved must satisfy a number of requirements, and revalidation to continue operation occurs at least every two years. Commanders are advised to monitor activities and government-employee relations with organizations carefully for compliance with DoDI 1000.15, POs on DoD Installations; DoD 5500.7-R, Joint Ethics Regulation; and AR 210-22, Private Organizations on Army Installations. Seeking JAG advice when questions arise is prudent.

TYPES OF POs:

POs are one of two types:

Special Status POs. Special status indicates there is a specific federal statute or DoD policy or directive that authorizes certain types of support to these organizations under appropriate circumstances. There are three types of Special Status Organizations, including:

- ❖ National Military Associations such as AUSA, NCOA, ROA, and others approved by the Assistant Secretary of Defense, as allowed in 10 USC, section 2548.
- ❖ Federally Sanctioned POs, which are covered by separate regulations, such as:

- Army Emergency Relief (AR 930-4)
- Credit Unions (AR 210-135)
- Banking Institutions (AR 210-135)
- American National Red Cross (AR 930-5)
- United Service Organizations (AR 930-1)
- Labor Organizations (Section 71, Title 5 USC)

- ❖ Boy/Girl Scouts of America

- Overseas support (10 USC, Section 2606 and DoDI 1015.9)
- World and National Boy Scout Jamboree Support (10 USC, Section 2544)
- International Transportation for Girl Scout Events (10 USC, Section 2545)

All other POs include local chapters or affiliates of national or state organizations, such as various fraternal, professional, and personal interest organizations; and independent local organizations established by common interest groups, (such as various spouses clubs, ski clubs, craft clubs, etc.).

RELATIONS WITH POs MUST ENSURE THAT THERE IS NO:

Transfer of NAFs and other assets, directly or indirectly, to POs unless there is legislative authority.

Implied or actual endorsement of organizations by virtue of their contribution to the military community or installation, their promotion or support of Army goals and objectives, or any other reason.

In official capacities, Army employees must be neutral in dealing with POs to avoid even the appearance of favoritism.

Neither soldiers nor civilian employees will be assigned to work for POs as an official duty.

REQUIREMENTS:

Make Application. To operate on the installation as a PO, the organization must first make application to the commander for an operating permit. The application must include:

- ❖ A copy of the charter, constitution, bylaws, etc.
- ❖ A definition of membership eligibility.
- ❖ A statement of the PO's nature, functions, and activities.
- ❖ All management functions and who is responsible.
- ❖ A statement of liability.

Follow laws. The PO must follow all state, federal, and local laws concerning labor, taxes, etc., as well as licensing and certification requirements.

Insurance. Maintain insurance protection against claims.

Audits. Have its books audited at least once every two years and provide a copy of the audit, as well as an annual financial statement to the installation.

Meeting minutes. Provide a copy of the minutes or summaries of its meetings.

Revalidation. Apply for revalidation every two years.

SOURCES OF FUNDS:

- ❖ **Competition.** POs may not compete with APF and NAF activities.
- ❖ **Self-sufficiency.** POs must be self-sufficient through dues, contributions, service charges, or special assessments of its members.
- ❖ **Fundraising.** The Joint Ethics Regulation governs fundraising on the installation. Requests for support and fundraising opportunities receive legal review.
- ❖ **Use of proceeds.** Proceeds may not accrue to individual members, except as wages or award recognition. How funds are spent is an organization's decision and is not to be influenced by government officials.

AUTHORIZED SUPPORT:

There shall be no financial assistance to POs provided by a NAFI, either in the form of money, assets, or services.

Occasional, incidental use of space, including utilities, in-place equipment, etc. is authorized.

Support may not detract from the mission.

Support must be equitably provided.

Support may not be for the purpose of fundraising or membership drives.

An internal control system should be in place that scrutinizes Pos' applications for operational permits and which monitors POs' compliance with regulatory requirements for audits, insurance protection, revalidation, etc. Additionally, a system should be in place to ensure approval of fundraising events. POs support should be scrutinized judiciously to ensure statutory compliance and preclude the perception of special treatment or impropriety.

★ MARKETING ★

SUMMARY: In the market-driven environment of MWR, marketing continues to play an increasingly influential role in the delivery of MWR programs and services. Your Marketing Branch, initially a part of Services Division, but more often reporting directly to the DPCA, is a key support service to the success of the operation. Marketing's primary focus should be on market analysis, but other important functions of marketing also include research, promotion and advertising, public relations, event management, and managing commercial sponsorship (discussed in the next section).

SERVICES PROVIDED BY MARKETING:

An answer to the question, "Why do we market?" To raise awareness of, promote and enhance programs and offerings to our target customers, resulting in maximized usage, customer satisfaction and profitability. Your Marketing Department IS your link to your customers – they provide the communication between your program managers and their customers and work to create mutual value between the two.

An answer to the question, "Who is the Customer?" Marketing determines your target market population through marketing intelligence. This is accomplished using secondary research including spotting demographic, economic and lifestyle trends as well using primary research to include installation-specific surveys and assessments.

An understanding of what the customer wants and needs. Marketing gathers intelligence on the target market population makeup, as described above, and uses further primary and secondary research to identify the programs and services that most appeal to the identified population.

Determination of products, programs, services and channel delivery. Their analysis identifies the products, programs and services that should be offered, the prices they should be offered at, and the channels through which they should be delivered.

An evaluation of the success or failure of a program. Marketing will define program goals in conjunction with program managers and will measure success or failure through attendance, customer satisfaction and financial performance.

Planning. Marketing is an integral part of the MWR Strategic Business Planning process. The Marketing Branch is responsible for analyzing customer markets as well as competitive and external environmental analyses.

Research. The Army conducts the Sample Survey of Military Personnel and the Survey of Army Families and the U.S. Army Community and Family Support Center conducts the triennial Leisure Needs Survey on a regular basis. In addition to these, installation-specific customer satisfaction studies and customized research are conducted as appropriate. These research efforts are designed to aid Army policy makers in developing plans, assessing policies and evaluating program operations and outcomes as well as assisting future program planning and implementation. Gathering information from actual users and potential users gives decision makers the tools to provide the programs and services your target markets really desire. Your Marketing Branch can interpret the research to recommend programmatic changes and improvements.

WHAT TO LOOK FOR:

For Marketing to operate effectively, it should be staffed with professionally educated and trained marketers. An effective Marketing Office should focus on assisting in program development as well as delivery. Making flyers, posters and brochures is a very small part of the overall marketing effort. Marketing and managers should work closely together to develop programs that soldiers and families want and will use.

★ COMMERCIAL SPONSORSHIP ★

PURPOSE: To partner with Corporate America to generate revenue for Army MWR while providing a return on investment for the sponsors.

DESCRIPTION:

Commercial Sponsorship. The exchange of value (cash, products or services) for promotional opportunities within the Army community. It is not a gift or donation.

Eligible Programs. Commercial sponsorship is only authorized for MWR programs and events, including (by exception from Do) the Army Family Team Building (AFTB) and Army Family Action Plan (AFAP) programs. Unauthorized programs include unit activities, private organizations, and family readiness groups.

A Corporate Advertising Tool. Corporations use sponsorship as an advertising or marketing tool to achieve a specific business objective. Many corporations want to increase their product sales and establish brand loyalty. Sponsorship fees are paid with funds from the corporation's advertising budget, not the corporate donation funds. Sponsorship is the fastest growing form of advertising because it builds a link in the consumer's mind between an experience/event and a product.

Corporate Benefits. Corporate sponsors receive a wide-range of benefits, such as event signage, opportunities for retail tie-ins at AAFES and DeCA, product sampling, on-site displays, verbal recognition, VIP hospitality, and media mentions or tie-ins.

Types of Sponsorship.

❖ **Solicited** – The installation sponsorship representative creates a sponsorship proposal and sends it to corporations. Typically the same proposal is sent to two or three companies with similar products. If more than one corporation responds, then the sponsorship representative evaluates which package is most beneficial and makes the final selection. Solicitation of alcoholic beverage or tobacco companies is not authorized.

❖ **Unsolicited** – Unsolicited sponsorship means that the corporation initiates an offer. Once an offer is received, the installation's sponsorship representative evaluates the offer and then either accepts or declines the offer. Offers from alcoholic beverage or tobacco companies may be considered for acceptance or declination only if unsolicited.

Legal Review. All sponsorship agreements must be in writing and receive legal review.

Designated Sponsorship Manager. The sponsorship representative(s) is designated in writing by the Director of Community Activities or an individual higher in the chain of command. The sponsorship representative is responsible for all installation sponsorship actions and should receive annual professional development training.

FUNDING: NAF. Commercial sponsorship is a revenue-generating program that helps offset authorized nonappropriated fund expenses in Category A, B, and C activities.

REGULATORY GUIDANCE:

- ❖ DoDI 1015.10, Encl. 9
- ❖ AR 215-1
- ❖ Army Sponsorship Desk Reference

INDICATORS OF PROGRAM SUCCESS:

Increase in cash generated by the commercial sponsorship program. Products and services are also valuable if they directly offset budgets or significantly enhance the program or event.

Active/on-going solicitation of commercial sponsorship for MWR events and programs, AFTB, and AFAP.

PROGRAM DIRECTION AND TRENDS:

Military Is a Viable Market. Commercial sponsorship will remain a valuable MWR program while Corporate America feels the military community (active-duty, family members, reservists, National Guard, and retirees) is a viable target market.

Packaging Installation Events and Programs for national and regional sponsors is the future of sponsorship. National corporations prefer "one stop shopping" – the ability to negotiate with one Point of Contact (POC) and sign one written agreement while numerous installations execute the negotiated benefits. The Army is expanding their "one stop shopping" opportunities. Grouping similar installation events, such as fun runs, Fourth of July festivals, and children's events, allows small installations to "piggyback" their event(s) with large installations and increase the appeal of the total sponsorship package.

Installation Focus. Installations are encouraged to group events to create larger, more comprehensive sponsorship opportunities. To increase return on investment, sponsorship representatives should also try to focus on 5 – 10 large events or sponsorship packages annually instead of trying to sell 100+ individual opportunities.

CHAPTER 5
BUSINESS PROGRAMS

★ BUSINESS PROGRAMS ★

PHILOSOPHY: Individual soldiers and soldier families are entitled to and deserving of a quality of life equal to that of their fellow Americans, whom they are pledged and dedicated to defend. The Congress recognizes the taxpayer should pay for some soldier quality-of-life support, but insists MWR business programs operated by the Department of Defense (DoD) Armed Services be basically self-sustaining. Congress recognizes the financial difficulty in operating business activities in remote and isolated sites and allows limited support from taxpayer dollars (APF). Consistent with the views of Congress, both the DoD and Department of the Army (DA) have issued policy that allows for the establishment and continued operation of these business programs provided they are demand driven and financially self-sufficient. Additionally, programs such as bowling and golf are operated to generate revenues in excess of their program funding requirements, as a means of funding other installation MWR programs.

MISSION: The MWR mission is to provide soldiers, soldier families, and other authorized patrons business programs that respond to validated needs for food, beverage, hospitality, social and recreation products, and services. These business programs will generate, when necessary, additional revenues to support other soldier and family MWR programs.

GOALS AND OBJECTIVES: The primary goals and objectives are to provide programs responsive to validated needs; generate sufficient program earnings to fund program operating requirements and short- and long-range program reinvestment requirements. When established as a financial objective of the Local Installation MWR Fund (IMWRF), programs should generate additional revenues to support other installation MWR programs.

Quality programs and offerings are to be provided in clean, well-maintained facilities that are tastefully decorated, and upgraded or replaced when necessary. Facilities, equipment, and furnishings should be orderly, clean, and well maintained. Products and services should be affordable and competitively priced in relation to the private sector. Service should be professional, responsive, and courteous.

All MWR Business Programs are researched, planned, and operated as commercial businesses. Certain restrictions are imposed on procurement, patronage, and competition with the private sector. These restrictions are requisite since MWR business is a Government function. Products and services should be affordable and competitively priced in relation to the private sector. Service should be professional, responsive, and courteous.

★ BOWLING PROGRAM ★

PURPOSE: To provide bowling and related recreational activities to the military community and serve as a revenue generator for the IMWRF.

DESCRIPTION:

❖ **Self-sustaining.** The Army bowling program is primarily a self-sustaining business program that provides quality products at reasonable value.

➤ **Pricing policy.** Army bowling centers operate much like their civilian counterparts. There are usually minimal differences in the charges for league and open bowling, with the price for league bowling costing somewhat less than open bowling.

➤ **Additional fees.** Fees are charged for shoe rental and locker storage.

➤ **Professional services.** Most bowling centers offer professional services such as ball drilling and fitting. Many have pro shops that stock a wide range of bowling balls and shoes, and wearing apparel.

➤ **Food and beverage service.** Virtually all centers offer some type of food and beverage service, most frequently in the form of a snack bar rather than full service dining. New construction should have a Strike Zone theme concept or a name-brand fast food operation.

❖ **Operated for soldiers/families.** Bowling centers are operated primarily for the benefit of soldiers and their families. Members of the reserves, retired military, and the civilian workforce are also authorized to use Army bowling centers. In all cases, active duty soldiers have priority use.

FUNDING:

Bowling Centers with more than 12 lanes are MWR Category C business activities and are supported by patron fees. Bowling Centers with 12 lanes or less are MWR Category B activities and are primarily supported by patron fees with limited authorized APF support.

LEGAL/REGULATORY GUIDANCE: General program guidance is in AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

❖ Net Income Before Depreciation (NIBD) is equal to or greater than the current MWR Board of Directors (BOD) standard. The BOD standard started at 15% in FY00 and will increase 1% per year until it reaches 21%.

❖ An established fee structure that meets program financial goals exists. Minimum fees for bowling should be no less than 80% of what is charged in the civilian community.

❖ The American Bowling Congress (ABC) certifies lanes annually.

- ❖ Benchmarks published annually by CFSC are used as performance targets. These benchmarks are based on Army results and industry standards.
- ❖ A suitable mix between league and open bowling use is maintained.
- ❖ Published schedules for maintaining bowling lanes and pinsetting equipment are followed.
- ❖ Promotional programs that target all segments of league and open play exist.

PROGRAM DIRECTION AND TRENDS:

- ❖ **Popular sport.** Bowling is one of the most popular organized sporting activities in the world with over 50M bowlers. It is the number one participant sport in the U.S. In the Army, 30% of the population bowls compared to 32% in the civilian sector. Bowling is the 7th most popular leisure activity among civilians and the 3rd most popular with soldiers.
- ❖ **Opportunity for increased revenue.** The opportunity for increased revenue lies in the form of open rather than league bowling. League bowling was once the mainstay of the sport; however, due to changes in family lifestyles open bowling has become the activity of choice for the majority of the population. Glow bowling is increasingly popular and approximately one-half of all Army centers offer some type of glow bowling.
- ❖ **Underutilization and peak usage.** Most Army bowling centers are underutilized during the weekday. However, the demand for lanes during evenings and weekends is usually heavy, and most of the centers cannot meet that demand.
- ❖ **Essential to maximize income.** Due to the anticipated decline in both APF and NAF funding in the upcoming years, it is essential that the Army maximize its income. The bowling program is one of the few programs capable of producing revenue in excess of its program needs. Installations rely heavily on income from bowling to support other MWR programs.
- ❖ **Facilities.** For the most part, Army bowling centers are equal to or better than those in the civilian market. To maintain quality centers, facilities and equipment are evaluated for upgrades and/or replacement. Where warranted, outdated and aging centers are being replaced with larger multi-use family entertainment complexes.
- ❖ **Bowling initiatives.** As a result of the strategic planning process for bowling, the following initiatives are being undertaken:

- **User fees.** Management is encouraged to adjust user fees to be within 80% of civilian market fees.
- **Bowling manager certification program.** The Army is working in conjunction with the other services to establish a professional bowling manager certification program. The focus of this program will be to improve managers' business knowledge and management skills, enhance teaching and coaching abilities, develop personal growth, and heighten the bowling customer perception of industry.
- **Interface between RecTrac! and AMF and Brunswick scoring systems.** An interface between RecTrac! and the two most popular scoring systems, AMF and Brunswick, was developed in FY99. As both AMF and Brunswick develop new scoring and Point-of-Sale (POS) systems, interfaces between those systems and RecTrac become

necessary. Interface development will enable RecTrac! to capture the operational data from AMF and Brunswick.

➤**Evaluation of AMF/Brunswick POS systems.** Both the AMF and Brunswick POS systems are being evaluated to determine if they can meet the Army's data collection needs, while providing the activity with necessary management information. A successful evaluation will allow the bowling center to operate with one POS system. The evaluation is to be completed by the end of FY02.

★ CLUBS ★

PURPOSE: To provide food, beverage, and entertainment programs for soldiers, families, and guests, based upon market demand.

DESCRIPTION:

❖**Services.** Army clubs (including Officer, NCO, Enlisted, Community Clubs, and food, beverage and entertainment facilities) offer all or a portion of the services shown below for service members, their families, and their guests:

❖**Breakfast, lunch, and dinner service.** These services may be delivered in a number of different ways depending on the market needs. Both breakfast and lunch are usually provided via an a la carte or buffet service. Evening dinner services range from buffet and casual dining (the most popular) to specialty nights such as steak night, ethnic, and family buffets. Other special programs may include Sunday brunch, holiday specials, and community events.

❖**Entertainment.** Entertainment is provided as part of the club program and in support of special events. The types and variety of entertainment are determined by the patronage of the facility and vary considerably for specific market segments. Examples of entertainment programming include contests, dances, bingo, bands, disc jockeys, karaoke, live stage shows, and community events.

❖**Special Services.** Special services provided for service members, families, and guests can include catering services, reciprocal privileges, concessionaire retail sales, recreation and amusement machines, equipment rental, charge privileges, check cashing, and foreign currency exchange (OCONUS).

❖**Social lounges and beverage services.** These services are provided in support of entertainment and dining activities. The types of beverage services and social lounges range from small pubs and quiet lounges to high-energy nightclubs and sports lounge facilities.

❖**Banquet and catering services.** The services provided range from simple, stand-up cocktail parties to full-course banquets with entertainment and dancing. The number of people attending varies according to the type of event from 20 - 400, or more for outdoor community special events. Supporting facilities are also used to provide conference and meeting space and conference support services.

❖**Theme Concept Restaurants.** These new trend facilities respond to and focus on specific market segments, providing quality products and services that meet demand. The focus on demand-driven programs supports community needs, eliminates unneeded services, and is

financially responsible. Theme concept restaurants retain soldier dollars that would otherwise go to off-post establishments.

❖ **FUNDING:** Army Clubs are a MWR Category C activity.

At remote and isolated locations and overseas, APF support is authorized at the same level as MWR Category B programs.

LEGAL/REGULATORY GUIDANCE: DoDI 1015.1 NAFs and Morale, Welfare, and Recreation Programs and specific Army program guidance in AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Meet mission box standards of NIBD equal to or greater than 8% (mandatory after FY01). The MACOM Commander must report clubs that do not have a positive NIBD to the MWR BOD.
- ❖ Meet food and beverage benchmarks for NIBD, to include cost of goods for food and bar, labor, and other operating expenses.
- ❖ Meet market demands by providing programs that satisfy customer needs (as assessed by customer comment cards and surveys).
- ❖ Provide quality food products and services at competitive prices.
- ❖ Use of the CFSC prime vendor contract to ensure procurement of quality products.
- ❖ Provide services equivalent to high-quality hospitality industry standards.
- ❖ Develop and implement a formal business plan that clearly outlines the goals and objectives for the facility.

PROGRAM DIRECTION AND TRENDS:

- ❖ Use of food and beverage assessment reports to quantify market demand based on entire installation food, beverage, and entertainment offerings. Establishment of effective MWR food programs that satisfy the overall installation needs and eliminate detrimental internal competition.
- ❖ Use of customer needs assessment data in decisions concerning the conversion of membership clubs that are not meeting customer needs and/or minimum financial goals to more viable alternatives (to include centralized installation catering facilities, stand-alone casual and family dining facilities serving all market segments, high-energy entertainment facilities, e.g., sports bars or nightclubs, or theme concept restaurants that operate specialty food and beverage services). These activities may be operated internally or by concessionaire.
- ❖ Use of commercial credit cards to eliminate costly in-house charges.

★ GOLF PROGRAM ★

PURPOSE: To provide golf and golf-related recreational activities to the military community and produce revenue for the IMWRF.

DESCRIPTION: The golf program is a self-sustaining business that provides a quality product at reasonable value to soldiers and family members. The program is operated primarily for the benefit of soldiers and their families. Reserves, retired military, and the civilian workforce are also authorized to use Army golf courses. In all cases, active duty soldiers have priority of play.

Golf courses are operated much like municipal courses and have a varied fee structure that includes daily, weekend, holiday, and annual fees. Fees are often structured on a graduated basis, based on grade. Additional fees are charged for golf car rental, golf lessons, custom club fitting, rental clubs, locker storage, handicap fees, and maintenance fees for annual fee players. Virtually all courses provide some type of food and beverage service, most frequently in the form of a snack bar rather than full service dining. A theme concept restaurant (e.g., Mulligan's) or a name-brand fast food operation should be part of new clubhouse construction.

FUNDING: Golf is a MSR Category C business activity and is supported exclusively by the fees and charges paid by the participants. At isolated installations and in overseas locations, golf courses are authorized limited APF support.

LEGAL/REGULATORY GUIDANCE: General program guidance is in AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Meets Army golf benchmarks for rounds played and revenue/expense NIBD per round for respective region.
- ❖ The NIBD is equal to or greater than 15% of the total revenue for FY00 and increasing 1% annually for subsequent five years.
- ❖ Established fee structures meet program financial goals.
- ❖ Published patronage policy guarantees active-duty priority of play.
- ❖ A Suitable mix exists between open and tournament play.
- ❖ Published course maintenance standards are met.
- ❖ Golfing activities are promoted through a variety of marketing strategies.
- ❖ Environmental requirements are met. Golf course facility is in compliance with the Army installation environmental plan (which implements EPA requirements).
- ❖ High participation in golf and related activities by a cross-section of eligible patrons is demonstrated.

PROGRAM DIRECTION AND TRENDS:

❖ **Popular sport.** Golf is one of the single most popular individual sports in terms of player commitment and enjoyment, with over 2.3M rounds played (Army-wide) annually. Many Army courses are overcrowded and cannot meet the demand for play, and the fees and charges for the game are generally too low.

❖ **Maximize earning potential.** Due to an anticipated decline in both APF and NAF in the future, it is essential the Army maximize its income earning potential from golf. Installations continue to rely heavily on earnings from golf to support other MWR programs. Periodic review of fees and charges should be conducted to ensure that earnings are within 25% of those for similar off-post courses. When excess capacity exists and it is of mutual benefit to the Army and locality, installations should consider opening courses to the general public.

❖ **Golf initiatives.** As a result of the strategic planning process for golf, the following initiatives are being undertaken:

- Pricing structures. Installations are encouraged to develop pricing structures to meet IMWRF financial objectives for the golf program.
- Enhance revenue, installations are encouraged to review daily fees and supplement with a 10/30, or other denomination, discount play card.
- User fees (maintenance fees) are recommended to augment annual fees on a per use basis.
- Installations are establishing realistic goals to increase rounds of golf played by targeting major new markets (e.g., women and youth).
- The golf course infrastructure maintenance program is to ensure golf courses continue to offer quality golf experiences. There is a centrally funded program for construction of golf maintenance facilities and irrigation system upgrades.
- Promote an environmentally friendly and safe atmosphere through implementation of a sound integrated Pest Management (IPM) program, as prescribed in AR 215-1 and AR 200-5.
- An Army Golf web site is being centrally established to promote the golf program and increase the e-commerce sale of pro-shop items and logo merchandise.

★ THE JOINT SERVICES PRIME VENDOR PROGRAM ★

PURPOSE: To allow the Army, Navy, Marine Corps, and Coast Guard MWR and resale activities to purchase food and food-related items at an established margin above the distributor's cost.

DESCRIPTION: The Joint Services Prime Vendor Contract is a competitively awarded NAF procurement contract. The contract includes Army, Navy, Marine Corps, and Coast Guard participants. This contract allows a margin ceiling over cost to be charged by the contractor for

food and food-related products. These margins are auditable and verifiable at any time. The Prime Vendor Program is strictly voluntary. All MWR and resale activities are free to purchase from any source that provides the best quality and price.

FUNDING: The Joint Services Prime Vendor Contract purchases that are associated with this program are funded by the applicable installation/base.

EXISTING STANDARDS: Standards are included in the contract.

LEGAL/REGULATORY GUIDANCE: Guidance is found in AR 215-4.

PROGRAM DIRECTION AND TRENDS: The program continues to grow in both the number of participating installations/bases and the dollar amount purchased from the contract. A rebate program was incorporated into the Prime Vendor process in 1994, which allows manufacturer rebates to be paid directly to the participating activities at each installation/base.

★ LEISURE TRAVEL SERVICES ★ COMMERCIAL TRAVEL OPERATIONS

PURPOSE: To provide effective, economical commercial leisure travel services for all members of the military community.

DESCRIPTION: The local NAF Contracting Office may contract the on-post Commercial Travel Offices (CTO), if feasible. Industry changes and the Internet have altered the way airline tickets are sold. Airlines have substantially lowered commissions paid to travel agents, resulting in customers having to pay transaction fees for travel arrangements. Generally, the Army prefers that transaction fees not be added to the cost of an airline ticket because the same ticket can be purchased directly from an airline via Internet or toll-free telephone at no additional cost. Army policy encourages installations to emphasize service over revenue in negotiating CTO contracts. Personal travel arrangements in conjunction with official travel should be booked with the official travel contractor.

The Model Performance Work Statement (PWS) has been prepared by CFSC to assist NAFIs that plan to solicit for a commercial travel contractor. The model PWS is available under "ITR Tips" (Information Ticketing and Registration) on the www.Armymwr.com web site.

In-House CTOs may be established where feasible. This is not considered a practical solution for most locations because it is difficult to acquire industry accreditation, and because of the sales volume necessary to sustain a profitable operation.

A dedicated Internet web site has been established to support personnel without access to an on-post CTO. The site, www.offdutytravel.com, is a one-stop location for customers to acquire information, helpful travel tips, and links directly to a variety of "Preferred Partner" travel

agencies and resort operators. The site also links to all major airline web sites, where customers may purchase travel arrangements on-line. It is recommended that where there is no on-post CTO, one or more computers linked to the Internet are provided at no charge for customers to acquire information and services. ITR offices are encouraged to help personnel learn how to navigate the Internet and to assist soldiers without commercial credit cards to pay for on-line reservations. Installation NAFIs identified by customers who book non-air arrangements (cruises, resort vacations, etc.) with a "Preferred Partner" using the Army web site will be paid a concession fee.

Regional travel contracts that combine official and leisure travel requirements are no longer mandatory, but remain in effect in Europe, Korea, Alaska, and in 11 states of the Upper Midwest (DTR 6). As these remaining contracts expire or are terminated, NAFIs will be free to contract locally for leisure travel services, or elect to use one of the other methods described above.

FUNDING: Commercial Leisure Travel, when contracted or operated in-house, are MWR Category C programs. Assistance provided to customers booking via Internet will usually be provided by personnel assigned to MWR Category B or Category A programs.

LEGAL/REGULATORY GUIDANCE: General Program Guidance is found in AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

❖ **Location.** CTO Offices (where feasible) and ITR offices should be co-located. Recommended locations include Exchange mini-malls, Community Centers, and other locations within or adjacent to installation activities with high-volume pedestrian traffic. Adequate parking must be available and adequate signage installed to easily identify the office location.

❖ **Marketing.** The method of providing commercial travel services at each installation should be widely promoted through a variety of marketing initiatives, i.e., on-post office, in-house CTO, or via web site.

❖ **Sales volume.** Leisure sales at on-post offices are declining. In 1995, approximately 37% of soldiers identified the on-post CTO when asked where they purchased airline tickets. The 2000 Leisure Needs Survey indicated only 22% now acquire their tickets from an on-post CTO, while 20% purchase their tickets on-line (in 1995, the number of on-line purchases was negligible).

PROGRAM DIRECTION AND TRENDS:

The priority for the CTO program is to encourage personnel to become self-sufficient and independent of commercial travel agencies. An informed and educated traveler should be able to buy personal travel at no greater cost than would be paid if booked via a travel agent.

Technological innovations will continue to revolutionize the way travel is marketed and sold. CFSC will negotiate agreements with major travel service providers to provide eligible patrons access to discounted reservations with a revenue stream to installation NAFIs, and will make

every effort to ensure such discounts are offered or marketed on-line. Where services cannot be arranged directly on-line, CFSC will ensure they are available via toll-free reservation centers or through local ITR offices.

★ INFORMATION, TICKETING, AND RESERVATIONS (ITR) ★

PURPOSE: To provide members of the military community information and access to a diverse range of on- and off-post leisure activities.

DESCRIPTION:

- ❖ ITR Services include local tours, tickets to local and regional attractions or events, and travel arrangements for individuals traveling in their Privately Owned Vehicles (POVs).
- ❖ ITR complements and supplements commercial travel services.
- ❖ ITR provides general information concerning installation and off-post leisure activities.
- ❖ ITR offices support other MWR activities by providing a point-of-contact for central information and advance sale for their programs or events, such as Youth Activity Sports Teams, Arts and Crafts classes, community theater productions, and similar events. ITR offices should jointly promote individual and group tour arrangements with Outdoor Recreation, Arts and Crafts, and other programs as part of the total Recreation Delivery System (RDS).
- ❖ ITR generates high interest/low profit margins per transaction; e.g., a \$35 concert ticket may earn a commission of only \$.25 from the supplier.
- ❖ Young soldiers and their family members heavily patronize ITR activity, and surveys have consistently listed ITR among the most used/most beneficial MWR programs available.

FUNDING: ITR is a MWR Category B activity and can receive limited APF support. However, with diminishing resources, ITR seldom receives the APF funding levels authorized.

LEGAL/REGULATORY GUIDANCE: General program guidance is found in AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

- ❖ ITR offers a full range of tickets as appropriate for the installation's location.
- ❖ The NIBD is break-even or greater.
- ❖ ITR provides a local tour program.
- ❖ ITR Manager works closely with the CTO or assist soldiers and other patrons with information and on-line access to commercial travel services where there is no on-site travel office.

PROGRAM DIRECTION AND TRENDS:

- ❖ **Low-cost/wide access.** CFSC is generating a number of new services that provide lower cost and wider access to more services from which the ITR can earn commission or revenue.

Through central agreements with major hotel chains, ITR offices may receive a 10% commission on hotel accommodations they book on behalf of soldiers and families.

❖ **Discount tickets.** Due to the consolidation of the Army and Navy central ticket programs into a single outlet (managed by COMNAV San Diego), installation ITR offices now have access through a single source to tickets for virtually all- major theme park attractions throughout the Continental United States (CONUS).

❖ **Military Ticket Vouchers (MTV).** CFSC has initiated agreements at major CONUS travel destinations to accept a sequentially numbered voucher in lieu of vendors' tickets. The MTV provides substantially greater discounts than are available through other programs at more than 60 dinner theaters, space centers, theme parks and other attractions in Florida, Myrtle Beach, Pigeon Forge, Branson, and other destinations. The voucher program also offers more than 100 hotels convenient to the attractions that accept the MTV and at other major drive destinations, at the lowest discount rates available.

❖ **Assess program viability/determine alternatives.** Priority for ITR is to assess program viability and, where necessary, determine feasible alternatives for delivery of services. CFSC is exploring means to establish a Virtual Ticket Office (VTO) to supplement services available via local ITRs and provide service at locations without an ITR office for some attractions at major destinations.

★ RECYCLING PROGRAM ★

PURPOSE: To reduce the solid waste stream in an economically efficient manner, while generating earnings from the sale of recyclables to support MWR programs.

DESCRIPTION: The installation commander assigns responsibility, generally to the DPW, DPCA, or DOL. If MWR, under the DPCA, can provide a greater return to the installation, commanders should assign responsibility to the DPCA.

Organized effort. A Qualified Recycling Program (QRP) is an organized effort to process and sell recyclable materials generated on post. Recyclable materials are delivered to the QRP processing center where they are segregated, bundled, stored, and then shipped to vendors, or to the Defense Reutilization Marketing Office (DRMO) who arranges for the sale of material usually purchased with APF. Transportation expense for pickup and delivery to the QRP is generally chargeable to the QRP.

Operations vary. Recycling operations vary from centers handling limited items (metals, cans, paper, plastic, etc.) to full material recovery facilities where mixed trash is sent through picking/sorting lines and recyclables are removed mechanically or by hand. Non-recyclable materials are then picked up for other disposal.

Local sales. Local QRPs may sell directly, instead of going through the DRMO. Expended brass (ammunition) must be rendered non-reusable. Most items requiring demilitarization such as tanks, aircraft, etc. cannot be recycled by a QRP

FUNDING: Under PL 97-214, as an incentive to commanders to reduce the solid waste stream by recycling, proceeds from the sale of recyclable materials are deposited into the installation recycling account. The balance of the account after payments of QRP and operating expenses can be used by the installation as provided for in the law.

Uses of funds. Of the balance, up to 50% of the net balance of the recycling account can be used to fund pollution abatement, energy conservation, and occupational safety and health projects. The remaining 50%, as a minimum, is to be transferred to the MWR program. If there are no eligible projects, the commander can designate 100% of the account balance for MWR. **Any balance in the account that exceeds \$2M at the end of any fiscal year is returned to the U.S. Treasury.**

LEGAL/REGULATORY GUIDANCE: The primary requirements are state and local regulations, PL 97-214, AR 215, 200-1, and 420-47 for operational guidance, EPA and other federal agency requirements.

INDICATORS OF PROGRAM SUCCESS:

Increase in Recycling. The quantity or percent of solid waste required to be recycled continues to increase. It is expected that requirements for solid waste reduction will rise to 50% or higher in the near future. Recycling will play a major part in this reduction effort. DPCA operations must at least break even after receipt of distribution from the recycling account to the recycling program. The preferred result is a positive net earnings without the recycling account proceeds.

PROGRAM DIRECTION AND TRENDS:

- ❖ Increased volume of recyclables.
- ❖ Decreased prices received for paper, plastic, etc.
- ❖ Fluctuating prices for recyclables, especially metals.
- ❖ Overall earnings constant.

★ BRANDED THEME OPERATIONS ★

PURPOSE: To meet the needs of today's military community and help change the profitability posture of Army food and beverage programs.

DESCRIPTION: Branded Theme Operations are comprehensive packages that can be customized to fit the needs of your installation, whether they are a retrofit of an existing facility, in-line service counter, or brand new construction. CFSC offers thorough market assessment, architectural design, menus, recipes and in-house marketing promotions to accommodate unique installation mission requirements. Six concepts have been developed, benchmarked against industry leaders in casual and quick-service dining in the civilian sector, and upgrade food and

beverage programs in clubs, golf courses, and bowling centers. Concepts include:

- ❖ **Primo's Express:** a quick-service food operation offering pizza, burgers and sandwiches.
- ❖ **Reggie's Beverage Company:** a neighborhood pub and gathering spot featuring ribs, burgers and sandwiches.
- ❖ **Reggie's Express:** a quick-service version also available.
- ❖ **Sports USA:** an high-energy, interactive sports, recreation, and entertainment concept
- ❖ **Mulligan's:** a snack bar to upgrade and standardize golf course food-service operations
- ❖ **Strike Zone:** a snack bar to upgrade and standardize bowling center snack bar operations.
- ❖ **TurboZ:** an entirely new entertainment venue that combines the excitement of a hi-tech video arcade and a colorful, motor sports design package.

FUNDING: Theme operations are MWR Category C activities and must be funded with NAF. The NAF Major Construction Program, the Self-Sufficiency Exemption Program or CPMC funds can be used for theme programs.

LEGAL/REGULATORY GUIDANCE: Guidance is provided in AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Valid Market Assessment.
- ❖ Facility open to all patrons.
- ❖ Memorandum of Understanding signed by commander. These agreements cover all phases of the operation and provide standards for procurement, product, recipe/menu, service, training, marketing, decor and financial performance.
- ❖ NIBD meets or exceeds the MWR BOD standards.
- ❖ Sales revenue is increasing.

PROGRAM DIRECTION AND TRENDS:

Meet soldiers' expectations. These operations will meet installation Food, Beverage, and Entertainment (FB&E) opportunities, and provide soldiers with a casual, fun, leisure-time alternative similar to nationally recognized, civilian restaurants found off post.

Meet profitability standards. All operations will meet or exceed BOD standards for profitability and return on investment. Over 50 new openings are scheduled during the next three years. The goal is to be the soldier's "First Choice" for food, beverage, and entertainment.

★ ARMY LODGING ★

PURPOSE: To provide accommodations to Army and DoD travelers on official business travel as well as to members and their families moving from one location to another on Permanent Change of Station (PCS) travel. Military members, retirees, and their families on leisure travel may also occupy Army lodging rooms on a space-available basis.

DESCRIPTION:

Lodging facilities consist of 22K rooms and are located on 106 installations to provide accommodations to military and DoD civilians in TDY, PCS, or recreational travel status. Since 1 October 2000 and based on a change to the Joint Travel Regulation (JTR) that made PCS official travel and guesthouses official government quarters, guesthouses are separate from the IMWRF. Army lodging facilities are classified as supplemental mission NAFIs and not MWR.

FUNDING:

Lodging facilities are authorized APFs and are supplemented with NPFs paid by users for services such as housekeeping and amenities. All NPFs are now deposited in a separate lodging fund.

LEGAL/REGULATORY GUIDANCE: Guidance is found in AR 210-50 and AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Net income before depreciation (NIBD) is equal to or greater than zero.
- ❖ Occupancy rate of 70% or higher.
- ❖ Meet the Army Lodging Standards for Service, Operations, and Facilities.

PROGRAM DIRECTION AND TRENDS:

Lodging Fund/One-Roof Concept. The consolidation of the installation TDY billeting and guesthouse operations into a separate Lodging Fund affords the opportunity to consolidate/centralize management and support functions resulting in improved customer service and a direct reduction of overhead costs to installation lodging and MWR operations. These facilities save money for all parties—the Government, the NAFI, and ultimately the soldiers and taxpayers. This concept will save construction dollars, operating costs, and overhead expenses; will provide for a more efficient operation; and will maximize use of facility room nights.

★ LODGING SUCCESS PROGRAM ★

PURPOSE: The Army Lodging Success Program (LSP) began in 1993 to leverage the high volume of official travelers and obtain below-per-diem rates on quality accommodations with guaranteed availability, where installation lodging is not available. The program has saved the Army substantial travel dollars; overall lodging-costs reduction for temporary-duty travelers estimated at about \$3 in both FY99 and FY00. An AAA audit estimated an additional \$2.4M in annual savings with full utilization of the program by Army travelers.

DESCRIPTION:

The program currently has 21 contracted properties: ten in the National Capital Region, three in Hampton/Newport News, two in Atlanta, one in Miami, one in Puerto Rico, and four in San Antonio. Currently, all contracted properties are full service hotels.

FUNDING:

LSP contracts represent savings for travel accounts and are realized through room rates that are negotiated at less than per diem. Properties are centrally located and intended to negate the need for rental cars. Savings accrued in FY99 and FY00 exceeded \$6M. The Cost Sharing Fee income from current contracts and the Army Lodging Fund support funding for LSP and the Central Reservation Center.

LEGAL/REGULATORY GUIDANCE: Guidance is found in AR 210-50 and AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Subordinate commanders are ensuring mandatory use of the program to TDY destinations where LSP contracts exist. The reservation number, 1-800-GOARMY-1, is noted on DD1610.
- ❖ When reconciling travel orders where an individual's TDY is to an area where there is a LSP property, but a non-contracted hotel is used, ensure the certification of non-availability number is documented on travel orders for reimbursement.

PROGRAM DIRECTION AND TRENDS:

Data available from Military Traffic Management Command (MTMC) showed the top 26 temporary-duty travel destinations. Combining the MTMC data and Army lodging self-assessment data, MWR was able to determine the top five target-expansion locations not currently in the program. Those areas targeted for expansion are: Fort Meade (Baltimore), Fort Bliss (El Paso), Fort Carson (Colorado Springs), Fort Hood (Dallas/Fort Worth), and Fort Lewis (Tacoma). The potential for program expansion to these cities represents an excellent opportunity to save more DoD travel dollars. Target date for current contract awards is Fall 2001.

CHAPTER 6
FAMILY SUPPORT PROGRAMS

★ FAMILY PROGRAMS ★

PHILOSOPHY: A partnership exists between the Army and Army families. Toward the goal of building a strong partnership, the Army remains committed to "ensuring adequate support to families in order to promote wellness; to develop a sense of community; and to strengthen the mutually reinforcing bonds between the Army and its families." (The Chief of Staff, Army, in the Army Family White Paper, 1983)

MISSION: Provide family programs that meet the needs of soldiers and their families in today's Army.

GOALS AND OBJECTIVES: Provide programs that promote wholesome communities which foster self-reliance and families who are self-sufficient. Provide proactive youth programs and childcare services that are designed to reduce the conflict between soldiers' parental responsibilities and their mission requirements. Develop and administer a volunteer program to support installation requirements.

★ ARMY COMMUNITY SERVICE (ACS) ★

The program provides a wide variety of diverse services in support of the community; therefore, the major programs that ACS encompasses are presented separately in this manual. There is also a discussion of the remainder of the family programs.

★ ACS FINANCIAL READINESS PROGRAM (FRP) ★

PURPOSE: To enhance and maintain soldier and family personal financial readiness.

DESCRIPTION: The FRP provides comprehensive education, training, counseling, and information on budget development, use of credit, insurance, debt liquidation, money management, and checkbook management. It provides support to commanders in implementing congressionally mandated SURE-PAY and personal financial readiness.

FUNDING: The program is funded by Office of Maintenance, Army (OMA) funding.

LEGAL/REGULATORY GUIDANCE:

Military Relocation Assistance Program. Public Law 101-189, Defense Authorization Act, Section 661, requires that each military service provide financial planning and counseling for relocation.

Mandatory financial counseling. Public Law 101-501, Defense Authorization Act, requires the military services to provide mandatory financial counseling and planning for soldiers and their families transitioning out of the military.

Establishment of FRP. E.O. 12606, The Family, and DoD 1342.17, Family Policy, mandate the establishment of a FRP.

FRP policies and procedures. AR 608-1, Army Community Service Program, outlines policies and procedures for FRP.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Personal financial readiness training for soldiers and their families.
- ❖ The debt liquidation program assists commanders, soldiers, and family members with problems of financial indebtedness.

PROGRAM DIRECTION AND TRENDS:

- ❖ The Army's Leadership has great concern about the overall financial stability of our soldiers and families. The financial stability of our soldiers' impacts unit readiness and retention.
- ❖ The concerns are being address through the following initiatives:
 - Personal financial training in BCT and AIT.
 - Eight hours of mandatory Personal Financial Readiness Training for first-term soldiers (Recommended by DoD and Congress)
 - Life-cycle Education Program (Entry to Retirement) – CSA Well-being Initiative
 - OCONUS Women, Infants, and Children (WIC) program – Congressionally directed
 - Family Subsistence Supplemental Allowance (FSSA) Program – Congressionally directed
 - Thrifty Saving Program for military personnel
 - Expanding personal financial readiness program to the reserve component – CSA Well-being Initiative.
 - Accredited financial counselors. There is continued emphasis to certify staff members as accredited financial counselors.

???QUESTIONS COMMANDERS SHOULD ASK:???

How is ACS doing in training first-term soldiers?

How many financial counseling cases does ACS have?

How many soldiers does ACS have enrolled in Debt Liquidation Assistance Program?

What are some of the soldiers' major consumer complaints?

Are there a large number of junior enlisted soldiers seeking financial counseling?

ACS EXCEPTIONAL FAMILY MEMBER PROGRAM (EFMP)

PURPOSE: Is a mandatory enrollment program that is based on public law and DoD mandates. It works with other military and civilian agencies to provide comprehensive and coordinated community support and educational, housing, personnel, and medical services to families with special needs.

DESCRIPTION: EFMP ensures the following:

❖ **Assignment process.**

- Medical needs for exceptional family members are considered in the CONUS and OCONUS assignment process.
- Special education needs for exceptional family members are considered in the OCONUS assignment process (excludes Alaska and Hawaii).

❖ **Assessment.** Medical and special education needs for the exceptional family member are assessed, documented, and coded.

❖ **Community support services.** Information and assistance is provided to involve exceptional family members with community support services.

❖ **Facility accessibility.** Installation facilities and programs are accessible to individuals with disabilities.

❖ **Educational and Developmental Intervention Services (EDIS).**

- Early intervention services are provided to eligible infants and toddlers with disabilities and their families.
- Medically related services are provided to eligible children with disabilities.

FUNDING: The ACS EFMP is funded from OMA dollars.

LEGAL/REGULATORY GUIDANCE:

Facility access. Public Law 90-480, Architectural Barriers Act of 1968, requires that most Federal buildings and facilities be accessible to disabled persons.

Discrimination prohibition. Public Law 93-112, Rehabilitation Act of 1973, protects the rights of and prohibits discrimination against disabled persons.

EIS and educational services.

* 32 CFR Part 80 requires provision of EIS to eligible infants and toddlers with disabilities and their families and special education and related services to children with disabilities within the DDESS arrangements.

* DoDI 1342.12, Provision of Early Intervention and Special Education Services to Eligible

DoD Dependents in Overseas Areas, establishes policies and procedures for providing a free appropriate public education for children with disabilities who are eligible to enroll in DoDDS; EIS for infants and toddlers, birth through two years who, but for their age, would be eligible to enroll in the DoDDS; and a comprehensive and multidisciplinary program of EIS for infants and toddlers with disabilities and their families.

Establishment of services. DoDD 1342.17, Family Policy, directs the establishment of coordinated, multi-agency services for special needs families.

EFMP policies and procedures. AR 608-75, Exceptional Family Member Program, outlines policies and procedures for EFMP.

INDICATORS OF PROGRAM SUCCESS:

- ❖ **Installation EFMP manager.** The ACS TDA contains a requirement and authorization for an installation EFMP manager.
- ❖ **EFMP committee.** The installation EFMP committee meets quarterly and advises commanders of EFMP issues.
- ❖ **Roster of enrollees.** The installation EFMP manager maintains a roster of enrolled soldiers.
- ❖ **In-processing.** Soldiers are queried about exceptional family members during in-processing. If soldiers have or suspect they have an exceptional family member, they are referred to the installation EFMP manager for assistance.
- ❖ **Routine screening.** Family members are screened for EFMP enrollment during routine health care services.
- ❖ **OCONUS family screening.** Family members are screened for EFMP enrollment when the soldier is on assignment instructions to an OCONUS area for which family travel is authorized and the soldier elects an accompanied tour.
- ❖ **OCONUS civilian querying.** DA civilian employees are queried about children with special education and medically related service needs and family members with medical needs, after they are selected for a position outside the United States.
- ❖ **EDIS due process.** There are no due process actions for failure to provide access to services.
- ❖ **Community programs.** Child and youth services and community recreation include individuals with disabilities in ongoing programs.
- ❖ **Physically disabled facility access.** All installation facilities are accessible to individuals with disabilities.

PROGRAM DIRECTION AND TRENDS:

- ❖ **ACS EFMP staffing.** Increase ACS EFMP staffing.
- ❖ **EDIS personnel development.** Develop a comprehensive system of personnel development including competency-based staffing standards.
- ❖ **EFMP accountability.** Enhance EFMP accountability through accreditation by DoD.
- ❖ **Outside the United States - Coordination of special needs.** Develop a system to enforce

coordination of special education and medically related services, prior to civilian employees with special needs children relocating outside the United States.

❖ **Training.** Conduct annual training program.

❖ **Public awareness campaign.** Develop broadcast and printed materials to dispel the myth that EFMP enrollment adversely affects military careers.

???QUESTIONS COMMANDERS SHOULD ASK:???

Is there a requirement and authorization on the ACS Table of Distribution and Allowances (TDA) for an EFMP manager

How often does the EFMP committee meet?

What are the top three EFMP issues?

Have there been any due process actions?

★ ACS FAMILY ADVOCACY PROGRAM (FAP) ★

PURPOSE: To prevent spouse and child abuse and neglect; encourage reporting of all instances of abuse; ensure prompt assessment and investigation of all cases; provide safety for victims of abuse; and provide support services and treatment for victims, family members, and offenders.

DESCRIPTION: The FAP is comprised of the following elements:

❖ **Family Advocacy Program Manager (FAPM).** ACS is responsible for managing the FAP. The FAPM coordinates and directs the entire scheme of activities of the local program.

❖ **Family Advocacy Committee (FAC).** The FAC is a multidisciplinary team appointed on orders by the installation commander. The FAC advises the commander on FAP programs and procedures, training, and issues which may require a command or community response.

❖ **The Case Review Committee (CRC).** The local CRC is a multidisciplinary team that includes doctors, law enforcement personnel, lawyers, social workers, the chaplain, and others who work together to assess, diagnose, and manage cases of family violence.

Prevention services at each installation. A prevention resource manual is available at ACS. The FAPM provides commanders and unit leaders copies of the FAP Commander's Desk Guide. The "Role of Commander in FAP" and FAP Case Review Committee videos are also available at the FAPM's office. The elements of a comprehensive prevention program include:

- New parent support programs
- Classes and support groups for individuals and couples
- Spouse abuse prevention programs
- Commander, troop, and community education
- Safety-education programs for children, parents, and caregivers/teachers
- Professional development seminars for family advocacy personnel

Training requirements. DA-sponsored training courses are required to educate and orient new FAP staff within the first year of assignment. In addition, specialized training is available for other installation support staff (e.g., MPI, CID, SJA).

Installation research and evaluation is ongoing to determine where to best target use of intervention and treatment resources.

FUNDING: Office of the Secretary of Defense (OSD) fenced dollars and Office of Maintenance, Army (OMA). Congress provides a special appropriation through the OSD. Funds are reserved solely for FAP activities. In addition, FAP is authorized to use OMA funding.

INDICATORS OF PROGRAM SUCCESS:

- ❖ **Installation coordinator.** The FAPM is the installation coordinator for all FAP services. FAPM is located with the remainder of the ACS program services.
- ❖ **Counseling.** FAP counseling and treatment services are provided by the servicing medical facility.
- ❖ **DoD Quality Assurance Standards.** Installation FAPs meet the DoD Family Advocacy Program Quality Assurance Standards (DoDI 6400.1-M) and ACS accreditation standards in AR 608-18.
- ❖ **Marketing.** Evidence of FAP marketing initiatives is found throughout the installation.
- ❖ **Increased program participation.** Participation in prevention, educational, and support programs is increasing.
- ❖ **Unit service coordinators.** FAPM and the prevention staff serve as ACS unit service coordinators (unit outreach).
- ❖ **Authorized use of funding.** APF (executed at the 98% level) is used for authorized FAP services/programs.

LEGAL/REGULATORY GUIDANCE:

Victims and Witness protection. Public Law 97-291, Victims and Witness Protection Act of 1982, requires additional protection to victims and witnesses in Federal cases and Federal agencies to assist victims within limits of available resources. Local Staff Judge Advocate has prepotency.

Background checks for childcare providers. Public Law 101-647, Omnibus Crime Control Act of 1990, Criminal History Background Checks, requires Federal agencies to conduct background history checks on individuals working in childcare services.

Child abuse hotline. Public Law 101-189, Title 15, Military Child Care Act of 1990, requires DoD to maintain a hotline for reporting child safety and abuse violations, and authorizes specially trained teams of professionals to assist installations in responding to child sexual abuse cases.

National system for child sexual offenders. Public Law 103-209, National Child Protection Act of 1993, requires the establishment of a national criminal history background check system for child sexual offenders.

Establishment of FAP. DoDD 6400.1, Family Advocacy Program requires the Services to establish family advocacy programs. ACS Accreditation Program requires the FAP to comply with 60 standards.

Reporting of abuse. DoDI 6400.2, Child and Spouse Abuse Report, requires Services to analyze and report data on child and spouse abuse annually.

DA Family Advocacy Regional Rapid Response. DA has established a multidisciplinary, Regional Rapid Response team of specially trained social workers, criminal investigators, and pediatricians who can deploy to installations within 48 hours of a notification that child abuse occurred in a DoD-operated or sanctioned activities.

DoD Family Advocacy Command Assistance Team (FACAT). DoD has established a similar multidisciplinary team, the FACAT. It is an additional resource available to DA installations to manage the initial investigations of child abuse cases that occur in DoD-operated or sanctioned activities. The DoD team is especially useful to ensure adequate and prompt investigation and to avoid the appearance of Service cover-up in highly sensitive cases.

FBI fingerprinting. DoDI 1402.5, Criminal History Background Checks on Individuals in Child Care Services, requires FBI-ID fingerprints and checks against state criminal history repositories for all individuals providing childcare services.

FAP policies and procedures. AR 608-18, Army Family Advocacy Program, provides operational procedures and policies for the FAP.

PROGRAM DIRECTION AND TRENDS:

- ❖ **Reports.** Spouse abuse reports are leveling off; child abuse reports are increasing (FY00).
- ❖ **Expanded programs for high-risk populations.** Efforts are underway to expand programs for high-risk populations of single parents, new parents, and first-term families and active duty females with unemployed civilian spouses.
 - Continued training for commanders.
 - FAP Standards have been integrated into the ACS Accreditation Program.
 - Treatment services. Accessibility to treatment services will be increased.

???QUESTIONS COMMANDERS SHOULD ASK???

What are the FAP problems/issues at our installation that need attention?

How often does the FAC committee meet?

What signs are there when a soldier is at high risk for future violence after one involvement of family altercation?

What can be done to help FAC ensure that all commanders are receiving mandatory FAP orientation?

Has the FAP been accredited by HQDA?

★ ACS TRANSITIONAL COMPENSATION PROGRAM (TC) ★

PURPOSE: To reduce or remove disincentives for dependents to report abuse by providing support services, temporary monthly payments, and other benefits to assist eligible families transition from the Army to the civilian community after the soldier has been separated from active duty as a result of a dependent-abuse offense.

DESCRIPTION:

Payments. The program authorizes temporary payments, at the rate specified for Dependency and Indemnity Compensation, for families in which the absent soldier has been discharged administratively or by court-martial or has forfeited all pay and allowances in disciplinary actions for a dependent-abuse offense on or after 30 Nov 93. Payments are for a minimum of 12 months or until the soldier's Expiration Term of Service (ETS) date, whichever is longer, but may not exceed a maximum of 36 months.

Other benefits. Recipients of TC payments are entitled to commissary and exchange privileges during the period of TC entitlement. They are also eligible to receive dental care through military facilities and medical care, including mental health services, as TRICARE beneficiaries. Support services are available to dependents of soldiers who have been charged with a dependent-abuse offense and referred for trial or against whom an administrative separation is initiated for a dependent abuse offense. Services include: individual counseling to assist in identifying alternatives and resources, referral to civilian support agencies to develop family transition plans and preparation of transitional Compensation applications and required legal documentation for submission of claims to the U.S. Army Community and Family Support Center (CFSC) when appropriate.

FUNDING: TC payments are centrally funded and managed at the U.S. Army CFSC.

INDICATOR OF SUCCESS: Provide progress toward the goal of offering all eligible families the opportunity to apply for TC and receive other support services through Staff Judge Advocate and ACS FAP offices at the installations. Staffs with these offices collaborate to provide information on eligibility and assist families who apply for TC and receive other benefits and services when victims of dependent-abuse.

LEGAL/REGULATORY HISTORY

The National Defense Authorization Acts for FY 94 (P.L. 103-160) and FY 96 (P.L. 104-106) provided for the establishment of the TC Program for victims of dependent abuse. The statute is located at 10 U.S.C. §1059.

The DoD Instruction (DoDI) 1342.24 (Transitional Compensation for Abused Dependents, dated 23 May 95 and Change 1, dated 16 Jan 97) implemented the public laws and issued DD Form 2698, "Application for Transitional Compensation."

AR 608-1. The initial Army regulatory guidance, Change 1 to AR 608-1, Army Community Service (ACS), was published 21 Feb 97 with an effective date of 21 Mar 97. Subsequent changes to AR 608-1 were published 23 January 1998, 1 October 1999, and 31 August 2000.

PROGRAM DIRECTION AND TRENDS:

In accordance with the ACS accreditation standards published in AR 608-1, dated 31 Aug 00, installation Standing Operating Procedures (SOP) are required to identify the roles and responsibilities of the staff assisting families who are victims of abuse who could be entitled to receive TC and other benefits and services. Since the inception of the program in FY95, the disbursement of benefits to eligible families increased from \$0.03M in FY95 to \$2.4M in FY00. This dramatic increase is associated with the greatly increased awareness of the program and the availability of benefits for families who are victims of dependent abuse. This trend is inversely related to the declining rates in spouse abuse within the Army.

PROGRAM DIRECTION AND TRENDS: Installation SOPs should be developed, identifying the roles and responsibilities of the organizations and individuals having knowledge of situations involving domestic abuse that are likely to result in disciplinary actions which could entitle the abused families to TC.

??QUESTIONS COMMANDERS SHOULD ASK??

When a soldier is being separated from active duty either through a court-martial or administrative action, is a dependent-abuse offense a basis for the separation?

When dependent abuse is a basis for the separation, are the offense and the victim clearly identified in the action?

When the eligibility criteria for TC are met, who is the designated point of contact to assist the victim in applying for benefits? Has the victim been referred to the ACS Victim Advocate?

What other command support might the victim or family of the victim need, e.g., provision of soldier's Basic Allowance for Quarters (BAQ) to the spouse while the separation action is pending, or an extension of time required for the family to vacate military housing?

When the pending separation is through a court-martial proceeding, will a waiver of the automatic forfeiture of the soldiers' pay be requested and paid to the spouse?

★ ACS EMPLOYMENT READINESS PROGRAM (ERP) ★

PURPOSE: To offer assistance to spouses in acquiring the skills, networks, and resources that will allow them to participate in the workforce and to develop a career/work plan.

DESCRIPTION:

❖**Resource information.** All ACS Centers offer employment education and volunteer resource assistance. Services offered under the ERP are customized to individual locations.

❖**Training.** A major focus of the ERP is teaching effective job search strategies and skills by providing employment skills-building training, employment, personal career development, and education training classes.

❖**Career counseling.** Individual and group counseling are provided for assessing job skills and developing and implementing career goals.

❖**Private sector job bank.** The ERP develops employment opportunities and maintains a job bank (job listings in local community, private sector, federal and nonfederal vacancies); and provides job referrals, information, and assistance for state and local-area jobs.

FUNDING: The ERP is funded from OMA funds (QACS MDEP).

INDICATORS OF PROGRAM SUCCESS:

- ❖ Program manager is assigned to the ERP and is active in developing employment opportunities in the civilian community.
- ❖ The ERP is available to soldiers and family members and is widely publicized.
- ❖ Frequent training workshops are provided.
- ❖ The ERP reports increased job placements.
- ❖ The ERP reports increased job opportunities with local businesses and helps users connect with employers, businesses, and professional support networks.

LEGAL AND REGULATORY GUIDANCE:

Spouse employment assistance. Public Law 101-189, Defense Authorization Act, requires settling-in services with emphasis on spouse employment assistance. Information availability. DoDD 1342.17, Family Policy, requires that private and public sector employment information and assistance will be available.

ACS program. DoDI 1342.22, Family Centers, states that the ERP will be located in ACS.

Spouse employment opportunities. DoDI 1404.4, Employment of Spouses of Active Duty Military Members Stationed Worldwide, requires that spouses will be provided employment opportunities.

Employment Readiness policies and procedures. AR 608-1, Army Community Service Program, provides the basic guidance for Employment Readiness as one of the core ACS programs.

PROGRAM DIRECTION AND TRENDS:

- ❖ **Career Continuity/Corporate Partnerships.** Employment Readiness will partner with private industry to connect spouses to new and existing jobs to include portable jobs and other methods of pursuing lifetime career goals.
- ❖ **Program standardization.** Employment Readiness will standardize program guidance. The Employment Readiness Managers' Guidebook and training guidebook are currently being rewritten.
- ❖ **Resources.** Installation ERP managers will develop requirements (equipment/supplies) for the FY04-08 POM. In addition, the need for spouse training and education, and physical and electronic resources will be addressed by exploring the use of existing training education, and employment assistance programs of other Federal agencies, specifically Department of Labor.
- ❖ **Marketing.** To effectively market existing services to spouses, especially spouse of junior enlisted soldiers, ERP managers will develop and implement an installation marketing plan.

???QUESTIONS COMMANDERS SHOULD ASK???

Does the ERP manager partner with private sector to develop employment opportunities that connect spouses to new and existing jobs?

Has the ERP manager developed resource requirements (equipment/supplies) for the FY04-08 POM?

Has the ERP manager developed and implemented an installation marketing plan targeted to spouses of junior enlisted soldiers?

Does the ERP manager conduct or sponsor classes, programs, workshops, and seminars to impart knowledge and/or teach a skill?

Does the ERP manager provide individual and group counseling to assess job skills and develop and implement career goals?

★ ACS INFORMATION, REFERRAL, AND FOLLOWUP (IR&F) ★

PURPOSE: To provide information concerning local military and civilian service agencies. The IR&F serves as a link between families and those human service agencies that can further assist them in solving social, economic, medical, or educational concerns.

DESCRIPTION: IR&F offers:

- ❖ **POC for resources.** Provides commanders, soldiers, civilian employees, and family members with a single contact point for information regarding military and civilian community resources to assist with individual, family, and community concerns.
- ❖ **Low cost to consumer.** Links people with available and appropriate resources at the lowest cost and without duplication of effort.
- ❖ **Long-range planning.** Assists in long-range community planning by identifying duplications, problems, and gaps in the service delivery systems and presents them to the installation Human Resource Council.

FUNDING: The program is funded from OMA dollars.

INDICATORS OF PROGRAM SUCCESS:

- ❖ **Up-to-date information.** Comprehensive, accurate, and up-to-date information is available in military and civilian community resources.
- ❖ **Follow-up:** is conducted in complex referral cases to determine if required services were provided.

LEGAL/REGULATORY GUIDANCE:

Establishment of IR&F. DoDD 1342.17, Family Policy, requires the establishment of IR&F.

Baseline service. DoDI 1342.22, Family Centers, states that information and referral will be a baseline service in all DoD family centers.

IR&F policies and procedures. AR 608-1, Army Community Service Center, prescribes policies and procedures for IR&F.

PROGRAM DIRECTION AND TRENDS:

- ❖ Automated and integrated IR&F.
- ❖ Information and referral membership. Continue corporate membership in the Alliance of Information and Referral Systems, Inc.
- ❖ Certify information and referral specialists.

???QUESTIONS COMMANDERS SHOULD ASK???

How are IR&F services provided?

What kind of information is included in resource files?

How often is the resource file updated?

Is IR&F staff certified by the Alliance of Information and Referral Systems?

INSTALLATION VOLUNTEER COORDINATOR (IVC) PROGRAM

PURPOSE: To maximize the use of voluntary service on installations and to address various support issues.

DESCRIPTION: This program meets the requirement to develop, implement, and evaluate the Volunteer Program.

INSTALLATION VOLUNTEER COORDINATOR . The IVC is the coordinator for all installation volunteer activities.

IVC duties. The duties include the following: serve as the commander's consultant on volunteer issues; provide training to other volunteer managers; develop a job bank; recruit, interview, and refer volunteers to organizations having meaningful positions; maintain a record of hours collected from other volunteer managers; assist volunteer managers in developing job

descriptions; serve as advocate for volunteer issues; chair the Volunteer Advisory Council; provide recognition or advise others in this area; and manage activities for National Volunteer Week.

Authorized volunteers. Congressional language allows for volunteers to be provided for programs providing services to members of the armed forces and the families of such members. These programs include, but are not limited to, all of MWR, family programs, chapel programs, housing referral, museums, natural resource programs, retirement services, some hospital programs, and legal offices. These volunteers are considered statutory volunteers and shall be considered as an employee of the federal government for the purposes of compensation for work-related injuries and tort claims. Statutory volunteers are also eligible for reimbursement of incidental expenses.

Other volunteers. There may be other individuals on the installation who donate their time but are not considered statutory volunteers and are not covered in Section 1588, 10 USC. Gratuitous service volunteers are not considered employees of the federal government for any purpose and are not authorized any reimbursable expenses. Private organization volunteers operate under the guidelines established by the organization.

IVC responsibility. The IVC understands the differences in the types of volunteers and ensures that all Installation Volunteer programs follow the appropriate volunteer policy. The IVC advises the commander and all organizations having volunteers.

FUNDING: Mixed funding. The cost of the volunteer program is funding the IVC position and expenses associated with recognition, training, travel, and other reimbursements. The commander has the authority to fund and fill the IVC position using APF, NAF, or contract. Reimbursable expenses may be from APF or NAF.

INDICATORS OF PROGRAM SUCCESS:

- ❖ **Signed agreements.** All volunteers have signed a Volunteer Agreement.
- ❖ **Signed permissions.** Parental permission form has been signed for unmarried family member volunteers under 18.
- ❖ **Job descriptions.** Written job descriptions are on file for each volunteer.
- ❖ **Safety.** Volunteers are not performing duties in which they are susceptible to injury or causing injury to others.
- ❖ **Authorized volunteer positions.** Volunteers are not performing jobs for which there is an unfilled manpower requirement, which otherwise circumvents the Civil Service System, for which funding has been provided to hire staff or obtain services by contract.
- ❖ **Supervision of volunteers.** Each volunteer is supervised by a GS employee, NAF employee, or military leader, or by another volunteer who is so supervised and is responsible for the work the volunteer is performing.
- ❖ **Location of IVC.** IVCs are included in activities of the Family Support Division.

LEGAL/REGULATORY GUIDANCE:

Authorized volunteer services and reimbursements. Section 1588, 10 USC, grants authority for the military department secretary to accept voluntary medical services, dental services, nursing services, or others health-related services; voluntary services to be provided for a museum or a natural resources program; and voluntary services for programs providing services to members of the armed forces and the families of such members. These volunteers shall be considered an employee of the Federal government for the purposes of compensation for work-related injuries and tort claims. These volunteers are eligible for reimbursement of incidental expenses. These reimbursements may be made with APF or NAF when available and approved. Expenses eligible for reimbursement are determined by service secretary and paid out of NAF or APF. The Service Contract Act (SCA) requires that anyone performing work contained in the work statement of a service contract must be paid the minimum wages provided for under SCA.

HQDA Letter 608-98-1. This letter authorizes Army-wide implementation of the pilot program to accept expanded voluntary services as prescribed in the National Defense Authorization Act for Fiscal Year 1995 and Section 1588, 10 USC. When the DoD publishes the instruction authorizing the expansion DoD-wide, it will supersede this letter.

Spouse and military rights to volunteer. DoDD 1400.33, Employment and Volunteer Work of Spouses of Military Personnel, states that no DoD official shall, directly or indirectly, impede or otherwise interfere with the right of a spouse of a military member to pursue and hold a job, attend school, or perform volunteer services on or off a military installation.

Volunteer management policies and procedures. AR 608-1, Army Community Service, outlines volunteer management and consolidates policies and procedures on the acceptance and use of voluntary services in ACS programs. Use of APF/NAF for reimbursement of incidental expenses.

Use of NAF. AR 215-1, Nonappropriated Fund Instrumentalities and MWR Activities, discusses volunteers within MWR and authorizes use of NAF to cover volunteer incidental expenses such as training, travel, childcare, and awards.

PROGRAM DIRECTION AND TRENDS:

❖ **Regulation.** Emphasis is being placed on incorporating the IVC duties and general installation volunteer policies into AR 608-1.

❖ **Web Page.** The Virtual ACS Website continues to develop and expand information about volunteerism on the installation and in the civilian community.

???QUESTIONS COMMANDERS SHOULD ASK???

Do volunteers on the installation have proper documentation?

Is there any ongoing recognition of volunteers throughout the installation?

Do volunteers receive adequate orientation and training to perform their assigned positions?

Are volunteers properly supervised?

★ ACS VOLUNTEER PROGRAM ★

PURPOSE: To augment staff and expand program capabilities through individuals' donation of time and work. Volunteers provide an agency extra credibility with clients and act as a communications channel to the community.

DESCRIPTION: This program meets the requirement to develop, implement, and evaluate the mandate to accept volunteers in family support programs. ACS provides opportunities for volunteers in all of its programs.

Authorized volunteers. 10 USC 1588 authorizes volunteers for programs that provide services to soldiers and their family members such as ACS; therefore, volunteers in ACS are considered as employees of the Federal Government for the purposes of compensation for work-related injuries and tort claims. They are also eligible for reimbursement of incidental expenses.

FUNDING: Funding from APF and NAF can be used for volunteer training, travel and reimbursement of incidental expenses (e.g., child care, telephone costs, and mileage). The amount of money spent on the volunteer program is small in comparison with the high return received from voluntary service.

INDICATORS OF PROGRAM SUCCESS:

- ❖ **Signed agreement.** All volunteers have signed a Volunteer Agreement..
- ❖ **Signed parental permission form.** A parental permission form has been signed for unmarried volunteers under 18.
- ❖ **Written job descriptions.** Job descriptions are on file for each volunteer position.
- ❖ **Safety.** Volunteers are not performing duties in which they are susceptible to injury or causing other injury.
- ❖ **Authorized volunteer positions.** Volunteers are not performing jobs for which there is an unfilled manpower requirement, which otherwise circumvents the Civil Service System, or for which funding has been provided to hire staff or contract services.

❖ **Supervision of volunteers.** Each volunteer is supervised by a Government employee, NAF employee, military leader, or by another volunteer who is so supervised, and who is responsible for the work the volunteer is performing.

LEGAL/REGULATORY GUIDANCE:

Authorized volunteer services and reimbursement. Section 1588, 10 USC, grants authority for the military department secretary to accept voluntary medical services, dental services, nursing services, or others health-related services; voluntary services to be provided for a museum or a natural resources program; and voluntary services for programs providing services to members of the armed forces and the families of such members. The legislation states that these volunteers shall be considered as an employee of the Federal government for the purposes of compensation for work-related injuries and tort claims. These volunteers are eligible for reimbursement of incidental expenses. These reimbursements may be made with APF or NAF when available and approved. Expenses eligible for reimbursement are determined by service secretary and paid out of NAF or APF. The Service Contract Act (SCA) requires that anyone performing work contained in the work statement of a service contract must be paid the minimum wages provided for under SCA.

HQDA Letter 608-98-1. This letter authorizes Army-wide implementation of the pilot program to accept expanded voluntary services as prescribed in the National Defense Authorization Act for Fiscal Year 1995 and Section 1588, 10 USC. When the Department of Defense publishes the instruction authorizing the expansion DoD wide, it will supersede this letter.

Military and spouses right to volunteer. DoDD 1400.33, Employment and Volunteer Work of Spouses of Military Personnel, states that no DoD official shall directly or indirectly, impede or otherwise interfere with the right of a spouse of a military member to pursue and hold a job, attend school, or perform volunteer services on or off a military installation. No DoD official shall use the preferences or requirements of a DoD Component to influence, or attempt to influence, the employment, educational or volunteer service decisions of a spouse.

Volunteer management policies and procedures. AR 608-1, Army Community Service Program, outlines volunteer management and consolidates policies and procedures on the acceptance and use of voluntary services in ACS. Use of APF and NAF for incidental expenses.

Use of NAF. AR 215-1, Nonappropriated Fund Instrumentalities and MWR Activities, authorizes use of NAF to cover volunteer incidental expenses.

Family Readiness Groups. DA Pam 608-47, A Guide to Establishing Family Support Groups, provides guidance for establishing and sustaining family groups within active duty and reserve units.

PROGRAM DIRECTION AND TRENDS:

Regulation. Emphasis is being placed on incorporating the IVC duties and general installation volunteer policies into AR 608-1. Standards and key indicators are being developed.

???QUESTIONS COMMANDERS SHOULD ASK???

Do volunteers on the installation have proper documentation?

Is there any ongoing recognition of volunteers throughout the installation?

Do volunteers receive adequate orientation and training to perform their assigned positions?

Are volunteers properly supervised?

★ ACS RELOCATION READINESS PROGRAM (RRP) ★

PURPOSE: To assist all members of America's Army (soldiers, family members, civilians, and retirees) in reducing the stress and anxiety associated with relocation, ease the "settling" process, and facilitate reporting for duty.

DESCRIPTION:

❖**Customized services.** Services under the RRP are customized to individual locations. All ACS centers offer Standard Installation Topic Exchange Service (SITES), an interactive automated information system providing current information on military installations worldwide. SITES allows RRP staff to access information on all military installations and their adjoining communities, and assist soldiers, civilian employees, retirees, and their families in making well-informed decisions when relocating. SITES is interoperable between military services and since all of the RRP offices have email capabilities, questions can be addressed in a timely manner.

❖**Relocation Assistance Programs.** ACS centers offer loan-closet services, community orientation classes, cultural adjustment classes, pre/post-move classes, guidance/counseling services, and other programs designed to relieve the stress of relocating.

FUNDING: OMA and fenced OSD. The RRP is funded from OMA funds and specifically designated OSD funds. The OSD funds have restrictions on use.

INDICATORS OF PROGRAM SUCCESS:

SITES, offered to all relocating personnel, is available at Army libraries as well as accessible via the Internet. The URL address is <http://www.dmdc.osd.mil/sites>.

Relief from relocation stress is provided via loan-closet services, classes, and other programs and is measured by evidence of minimum-time-lost from duty and decreased out of pocket expenses for relocating soldiers and families.

LEGAL/REGULATORY GUIDANCE:

Establishment of RRP. Public Law 101-189, Defense Authorization Act, Section 661, Military Relocation Readiness Program, requires the SOD to establish a program to provide relocation assistance.

DoD policies and procedures. DoDI 1338.19, Relocation Readiness Programs, establishes policy and procedures for the RRP.

DoD establishment of RRP. DoDD 1342.17, Family Policy, requires the establishment of programs to provide relocation assistance.

RRP policies and procedures. AR 608-1, Army Community Service Program, outlines policies and procedures for the RRP.

PROGRAM DIRECTION AND TRENDS:

❖**Training.** The focus for this year has been on providing training for Relocation Managers and filling the gap left by the closing of the DoD Relocation Managers Training course.

❖**Program evaluation.** CFSC is developing program standards which place continued emphasis on measuring quality.

???QUESTIONS COMMANDERS SHOULD ASK???

Does the installation SITES book reflect a true picture of the installation?

How are OSD Relocation dollars spent?

Are OSD Relocation dollars used IAW the HQDA Guidance?

Does the ACS lending closet meet the needs of the community?

Do all parts of the Relocation Program (sponsorship, housing, education, youth sponsorship, etc.) work together to make newcomers feel welcome and comfortable?

★ ACS DEPLOYMENT/MOBILIZATION SUPPORT ★

PURPOSE: To provide a comprehensive family assistance system to support units, soldiers, and families in preparing for deployment, during deployment, and after deployment.

DESCRIPTION:

Provide support services. During deployment, mobilization, contingency operations, and in emergencies (mass casualties, evacuation, and natural disaster), the primary goal of family assistance programs is to provide support services to eligible family members at, or as near to, their hometown or home installation as possible.

❖ Services include:

- Information and referral assistance
- Emergency financial assistance
- Emergency food and shelter
- Crisis intervention
- Family Readiness Groups (FRG). Support and assistance in establishing FRG.
- Family Care Plans. Support and assistance in developing family care plans for single parent and dual military couples.
- Orientation to Reserve Component units and families outlining available assistance.
- Coordination with state and local human service agencies in identifying families needing support.

FUNDING: This service is funded with OMA funds.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Support provided to families during all levels of deployment.
- ❖ Rear detachment personnel trained in family support
- ❖ Mutual support system is established for families (FRG).
- ❖ Reduced family stress related to deployment.
- ❖ Early returns of soldiers to handle family crises are reduced.
- ❖ Families are aware of resources available to them.
- ❖ Families are self-reliant and capable of resolving their problems with minimal assistance.

LEGAL AND REGULATORY GUIDANCE:

Evacuation assistance. Executive Order 12656 requires families being evacuated be given assistance and provided support through the "safe haven" process.

Mandatory baseline services. DoDI 1342.22, 30 Dec 92, Family Centers, states mobility and/or deployment assistance will be a baseline service in all DoD Family Centers.

Family Readiness. DoDI 1342.23, 29 Sep 94, Family Readiness in the National Guard and Reserve Components, outlines responsibilities for the Services in support of National Guard and Reserve members and their families during military contingencies.

Family Assistance. AR 608-1, 31 Aug 00, Army Community Service, outlines family assistance during deployment, mobilization, and emergencies.

Family Assistance Centers. AR 600-20, Army Command Policy, outlines requirements for ACS Family Assistance Centers during military contingencies.

PROGRAM DIRECTION AND TRENDS:

- ❖ Expand Operation READY (Resources for Educating About Deployment and You) to include rear detachment personnel training.
- ❖ Operation READY Modules Pre-deployment, Post-deployment and Leaders' Basic Handbooks have been translated into German, Spanish, and Korean.
- ❖ Conduct Annual Family Readiness Exercises at all installations to evaluate skills and proficiency of installation staff.
- ❖ Included an Overview of Operation READY in the Army Family Team Building curriculum to increase soldiers' and families' awareness of mobilization and deployment resource material.
- ❖ Operation READY has been made available on Virtual ACS and can be accessed at: <http://www.armymwr.com>.

???QUESTIONS COMMANDERS SHOULD ASK???

Is the installation providing training for FRG leaders?

What is the Family Assistance plan for the installation?

How often does the Reserve Component Family Program Coordinators meet with the commander?

★ ARMY FAMILY TEAM BUILDING (AFTB) ★

PURPOSE: Army Family Team Building (AFTB) is a relatively new mission to CFSC and came about as a direct result of lessons learned after Operation Desert Storm and Desert Shield ended. The senior spouses (both officer and enlisted) realized that the spouses were not prepared for this type of long-term separation and that all spouses needed to be trained and empowered to

take care of themselves, their families, in any situation. In 1992, the CSA approved the AFTB Action Plan and in 1993, the spouses were brought together to write the training material. AFTB became an official Army program in 1994 in a memorandum from the CSA and SMA. Family member volunteers were encouraged to manage the program and conduct the training to the greatest extent possible.

DESCRIPTION: The Family Member training consists of over 40 modules of instruction and is organized into three levels (Level I, Level II, and Level III). These modules are designed to teach family members the Army's culture and life skills required to enhance their independence and self-sufficiency, prepare volunteers and family members for leadership roles within the military community, and harness the experience of senior spouses. AFTB is an excellent educational tool to promote family well-being to any family member group, active and reserve component. Enrollment in Levels I, II, and III is voluntary and based on the family members' experience and needs, not on the rank or grade of the sponsor. Soldiers and civilian employees attend on a space-available basis.

INDICATORS OF SUCCESS:

Today, AFTB is the Commander's primary readiness-training program that provides our Army (Active and Reserve Component) with the information, knowledge, and skills to gain self-reliance and to use the community support programs provided to assist them. AFTB, as a volunteer program, was designed and written by and for volunteer family members, and is managed by volunteers to the greatest extent possible. The dedication and commitment to excellence, and hard work of AFTB volunteers have been unparalleled.

Using the military's train-the-trainer approach to deliver local family member training, the USAFSC trains a cadre of core volunteer instructors who train volunteer Master Trainers at regional training sites. Core Instructors and Master Trainers incur a one-year commitment to AFTB and the Army upon certification. Master Trainers, as the workforce behind AFTB, return to their military communities and train other volunteers as instructors. These instructors teach the AFTB family member courses at the grass-roots level.

Since 1994, thousands of family members, soldiers, and DA civilians have attended AFTB classes taught by volunteer trainers worldwide. Family members are provided with realistic expectations of what the military expects of them, as well as what they expect the military can do for them. There is a direct correlation between AFTB and its positive impact on soldier and family readiness. It provides peace of mind to deployed soldiers who, having confidence their families can manage their lives more successfully in their absence, are better able to focus on their tactical mission.

Since 1994, AFTB has trained @3900 volunteers as Master Trainers, and our trainers have trained @150,000 family members. Level I training is now accessible via interactive, online training for our geographically dispersed families (particularly for the US Army Reserve and the Army National Guard). The web site address is www.armyfamilyteambuilding.org. Over 1K+ current enrollees.

The family member training material and supplemental guides have been translated in Spanish, German, and Korean to meet the needs of our foreign-born spouses.

In November 1999, AFTB was selected to receive the prestigious Association for Volunteer Administrators (AVA) Organizational Service Award presented to organizations that promote volunteerism, provide service through a unique model, and have made a substantial impact on their community.

Conducted the first Master Trainer in Spanish for USARSC.

FUNDING:

CFSC funds all costs associated with the Master Trainer, Core Volunteer Instructor, Master Trainer Professional Development and Program Manager Courses, and Senior Spouse Leadership Seminar. This includes travel and per diem for student training. Additionally, all costs for training materials and publications are covered by CFSC.

LEGAL AND REGULATORY GUIDANCE:

Memorandum from CSA and SGMA, dated 18 Dec 94.

"AFTB Handbook" is in the process of becoming a regulation.

In December 1998, the Chief of Staff and Sergeant Major of the Army designated 16 December as "AFTB Day" to draw attention to the program's success in improving family readiness throughout the Army.

PROGRAM DIRECTIONS AND TRENDS:

- ❖ Implement Management Report
- ❖ Publish DA Regulation
- ❖ Conduct Program Assessment – 21 site visits
- ❖ Introduce AFTB to our Latin American counterparts
- ❖ AFAP Initiative – paid staff Program Manager
- ❖ Fully develop Net-Trainer System

★ ARMY FAMILY ACTION PLAN (AFAP) ★

PURPOSE: Provide forums for soldiers and families to report critical well-being issues to Army leadership; monitor issue resolution through a formal protocol that involves regular leadership review and approval. All Army constituents are included in AFAP: Active and Reserve component soldiers, civilian employees, retirees, and family members. AFAP helps commanders keep pace with change. It gives leaders real-time information – supports fast action

to fix problems and implement good ideas. At the local level, AFAP improves Army communities – at the national level, it improves Army standards of living, enhances corporate competitiveness and supports readiness and retention.

DESCRIPTION:

The AFAP process works at all levels:

Installation: The AFAP program is located under the DPCA, usually in the Family Support Division. The AFAP process begins in the fall or winter at the annual installation conference, where delegates, representing a demographic cross-section of the Army, develop and prioritize issues. Many of the identified issues are specific to that installation and can be resolved at that level; others are forwarded to the MACOM AFAP conference. Issues are assigned to the office having responsibility for resolving the issue and are published in the installation Army Family Action Plan, or "Issue Update Book." The installation AFAP Steering Committee, chaired by the commander, reviews and monitors the issues on a regular basis, at least semi-annually, as they are worked toward resolution. The AFAP Office ensures that feedback on issue resolution, installation level and higher, is provided to the community frequently.

MACOM: Issues that require a higher level of authority for resolution are forwarded to the MACOM. MACOMs conduct annual conferences to review issues forwarded by the installations. Issues that cannot be resolved at the MACOM are forwarded to HQDA. Installations send delegates to MACOM and HQDA conferences.

HQDA: Issues requiring HQDA, Department of Defense, or Congressional action are evaluated and prioritized for senior leaders by Army-wide delegates to the HQDA AFAP Planning Conference in late October/early November.

Annual HQDA AFAP Conference. The conference takes place each year. It is a major conference one year and a smaller conference the next year. The conference allows soldiers and family members, retirees, and DA civilians from installations and MACOMs an opportunity to review issues from AFAP forums across the Army and determine those most critical to Army's well-being.

Issues have widespread applicability. Issues that are elevated to HQDA-level have Army and DoD-wide applicability. These issues are reviewed by the executive agency, CFSC, every six months. Likewise, the AFAP General Officer Steering Committee (GOSC), the final review board for AFAP issues, receives approximately 25 issues for further review. Meeting semi-annually, GOSC provides a forum in which direction is given and decisions are made that facilitate thorough and timely pursuit of issue resolution. The GOSC, chaired by the Vice Chief of Staff, Army, is comprised of DoD and Army staff principals, MACOM commanders and Corps and MACOM Command Sergeants Major, or the representatives of these leaders.

FUNDING: AFAP is funded with APF. These are non-MWR mission dollars. As of March 01, there is no funding for AFAP in the field; however, the Army has requested funding for

operations and a joint AFAP/AFTB program manager. A non-financed requirement was submitted for the FY03-07 POM and for FY01 and 02; as of this update, the outcome appears promising but there is no definite decision.

INDICATORS OF PROGRAM SUCCESS:

❖ There are four baseline program standards for AFAP, which are measured by MACOM and reported to the MWR Board of Directors annually:

- **A designated AFAP coordinator.** An AFAP Program Manager is officially appointed to administer the AFAP program. Year-round responsibility – may be a collateral duty – may be a contractor; job description/SOW will include AFAP responsibilities.
- **Annual installation AFAP conference.** An annual installation AFAP conference is held in the fall or winter for delegates to identify, prioritize, and recommend solutions for issues they consider important to Army standards of living.
- **Annual MACOM AFAP conference** is convened in the spring and early summer, following the installation conferences.
- **AFAP Steering Committee.** The installation AFAP Steering Committee reviews issues, provides guidance and direction, and approves/disapproves closing issues as Completed (resolved) or Unattainable (unable to resolve due to cost, manpower, etc). Before an issue is declared Unattainable, the lead agency must show that all attempts to resolve the issue have been unsuccessful.

❖ The AFAP also has accreditation standards that include the baseline program standards and additional standards that support the baseline standards. The accreditation standards provide the opportunity for AFAP programs to achieve "Accreditation with Commendation" or "Full Accreditation," depending on the level of achievement. The AFAP accreditation is new as of 2001, and will be conducted in conjunction with the ACS Accreditation Program. A selection of the accreditation standards follows:

- Issues/concerns solicited from the community three to six months prior to AFAP forum.
- Work Group Management Teams (facilitators, recorders, transcribers, and issue support people) trained on conference process and issue development.
- A volunteer management program is established for AFAP volunteers.
- A non-governing Advisory Group is established, which includes but is not necessarily limited to officer and non-commissioned officer spouses, to include senior leader spouses.
- AFAP has adequate workspace, equipment, and supplies.
- Marketing and Command Information programs and feedback to the community are established.
- The AFAP Annual Report is prepared and forwarded annually to MACOM and HQDA.
- A local AFAP Standing Operating Procedure document is established.
- An installation Army Family Action Plan or "Issue Update Book" will contain the installation issues, the office assigned to resolve each issue, the required action, the

milestones for completion, and a history of the progress.

- Provide feedback to all community members on issues identified through the AFAP process at the installation, MACOM, and DA level.
- Program managers receive AFAP Program Manager and Conference Training.

LEGAL/REGULATORY GUIDANCE:

Draft DA Regulation, 608-XX The Army Family Action Plan, contains policy and guidance.

Information/operations guidance: An Issue Update Book, prepared every six months following each GOSC meeting, contains a description of all of the issues in the Plan, and the status of each issue. The issues are also contained on the CFSC/MWR Web Site (<http://armymwr.army.mil>).

Operating procedures and "how-to" information are provided in the "AFAP Installation Handbook."

PROGRAM DIRECTION AND TRENDS:

Training, Standards, accountability procedures, and outcome measures are being instituted to provide accessibility to consistent, effective AFAP programs at all locations.

Partnership initiatives are being pursued with ACS, AFTB, Child and Youth Services, Better Opportunities for Single Soldiers, and other programs to integrate program efforts and leverage symbiotic opportunities.

Funding and manpower are being sought to support full AFAP program operations and cease cannibalizing resources from programs to which AFAP is assigned (e.g., ACS).

Impact on recruitment, readiness and retention. AFAP helps keep pace with change, institutes and improves Army-wide programs and services, and leads to important amendments to policy and law. It helps the Army be corporately competitive, puts programs into place that encourage individuals to be self-sufficient, and makes the Army a better place in which to live and work. AFAP is a partnership between the Army and its constituents—it fosters satisfaction, buy-in, and allegiance.

CHAPTER 7
CHILD AND YOUTH SERVICES

★ CHILD AND YOUTH SERVICES (CYS) ★

PURPOSE: To reduce the conflict between parental responsibilities and mission requirements by providing quality programs that are available, affordable, and predictable for children and youth ages four weeks – 18 years.

DESCRIPTION: The CYS "seamless delivery system" is comprised of services that facilitate the supervision of children and youth during parents' duty hours. These services include:

❖ Child Development Services (CDS)

Offer full-time, part-time, hourly, and extended/long-term care services for children ages four weeks - 12 years in CDCs and Family Childcare (FCC) homes.

❖ School Age Services (SAS)

Offer before-school care options, after-school care options and open recreation (hourly care), summer camps, and weekend activities for children ages 6 - 10 years in 1st -5/6th grades (per local configuration).

❖ Youth Services (YS)

Offer supervised recreational, skill building, citizenship and leadership activities for children and youth ages 6-18. The primary focus is on Middle School youth (generally ages 11- 15 in grades 6/7th to 9th per local configuration) and Teens (generally ages 16 - 18 years in grades 10th - 12th per local configuration).

❖ CYS Liaison, Education, and Outreach Services (CLEOS)

Provide support to entire CYS operation and include both Youth Education Support Services (YESS) and Outreach Services (OS).

- School Liaison Services
- CYS Youth Education Liaison Services
- CYS Instructional Program
- Parent Liaison Services
- Community Liaison Services
- Registration and Referral
- Outreach Care and Supervision Options

OPERATIONAL OBJECTIVE: The CYS program is to sustain Army childcare as the "benchmark for the Nation" (externally recognized as such by the National Women's Law Center in an April, 2000 report), while establishing youth programs as a comparable national model in accordance with statutory requirements, DoD policy, and Army standards. This objective is accomplished through the following:

CDC and SAS programs provide quality childcare services in centralized facilities operated by trained personnel. CDC and SAS programs are both certified by DoD and are professionally accredited by their national accrediting agency; the National Association for the Education of Young Children and the National School Age Care Alliance respectively.

Family Childcare (FCC) home programs, accredited by the Military FCC Home Accreditation (MHA) Agency, offer quality care provided by military family members (working as independent contractors) who reside in Government owned or leased quarters.

YS programs provide supervised out-of-school activities in central facilities overseen by trained personnel. The framework for youth programs consists of these four service areas:

Youth Sports, Fitness, and Health promotes youth physical fitness, conditioning, and sports skill development through individual and team sports programs. Emphasis is placed on sportsmanship, fundamentals, maximum playing time, and physical conditioning.

Arts, Recreation, and Leisure promotes social interaction, personal growth, cultural diversity, and lifelong leisure and recreation skills.

Life Skills, Citizenship, and Leadership emphasizes social responsibility, community involvement, and development of vocational and employment skills.

Mentoring, Education, and Intervention emphasizes personal safety, family communication, mentoring, and prevention of violence and substance abuse.

CYS FUNDING: CYS programs are MWR Category B programs and are funded by APFs (MDEPs, QCCS and QYDP), NAFs (user fees and installation NAFs), and other sources which may include USDA reimbursements and donations through the Combined Federal Campaign.

❖ **Increased APF support.** APF support has been substantially increased in recent years and on an Army-wide basis is currently adequate to meet approximately 65% of child-care demand and 20% participation for eligible youth. Installation level requirements may vary considerably depending upon local needs and circumstances.

❖ **Fees for childcare are based on Total Family Income IAW the DoD Fee Policy.** The installation commander selects a local childcare fee for each DoD Fee Category (I – VI).

❖ **Match in funding. IAW the Military Childcare Act (MCCA) and DoDI 6060.2,** APF support must, at a minimum, match patron fee income for center-based CDC and SAS programs.

❖ **Use of patron fees.** IAW DoDI 6060.2, patron fees for center-based programs must be expended for compensation of child-care employees who are directly involved in providing childcare, food related expenses not paid by USDA or APF, and consumable supplies.

❖ **FCC patrons pay directly.** Patrons pay FCC providers directly for services. The provider establishes fees. All costs to administer the program are funded by APFs.

LEGAL/REGULATORY GUIDANCE:

Military Childcare Act (MCCA) criteria included in National Defense Authorization Act for FY96 (PL 104-1006) requires:

- ❖ Staff training
- ❖ Caregiver wage program
- ❖ Parent boards
- ❖ Family childcare subsidies
- ❖ APF to at least equal fee revenue
- ❖ Annual unannounced inspections
- ❖ Remedies for inspection violations
- ❖ Training and Curriculum Specialists
- ❖ Uniform safety and operational procedures

Background checks. Public Laws 102-109 and 101-647 require background checks.

Special needs. The Rehabilitation Act of 1973 requires inclusion of special needs children.

Youth Sponsorship. Public Law 99-145 requires a Youth Sponsorship program.

Child and Youth Program Expansion. Public Law 106-65 establishes DoD tests through pilot sites of various methods to expand CYS programs through partnerships with the local community.

The White House Initiative on Childcare includes:

- ❖ Presidential Memorandum of April 1997 requires military childcare programs to share "lessons learned" in military successes with civilian programs.
- ❖ Presidential Memorandum of March 1998 requires federally sponsored childcare programs to be accredited.

CYS policy and procedures. AR 608-10, CDS includes policy guidance and standards. AR 215-1 defines basic YS program elements. YS Memorandum of Instruction (May 1990) supplements AR 215-1 policy. AR 608-10, 215-1, and DoDI 6060.3 define SAS requirements.

DoDI requirements. DoDI 6060.2 contains policies and procedural requirements for the Child Development program. DoD Instruction 6060.3 contains policies and procedural requirements for the School Age Care program.

INDICATORS OF PROGRAM SUCCESS:

- ❖ **Seamless Delivery.** Installation organized under CYS configuration.
- ❖ **DoD Certification.** Installation CDS and SAS programs are DoD certified.

- ❖ **National Accreditation.** CDCs and FCC homes undergo professional accreditation review and maintain accredited status.
- ❖ **Foundation Training/Staff Credentials.** Within 45 days, staff is trained in child abuse prevention, CPR, first aid, age-appropriate activities, communication skills, customer service, and discipline alternatives. Lead program assistants and mentor FCC providers hold the nationally recognized Child Development Associate (CDA) credential or the Army School Age Credential.
- ❖ **Child and Youth Personnel Pay Plan (CYPPP).** IAW CYPPP, installations offer competitive salaries to CYS personnel.
- ❖ **School Liaison Officer (S-L-O).** Installation has a designated S-L-O operating within the CYS structure.
- ❖ **Middle School/Teen Program Implementation.** Installation offers after-school, evening, and weekend programs aimed at having at least 20% of its middle school and teen youth regularly participate in YS program activities (to increase to 35% by FY07).
- ❖ **Predictable Baseline Programming.** Installation schedules of activities and events for school age and middle school teens reflect the program framework of the four service areas.
- ❖ **Boys and Girls Clubs of America (B&GCA) Membership.** Installation is a member organization of the B&GCA and conducts the annual "Commitment to Quality" self-assessment.
- ❖ **DoD Child Space Allocation Commitment.** Installation provides its MACOM-assigned target number for actual childcare spaces to enable the Army to meet its DoD Space Allocation Goal (currently 65% of patron demand; to rise incrementally to 80% by FY07).
- ❖ **MDEP QCCS & MDEP QYDP Distribution and Execution.** Installation meets its NAF "breakeven" goals for CDC and SAS programs and is within Army unit cost ranges for use of APF for age group/program child spaces.

PROGRAM DIRECTION AND TRENDS:

- ❖ Providing services through a CYS seamless delivery system to leverage staff, funds, and facilities across CYS programs.
- ❖ Re-engineering CDS Supplemental Programs and Services (SPS) operation as CYS Liaison, Education, and Outreach Services (CLEOS).
- ❖ Meeting DoD Child Space Allocation and Army Youth Participation Goals.
- ❖ Addressing CYS Personnel Shortages to include competitive wages, timely background checks, recruitment initiatives, and retention incentives.
- ❖ Fielding the automated Child and Youth Management System (CYMS).
- ❖ Utilizing assets from Boys and Girls Clubs of America and 4-H Clubs to enhance installation CYS programs.
- ❖ Providing Youth Education and Transition Support Services.
- ❖ Increasing rates of CDC/SAS accreditation, coach certification, and CYS staff credentialing.
- ❖ Implementing CYS baseline standards with availability, affordability, and quality outcomes using the CYS Gumball Tool.
- ❖ Establishing CYS Spotlight Sites and 1st Choice Installations to serve as working models for other installations.

???QUESTIONS COMMANDERS SHOULD ASK???

Is the installation configured to ensure seamless delivery of CYS programs to soldiers and families?

Does the installation have an Installation Child and Youth Availability Plan (ICYAP)?
Does the installation have the required CYS delivery systems and programs available?

Has MDEP funding been provided and executed to achieve my installation's childcare space allocation, youth participation, and school liaison officer goals?

Do CYS programs meet the current MWR NIBD standards for use of NAFs in CDS and SAS programs?

CHAPTER 8
RECREATION PROGRAMS

★ RECREATION PROGRAMS ★

PHILOSOPHY: The morale of the individual soldier and the members of his/her family is critical to the future success of the Army. Each commander must evaluate the leisure time of the soldier and his-/her family and ensure recreation pro-grams are satisfying their major needs and desires.

Through planned recreation activities, our soldiers can manifest their individuality, become aware of themselves, and relate to their environments. Personal growth takes many forms and directions. In the final analysis, those who take an active part in constructive off-duty pursuits contribute more positively to the organization and to the community.

Army Recreation programs and soldier MORALE are closely related. General Carl E. Vuono, as Chief of Staff, Army amplified this in "A Strategic Force for the 1990s and Beyond." He stated "...if we are to attract the best our nation has to offer, we must continue to offer them the personal and professional challenges and quality of life, equal to those of the citizens they are sworn to defend." The Army's current leadership continues to embrace that philosophy.

Recreation programs are authorized by Congress to provide diversion from the rigors of military service and reduce the stress of daily living. These programs offer the widest possible opportunity for life skills development, self-expression, leisure and social activities, and physical fitness.

MISSION: To assist commanders to establish and maintain worldwide recreation programs that increase the effectiveness of the Army, while in garrison and during contingency/mobilization operations, by maintaining high morale, and mental and physical fitness of soldiers, their families, civilian employees and alumni in sup-port of Army readiness. This is accomplished by development of plans, policies, and procedures or operating activities that provide whole-some, challenging, and educational recreation, sports, and library activities.

GOALS AND OBJECTIVES: The Recreation Program assists commanders in maintaining morale, esprit de corps, and mental and physical fitness of the soldiers. They improve the quality of life by providing opportunities for self-expression, skills development, social activities, and physical fitness activities. Recreation assists commanders by promoting a positive image of the Army and promoting positive interaction with the off-post community.

★ ARTS AND CRAFTS ★

PURPOSE: To provide the military community effective, professionally directed off-duty recreational, vocational, and educational opportunities for soldiers, their families, and the military community. The program enhances quality of life by: building skills with mission

application; lifelong enhancement; stress management; self-reliant behavior; cognitive and problem solving skills; vocational and technical abilities; unit and individual cost savings; safe use of materials, tools, and equipment; opportunities for individual recognition; self worth; self discipline; cultural enrichment; and improved manual dexterity.

DESCRIPTION:

❖ **Seven core activities:** The program is designed around seven core activities:

- Drawing and painting
- Photography
- Woodworking and industrial arts
- Art metal and jewelry
- Pottery and ceramics
- Fibers, decor, and special crafts
- Sculpture and 3-D design.

❖ **Facility/mobile based.** The program is typically facility based; however, many elements have the potential of becoming mobile to meet patron needs.

❖ **NAF revenue.** NAFs are generated by classes, retail sales, services, and user fees. Structured programming. Some structured programming methods include scheduled classes, demonstrations, workshops, contests, exhibitions, craft fairs, and festivals.

FUNDING: Authorized category B APF support. The APF and NAF mix for funding the program should be approximately 65% and 35% respectively.

INDICATORS OF PROGRAM SUCCESS:

❖ **Customer feedback.** Patron surveys, customer comment cards, and other feedback indicate satisfaction.

❖ **Diverse programs.** Programs and activities from all core areas are offered based on customer need.

❖ **Equipment.** Equipment available supports core activities and is well maintained.

❖ **Broad appeal.** Activities programmed specifically target all segments of the community. Through partnerships within MWR or off post the whole community is enriched (e.g. Youth activities, School Age Services, Army Communities Services, etc...)

❖ **Capital improvements.** Renovation or construction projects have been initiated where required.

❖ **Retail sales.** An attractive walk-in retail sales store exists and merchandise meets patron needs.

❖ **Effective marketing program.** Program is marketed effectively in the community (e.g. post newspapers, closed circuit TV, internal displays and bulletin boards).

LEGAL/REGULATORY GUIDANCE: AR 215-1 provides general policy guidance. The environmental Protection Agency policies, state and local hazardous materials management, and control laws apply.

PROGRAM DIRECTION AND TRENDS:

- ❖ **Fewer APFs.** APF dollars are declining and programs are being forced to generate more revenue. APF Staffing reductions are negatively impacting program delivery in Arts and Crafts.
- ❖ **Full range of services.** Programs are experiencing great pressure to provide full services (e.g., produce work for patrons, picture framing, trophies, etc). This may divert APF staff, thus reducing the professional's ability to teach patrons wishing to "do-it-yourself."
- ❖ **Technological impact.** Computer generated graphic technology is being adapted into a wide variety of more traditional arts and crafts.
- ❖ **Stress reducers.** More traditional "high touch" arts and crafts programs are "stress reducers" in our high tech military environment.
- ❖ **Arts comeback.** There is a resurgence of the Arts in society today.

COMMERCIAL TRENDS IN ARTS AND CRAFTS ARE:

- ❖ **Accessories & clothing.** Decoration of all varieties of clothing (e.g., T-shirts, sweats, jewelry, hats, scarves).
- ❖ **Home improvement.** Do-it-yourself home improvement is a growth market. Greater emphasis on interior and garden environments.
- ❖ **Computer photography and imaging.** Big growth area.
- ❖ **Multi-media computer technology.** Another big growth area, helping enhance skills that may be applied to all facets of patrons career.
- ❖ **Stained glass.** Incorporated in stepping stones or fused panels.
- ❖ **Ceramics.** Groups painting together in a relaxed environment with a variety of coffee available.
- ❖ **Fine Arts.** In the past decade - people who describe themselves as painters have increased 80%.

???QUESTIONS COMMANDERS SHOULD ASK???

- What is your total funding mix?
- What can I do in this center?
- Are classes regularly available and how do you publicize them?
- What classes are based on current customer feedback?
- Are you doing any partnering within MWR or off post?

★ AUTOMOTIVE SKILLS PROGRAM ★

PURPOSE: To provide facilities, tools, equipment, diagnoses, and instructions to the patron for maintenance and repair of personal motor vehicles. This program promotes self-reliance and skills development for individuals. Skills learned are transferable to many military specialties. The Auto Skills Program provides a safe work area and a clean environment while providing significant cost reduction for personal automotive maintenance.

DESCRIPTION: The program provides:

- ❖ Do-it-yourself repair opportunities on such diverse maintenance areas as fuel systems, lubrication, ignitions, electrical, air conditioning, tire balancing and repair, suspension, transmissions, brakes, engine rebuild or replacement, body and paint.
- ❖ Staff services for maintenance and repairs in areas beyond the expertise of the normal soldier (e.g., computer diagnostics, state safety and emission inspection, wheel alignment, welding, coolant recharge and recovery, machine tool operations, and towing).
- ❖ Tools, equipment, and diagnostic assistance, which allow the patron to perform maintenance.
- ❖ Provides environmentally safe location to work on vehicles.

FUNDING: Automotive Skills is a Category B program authorized both APF and NAF. DOD goal is that APFs should make up approximately 65% of the total operational costs.

INDICATORS OF PROGRAM SUCCESS:

- ❖ **Centrally located.** The center is located near the community center, not in the “industrial outskirts.”
- ❖ **Facility size.** The building has one work bay per 350 assigned soldiers (average for medium size posts).
- ❖ **Waiting lists.** There is a “waiting list” on Saturday mornings to get a work bay.
- ❖ **Patronage policy.** Priority use of the center is given to active duty members who make up over 80% of its users.
- ❖ **Scheduled classes.** Scheduled classes of instruction are offered in fundamental and advanced technology.
- ❖ **Facility equipment.** The facility is equipped with vehicle lifts in more than 50% of the work bays.
- ❖ **Technical staff.** Staff performs technical & safety essential tasks only and users do all other work.

LEGAL REGULATORY GUIDANCE: Environmental Protection Agency policies, state and local hazardous materials management laws, and control laws apply at each installation. General program guidance is found in AR-215.

PROGRAM DIRECTION AND TRENDS:

- ❖ **Facilities.** New or renovated facility numbers are growing to meet demand.
- ❖ **Technical training.** CFSC is offering and funding technical training to improve diagnostic skills for assigned staff.
- ❖ **Inappropriate use of centers.** Some NAF managers are inappropriately using Automotive Skills Centers to produce NAF through commercial repairs in competition with AAFES.

❖ **New services.** The following services are being added in response to patron demand:

- Car wash and detailing
- Painting and body repair
- Towing services
- Car rentals (where AAFES allows)
- Gold plating of vehicle chrome
- Car alarms and cellular phone installation
- Air Conditioning Systems Retro Fit (R-12 to R-134a)
- Recycling of coolants
- Total engine replacements vs interior motor rebuilding
- CD ROM Technical Data Manuals

???QUESTIONS COMMANDERS SHOULD ASK???

What is your total funding mix?

What can I do in this center?

Are classes regularly available and how do you publicize them?

What classes are based on current customer feedback

Are you doing any partnering within MWR or off post?

★ BETTER OPPORTUNITIES FOR SINGLE SOLDIERS (BOSS) ★

PURPOSE: To provide a mechanism for soldiers to surface well being issues; to instruct and guide personnel responsible for single soldier programs; and provide information on and to organize recreational opportunities for single soldiers.

DESCRIPTION:

❖ The BOSS program operates at three distinct levels:

- **Installation level.** BOSS soldier committees, commands, and staffs work to ensure well-being of single soldiers. Soldier BOSS committees reflect the demographic profile of single soldiers on the installation.
- **MACOM level.** Major Command BOSS policies are written based on installation input and distributed for implementation. This office also tracks installation BOSS committee initiatives and funding.
- **DA level.** The CFSC BOSS office is a single soldier voice to the senior leadership in the Army on all single-soldier issues. This is a one-step single-soldier issue information office and where Army-wide BOSS policy is generated.

- ❖ **Expanded program.** CSA expanded the program into every aspect of a soldier's life, i.e., barracks, finance, MWR, transportation, etc.
- ❖ **Implementation.** The BOSS program is implemented by CFSC and MACOM to provide program consistency.
- ❖ **Start-up training and funds.** All installations designated by MACOMs receive training and seed money grant of up to \$10K.
- ❖ **Well-being.** Working with the chain of command, BOSS can and does make a difference regarding the quality of life for single soldiers.

FUNDING:

- ❖ BOSS events designed and implemented by installation BOSS committees are self-funded. Examples are car washes, festival/carnival booths, and social functions.
- ❖ A rating factor in the ACOE. Some of the winning commanders from the ACOE are encouraging BOSS use of some of the award dollars.
- ❖ MWR Category B Program. Authorized APF and NAF support.

LEGAL/REGULATORY GUIDANCE: AR 215-1 provides general operating policy.

INDICATORS OF PROGRAM SUCCESS:

- ❖ 100% command support from the commanding general to the platoon sergeant.
- ❖ Active BOSS committee with all members of the executive committee on orders.
- ❖ Working SOP designed and presented by the soldiers.
- ❖ Full-time BOSS office staffed with a program manager (civilian or military).
- ❖ Numerous income-generating activities or social functions initiated by soldiers, based on needs and wants.
- ❖ Soldiers brief the commander at least once a quarter.
- ❖ Single soldiers integrated into all aspects of installation life: well-being, recreation, and community services.

PROGRAM DIRECTION AND TRENDS:

- ❖ CFSC will increase awareness of single soldier issues through established areas: ACOE, AFAP, SIF, CSA Weekly Summaries, etc.
- ❖ A CFSC BOSS office will coordinate "activities" with Marine and Navy single-service-member programs.
- ❖ BOSS continuing to be the "voice" for the single soldier, helping the soldier help him/herself...
- ❖ Army-wide program training provided annually.

???QUESTIONS COMMANDERS SHOULD ASK???

Is an MWR program advisor appointed to assist single soldiers with BOSS program operations and training?

Has the brigade/battalion CSM and Unit I SG educated, informed, and ensured the NCO support channel supports the BOSS program?

Does the BOSS President ensure that the meeting minutes (with attendance figures) are prepared and forwarded to the installation commander for approval?

Does the BOSS President report issues, concerns, or special requests to the installation commander through installation CSM?

Does the Installation Commander provide feedback to single soldiers on the status of issues forwarded to higher headquarters?

★ ARMY ENTERTAINMENT PROGRAM ★

PURPOSE: To provide the entire military community with broad-based entertainment opportunities including music, theatre, unit-based entertainment, and special entertainment events. The program also serves as a non-facility based activity in support of entertainment for all other MWR activities at the installation.

DESCRIPTION: Entertainment is a diverse and demand-driven program that:

- ❖ Is non-facility based and provides support for the entire community; e.g., BOSS, Youth Services, and Clubs.
- ❖ Provides the logistical, technical, and artistic support for business operations, ethnic celebrations, soldier activities, special events, and public relations activities with the civilian community.
- ❖ Is the primary point of contact for special events in the community; e.g., country music festivals, concerts, fests, etc.
- ❖ Has a soldier-oriented music program, which includes lessons, concerts, musical equipment availability, and the opportunity to establish soldier bands.
- ❖ Has a soldier-oriented theatre program, and determines its most effective delivery format for the local area; e.g., installation-generated programming, support of off-post/on-post delivery, and/or contracted professional theatre.
- ❖ Copyright and royalty clearance. Serves as the focal point for installation copyright and royalty clearance processing.

FUNDING: This program is MWR category B activity. Based on dwindling support most installations are not currently funding the program with APFs.

LEGAL/REGULATORY GUIDANCE:

Public Law 94-553 requires MWR to gain clearance from copyright owners for all theatrical and most music pieces. Headquarters Department of Army (HQDA), CFSC coordinates these efforts.

AR 215-1 provides general operating policy.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Uses commercial sponsorship to offset program costs.
- ❖ The entertainment program actively supports other programs and events.
- ❖ Special events are well attended and revenues required to cover all costs are at breakeven point (BEP).
- ❖ High Customer satisfaction according to surveys and comment cards.
- ❖ Net income before depreciation (NIBD) is equal to or greater than zero.

PROGRAM DIRECTION AND TRENDS:

- ❖ Demand driven. The major trend is to de-emphasize facility based programming to better provide for demand-driven entertainment activities based on the expressed entertainment interests, and cultural and educational needs of the community and its military units.
- ❖ Focus on increased community-wide events, soldier-demand programs, and consultant services for other MWR activities and youth education.
- ❖ Distribute costs/income appropriately. As entertainment programs increase support to other programs, the costs of services provided must be transferred to the receiving activity, or a portion of the revenue must be credited to the entertainment program.

???QUESTIONS COMMANDERS SHOULD ASK???

What is the quality of talent that Army Special Events provides?

What is the Army Entertainment Division doing to satisfy the demand for more theatrical type shows?

Are Entertainment Programs and Services available on the Installation? If so, are they based on customer feedback?

Are the Entertainment Programs driven by profit?

Do the Entertainment Programs support the OCONUS unit in entertainment?

★ LIBRARY PROGRAM ★

PURPOSE: To provide the military community with effective, professionally directed library and information services in support of education and information requirements, training and mission support requisites, and MWR needs.

DESCRIPTION:

- ❖ Collections. For all subject fields, provides current, retrospective, and authoritative materials in a variety of formats. Offers reference and research services.
- ❖ Interlibrary loan access. To augment resource capability, this access is provided, electronically and manually, to a variety of library collections.
- ❖ Accesses a variety of electronic information sources, e.g., via Internet and in-house use of CD ROM technology.
- ❖ Patron Internet access is provided so that customers can take advantage of bibliographic and other information services available; many libraries also offer Internet e-mail capability.
- ❖ Uses an automated integrated library system to support on-line patron access catalog, circulation processes, cataloging, acquisitions, and serial control.
- ❖ Paperback book kits are provided to isolated troop units and soldiers on maneuvers and in combat.
- ❖ Special activities/events/partnerships are offered to meet community needs and stimulate the use of library resources.
- ❖ Selective Dissemination of Information (SDI) is provided on issues important to commanders and other mission related requirements. (Profiles commanders for automatic receipt of specialized information.)
- ❖ Mobile libraries. In addition to the main library, provides branch or mobile libraries and books by mail as required to support the patron base.

FUNDING: The library program is a MWR Category A activity authorized full APFs. If APFs are exhausted, NAF may be used in support. Fees and charges, per AR 215-1, will not be imposed other than for use of coin-operated copy equipment and specialized one-time services/events.

LEGAL/REGULATORY GUIDANCE:

Public Law 94-553 (Copyright Act of 1976) defines “fair use” of copyright material in the library arena.

AR 735-17 (Accounting for Library Materials) provides authority to open/close libraries and to maintain and dispose of materials.

AR 25-1 (Library Management) and AR 215-1 (MWR) provide general operating guidance.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Soldier and Family member surveys indicate satisfaction.
- ❖ Circulation and attendance statistics show program is growing.
- ❖ Meet national guidelines/standards established by the American Library Association and Special Libraries Association.
- ❖ Meet educational accrediting standards for library support as established by state and regional educational accrediting associations.
- ❖ Meet DoD Joint Library Standards as established by OSD and the Joint DoD Library Forum.
- ❖ Meet established MWR BOD baseline standards.

General Benchmarks:

Internet access: 100% of libraries offer Internet access to patrons.

Integrated Library System (ILS): Applicable modules of ILS; i.e., automated circulation, card catalogs, cataloging, serial control, and acquisitions, are used to operate main libraries.

Z39.50 Compatible ILS. A national standard that permits library bibliographical databases to interact with each other using the same protocol language that eases the requirement to have the same brand ILS in every library.

PROGRAM DIRECTION AND TRENDS:

- ❖ **Facilities.** Upgrade facilities and heighten program visibility with increased marketing of services.
- ❖ **Automation.** Greater reliance on web-based accessibility to library information resources. Remote customer access, from workplace or home, to on-line card catalog and CD ROMs.
- ❖ **Access to data communications for e-mail and on-line informational transactions.** Includes use of resources on the Internet, on-line access to commercial databases via the web, and application of Z39.50 standard to support interconnectivity between Army library databases.
- ❖ **Library consolidations.** Viable alternative to multiple libraries on an installation; offer one access point for all materials; can reduce administrative and technical processing staff; and require adequate staffing and space.
- ❖ **Networking.** Toward providing improved and more cost-effective service, formal and informal arrangements between libraries to explore and share techniques and new resources of information.
- ❖ **Training.** Toward providing the best information services to patrons, is a need to train library staff to be effective in a rapidly changing information technology.

???QUESTIONS COMMANDERS SHOULD ASK???

Does the library have Internet access for all members of the military community?

What program or events does the library have planned for the coming year?

What informal/formal arrangements does the library have to share resources with other libraries or information providers?

Is there remote access to the library catalog?

Have the librarians received professional or information technology training within the past year?

★ OUTDOOR RECREATION ★

PURPOSE: To provide comprehensive outdoor recreation programs, facilities, and services for the enjoyment of the entire military community. Program offerings are primarily based on the availability of land and water resources.

DESCRIPTION:

❖ **Support military mission.** The outdoor recreation program provides a direct link to those requirements which support the military mission:

❖ **Physical fitness.** Adventure-related activities provide opportunities for physical fitness.

❖ **Self-confidence.** Outdoor programs build self-confidence and self-esteem.

❖ **Leadership skills.** Programs provide opportunities to learn or enhance leadership skills.

❖ **Team building.** Programs provide opportunities to work together as a team.

❖ **Programs** include backpacking trips, scuba, hunting, fishing, rock climbing, sailing, kayaking, and other activities.

❖ **Services** include recreation vehicle (RV) storage, ski waxing, instructional classes, equipment issue, and many others.

❖ **Facilities** include marinas, stables, trap and skeet ranges, outdoor equipment-checkout centers, travel camps, parks and picnic areas, swimming pools, recreational lodging, skating rinks, and hunting and fishing areas.

FUNDING:

APF and NAF. The diversity of the outdoor recreation program encompasses all MWR Categories: A, B, and C. For example, parks and picnic areas are Category A; equipment-checkout centers are Category B; and skeet and trap ranges are Category C. Outdoor Recreation

also has programs that incorporate multiple categories, such as recreation areas with water parks (Category A), small RV Parks (Category B), and a marina with private berthing (Category C).

Funding for equipment-checkout centers and equipment rental centers, which may be in the same building, is often misunderstood. Equipment for checkout (program code KC) such as tents, backpacks, and propane camp stoves relates directly to the support needed to provide program opportunities for the community, and as such is Category B. Equipment rental (program code LW) considered "Rental" (e.g., lawn mowers, chain saws, etc.) is not and must be funded as Category C.

The core of the outdoor recreation program is Category B.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Diversified year-round programming appropriate to the nearby water and land resources.
- ❖ Broad programs that appeal to all segments of the community.
- ❖ Facilities that are well maintained, or for which renovation or construction is planned.
- ❖ A comprehensive program that provides at least 80% of the activities indicated in the outdoor recreation program guide (DA PAM 28-14). This should be based on the Leisure Needs Survey and local focus groups. This standard is currently under development.
- ❖ Equipment centers that provide a diverse selection of state-of-the-art, well maintained equipment.
- ❖ Customer feedback. Patron surveys, customer comment cards, and other feedback that indicate success.

LEGAL/REGULATORY GUIDANCE:

DoDD 4700.4 Natural Resources authorizes the public use of natural resources on an installation (unless precluded because of safety or security reasons).

AR 215-1 MWR provides general program guidance.

PROGRAM DIRECTION AND TRENDS:

- ❖ Diversity. The overall outdoor recreation program has diversified to the extent it now appeals to all segments of the military community. Program direction has led to the following benefits:
 - ❖ Opportunities to develop lifetime skills.
 - ❖ Reduction of stress/anxiety through challenging adventure program participation.
 - ❖ Opportunities for family bonding.
 - ❖ Increase in the understanding and awareness of safety.
 - ❖ Trends are evidenced in:

- High-tech equipment available for patrons' use.
- Continued expansion of programs to include high adventure activities.
- Increased participation of youth and females in the programs.
- Construction of multidimensional outdoor recreation centers.
- Continued resourcing of annual worldwide training to keep outdoor managers abreast of policy changes and new initiatives. These classes focus on providing managers with new program and teaching skills.

★ RECREATION CENTERS ★

PURPOSE: To provide soldiers and the military community quality recreation programs and services during their off-duty time. This program is a mission essential activity and, as such, directly supports contingency operations (e.g., providing units assistance in assembling their mobilization recreation kit). The Recreation Center is an extension of Anywhere USA, with a relaxed home-like environment.

DESCRIPTION:

Programs available include: self- and staff-directed activities, e.g., special events, holiday observances, contests, leisure learning classes, personal skill building, billiards, chess, table tennis, musical and entertainment programs, and support for mobilization.

Services provided include: merchandise and food services; vending machines, snack bars, custom novelties (balloons, cookies, candy grams, etc.); computer centers with access to the Internet and email; movie rental; musical equipment check-out; leisure information services; registration, day trips, community and unit orientations; conference and training activities; meeting rooms for commanders/unit functions; ceremonies, special interest groups and private organization meetings, and military training classes.

Recreation Center Programs are not facility bound. Programs are delivered for soldiers at remote sites, field exercises, mobilizations, deployments, contingencies, and natural catastrophes.

Facilities are multipurpose buildings ranging in size from 1K - 40K square feet.

FUNDING: MWR Category A. Authorized APF support.

LEGAL/REGULATORY GUIDANCE: AR 215-1 provides general policy guidance.

INDICATORS OF PROGRAM SUCCESS:

❖ **Professional staff.** All centers are staffed with at least one professional staff that has a degree in recreation or a related field. Certifications to help indicate level of proficiency are: Certified Park and Recreation Professional through the National Recreation and Park

Association and Certified Program Planner through the Learning Resource Network Program Management Institute.

❖ **Programs.** Majority of programs offered are staff-directed and 20% of programs offered each year are new.

❖ **Facility Condition.** Facility interior reflects modern design principles using color, fabrics, artwork, furniture and state-of-the-art technology to reflect a relaxed home environment anywhere in the world.

❖ **Customer feedback.** Patron surveys, customer comment cards, and other feedback indicate satisfaction.

❖ **Community partnerships.** Programming is integrated with many community activities and organizations, both on and off the installation.

❖ **Single soldier.** The majority of off-duty programming targets the single soldier; but there are family programs also.

❖ **Active marketing.** The programs and services are actively marketed to the various segments of the community.

PROGRAM DIRECTIONS AND TRENDS:

❖ APFs are declining and programs are being forced to generate more revenue.

❖ Some Recreation Centers are being closed.

❖ Some Recreation Centers are being turned into Community Activities Centers.

❖ Collaboration and partnership with off-post recreation providers is an emerging trend.

❖ BOSS. Recreation Centers are the designed home of the BOSS committee.

❖ Automation is needed to provide an opportunity for participants to have computers for Internet access, email service, personal use.

???QUESTIONS THE COMMANDER SHOULD ASK???

How many of Recreation Center staff have a 4-year degree in recreation or a related field? How many are Certified Park and Recreation Professionals or Certified Program Planners?

What percent of programs offered are staff-directed? Self-directed?

Does the facility have a computer center with access to the Internet and email?

Has professional staff attended the MWR Academy Management Course? Have they attended the Recreation Program Manager's Course?

What is the average number of hours the Recreation Center is open to customers? (Army average is 66 hrs.)

★ SPORTS PROGRAM ★

PURPOSE: To offer diversion from the rigors of military service and the stresses of daily living. This program also complements other commanders' efforts in building morale and esprit de corps, and in promoting physical fitness. Individuals engaged in wholesome sports activities develop abilities, change and modify opinions and beliefs, gain self-confidence, and receive benefits of improved physical and mental health and social adjustment.

DESCRIPTION:

- ❖ **Individual and team sports.** Army sports activities encompass both individual and team sports for men and women, as well as self-directed sports and fitness activities.
- ❖ **Facilities.** Operates fields, gymnasiums, fitness centers, and swimming pools in support of sports and self-directed activities.
- ❖ **Intramural programs.** Emphasis should be placed on mass participation activities of the installation's intramural sports program, with softball, basketball, football, and volleyball as the most common sports in both the civilian and military communities.
- ❖ **Provide technical support.** Installation sports directors provide the technical expertise, supplies, and equipment necessary to conduct a sports program, while Athletics and Recreation (A & R) Officers represent their units on the Installation Sports Advisory Council.

FUNDING: As MWR Category A activities, unit-level and intramural sports are authorized full APF support.

LEGAL/REGULATORY GUIDANCE:

HR 4804, 8 Feb 84 amended title 10 US Code, to provide for participation by members of the armed services in international sports activities.

Department of Defense Directive 1330.4, 9 Mar 87, prescribes DoD policy concerning the participation of Armed Forces personnel in Armed Forces, National, and International competitions.

AR 215-1 provides general operating guidance.

TB MED 575 serves as the guideline for pool supervision.

INDICATORS OF PROGRAM SUCCESS: While sports programs throughout the Army are many and varied, the following are general standards for rating program success:

- ❖ Year-round, active sports programming throughout the calendar year.
- ❖ Weekly publicity of the program through installation media, bulletins, and flyers, etc.
- ❖ Active Sports Advisory Councils, allowing full representation and input of units on the sports program.

- ❖ Fully maintained facilities (minimum downtime for fitness equipment, and fully prepared game sites).
- ❖ Necessary inventory of equipment and supplies to conduct programs.
- ❖ Established Standing Operation Procedure for program (outlining objectives, eligibility rules, protest procedures, etc.).
- ❖ Inclusion of lifetime sports (sports in which participant can participate throughout life).
- ❖ Both male and female soldier sports programs.
- ❖ Fitness centers providing both aerobic and strength building opportunities.
- ❖ Quarterly special events (biathlon, 10K run, etc.).

PROGRAM DIRECTION AND TRENDS:

Incorporation of civilian sector programs. Many Sports Directors are incorporating civilian sector program trends to ensure the vitality of their sports programs. These include special fitness events such as biathlons, triathlons, 10-kilometer runs, etc. These events, open to the civilian community, add quality participation in the event, and also foster good community relations.

Commercial sponsorship is sought to sponsor special events.

In-line skating leagues (similar to hockey leagues) have been initiated at many locations.

Reduced staffing. Because of recent funding restraints, many installations have seen their staffing drastically reduced. Often sports facilities have been turned over to brigades, or are staffed by military personnel (BMM). Because of constant turnover and the lack of professional training, proper care and control of sports equipment and supplies will surely suffer in the long term.

Brigade-run intramural programs. Lack of funding has also resulted in many installation intramural programs being turned over to brigades. These decentralized leagues often do not have the funding required for certified officials. Lack of game control in these leagues will have a direct, adverse effect on participation numbers.

???QUESTIONS COMMANDERS SHOULD ASK???

Does your installation intramural program coincide with the most recent survey of soldiers' needs and desires?

Is the physical fitness center accessible for troops prior to the official opening on a daily basis?

Do sports personnel advise and or consult with unit Commanders on a regular basis for the intramural sports programming?

Does the sports office have a Commander's Cup that is presented to the unit, based on intramural participation and standings in league competitions?

Is the intramural sports program sufficiently publicized so that unit Commanders are aware of the activities and does the program contain enough activities for females?

★ ARMY WORLD CLASS ATHLETE PROGRAM (WCAP) ★

PURPOSE: The WCAP supports and guides nationally ranked soldier-athletes to compete and succeed in international competitions including the Olympic and Pan American Games, while maintaining military careers and promoting the U.S. Army to the world.

DESCRIPTION:

Application and Selection Procedures. Applicants must have a minimum of one year remaining in the service through the month following the next Olympic games. Applicants submit applications IAW AR 215-1. Applicants are considered based on minimum selection standards, consistent with recommendations from the national governing body of each sport, to best identify soldiers who have Olympic potential. Soldiers selected to the WCAP are assigned to the Detachment at Ft. Carson, CO; many train at the Army facility there or at the Olympic Training Center in Colorado Springs. Soldiers involved in sports that do not have training centers in the Colorado Springs area are assigned to a location, usually near a college or club with a proven record in international competition, where they receive the best possible training.

Meeting Benchmarks. All soldiers assigned to the WCAP have individual benchmarks they must meet that monitor their success in both their athletic and military careers. Failure to meet these benchmarks can lead to release from the program.

FUNDING:

The WCAP is a MWR Category “B” NAFI, which is funded by both APF and NAF from the Army Morale, Welfare, and Recreation Fund (AMWRF). The Detachment is a derivative Unit Identification Code (UIC) of CFSC.

LEGAL/REGULATORY HISTORY:

Public Law 84-11—1948. The law set forth the principle that no outstanding athlete should be denied the opportunity to represent the U.S. in the Olympic Games or other major international sports events simply because of military service status. This law also provided that every qualified individual be given the opportunity to try out for national teams and, if selected, permitted to participate.

DoD Directive 1330.4—1987. The directive prescribed policy in further detail “...to ensure that the U.S. Armed Forces are appropriately represented in...international sports competitions.” This DoDI also authorized the use of both APF and NAP to support these programs.

AR 215-1—Morale, Welfare, and Recreation Activities and Nonappropriated Fund Instrumentalities—1998. This established the World Class Athlete Program as a Morale, Welfare, and Recreation Program.

INDICATORS OF SUCCESS:

- ❖ Since 1948, 429 Army-soldier athletes have been selected to either an American summer or winter Olympic team; earning 103 Olympic medals overall. More recently, WCAP accomplishments include:
- ❖ 2000—Fifty-five soldiers qualified for the Olympic Trials; four made the team; nine were alternates; WCAP soldiers captured 243 medals at the national and international level; and two support staff were selected.
- ❖ 1998 Winter Games—Nine soldiers made the U.S. Olympic Team

PROGRAM DIRECTION AND TRENDS:

Program Consolidation. The WCAP Detachment was established in 1997 to consolidate core sports with direct military leadership. It will continue to individually review sports for continuity based on return of investment.

Recruit Talent for 2004 and 2008 Olympics. The target-market audience will be the NCAA and other national competitions; WCAP will team WCAP soldiers with Army Recruiters to enhance both the WCAP and Army Recruiting Command.

???QUESTIONS COMMANDER SHOULD ASK???

Why is it important for the U.S. to have soldiers on the Olympic team?

Why do we have soldiers training for the Olympics in an high OPTEMPO environment?

What can commanders do to support the program?

What recent successes have there been?

What does the commander do if there is a soldier who has WCAP talent?

Contact the Army WCAP Detachment at 719-526-3908 for additional information.

CHAPTER 9

CFSC PROGRAM OPERATIONS

★ ARMED FORCES RECREATION CENTERS (AFRCs) ★

PURPOSE: Centrally managed, HQDA-operated AFRCs (Joint Service Facilities) provide rest, relaxation, recreation, and sustainment for Army personnel, their families, and other members of the total Defense force. AFRCs support readiness, retention, and quality of life. AFRCs are prepared to assume contingency missions in support of mobilization and/or combat operations. Providing high-quality, affordable, resort-style facilities at the AFRCs is commensurate with the Army Chief of Staff's philosophy that soldiers are entitled to the same quality of life as the citizens they are pledged to defend.

DESCRIPTION:

AFRCs comprise a total of 1,833 hotel rooms, food and beverage operations, recreation programs, tours, special events, and access to attractions of the surrounding area. The AFRC fleet is:

- ❖ **Hale Koa Hotel (HKH)**, Honolulu, HI (817 rooms)
- ❖ **Dragon Hill Lodge (DHL)**, Seoul, Korea (394 rooms)
- ❖ **AFRC-Europe (AFRC-E)**, Garmisch and Chiemsee, Germany (337 rooms)
- ❖ **Shades of GreenÒ (SoG)** in WALT DISNEY WORLDÒ Resort, Orlando, FL (287 rooms)

FUNDING:

AFRC operations are Category C morale, welfare, and recreation (MWR) programs, and as such, their operations are funded from the Nonappropriated Fund (NAF) revenues generated through operations. AFRC-E and DHL receive some appropriated funds (APF) for utilities and repair and maintenance, which are authorized for all Category C MWR programs overseas. APF total about 3% of total AFRC funding.

Capital expenditures are financed by the Hospitality Cash Management Fund, a Department of the Army level NAF instrumentality that aggregates the NIBD from each of the AFRCs.

LEGAL/REGULATORY GUIDANCE: Guidance is found in DoDI 1015.10 and AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

- ❖ Overall net income before depreciation (NIBD) is equal to or greater than 8% of total revenue.
- ❖ Overall Occupancy rate of 90% or higher.
- ❖ Executes budgeted capital expenditures.

PROGRAM DIRECTION AND TRENDS:

Expansion/consolidation. Occupancy rates and current levels of non-accommodated demand have led to a recent expansion of AFRC properties, which will continue over the next few years.

In November 1995, HKH opened a 396-room tower that virtually doubled the room inventory; and occupancy rates remain in the mid- to upper-90% range. In order to ensure comparable quality and structural integrity between the new tower and the 25-year-old original tower, an extensive renovation of the original tower is underway. Once complete in FY05, utilities and other infrastructures will be state-of-the-art, and guest rooms will be comparable in quality to the new tower.

In September 2000, DHL celebrated the grand opening of a 95-room tower that will expand an AFRC vacation opportunity to leave/pass guests in the Korean theater.

SOG, the first CONUS-based AFRC, has proven so popular that a 300-room expansion is currently under design which will more than double the property. The scheduled completion date is May 2003.

A project to build a 300-room, state-of-the-art hotel in Garmisch will replace the existing AFRC-E inventory of dispersed, antiquated, energy inefficient, and labor-intensive hotel properties in Garmisch and Chiemsee. Completion is scheduled for October 2004. It is anticipated that this consolidation will result in significant cost savings in both APF and NAF.

★ ARMY RECREATION MACHINE PROGRAM (ARMP) ★

PURPOSE: To generate profit to fund Morale, Welfare, and Recreation (MWR) programs worldwide by providing and maintaining state-of-the-art, popular gaming and amusement (video/arcade) games available to authorized patrons in MWR Category C activities.

DESCRIPTION:

ARMP operations comprise over 4,000 slot machines overseas in support of Army, Navy, and Marine Corps MWR programs. Additionally, ARMP operates approximately 3,500 amusement games, which generate profits supporting all Services' MWR programs. Amusement machines are also at selected AAFES locations worldwide.

Program operation entails acquisition, maintenance, and disposal of machines; collecting, safeguarding, and depositing monies played in the machines; instituting and enforcing a strict internal control system to account for and to protect assets; and developing and maintaining continuous reporting and information systems.

FUNDING:

ARMP is a Category C Morale, Welfare, and Recreation (MWR) program, and as such, their operations are funded from the Nonappropriated Fund Revenues (NAF) generated through operations. ARMP uses no appropriated funds in any aspect of its operations or capital investment.

Profits generated by ARMP are divided among the facilities where machines are located; the major Army command in whose purview the installations lie; and the Army Morale, Welfare, and Recreation Fund (AMWRF), which uses the proceeds to finance Army-wide requirements. Distribution of revenue generated on other Services' installations is determined by separate agreements with the affected services.

LEGAL/REGULATORY GUIDANCE: Guidance is found in DoDI 1015.10 and AR 215-1.

INDICATORS OF PROGRAM SUCCESS:

- ❖ **Total revenue exceeds \$100 million.**
- ❖ **Distribution to AMWRF meets or exceeds budgeted projections.**
- ❖ **Total benefit of operating amusement games exceeds that which would have been realized under local agreements.**
- ❖ **Total operating expenses are less than 25% of revenue.**
- ❖ **Executes budgeted capital expenditures.**

PROGRAM DIRECTION AND TRENDS:

- ❖ **Takes advantage of new technology**, particularly in the areas of coinless and cashless technology.
- ❖ **Reduces machine downtime and maintenance expense.**
- ❖ **Reduces cash required in the machines.**
- ❖ **Optimizes capital investment**, particularly with respect to amusement games.
- ❖ **Expands partnership opportunities** within the Army and among other services.

CHAPTER 10

MISCELLANEOUS PROGRAM DELIVERY

★ PROGRAM DELIVERY ★

SUMMARY: The delivery of MWR programs is where “the rubber meets the road”. The material in this section outlines the development of an effective delivery strategy, the delivery systems available to you to execute MWR programs and the philosophy surrounding effective management of human resources in MWR program delivery. It explores the competition your MWR programs face and outlines pricing strategies. Also, it identifies the standards and benchmarks by which MWR programs are measured, our customer service strategy, and how we delivery MWR support to deployed soldiers.

CHARACTERISTICS OF PROGRAM DELIVERY: We will review the following aspects of program delivery.

- ❖ **Board of Directors Standards**
- ❖ **Customer Service**
- ❖ **Benchmarking**
- ❖ **Competition & MWR Program Delivery**
- ❖ **Elements of Pricing Strategies**
- ❖ **MWR Support to Deployments**

★ BOARD OF DIRECTORS (BOD) STANDARDS ★

SUMMARY: The MWR Board of Directors, made up of the four-star MACOM commanders, has developed annual financial standards for each installation MWR fund. These standards were developed based on philosophy of stewardship for commanders. This self-appraisal is designed as a positive incentive with performance measured against standards.

MEASURES OF SUCCESS:

- ❖ NAF financial performance is measured by comparing:
 - Budget to actual performance
 - BOD standard to actual performance
- ❖ The “gumball” chart depicts performance as:
 - Green = meeting or exceeding the standard
 - Amber = not fully meeting the standard
 - Red = not meeting the standard

FY 02 FINANCIAL STANDARDS:

❖IMWRF Standards (Cash generation for reinvestment)

- Green if NIBD is > 8% of revenue; budget variance < 10%
- Amber if NIBD > 4% and < 8% of revenue; budget variance > 10% and < 15%.
- Red if NIBD is < 4%, budget variance > 15%.

❖Category B, NAF Standard. (Actual Results in aggregate)

- Green if NIBD is > zero and the budget variance is < 10%.
- Amber if budget variance > 10% and < 15%.
- Red if NIBD is < zero; budget variance is > 15%.

❖Child Development Services financial goals

- Green if NIBD is > zero and the budget variance is < 10%.
- Amber if budget variance > 10% and < 15%.
- Red if NIBD is < zero; budget variance is > 15%.

❖Clubs NAF Standard (Actual Results each activity).

- Green if NIBD is > 8% and the budget variance is < 10%.
- Amber if NIBD > 4% and < 8% of revenue; budget variance > 10% and < 15%.
- Red if NIBD is < 4%; budget variance > 15%.

❖Golf NAF Standard (Actual Results each activity).

- Green if NIBD is > 18% of total revenue and the budget variance is < 10%.
- Amber if NIBD > 8.5% and < 17% of revenue; budget variance > 10% and < 15%.
- Red if NIBD is < 8.5%; budget variance > 15%.

❖Bowling > 12 lanes NAF Standard (Actual Results each activity). Performance is:

- Green if NIBD is > 18% of total revenue and the budget variance is < 10%.
- Amber if NIBD > 8.5% and < 17% of revenue; budget variance > 10% and < 15%.
- Red if NIBD is < 8.5%; budget variance > 15%.

❖APF Execution Standard. Direct APF support for MWR and Family Programs executed:

- Between 65% and 100% at end of 3rd quarter
- Between 90% - 100% at end of fiscal year

❖ **CPMC & NAFMC Local Payments Execution Standard.** May not exceed budgeted NIBD at the Army-wide level. Aggregate MACOM cash-to-debt ratio must be 1:1 prior to expenditures and payments may not exceed MACOM aggregate NIBD.

- Green if combined CPMC & NAFMC Local Payments expended is > 70% of budget, CPMC < NIBD, and cash-to-debt is > 1:1
- Amber if CPMC expended is > 50% and < 70% of budget
- Red if CPMC execution exceeds budget or is < 50% of budget; Execution > NIBD with cash-to-debt < or > 1:1; or Execution < NIBD with cash-to-debt is < 1:1

❖ **IMWRF Solvency.** Performance is:

- Green if cash to debt ratio is > 1:1 < 2:1; and NIBD > zero.
- Amber if cash to debt ratio is > 1:1 and < 2:1 and NIBD < zero or cash to debt ratio > 2:1 and < 4:1
- Red if cash to debt ratio is < 1:1 or > 4:1

❖ **Management Information System (MIS) Fielding/Utilization.**

- Green if > 90% MIS fielded and utilized
- Amber if between 89% and 75% fielded
- Red if < 75% fielded and utilized

❖ **Recreation Delivery System.**

- Green if > 90% installations fully implemented
- Amber if between 90% and 75% fully implemented
- Red if < 75% fully implemented

WHAT TO LOOK FOR:

Are programs meeting BOD standards? Ensure that DPCA and activity managers are encouraged to meet the standards set by the BOD. If the manager is not meeting the standard, a plan of action should be developed to identify ways to improve financial performance.

★ CUSTOMER SERVICE ★

SUMMARY: The success of our MWR programs and services, that is, making them the “First Choice” of our customers, relies heavily on customer service. The Board of Directors has adopted “Operation Excellence” as our customer service strategy. First developed by FORSCOM, the program has been revised/expanded and is currently be implemented throughout the Army by the Community and Family Support Training Center.

COMPONENTS OF OPERATION EXCELLENCE:

Train-The-Trainer. Instructors from CFS Training Center provide on-site training and instructional resources to installation personnel who will ultimately implement the program. There are three Operation Excellence Packages.

❖Senior Management Executive Briefing.

- What is Quality Service
- Role of Senior Leadership
- Overview of Operation Excellence Training

❖Front-line Employee Program.

- Excellence through Attitude
- Creating a Team Spirit
- Understanding the Service Experience
- Taking Care of Customers
- Professional Performance
- Handling Problem Situations
- Manager's Program.

❖The Manager's Role

- Quality Service Standards
- Empowerment
- Teamwork
- Action Planning

WHAT TO LOOK FOR:

Has Operation Excellence been implemented at your Installation? New commanders should assess the status of program implementation. The Marketing Branch should have programs in place to determine the level of customer satisfaction and the success of the program. Do management and the installation leadership actively support the program? Is the success of Operation Excellence implementation reflected in the attitudes of our customers toward our MWR programs and is it reflected in increased usage?

Where to Get Help. Installations should contact the CFS Training Center to schedule implementation of the Operation Excellence program. The telephone number is DSN 235-5880 or COM (703) 275-5880. Advance planning is important, as Train-The-Trainer sessions are scheduled 4-6 months in advance.

★ BENCHMARKING ★

SUMMARY: In order to enhance delivery of quality MWR programs to soldiers and their families, CFSC, in cooperation with the MACOMs and installations, has undertaken an ambitious benchmarking initiative. Benchmarking is a continuous process for evaluating the products, services, and work processes of organizations recognized as industry or world leaders and who are recognized for their “best practices.” Establishing benchmarks for our various programs and identifying the best practices that will help us attain those benchmarks are effective means of continuously improving our programs and activities. As the various benchmarking initiatives have been completed, results have been distributed to the field.

THE BENCHMARKING PROCESS:

Determines what will be benchmarked

Forms a benchmarking team

Identifies critical success factors

Establishes current performance level

Develops a comparative performance matrix

Identifies organizations to benchmark

Collects and analyzes benchmarking data

Takes action for continuous improvement

THE BENCHMARKING INITIATIVE:

Business programs. Benchmarks have been established for Golf, Bowling, and Food and Beverage programs. ITR benchmarking is in progress. Soldier and family programs will be benchmarked in the near future. Internal CFSC headquarter processes and field support processes benchmarking is in progress.

BUSINESS PROGRAM BENCHMARKS:

Golf. Benchmarks for golf are based on the top 25th percentile for each measurable category. Data is generally expressed in per round ratios. Benchmarks have been established in five areas. The benchmarks below are composite Army benchmarks for FY01.

- ❖ **NIBD.** Sixteen percent of Total Revenue or \$5.32 per round.
- ❖ **Annual Maintenance Expense.** \$26,443 per hole.
- ❖ **Total Revenue.** \$34.31 per round.
- ❖ **Total Expense.** \$18.60 per round.
- ❖ **Rounds Played Annually.** Based on 75% course capacity per course.

Bowling. Benchmarks for bowling are based on industry and Army data. Data is generally expressed in per lane ratios, with separate data and benchmarks for CONUS and OCONUS MWR Category B and Category C bowling centers.

❖ CONUS

- **Lines Per Lane Per Day.** Category B = 23; C = 23.
- **Lane Revenue Per Line.** Category B = \$2.06; C = \$2.18.
- **Labor Expense Per Line.** Category B = \$1.95; C = \$1.64.
- **Total Expense Per Line.** Category B = \$2.56; C = \$2.86.
- **NIBD.** Category B = \$1.48; C = \$.81.

❖ OCONUS

- **Lines Per Lane Per Day.** Category B = 23; C = 23.
- **Lane Revenue Per Line.** Category B = \$1.70; C = \$2.09.
- **Labor Expense Per Line.** Category B = \$3.01; C = \$2.23.
- **Total Expense Per Line.** Category B = \$3.50; C = \$3.07.
- **NIBD.** Category B = \$2.89; C = \$2.12.

Food and Beverage. Benchmarks for food and beverage are based on industry, other service, and Army data. Data is generally presented as dollars or percents. Due to the diversity of the food and beverage programs, data and benchmarks are divided into four key areas and six key departments: dining, snack bar, bar, catered bar, catered food, and total club/Food, Beverage and Entertainment (FB&E). Benchmarks are established in four areas.

❖ **COGS (Cost of Goods Sold).**

- **Dining** – 40%
- **Snack Bar** – 35%
- **Bar** – 25%
- **Catered Bar** – 25%
- **Catered Food** – 35%
- **Total Club/FB&E** – 40%

❖ **Total Labor Percent.**

- **Dining** – 40%
- **Snack Bar** – 35%
- **Bar** – 30%
- **Catered Bar** – 30%
- **Catered Food** – 35%
- **Total Club/FB&E** – 40%

❖ **Total Other Operating Expense.**

- **Dining** – 12%
- **Snack Bar** – 15%
- **Bar** – 10%
- **Catered Bar** – 10%
- **Catered Food** – 15%
- **Total Club/FB&E** – 12%

❖ **Total NIBD.**

- **Dining** – 8%
- **Snack Bar** – 15%
- **Bar** – 35%
- **Catered Bar** – 35%
- **Catered Food** – 15%
- **Total Club/FB&E** – 8%

WHAT TO LOOK FOR:

Are programs meeting the benchmarks? At this point, business program managers should have analyzed their programs against the benchmarks and be employing the practices to continuously improve their programs and their financial performance. One word of caution is appropriate. The benchmarks established for these programs are not standards. Many local factors, such as market size, facility condition, customer preferences, etc. contribute to program results. Benchmarks should be applied reasonably with allowance for the local situation.

★ COMPETITION ★

SUMMARY: Generally, MWR activities should not be in competition for customers. The installation provides a certain insulating effect from competitive forces due to limited access to the installation by off-post businesses and more narrowly defined market demographics than the general public. Regulatory restrictions on the types of services that MWR may provide and the regulatory primacy of AAFES further prevent competition. Some MWR activity managers think they need to compete with off-post businesses or even AAFES, but they are usually at a tremendous disadvantage and their chances of success are very poor.

HOW COMPETITORS COMPETE:

- ❖ Product/service differentiation
- ❖ Cost advantage
- ❖ Market segment focus

POTENTIAL COMPETITIVE SITUATIONS AND HOW TO AVOID COMPETITION:

AAFES: Establish a cooperative partnership.

Off-Post Businesses: Do not compete head-to-head with an off-post establishment that is providing quality products and services at reasonable prices. MWR resources are more wisely spent on services that are not provided locally at a reasonable price.

Other MWR Activities: Eliminate duplication and coordinate event planning.

COMMON COMPETITIVE MISTAKES (or unwise business practices):

- ❖ Imitating the competition
- ❖ Heavy promotion of a defective product or service
- ❖ Heavy capital investment to improve a losing venture
- ❖ Repeating successful programs of the past
- ❖ Placing priority on cost reduction rather than new opportunities

WHAT TO LOOK FOR:

MWR programs and activities that appear to be duplicative or are competing for the same market segment as other MWR activities.

MWR programs that are competing with AAFES or attempting to circumvent AAFES primacy. Any situation in which the common competitive mistakes, listed above, are being made.

Poor market analysis in any MWR program or poor financial performance that might indicate the market demand has not been properly identified.

★ PRICING STRATEGIES ★

SUMMARY: MWR activities operate to provide authorized patrons with products and services that support readiness and enhance quality of life. Determining the appropriate price for those products and services must be based on a strategy of encouraging patronage and creating value for the customer. Of course, this must be done while offsetting the NAF costs and creating net income, when possible. Not all costs can be offset, all the time, but generally, pricing is approached as a business-based decision. The basic philosophy is that the profit from certain MWR activities is to be reinvested into programs in support of soldiers and families.

CONSIDERATIONS FOR PRICING RESALE MERCHANDISE

Price based on Cost of Goods Sold (COGS) percent. The selling price of a product is normally based on a desired (COGS) percent.

Percent varies based on the type of product, but generally will result in a price with a good perceived value and compares favorably to prices for off-post comparables.

No regulatory requirement for cost of goods percents. The range that is typical for cost of goods for different types of products follow. More specific guidance on COGS percents can be found in the benchmarks for food and beverage programs contained in the Benchmarking Section.

Prepared food (clubs, snack bars, etc.) COGS range of 35-40%. This should result in lower prices than off-post restaurants that try to maintain a 26-32% COGS.

Alcohol (clubs) COGS should be in the 26-28% range. This compares favorably with 18-20% off post. With the added tax break for MWR activities, this pricing provides both perceived value and positive revenue to support activities that do not generate Net Income (NI).

Pro Shop equipment (golf and bowling) COGS percent ranges 50- 90%, depending on

individual products. Pro shops are operated primarily for the benefit and convenience of participants. Their relatively low volume precludes them from competing effectively with large sports equipment retailers. To provide customer value, goods must be sold closer to the acquisition cost. Generally, smaller items will have a lower COGS, while big ticket items, such as sets of expensive golf clubs may have a 90% COGS.

Miscellaneous resale items, such as T-shirts, mementos, etc. will generally have a 50-60% COGS. Usually, this pricing will provide value to the customer, while providing some latitude to discount items that do not sell well.

CONSIDERATIONS FOR PRICING SERVICES: Generally, fees are established for program participation based on the total cost of operating the program, divided by the number of participants. The following factors must then be considered to decide what the service is actually worth.

Amount of appropriated fund support to the program or activity that may offset some operating expenses.

Established pricing guidelines for certain programs, such as Child Development Services.

Competition. What similar activities off post or at other installations charge. Some MACOMs publish average pricing data for MWR activities, which can be useful.

Customer perception of value.

Initial acquisition cost and life expectancy of rental equipment must also be considered.

WHAT TO LOOK FOR:

Do prices appear reasonable? As you consider your MWR activities, note the pricing of goods and services from a common sense approach. Prices that appear very high or low should be questioned. The activity manager should provide the analysis and rationale used to decide the prices.

★ MWR SUPPORT TO DEPLOYMENTS ★

SUMMARY: Morale, Welfare, and Recreation (MWR) is a mission-essential activity during war and Stability And Sustainment Operations (SASO). MWR activities are necessary to maintain physical fitness and to alleviate stress by temporarily diverting soldiers' focus from combat situations.

DOCTRINE:

Contained in Chapter 7, FM 12-6, Personnel Doctrine

Funded with APF Mission Dollars.

MWR Services during Contingency Operations:

- ❖ Unit Recreation and Library Kits
- ❖ Sports, Recreation, and live Entertainment Programs
- ❖ Rest Areas at Brigade Level, Staffed by Military and Civilian Personnel
- ❖ Facilities, like Snack Bars, Fitness Centers, and Activity Centers, Depending on the Situation

G1/S1 Operations Plans must include MWR

MTDA May Include Emergency Essential Civilian (EEC) MWR Personnel for Deployment.

EEC MWR Personnel have been pre-identified by grade and job series. EECs are available for deployment based on mission requirements.

CURRENT SITUATION:

MWR civilians have provided support for the deployment to the Balkans since 1996. Surveys have shown that deployed soldiers and civilians are very satisfied with the level of support and that MWR is essential to the well-being of the force. Volunteers originally provided MWR support. Currently, limited tenure NAF MWR personnel in TDY status are performing the mission in the Balkans. Contracted local labor assists the MWR staff with 24-hour operation of facilities.

Palletized MWR kits are now available to support deploying troops of battalion-sized units or larger. Requests for these kits are made through the FORSCOM contingency operations stocks from FT. Polk, LA.

FUTURE OPERATIONS:

In February 2001, the MWR Board of Directors approved a plan to pre-designate 100 MWR EECs. These MWR professionals will be available to deploy, as required, for future missions. Commanders will request MWR support through DCSOPS for tasking to MACOMs and agencies.

FORCE PROVIDER PACKAGES have been redesigned to better meet MWR requirements.

The recently revised AR 215-1 will include more information on MWR support for deployments.

WHAT SENIOR MANAGERS CAN DO AT THE INSTALLATION:

Get planners to include MWR support in operations plans.

Ensure that MWR EECs have been identified and support their deployment, if required.

Encourage units to designate Athletic and Recreation (A & R) NCO/OFFs and assist them with training and assembly of rec kits.

Support volunteer MWR professionals who want to deploy.

Support families of soldiers who deploy and be prepared to respond to unit requests for support.

Keep abreast of changing doctrine.

APPENDIX A**DEFINITIONS AND ACRONYMS**

ACCOUNT PROCESSING CODE (APC): A locally developed, locally controlled, 4-position, alphanumeric code that abbreviates the accounting classification.

ACCOUNTING EQUATION: The accounting equation is assets = liabilities + fund equity.

ACCOUNTS RECEIVABLE TURNOVER: A measure of the rapidity of conversion of accounts receivable into cash; calculated by dividing revenue by average accounts receivable.

ACCRUAL BASIS ACCOUNTING: System of reporting revenues and expenses in the period in which they are considered to have been earned or incurred, regardless of the actual time of collection or payment.

ACID-TEST RATIO: Ratio of total cash and near-cash current assets to total current liabilities.

ALLOCATION: The Office of The Comptroller of the Army allocates funds to the special operating agencies and to those general operating agencies funded directly by Headquarters, Department of the Army.

ALLOTMENT: Authorization to incur obligations in amounts specified in an allocation. The general operating agencies issue obligation authority to their installations through specific allotments.

APPROPRIATION: An authorization by an Act of Congress to incur obligations for specified purposes and to make payments from the Treasury of the United States.

APPORTIONMENT: The determination by the Director of the Office of Management and Budget (OMB) of the amount of obligations that may be incurred during a specified period of time under an appropriation.

ARMY MANAGEMENT STRUCTURE (AMSCO): An eleven-digit code that is the common language for interrelating programming, budgeting, accounting, and manpower control through a standard classification of Army activities and functions.

ARMY STOCK FUND (ASF): A revolving fund used to purchase recurring demand type inventories of goods to be sold to Army activities and other authorized customers. The Army Stock Fund procures inventory through the use of obligation authority, approved by the Office of Management and Budget (OMB). It also finances and holds inventory in reserve for mobilization.

ASSET: Resource available for use by the business, i.e., anything owned by the business that has monetary value.

ASSET TURNOVER: An activity ratio. Total revenues divided by average total assets.

ASSISTANT SECRETARY OF THE ARMY (FINANCIAL MANAGEMENT) (ASA(FM)): Exercises direction and supervision over all financial management matters in the Army. Responsible to the Secretary of the Army for the management of the Planning, Programming, Budgeting, and Execution System (PPBES).

AUTHORIZATION: The basic substantive legislation enacted by Congress that sets up or continues the legal operation of a Federal Program or agency. Such legislation is normally a prerequisite for subsequent appropriations, but does not usually provide budget authority.

AUTHORIZED MANPOWER: That portion or percentage of required manpower that is available for allocation and is reflected in the “authorized column” of the current or projected authorization documents.

BALANCE SHEET: Statement of the financial position of the IMWRF at a given date, giving the account balances for assets, liabilities, and fund equity.

BASE OPERATIONS (BASOPS): Those installation functions that benefit the entire installation, rather than any one particular activity. Functions include administration, supply, maintenance, transportation, MWR, and other activities needed to operate and support the installation.

BEGINNING INVENTORY: Goods available for sale on the first day of the accounting period.

BREAKEVEN ANALYSIS: A set of analytical tools used by managers to examine the relationships among various costs, revenues, and sales volume in either graphic or equation form allowing one to determine the revenue required at any desired profit level.

BUDGET AND MANPOWER GUIDANCE (BMG): A document generally issued by a Major Command (MACOM) to its subordinate commands to provide information and guidance pertaining to missions, resources (manpower, material, and funds), objectives, policies, and related matters for use by the commands in developing their programs and budgets.

CARRIER PROGRAM: The largest (amount of dollars) Direct Obligation Authority Program found on the installation Funding Allowance Document (FAD) which finances the mission and most installation overhead and common support (BASOPS), capital additions, modifications, minor improvements, and inventories of common-use supplies in the Operations and Maintenance Army appropriation.

CASH FLOW: A stream of receipts (inflows) and disbursements (outflows) resulting from operational activities or investments.

CEILING: An upper limit on the amount of funds that may be obligated for specific purposes. An example would be a ceiling on the amount of funds that could be obligated for personnel compensation.

CHANGE IN SELECTED RESOURCE (CSR): The difference between obligations and expenditures, commonly known as undelivered orders.

COMMAND BUDGET ESTIMATE (CBE): The installation's and MACOM's detailed justification of the approved Army Program Objective Memorandum (POM). The CBE contains detailed justification of the approved program as well as administrative schedules to be utilized in support of the Army Budget Estimates. The CBE addresses two fiscal years—the two budget years.

COMMITMENT: An administrative reservation of funds based upon firm procurement directives, orders, requisitions, or requests that authorizes the creation of an obligation without further recourse to the official responsible for certifying the availability of funds.

COMMON-SIZE BALANCE SHEETS: Balance sheets used in vertical analysis whose information has been reduced to percentages to facilitate comparisons.

COMMON-SIZE INCOME STATEMENTS: Income statements used in vertical analysis whose information has been reduced to percentages to facilitate comparisons.

COMPARATIVE BALANCE SHEETS: Balance sheets from two or more successive periods used in horizontal analysis.

COMPARATIVE INCOME STATEMENTS: Horizontal analysis of income statements for two accounting periods in terms of both absolute and relative variances for each line item.

CONSERVATISM: The concept that requires accounting procedures that recognize expenses as soon as possible, but delay the recognition of revenues until they are ensured. For example non-refundable deposits for future services should be recognized as a liability until the service is actually performed.

CONSISTENCY: The concept that requires that once an accounting method has been adopted, it should be followed from period to period in the future unless a change in accounting methods is warranted and disclosed.

CONTINUING RESOLUTION AUTHORITY (CRA): Legislation enacted by Congress to provide budget authority for specific ongoing activities where the regular appropriation for such activities has not been enacted by the beginning of the fiscal year 1 Oct FY. The continuing resolution usually specifies a maximum rate at which the agency may incur obligations, based on

the rate of prior years, the President's budget request, or other congressional measures, and usually specifies no new starts or expansion to a program.

CONTINUITY OF THE BUSINESS UNIT: The assumption in preparing the accounting records and reports that the IMWRF will continue indefinitely and that liquidation is not in prospect—in other words, the IMWRF is a going concern.

CONTRIBUTION MARGIN: Sales less cost of sales for either an entire operating department or for a given product; represents the amount of sales revenue that is contributed toward fixed costs and/or profits.

CONTRIBUTION MARGIN RATIO: The contribution margin divided by the selling price. Represents the percentage of sales revenue that is contributed toward fixed costs and/or profits.

COST/BENEFIT ANALYSIS: The process of reviewing an investment proposal; listing the expenses and the perceived returns, and using this enumeration as a basis for deciding whether to accept the proposal or not.

COST OF GOODS SOLD: Expense incurred in procuring the goods that are to be resold in the operation of business.

COST PRINCIPLE: The concept that requires recording the value of transactions for accounting purposes at the actual transaction price (cost).

CREDIT: Decrease in an asset or increase in a liability or capital—entered on the right side of an account; such amounts are said to be credited to the account.

CURRENT ASSETS: Resources of cash and items that will be converted to cash or used in generating income within a year through normal business operations.

CURRENT LIABILITIES: Obligations that are due within a year.

CURRENT RATIO: Ratio of total current assets to total current liabilities expressed as a coverage of so many times; calculated by dividing current assets by current liabilities.

DEBIT: Increase in an asset or decrease in a liability or capital—entered on the left side of an account; such amounts are said to be debited or charged to the account.

DECREMENT LIST: A listing prepared by installations/activities to facilitate funding reductions that are received after approval of the initial operating program. The list reflects the order of those requirements that have lowest importance/priority and would be deleted first if funds were withdrawn.

DEFENSE BUSINESS OPERATING FUND (DBOF): A DOD revolving fund (under the auspices of the Comptroller, DOD) where the user, or customer, of support, either in the form of services or materials, pays the provider of the support the entire unit cost of the support item.

The provider in turn pays for his expenses from the reimbursements to his working capital (revolving fund) from his customers. DBOF has incorporated all Stock and Industrial Fund activities as well as other select support activities in DOD.

DEFENSE FINANCE AND ACCOUNTING SERVICES (DFAS): A DOD activity that provides financial and accounting services to DOD and subordinate military services.

DEPRECIATION: Portion of the cost of a fixed asset recognized as an expense for each accounting period; the asset will be used in generating revenues.

DIRECT OBLIGATION AUTHORITY (DOA): One of the three types of financing available to the installation for generation of funds. Direct Obligation Authority (DOA) is the amount of dollars for obligations that is immediately available for a specific allottee. The DOA is distributed in a specific dollar amount on the Funding Authorization/ Allowance Document (FAD) and is used for direct mission and Base operation needs.

DISBURSEMENT: The payment of a legal liability of the US Government as a result of an obligation of installation funds.

DOUBLE ENTRY SYSTEM: System of recording any business transaction equally to debits and credits.

DOUBTFUL ACCOUNTS: Accounts receivable that may not be collected.

ELEMENT OF RESOURCE (EOR): A four-position classification code representing the different types of services, goods, and other items being procured or consumed according to their nature rather than purpose. An example would be EOR 2100: Travel and Transportation of persons.

ENDING INVENTORY: Goods available for sale on the last day of the accounting period.

EXPENSE: The actual receipt of supplies or services for which an obligation has been incurred.

FIRST-IN, FIRST-OUT (FIFO) METHOD OF INVENTORY VALUATION: Costs charged against revenue in the order in which they were incurred.

FIXED ASSETS: Long-lived assets that are tangible, e.g., land, equipment, buildings.

FIXED ASSET TURNOVER: A ratio measuring management's effectiveness in using fixed assets to generate revenue; calculated by dividing average total fixed assets into total revenue generated by the period.

FIXED COSTS: Costs which remain constant in the short run even though sales volume varies; examples of fixed costs include rent expense, insurance expense, and so on.

FULL DISCLOSURE: The concept that requires that financial statements must provide information on all the significant facts that have a bearing on their interpretation. Types of disclosures include the accounting methods used, changes in the accounting methods, events occurring subsequent to the financial statement date, and unusual and nonrecurring items.

FUND ALLOWANCE DOCUMENT (FAD): The approved funding program that is allotted from Operating Agencies (MACOMs) to subordinate installations by major program. This document serves as the authority to incur obligations for a specified period of time, usually a fiscal quarter, on a cumulative basis. The fund allowance document is not a legal document, but an allowance and is not directly subject to title 31, United States Code.

FUND AUTHORIZATION DOCUMENT: The approved funding program that is allocated to operating agencies and further allotted to subordinate elements by major program. This document serves as the authority to incur obligations for a specified period of time, usually for a quarter, on a cumulative basis. The Funding Authorization Document is issued from HQDA to Operating Agencies/MACOMs. It is a legal document subject to Title 31, United States Code (Anti-deficiency Act).

FUTURE-YEAR DEFENSE PROGRAM (FYDP): A DOD management tool wherein the planning and execution of military activities are expressed in terms of missions and objectives as opposed to funds provided. The FYDP consists of 11 major defense programs and numerous program elements that constitute the official summary of programs approved by the Secretary of Defense (SECDEF). It expresses the DOD programs for the prior year, current year, two budget years, and four succeeding fiscal years for funds and manpower, and eight succeeding fiscal years for force structure. The FYDP serves as the controlling internal document of the DOD Planning, Programming, and Budgeting System (PPBS). The FYDP is formally updated three times during the fiscal year: October, January, and May.

GENERAL LEDGER: Principal ledger containing all of the balance sheet and income statement accounts.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES: Accounting principles that have become accepted over time through the work of major accounting bodies. They provide a uniform basis for preparing financial statements.

GOING CONCERN: The concept that requires the preparation of accounting records and reports under the assumption that the business will continue indefinitely and that liquidation is not in prospect; also referred to as continuity of the business unit.

HORIZONTAL ANALYSIS: Comparing financial statements for two or more accounting periods in terms of both absolute and relative variances for each line item.

HOUSE/SENATE BUDGET COMMITTEES (HBC/SBC): Congressional budget committees created by the Congressional Budget and Impoundment Control Act of 1974. An important function of the committees is to make continuing studies of the effect on budget

outlays of relevant existing and proposed legislation and to report the results to the House/Senate.

HOUSE/SENATE APPROPRIATION COMMITTEES (HAC/SAC): Congressional committees that conduct hearings on the DOD portion of the president's budget that culminates in legislation that provides funding authority for the various government departments/agencies. The appropriation function is separate from the authorization function.

HOUSE/SENATE NATIONAL SECURITY COMMITTEES (HNSC/SNSC): Congressional committees that act for the Congress to separately investigate and review various fiscal and policy matters bearing upon requirements outlined in the President's budget. The authorization process is the legislative action that establishes the purpose and guidelines for a program or activity. They set the upper limit the Appropriation Committees may appropriate in certain functional areas.

INSTALLATION MASTER PLAN (IMP): An integrated series of documents that present in graphic, narrative, and tabular form, the installation and the plan for its orderly and comprehensive development to perform its various missions in the most efficient and economical manner.

INSTALLATION PLANNING BOARD (IPB): Assists the installation commander in formulating and justifying the installation's construction program, making maximum utilization of existing facilities, and ensuring that plans and programs are developed in a manner to protect and enhance the human environment.

INTERNAL CONTROL: The organizational plan, methods, and measures adopted by a MWR operation to safeguard its assets, check the accuracy and reliability of accounting information, promote operational efficiency, and ensure adherence to the operation's policies and procedures.

INTERNAL RATE OF RETURN (IRR): An approach to evaluating capital budgeting decisions based on the rate of return generated by the investment.

INVENTORY TURNOVER: A ratio showing how quickly an activity's inventory is moving from storage to productive use; calculated by dividing the cost of goods used by the average inventory.

LAST-IN, FIRST-OUT (LIFO) METHOD OF INVENTORY VALUATION: Most recent costs incurred charged against revenue.

LIQUIDITY: The ability of a business to meet its short-term (current) obligations by maintaining sufficient cash.

MANAGEMENT DECISION PACKAGE (MDEP): The basic building block of the Army Programming Phase. The MDEP states force capability in terms of all resources (manpower and dollars) needed for implementation. MDEPs address the prior year, current year, budget year, and POM year data. The MDEP is a multi-year, multi-appropriation, multi-command issue that

competes for Army resources. It is used throughout the Army, in particular RAMPARTS and STANFINS, to track programs through the various phases of the PPBES. Programs are reported in terms of dollars, manpower, and performance measures.

MANAGING CIVILIANS TO BUDGET (MCB): Managing Civilians to Budget (MCB) is a new Headquarters, Department of the Army, (HQDA) test program that gives the first line supervisor, with at least ten or more employees, direct control over budgeting for, staffing, and grading of his civilian employees. MCB involves computing cost savings accrued by elimination of civilian positions and increased productivity of retained employees. These cost savings are called gain sharing. Gains are shared on a 50%/50% basis between the activity and the employees (includes civilians and the supervisor) in the work area that the savings occurred. The activity's share may be used to fund unfinanced requirements (UFRs), grade increases for employees, overtime, or new hires. Activities are not restricted by work year or civilian employment level program (CLEP) limitations, mandated supervisory ratios, grade ceilings, Table of Distribution and Allowances (TDA), hiring freezes, or administrative controls on overtime. Activities are subject to Executive, Department of Defense (DOD), and HQDA directives, labor relation contracts, Equal Employment Opportunity (EEO), Civilian Personnel Office (CPO) regulations, and public law. Supervisors must be fully trained prior to implementation of this program.

MANPOWER AUTHORIZATION: The portion or percentage of required manpower that can be supported by the resources available (allocated from higher command).

MANPOWER REQUIREMENT: The minimum number of personnel (military or civilian) that an organization requires to effectively perform its mission.

MATCHING PRINCIPLE: The concept that requires recording expenses in the same period as the revenues to which they relate.

MATERIALITY: The concept that requires that events be recognized and recorded by accounting procedures if "it makes a difference" as determined by some relative standard of comparison.

MANPOWER STAFFING STANDARDS SYSTEM (MS3): Develops and validates manpower requirements through work measurement, of like tasks, normally at more than one location, using regression analysis and statistically valid procedures. Requirements developed through staffing standards are based on workload.

MILITARY CONSTRUCTION, ARMY (MCA): A multi-year appropriation available for obligation for five years and used for acquisition, construction, installation and equipment of temporary or permanent public works, military installations, and facilities for which authorizing legislation is required.

MISCELLANEOUS OBLIGATION DOCUMENT (MOD): Serves as the posting medium for recording obligations incurred but not liquidated for which no other specific obligation document is required. A MOD is only an estimate of the actual obligation expense required for the goods or services.

MOBILIZATION: The process of assembling and placing in a state of readiness for war the manpower and material resources of a nation. Mobilization connotes a singleness of national purpose towards the objective of successfully accomplishing a military mission.

MOVING AVERAGES: Averaging data from specified time periods in a continually updating manner such that as new results become available, they are used in the average by adding the most recent value and dropping the earliest value.

NET PRESENT VALUE (NPV): An approach to evaluating capital budgeting decisions based on discounting the cash flows relating the project to their present value; calculated by subtracting the project cost from the present value of the discounted cash flow stream.

OBLIGATION: A legal reservation of funds usually recorded at the time a legal binding agreement has been reached between an agent for the US Government and a second party.

OBLIGATION AUTHORITY (OA): Obligation authority refers to budget authority, usually an appropriation, by which Congress provides authority to make expenditures and outlays. Budget authority originates mainly as new obligation authority. Defense agencies use total obligation authority (TOA) to mean the amount authorized to a certain approved program, whether the obligational authority stems from the budget of the current or a previous fiscal year. The Army formally applies the term TOA in a different way. It used TOA to refer to the total financial requirements (exclusive of reimbursements) to support the approved program (or a component) in a given fiscal year as recorded in the Army portion of the Future Years Defense Plan (FYDP).

OFFICE OF MANAGEMENT AND BUDGET (OMB): The executive agency that assists the President in preparing the annual budget, formulating the Government fiscal program, and supervising budget execution.

OPERATIONS AND MAINTENANCE, ARMY (OMA): An annual appropriation used for operation and maintenance of all Army organizational equipment and facilities; purchasing equipment and supplies; production of audiovisual instructional materials and training aids; operation of service-wide and establishment-wide activities; medical activities; operation of depots, schools, training, recruiting, and programs related to Operations and Maintenance, Army (OMA); welfare and morale, information, education, and religious activities; and expenses of courts, boards, and commissions.

OVERHIRE: Positions filled against valid manpower requirements, over and above manpower authorization levels. This does count against any legislated or Headquarters, Department of the Army (HQDA) imposed end strength control and must not exceed the ceiling for the year.

PAR STOCK: The required amount of inventory that satisfies the normal demand for a certain item during a given period of time.

PAYBACK: An approach to evaluating capital budgeting decisions based on the number of years of annual cash flow generated by the fixed asset purchase required to recover the investment.

PLANNING, PROGRAMMING, AND BUDGETING SYSTEM (PPBS): The Planning, Programming, and Budgeting System (PPBS) is a cyclic (biennial) process used to develop a plan, a program, and a budget for the DOD as outlined in DOD Instruction 7045.7. It provides a framework for making decisions on current and future programs through three interrelated phases (planning, programming, and budgeting) consistent with national security objectives, policies, and strategies. It is the primary management system used by DOD to establish and maintain the Six-Year Defense Program (DP).

PLANNING, PROGRAMMING, BUDGETING, AND EXECUTION SYSTEM (PPBES): The Planning, Programming, Budgeting, and Execution System (PPBES) is the Army component of the DOD PPBS. It is the Army's primary strategic resource management system used to allocate and manage resources.

PRODUCTIVITY CAPITAL INVESTMENT PROGRAM (PCIP): Department of Army (DA) program designed to fund productivity enhancing projects at no, or limited, cost to the activity/installation.

PROFIT MARGIN: An overall measure of management's ability to generate sales and control expenses; calculated by dividing net income by total revenue.

PROGRAMMING: The art of translating guidance into action to produce combat capability by the timely and balanced mid-range allocation of resources.

PROGRAM BUDGET GUIDANCE (PBG): A publication that contains information regarding the availability of dollar and manpower resources and provides guidance to major commands for preparing MACOM Program Objective Memorandum (POM) and Command Budget Estimates (CBE). The PBG is distributed three times annually corresponding to the October Army Budget Estimate (ABE) submission, the January budget submission by the President, and the Army POM submission in May.

PROGRAM BUDGET ADVISORY COMMITTEE (PBAC): A committee at the MACOM, installation, and lower echelons to advise the commander on resource management matters.

PROGRAM BUDGET DECISION (PBD): The results of an Office of the Secretary of Defense/Office of Management and Budget (OSD/OMB) review, approving or revising specific programs listed in the Services Budget Estimates.

PROGRAM DECISION MEMORANDUM (PDM): The Secretary of Defense's (SECDEF's) approval of the Program Objective Memorandum (POM) with specific changes. The Program

Decision Memorandum (PDM) is issued after the Summer Issue cycle, as the program basis for Service(s) budget estimates submitted to OSD.

PROGRAM ELEMENT (PE): The 11 major defense programs subdivide into program elements (PEs). Each is identified in the Army Management Structure (AMS) by a numeric code. Within the Operations and Maintenance, Army (OMA) appropriation, each PE is identified by six digits found to the left of the decimal in the Army Management Structure Code (AMSCO). PEs represent integrated activities combining manpower, equipment, and facilities that together constitute an identifiable military capability or supporting activity. A PE constitutes the basic building block of the Future Years Defense Program (FYDP).

PROGRAM OBJECTIVE MEMORANDUM (POM): A formal transmittal to the Office of the Secretary of Defense (OSD) of the Army proposals for resource allocation in consonance with program guidance. The POM describes all aspects of Army programs that are designed to increase the operational readiness of the total Army. It highlights forces, manpower, training, material acquisition, and logistics support required to meet the strategy and objectives of the Army.

QUICK RETURN ON INVESTMENT PROGRAM (QRIP): A capital investment program that provides a fast method of funding “off-the-shelf” capital tools and equipment that amortize in two years or less and cost \$100,000 or less. As an incentive to continue productivity improvement, commanders have been permitted to reapply benefits from the investments toward their priority requirements.

REGRESSION ANALYSIS: A mathematical approach to fitting a straight line to data points such that the differences in the distances of the data points from the line are minimized.

REQUIRED MANPOWER: The minimum number of personnel positions necessary to effectively accomplish a mission.

RETURN ON ASSETS (ROA): A ratio providing a general indicator of the profitability of a business by comparing net income to total investment; calculated by dividing net income by average total assets.

RETURN ON INVESTMENT (ROI): The gain associated with the employment of capital.

STANDARD FINANCE SYSTEM (STANFINS): A fully automated, Army-wide standard accounting system designed to provide comprehensive accounting support at the installation level.

SUBAPPORTIONMENT: DOD determines the amounts to be apportioned to the Departments of Army, Navy, and Air Force. Also referred to as the DOD Release of Funds.

UNFINANCED REQUIREMENT (UFR): Items or activities (requirements) considered necessary by the organization but which go unfunded and therefore in the eyes of the organization remain as “unfinanced requirements.”

UNIT OF MEASUREMENT PRINCIPLE: The accounting principle that the monetary values stated in financial statements should represent a stable unit of value so that meaningful comparisons of current and past periods are possible.

VARIANCE ANALYSIS: Process of identifying and investigating causes of significant differences (variances) between budgeted plans and actual results.

VERTICAL ANALYSIS: Analyzing individual financial statements reducing financial information to percents by having total assets equal 100% while individual asset categories equal percentages of the 100% and by having total liabilities and fund equity equal 100% while individual categories of liabilities equal percentages of the 100%.

WEIGHTED AVERAGE METHOD OF INVENTORY VALUATION: Total cost of a particular commodity available for sale divided by the total number of units of that commodity, resulting in the unit cost to be charged against revenue earned by sale of that commodity.

Commonly Used Abbreviations/Acronyms

ACCRS	Army-Wide Child Care Referral Services
ACDC	Army Child Development Certification
ACR	Army Central Registry
ACS	Army Community Service
ADA	Average Daily Attendance
ADAPCP	Alcohol and Drug Abuse Prevention and Control Program
ADCFA	Assistant Director for Community and Family Activities
AER	Army Emergency Relief
AFAP	Army Family Action Plan
AFCC	Armed Forces Culinary Course
AFRB	Armed Forces Recreation Branch
AFRC	Armed Forces Recreation Center
AFRS	Armed Forces Recreation Society
AMWRF	Army Morale, Welfare, and Recreation Fund
AOB	Annual Operating Budget
APC	Accounting Processing Code
APF	Appropriated Funds
A/P	Accounts Payable
A/R	Accounts Receivable
BPA	Blanket Purchase Agreement
BPAA	Bowling Proprietors Association of America

CA	Commercial Activities
CAC	Community Activity Center
CAD	Central Accounting Division
CAFAP	Consumer Affairs and Financial Assistance Program
CAO	Central Accounting Office/Officer
CARAT	Child Abuse Risk Assessment Tool
CBE	Command Budget Estimate
CDC	Child Development Center
CDS	Child Development Services
CDSC	Child Development Services Coordinator
CDSCR	Child Development Services Central Registration
CFRC	Community and Family Review Committee
CFS	Community and Family Support
CFSC	Community and Family Support Center
CHN	Community Health Nurse
CMAA	Club Managers' Association of America
COD	Community Operations Division
COGS	Cost of Goods Sold
COR	Contracting Officer's Representative
CP3	Caregiving Personnel Pay Program
CPMC	Capital Purchase and Minor Construction
CPRB	Child Development Services Program Review Board
CRB	Construction Review Board
CRD	Community Recreation Division
CRRC	Construction Requirements Review Committee
DAR	Daily Activity Report
DAT	Developmental Assessment Team (CDS)
DATR	Developmental Assessment Team Review
DEERS	Defense Eligibility Enrollment System
DODDS	Department of Defense Dependents Schools
ECMC	Executive Club Management Course
EFMP	Exceptional Family Member Program
EOR	Element of Resource
EPS	Education Program Specialist (Ed Spec)
FACMT	Family Advocacy Case Management Team
FAD	Funding Authorization Document
FADS	Fire Alarm Detection System
FAP	Family Advocacy Program
FAR	Federal Acquisition Regulation
FAST	Family Advocacy Staff Training
FCC	Family Child Care

FCCHOME	Family Child Care Home
FFE	Furniture, Fixtures, and Equipment
FICA	Federal Insurance Contributions Act
FIFO	First-In, First-Out
FMEAP	Family Member Employment Assistance Program
FSD	Family Support Division
FT	Full-Time
FY	Fiscal Year
FYTD	Fiscal Year to Date
GAO	General Accounting Office
GLAC	General Ledger Account Code
HAC	House Appropriations Committee
HASC	House Armed Services Committee
ICFRC	Installation Community and Family Review Committee
IMCEA	International Military Club Executive Association
IMP	Installation Master Plan
IMWRF	Installation Morale, Welfare, and Recreation Fund
IOC	Intermittent-On-Call (employee)
IPB	Installation Planning Board
ITR	Information, Ticketing, and Registration
IVC	Installation Volunteer Coordinator
JSCUP	Joint Services Culinary Upgrade Program
KO	Contracting Officer
LCCRS	Local Child Care Referral Service
LGI	Locally Generated Income
MAV	Manpower Authorization Voucher
MCA	Military Construction Army
MCCA	Military Child Care Act
MDEP	Management Decision Package
MIPR	Military Interdepartmental Purchase Request
MOA/MOU	Memorandum of Agreement/ Understanding
MS-3	Manpower Staffing Standards System
MSA	Morale Support Activities
MWR	Morale, Welfare, and Recreation
MWRRC	Morale, Welfare, and Recreation Review Committee
NAF	NonAppropriated Fund
NAFI	NonAppropriated Fund Instrumentality

NAFISS	Nonappropriated Fund Information Standard System
NCCSS	National Child Care Staffing Study
NI	Net Income
NIAD	Net Income After Depreciation
NIBD	Net Income Before Depreciation
NIRSA	National Intramural Recreation Sports Association
NRA	National Restaurant Association
NRPA	National Recreation and Parks Association
ODR	Outdoor Recreation
OMA	Operations and Maintenance, Army
OPA	Other Procurement, Army
PBAC	Program Budget Advisory Committee
PBG	Program Budget Guidance
PDIP	Program Development Increment Package
PO	Purchase Order
POs	Private Organizations
PR	Purchase Request
PR&C	Purchase Request and Commitment Form
PRC	Purchase Request and Commitment
PRD	Personnel Requirements Document
PT	Part-Time
QRIP	Quick Return on Investment
RAILS	Retirement Annual Insurance Leave Sick
RFT	Regular Full-Time
RIMP	Risk Management Program
RPT	Regular Part-Time
SAS	School Age Services
SIO	Standard Installation Organization
SPS	Supplemental Program Services
STACC	Short Term Alternative Child Care
STANFINS	Standard Finance System
STEP	Systematic Training for Effective Parenting
TBA	Transfer Between Activities
TFT	Temporary Full-Time
TISA	Troop Issue Subsistence Activity
TPT	Temporary Part-Time
TSA	Troop Support Agency
UFR	Unfinanced Requirement

UTS	Unofficial Travel Service
VCCUS	Volunteer Child Care in Unit Settings
YDP	Youth Development Program
YS	Youth Services
YTD	Year-To-Date

APPENDIX B

KEY MWR POSITION MISSIONS AND FUNCTIONS

DPCA/DCA/ADCFA MISSION AND FUNCTIONS

Mission: Develop and manage human services and community programs at the installation.

Functions:

Operations

Functions as the Fund Manager.

Plans, develops and implements through subordinates all aspects of the MWR.

Evaluates program performance against stated objectives.

Initiates actions to offset negative trends or consolidate/discontinue programs.

Advises command of MWR.

Ensures program operations maintain the fiscal integrity of the fund.

Directs preparation, execution and analysis of all budgets.

Develops self-sufficiency objectives.

Implements NAF manning documents.

Coordinates all construction with the Installation Master Plan.

Initiates a comprehensive training program.

Ensures regulatory compliance.

Reviews internal controls.

Reviews warehouse operations.

Establishes property and supply control procedures.

Reviews construction policies and procedures.

Reviews Management Information System data.

Fiscal Management

Provides guidance, for 5-Year Planning and formulates the installation MWR 5-Year Plan and MWR Strategic Business Plan.

Provides guidance on AOB forecasting and supervises consolidation of input to installation roll-up.

Prioritizes construction and CPMC.

Reviews APF funding and provides CBE input for the PBAC.

FMD MISSION AND FUNCTIONS

Mission: Provide policy and procedures and monitor execution of NAF/APF funds impacting on CFS programs.

Functions:

Operations

Formulates operational implementation and staff direction of the division.

Develops, revises and updates division SOPs.

Identifies operational changes which impact on financial management of the IMWRF, suggests solutions and once approved makes the required changes.

Operates division within budget guidelines.

Determines division purchasing requirements.

Develops division operating standards.

Prepares and delivers periodic briefings.

Fiscal Management

Principal advisor to DPCA/DCA for resource management.

Assists with fund manager duties.

Develops plans and policies for effective use of resources. Once approved implements them.

Serves as coordinator with CAO.

Administers preparation of the 5 Year Plan.

With the CAO establishes SOPs to submit source accounting documents to the CAO.

Administers, consolidates, and coordinates all budgets.

Coordinates budgets for reasonableness and complementary actions.

Compiles the Cash Budget and the NAF Major Construction Worksheets.

Prepares CBE. Based on division submissions prepares and consolidates input to the Command Budget Estimate (CBE).

Ensures budgets are coordinated to support the IMWRF 5-Year Plan.

Monitors budget execution and performs trend analysis.

Monitors use of resources, identifies imbalances, and recommends corrective actions.

Manages the APF and NAF manpower program.

Administers commercial activities and QRIP program.

Develops review and analysis. Develops and coordinates the MWR portion segment of the command review and analysis.

Administers the internal control program for IMWRF and the DPCA/DCA.

Monitors private organizations. Exercises staff surveillance and overview of the installation's private organizations.

Monitors inventory stockage levels to ensure the most efficient use of cash available.

Prepares Variance analysis. Based on installation goals, ensures all variances are addressed in the narrative of the monthly variance analysis.

Administers Risk Management Program.

Serves as technical advisor on resource management for other division chiefs.

Reviews all NAF purchase requests to certify the availability of funds.

SERVICES DIVISION MISSION AND FUNCTIONS

Mission: Provides general support services to the other divisions in the MWR area.

Functions:

Operations

Implements support programs. Formulates the precise framework for operational implementation of supervised support programs as necessary.

SOPs. Within general guidance develops reviews and updates SOPs.

Identifies required operational changes, suggests solutions and, once approved, plans and initiates changes.

Executes the division operation within budget guidelines.

Determines division purchasing requirements, develops definitive specifications, and submits appropriate purchase requests.

Develops division operating standards and ensures they are met.

Prepares and presents periodic general and specific briefings on his/her division.

Provides technical advice and assistance and develops a comprehensive marketing program.

Provides graphics support. Based on input from the division, develops calendars, flyers, and other innovative advertising media. Ensures graphics, print style, and layout are appropriate for the event.

Handle property control. Develops detailed policies and procedures for the control of property/supplies, both APF and NAF.

Oversees Maintenance and repair. Develops detailed policies and procedures for reporting maintenance requirements and ensuring job completion. Maintains scheduled service logs and state inspection on NAF owned vehicles.

Provides technical guidance and assistance within MWR coordinating with DEH all necessary documentation for facility improvement projects. Serves as the focal point regarding CPMC and NAF Major Construction.

Establishes and operates warehouse facilities as necessary to support the procurement and operational mission.

Supervises the NAF contracting officer. Provides NAF contracting support for all IMWRF activities within specified approval limits. Coordinates all APF contracting support and NAF contracting support above defined dollar values with APF contracting officer (Director of Contracting).

Coordinates installation training by providing administrative and technical support to program managers who are responsible for training their CFS employees.

Provides technical advice and assistance for the division and program managers for the selection, acquisition, and implementation of automated systems/information systems management.

Fiscal Management

Develops division input to the 5-Year Plan

Refines and consolidates division input to the AOB, CPMC and IMWRF cash budget, and the CBE.

OPERATING DIVISION MISSIONS

Community Operations Division Mission: Promote social well-being of military personnel, their families, and other authorized users by providing a wide range of social, recreational, and entertainment programs.

Community Recreation Division Mission: Promote physical and mental well-being of military personnel, their families and other authorized users by providing recreational and physical programs.

Family Support Division Mission: Promote social and mental well-being of military personnel, their families, and other authorized segments of the community by providing human services and community programs.

Operating Divisions Generic Functions

Operations

Plans, develops, and implements, through program managers, all supervised activities.

Assures optimum management of assigned programs through periodic review of accomplishments compared to established objectives.

Determines operational activities and sub-programs. Coordinates changes with other elements in the IMWRF and community.

Shifts resources within supervised programs to meet division needs.

Reviews program management information system and data to assess progress toward established objectives, identify trends, and initiate corrective action when appropriate.

Makes recommendations on price changes and hours of operation to the DPCA/DCA.

Develops and executes policies and procedures for a comprehensive marketing plan for each activity/program under his/her control.

Conducts unannounced reviews in all assigned activities to ensure internal controls are sufficient.

Reviews program manager's budget execution.

Establishes standards for programs under his/her control.

Prepares and presents periodic general and specific briefings on his/her division.

Maintains liaison with civilian and other military associations operating similar programs

Determines division purchasing requirements, develops definitive specifications and submits appropriate purchase requests.

Fiscal Management

Examines, refines and consolidates program input to formulate division's 5-Year Plan

Refines and consolidates division input to the AOB, CPMC and IMWRF cash budget, and the CBE.

APPENDIX C**INSTALLATION COMMANDER MWR MISSIONS AND FUNCTIONS**

SUMMARY: The Installation Commander, who is ultimately responsible for the management and execution of all MWR Programs, is vested with the authority to make decisions concerning the allocation of resources and the establishment and promulgation of policies for MWR programs, within MACOM and HQDA directives. The specific authority exercised and functions performed by the commander are listed among the various regulations which govern Community and Family Support Programs. As the commander's primary advisor on Personnel and Community Activities, the DPCA may often be formally or informally delegated many of these functions, in those cases in which delegation is not prohibited by regulation. As you arrive at a new installation it may be helpful to take the initiative to discuss these delegations with the command group.

FUNCTIONS:**General:**

Determines the scope of MWR programs, services, products, and hours of operation. (AR 215-1)

Approves the establishment of NAFIs. (AR 215-1)

Appoints the Fund Manager. (AR 215-1)

Appoints members and chairs the IMWRF Council. (AR 215-1)

Approves the Installation MWR 5-Year Plan. (AR 215-1)

Directs the conduct and approves the findings of AR 15-6 Investigations, Inspector General Inquiries, and Internal Affairs Audits of MWR activities. (AR 15-6, AR 20-1)

Requests waivers of AAFES primacy. (AR 70-1)

Determines patron eligibility. (AR 215-1)

Approves requests for commercial solicitation on the installation. (AR 210-7)

Authorizes establishment of Private Organizations. (DOD 1000.15R)

Approves installation policies and SOPs pertaining to community and family support programs. (AR 215-1)

Financial Management:

Determines program priorities for resourcing. (AR 215-1, DoD 7000.14R)

NAF subsidy. Determines which non-revenue producing programs will be subsidized by the Fund. (AR 215-1, DoD 7000.14R)

Reallocates APF Financial Resources between BASOPs lettered accounts. (DoD 7000.14 R, AR 37-100)

Approves NAF Annual Operating Budget. (AR 215-1, DoD 7000.14R)

Approves Capital Purchase/Minor Construction Program. (AR 215-1, AR 215-4, DoD 7000.14R)

Prioritizes APF and NAF major and minor construction projects. (AR 215-1)

Requests MACOM approval for NAF Major Construction Projects. (AR 215-1)

Directs the establishment of internal controls to protect the integrity of the Fund. (DoD 7000.14R)

Reports information on tax liability to IRS, as appropriate. (AR 215-1)

Services:

Approves NAF acquisitions in excess of \$25,000 for supplies, services, entertainment, and construction; in excess of \$50,000 for resale. (AR 215-4)

Appoints NAF Contracting Officers and issues NAF Contracting Warrants. (AR 215-4)

Approves ratification of irregular procurements up to \$25,000. (AR 215-4)

Approves findings of Reports of Survey for lost APF and NAF property. (AR 735-5)

Family Support:

Establishes and appoints members of the Installation Human Resources Council. (AR 608-1)

Appoints the installation ACS Officer. (AR 608-1)

Ensures implementation of a family assistance system during deployment or mobilization and emergencies. (AR 608-1)

Appoints an ACS Volunteer Supervisor. (AR 608-1)

Authorizes support for volunteers as prescribed by regulation. (AR 608-1)

Appoints the Family Advocacy Program Manager (FAPM). (AR 608-18)

Appoints the members of the Family Advocacy Case Review Committee (FACRC). (AR 608-18)

Reviews and approves the minutes of FACRC meetings. (AR 608-18)

Considers FACRC recommendations when taking disciplinary or administrative actions with regard to individuals involved in spouse or child abuse. (AR 608-18)

Establishes and chairs the Exceptional Family Member Program (EFMP) Committee. (AR 600-75)

Appoints members to the CDS Installation Child Care Evaluation Team (ICCET) and supports ICCET recommendations. (AR 608-10)

Approves CDS Supplemental Programs and Services (SPS). (AR 608-10)

Authorizes certification of FCC/SPS Homes and FCC/SPS Providers. (AR 608-10)

Adjudicates derogatory information revealed during background checks of individuals involved in caring for children. (AR 608-10)

Appoints Army Emergency Relief (AER) Officers. (AR 930-4)

Approves AER loans and grants over \$1000 and up to \$1300. (AR 930-4)

APPENDIX D

MWR PROGRAMS BY CATEGORY

Category A

Mission Sustaining Activities

Armed Forces Professional Entertainment Program Overseas
Gymnasiums, fieldhouses, aquatic training, and other physical fitness facilities/training programs
Libraries
Movies (free admission: overseas and isolated/remote locations)
Outdoor recreation
Natural areas, undeveloped
Nature centers and nature trails
Parks and picnic areas
Recreation Centers
Sports (individual, intramural, unit)

Category B

Community Support Activities

Arts and crafts
Automotive crafts/skills
Bowling centers (12 lanes or less)
Child development centers
Entertainment (music and drama)
Information, ticketing, and registration services
Outdoor recreation programs
Archery ranges
Beach facilities, including bathhouses and lifeguard stations
Campgrounds, small (small vehicles, trailers, tents)
Garden plots
High adventure activity areas (such as adventure training, hang gliding, rappelling facilities)
Hunting/fishing areas
Marinas without retail sales or private boat berthing
Off-road vehicle areas and trails
Outdoor recreation checkout centers -
(includes tents, coolers, sleeping bags, stoves, water and snow skis, canoes, jon boats, bicycles, and other program-related equipment. Incidental items such as lantern fuel, fishing hooks and bait, and nonprogram-related equipment such as chain saws, lawn mowers, boats and trailers designed for overnight use, and resale activities are considered category C activities and must be funded with NAFs)

Stables (leases animals and equipment)
Trails (bicycling, cross-country skiing, hiking, etc.)
Sports above intramural level (including athletic courts, fields, courses)
Stars and Stripes
Swimming pools/aquatic areas used for recreation, not training
Youth services

Category C

Revenue-Generating Activities

Amusement machines
Armed Forces Recreation Centers/Joint Services facilities (accommodations, dining and resale functions)
¹Army and Air Force Exchange Service
Army Recreation Machine Program (ARMP gaming activities)
Audio/photo retail sales (overseas only)
Bingo
Bowling centers (over 12 lanes)
Commercial travel
Food, beverage, and entertainment operations (includes catering)
Golf courses and companion operations
Military clubs (officers', NCO, enlisted, community) (includes catering)
Outdoor recreation
Cabin, cottage, cabana, and fixed mobile home/trailer operations
Campgrounds/travel camps, large (large recreational POV vehicles, vans trailers)
Flying activities
Marinas/boathouses (resale, private boat berthing, chartered boats)
Motorcycle/MOPED/other motor sports activities
Rod and gun activities (skeet and trap)
Skiing slope operations
Sport parachuting activities

APPENDIX E

APF FUNDING AUTHORIZATIONS FOR ELEMENTS OF EXPENSE (EXCERPT)

Authorized (A) or Not Authorized (N)

Expense Elements	A	B	C
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1. Military Personnel

<i>a. Permanent assignment.</i> Active duty military personnel assigned and used on a full-time permanent basis to perform command supervisory and management functions (essential command and executive control supervision). Does not include trainees and unassigned personnel. Policies contained in AR 570-4 apply.	A	A	A
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<i>b. Temporary or special duty assignment.</i> Active duty military personnel assigned and used on a temporary special duty (borrowed military manpower or troop diversion) basis to perform duties or functions primarily associated with MWR programs and activities for no more than 90 days. This includes personnel whose standard costs are charged to an operating activity other than MWR, but who have no assigned duties at the operating activity during the period of their temporary assignment to an MWR activity. Enlisted personnel may be employed during non-duty hours as part-time NAF employees per AR 215-3.	A	A	N
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2. Civilian personnel

<i>a.</i> Full-time and part-time civilian personnel performing command supervisory and management functions (essential command and executive control supervision (ECECS)) and common support services at higher HQ and installation level; and technical guidance and assistance in preparing budgets, financial and analytical data required for command management and DOD Financial and Personnel Management Report.	A	A	A
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Authorized (A) or Not Authorized (N)

Expense Elements	A	B	C
<i>b.</i> Additional/collateral duties—When less than 25 percent of duties are NAF or MWR specific, no cost should be allocated to the NAFI or MWR program.	A	A	A
<i>b.</i> Personnel performing managerial functions or requiring technical/professional qualifications; responsible for protecting interests of the Federal Government; and/or responsible for APF resources.	A	A	A
<i>c.</i> Base realignment and closure (BRAC)-related costs for NAF and APF employees.	A	A	A
<i>d.</i> Personnel directly or primarily involved with resale.	N	N	N
<i>e.</i> For any other functions.	A	N	N

3. CPO support.

<i>a.</i> Advice and counsel provided to assist in NAF personnel management.	A	A	A
<i>b.</i> Personnel management costs necessary for the day-to-day administration of NAF employees, if the workload can be absorbed with existing APF CPO resources and requires no incremental cost increases or additional staffing. Functions include, but are not limited to, recruitment, placement, position reclassification, salary and wage administration, training, records maintenance, employee relations, and related matters.	A	A	A

4. Travel of personnel.

<i>a.</i> Permanent change of station (PCS)—Relocation of APF personnel assigned on a full-time permanent basis to MWR programs and activities. NAFs not authorized. (See para 6c for shipment of household goods.)	A	A	A
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Authorized (A) or Not Authorized (N)

Expense Elements	A	B	C
<i>b.</i> BRAC-related costs for NAF and APF employees.	A	A	A
<i>c.</i> temporary duty (TDY) travel.			
(1) For military personnel and APF civilian employees, employed by, assigned or detailed to MWR programs and activities.	A	A	A
(2) NAF employees when travel relates solely to the internal operating and administrative functions required to be funded with NAFs.	N	N	N
(3) For NAF employees, regardless of position or MWR category, when travel is for a Government purpose related directly to the MWR activity and/or functions authorized APF support.	A	A	A
(4) For military personnel and APF civilians attending training sessions for athletes, coaches, or officials when such attendance is for the benefit of the command and when they, upon return from such training, will train other personnel.	A	A	A
(5) For participants in unit and intramural MWR sports programs (see chap 8, AR 215-1).	A	N	N
(6) For participants (to include command supervision (ECECS) in nation and international sports competitions and other events specifically authorized by statute or directed by DOD (see chap 8, AR 215-1). Restriction does not preclude space-available travel by participants in other athletic, recreation, and entertainment MWR program events. Use of NAFs is authorized where APFs authorized for events sanctioned by statute are insufficient and for other competitive events using NAFs budgeted by USACFSC.	A	A	N

Authorized (A) or Not Authorized (N)

Expense Elements	A	B	C
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5. Use of Government-owned, motor pool controlled or Government-contracted passenger vehicles.

<i>a.</i> Command supervision (ECECS).	A	A	A
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<i>b.</i> Other than command supervision (ECECS). When not authorized, use of a reimbursable lease is allowed. (Limitations apply, see chap 7, AR 215-1.)	A	A	N
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6. Transportation of things.

<i>a.</i> Items purchased with APFs. NAFs not authorized.	A	A	A
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b. Items purchased with NAFs.

(1) Transoceanic movement of goods to and from CONUS sea and aerial ports of debarkation to first destination OCONUS, including Alaska and Hawaii. First destination is the point of consignment, usually the delivery address, not the port where the goods are off-loaded (see chap 7, AR 215-1).	A	A	A
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(2) In foreign areas where commercial transportation is not available or in combat zones. Otherwise, on a reimbursable basis only.	A	A	A
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(3) Movement of U.S. goods between DOD installations due to base closures or to safeguard goods under emergency conditions such as threat of hostile force or natural disasters.	A	A	A
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c. Employee household goods.

(1) APF personnel. NAFs not authorized.	A	A	N
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(2) NAF personnel. (APFs authorized on a reimbursable basis only.)	N	N	N
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Authorized (A) or Not Authorized (N)

Expense Elements

A B C

7. Utilities and rents.

a. Utilities. Water, gas, electricity, and other utility services used by MWR activities. (Sewage disposal and garbage and trash removal are not considered utilities under this element of expense. See para 12g.) Also, includes purchase, installation, and maintenance of metering devices. See AR 420-41 pertaining to sales agreements and reimbursable support provided by DPW to category C MWR activities.

(1) CONUS.

A A N

(2) OCONUS.

A A A

b. Rents. The use and possession of non-DOD lands, buildings, and other improvements and installed equipment for a specified period through contracts, lease agreements, or other legal instruments when authority is granted through appropriate channels. Authorized per AR 405-10. Specific approval is required to use NAFs to rent transient lodging facilities.

A A A

8. Communications.

a. Electronic communications, for example, telephones, teletype, televisions, fax, modem; Defense Service Network (DSN), automatic Data Information Network (AUTODIN); on-base telecommunications cable; other electronic media supporting command managerial and oversight functions such as statistical data gathering and reporting and for communications with other DOD and Government agencies. *Note:* APFs are not authorized for procurement of items for resale of goods and services or collection of resulting income.

A A A

Authorized (A) or Not Authorized (N)

Expense Elements

A B C

b. Postage and postal service.

(1) For official mail. Any material transmitted through domestic, international, or military postal channels that relates exclusively to U. S. Government purposes, such as official communications with and between Government agencies/ individuals, communications with commercial agencies and communications related to common support functions. *Note:* APFs are not authorized for resale of goods and services or collection of resulting income.

A A A

(2) For unofficial mail. The transmission of any material that relates exclusively to a similar commercial business operation, such as inventory procurement and sales, collection of income, advertising, NAF equipment maintenance, etc.

N N N

9. Printing and reproduction. The cost of printing and reproduction services done on printing presses, lithography, and other duplicating related to binding operations, photography, microfilming, formats, and forms development, editing and graphics (see AR 25-30).

A A A

a. Related to command supervisory (ECECS) functions. **NOTE:** Printing request must explain how the material to be printed relates to command supervision.

A A A

b. Publicity. (Category C MWR activities may only use Army printing facility if commercial reproduction services are not available and must reimburse with NAFs)

A A A

c. Related directly to the sale of goods and services and/or only category C MWR activity internal operations.

N N N

Authorized (A) or Not Authorized (N)

Expense Elements	A	B	C
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10. Equipment.

<i>a. Investment equipment.</i> The acquisition or use of investment equipment with a unit cost of \$15,000 or more. Does not include equipment installed in and made a part of a facility when the cost is properly chargeable as a construction cost.	A	A	N
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b. Other equipment. The acquisition of equipment, furniture, or furnishings with a unit cost of less than \$15,000, including the rental of such equipment. Does not include the cost of any item of equipment installed and made a part of a facility when the cost is properly chargeable as a construction cost. (See CTA 50-909 and 50-970.)

(1) Required for command supervision (ECECS).	A	A	A
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(2) Government surplus or excess.	A	A	A
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(3) Related to sale and equipment rental.	N	N	N
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(4) All other.	A	A	N
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11. Equipment maintenance.

<i>a.</i> Maintenance, repair, or rework of Government owned equipment and authorized for MWR activities on Army equipment authorization documents (includes equipment purchased with NAFs, turned over to the Government, recorded on accountable APF property records.)	A	A	N
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<i>b.</i> Government-owned equipment on loan to MWR activities (includes excess or surplus equipment).	A	A	N
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Authorized (A) or Not Authorized (N)

Expense Elements	A	B	C
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12. Other Services.

<p><i>a. Education and training.</i> Costs related to advancement of job knowledge, development of skills, and improvement of abilities of all personnel, assigned to or employed by MWR activities, who attend DOD component-sponsored courses at schools, seminars, conferences, or private institutions. NAFs pay for education and training costs of NAF employees at Government training if there are cost increases or additional staffing requirements incurred by the training institution as a result of training NAF employees which cannot be absorbed within existing resources, or if a fee is regularly charged all attendees. Use of established courses quota by NAF employees does not constitute an incremental cost or incur additional staffing.</p>	A	A	A
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<p><i>b. Data automation.</i> ADP development or operations (personnel, equipment, supplies) needed for command management/supervision functions and/or up-channel reporting (see AR 25-5).</p>	A	A	A
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<p><i>c. Legal services.</i> Legal services provided by judge advocates at all command levels. Includes internal civilian staff as integral element of MWR.</p>	A	A	A
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d. APF contracting office assistance and administration.

<p>(1) <i>Assistance.</i> Technical advice and assistance provided by the contracting office to assist MWR management in the procurement of goods and services with APFs and NAFs.</p>	A	A	A
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Authorized (A) or Not Authorized (N)

Expense Elements	A	B	C
(2) <i>Administration.</i> Functions such as source development, preparation of documents, negotiation of prices, contract administration and audit, and related functions performed by the contracting office in the procurement of goods and services with NAFs, when the number of actions can be absorbed within the existing resources, there is no incremental increases, or additional staffing. Existing APF contracts may be used for NAF funded procurement.	A	A	A
<i>e. Auditing services.</i> Relates to the independent examination, review, and evaluation of records, controls, practices, and procedures in the area of financial and operational management of MWR activities by DOD or Army audit organizations or independent public accountants, per AR 11-7.	A	A	A
<i>f. Custodial and janitorial service.</i> Personnel, supplies, and equipment provided by the installation engineer, public works department, or Government contractor.	A	A	N
<i>g. Indirect support services.</i> Services normally supplied as a command function and associated with protecting the health and safety of participants, employees, and MWR activities. Such services include, but are not limited to, fire protection, including acquisition and installation of extinguishers and sprinkler and alarm systems; security protection, including physical security of buildings, such as alarm systems and security bars and protection of funds; pest control; sewage disposal; garbage and tank leaks, environmental compliance; maintenance of common grounds; medical, veterinary, and sanitary inspections; authorized veterinary care, including the cost of drugs, biologicals, and medical supplies administered by veterinary health services personnel to Government-owned animals used by MWR activities (see AR 40-905).	A	A	A

Authorized (A) or Not Authorized (N)

Expense Elements

A B C

h. Maintenance and repair. Maintenance, including preventative maintenance, applies to upkeep to preserve a facility and its installed equipment/systems and premises. Repair applies to the overhaul/restoration/replacement of all deteriorate component parts (roof, foundation, floors, walls, and so on). (See AR 420-10 and the Glossary at the end of AR 215-1 for a more detailed explanation of the terms “maintenance” and “repair.”)

(1) Routine grounds maintenance; facility maintenance necessary to maintain/repair facility structural defects of building components and its “installed” equipment/systems; maintain the external appearance of buildings; and correct fire, safety, and environmental deficiencies. (“Structural” as used above applies to any structural component of the facility that is loadbearing or essential to maintaining the basic structure (loadbearing walls, columns, roof, windows); “Installed” equipment/systems is that which is part of a facility and the cost is properly a construction cost as determined by the installation DPW or proponent for work classification, such as central air conditioning, plumbing, heating, or electrical systems; walk-in freezer.) (See ARs 420-70 and 415-15.)

A A A

(2) Day-to-day, periodic, or scheduled work to keep facilities in operational condition. (Includes interior maintenance and repair such as painting; repair/replacement of wallpaper, lighting fixtures, carpeting; redecoration; repair, replacement, and preventative maintenance or overhaul of equipment/systems not classified as “installed”, cleaning; and other such work.)

A A N

(3) All other maintenance and repair.

A A N

Authorized (A) or Not Authorized (N)

Expense Elements

A B C

13. Supplies. Expendables that are consumed or lose their identity when used, or whose low value does not require the same accountability required for equipment. Includes clothing, tentage, organizational tools, administrative and housekeeping supplies (other than 12f, above) petroleum, oil, and lubricants (POL), preservatives, coolants, and oil derivatives (other than para 14, below), and items available in self-service supply outlets.

a. Related to command supervision (see AR 710-2 for POL). A A A

b. Related to sales/rentals. N N N

c. Food supplies for meals served in child development and youth programs. N A N

d. Supplies not covered in a, b, and c above. A A N

14. Aircraft and ship POL. POL, including fuel additives consumed by MWR aircraft, and boats. Does not include personnel travel costs or transportation of things. MWR activities can purchase POL from Government sources per AR 710-2. N N N

15. Other Operating Expenses. Resources not otherwise provided such as investments, loans, grants, subsidies, contributions, insurance claims and indemnities, interest and dividends, royalties, and payments in lieu of taxes, if such resources are included in appropriations. Authorized for costs incurred incident to command supervision, statute, or directed by DOD. A A A

Authorized (A) or Not Authorized (N)

Expense Elements	A	B	C
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16. Nonoperating expenses.

a. Architectural and engineering services.

Professional services including consultation,

preparation of preliminary studies, analyses, cost estimates, working drawings, specifications, interior design and decoration, and the inspection and supervision of services required for the construction, alteration, or repair of real property facilities.

(1) Projects scheduled for construction with APFs.	A	A	A
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(2) Projects scheduled for construction with NAFs, if no additional personnel are required.	A	A	A
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<i>b. Common support.</i> Consolidated functions supporting more than one MWR activity, but not solely for category C activities (see chap 4, AR 215-1).	A	A	A
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<i>c. Purchase of real property.</i> Acquisition cost of land, buildings, and other fixed improvements when approved by Congress. Use of existing Government facilities authorized. Use of NAF not authorized except for purchase of commercially-owned buildings located on Government property.	A	A	A
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17. Merchandise, service, and equipment for sale or rental. Pertains to merchandise, services, and equipment procured by an MWR activity for sale or rent to authorized persons.	N	N	N
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18. Awards of trophies and similar devices. Applies to the cost of trophies, plaques, and similar items that recognize the accomplishments of soldiers in athletic and intramural competitions (see chap 4, AR 215-1 and AR 672-5-1).	A	A	N
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Authorized (A) or Not Authorized (N)

Expense Elements

A B C

19. Construction. See Appendix A this book and Chapter 10, AR 215-1.

(Footnotes)

¹ At designated remote and isolated locations, category C MWR activities may receive APF support equal to category B activities.

² AFRC lodging, food, and beverage operations and other resale activities and other resale activities are category C MWR activities. Categories A and B individual programs and services which are located within AFRC facilities may receive APF support equal to their A or B categorization.

³ APFs for maintenance of golf courses (the defined playing and practice areas) and their systems (irrigation, electric, etc.) is prohibited, except for designated remote and isolated locations and locations outside the United States. This does not exclude using APFs for maintenance and repair of pro shops, “club houses,” or any other supporting facility which supports the MWR golf program, if done in accordance with the rules for other category C MWR activities.

APPENDIX F

FUNDING AUTHORIZATIONS FOR FACILITY CONSTRUCTION

Facility Type (by MWR category) APF NAF

Category A

Administrative Office/Supply Center	X	
Aquatic Training/Aerobic/Bathhouse facilities for military training, physical fitness, combat training, and/or therapy	X	
Community Activity Centers	X	X ²
Auditoriums/Theaters/Multipurpose Recreation Facilities	X	
Gymnasiums/Fieldhouses	X	
Libraries	X	
Parks and Picnic Areas	X	
Playing Courts and Fields (associated with physical conditioning)	X	
Physical Fitness Facility Complexes	X	
Recreation Centers/Dayrooms	X	

Category B

Arts and Crafts Skills Development Centers		X
Automotive Crafts Skills Development Centers		X
Bowling Centers (12 lanes or less)		X
Campgrounds (designed for small vehicles, trailers, and tents)		X
Child Development Centers	X	
Entertainment Centers (music and theater)		X
Marinas/Boathouses (without resale or private boat berthing)		X
Outdoor Theaters/Pavilions		X
Playing Fields/Courts		X
Recreation Equipment Checkout Centers		X
Information, Ticketing and Registration		X
Recreational Swimming Pools/Bathhouses		X
Riding Stables (Government-owned animals/ equipment)		X
Skating Rinks (ice or roller)		X
Starts and Stripes Facilities		X
Youth Services Centers/Courts/Playing Fields		X ³

Facility Type (by MWR category)	APF	NAF
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Category C

Army-operated Armed Forces Recreation Centers		X
Amusement/Recreation Machine Locations		X
Bookstores (academic/recreational?)		X
Bowling Centers (over 12 lanes)		X
Campgrounds/Travel camps (designed and used for large vehicles/overnight lodging/private recreational vans and trailers)		X
Equipment Rental/Sales Centers		X
Flying Activity Facilities		X
Golf Courses/Facilities		X
Leisure Travel Facilities		X
Marinas/Boathouses (with retail sales and/or private boat berthing)		X
Military Clubs (Community, consolidated, Enlisted, Officer)		X
Motorcycle and Moped Tracks		X
Outdoor Theaters		X
Resale Outlets		X
Rod and Gun Facilities		X
Riding Stables (with boarding of private mounts)		X
Snack Bars/Beverage Stands		X
Sport Parachuting Facilities		X
Temporary Guest Facilities (cabins, cottages, recreation housing/lodges/guest houses)		X

(Footnotes)

¹Minor and Major construction are funded from the same source. Notwithstanding requirements to use NAF funding identified in this appendix, APF construction funding may be authorized IAW AR 215-1, Chapter 10.

2 If a CAC contains activities that are authorized NAF for construction, NAFs may be used to fund construction of the CAC.

3 Overseas, YS