

FY '04 Financial Management Operating Guidance

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Department of the Army
US Army Community and Family Support Center
4700 King Street
Alexandria VA 22302-4406

S: 31 Aug 03

CFSC-FM-C

11 June 03

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Fiscal Year 2004 (FY 04) Morale, Welfare, and Recreation (MWR) and Army Lodging Nonappropriated Fund Instrumentalities (NAFIs) Financial Management Operating Guidance

1. References are listed at Enclosure 1.
2. This memorandum applies to all Army Nonappropriated Fund Instrumentalities (NAFIs) as to the format and content of the budget submission packages, except Civilian Post Restaurants, Civilian Welfare Funds, and Chaplain Funds. However, it is to be noted that certain of the information present at Enclosure 5 is applicable to all NAFIs as regards information on insurance rates, payroll charges, employee benefits, etc. If regions choose to issue supplemental instructions, it is requested a copy be furnished to the U.S. Army Community and Family Support Center (USACFSC).
3. Enclosed are the NAF program guidance and budget instructions for FY 04. The Region approved budget packages, for those NAFIs classified as Morale, Welfare, and Recreation (MWR), "Fund 1"; Supplemental Mission Funds, and Army Lodging Funds (ALFs) are due at USACFSC not later than 31 Aug 03 so relevant data may be compiled as necessary for the MWR Board of Directors (BOD). Specific instructions for the preparation and submission of budget packages are provided at Enclosure 9.
4. This guidance reflects initiatives approved by the Executive Committee of the MWR BOD. The initiatives impacting FY 04 budget preparation are:
 - a. The capital reinvestment assessment (CRA) for MWR entities is eliminated, with the exception of the Armed Forces Recreation Centers (AFRCs), effective with revenue generated in Oct 03 (FY 04). For AFRCs the CRA remains at 3 percent.
 - b. The Operational Self-Sufficiency Exemption (SSE) Program as it pertains to funding assistance provided from the Army Morale, Welfare and Recreation Fund (AMWRF) and Army Lodging Fund (ALF) for region level oversight functions will be eliminated effective FY 04. The AMWRF will continue to fund Army Level Requirements (ALR) that are currently included in the operational SSE program.

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c. The AMWRF funded Capital Purchases and Minor Construction (CPMC) SSE Program is eliminated.

d. An increase in the Army Lodging Fund Capital Assessment (LCA) of \$1 per room night for adequate rooms was approved, effective FY 04. The new rate will be \$8 per room night for this category. This rate will continue to increase by \$1 each FY until FY 08 when it will be \$12 per room night. The foreign student and inadequate room surcharge rates are unchanged. Further details on this item and the Army Lodging Program guidance are at Enclosure 6.

5. All budgets for field operating NAFIs and lodging funds are to be prepared using the Financial Management Budget System (FMBS).

6. The following guidance is provided by the Headquarters, Installation Management Agency (IMA):

a. During FY 04, the region level MWR positions will be funded with NAF unless APF is made available. If necessary, each region will assess the installation a share of the cost of the salaries. Guidance will be provided by the appropriate region.

b. There will be no reallocation of the Army Simplified Dividend in FY 04.

7. Other guidance is provided as follows:

a. The IMA and this HQs are working to address the MWR FY 04 and future year APF shortfalls. However, the impact of these cuts, while likely to vary by garrison, require management to remain aware of these impacts at the local level, maintain close co-ordination with APF resource management, and prepare their NAF budgets accordingly.

b. Pertinent USACFSC financial management memoranda are listed at Enclosure 2.

c. Applicable Defense Finance and Accounting Services (DFAS) accounting policy memoranda are listed at Enclosure 3.

d. Commanders' Mission Box Standards are at Enclosure 4. Changes/Clarifications from FY 03 for MWR Funds/activities are listed below:

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(1) Regions/Garrisons are reminded that the MWR BOD standards are applicable at the region level. Garrison operating standards are as approved by the region through the budget approval process. To assist in this clarification, the automated standard assessments chart has been revised to allow production at the garrison level using the approved budget as the approved standards.

(2) The net income before depreciation (NIBD) standards for golf and Category C bowling have increased from 18 percent to 19 percent.

(3) The NIBD standard for ALFs is changed from breakeven to an amount equal to the value of budgeted CPMC for the garrison for the FY.

e. Detailed information and program guidance for operating and support programs is provided at Enclosure 5. Noteworthy:

(1) The Army Banking and Investment Fund (ABIF) anticipated interest rates for FY 04 are computed on the expected average cash balances. Use the rate of 1.5 percent interest for cash invested in the ABIF by Joint Service Department of Defense (DOD) NAFIs, Civilian Welfare Funds, and Post Restaurants. Use the rate of 0.75 percent interest for NAFIs (Region MWR Funds, AFRCs, and others not specified above) whose deposits within the ABIF constitute the corpus from which the AMWRF loan is made. The loan at year-end to support MWR BOD approved AMWRF expenditures is projected to be 56 percent of the deposited cash belonging to these NAFIs.

(2) The DOD NAF Health Benefit Plan (HBP) premiums will remain at the current rate through the end of calendar year 2003. Premiums for calendar year 2004 will be based on claims experience during calendar year 2003 and medical, dental and pharmaceutical industry cost trends. Based on early indications, it is anticipated that there will be an increase of approximately 12 percent in premiums for calendar year 2004 for both the DODHBP and Health Maintenance Organizations (HMOs). The employer/employee contribution ratio remains 70/30 for DODHBP; 50/50 for HMOs; and 70/30 for dental coverage of all types.

f. The MWR Utilization, Support and Accountability (USA) funding practice information is at Enclosure 8. Included is policy guidance on authorized uses of APFs, accounting and budgeting procedures, a sample Memorandum of Agreement (MOA), and "Frequently Asked Questions" (FAQs).

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g. A description of the Uniform Funding and Management (UFM) program and an update on the development of the Army's implementation plan is also addressed in Enclosure 8. This program was previously known as Uniform Resource Expanded Program (UREP) and has been re-named to be in consonance with the language in the FY 03 Authorization Bill passed by the Congress.

h. A complete listing of all valid program, department, and general ledger accounting codes is at Enclosure 10.

8. The MWR NAFl point of contact is Peggy Palomares, DSN 761-7292, COM (703) 681-7292, FAX (703) 761-7348, or e-mail: Peggy.Palomares@cfsc.army.mil. The ALF point of contact is Craig Smith, DSN 761-5365, COM (703) 681-5365, FAX (703) 681-7246, or e-mail: Craig.Smith@cfsc.army.mil.

9. This FY 04 MWR and ALF NAFIs Financial Management Operating Guidance and all enclosures thereto may be accessed on the World Wide Web Army MWR Homepage at <http://www.armymwr.com> under MWR Professionals, Operations, Financial Management, FM Documents, Operating Guidance.

FOR THE COMMANDER:

10 Encls

JEFFREY R. DALBEY
Chief Financial Management Officer

DISTRIBUTION:

DIRECTOR

NORTHEAST REGION (SFIM-NE-MWR)

NORTHWEST REGION (SFIM-NW-MWR)

SOUTHEAST REGION (SFIM-SE-MWR)

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EUROPE REGION (SFIM-EU-MWR)

PACIFIC REGION (SFIM-PA-MWR)

KOREA REGION (SFIM-KO-MWR)

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USACFSC-HQ ARMP

CF:

HQDA (DAMH-MD)

HQDA (DASG-VC)

HQDA (SAAG-AF)

HQDA (SAFM-RB)

HQDA (DAPE-CP-NAF)

HQDA (SFIM-Z)

DFAS-AUCB/IO

NAF FINANCIAL SERVICES

REFERENCES

- a. AR 210-50, Housing Management, 1 Sep 97. (http://corporate/images/r210_50.pdf) .
- b. AR 215-1, Nonappropriated Fund Instrumentalities and Morale, Welfare, and Recreation Activities, 25 Oct 98. (http://corporate/images/r215_1.pdf).
- c. AR 415-19, Nonappropriated-Funded Construction Project Development and Approval, 10 Dec 99. (http://www.army.mil/usapa/epubs/415_Series_Collection_1.html).
- d. AR 420-10, Management of Installation Directorates of Public Works, 15 Apr 97. (http://www.army.mil/usapa/epubs/420_Series_Collection_1.html).
- e. Department of Defense Financial Management Regulation, DOD 7000.14-R, Volume 13, Nonappropriated Funds Policy and Procedures, Aug 94. (<http://www.dtic.mil/comptroller/fmr/13/index.html>).
- f. Department of Defense Directive 1015.10, Programs for Military Morale, Welfare, and Recreation (MWR), 3 Nov 95. (www.dtic.mil/whs/directives)
- g. Department of Defense Directive 1015.11, Lodging Resource Policy, 9 Dec 96. (www.dtic.mil/whs/directives)
- h. Department of Defense Instruction 1015.12, Lodging Program Resource Management, 30 Oct 96. (www.dtic.mil/whs/directives).
- i. CFSC NAF Financial Management Operating Guidance Memoranda. Those that were not incorporated in AR 215-1 and are still valid are listed at Encl 2. (http://www.armymwr.com/corporate/operations/financial/management_guidance).
- j. DFAS-IN-PN Accounting Policy and Systems Memoranda. Those that were not incorporated in DOD 7000.14-R, Volume 13, Nonappropriated Fund Policy and Procedures, Aug 94 and are still valid are listed at Encl 3. (http://www.armymwr.com/corporate/operations/financial/operating_guidance/01guide/00guide/encl2.asp)
- k. CFSC-FM-C Memo, 26 Jun 96, subj: Standing Operating Procedures (SOPs) for the Army Morale, Welfare, and Recreation Fund (AMWRF) Minor Construction (MC)/Self-Sufficiency Exemption (SSE) Program. (<http://www.armymwr.com/corporate/images/minorc.pdf>).
- l. DAIM-FDR Memo, 6 Oct 97, subj: Change of Approval Thresholds for Nonappropriated Fund Minor Construction Projects.

REFERENCES

(<http://www.armymwr.com/corporate/images/daim-fdr.pdf>).

m. CFSC-AL Memo, 7 Oct 99, subj: Billeting Rates For Foreign Military Students/Trainees.

(http://www.armymwr.com/corporate/operations/financial/operating_guidance/03guide/03-1a.doc)

n. CFSC-AL Memo, 20 Oct 99, subj: Army Lodging Wellness Plan.

([/corporate/images/wellnessmemo.pdf](http://www.armymwr.com/corporate/images/wellnessmemo.pdf)).

o. CFSC-AL Memo, 12 Nov 99, subj: Army Lodging Wellness Plan Clarification.

([/corporate/operations/Financial/operating_guidance/guidelines/clarification_memo.asp](http://www.armymwr.com/corporate/operations/Financial/operating_guidance/guidelines/clarification_memo.asp))

p. CFSC-AL Memo, 1 Jun 00, subj: Lodging Fund Transition Guidance.

(http://www.armymwr.com/corporate/operations/financial/lodging_fund/).

q. CFSC-FM-I Memo, 22 Jun 00, subj: Risk Management Program (RIMP), Transfer of Guest House Personnel and Assets to the Lodging Fund.

(http://www.armymwr.com/corporate/operations/financial/lodging_fund/lodgingfund.asp)

r. CFSC-AL Memo, 15 Sep 00, subj: Lodging Fund Transition Supplemental Guidance.

([/corporate/images/LodgAdd.pdf](http://www.armymwr.com/corporate/images/LodgAdd.pdf)).

s. CFSC-BPL Memo, 7 Mar 02, subj: Unofficial Traveler Surcharge in Army Lodging.

(<http://www.armymwr.com/corporate/docs/fm/gaosurcharge.doc>).

t. CFSC-CYS Memo, 17 Jul 00, subj: Child and Youth Services (CYS) Organizational Structure.

([/corporate/images/CYS_Organization.pdf](http://www.armymwr.com/corporate/images/CYS_Organization.pdf)).

u. Unified Facilities Criteria 4-010-01, DoD Minimum Antiterrorism Standards for Buildings. (<http://www.tisp.org/files/pdf/dodstandards.pdf>)

CFSC-FM-C NAF FINANCIAL MANAGEMENT OPERATING GUIDANCE
MEMORANDA

NAF Financial Management Operating Guidance Memoranda that were not incorporated into AR 215-1 and are still valid are listed below. A copy may be obtained by contacting CFSC-FM-C, DSN 761-7292 or COM (703) 681-7292. These memoranda may be accessed on the World Wide Web Army MWR Homepage at http://www.armymwr.com/corporate/operations/financial/management_guidance/

- 94-2 Use of Appropriated Base Realignment and Closure (BRAC) Funds for Nonappropriated Fund (NAF) Severance Pay, 3 May 94
- Defense Policy for Base Realignment and Closure (BAC), 24 Nov 93
- Use of Defense Base Realignment and Closure (BRAC) Account Funds for NAF Severance and Relocation Pay, 3 Jan 94
- Use of Base Closure Account Funds for Nonappropriated Fund Instrumentality (NAFI) Actions, 16 Mar 94
- 94-4 Recording Nutritionist Expense and U.S. Dept of Agriculture (USDA) Income in Child Development Services (CDS) and Youth Services (YS) Programs, 11 Aug 94
-
- 96-1 Reporting and Funding Support For Resale Operations within Category A and B Programs, and the Establishment of a New Program Code, 2 Feb 96
- 96-2 Variance Analysis, 2 Feb 96
- 96-4 Reporting Morale, Welfare, and Recreation (MWR) Recycling Activity, 24 Apr 96
- 96-5 Morale, Welfare, and Recreation (MWR) Program/Functional Cost Account (FCA) Code Information and Guidance, 9 Sep 96
-
- 98-4 Financial Controls and Reporting Guidance for Morale, Welfare, and Recreation (MWR) Management, 3 Jun 98
- 98-5 Morale, Welfare, and Recreation (MWR) Nonappropriated Fund Major Construction (NAFMC) Program – Reimbursement of Furniture, Fixtures, and Equipment (FF&E) Purchases, 5 Jun 98

CFSC-FM-C NAF FINANCIAL MANAGEMENT OPERATING GUIDANCE
MEMORANDA

- 98-7 Morale, Welfare, and Recreation (MWR) Standards Assessment, 18 Sep 98
- 99-1 Nonappropriated Fund Major Construction (NAFMC) Program – Eligibility of Furniture, Fixtures, and Equipment (FF&E) Items for Reimbursement, 21 Jan 99
- 99-2 Control of DA Form 1992, Nonappropriated Fund (NAF) Receipt Voucher, 9 Mar 99
- 99-4 Installation Morale, Welfare and Recreation Fund (IMWRF) and Billeting Fund Overhead Cost Allocation, 10 Aug 99
- 01-1 Reporting I.M.P.A.C. Card Rebates Received by Field Operating Nonappropriated Fund Instrumentalities (NAFIs), 15 Feb 01
- 01-02 Army Regulation 215-1, Appendix F, Standard Nonappropriated Fund Number (SNN), 8 Jun 01
- 01-03 Implementation of the Prepayment for Large Minor Construction Projects and Local Obligation for Nonappropriated Fund Major Construction Projects Program, 24 Sep 01
- 01-04 Appropriated Funding Clarification for Department of Defense Morale, Welfare, and Recreation Utilization, Support, and Accountability (DoD MWR USA) Practice, 2 Oct 01
- 02-01 New Nonappropriated Fund (NAF) Department Codes, 1 Oct 01
- 02-01A Additional Guidance on New Nonappropriated Fund (NAF) Department Codes, 4 Oct 01
- 02-02 New Department Code, 9 Nov 01
- 02-04 Reconciliation of Fixed Assets and Capital Purchase Minor Construction (CPMC) Reporting, 1 Apr 02
- 02-05 Control of Access to Morale, Welfare, and Recreation (MWR) RECTRAC!/GOLFTRAC! And CYMS Demonstration (Training) System, 26 Jul 02
- 03-01 Appropriated Fund Authorization for Category C During Force Protection Charlie and Above, 18 Oct 02

CFSC-FM-C NAF FINANCIAL MANAGEMENT OPERATING GUIDANCE
MEMORANDA

03-02 Supplemental Funds for Child and Youth Services (CYS), 17 Mar 03

DFAS-IN/PN NAF ACCOUNTING POLICY AND SYSTEMS MEMORANDA

NAF Accounting Policy and Systems Memoranda that were not incorporated into DOD 7000.14-R, Volume 13, Nonappropriated Funds Policy and Procedures, and are still valid are listed below. These memoranda may be accessed on the World Wide Web at <http://www.armymwr.com/corporate/operations/financial/fmdocuments/dfas.asp>

- 98-1 Accounting Changes, 8 Jun 98 (Reissue of 94-1)
- 98-2 Accounting Changes, 8 Jun 98 (Reissue of 95-1)
- 98-3 Sales Within a Fund, 8 Jun 98 (Reissue of 95-2)
- 98-4 FY 96 Accounting Changes, 8 Jun 98 (Reissue of 96-1)
- 98-5 U.S. Department of Agriculture Reimbursements for In-Home Family Child
Care Providers, 8 Jun 98 (Reissue of 96-2)
- 98-6 Accounting Changes and Reminders, 8 Jun 98 (Reissue of 96-3)
- 99-1 Control of DA Form 1992, Nonappropriated Fund Receipt Voucher, 9 Mar
99
- Not Daily Activity Report Requirements, 22 Jun 01
Numbered
- Not Fixed Asset Capitalization Criteria 26 August 02
Numbered

Region MWR (1) A/O: FY 2004		MWR Standards Assessment (\$Millions)			NIBD Assessment ≥ 0 ● $\leq 10\%$ Key: N/A ● $> 10\% \leq 15\%$ < 0 ● $> 15\%$		Budget Variance	
Rated MWR Function	Standard NIBD \$/%	Budget Var	Budgeted NIBD \$/%	Actual NIBD \$/%	Budget Var	ASSESSMENT	REMARKS	
Field Roll-up	$\geq 8/4\%$	$\pm 10/15\%$				○	MWR USA Revenue removed from Tot Rev for calculation of NIBD %	
CAT A NAF *	$\geq \$0$	$\pm 10/15\%$				○	* Excludes Unit Activities	
CAT B NAF *	$\geq \$0$	$\pm 10/15\%$				○	* Excludes CDS's Assessed Below	
Child Development Services (CDS)	$\geq \$0$	$\pm 10/15\%$				○		
Clubs (All)	$\geq 8/4\%$	$\pm 10/15\%$				○		
Golf	$\geq 19/9.5\%$	$\pm 10/15\%$				○		
Bowling > 12 Lanes	$\geq 19/9.5\%$	$\pm 10/15\%$				○		
APF Execution *	$3^{\text{RD}} \text{ QTR} \geq 65/60\%$ $\text{FY} \geq 90/80\%$			Execution		○	* Cumulative	
CPMC + NAFMC Local Execution	NTE NIBD \pm Transfer Limitation	Actual vs Budget $\geq 70/50\%$		Execution		○	Budgeted \$ 0.000 M NIBD Limit \$ 0.000 M Executed \$ 0.000 M	
Solvency (Cash/Debt)	$\geq 1:1 \ \& \ \leq 2:1$			End of Period		○		

04

FY04 REGION MWR STANDARDS

CASH GENERATION FOR REINVESTMENT

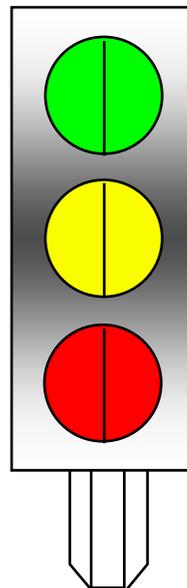
STANDARD:

**NIBD % IS GREATER THAN OR EQUAL TO
8 PERCENT OF NET REVENUE;
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET**

**NIBD $\geq 8\%$ OF
NET REVENUE**

**NIBD $\geq 4\%$, BUT
< 8% OF
NET REVENUE**

**NIBD < 4% OF
NET REVENUE**



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
> 10% AND $\leq 15\%$**

BUDGET VARIANCE > 15%

Capital Reinvestment Assessment

Evolution of MWR Financial Standards

	Pay a CRA Expense of . . .	Achieve NIBD of . . .	Total Cash Created
FY 95	-0-	5 %	5 %
FY 96	2 %	5 %	7 %
FY 97	3 %	5 %	8 %
FY 98	2 3 %	7 6 %	9 %
FY 99	2 3 %	8 7 %	10 %
FY 00	2 3 %	8 7 %	10 %
FY 01	2 %	8 %	10 %
FY 02	*2%	8 %	10 %
FY 03	*2%	8 %	10 %
FY 04	**3%	8%	10%

* CFSC AFRCs will pay 3% CRA

** CFSC AFRCs ONLY. CRA for MWR and Supplemental Mission Funds discontinued.

FY04 REGION MWR STANDARDS

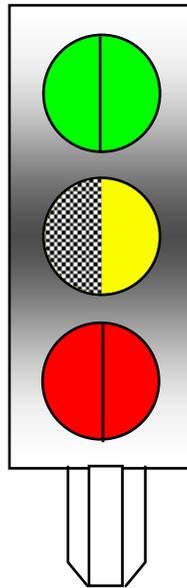
CATEGORY A

NAF STANDARD:
**NIBD IS BREAK EVEN OR POSITIVE FOR
CATEGORY A PROGRAMS IN THE AGGREGATE*;
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET**

$NIBD \geq 0$

N/A

$NIBD < 0$



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
> 10% AND $\leq 15\%$**

BUDGET VARIANCE > 15%

*** EXCLUDES UNIT ACTIVITIES**

FY04 REGION MWR STANDARDS

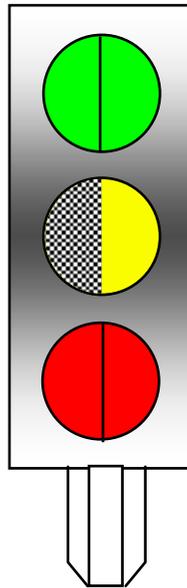
CATEGORY B

NAF STANDARD:
NIBD IS BREAK EVEN OR POSITIVE FOR
CATEGORY B PROGRAMS IN THE AGGREGATE*;
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

$NIBD \geq 0$

N/A

$NIBD < 0$



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

*** EXCLUDES CHILD DEVELOPMENT SERVICES**

FY04 REGION MWR STANDARDS

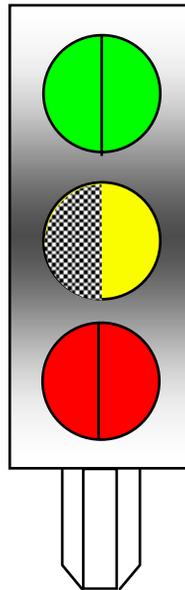
CDS STANDARD

STANDARD:
NIBD IS BREAKEVEN OR POSITIVE
FOR CDS PROGRAMS IN THE AGGREGATE;
(PROGRAM CODES, PC, PD, PG, PL, QL, & JG)
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

NIBD \geq ZERO

N/A

NIBD $<$ ZERO



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

FY04 REGION MWR STANDARDS

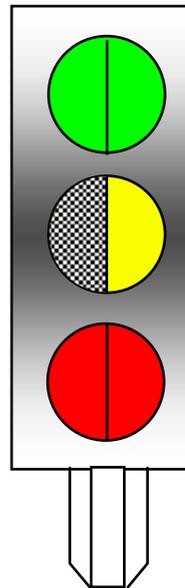
EACH CATEGORY C PROGRAM*

STANDARD:
NIBD IS EQUAL TO OR GREATER THAN ZERO;
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

NIBD \geq ZERO

N/A

NIBD $<$ ZERO



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

* EXCEPT GOLF, BOWLING > 12 LANES, AND CLUB PROGRAMS

FY04 REGION MWR STANDARDS

CLUBS

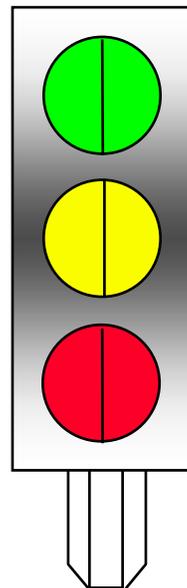
STANDARD:

**NIBD % IS EQUAL TO OR GREATER THAN 8%;
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET**

NIBD $\geq 8\%$

**NIBD $\geq 4\%$,
BUT $< 8\%$**

NIBD $< 4\%$



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

FY04 REGION MWR STANDARDS

GOLF

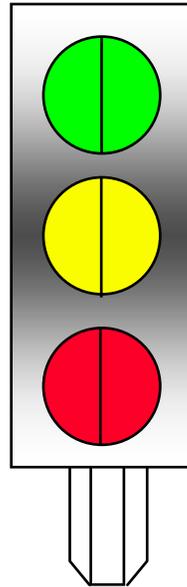
STANDARD:

**NIBD % IS EQUAL TO OR GREATER THAN 19%;
VARIANCE IS WITHIN ± 10 OF BUDGET**

NIBD $\geq 19\%$

**NIBD $\geq 9.5\%$,
BUT $< 19\%$**

NIBD $< 9.5\%$



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

FY04 REGION MWR STANDARDS

BOWLING – CATEGORY C

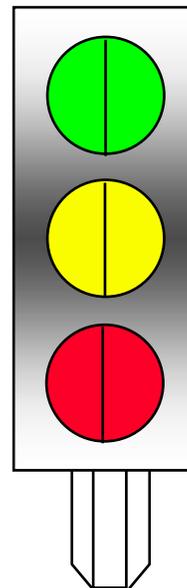
STANDARD:

**NIBD % IS EQUAL TO OR GREATER THAN 19%;
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET**

NIBD $\geq 19\%$

**NIBD $> 9.5\%$,
BUT $< 19\%$**

NIBD $< 9.5\%$



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

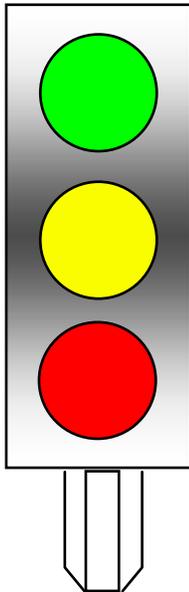
BUDGET VARIANCE $> 15\%$

FY04 REGION MWR STANDARDS

APPROPRIATED FUND EXECUTION

APF EXECUTION:

DIRECT APF SUPPORT FOR MWR AND FAMILY PROGRAMS* WILL BE EXECUTED BETWEEN 65 AND 100 PERCENT AT THIRD QUARTER END, AND BETWEEN 90 AND 100 PERCENT AT THE END OF THE FISCAL YEAR



**≥ 65% EXECUTION AT END OF 3RD QTR;
≥ 90% EXECUTION AT FY END**

**≥ 60%, BUT < 65% EXECUTION AT END OF 3RD QTR;
≥ 80%, BUT < 90% EXECUTION AT FY END**

**< 60% EXECUTION AT END OF 3RD QTR;
< 80% EXECUTION AT FY END**

*MDEP QDPC, AMS CODES: LA, LB, LC, LD, LE, LF, LG, LH, LI, LJ, LK, LL, LM, LN, LP, LQ, LV, LW, LX, LY, LZ; MDEP QYDP, AMS CODES: L1, L2, L3, L4,, L5, L6; MDEP QCCS, AMS CODES: 19.21, 19.22, 19.23, 19.24, 19.25, 19.26, 19.27, 19.28; MDEP QACS AMS CODES: 20.1A, 20.11, 20.12, 20.13, 20.14, 20.15, 20.16, 20.17, 20.18, 20.19

FY04 REGION MWR STANDARDS

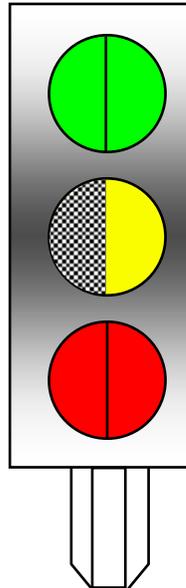
CPMC/LOCAL PAYMENTS NAFMC EXECUTION

STANDARD:

BUDGETED CPMC*/LOCAL PAYMENTS FOR NAFMC WILL NOT EXCEED BUDGETED NIBD AT THE ARMY-WIDE LEVEL, AND THE REGION CASH TO DEBT RATIO MUST BE AT LEAST 1:1 PRIOR TO CPMC EXPENDITURES. 70% OF BUDGETED COMBINED PAYMENTS ARE EXECUTED, PAYMENTS EXECUTED DO NOT EXCEED REGION AGGREGATE NIBD OR AS CHANGED BY "PLUS/MINUS" TRANSFERS.

NIBD \geq BUDGET AND FY EXECUTION; CASH TO DEBT IS \geq 1:1**

EXECUTION \leq NIBD AND CASH TO DEBT IS $<$ 1:1; EXECUTION $>$ NIBD WITH CASH TO DEBT $<$ OR $>$ 1:1



EXECUTED \geq 70% OF CPMC BUDGET**

EXPENDED \geq 50%, BUT $<$ 70% OF BUDGET**

RED RATING ON LEFT SIDE; EXECUTION EXCEEDS BUDGET, OR EXECUTION IS $<$ 50% OF BUDGET****

*** INCLUDES PAYMENTS FOR CAPITAL LEASES**

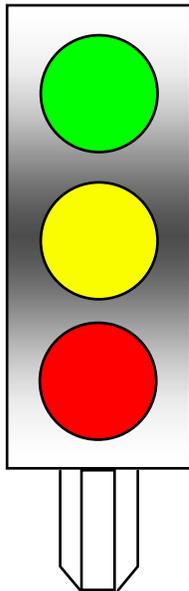
**** AS ADJUSTED BY TRANSFER**

FY04 REGION MWR STANDARDS

SOLVENCY

STANDARD:

CASH TO DEBT RATIO IS GREATER THAN OR EQUAL TO 1:1 AND LESS THAN OR EQUAL TO 2:1, AND NIBD IS POSITIVE



CASH TO DEBT \geq 1:1 AND \leq 2:1 AND NIBD $>$ 0

**CASH TO DEBT \geq 1:1 AND \leq 2:1 AND NIBD \leq 0, OR
CASH TO DEBT $>$ 2:1 AND \leq 4:1**

CASH TO DEBT $<$ 1:1 OR $>$ 4:1

Garrison MWR (1) A/O: FY 2004		Garrison MWR Standards Assessment (\$Millions)			NIBD Assessment Key: ≥ 0 < 0 N/A $> 10\% \leq 15\%$ $\leq 10\%$ $> 15\%$		Budget Variance	
Rated MWR Function	Standard		Budgeted NIBD \$/%	Actual		ASSESSMENT	REMARKS	
	NIBD \$/%	Budget Var		NIBD \$/%	Budget Var			
Total Programs	\geq	A* $\pm 10/15\%$					MWR USA Revenue removed from Tot Rev for calculation of NIBD %	
CAT A NAF *	\geq	A* $\pm 10/15\%$					* Excludes Unit Activities	
CAT B NAF *	\geq	A* $\pm 10/15\%$					* Excludes CDS's Assessed Below	
Child Development Services (CDS)	\geq	A* $\pm 10/15\%$						
Clubs (All)	\geq	A* $\pm 10/15\%$						
Golf	\geq	A* $\pm 10/15\%$						
Bowling > 12 Lanes	\geq	A* $\pm 10/15\%$						
APF Execution *		3 RD QTR $\geq 65/60\%$ FY $\geq 90/80\%$		Execution			* Cumulative	
CPMC Execution		Actual vs Budget $\geq 70/50\%$		Execution			Budgeted \$	0.000 M
							Executed \$	0.000 M
Solvency (Cash/Debt)		$\geq 1:1$ & $\leq 2:1$		End of Period N/A			Component of Single Fund	

04

FY04 GARRISON MWR STANDARDS

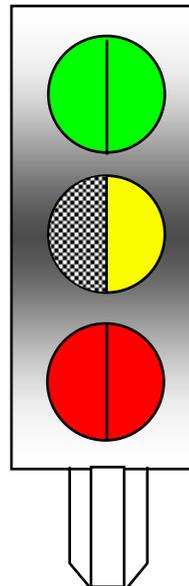
NET INCOME BEFORE DEPRECIATION

STANDARD:
NIBD \$ ARE EQUAL TO OR GREATER THAN
REGION APPROVED BUDGET
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

NIBD \geq BUDGET

N/A

NIBD $<$ BUDGET



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

FY04 GARRISON MWR STANDARDS

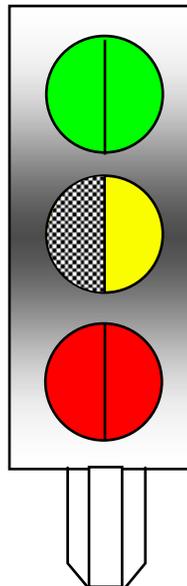
CATEGORY A

STANDARD:
**NIBD \$ ARE EQUAL TO OR GREATER THAN
REGION APPROVED BUDGET
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET**

NIBD \geq BUDGET

N/A

NIBD $<$ BUDGET



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

*** EXCLUDES UNIT ACTIVITIES**

FY04 GARRISON MWR STANDARDS

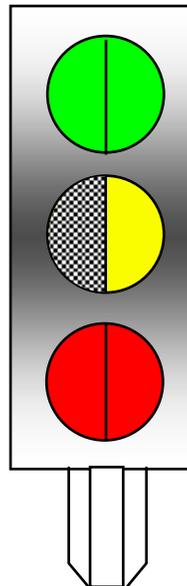
CATEGORY B

STANDARD:
**NIBD \$ ARE EQUAL TO OR GREATER THAN
REGION APPROVED BUDGET
VARIANCE IS WITHIN ± 10% OF BUDGET**

NIBD ≥ BUDGET

N/A

NIBD < BUDGET



BUDGET VARIANCE ≤ 10%

**BUDGET VARIANCE
> 10% AND ≤ 15%**

BUDGET VARIANCE > 15%

*** EXCLUDES CHILD DEVELOPMENT SERVICES**

FY04 GARRISON MWR STANDARDS

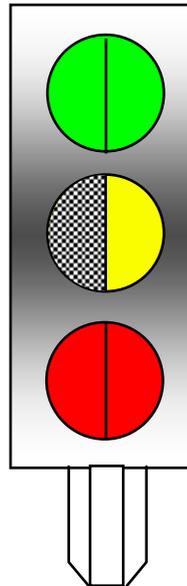
EACH CATEGORY C PROGRAM*

STANDARD:
NIBD \$ ARE EQUAL TO OR GREATER THAN
REGION APPROVED BUDGET
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

NIBD \geq BUDGET

N/A

NIBD $<$ BUDGET



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

*** EXCEPT GOLF, BOWLING > 12 LANES, AND CLUB PROGRAMS**

FY04 GARRISON MWR STANDARDS

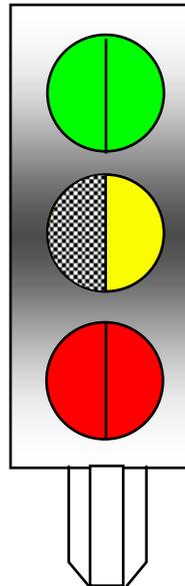
CLUBS

STANDARD:
NIBD \$ ARE EQUAL TO OR GREATER THAN
REGION APPROVED BUDGET
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

NIBD \geq BUDGET

N/A

NIBD $<$ BUDGET



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

FY04 GARRISON MWR STANDARDS

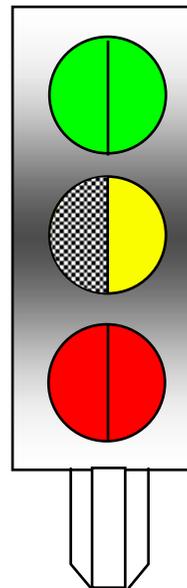
GOLF

STANDARD:
NIBD \$ ARE EQUAL TO OR GREATER THAN
REGION APPROVED BUDGET
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

NIBD \geq BUDGET

N/A

NIBD $<$ BUDGET



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

FY04 GARRISON MWR STANDARDS

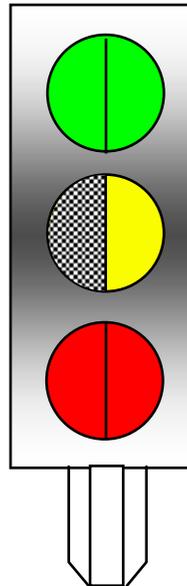
BOWLING – CATEGORY C

STANDARD:
NIBD \$ ARE EQUAL TO OR GREATER THAN
REGION APPROVED BUDGET
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

NIBD \geq BUDGET

N/A

NIBD $<$ BUDGET



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

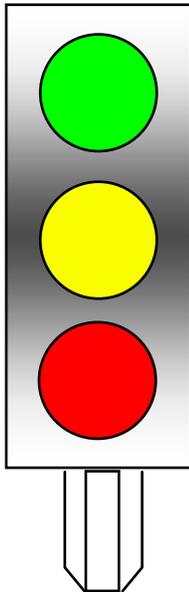
BUDGET VARIANCE $> 15\%$

FY04 GARRISON MWR STANDARDS

APPROPRIATED FUND EXECUTION

APF EXECUTION:

DIRECT APF SUPPORT FOR MWR AND FAMILY PROGRAMS* WILL BE EXECUTED BETWEEN 65 AND 100 PERCENT AT THIRD QUARTER END, AND BETWEEN 90 AND 100 PERCENT AT THE END OF THE FISCAL YEAR



**≥ 65% EXECUTION AT END OF 3RD QTR;
≥ 90% EXECUTION AT FY END**

**≥ 60%, BUT < 65% EXECUTION AT END OF 3RD QTR;
≥ 80%, BUT < 90% EXECUTION AT FY END**

**< 60% EXECUTION AT END OF 3RD QTR;
< 80% EXECUTION AT FY END**

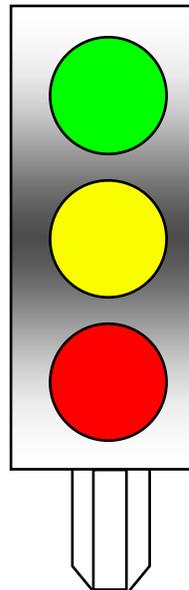
*MDEP QDPC, AMS CODES: LA, LB, LC, LD, LE, LF, LG, LH, LI, LJ, LK, LL, LM, LN, LP, LQ, LV, LW, LX, LY, LZ; MDEP QYDP, AMS CODES: L1, L2, L3, L4,, L5, L6; MDEP QCCS, AMS CODES: 19.21, 19.22, 19.23, 19.24, 19.25, 19.26, 19.27, 19.28; MDEP QACS AMS CODES: 20.1A, 20.11, 20.12, 20.13, 20.14, 20.15, 20.16, 20.17, 20.18, 20.19

FY04 GARRISON MWR STANDARDS

CPMC/LOCAL PAYMENTS NAFMC EXECUTION

STANDARD:

BUDGETED CPMC*/LOCAL PAYMENTS FOR NAFMC EQUAL OR GREATER THAN 70% OF REGION APPROVED BUDGET



**EXECUTED \geq 70%
OF CPMC BUDGET**

**EXECUTED \geq 50%, BUT
< 70% OF BUDGET**

**EXECUTION EXCEEDS
BUDGET, OR EXECUTION
IS < 50% OF BUDGET**

*** INCLUDES PAYMENTS FOR CAPITAL LEASES**

Region
 LODGING (F)
 A/O: FY 2004

Region Lodging Standards Assessment
 (Millions)

Budget Variance
 Assessment ● ≤ 10%
 Key: ● > 10% ≤ 15%
● > 15%

Rated Function	Standard Bud Variance	Budgeted	Actual	Budget Var	Assessment	Remarks
NIBD Budget Variance	≥ CPMC Budget ± 10/15%					
Total Revenue	± 10/15%					
Total Expenses	± 10/15%					
CPMC Execution	NTE NIBD Actual vs Budget ≥ 90/85%					Budgeted \$ 0.000 M NIBD Limit \$ 0.000 M Executed \$ 0.000 M
Solvency (Cash/Debt)	≥ 1:1 & ≤ 2:1					

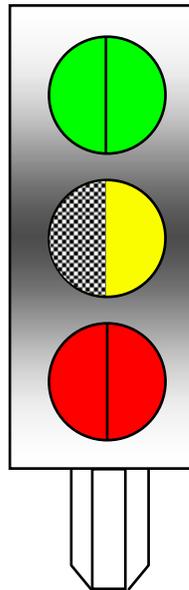
04

FY04 REGION LODGING FUND STANDARDS

NET INCOME BEFORE DEPRECIATION

STANDARD:
NIBD IS GREATER THAN OR EQUAL TO FY CPMC BUDGET;
BUDGET VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

NIBD \geq FY CPMC Budget



BUDGET VARIANCE $\leq 10\%$

**BUDGET VARIANCE
> 10% AND $\leq 15\%$**

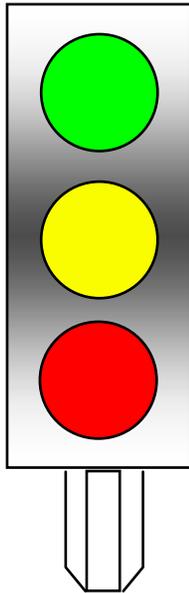
NIBD < FY CPMC Budget

BUDGET VARIANCE > 15%

FY04 REGION LODGING FUND STANDARDS

TOTAL REVENUE

**TOTAL REVENUE STANDARD:
ACHIEVE BUDGETED TOTAL REVENUE**



BUDGET VARIANCE +/- \leq 10%

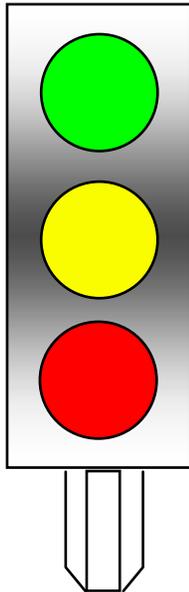
BUDGET VARIANCE OF +/- $>$ 10% AND \leq 15%

BUDGET VARIANCE +/- $>$ 15%

FY04 REGION LODGING FUND STANDARDS

TOTAL EXPENSES

**TOTAL EXPENSES STANDARD:
DO NOT EXCEED BUDGETED TOTAL EXPENSES**



BUDGET VARIANCE +/- \leq 10%

BUDGET VARIANCE OF +/- $>$ 10% AND \leq 15%

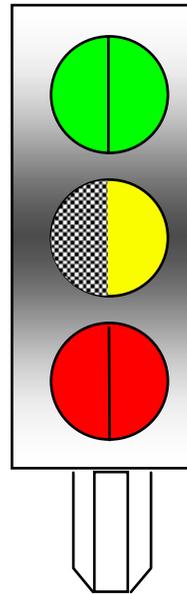
BUDGET VARIANCE +/- $>$ 15%

FY04 REGION LODGING FUND STANDARDS

CPMC EXECUTION

STANDARD:
**BUDGETED CPMC WILL NOT EXCEED BUDGETED REGION
NIBD, CPMC EXECUTION EQUAL OR GREATER THAN 90%
OF CPMC BUDGET**

NIBD \geq FY EXECUTION



EXECUTE \geq 90% CPMC BUDGET

**EXECUTE \geq 85% OF CPMC BUDGET,
BUT $<$ 90% CPMC BUDGET**

CPMC EXECUTION $>$ FY NIBD

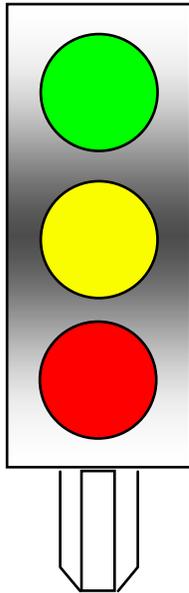
EXECUTE $<$ 85% OF CPMC BUDGET,

FY04 REGION LODGING FUND STANDARDS

SOLVENCY

STANDARD:

CASH TO DEBT RATIO IS GREATER THAN OR
EQUAL TO 1:1 AND LESS THAN OR EQUAL TO
2:1, AND NIBD IS POSITIVE



CASH TO DEBT \geq 1:1 AND \leq 2:1

**CASH TO DEBT \geq 1:1 AND \leq 2:1 AND NIBD \leq 0, OR
CASH TO DEBT $>$ 2:1 AND \leq 4:1**

CASH TO DEBT $<$ 1:1 OR $>$ 4:1

Garrison
 LODGING (F)
 A/O: FY 2004

Garrison Lodging Standards Assessment
 (Millions)

Budget Variance
 Assessment ● ≤ 10%
 Key: ● > 10% ≤ 15%
● > 15%

Rated Function	Standard Bud Variance	Budgeted	Actual	Budget Var	Assessment	Remarks
NIBD Budget Variance	≥ Budget ± 10/15%					
Total Revenue	± 10/15%					
Total Expenses	± 10/15%					
CPMC Execution	Actual vs Budget ≥ 90/85%					Budgeted \$ 0.000 M Executed \$ 0.000 M
Solvency (Cash/Debt)	≥ 1:1 & ≤ 2:1			N/A		Component of Single Fund

04

FY04 GARRISON LODGING STANDARDS

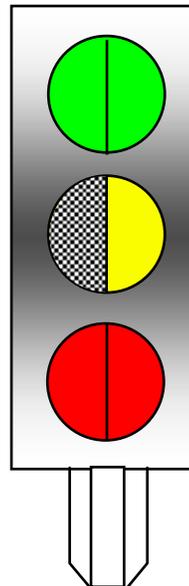
NET INCOME BEFORE DEPRECIATION

STANDARD:
NIBD \$ ARE EQUAL TO OR GREATER THAN
REGION-APPROVED BUDGET
VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET

NIBD \geq BUDGET

N/A

NIBD $<$ BUDGET



BUDGET VARIANCE $\leq 10\%$

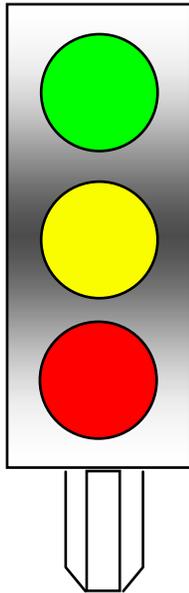
**BUDGET VARIANCE
 $> 10\%$ AND $\leq 15\%$**

BUDGET VARIANCE $> 15\%$

FY04 GARRISON LODGING STANDARDS

TOTAL REVENUE

STANDARD:
BUDGET VARIANCE IS WITHIN $\pm 10\%$ OF BUDGET



BUDGET VARIANCE $\pm \leq 10\%$

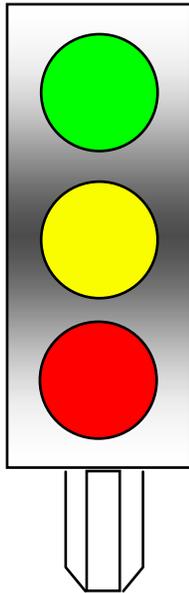
BUDGET VARIANCE OF $\pm > 10\%$ AND $\leq 15\%$

BUDGET VARIANCE $\pm > 15\%$

FY04 GARRISON LODGING STANDARDS

TOTAL EXPENSES

STANDARD:
BUDGET VARIANCE IS WITHIN \pm 10% OF BUDGET



BUDGET VARIANCE $\pm \leq 10\%$

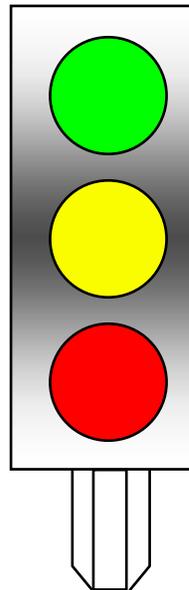
BUDGET VARIANCE OF $\pm > 10\%$ AND $\leq 15\%$

BUDGET VARIANCE $\pm > 15\%$

FY04 GARRISON LODGING STANDARDS

CPMC EXECUTION

STANDARD:
PAYMENTS EXECUTED DO NOT EXCEED FY CPMC BUDGET; 90% OF BUDGETED PAYMENTS ARE EXECUTED



**EXECUTED \geq 90%
OF CPMC BUDGET**

**EXECUTED \geq 85%, BUT
< 90% OF BUDGET**

**EXECUTION EXCEEDS
BUDGET, OR EXECUTION
IS < 85% OF BUDGET**

PROGRAM OPERATING GUIDANCE

1. **ARMY BANKING AND INVESTMENT FUND (ABIF)**: (POC is Clint Lilley, CFSC-FM-B, DSN 761-7297 or COM (703) 681-7297, e-mail: Clint.Lilley@cfsc.army.mil.)

Anticipated interest rates for FY 04 computed on the expected average cash balances.

a. Use the rate of 1.50 percent interest for cash invested in the ABIF by Joint Service DOD NAFIs, Civilian Welfare Funds, and Post Restaurants. Interest paid on accounts reflects yields available in the investment market and is net of ABIF expenses. The ABIF is invested in U.S. Treasury and Government agency securities.

b. Use the rate of 0.75 percent interest for NAFIs (Region MWR Funds, AFRCs, and others not specified above) whose deposits within the ABIF constitute the corpus from which the AMWRF loan is made. The loan at year-end to support MWR Board of Directors approved AMWRF expenditures is projected to be 56 percent of the deposited cash belonging to these NAFIs. As a result, approximately one third of the investable balance is available through the ABIF investment portfolio. Therefore, the residual amount of the corpus earns the portfolio rate of interest which is then applied to the full book amount of the accounts resulting in an effective lower rate being paid.

c. The ABIF portfolio interest earned on all Region lodging fund accounts is paid directly to the Army Lodging Fund (ALF).

2. **FY 04 RIMP INSURANCE RATES**: (POC is Ken Harris, CFSC-FM-I, DSN 761-7313 or COM (703) 681-7313, e-mail: Ken.Harris@cfsc.army.mil.)

RIMP FY2004 INSURANCE RATES

Buildings	Per \$100 value	0.23
Contents	Per \$100 value	0.31
Vehicles	Per \$100 value	0.40
Aircraft	Per \$100 value	6.00
Fidelity Bond	Per employee	
	Class I	5.00
	Class II	2.90

PROGRAM OPERATING GUIDANCE

Money & Securities	Per employee	2.25
General Tort	Per employee	8.00
Vehicle Tort	Per vehicle	125.00
Family Child Care	Per provider	50.00
Aircraft Tort	2 seat	3548.00
	4 seat	5592.00
Parachute Activities	Per activity	750.00
Cargo	Per \$100 value	0.75
Unemployment Compensation Percentage of payroll		0.60
Workers' Compensation	Per \$100 payroll	
	U.S., Puerto Rico	2.55
	Overseas	0.60
	Korean Nationals	0.65

3. **EMPLOYEE BENEFITS:** (POC is Ronald Courtney, CFSC-HRB, DSN 761-7260 or COM (703) 681-7260, e-mail: Ronald.Courtney@cfsc.army.mil.) NAF employee benefits may be accessed on the World Wide Web at <http://www.nafbenefits.com>.

a. USA NAF RETIRMENT PLAN:

(1) Based on the annual actuarial valuation as of 1 October 2002 the annual funding rate to be used for budgeting purposes for the NAF Employee Retirement Plan will be 6.5 percent for the employing NAFI. Newly hired regular employees will be automatically enrolled in the NAF Employee Retirement Plan for their first six months of service. After completing six months of service, those employees may exercise their option of remaining in the plan or withdrawing. They will be required to elect withdrawal in writing on DA Form 3473. Those who elect to withdraw may request a refund of their contributions with three percent interest only upon separation. The employer contribution will remain in the Retirement Trust.

PROGRAM OPERATING GUIDANCE

(2) VOLUNTARY EARLY RETIREMENT/DISCONTINUED SERVICE

RETIREMENT (VERA/DSR) FUNDING REQUIREMENTS: Garrisons and activities having NAF employees who retire under VERA/DSR conditions with ASA(M&RA) approval will be required to make a deposit to the Army NAF Retirement Fund for each individual so approved. The required deposit, which is based on an actuarial valuation of the average increased liability, was \$55,000 in 2003. The required deposit for FY 04, based on the actuarial valuation of the Retirement Fund as of 1 October 2002, will be \$61,000. The required funds will be transferred from the employing fund, as appropriate, to the Retirement Fund by CFSC-FM upon notification from CFSC-HRB that the individual's retirement transaction has been processed and is effective.

b. POST RETIREMENT MEDICAL (PRM): For FY 04, the Army's NAF PRM liability will continue to be funded by a 2.8 percent surcharge on total payroll, as approved by the Army MWR Board of Directors. Total payroll will be calculated as the sum of GLACs 601,609, 617, and 621 for all employees in all categories. The payroll surcharge will be collected monthly by NAF Financial Services, DFAS, and credited to the Army Medical Life Fund (AMLF).

c. 401(k) SAVINGS PLAN: There will be no change in the employer match provisions or the 0.1 percent surcharge on covered payroll for FY 04. The maximum employee deferral for calendar year 2003 was \$12,000; \$14,000 for over-50 participants. For calendar year 2004, the maximum deferral will be \$13,000; \$16,000 for over-50 participants. The dollar limit is set by the Internal Revenue Code. These increased deferral amounts will have no effect on the employer match, since the match is limited to 3% of salary.

d. LIFE INSURANCE: The life insurance rates for FY 04 will be 14 cents per thousand dollars of basic life insurance coverage per pay period for both the employee and employer. Premiums for optional coverages are paid wholly by the employee and have no effect on employer contributions.

e. DOD NAF HEALTH BENEFIT PLAN (DODHBP): The DODHBP premiums will remain at the current rate through the end of calendar year 2003. Premiums for calendar year 2004 will be based on claims experience during calendar year 2003 and medical, dental and pharmaceutical industry cost trends. Industry trends continue to indicate steadily increasing health care costs. However, it appears the increase is beginning to level off. For the purpose of budgeting this expense, anticipate an increase of no more than 12% over calendar year 2003 rates for both the DODHBP and Health Maintenance Organizations (HMOs), where applicable. The employer/employee contribution ratio remains at 70/30 for DODHBP; 50/50 for HMOs; and 70/30 for dental coverage of all types, except where negotiated union agreements have modified these ratios.

PROGRAM OPERATING GUIDANCE

4. **MWR ACADEMY**: (POC is Patricia Tucker, CFSC-HRT, DSN 235-5880 or COM (703) 275-5880, e-mail: Patricia Tucker@cfsc.army.mil or Doriann Fengler, CFSC-HRT, DSN 235-5880 or COM (703) 275-5880, e-mail: Doriann.Fengler@cfsc.army.mil.)

a. All costs associated with Army MWR and ACS employees attending MWR Academy courses are borne by the U.S. Army Community and Family Support Center (USACFSC) and the Army Morale, Welfare, and Recreation Fund (AMWRF) (except where indicated in this budget guidance, the MWR Academy catalogue, and Memorandums of Agreement (MOAs)). Travel orders for both APF and NAF students are prepared by the MWR Academy. Travel must be by the most expedient and cost effective means. For students traveling to training from the commuting area, CFSC and JFTR Vol.2 policies regarding TDY travel authorization will be followed. CFSC policies will be followed regarding funding of travel for contractor personnel. Travel for local national employees is initially funded by the garrison. Where travel reimbursement is authorized (contractor and local national), the garrison will be reimbursed following completion of travel and submission of an invoice to the Academy. Specific guidance on travel reservations and travel orders is contained in the MWR Academy catalogue and at www.mwraonline.com.

b. Employees of MWR activities from other services may attend MWR Academy courses. Funding of tuition, travel and per diem is the responsibility of the individual's parent organization. Lodging is generally provided by contract and is included in the tuition fee for some courses. For information concerning tuition, lodging, and course availability contact the MWR Academy at 6245 Leesburg Pike, Suite 400, Falls Church, VA 22044; or call DSN 235-5880, Commercial (703) 275-5880.

c. Military or civilians who do not fall into the categories described in a. or b. above, may apply to attend courses on a space available basis. If the military or civilian applicant is accepted for training, a tuition fee will be charged. Funding of tuition, travel and per diem is the responsibility of the individual's parent organization.

d. All costs associated with Army MWR NAF employees attending specific Army Core Leader Training are borne by the Army Morale, Welfare, and Recreation Fund (AMWRF). Core Leader training that is centrally funded includes: Organizational Leadership for Executives (OLE), Personnel Management for Executives (PME) I & II, and the Sustaining Base Leadership and Management Course (SBLM). Attendance by NAF employees at these courses requires pre-approval and coordination with the MWR Academy to ensure the availability of funds. TDY orders for all NAF attendees are prepared by the MWR Academy. Notification of APF employees attending Army Core Leader training should be provided to the Academy for career development data entry.

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5. **REPORTING PERSONNEL STRENGTHS AND LABOR COSTS:** (POC is Jim Phillips, CFSC-FM-M, DSN 761-7310 or COM (703) 681-7310, e-mail: Jim.Phillips@cfsc.army.mil or Christine French, CFSC-FM-C, DSN 761-7298 or COM (703) 681-7298, e-mail: Christine.French@cfsc.army.mil.)

A review of personnel strength reports versus financial statements indicates there are discrepancies between the location/program codes on NAF employee work center codes and the program codes to which these location codes are cross-referenced in the accounting system. The personnel strength reports are provided to USACFSC by the NAF Financial Services (NFS) Central Payroll System for use in the annual Morale, Welfare and Recreation Financial and Personnel Management Report to DoD/Congress. All program managers should reconcile the location code shown within the work center codes shown on each employee's timecard with the program code association currently in use in the accounting system. Any discrepancies found can only be rectified through a correction in the employee's personnel record (and forwarded to CNPO) or through a notification to the accounting office of a need for a change to the cross-reference table used in the accounting structure, as applicable.

6. **PAYROLL SERVICE CHARGES:** (POC is Cheryl Crews, NFS, DSN 829-2147 or COM (903) 334-2147.) Payroll rates for FY 04 are as follows:

Paper Time & Attendance Submission	\$2.75
Electronic Time & Attendance Submission	\$1.85
Computation of Manual Payment	\$50.00

7. **MANAGEMENT INFORMATION SYSTEMS:** (POC is Richard Dey, CFSC-IM-MIS, DSN 761-1567 or COM (703) 681-1567, e-mail: Richard.Dey@cfsc.army.mil.)

a. Time, Labor Management System (TLMS): The annual maintenance costs will be billed to CFSC each quarter. The Management Information Systems Division at CFSC will pay this bill initially; then each garrison scheduled for renewal, in that quarter, will receive an invoice for their specific costs. Garrisons should budget an amount equal to the invoice they received in FY 03 for their maintenance costs. The MWR Configuration Control Board has made the new clocks standard. Garrisons must purchase the required clocks by the end of FY 04. Garrisons will still be able to purchase the clock configuration best suited for them for about \$1700. Purchase the clocks from the Indefinite Delivery/Indefinite Quantity (IDIQ) contract managed by CFSC-NC. Clocks are not part of the centrally managed life cycle and purchase is the responsibility of the garrison. Those garrisons choosing to implement version 550 of TLMS, are responsible for the purchase of the SQL software and user licenses. The annual maintenance fees for clocks are set by Ceridian (first year is warranty). The IDIQ contract has additional services provided by Ceridian. Garrisons should look at these services and take advantage of

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those that apply to them. For specific information on your fees contact, Ms. Charlene Ruffin CFSC-IM-MIS, DSN 761-5252 or COM (703) 681-5252, e-mail:

Charlene.ruffin@cfsc.army.mil.

b. Local Area Network Central Control System (LCCS): The LCCS is obsolete and should be disposed of using local disposal policy. The LCCS has been replaced by Compaq servers, which are funded through the MIS Sustainment budget. Requirements for new servers is determined by the Chief, Technical Branch in advance of the Fiscal Year. Contact Mr. Gregory Smith CFSC-IM-MIS, DSN 761-5295 or COM (703) 681-5295, e-mail:

Gregory.Smith@CFSC.army.mil.

c. Training: There will be scheduled refresher/upgrade training in FY04. Each garrison should budget per diem, travel and other costs for a minimum of four one-week training classes at the MWR Training Academy. These classes will include the Information Services Officer, Foodtrak, Catermate, Applications Administrator and TLMS. Other classes may be added depending upon the assessed needs of the garrisons determined by the MWR Configuration Control Board. Information Assurance regulations require specific security certification training of system and network administrators. While this is an APF mission, coordination needs to be made with the supporting resource management and civilian personnel offices to ensure that the training requirements for the automation staff are identified for funding. Additionally, new software, like Novell NetWare 6.0, is on the upgrade schedule for each garrison. Training is available in this and many other technical areas using the Computer Based Training available at <http://www.armycbt.army.mil>.

d. Rectrac: Version V2 release 9.4 is the standard. The CFSC-IM-MIS Customer Support Teams are available to train garrison personnel as needed. Contact Mr. Harold Wiggins, CFSC-IM-MIS, DSN 761-1572 or COM (703) 681-1572, e-mail: Harold.Wiggins@cfsc.army.mil) to establish the training session.

e. Golfrac: Version V2 release 9.4 is the standard. The CFSC-IM-MIS Regional Support Teams are available to train garrison personnel as needed. Contact Mr. Harold Wiggins, CFSC-IM-MIS, DSN 761-1572 or COM (703) 681-1572, e-mail: Harold.Wiggins@cfsc.army.mil) to establish the training session.

f. Child and Youth Management Systems (CYMS): Version 9.4 is the standard. The CFSC-IM-MIS Regional Support Teams are available to train garrison personnel as needed. Contact Ms. Nena Albisu, CFSC-IM-MIS, DSN 761-3769 or COM (703) 681-3769, e-mail: Nena.Albisu@cfsc.army.mil to establish the training session.

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g. Connectivity: The MIS systems rely on dedicated connectivity and in some cases Internet access. Each garrison must coordinate with their respective Director of Information Management to ensure that connectivity requirements are identified and prioritized as part of the Garrison Program Evaluation Group (II PEG) submission.

h. Upgrades: Upgrades not included with the MWR MIS sustainment include Office Automation, Email, and Internet access. Garrisons must coordinate with their Director of Information Management (DOIM) to ensure that their requirements are identified in the installation APF Information Management budget. Additionally, funding of at least \$2,500 per quarter, using program code RI-MWR Information Technology Services for the ISO office, should be established to support automation systems repair.

8. **ENTERPRISE MANAGEMENT SYSTEM (EMS):** (POC is Jeffrey R. Dalbey, CFSC-FM, DSN 761-7300 or COM (703) 681-7300, e-mail: Jeff.Dalbey@cfsc.army.mil.)

The MWR BOD on 17 Oct 00 approved proceeding with acquisition in accordance with the funding plan. For MACOMs and other activities, FY 02 would have been year one of the funding plan. However, with the events at the end of FY 01 and early in FY 02 and continuing with the Installation Management Agency (IMA) reorganization, effective FY 03, unexpected delays in developing the project management occurred. Barring any further unexpected delays, outlay of funds will begin in FY 04. Therefore, OCONUS Regions according to the MACOM they formerly represented and any CONUS Regions into which a small MACOM was incorporated, should budget for this cash outlay IAW the funding plan. These Regions may choose to use the prepayment option for this planned expenditure.

9. **NAF MINOR CONSTRUCTION:** (MWR POC is Virgil Scott, CFSC-CO, DSN 761-7490 or COM (703) 681-7490, e-mail: Virgil.Scott@cfsc.army.mil) (Lodging POC is Craig Smith, CFSC-BPL, DSN 761-5365, COM (703) 681-5365, e-mail: Craig.Smith@cfsc.army.mil.)

The approval authority has been delegated to the Region Director for projects over \$200K but less than \$500K. To ensure visibility of how this authority is being exercised, at the time of project approval, a copy of the DD Form 1391, Military Construction Project Data, will be forwarded to the Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-COP. The CFSC-CO is required to report all minor construction projects to OSD annually. All minor construction projects must also be included in the Region approved budget submitted to CFSC prior to execution.

10. **PROCUREMENT:** (POC is Mary Keeney, CFSC-NCP, DSN 761-5302 or COM (703) 681-5302, e-mail: Mary.Keeney@cfsc.army.mil.)

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Acquisition planning must be made part of the CPMC and FY budget process. Advance planning will require the efforts of all personnel responsible for an acquisition to be coordinated and integrated through a comprehensive plan for fulfilling the NAFI's needs in a timely manner and at a reasonable cost. A part of this planning would include the probable receipt on completion for items or projects. This would then be followed subsequently by the anticipated invoice date(s). A clear crosswalk and reference to the cash flow budget will complete the planning cycle and ensure moneys will be available. During this process, the needs of the requester should be developed and specified in a manner which will promote competition and will ensure that the NAFI receives the best overall value, price and other factors considered. Requesting activities should give the NAF Contracting Office sufficient procurement lead-time to meet their required delivery schedule. Remember, acquisition planning is the key to successful procurement.

11. **ENVIRONMENTAL ISSUES:** (POC is Edward Horejs, CFSC-SP, DSN 761-7433 or COM (703) 681-7433, e-mail: Edward.Horejs@cfsc.army.mil.)

Reference AR 215-1, Table D-1, Para 12 g. Indirect support services, authorizes APF use for all categories of MWR for the purposes of environmental compliance. APF funds are earmarked for these uses and a statement of non-availability of APF funding must be obtained before NAFs are used for this purpose.

12. **ARMY SIMPLIFIED DIVIDEND (ASD) DISTRIBUTION COMPUTATION METHOD:** (POC is Barry Shapiro, CFSC-FM-M, DSN 761-7311 or COM (703) 681-7311, e-mail: Barry.Shapiro@cfsc.army.mil.)

The monthly ASD calculation will be equal to the actual Class Six Direct Operating Results and 80 percent of the telephone income plus 0.4 percent of the installation Army and Air Force Exchange Service (AAFES) revenue at each garrison. AAFES encourages consultations with their local general managers to assist in forecasts.

13. **AMUSEMENT MACHINE OPERATIONS IN CONUS:** (POC is Cheryl Mbaye, CFSC-BP, DSN 761-7229 or COM (703) 681-7229, e-mail: Cheryl.Mbaye@cfsc.army.mil)

The Army Recreation Machine Program (ARMP) FY 04 revenue projections will be published under separate cover. For budgeting purposes, do not use general ledger account (GLAC) 524 - ARM Profit Distribution Income (slot machine revenue) to record income from ARMP supplied electronic amusement machines. Revenue from ARMP supplied amusement machines is to be budgeted in GLAC 539 - Amusement Machine Income (Non-Concessionaire) under the program code for the program that manages the activity. In cases where the NAFI operates and receives revenue from both ARMP supplied machines and MWR fund owned machines, both sources of

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revenue will be recorded in GLAC 539. Subsidiary records for GLAC 539 will have to be maintained to track each income source separately.

14. **NAF MAJOR CONSTRUCTION (NAFMC) FINANCING:**

(POC is Virgil Scott, CFSC-CO, DSN 761-7490 or COM (703) 681-7490, e-mail: Virgil.Scott@cfsc.army.mil.)

The FY 04 NAFMC program will be \$18M plus approved a self-funded project in the amount of \$6.9M. There will be no AMWRF funded project validation assessments (PVAs) for the FY 05 program. Only self-funded PVAs associated with self-funded projects for the FY 05 program will be conducted.

15. **MINOR CONSTRUCTION (MC)/Self Sufficiency Exemption (SSE) STANDING**

OPERATING PROCEDURE (SOP): (POC is Virgil Scott, CFSC-CO, DSN 761-7490 or COM (703) 681-7490, e-mail: Virgil.Scott@cfsc.army.mil or Roger Wilson, CFSC-FM-C, DSN 761-7303 or COM (703) 681-7303, e-mail: Roger.Wilson@cfsc.army.mil.)

With the activation of the Installation Management Agency, all installation/MACOM cash assets along with all other assets and liabilities were consolidated into seven region funds. This action basically superseded the reason for which this program was created and that was to provide financial support for installations that could not otherwise afford projects at less than the level of NAF major construction. The Executive Committee of the MWR BOD approved cessation of the program.

16. **FUNDING MWR SUSTAINMENT, RESTORATION AND MODERNIZATION**

(SRM) WITH NAF: (POC is Virgil Scott, CFSC-CO, DSN 761-7490 or COM (703) 681-7490, e-mail: Virgil.Scott@cfsc.army.mil.)

The MWR BOD Executive Committee approved a Finance Committee recommendation to allow installation commanders the flexibility to use installation NAF for MWR SRM. The approved recommendation mandated that the AMWRF will not fund MWR SRM. The SRM projects will not be presented to the CIRB. The dollar thresholds and the review/approval process contained in AR 420-10 remain the same. Also, the certification signed by the commander that APFs are not available is still required prior to the expenditure of installation NAF.

17. **CAPITAL REINVESTMENT ASSESSMENT (CRA):** (POC is Chris Ryan, CFSC-FM-C, DSN 761-7291 or COM (703) 681-7291, e-mail: Chris.Ryan@cfsc.army.mil.)

Effective FY 04, the MWR Board of Directors approved the elimination of the CRA effective for all MWR entities with the exception of the Armed Forces Recreation Centers (AFRCs) which will continue to budget and pay CRA at 3 percent of their "adjusted" revenue.

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a. As the actual cash collection of the CRA is done with a two-month delay, the cash flow for the August 2003 and September 2003 CRA expenses will impact the months of October 2003 and November 2003, respectively. A total of two monthly cash CRA withdrawals will be budgeted in FY 04 on line 3 (Decreases to Cash) of the Monthly Cash Flow Budget /Five Year Cash Projection Schedule.

b. In budgeting for the CRA, the AFRCs should compute the CRA on total revenue less GLAC 508- Demonstration Resources/USA Income.

c. Additional accounting guidance is found in CFSC-FM-C memo, 95-4, 21 Mar 95, Subj: Procedures to Record Morale, Welfare, and Recreation (MWR) Fund Capital Reinvestment Assessment (CRA). (See encl 2).

18. OPERATIONAL SELF-SUFFICIENCY EXEMPTION (SSE) DIVIDENDS: (MWR POC is Roger Wilson, CFSC-FM-C, DSN 761-7303 or COM (703) 681-7303, e-mail: Roger.Wilson@cfsc.army.mil.) Army Lodging POC is Donna Joray, CFSC-BPL, DSN 761-3771 or COM (703) 681-3771, e-mail: Donna.Joray@cfsc.army.mil.)

a. The Operational SSE program was established in FY 84 for MWR and FY 01 for Lodging in order to provide funding for MACOM/Region staff functions and certain army level requirements; for example, Soldier of the Year, OCONUS Food Subsidy, Boy/Girl Scouts OCONUS, etc.

b. At its February 2003 meeting, the MWR BOD Executive Committee approved cessation of this program effective FY 04 in so far as it applied to funding of Region staff functions. Army Level Requirements (ALR) will remain a funding responsibility of the Army MWR Fund. The Lodging SSE program, since it did not include any ALR, will be totally eliminated effective FY 04.

c. Guidance for requesting ALR will be issued under separate cover.

d. In concert with the cessation of SSE for region staff functions, there will be no need for separate region oversight funds. The current region oversight funds will merge into the single fund effective 1 Oct 03. Detailed implementation instructions will be forwarded under separate cover.

19. NONAPPROPRIATED FUNDS (NAFs) USED TO SUPPORT APPROPRIATED FUND (APF) FIXED ASSET REQUIREMENTS: (POC is Chris Ryan, CFSC-FM-C, DSN 761-7291 or COM (703) 681-7291, e-mail: Chris.Ryan@cfsc.army.mil or Charlie Thompson,

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Defense Finance & Accounting Service (DFAS-AUCB/IO), DSN 699-3119 or COM (317) 542-3119.

a. References:

(1) Army Regulation (AR) 215-1, paragraph 4-3, DOD Morale, Welfare and Recreation (MWR) Utilization, Support and Accountability.

(2) Army Regulation 215-1, Appendix D, APF Authorizations for Elements of Expense.

(3) AR 215-1, Appendix E, Construction Funding for Military MWR Facilities.

(4) United States Army Audit Agency Report AA 00-68, Reengineering Overhead Support for Morale, Welfare and Recreation Activities, 30 Nov 99.

b. Background:

(1) We have been reporting and accounting for the use of nonappropriated fund (NAF) dollars used in lieu of appropriated fund (APF) dollars in all operational aspects of MWR activities, via departmental codes such as GL (APF Support Normal Operations), GF (APF Support - Expanded Operations), GH (APF Support - Security), and GJ (APF Support - Emergency Essential Civilian). This reporting is reflected on our Income and Expense Statements.

(2) We are not currently reporting on or giving similar accounting treatment to any item that is eligible for APF funding if that item is shown on our Balance Sheet instead of on our Income and Expense Statement (capitalizing items that were authorized APF funding). The U. S. Army Audit Agency, in audit report AA 00-68, addressed this reporting disparity.

c. Audit Report:

(1) The above referenced audit report, in commenting on this situation, uses, as a specific example, a garrison commander's responsibility to ensure that repairs to all buildings, whether the repairs are the responsibility of the directorate of public works (APF) or the NAFI, are accomplished. The audit report also disclosed that instances, in which NAF was used (capitalized on the Balance Sheet) and for which APF should have been used, were not being tracked by the Army.

Please note: The requirement to report the NAF used in lieu of APF pertains to MWR fund purchases that meet the NAF capitalization criteria and APFs are authorized for the

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purchase. However, when using the MWR USA practice, should funding become available in the FY that the asset was purchased, see Enclosure 8 (MWR USA general guidance) for the MWR USA capitalization treatment criteria.

(2) It should be noted that the specific example above is not meant to indicate that this new reporting requirement is confined only to building structural repairs. The new reporting includes **all** fixed asset purchases and capitalized items to include buildings, building improvements, land improvements, furniture, fixtures and equipment, vehicles, and capitalized maintenance and repair, which would qualify for APF funding. The audit report's recommendation states "Establish a requirement to record and report NAF used to support APF requirements."

(3) We have been tasked to capture the capitalized costs that were paid with NAF but which are authorized APF funding.

d. Accounting Treatment: We have chosen to implement this recording and reporting via the establishment of the following three new general ledger accounts (GLACs).

GENERAL LEDGER ACCOUNT NUMBER	NAME OF ACCOUNT	DESCRIPTION
181	APF Authorized Fixed Assets	Use for the cost of all fixed assets purchased with NAF but which are eligible for APF funding.
182	Accumulated Depreciation APF Authorized Fixed Assets	Record the amount of depreciation for GLAC 181.
860	APF Authorized Fixed Assets Depreciation Expense	Record the depreciation expense for assets capitalized in GLAC 181 for the accounting period.

e. CPMC Quarterly Reporting for FY 04:

(1) Each region currently reports fixed asset and CPMC activity to CFSC on a quarterly basis on the Reconciliation of Fixed Assets and CPMC Reporting. With this new reporting requirement, we will modify the form to include the above referenced GLAC 181.

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(2) The reporting of CPMC items is on a year-to-date basis. As such, quarterly reporting of GLAC 181 assets being capitalized could change in a later quarter, if USA MWR funding for the asset were received. If USA MWR funding were received at a later date, the asset would be removed from the Balance Sheet and would be reported on the Income and Expense Statement in the applicable APF shortfall department.

f. Other: Appendices D and E of AR 215-1 contain detailed information on authorized funding sources.

20. **NEW, REVISED AND RESCINDED PROGRAM, DEPARTMENT AND GLAC CODES:** (POC is Arleigh Wentzel, CFSC-FM-C, DSN 761-7299 or COM (703) 681-7299, e-mail: Arleigh.Wentzel@cfsc.army.mil.)

All current program codes, department codes, and general ledger account (GLAC) codes are listed in Encl 10. The following are new, revised and rescinded codes for **FY 04**.

	CODE	NEW	REV	RESC	DESCRIPTION	APPLICABILITY
Department	50	X			Waterfront Operations	Program Codes: HF-Parks and Picnic Areas; JE-General Outdoor Recreation, and JK-Small Travel Camps/Campgrounds
Balance Sheet GLAC	181	X			APF Authorized Fixed Asset	MWR Fund NAFIs that purchase APF authorized fixed assets with NAF.
Balance Sheet GLAC	182	X			Accumulated Depreciation – APF Authorized Fixed Asset	MWR Fund NAFIs that purchase APF authorized fixed assets with NAF.
Balance Sheet GLAC	190		X		ALF/CWF/PRF Sinking Fund	Army Lodging, Civilian Welfare, and Post Restaurant Funds
Other Operating Income GLAC	560	X			CFSC Sponsored Promotions	MWR Fund NAFIs participating in USACFSC sponsored MWR promotions.

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	CODE	NEW	REV	RESC	DESCRIPTION	APPLICABILITY
Other Income GLAC	809		X		AMWRF Dividends	MWR Fund 1 Only
Other Expense GLAC	834		X		Capital Reinvestment Assessment	CFSC-AFRCs Only
Depreciation Expense GLAC	860	X			APF Authorized Fixed Asset Depreciation Expense	MWR Fund NAFIs that purchase APF authorized fixed assets with NAF.

21. **IMWRF AND LODGING FUND OVERHEAD COST ALLOCATION:** (POC is Craig Smith, CFSC-AL, DSN 761-5365 or COM (703) 681-5365, e-mail: Craig.Smith@cfsc.army.mil.)

a. The MWR BOD mandated movement of all lodging management functions to the DCA and the establishment of lodging operations afford the opportunity to consolidate/centralize management and support functions. This should result in the direct reduction of overhead costs to garrison lodging and MWR operations. (Ref NAF Financial Management Operating Guidance Memo 99-4, Installation Morale, Welfare and Recreation Fund (IMWRF) and Billeting Fund Overhead Cost Allocation, 10 Aug 99, at http://www.armymwr.com/mwr/fin_mgt/guidance_index.html.)

b. Garrison lodging overhead can be categorized as direct overhead services charged to lodging and MWR overhead services provided lodging operations.

(1) Directly charged services. These are services provided by Central Accounting Office (CAO), Civilian Personnel Office (CPO), Procurement Office, and Risk Insurance Management Program (RIMP). The CAO and Procurement costs are allocated based on the documented cost incurred to record transactions for the transient lodging operation. The CPO costs are normally allocated based on the percent of the total active personnel files being serviced. The RIMP insurance is billed directly to the NAFI based on the coverage provided. These expenses are reported using General Ledger Account Codes (GLACs) 685 - CAO Expense, 682 - CPO Expense, 684 - Central Procurement Office Expense, 733 - Insurance Premiums Expense, and 734 - Buildings and Contents Insurance Expense. As in the past, these costs will continue to be charged to the lodging fund.

(2) MWR overhead services provided to lodging. When the MWR activity provides support services to lodging, the cost may be equitably apportioned to lodging. Any charges of

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MWR administrative/overhead costs are to be negotiated (agreed upon as to which and how much of the overhead program services listed below will support lodging) between MWR and the Lodging program on the garrison. Also, the Lodging activity may provide services to the MWR programs when it is determined that it is most efficient to do so. The support agreement is to be documented in a MOA and a copy furnished to the CAO. The MOA will list the services provided and the specific charging methods used for either lodging or MWR. Expenses of the MWR administrative/overhead programs RC - DCA/ADCFA/Fund Custodian, RE - Services, RF - Financial Management, RI - MWR Information Technology Services, RU - Marketing, and RQ - Community Operations/Business Programs (or division chief assigned to directly supervise and/or to perform oversight over lodging) are authorized to be charged to lodging by allocation. Any cost allocation is to reflect services necessary and work actually performed. The MWR expenses charged to lodging are not to include any MWR USA funded expenses reported under Department Code GL – APF Support-Normal Operations.

c. Maximum charges for overhead support. Costs allocated will be based on actual expenses incurred to provide these services. In no case will the charges for support or services provided to lodging be more than the Lodging program's proportionate share of applicable administrative/overhead expense. The maximum charge threshold is based on the Lodging program's proportionate share of the total of all expenses of the MWR and Lodging activities combined (not including GLAC 758 – Army Lodging Surcharge Expense, GLAC 834 – Capital Reinvestment Assessment, the expenses of the overhead programs to be allocated nor any MWR USA funded expenses reported under Department Code GL – APF Support-Normal Operations expenses). The overhead cost allocations should be reviewed and reconciled to actual expenses incurred twice each fiscal year, and, if necessary, adjusted to ensure that they are appropriate.

(1) To compute the maximum applicable support/services "overhead", add together the MWR total program and the Lodging total program total expenses (i.e., cost of goods sold, total operating expenses, other and extraordinary expense, and depreciation expense), not including GLAC 758 – Army Lodging Surcharge Expense and the expenses of the overhead programs to be allocated. Also, exclude any MWR USA funded expenses reported under MWR Department Code, GL – APF Support-Normal Operations expenses which are not applicable to lodging programs. Then divide each total program's total expenses by the combined total of MWR and Lodging program expenses computed in paragraph 21c above.

(2) The applicable support/services "overhead" to be allocated is the Net Income Before Depreciation (NIBD) of the "R" codes stated in paragraph 21(2) above. The maximum applicable support/services "overhead" that may be charged to lodging is determined by multiplying the applicable support/services per paragraph 21b(2), by the Lodging program percentage calculated according to paragraph 21c(1).

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d. The DCAs or equivalents are to validate the equitability of the overhead cost charges to lodging. Installation Internal Review Offices will be requested to review the allocation of costs to ensure appropriateness. Army-wide review of the overhead cost allocations is currently being conducted by the U.S. Army Audit Agency. Results of the audit are expected in the fourth quarter FY 03.

e. Only the overhead cost allocation expense is recorded in GLAC 688, Common Service Fund Expense and the overhead cost allocation income is recorded in GLAC 547, Income from Allocation of Expenses in the MWR and lodging as appropriate. Direct overhead service charges will not be recorded in GLAC 688, but must be recorded as indicated in paragraph 20b(1) above.

22. ARMY LODGING FUND (ALF) REIMBURSEMENT FOR THE GUEST HOUSE

INVESTMENT: (POC is Craig Smith, CFSC-AL, DSN 761-5365 or COM (703) 681-5365, e-mail: Craig.Smith@cfsc.army.mil.)

The third and final reimbursement payment made by the Army Lodging Fund of region/installation MWR funds for their investment in guest house facilities was completed in FY 03 for all regions except Korea. Korea will receive three annual installment payments beginning in FY 04. Korea will be advised of the FY 04 reimbursement under separate cover. Korea may designate the region MWR fund and/or lodging fund as the recipient of these funds. In order to make the transfer of funds in the first quarter FY 04, request Korea's plan for the distribution of the FY 04 reimbursement installment be provided this headquarters NLT 29 Aug 03. The distribution plan should indicate the region fund(s) (i.e., MWR fund or lodging fund) and the amount to be distributed to each. The accounting entries will recognize the annual payments as revenue using GLAC 805 - ALF Payment of Guest House Investment Income to region MWR Fund and/or Lodging Fund as the recipient of these funds. The accounting entries will recognize the annual payments as revenue to region MWR and Lodging Funds, and will, therefore, be included in NIBD for the CPMC and local NAFMC/NIBD standard. Reference: [CFSC-AL Memo, 1 Jun 00, Subj: Lodging Fund Transition Guidance](#).

23. FINANCIAL MANAGEMENT: POC is Arleigh Wentzel, CFSC-FM-C, DSN 761-7299 or COM (703) 681-7299, e-mail: Arleigh.Wentzel@cfsc.army.mil.)

a. Program Code, RF – Financial Management is available for reporting financial management activity that is a result of operating a garrison or Region MWR Financial Management Division (FMD). This program code is also used to report expense and revenue transactions that result from providing financial management support services to other divisions of MWR entities and other Nonappropriated Fund Instrumentalities (NAFIs). The overall majority of activity should be reported in Department Codes GL – APF Support – Normal Operations, since most functions of an FMD operation are authorized APF. In addition to the

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department code above, there are department codes that are appropriate for reporting NAF financial management administrative activity that is related to resale or NAF only operations ([see enclosure 7, Program code “RF” Financial Management](#)).

b. Only transactions that are a result of conducting financial management are to be reported under Program Code RF – Financial Management. For example, the cost of checking, coordinating, and consolidating budgets, monitoring their execution, etc.; managing APF and NAF TDA and PRD, internal control procedures; addressing budget variances and preparing and conducting command review and analysis; administering RIMP, debt collection, unit fund expenditures, membership data bases, etc.

c. Revenues to be reported in RF are only those, which result from conducting financial management functions. Some examples are providing financial management services to other funds (Army Lodging, Supplemental Mission NAFIs, etc.), reporting income from conducting debt service, etc. Revenue that is related to or associated with a number of MWR programs that is not a direct result of financial management administration within the MWR fund should be reported under Program Code, RP – Fund Administration.

d. For FY 04 Financial Management Program Budget Guidance, [LINK TO ENCL 7, PROGRAM CODE “RF” Financial Management](#).

24. **BUSINESS PROGRAMS:**

CFSC Business Programs will produce an Executive Summary of Clubs, Food, Beverage, and Entertainment (FBE), Bowling and Golf benchmarks as a tool for the Installation Management Agency (IMA) Regions to identify which programs and locations under their purview need financial improvement. The review of the current Executive Summary indicates that program standards are not only sound, but could improve overall program financial results if primary benchmark targets are achieved throughout all Army MWR targeted programs. For example, Clubs, FBEs, Bowling, and Golf NIBD could be 25% or higher if all program primary benchmarks are met. Managers should review and compare their program /location results with applicable benchmarks and work towards improving actual results to at least meet the benchmark standard.

a. **Theme Operations:** (POC is Ed Urben, CFSC-BP, DSN 761-5255 or COM (703) 681-5255, e-mail: Edward.urben@cfsc.army.mil.)

Program code, KL- Theme Operations, was established to budget and report only CFSC franchised Theme Operation financial activities which are not located in and reported as a sub-activity of another major MWR program. All operations using Program Code KL will use Department Codes 25-Theme Beverage and 26-Theme Food to report all food and beverage activity. Franchised Theme Operations located in and reported under another Program Code,

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(i.e., a Strike Zone in a Bowling Center, a Mulligan's in a Golf Course, or a Primo's Express in a club), will also use Department Codes 25 and 26 to report all food and beverage activity. Sales of Theme Operations' promotional items such as T-shirts, caps, mugs, etc., are to be reported using Department Code F2 -Miscellaneous Sales. Use of Department Codes 25 and 26 is restricted to CFSC franchised Theme Operations.

b. **Club Operations** (POC is James Matthews, CFSC-BP, DSN 761-1499 or COM (703) 681-1499, e-mail: James.Matthews@cfsc.army.mil).

(1) The FY 04 financial standard for the total club program at the region level remains at eight percent. Command attention should be focused on providing customer service and reducing fund losses by consolidating or curtailing losing programs and activities. Programs and activities that produce losses that exceed \$50K in 10 quarters are reported to the MWR Working Group (MWRWG) and MWR Executive Committee (EXCOM) and those that produce a \$250K loss in 10 quarters are subject to review by the Army Audit Agency (AAA).

(2) Historically, Army-wide, the variances in club operating budgets have exceeded the performance variance of less than or equal to ten percent. In fact, most Region results for budget to actual comparisons, when assessed are rated "red." In this regard, club program managers should pay particular attention when preparing budgets to ensure budget projections are realistic and attainable.

(3) Operating Program Managers should compare club Performance Targets to actual performance in key result areas against budgeted goals, at least on a monthly basis, to track variances against performance objectives. When actual performance is at significant variance to budget, investigate variances, and take corrective actions. Critical areas to monitor include: revenue, labor, cost of goods sold, other operating expenses, and NIBD. It may be necessary to revise the budget; however, such action should only be taken when fully warranted. To assist in the budget review process, benchmarks for FY 04 have been established for the following:

These benchmarks are based on actual data reported by Army facilities and are not adjusted for reporting anomalies.

Cost of Goods Sold -	
Dining Room (Dept. 11)	37 percent
Snack Bar (Dept. 14)	38 percent
Bar (Dept. 01)	24 percent
Catered Bar (Dept. 03)	22 percent
Catered Food (Dept 13)	31 percent
Labor Cost -	
Dining Room (Dept. 11)	39 percent

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Snack Bar (Dept. 14)	35 percent
Bar (Dept. 01)	27 percent
Catered Bar (Dept. 03)	20 percent
Catered Food (Dept. 13)	34 percent
Other Operating Expense -	
Dining Room (Dept. 11)	09 percent
Snack Bar (Dept. 14)	07 percent
Bar (Dept. 01)	04 percent
Catered Bar (Dept. 03)	03 percent
Catered Food (Dept. 13)	06 percent

(4) It is essential that the correct program and location codes be used to account for all revenue and expenses in each activity. Clubs are primarily membership activities and are coded under KE-Officers Club, KF-NCO Club, or KG-Community Club program codes. All non-membership and non-CFSC theme food, beverage and entertainment activities are coded under KM. Bingo is accounted for in department E1 under the appropriate program location unless the activity/facility is used only for Bingo, then it is coded under KM. In addition, stand-alone catering and conference facilities should be coded KM, and not in special events or marketing. Locations codes will not be used as an administrative accounting mechanism; such use distorts the proper accounting of revenue and expenses.

(5) Facilities (locations) with catering operations that contribute 25 percent or more of total food sales or total bar sales from any type of catering function and private parties must report catering income and expenses separately in department code 03 for Private Party Bar, and department code 13 for Private Party Food.

c. **Golf** (POC is Bill Sport, CFSC-BP, DSN 761-5200 or COM (703) 681-5200, e-mail: Bill.Sport@cfsc.army.mil.)

(1) The FY 04 Financial Standard for the total Golf Program at the region level is that NIBD will be equal to or greater than 19 percent of total golf program revenue with a variance from budget within plus/minus ten percent.

(2) When issuing a gift certificate, record the sales by crediting GLAC 267 – Miscellaneous Other Unearned Income and debiting the appropriate offsetting tender type GLAC. When the certificate is redeemed, record the sale by debiting 267 and crediting the appropriate sales GLAC (GLACs 301 - 306).

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(3) When issuing a punch/multi-play card, record the sale by crediting GLAC 267 – Miscellaneous Other Unearned Income and debiting the appropriate offsetting tender type GLAC. When the punch card is redeemed record the sale by debiting 267 and crediting the 507 – Guaranteed Participation Income. Note: The maximum time for a patron to redeem a punch/multi-play card is 12 months from the date of issue. For extenuating circumstances, such as deployment, an unredeemed portion may be refunded at the discretion of management. Report unredeemed punch/multi-play card revenue using GLAC 599 – Miscellaneous Other Operating Income.

(4) Advanced green fees are to be amortized over a period equal to the term of the advanced green fee. For example, an annual (12-month) pass is to be amortized equally over a 12-month period from date of purchase. Garrisons that have an unusually abbreviated golf season may amortize equally over the term of expected play. When choosing the amortization period for annual fee income, management should keep in mind that the annual fee income is to coincide with or match expenses incurred for maintaining course.

(5) There is a minimum department code usage requirement when reporting smaller golf operations. Managers of golf operating programs that report less than 20,000 18-hole rounds per year must use as a minimum, the following department codes:

Department Code 41 - Greens Operations. Include course maintenance expenses that may have been previously reported using Department Code, 88 – Property Operations Maintenance and Energy. Use GLAC 532 – Driving Range Income, in this department to report driving range income, and GLAC 533 – Golf Cart Income, to report income from golf cart rentals.

Department Code 14 - Snack Bar. When there is snack bar activity.

Department Code 39 - Pro Shop. When Pro Shop activity exists.

Department Code G1 – Administration. Report program management and administrative operations. For all other golf operations, use above department codes that are applicable.

(6) General Ledger Account Codes (GLACs) Income Accounts:

GLAC 501 - Service/Recreation Activity Income, is among the most commonly used income GLACs authorized for golf. There are other specific income GLACs that are available for use under the golf program such as, 504 – Rental and Usage Income, 507 – Guaranteed Participation income (for reporting multiple play-card income), 509 – Dues and assessment Income (for advanced fees), 531 – Green Fees Income, 532 – Driving Range Income, 533 – Golf

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Cart Income, 534 – Instruction Income. Use of GLAC 599 – Miscellaneous Other Income, should only be used when none of the other 500 series GLACs are appropriate to use.

GLAC 502 – Concessionaire Commission Income, is used for recording vending and/or amusement machine income from a concession agreement. When the concessionaire machines are located in the snack bar, use this GLAC with Department Code, 14 – Snack Bar; if located in the Pro Shop for example, report the income in Department Code 39 – Sports Specialty Pro Shop, Operations.

GLAC 503 – Special Events Income is not to be used to report tournaments. Income from tournaments or other golf program events is to be reported in Department using GLACs 531 – Greens Fee Income, for daily/walk-on players, or 509 – Dues and Assessment Income, for annual fee players that pay a tournament fee as appropriate in Department Code 41 - Greens Operations. Report all food and beverage sales under an appropriate food and bar department code, e.g., 01, 03, 04, 11, 12, 13, 14, 16, 25, or 26. Do not report food or beverage sales using GLAC 503, or in Department Code 5G – Special Events.

(7) Expense Accounts:

Labor is to be charged to an appropriate department code where the work was actually performed. In instances where employees work in multiple departments, use reasonable judgment to appropriately prorate the labor to department codes that reflect where the work actually took place. For example, when an individual who collects money for the greens fees (Department Code - 41) and also works in the pro shop (Department Code 39), his/her labor hours must be prorated to each respective department based on his/hers hours actually worked in each operation. This is necessary to accurately evaluate the financial activity of different operating departments within the golf program. In the unusual case where an employee works 20% or less of his/her total labor hours in any one department, the employee's labor cost is not required to be prorated among the different departments. It may be reported in total in Department Code G1 – Administration.

Depreciation Expense is to be reported in the department where the asset is used; e.g., depreciation expenses of MWR fund owned golf carts are recorded under the golf program, in Department Code, 43 – Golf Carts.

Other Operating Expenses, such as materials and supply expenses should be recorded in department codes that appropriately reflect where the materials and supplies are used. If supplies are purchased and then used by several operating departments, make a reasonable attempt to prorate the costs among the appropriate department codes that represent the operating departments where the supplies were actually used. The intent of this is to assist with managing

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the golf program's different operating departments, and not to make management oversight an onerous task.

(8) For Golf FY 04 Program Budget Guidance, [Click Here](#).

(9) For FY 04 GolfTrac Transaction Codes, [Click Here](#).

(10) Locations codes will not be used as an administrative accounting mechanism; such use distorts the proper accounting of revenue and expenses.

(11) Programs and activities that produce losses that exceed \$50K in 10 quarters are reported to the Army MWR Working Group (MWRWG) and Army MWR Executive Committee (EXCOM) and those that produce a \$250K loss in 10 quarters are subject to review by the Army Audit Agency (AAA).

b. **Bowling** (POC is Ms. Wanda Arthur, CFSC-BP, DSN 761-5202 or COMM (703) 681-5202, e-mail: Wanda.Arthur@cfsc.army.mil.)

(1) The FY 04 Financial Standard, at the region level, for the bowling, Program Code LE, (centers with 13 or more lanes) is that NIBD will be equal to or greater than 19 percent of total program revenue with a variance from budget within plus/minus ten percent.

(2) When issuing a gift certificate, record the sales by crediting GLAC 267 – Miscellaneous Other Unearned Income and debiting the appropriate offsetting GLAC. When the certificate is redeemed record the transaction by debiting 267 and crediting the appropriate 300 series GLAC (generally GLAC 301/302 or GLAC 535/536).

(3) Labor is to be charged to an appropriate department code that reflects where the work was actually performed. In instances where employees work in multiple departments, use reasonable judgement to appropriately prorate the labor to department codes that reflect where their work actually took place. For example, when the same individual who collects money for the pro shop sales (39), lane fees (41), also works in the snack bar (14), his/her labor hours are to be prorated to each appropriate department code based on his/her hours actually worked in each activity. This is necessary to accurately evaluate the financial activity of different operating departments within the bowling program. In the case where an employee works 20% or less of his/her total hours in several different departments, the employee's labor cost is not required to be prorated among the different departments. It may be reported in total in Department Code G1 – Administration. Management and administrative employees should report their labor and associated costs in department codes GL and GN for Bowling Program KA, except NAF costs associated with resale that are to be reported in G1. Bowling program code LE administrative

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and management employees must be reported in department code G1, except when the >12 lane bowling program is located at a remote and isolated site (see AR 215-1, Table 4-1), in which case, department code GL-APF Support-Normal Operations is more appropriate.

(4) Report depreciation expense for assets in an appropriate department code that reflects where the asset is used rather than reporting it all in department code G1. For example, the depreciation expense of bowling lane-dressing equipment is recorded in Department Code, 88 – Property Operations Maintenance and Energy.

(5) Materials and supplies expense should be recorded in department codes that appropriately reflect where the materials and supplies are put to use. If supplies are purchased and then used by several operating departments, make a reasonable attempt to prorate the costs among the appropriate department codes that represent the operating departments where the supplies were actually used. The intent of this is to assist with managing the bowling program's different operating departments, and not to make management oversight an onerous task.

(6) The cost of resurfacing bowling lanes is normally amortized over 24 months. If based on, it is more realistic to amortize the resurfacing expense for less than 24 months, the expected life of resurfacing may be amortized over fewer months. The amortization period, however, may not exceed 24 months. To report lane-resurfacing transactions, use GLAC 154 – Prepaid Maintenance and Repair, to record the full amount paid in advance. The monthly expense amortized is reported in GLAC 658 – Equipment Maintenance and Repair Expense. Consult the DoD 7000.14-R, Financial Management Regulation, Volume 13, Appendix A, GLACs 154 and 658 nomenclature for recording details and normal contra GLACs that are to be used. This was coordinated with the Defense Finance & Accounting Service (DFAS-IN/AQ). The POC for accounting guidance is Mr. Charles Thompson, commercial (317) 542-3119 or DSN voice 699-3119, the FAX phone number is (317) 510 1197.

(7) For Bowling FY 04 Program Budget Guidance, [Click Here](#).

(8) For FY 04 RecTrac Bowling Transaction Codes, [Click Here](#).

(9) Location codes will not be used as an administrative accounting mechanism; such use distorts the proper accounting of revenue and expenses.

(10) Programs and activities that produce losses that exceed \$50K in 10 quarters are reported to the Army MWR Working Group (MWRWG) and Army MWR Executive Committee (EXCOM) and those that produce a \$250K loss in ten quarters are subject to review by the Army Audit Agency (AAA).

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e. **Recycling:** (POC is Robert Glotfelty, CFSC-BP, DSN 761-5209 or COM (703) 681-5209, e-mail: Robert.Glotfelty@cfsc.army.mil.)

The use of GLAC 538, Recyclable Material Income Grant/Distribution and GLAC 540, Recyclable Material Income/MWR Operation, will be limited for use under Program Code TT-Recycling.

25. **COMMUNITY ACTIVITIES CENTERS (CACs):** (POC is Marcy Stennes, CFSC-CR, DSN 761-7218 or COM (703) 681-7218, e-mail: Marcy.Stennes@cfsc.army.mil.)

We have recently received many questions as to funding authorizations for Community Activities Centers (CACs). The original concept for CACs was developed in order to be able to provide a wide array of MWR programs within the same physical facility. Within the facility each program's funding authorization, budgeting and reporting is to be treated as though the program is in a stand-alone facility. While the initial concept primarily focused on the housing of recreation centers, outdoor recreation programs, arts and crafts centers which are all category A and B programs, the concept has expanded in recent years to include some category C programs. Inclusion of category C programs does meet the intent of the CAC concept but the inclusion of these types of programs requires management ensure funding authorizations are not violated. Management is reminded that the CAC is not a separate MWR program but refers to the facility.

26. **COMMUNITY RECREATION Information, Ticketing and Registration (ITR):** (POC is Dan Yount, CFSC-CR, DSN 761-5225 or COM (703) 681-5225, e-mail: Dan.Yount@cfsc.army.mil.)

a. Program Code LS - Commercial Travel, for reporting purposes is defined as any point-to-point travel arrangement made on behalf of an authorized individual patron that does not qualify as, and/or is not a part of a group travel arrangement. Commercial travel includes commercially available airline tickets, cruises, and vacation packages. Commercial travel does not include: group tours arranged by an ITR office, even when air or cruise travel are a part of the travel itinerary, provided such services are incidental to the ITR operation. Report revenue that is from [direct](#) sales of commercial travel services or commercial travel related Services as defined above. Also, please note that when using the RECTRAC! data collection automated system, the ITR Office is required to have a location for the Program Code - KD, and another location for Program Code- LS, to record transactions of each program (KD or LS) separately. Program Code LS – Commercial Travel is for reporting commercial travel only.

b. Program Code, KD - Information, Ticketing and Registration (ITR) is to be used to report financial activity generated by traditional ITR services such as arranged group tours regardless of individual components of the activity, hotel reservations, drive package tour arrangements, tour service/handling fee income and scenic rail arrangements.

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c. As a reminder, ensure that just the commission on the consignment ticket(s) sold, and not the entire ticket price, is being recorded using GLAC 550 - Consignment Income. To accomplish this, check with your servicing accounting office.

d. Commercial Travel Contracts: The CONUS garrison MWR activities that currently contract to provide on-post leisure travel offices are urged to evaluate the present need for contracted commercial travel service for leisure travel. As a result of airlines cutting commissions to "zero," transaction fees at on-post commercial travel offices have risen substantially in response to the airlines' action, and average about \$25 per transaction in CONUS. Morale, welfare and Recreation managers are expected to review volume of sales handled by the contractor, including the cost of providing facilities and utilities to the contractor, and availability of off-post agencies or on-line web sites, compared with current concession fees paid to the MWR activity. The most recent available data indicates that more than 60% of soldiers acquire their airline travel arrangements either on-line or from other off-post sources. Analysis indicates ITR offices are capable of providing key non-air services, for example cruises, vacation packages, lodging reservations, and car rentals at less cost to the soldier and with substantially greater net income to the NAFI than from using commercial travel offices.

e. Baseline Recreation Standards cite an ITR/MWR role to assist patrons in booking their own air travel arrangements. The standards were created with the current circumstances in mind, and with an assumption that financial factors would eventually price commercial travel contractors off of military garrisons. For FY 04, MWR program and financial managers are advised to plan and budget for an end to Commercial Travel Contracts: ITR offices should initiate cruise sales programs; as revenues increase, NAFIs should employ qualified travel agents to support sale of cruises and other non-air services with full commission adhering to the ITR office. Current ITR managers and staff should attend training that will qualify them to provide non-air travel services and which will increase NAF earnings

f. Training: In September 2004, CFSC will co-sponsor with Navy, annual training to accredit ITR employees as certified cruise specialists. Training will be conducted by the Cruise Line International Association (CLIA) and will qualify the employees to sell cruises with the NAFI receiving commissions. CFSC will fund lodging, meals, and tuition. In January 2004, the Army will host Joint Services ITR/ITT training in New York City. The purpose of this year's training is to emphasize regional cooperation between DOD garrisons, and to familiarize key ITR/ITT staff with principal features of planning travel to NYC and the surrounding area. CFSC will fund transportation, registration and lodging (shared rooms). In March 2004, the Kissimmee-St. Cloud Convention & Visitors Bureau will sponsor a military seminar to familiarize key ITR/ITT staff with principal attractions and lodging in Central Florida; cost is \$100 registration fee (which includes cost of hotel for shared rooms), and garrison is responsible to fund transportation and per diem. In October 2003, training will be offered by the

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Williamsburg attractions to familiarize key ITR/ITT staff with principal attractions and lodging in Southeastern Virginia. Garrisons are responsible to fund registration fees, transportation and per diem. In August/September 2004, Joint Service Cruise Certification Training will be conducted by Cruise Line International Association (CLIA).

g. Equipment: Garrison ITR offices which have not yet done so, should budget to purchase in the first quarter, a BOCA Thermal Ticket Printer (Specifications: Micro 22/42 Boca thermal Ticket Printer, 8ips, 203DPI/2”+, Label/Ticket, No Cutter, Heavy Duty, High Volume Printer). This printer will produce vouchers and tickets with most input entered via a scanned bar code, resulting in significant labor productivity savings and a superior, more professional appearing product for the customer. The process will also support automatic printing of non-reserved General Admission tickets on-demand, thereby saving garrisons the cost of acquiring pre-printed tickets from outside vendors.

h. For FY 04 ITR Program Budget Guidance, [LINK TO ENCL 7, PROGRAM CODE "KD, LS" ITR, MATRIX #7.](#)

27. **OUTDOOR RECREATION**: (POC is Mr. Joseph Pettoni, CFSC-CR, DSN 761-7226 or COM (703) 681-7226, e-mail: Joseph.pettoni@cfsc.army.mil.)

In October 2002 the Outdoor Recreation Steering Committee met to further define program operating guidance for Outdoor Recreation programs. The purpose of which is to unify reporting requirements to ensure all ODR programs report in a manner reflective of DoD and Army policy.

a. Waterfront Operations, those activities associated with lakes fronts, river and ocean beaches, are authorized to be reported using Department Code 50 – Waterfront Operations, under Outdoor Recreation program codes:

- (1) HF – Parks & Picnic Areas (Category A).
- (2) JE – Outdoor Recreation Program General (Category B)
- (3) JK - Small Travel Camps/Campgrounds (Category B)

b. Aquatic Centers/pools (Category C) will continue to report under Program Code LA – Aquatic Centers (Cat C) using the department codes that currently exist.

c. Shooting sports must be reported under Category C Program Code LL – Rod & Gun. The DoDI expressly requires all shooting activities be reported as Category C activities.

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d. For FY 04 Outdoor Recreation Program Budget Guidance. [LINK TO ENCL 7, Outdoor Recreation, PROGRAM CODES HF, JE, JK, etc, “Outdoor Recreation”](#)

28. **BETTER OPORTUNITIES FOR SINGLE SOLDIERS (BOSS):** POC is Sandra Nordenhold, CFSC-CR, DSN 761-7206 or COM (703) 681-7206, e-mail: Sandra.Nordenhold@cfsc.army.mil.)

Beginning FY 04, *do not* report BOSS activities under Program Codes HC – Recreation Centers, or HD – Unit Funds (Category A Programs). Better Opportunities for Single Solders is a Category B activity. Report BOSS using Department Code 9F – BOSS Activity, under Program Code JN – Recreation Planning Team (see paragraph 29, Encl 5, Recreation Delivery System) since the many BOSS programmers are members of planning teams.

A frequently asked question (FAQ) from BOSS managers and participants:

Question: “We are developing next year’s NAF Annual Operating Budget (AOB) input and my Financial Management Division Chief tells me I cannot plan a dinner and dance for participants next November because there is not enough NAF funding available for BOSS. However, I know we have earned at least \$5,000 during the year and I have spent only about \$3,500 through September, so where does the balance of the money go, and why can’t I plan to use the unspent amount (\$1,500) next year?”

Answer (two parts): First, accounting for Army NAF follows the Generally Accepted Accounting Principals (GAAP). At the fiscal year end (30 September), NAF income and expense balances are moved to retained earnings on the Balance Sheet. This is a standard bookkeeping entry that does not affect the cash in the bank. At 1 October, the opening income and expense balances on the Income Statement are set back to zero. This is why we hear, “at the end of each fiscal year all income and expenses of the BOSS activity lose their identity.”

Second, MWR program managers through the FMD provide input using the Annual Operating Budget (AOB) and Capital Purchases and Minor Construction (CPMC) budget process, then overall management make funding decisions based on the total resources available. To assist with competing for NAF funding in the new FY, the BOSS programmer needs to develop a “Sub-Ledger” to track the on-going financial transactions of the various BOSS activities. The Sub-Ledger will aid in determining what activities were most financially successful, and will make it easier to budget future activities. The sub-ledger record should be reconciled monthly with the MWR fund’s BOSS income statement (Department Code 9F). Although a Sub-Ledger *does not* guarantee an automatic approval to use last year’s money in the next fiscal year, it could be a big help when justifying funding for activities using the BOSS money earned and unspent from the prior fiscal year.

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29. **COMMERCIAL SPONSORSHIP AND ADVERTISING:** (POC is Gabriele Perez, CFSC-CP, DSN 761-7290 or COM (703) 681-7290, e-mail: Gabriele.Perez@cfsc.army.mil or Jennifer Wicks, CFSC-CP, DSN 761-5278 or COM (703) 681-5278, e-mail: Jennifer.Wicks@cfsc.army.mil.)

a. On the garrison, the FMD is the authorized office that accepts commercial sponsorship and advertising monies on behalf of the garrison.

b. Commercial Sponsorship revenue is to be reported in the department within the program or programs that actually put on (deliver) the sponsored event/activity. Expenses incurred to obtain the sponsorship are to be reported in 9G under Program Code RU - Marketing. Expenses incurred that are directly attributable to delivering the sponsored event are not commercial sponsorship expenses and are to be reported under the program that actually carries out (executes) the event/activity.

c. For FY 04 Commercial Sponsorship Program Budget Guidance, [LINK TO ENCL 7, DEPARTMENT CODE 9G “Commercial Sponsorship”](#)

d. Commercial Advertising revenue generated by the marketing or advertising office is to be reported in Department Code 9H – Advertising, under Program Code RU – Marketing. Commercial Advertising revenue is any income generated by selling advertising space in NAFI publications, media, or other venues, such as banners, signs, etc., to include electronic formats, i.e., unofficial websites. Report expenses incurred to complete the sale of commercial advertising in Department Code 9H – Advertising, under Program Code RU – Marketing.

e. For FY 04 Commercial Advertising Program Budget Guidance, [LINK TO ENCL 7, DEPARTMENT CODE 9H “Advertising”](#)

f. In accordance with AR 215-1, Chapter 7, Section V, paragraph 7-47, c, (12), garrison sponsorship and advertising managers are to complete a separate annual revenue summary report for the fiscal year, which includes the value of in-kind goods and services and expenses annually (October 31 due date) on the sponsorship and advertising programs. The CFSC-CP will provide the reporting templates and written guidance for these reports. Garrison sponsorship and advertising managers should review monthly financial statements for their programs to ensure the incomes and expenses are recorded IAW matrix.

30. **CDS/YS/SAS BUDGET GUIDANCE:** (POCs are Elizabeth Femrite/Linda Shiles, CFSC-CYS, DSN 761-0637/5398 or COM (703) 681-0637/5398, e-mail: Elizabeth.Femrite@cfsc.army.mil or email: Linda.Shiles@cfsc.army.mil.)

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For FY 04 there is no change from the guidance published for FY 03.

a. For FY 04 Child Development Services Program Guidance. [LINK TO ENCL 7, Child Development Services \(CDS\)/School Age Services \(SAS\) PROGRAM CODES JG, PC, PD etc, "Child Development Services"](#)

b. For FY 04 Youth Services Program Budget Guidance. [LINK TO ENCL 7, Youth Services \(YS\) PROGRAM CODES JH, JM, PH, etc, "Youth Services"](#)

Note that these matrices provide standardized department codes for all CYS programs. Budgeting/reporting any department code other than those listed on the matrices require prior coordination with CFSC-CYS. These standardized codes are to ensure continuity and uniform reporting within these program areas throughout Army MWR.

31. **CONSOLIDATED FITNESS EQUIPMENT PROCUREMENT:** (POC is Bob Roadamel, CFSC-CR, DSN 761-5396 or COM (703) 681-5396, e-mail: Bob.Roadamel@cfsc.army.mil or Lesvia Smith, CFSC-NC, DSN 761-5310 or COM (703) 681-5310, e-mail: Lesvia.Smith@cfsc.army.mil.)

CFSC has negotiated three NAF agreements through the General Service Administration (GSA) Multiple Award Schedule (MAS) Contracts to purchase fitness equipment. These centralized agreements provide additional volume price reductions and stipulated service delivery efficiencies over and above those available to garrisons ordering equipment through normal APF or NAF sources.

32. **RECREATION DELIVERY SYSTEM:** (POC is Marcy Stennes, CFSC-CR, DSN 761-7218 or COM 681-7218, e-mail: Marcy.Stennes@cfsc.army.mil.)

a. Defined Terms:

(1) Directed Program: A directed recreation program is a structured event, generally providing more than facility and equipment. A directed program can refer to a single event such as a one-time volleyball skills workshop; or it can refer to a collection of activities, such as all of the cultural arts classes operated by an organization. Examples include racquetball or other sports tournaments, intramural leagues, concerts, ITR trips, summer library reading programs, ceramic classes, a Unit Field Day, etc.

(2) Self-Directed Activities: Unstructured, non-supervised programs. A facility and equipment are provided; patrons can participate whenever the facility is available. Examples include racquetball challenge court, playing billiards, doing your own oil change, etc.

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(3) Program Planning: Program planning is the overall process in which an individual or team identifies needs, determines and provides logistical support, identifies and obtains leaders/instructors/coaches, etc., finds a suitable place to conduct the program, prepares cost analysis and pricing, develops participant registration plan, and evaluates customer satisfaction.

(4) Program Operations: The execution of an event or program once planned. In all likelihood there will be revenues and expenses to be recorded from the event.

(5) MWR Activity: It refers to an Army identified MWR program code, enterprise/entity such as Libraries (HA), Outdoor Recreation Program General (JE), and Arts and Crafts (Skill Development) (JB) wherein the revenues and expenses of an operation are recorded.

b. The Implementation of the Recreation Delivery System (RDS) requires restructuring of a garrison recreation staff into a program team and an operations team; i.e., facilitators, preparers, assistants, etc. The operations team will provide and operate needed facilities, services, and in some cases, may do the actual delivery of a specific program or event.

c. The teams may consist of some or all APF personnel. The APF personnel are not authorized to support revenue producing (category C) programs, facilities, or any resale activity within category A or B programs. APF support is not authorized for use in or to support resale and/or revenue-producing activities, regardless of the category or program. The DODI 1015.10 defines resale as the “acquisition and resale of goods and services by MWR programs or concessionaires.” The definition does not cover those activities that only charge nominal user fees or participate in minor incidental resale activities to recoup NAF expenses. The MWR USA funds are not authorized to support any resale/revenue generating activity, even within category A or B programs. Those NAF personnel assigned to the teams may support revenue producing (category C) programs, facilities, or any resale activity; however, their costs are to be charged directly to the category C or resale activity/department.

d. The Program Team - In many cases the program team; i.e., idea generators, may also be those who implement the ideas into a program event. The program team will have primary responsibility for planning of programs; e.g., special events, classes, tournaments, field days, etc., and will identify and conduct directed recreation programs for the military community. The program team will be responsible for ascertaining market needs, planning, promoting, and determining the best method to deliver the program(s). The team will also evaluate programs. The program(s) developed may be conducted by team members, contractors, volunteers, or any of the MWR staff. Actual program delivery may be at traditional recreation facilities or other locations as required. Team labor for directed programs that are garrison-wide recreation programs/events; such as volksmarch, concerts, Wacky Wednesdays, etc., will be charged to a garrison-wide recreation Functional Cost Account Code (FCA/Program Code, JN – Recreation

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Planning Team). In addition, costs incurred for planning and developing programs, but not implementing a program, will also be captured under the program team code, JN.

e. If the programming relates to a specific program activity, i.e., Arts and Crafts or Outdoor Recreation, then the costs are to be borne by that activity. When a program is delivered by a person of the MWR recreation staff, the APF or NAF labor and other operating expenses associated with the program event are charged to the appropriate MWR activity sponsoring the event. For example, the program team delivers the “process plan” for a hiking trip to the operations team for an Outdoor Recreation event; the income and expenses for that program event are charged directly to Outdoor Recreation Program General, FCA/Program Code, JE.

f. Where there are two or more MWR activities sponsoring a specific program developed by a program team, the income and operating expenses are shared between the MWR Activities as shown in the operating budget. For example, using the Outdoor Recreation Program General (JE) MWR activity described above, if the Community Club (KG) provided a country style barbecue and dance, they would assume the cost and profit from the food and beverages served and Outdoor Recreation Program General (JE) would garner the income and cost for the other portions of the program. Specific program events developed by the program team and delivered by means of a contract will require identification of a FCA/Program Code, such as aerobic instruction to HB - Gym-Physical Fitness/Aquatic Training (and/or athletic equipment checkout), to account for income and expenses.

g. The Operations Team – The operations team is responsible for indoor and outdoor facilities, courts and fields, maintaining equipment, coordinating facility maintenance and repair, making facility reservations, delivering self-directed programs, and supporting the program team operations. Operations team members who are identified with specific program facilities are to charge or apportion their labor costs to the specific program(s) where they perform their work. For example, a team member who is a librarian or auto mechanic, will charge their labor to that specific program code except when working to support an garrison-wide recreation program or event. If a member operates the Art and Crafts facility for a number of hours, then closes the facility and opens the equipment checkout center, then he or she would apportion their labor between the two programs. Labor costs for the operations team leader and team members who are not specifically identified with a facility are to charge their labor and other operating expenses to an operations team Program Code, JP – Recreation Operations Team.

h. Garrison-wide Recreation Programs/Events - Revenue generated or expenses (other than program team costs) incurred by conducting garrison-wide recreation programs/events are to be charged to the garrison-wide recreation Program Code, JQ – Garrison-wide Recreation Events. Examples of these events are as follows:

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(1) Fourth of July celebration.

(2) Community Health Fair: Includes booths with information and activities from all the MWR programs plus booths from the hospital, chaplain, local organizations on and off post which contribute to mental and physical health and well being. Events can be held in the gym or fitness center or the community recreation/activity center or in a field.

(3) Holiday in the Park: Units can make and display large (4'x6') holiday cards for judging by a panel. MWR Arts and Crafts can provide activities to design seasonal ornaments. Youth Services can provide gift-wrapping or gifts for family members. Libraries can sponsor a reading corner for seasonal stories. Clubs can provide a booth for food sales, etc. There can be a tree lighting ceremony and an area for a Festival of Lights, where cars can drive through or people can walk through. This can be accomplished using commercial sponsorship and offering display opportunities to various garrison groups. A fee can be charged for entry to the park or individual fees for different activities.

Note: Any costs that are a result of supporting revenue producing (category C) programs, facilities, or resale operations are to be charged directly to the category C program, facility or resale activity.

ARMY LODGING PROGRAM GUIDANCE

1. **LODGING MANAGEMENT:** (POC is Craig Smith, DSN 761-5365, COM (703) 681-5365, FAX (703) 681-7246, or e-mail: Craig.Smith@cfsc.army.mil)

a. Movement of all lodging functions to the DCA and the establishment of the Installation Management Agency (IMA) organization with regional single lodging funds affords the opportunity to consolidate/centralize management and support functions resulting in a direct reduction of overhead costs to region/installation lodging and MWR operations. Financial management guidance and procedures for allocating the cost of MWR and lodging overhead services are provided at Encl 5.

b. The establishment of regional single lodging funds afforded numerous opportunities to enhance budgeting and financial management. A significant opportunity is the ability to optimize and leverage cash to meet of the lodging requirements of the entire region. To this end, single lodging fund managers should review, analyze, and leverage the regional single lodging fund's cash flow to more accurately and timely meet cash requirements. Through this effort regions should be able to minimize their working capital reserve freeing a substantial level of resources for the region to reprogram for current and/or future capital requirements.

c. Appropriated funds (direct installation support or indirect i.e. official training and travel funds) are not authorized to subsidize lodging costs directly associated with guests not in an official travel status. Accordingly, an Additional Occupant Charge of \$5 with continental breakfast service and \$3 without continental breakfast service per additional occupant in a room with a primary guest will be established and added to the basic room rate. The Additional Occupant Charge will be \$3 for additional occupants under one year of age (with or without continental breakfast service). The purpose of this charge is to offset at a minimum the added costs associated with each additional occupant, e.g. laundry, housekeeping, supplies/amenities, cots/cribs, increased wear and tear on facilities/FF&E/linens, continental breakfast service (if offered), etc.

d. As a benchmark to cover increased services and amenities, room rates for DVQs should be set at least 30 percent higher than the average rates for other rooms. An even higher differential may be justified based upon the cost of services provided such that this program element is not subsidized.

e. The Wellness Plan is funded through the MWR BOD approved Lodging Capital Assessment (LCA), assessed against adequate rooms on a per occupied room night basis. The MWR BoD approved a LCA increase from the current \$7 to \$8 for FY 04 and a \$1 per room night increase in LCA each year until FY 08 where it will remain at \$12 thereafter.

f. Authority to divert lodging facilities (facility category code 72010) for a period not to exceed (12) months is delegated to the garrison commander. Authority for diversion of adequate UPH Lodging to or from lodging facilities for a period in excess of twelve months is held at the

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region. Regions will forward a copy of all diversion actions through HQ, Installation Management Agency to USACFSC, ATTN: CFSC-BPL, 4700 King Street, Alexandria VA 22302-4401. This policy change will be reflected in the next revision to AR 215-1.

g. General Ledger Account Code (GLAC) guidance:

(1) GLAC 158 - Prepaid Guest Supplies and GLAC 668 - Guest Supplies. Will be used to record the purchase and use of amenities, e.g., conditioning shampoo, lotion, facial soap, deodorant soap, sewing kits, shoe mitts, shaving cream, razors, toothbrushes and toothpaste. Personal use paper supplies, facial and toilet tissues will also be recorded in GLACs 158 and 668 (this is a change for FY 04).

(2) GLAC 726 – Supplies Expense. Record the use of other lodging supplies, e.g. cleaning supplies, staff/admin supplies, employee message boards, etc.

(3) GLAC 549 – AAFES Other Income. Record commissions from the AAFES telephone contract to include commissions from local dial tone, long distance, internet, and television/pay-per-view services.

(4) GLAC 502 – Concessionaire Commission Income. Record the commissions from all other telephone contracts to include commissions on internet and pay per view services as may be applicable.

(5) GLAC 504 – Rental and Usage Fees Income. Record revenue earned from customer use of pay-per-view TV.

(6) GLAC 537 – Local Telephone Income. Record revenues earned from customer use of local telephone to include any surcharges placed on local calls.

(7) GLAC 551 – Communication Services Income. Record revenue earned from customer use of long distance and dial around fees.

(8) GLAC 730 – Communications Expenses. Record the cost for administrative telecommunications, tolls, telegraph service and postage charges. Record the cost of telecommunications guest services not charged separately on the guest folio or when these charges cannot be broken out separately on the invoices including local calling service and internet service.

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(9) GLAC 757 – Commercial Communications Expense. Record the cost for telecommunications services when charged to the guest as separate line items on the guest folio including local calling fees, long distance, internet access, and toll free dial-around fees.

(10) GLAC 759 – Cable/Pay TV Expense. Record the cost of providing cable/pay-for-view TV.

(11) GLAC 155 – Prepaid Tableware, Kitchenware, Linens, and Uniforms. Record the amount of prepaid china, glassware, utensils, linens, and uniforms on hand in the fund.

(12) GLAC 749 – Tableware, Kitchenware, Linen, and Uniform Expense. Record the cost of purchasing and/or leasing towels, sheets, and all other linens for immediate use, issued from the warehouse, or transferred from the prepaid GLAC. Also employee uniforms, employee nametags, tableware and kitchenware.

(13) GLAC 665 – Printing Expense. Record the costs associated with purchasing pre-printed registration cards, folios, customer comment cards, and all other pre-printed materials.

(14) GLAC 727 – Laundry and Dry Cleaning Expense. Record the cost of cleaning towels, sheets, and all other linens, including linen associated with continental breakfast. Also uniforms, tableware, kitchenware.

(15) GLAC 677 – Program and Brochure Expense. Record the costs of in-room directories to include re-supply costs.

(16) GLAC 743 – Commercial Credit Card Expense. Record the costs associated with credit card processing services.

2. ARMY LODGING WELLNESS PLAN:

a. Army Lodging Wellness Projects have been approved based upon available cash flows into the FY06 program year. A program to complete the demand and facilities assessment at each Army Lodging location commenced in Mar 03 as approved in October 2002 by the MWR BOD. Upon completion of all the studies, the Wellness requirements by garrison will be ranked against projected Wellness cash flows to result in a projected year of execution for each location. Although this information will not be available in time for the FY04 budget process, it is anticipated for publication in 2nd quarter FY04. Execution of significant CPMC items prior to

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publication of this information should be limited in order to ensure CPMC execution is not only consistent with the Wellness Plan but reflects each site's positioning for future investment under the Wellness Plan. Within this guidance Army Lodging operations retain the ability to self-fund valid projects through the CPMC Planning and Programming process. Requirements must be included in the garrison's comprehensive Five-Year Plan. NAF project and funding approval requirements are provided at Encl 9, Doc 2. This authority does not cover new construction, but gives Regions the capability to approve critically needed projects that are consistent with the Wellness Plan strategy, when sufficient justification exists. All minor construction/major construction projects shall be executed in accordance with Anti-Terrorism/Force Protection guidance at Unified Facilities Criteria (UFC) 4-010-01, DoD Minimum Antiterrorism Standards For Buildings, 31 July 2002 (See Encl 1).

b. Pre-Opening, Start-Up Costs and Operations Upon Project Completion. Operations subsequent to the move to a newly constructed facility under the Wellness Program shall be clearly delineated in the budget process through the use of a separate location code in Department 82 for operations before and after opening of the new facility (see paragraph (2) below). Completion of Wellness Plan new construction is anticipated in Jun FY04 at the following sites and shall be reflected in the FY04 budget process: Fort Eustis; Dugway Proving Ground; Fort Wainwright; and Fort Hamilton. Budgets for new facilities shall reflect appropriate staffing and other expenses consistent with the new operation size and level of service. Given these moves are to new facilities as opposed to the stand up of new operations, annual operating budgets at these locations shall reflect the following as FY04 operating expenses as opposed to assuming capitalization of these items as part of the total project cost:

(1) Pre-opening supplies of consumable and expendable items (program against location code for operations in new facility);

(2) Labor costs associated with pre-opening activities and refresher Army Lodging training to standards; for planning purposes this cost should be programmed at 50 percent of one month's total labor projection for the new facility to occur in May 04 (program against location code for operations in new facility). Accounting for labor costs associated with pre-opening/start-up will be by TBA from assigned location to the pre-opening/start-up location. Labor costs associated with pre-opening activities may be amortized for up to 12 months.

(3) Projected severance pay expense associated with the downsizing of an operation (program against location code for operations in existing facility);

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(4) Installations with renovation projects scheduled for execution during FY 04 shall ensure the FY 04 budget reflects the period these facilities are anticipated to be “off market” as well as other pre-opening expenses listed at items 3 a-d above. Additional budget issues impacts associated with completion of these facilities will be addressed with the specific Regions.

c. The final phase of the Wellness Plan “Sustainment” requires every lodging operation to maintain capital reinvestment in the operation after being made “well.” This requirement includes those facilities/rooms constructed/renovated since 1995, (See Encl 9, Doc 4) [Region Lodging Program Managers should supplement this list]) as well as those Wellness projects scheduled to come on line during FY04 and requires programming of \$1,500 per room annually for the to meet broad life-cycle replacement. Replacement guidance (See Encl 9, Doc 5) supports this requirement by outlining specific projects required to ensure facilities are maintained by facility/ renovation year. Budget preparation shall insure CPMC/M&R schedules reflect an evaluation of the broad life-cycle replacement guidance (either under APF or NAF funding) consistent with the age of the new facility or renovation. Budgeting for valid CPMC/M&R projects scheduled within the 5 year CPMC planning window shall follow the established CPMC process. Budgeting for newly opened facilities (e.g. where \$1,500 per room annual requirement is not yet supported by CPMC requirements in the immediate 5 year window) shall reflect a pro rata share of the \$1500 per room per year requirement. For FY 04 this requirements be entered on the Installation Information Worksheet (cell 9d) and then is reflected on line B3 – FY 04 Funded Portion of the Wellness Sustainment Requirement of the Service Charge Computation Worksheet. Funds earned for this purpose will be recorded and retained in GLAC 190 – Transient Lodging Sinking Fund.

3. FOREIGN MILITARY STUDENTS/TRAINEES LODGING RATES: Garrison lodging activities are authorized to charge foreign military students/trainees actual lodging rates including the \$1.20 ALF surcharge not to exceed the specific installation ceilings established by the Security Assistance Training Program (SATP). Installation specific ceilings are based on installations' lodging activity input to a SATP data call during FY 03. Authorized rates for FY 04 will be forwarded under separate cover. This authority applies to foreign military students/trainees on temporary duty attending formal training at Army facilities. Foreign military personnel who are in another status will be charged the rate for unofficial travelers at that installation.

4. LODGING CAPITAL ASSESSMENT (LCA), ARMY LODGING FUND (ALF) SURCHARGES, AND UNOFFICIAL TRAVEL SURCHARGE:

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a. Lodging Capital Assessment (LCA). The LCA will be increased from \$7 to \$8 per occupied room night level for FY 04 and will be included in the primary occupant daily room rate for all adequate rooms (official and unofficial travel). The room rate charged each guest on official travel sharing an adequate room will include the \$8 LCA. For the assessment/surcharge purpose, adequate rooms are those rooms identified as adequate on the 30 Jun 99 Room Service Charge and Inventory Report.

b. Army Lodging Fund (ALF) Surcharges.

(1) Foreign Military Student/Trainee. The LCA will not apply to rooms occupied by Foreign Military Students/Trainees while attending training. Lodging rates for Foreign Military Students/Trainees occupying adequate rooms will, however, include a \$1.20 per occupied room night ALF Surcharge. The room rate charged each Foreign Military Student/Trainees on official travel sharing an adequate room will include the \$1.20 ALF Surcharge. The LCA will be included in the adequate room rates for Foreign Military Students/Trainees in an unofficial travel status.

(2) Inadequate Rooms. All lodging rooms classified as inadequate will include a \$0.50 ALF Surcharge per occupied room night in the primary occupant daily room rate. The room rate charged each guest (official and unofficial travel) sharing an inadequate room will include the \$.50 ALF Surcharge. For assessment/surcharge purposes, inadequate rooms only are those rooms identified as inadequate on the 30 Jun 99 Room Service Charge and Inventory Report. Foreign Military Students/Trainees occupying an inadequate room will be charged the \$.50 ALF surcharge per occupied room night.

c. Families occupying the same room (adequate/inadequate) are assessed the LCA or ALF Surcharge on a per occupied room night (primary occupant daily rate) basis.

d. Unofficial Travel Surcharge. Garrisons have the option of implementing a dual rate structure for official travelers and for unofficial travelers in lodging operations. If this option is instituted, an Unofficial Travel Surcharge is added to the official primary occupant daily rate (including LCA or ALF Surcharge). The amount of the Unofficial Travel Surcharge set by the installation would be retained in the lodging fund to support lodging operating and CPMC requirements. This surcharge may be charged to all unofficial travelers except for active duty military on leave status, retirees and family members of both active duty and retirees. Contractors on official business are considered official travelers. This lodging revenue should be recorded in GLAC 501 – Service/Recreation Activity Income. In accordance with DoD and

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Army Regulations, surcharge revenue on unofficial travelers may not be transferred to MWR Funds.

5. INCLUSION OF CONTINENTAL BREAKFAST SERVICE IN ROOM RATE: Army lodging activities may choose to offer a continental breakfast service for occupants of the facility with the cost included in the room rate. In accordance with the JTR/JFTR a continental breakfast is not considered a government provided meal and does not affect the traveler's meals and incidental expense portion of the per diem rate. In an effort to keep training and travel expenses at the lowest possible level, lodging operations should first establish whether there are other easily accessible breakfast options available to the traveler on a pay-as-you-go basis. Including the cost of a continental breakfast service in the room rate should only occur when it has been determined that no pay-as-you-go options are feasible. In order to assist you with budgeting for the continental breakfast service, you will find a Continental Breakfast Worksheet in the FY 04 Budget Template (Tab Name: BF). This worksheet will assist you in ensuring that you are in compliance with the waiver Army Lodging received to enable Lodging to provide this service. A continental breakfast may consist of coffee, tea, juice, milk, cereal, pastries, muffins, breads, accompanying condiments, and/or fresh fruits. Continental breakfast may also include pre-packaged foods intended to be heated in a microwave oven. Continental breakfast for the purposes of Army Lodging activities excludes any hot, prepared foods that would typically be accompanied by table service or would require the services of (NA-8) cooks. Cost for the continental breakfast service, if offered, will be included in the room rate at a rate not to exceed \$2.50 per primary occupant per occupied room night. The continental breakfast service, if offered, will be operated on a break-even basis *as part of the Lodging Activity. Provision of this service may not be contracted out to any other entity or activity.* Requests for exception should be forwarded to CFSC-BPL. All associated costs (e.g., goods and labor) will be readily identifiable in the lodging operation's annual budget and accounted for on the financial statements. Army lodging activities choosing to offer a continental breakfast service will establish a control system to ensure that personnel other than lodging occupants cannot use the service without paying a fee at least equal to that being charged to an occupant as part of the room rate.

6. CONSOLIDATED PURCHASING: (POC is Debbie Martin, DSN 761-5368, COM (703) 681-5368, FAX (703) 681-7246, or e-mail: Debbie.Martin@cfsc.army.mil)

a. Army Lodging will execute its fourth consolidated buy in conjunction with the November 2003 International Hotel/Motel and Restaurant Show (IHM&RS). The 2002 consolidated buy achieved a total 6.3 percent savings on over \$1.4M in equipment purchases. Additional savings

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was achieved in the form of waived shipping and handling costs and the administrative cost of processing individual purchase requests. Savings on furnishings purchases at an estimated \$1.0M are expected to reach 4%. The 2003 consolidated equipment buy will include microfridges, ice machines, VCRs, VCPs, DVDs, televisions, mattresses, luggage racks/carts, in-room safes and furniture. Items will be expanded for 2003 based on planned FY04 capital purchases. Even greater negotiating power is expected for the 2003 buy as requirements will include items associated with furnishings, fixtures, and equipment and pre-opening items needed to support Wellness Projects planned for opening during FY04.

b. Full exploitation of our buying power requires advance planning from a budgetary perspective to include item description/specifications. In support of the 2003 IHM&RS consolidated buy, installations are required to submit advanced information on FY04 Capital Purchase, Furniture, Fixtures and Equipment to include Expendable Equipment items through the Region Lodging Program Manager to this office not later than 15 June 2003.

c. Submissions should be detailed on the form at Encl 9, Doc 3 and should be forwarded electronically (an electronic copy of this form will be provided to the Regions separately).

d. A final list of items and associated vendors for the consolidated purchase is anticipated for publication by 30 Jun 03. Detailed specifications by site will be finalized after that date. This office expects to request funded purchase requests in support of the November consolidated buy not later than 1 Sep 03 with a suspense of 30 Sep 03. This will allow sites to complete the FY04 budget approval process prior to committing funds for the November initiative.

e. FY04 purchase of items listed under the consolidated buy program will not be authorized outside the consolidated buy initiative without justification to and specific approval from the Region Lodging Program Manager to include those purchases anticipated to be made under the IMPAC purchase card program.

f. Consolidated contracts - HQ Army Lodging oversees management of mandatory contracts leveraging Army Lodging buying power by consolidating and standardizing the procurement of routinely replenished products used by all lodging facilities. Currently the mandatory program includes contracts for bed and bath linens, guest amenities (i.e., shampoo/conditioner, soap, shoe mitts, etc.), pre-printed materials (i.e., registration cards, folios), name badges, and employee communication boards. The contracts are competitively awarded based on best value, where quality is not sacrificed for cost. Master contract provide equitable solutions for all to include sites that frequently fall prey to exorbitant costs due to their size and location. Non-participation,

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for any reason, requires the garrison submit a waiver coordinated through their appropriate region. Waivers would be granted only in extreme circumstances, such as inability to meet emergency delivery deadlines. Installations not participating in mandatory centralized contracts due to APF support shall annotate this fact in the Manager's Narrative.

7. ARMY LODGING PROPERTY MANAGEMENT SYSTEM (ALPMS): (POC is Jamie VanCourt, DSN 761-3770, COM (703) 681-3770, fax (703) 681-7246 or e-mail: jamie.vancourt@cfsc.army.mil)

a. Sustainment:

(1) Customer Support – Army Lodging will continue central funding of ALPMS software component Customer Support / Helpdesk services for all official lodging facilities. These components include: Galaxy/UX, HP/UX, SQL, SQR and Informix. Additionally, central funding of Customer Support / Helpdesk for the following interfaces will continue: PBX, Voicemail, Call Accounting, Bank and Keylock. The central funding of Customer Support / Helpdesk for new authorized interfaces (see (3) below) and additional official lodging rooms that may be acquired at existing ALPMS sites will continue. Advance notification of changes and additions should be provided by IMA Regions to ensure funding.

(2) Hardware/Software Sustainment – Funding of replacement, upgraded, or new ALPMS services and components, including license fees associated with increases in room inventories and warranty extension/uplifts remains the responsibility of the garrison and should be included in the FY04 budget. Initial system costs as outlined in the Management Rollup Report provided to each garrison upon completion of their deployment may be used as a guideline for budget amounts of these items. The previously mentioned proposed Indefinite Delivery, Indefinite Quantity (IDIQ) contract for replacement, upgrade or new ALPMS services and or products from Galaxy Hotel Systems has been withdrawn.

(3) Replacement ALPMS - Army Lodging is proposing the replacement of the current ALPMS prior to the conclusion of our current Customer Support / Helpdesk agreement in June 2005. All investments in the current ALPMS should be limited and carefully reviewed prior to purchase or implementation. If a facility is planning installation, upgrades or replacements of currently interfaced software, such as a new Keylock system, they must plan for compatibility to a new ALPMS. To ensure the highest likelihood of compatibility, the new product should conform with the Hospitality Industry Technology Integration Standards (HITIS).

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b. Training: (POC is Larry Harris, DSN 761-3784, COM (703) 681-3784, fax (703) 681-7246 or e-mail: Larry.Harris@cfsc.army.mil.)

(1) Central Training Program - Army Lodging will continue to provide centrally funded ALPMS Refresher Courses as part of the overall Army Lodging Training Program. Up to six centrally funded courses are anticipated for FY04 with a maximum participation of 12 per class.

(2) Individual Training - Periodically Galaxy will sponsor courses appropriate to Galaxy application users. Local funding, to include tuition and travel costs, must be budgeted for participation in these classes. For planning purposes, courses are normally conducted in the Galaxy's California offices and tuition rates range from \$2,000 - \$3,250 per course.

FY 04 NAF Program Budget Guidance (Matrices)

PROGRAM CODE	DESCRIPTION	POC
HA	Libraries	Barbara Christine, CFSC-CR, DSN 761-7208 or COM (703) 681-7208, e-mail: Barbara.Christine@cfsc.army.mil
HB HH, JA and JF	Sports : Gyms/Physical Fitness/Aquatics Training, Training Pools, Recreational Swimming Pools and facilities. Sports Athletics and Sports Above Intramurals	Karen White, CFSC-CR, DSN 761-7209 or COM (703) 681-7209, e-mail: Karen.White@cfsc.army.mil
HF, JE, JK, KK, LA, LF, LG, LH, LJ, LK, LL, LM, LN, LV, LW	Outdoor Recreation: Parks and Picnic Areas , Outdoor Recreation Programs General , Small Travel Camps , Large Travel Camps , Aquatic Centers , Cabins , Marinas , Skating , Outdoor Recreation Riding , Rod and Gun , Parachute , Flying , Motorcycle, Other Category C (Recreation Membership Clubs), Recreational Equipment Rental	Joseph Pettoni, CFSC-CR, DSN 761-7226 or COM (703) 681-7226, e-mail: Joseph.Pettoni@cfsc.army.mil
HC	Community Recreation Programs(Recreation Centers)	Marcy Stennes, CFSC-CR, DSN 761-7218 or COM (703) 681-7218, e-mail: Marcy.Stennes@cfsc.army.mil
JB	Arts and Crafts	Janice Osthus, CFSC-CR, DSN 761-7213 or COM (703) 681-7213, e-mail: Janice.Osthus@cfsc.army.mil
JC	Auto Crafts	Marcy Stennes, CFSC-CR, DSN 761-7218 or COM (703) 681-7218, e-mail: Marcy.Stennes@cfsc.army.mil
KD, LS	ITR	Dan Yount, CFSC-CR, DSN 761-5225 or COM (703) 681-5225, e-mail: Dan.Yount@cfsc.army.mil
LE, KA	Bowling	Wanda Arthur, CFSC-BP, DSN 761-5202 or COM (703) 681-5202, e-mail: Wanda.Arthur@cfsc.army.mil
LQ	Golf	Bill Sport, CFSC-BP, DSN 761-5200 or COM (703) 681-5200, e-mail: Bill.Sport@cfsc.army.mil
KE, KF, KG	Officer, Enlisted/NCO, and Community Clubs	James Matthews, CFSC-BP, DSN 761-1499 or COM (703) 681-1499, e-mail: James.Matthews@cfsc.army.mil
KL	Theme Operations	Ed Urben, CFSC-BP, DSN 761-5255 or COM (703) 681-5255, e-mail: Ed.Urben@cfsc.army.mil
KM	Food, Beverage and Entertainment (FB&E)	James Matthews, CFSC-BP, DSN 761-1499 or COM (703) 681-1499, e-mail: James.Matthews@cfsc.army.mil
RF	Financial Management	Arleigh Wentzel, CFSC-FM-C, DSN 761-7299 or COM (703) 681-7299, e-mail: Arleigh.Wentzel@cfsc.army.mil
JG, PC, PD, PG, PL, QM	Child Development Services (CDS) /School-Age Services (SAS)	Elizabeth Johnson/Linda Shiles, CFSC-CYS, DSN 761-0637/5398 or COM (703) 681-0637/5398, e-mail: Elizabeth.Johnson@cfsc.army.mil or e-mail: Linda.Shiles@cfsc.army.mil
JH, JM, PH, PJ, PM	Youth Services (YS)	Elizabeth Johnson/Linda Shiles, CFSC-CYS, DSN 761-0637/5398 or COM (703) 681-0637/5398, e-mail: Elizabeth.Johnson@cfsc.army.mil or e-mail: Linda.Shiles@cfsc.army.mil
9G	Commercial Sponsorship	Gabriele Perez, CFSC-CE, DSN 761-7290 or COM (703) 681-7290, e-mail: Gabriele.Perez@cfsc.army.mil or Jennifer Wicks, CFSC-CE, DSN 761-5278 or COM (703) 681-5278,

		e-mail: Jennifer.Wicks@cfsc.army.mil
9H	Advertising	Gabriele Perez, CFSC-CE, DSN 761-7290 or COM (703) 681-7290, e-mail: Gabriele.Perez@cfsc.army.mil or Jennifer Wicks, CFSC-CE, DSN 761-5278 or COM (703) 681-5278, e-mail: Jennifer.Wicks@cfsc.army.mil

Libraries	FY 04 NAF BUDGET GUIDANCE	
HA	LIBRARIES (HA)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
G1	Administration	Reporting miscellaneous income transactions (non-sales) and associated expenses. Report program administrative and management expenses that are not APF-authorized. This is a category A program. Most of the Library Program administrative and management costs are authorized APF and therefore under normal conditions should be reported in department codes GL, GF, GH, or GJ. Some examples of NAF revenue transactions that are normally reported in this department code are from activities such as field trips, copier and fax services, and vending machines.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, FY 03 NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, FY 03 NAF FM Operating Guidance) as an alternative method of executing APF support.

Gym-Physical Fitness	Sports/Athletics	Sports (Above Intramural)	Recreational Swimming Pool	FY 04 NAF BUDGET GUIDANCE SPORTS (HB, HH, JA, JF)	
HB	HH	JA	JF	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
Standard Department Codes					
14	-	-	14	Snack Bar Food Sales	Reporting sales of limited food service including snacks/juices/bottled water at gyms/fitness centers, outdoor fields/facilities, aquatic centers and recreational swimming pools. Normal revenue GLAC used is 301 – Cash Sales. Sales reported using these GLACs must have an associated Cost of Goods Sold (COGS) to properly reduce inventory levels. If a concessionaire operates the snack bar, use GLAC 502 – Concessionaire Commission Income when reporting commissions from a concession.
39	-	-	39	Sports Specialty Pro Shop	Reporting sports and fitness sports specialty pro shops operated at gym/fitness facilities, tennis courts and recreational swimming pools. Revenue GLACs used are 301/302 cash/ credit sales for the sale of merchandise. All sales must have an associated Cost of Goods Sold (COGS) to properly reduce inventory levels. Report revenue from services provided using GLAC 501 – Service/Recreation Activity Income. GLAC 598 should be used to report sales within a fund (sales from your program to another MWR program within the C/IMWRF).

Gym-Physical Fitness	Sports/Athletics	Sports (Above Intramural)	Recreational Swimming Pool	FY 04 NAF BUDGET GUIDANCE SPORTS (HB, HH, JA, JF)	
HB	HH	JA	JF		
Standard Department Codes				DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
51	-	-	51	Swimming	Reporting recreational swimming pools and Aquatic training operations. Revenue GLACs used in this department code are: 501- Service/Recreation Activity Income, for pass fees; 503 - Special Events Income, when non-regularly scheduled events special events are held (occurring only once a year or less); GLAC 504 - Rental & User fees for equipment rentals or locker fees, and GLAC 534 - Instruction fee Income, for water aerobics, swimming, and drown proofing classes. Use GLAC 598 to report income from services this program provides to other MWR programs within the C/IMWRF.
F1	-	-	-	Miscellaneous	Reporting fitness-related classes (i.e., aerobics, step, etc., using GLAC 501 – Service/Recreation Activity Income), special services (i.e., personal trainer service, fitness assessments, using GLAC 534 - Instruction Fee Income.), and gym/other indoor court rental using GLAC 504 - Rental/ User Fee Income. Also, report any income from concessionaire provided services operated in conjunction with an activity or under the basic program using GLAC 502 – Concessionaire Commission Income.
-	F2	F2	F2	Miscellaneous Sales	Reporting resale activity sales (300 series GLACs) such as sales of apparel items (t-shirts, hats, etc.). All merchandise sales must have associated COGS. Report activity from vending machines in this department code.

Gym-Physical Fitness	Sports/Athletics	Sports (Above Intramural)	Recreational Swimming Pool	FY 04 NAF BUDGET GUIDANCE SPORTS (HB, HH, JA, JF)	
HB	HH	JA	JF		
Standard Department Codes				DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
G1	G1	G1	G1	Administration	Reporting miscellaneous income transactions (non-sales) that are not specific to one of the department codes above, and core program administrative and management expenses that <i>are not</i> APF-authorized. Do <i>not</i> report sales transactions in this department.
GL	GL	GL	GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. See enclosure 8, NAF FM Operating Guidance, to use MWR USA.

SPECIAL NOTE: Revenue generating enhancements that are operated in conjunction with Category A or B Fitness and Sports programs are authorized. However, basic core activities (i.e., use of gym/ fitness facilities and equipment, and participation in organized unit/intra-murals activities) are to be provided to authorized users at no cost. The program enhancements should not have an adverse effect on the amount of appropriated funds (APF) support to the program. NAF labor must be used to in support of resale activities. Any resale/revenue generating activities added to the base program must at least break even before depreciation. When resale activities are operated in the above programs, such activities are to be reported in a department code under the program where the activity actually occurs. For example, if a tanning booth is operated in the fitness center, the activity (income and expenses) is to be reported under program code HB, and not under some other program code.

Outdoor Recreation HF	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (HF) Parks & Picnic Areas	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
14	Snack Bar Food Sales	Reporting limited food service operations where no wait-staff exists. Sales transactions are recorded using 300 series GLACs. The normal revenue General Ledger Account Code (GLAC) used is 301 – Cash Sales. Food sales must have Cost of Goods Sold (COGS) to properly reduce inventory levels. If a concessionaire operates the snack bar, use GLAC 502 – Concessionaire Commission Income, to report concession commissions.
27	Convenience Resale	Reporting convenience sales of prepackaged goods. May also include a small vending activity. Examples are a fast/quick mart or shopette type facility where the sale of prepackaged food (not made to order), snacks/juices/bottled water, other goods and merchandise such as bait, tackle, and outdoor recreation accessories. Sales are reported using the 300 series sales GLACs and must have an associated cost of goods sold (COGS) to properly reduce inventory levels. If a concessionaire operates the convenience outlet, report the commission received using GLAC 502 – Concessionaire Commission Income.
50	Waterfront Operations	Reporting activities associated with Beach, Lake, and River Front outdoor recreation areas. This department code is for segregating water front operations from other outdoor recreation activities that have been reported using Department Codes 51, 52, and F1. Report associated resale activity such as, water safety equipment, umbrella, chair, and watercraft rentals and shore grooming operations in this department code.
51	Swimming	Reporting recreational swimming at parks and picnic areas. Revenue recorded in this department code should be from entrance/pass fees. Use GLAC 501-Service/ Recreation Activity Income.
52	Parks/Recreation	Reporting income (fees) and expenses from operating park-picnic areas. This department code is used when the operation is small and use of other authorized department codes is limited. If there is a waterfront beach area, report its operation separate from a park-picnic area.
65	Boating Operations	Reporting revenue and expenses of boat issue/facility use. Use GLAC 501 – Service/Recreation Activity Income, to report fees and services revenue.

Outdoor Recreation HF	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (HF) Parks & Picnic Areas	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
5H	Miniature Golf	Reporting income and expenses from miniature golf operations conducted on park and picnic sites. Use GLAC 501- Service/Recreation income to record fee revenue from play.
G1	Administration	Reporting miscellaneous income transactions (non-sales) that are not specific to one of the department codes listed above. Report administrative and program management expenses in this department code that are <i>not</i> APF-authorized costs. Most administrative and management costs are APF-authorized and are normally reported in department code GL. Do <i>not</i> report sales using this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Outdoor Recreation	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (JE) General Outdoor Recreation	
JE		
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
01	Regular Bar	Reporting sales and expenses associated with serving alcoholic beverages. Use the Regular Bar department code to the extent possible to segregate alcohol sales and its associated expenses.
14	Snack Bar Food Sales	Reporting limited food service operations where no wait-staff exists. Sales transactions are recorded using 300 series GLACs. The normal revenue General Ledger Account Code (GLAC) used is 301 – Cash Sales. Food sales must have Cost of Goods Sold (COGS) to properly reduce inventory levels. If a concessionaire operates the snack bar, use GLAC 502 – Concessionaire Commission Income, to report concession commissions.
26	Theme Food	Reporting USACFSC branded food operations only, such as Orion branded food operations at an outdoor recreation facility.
27	Convenience Resale	Reporting convenience sales of prepackaged goods. May also include a small vending activity. Examples are a fast/quick mart or shopette type facility where the sale of prepackaged food (not made to order), snacks/juices/bottled water, other goods and merchandise such as bait, tackle, and outdoor recreation accessories. Sales are reported using the 300 series sales GLACs and must have an associated cost of goods sold (COGS) to properly reduce inventory levels. If a concessionaire operates the convenience outlet, report the commission received using GLAC 502 – Concessionaire Commission Income.
39	Sports Specialty Pro Shop	Recording general resale activity and COGS. The sale of items are reported using the 300 series sales GLACs and must have associated cost of goods sold (COGS) to properly reduce inventory levels. The normal revenue General Ledger Account Codes (GLACs) used are 301 – Cash Sales, or 302 – Credit Sales. Use GLAC 501 – Service/Recreation Activity Income, to report revenue received from performing patron services. Instruction fees, special event fees, and activity fees are to be reported in department codes that best describe the activities. For example, if the fee income is for boarding a dog, the income is reported in Department Code 5B-Kennels. If the income is for kayaking or canoeing instruction, report the income using GLAC 534-Instruction Fee Income in Department Code, 64 - Boating Operations.

Outdoor Recreation	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (JE) General Outdoor Recreation	
JE		
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
50	Waterfront Operations	Reporting activities associated with Beach, Lake, and River Front outdoor recreation areas. This department code is for segregating water front operations from other outdoor recreation activities that have been reported using Department Codes 51, 52, or F1. Report associated resale activity such as, water safety equipment, umbrella, chair, and watercraft rentals and shore grooming operations in this department code.
52	Parks/Recreation	Reporting revenue (fees, services & resale) and NAF expenses associated with operating parks and picnic areas. Use General Ledger Account Code (GLAC) 501–Service/Recreation Activity Income, to record activity and service fee and scheduling fee revenue. Record rentals using GLAC 504-Rental and Usage Fee Income. Limit the use of GLAC 503-Special Events, to record installation-wide special events that <i>do not</i> recur during the fiscal year.
53	Skiing	Reporting revenue and expenses from ski activities. Use GLAC 501-Service/Recreation Activity Income, to record activity fees and most services. Record rentals using GLAC 504-Rental and Usage Fees Income. The GLAC 599-Miscellaneous Other Operating Income, may be used to record certain one-time transactions on a limited basis, and only when the transaction does not fit a description of any other GLAC.
54	Skating	Reporting Skating revenue and expenses. Use GLAC 501 – Service/Recreation Activity Income, to report most fees and services. Report rentals using GLAC 504 – Rental and Usage Fees Income.
55	Rod and Gun Skeet/Trapshooting	Reporting revenue and expenses from operating rod & gun, skeet/trapshooting activity (core program/activity), including installation-wide special events that only occur once during a fiscal year.
56	Stables	Reporting revenue and expenses of Outdoor Recreation program stables/riding/boarding activity. For example, report revenue from classes or open riding. Use GLAC 501-Service/Recreation Activity Income, to report fees for riding, boarding animals, feed, etc. Report revenue from riding instruction using GLAC 534 – Instruction Fee Income. Use GLAC 504-Rental and Usage Fees Income, for reporting equipment/accessory rentals.

Outdoor Recreation	FY 04 NAF BUDGET GUIDANCE	
JE	Outdoor Recreation (JE) General Outdoor Recreation	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
59	Hunting	Reporting hunting activity fees to defray NAF expenses incurred. Such fees are assessed in conjunction with the sale of hunting permits. Examples of expenses reported are NAF costs associated with management of organized hunts and lotteries to determine who may hunt, transportation to and from hunting stations, construction and maintenance of hunting stands.
60	Equipment Issue	Reporting revenue and expenses associated with issuing equipment used to participate in the core program. Report fees/service income using GLAC 501.
65	Boating	Reporting revenue and expenses of boat issue or boating facility use. Use GLAC 501 – Service/Recreation Activity Income, to report fees/services income.
7L	Activity Fees	Reporting fee income and expenses associated with the delivery of recurring activities and services (core program) such as camping, canoeing, Kayaking, trips, etc. Use GLAC 501 – Service/Recreation Activity Income, to report income.
87	Recreation Lodging Rooms (MWR Fund Only)	Reporting revenue from room rentals not associated with Army Lodging operated facilities (rooms must meet the definition of recreational lodging). Use GLAC 501 – Recreation/Service Activity Income, to report room revenues.
88	Property Operation Maintenance & Energy	Reporting facility maintenance cost, i.e., maintaining grounds, etc.
5B	Kennels	Reporting boarding fee revenue and expenses incurred for privately owned pets such as dogs and cats. Use GLAC 501 – Service/Recreation Activity Income to record boarding fee income.
5C	Fishing	Reporting fishing activity fees to defray NAF expenses. For example, fees in conjunction with the sale of fishing permits. Examples of expenses are NAF costs associated with management of organized fishing and lotteries to determine who may fish, transportation to and from fishing expeditions.
5F	Go-Cart Track	Reporting income and expenses from Go Cart operations. Use GLAC 501-Service/Recreation Activity Income, to record activity fees.
5H	Miniature Golf	Reporting Income and expenses from miniature golf activity. Use GLAC 501-Service/Recreation Activity Income, to record revenue earned.
B7	Tours	Reporting activity from conducting trips/tours.

Outdoor Recreation	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (JE) General Outdoor Recreation	
JE		
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
F3	Miscellaneous – Tobacco	Reporting revenue and expenses from sale of Tobacco products
H1	Garden Operations	Reporting revenue and expenses from gardening activity. Use GLAC 501-Service/Recreation Income, to report revenue from gardening activity fees.
W2	Motor Pool	Reporting income and expenses resulting from maintenance of ODR/MWR vehicle fleets.
G1	Administration	Reporting miscellaneous income transactions (non-sales) that are not specific to one of the department codes above and NAF expenses that are <i>not</i> APF-authorized. Most of the Outdoor Recreation (program code, JE) administrative and management costs are authorized APF and are normally reported in department code GL. Do <i>not</i> report sales using this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income, and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations; APF Support – Security; APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes.

NOTE : Swimming (51), is only to be reported under the following Program Codes: JF – Recreational Swimming Pools, HB – Gym-Physical Fitness/Aquatic Training, and HF – Parks and Picnic Areas.

Equipment Rental (58) is only to be reported under Program Code LW – Recreation Equipment Rentals and /Sales, Program Code LG – Marinas With Private Berthing, and Program Code LH – Skating Rinks.

Department Codes, 59 - Hunting, and 5C - Fishing, permit revenue should be reported under program codes KC or LW or LL depending on location of sales. However, at installations where ODR is consolidated and reported under Program Code JE, the license Fee income may be reported under this Program Code, JE.

Report Department Code, F3 - Miscellaneous Tobacco, under the program where the sales occur. *Do not use* Department Codes F1 - Miscellaneous, and/or F2 - Miscellaneous – Sales, to report sales or revenue activity under this program code.

Outdoor Recreation JK	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (JK) Small RV Parks/Campgrounds	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
13	Private Parties – Food Sales (Food Catering)	Reporting catering sales, cost of goods sold (COGS), services, and associated labor and expenses. When catering is 25 percent or more of total food sales, revenue and related expenses <i>must be</i> reported using this department code. Note: The methodology used to capture/report catering sales and costs should withstand the test of an audit.
14	Snack Bar Food Sales	Reporting limited food service operations where no wait-staff exists. Sales transactions are recorded using 300 series GLACs. The normal revenue General Ledger Account Code (GLAC) used is 301 – Cash Sales. Food sales must have Cost of Goods Sold (COGS) to properly reduce inventory levels. If a concessionaire operates the snack bar, use GLAC 502 – Concessionaire Commission Income, to report concession commissions.
27	Convenience Resale	Reporting convenience sales of prepackaged goods. May also include a small vending activity. Examples are a fast/quick mart or shopette type facility where the sale of prepackaged food (not made to order), snacks/juices/bottled water, other goods and merchandise such as bait, tackle, and outdoor recreation accessories. Sales are reported using the 300 series sales GLACs and must have an associated cost of goods sold (COGS) to properly reduce inventory levels. If a concessionaire operates the convenience outlet, report the commission received using GLAC 502 – Concessionaire Commission Income.
50	Waterfront Operations	Reporting activities associated with Beach, Lake, and River Front outdoor recreation areas. This department code is for segregating water front operations from other outdoor recreation activities that have been reported using Department Codes 51, 52, and F1. Report associated resale activity such as, water safety equipment, umbrella, chair, and watercraft rentals and shore grooming operations in this department code.
7L	Activity Fees	Reporting fee income and expenses associated with the delivery of recurring activities and services (core program) such as user fees for RV park pads, all other core program ODR activities. Use GLAC 501 – Service/Recreation Activity Income, to report fees.

Outdoor Recreation JK	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (JK) Small RV Parks/Campgrounds	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
G1	Administration	Reporting miscellaneous income transactions (non-sales) that are not specific to one of the department codes above and NAF expenses that are <i>not</i> APF-authorized. Most of the Outdoor Recreation administrative and management costs are authorized APF and are normally reported in department code GL. Do <i>not</i> report sales using this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA practice is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

NOTE:

Revenues from RV pads are to be recorded in Dept 7L.

Cabins, Cottages, etc. revenue is reported under Program Code LF.

Outdoor Recreation KB	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (KB) Marinas without Private Berthing	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
27	Convenience Resale	Reporting convenience sales of prepackaged goods. May also include a small vending activity. Examples are a fast/quick mart or shopette type facility where the sale of prepackaged food (not made to order), snacks/juices/bottled water, other goods and merchandise such as bait, tackle, and outdoor recreation accessories. Sales are reported using the 300 series sales GLACs and must have an associated cost of goods sold (COGS) to properly reduce inventory levels. If a concessionaire operates the convenience outlet, report the commission received using GLAC 502 – Concessionaire Commission Income.
65	Boating Operations	Reporting revenue and expenses of boat issue/facility use. Use GLAC 501 – Service/Recreation Activity Income, to report fees and services revenue.
G1	Administration	Reporting miscellaneous income transactions (non-sales) that are not specific to one of the department codes above and NAF expenses that are <i>not</i> APF-authorized. Most administrative and management costs are authorized APF and are normally reported in department code GL. Do <i>not</i> report sales using this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Outdoor Recreation KK	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (KK) Large RV Parks and Campgrounds	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
13	Private Parties – Food Sales (Food Catering)	Reporting catering sales, cost of goods sold (COGS), services, and associated labor and expenses using this department code. The normal revenue General Ledger Account Code (GLAC) used is 301 – Cash Sales. When there is catering that is 25 percent or more of total food sales, the revenue and related expenses <i>must be</i> reported using this department code. Note: The methodology used to capture/report catering sales and costs should withstand the test of an audit.
14	Snack bar Food Sales	Reporting limited food service operations where no wait-staff exists. Sales transactions are recorded using 300 series GLACs. The normal revenue General Ledger Account Code (GLAC) used is 301 – Cash Sales. Food sales must have Cost of Goods Sold (COGS) to properly reduce inventory levels. If a concessionaire operates the snack bar, use GLAC 502 – Concessionaire Commission Income, to report concession commissions.
27	Convenience resale	Reporting convenience sales of prepackaged goods. May also include a small vending activity. Examples are a fast/quick mart or shopette type facility where the sale of prepackaged food (not made to order), snacks/juices/bottled water, other goods and merchandise such as bait, tackle, and outdoor recreation accessories. Sales are reported using the 300 series sales GLACs and must have an associated cost of goods sold (COGS) to properly reduce inventory levels. If a concessionaire operates the convenience outlet, report the commission received using GLAC 502 – Concessionaire Commission Income.
66	Camping	Reporting income and expenses from primitive camping (tents); instructional ODR activities when camping is involved, etc.), not associated with any other established ODR program code. Use GLAC 501- Service/Recreation Activity Income, to record activity fees, and GLAC 504-Rental Usage Fees Income to record equipment rentals.

Outdoor Recreation KK	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (KK) Large RV Parks and Campgrounds	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
7L	Activity fees	Reporting fee income and expenses associated with the delivery of recurring activities and services (core program) such as user fees for RV park pads, all other core program ODR activities. Use GLAC 501 – Service/Recreation Activity Income, to report fees.
G1	Administration	Reporting miscellaneous income transactions (non-sales) that are not specific to one of the department codes listed. Report program administrative and management NAF expenses that are <i>not</i> APF-authorized. Do <i>not</i> report sales using this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Note: *Do not* use Department Code F1 – Miscellaneous, or F2 – Miscellaneous Sales under this Program Code (KK).

Outdoor Recreation LA	FY04 NAF BUDGET GUIDANCE Outdoor Recreation (LA) Aquatic Centers	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
14	Snack Bar	Reporting limited food service operations where no wait-staff exists. Sales are recorded using 300 series GLACs. The normal sales GLAC used is 301 – Cash Sales. Food sales must have Cost of Goods Sold (COGS) to properly reduce inventory levels. If a concessionaire operates the snack bar, use GLAC 502 – Concessionaire Commission Income, to report concession commissions.
39	Specialty Sports Pro Shop	Recording general resale activity. The sale of items are reported using the 300 series sales GLACs and must have associated cost of goods sold (COGS) to properly reduce inventory levels. The normal revenue GLACs used are 301 – Cash Sales, or 302 – Credit Sales. Use GLAC 501 – Service/Recreation Activity Income, to report revenue received from performing patron services. Instruction fees, special event fees, and activity fees are to be reported in department codes that best describe the activities.
G5	Admissions	Report all revenue from entry fees associated with aquatic centers. Use GLAC 501 – Recreation/Service Activity Income for reporting fees from admissions.
G1	Administration	Reporting income transactions (non-sales) that are not specific to one of the department codes above. Report NAF administrative and management expenses that are <i>not</i> APF-authorized. Do <i>not</i> report sales using this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Outdoor Recreation LH	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (LH) Skating Rinks (Ice or Roller) Free Standing	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
14	Snack Bar Food Sales	Reporting limited food service operations where no wait-staff exists. Sales transactions are recorded using 300 series GLACs. The normal revenue General Ledger Account Code (GLAC) used is 301 – Cash Sales. Food sales must have Cost of Goods Sold (COGS) to properly reduce inventory levels. If a concessionaire operates the snack bar, use GLAC 502 – Concessionaire Commission Income, to report concession commissions.
54	Skating	Reporting Skating revenue and expenses. Use GLAC 501-Service/Recreation Activity Income, to record most fees and services. Record rentals using GLAC 504-Rental and Usage Fees Income.
58	Equipment Rental	Reporting revenue and expenses of “operations center”. e.g., skates, helmet, and pads. Report revenue from fees and services using GLAC 501-Service/Recreation Activity Income. Use GLAC 504-Rental and Usage fee Income, to report equipment rentals.
G1	Administration	Reporting miscellaneous revenue (non-sales) not specific to one of the department codes above. Report administrative/management costs that are <i>not</i> APF-authorized. Do <i>not</i> report sales in this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Outdoor Recreation LL	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (LL) Rod & Gun	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
01	Regular Bar	Reporting sales and expenses associated with serving alcoholic beverages. Use the Regular Bar department code to the extent possible to segregate alcohol sales and its associated expenses.
04	Bulk Beer Sales	Reporting sales of over-the-counter beer and wine coolers by the four or six pack bottles or cans.
11	Dining Room	Reporting sales/income and expenses associated with full-service dining, i.e., sit-down, full-service dining with wait-staff.
14	Snack Bar Food Sales	Reporting limited food service operations where no wait-staff exists. Sales transactions are recorded using 300 series GLACs. The normal revenue General Ledger Account Code (GLAC) used is 301 – Cash Sales. Food sales must have Cost of Goods Sold (COGS) to properly reduce inventory levels. If a concessionaire operates the snack bar, use GLAC 502 – Concessionaire Commission Income, to report concession commissions.
16	Mobile Snack Bars	Reporting food, beverage snacks, and sundries sales and expenses that are provided to patrons via a mobile truck, auto or roll about cart.
25	Theme Beverage	Reporting the alcohol beverage activity of USACFSC branded beverage operations only, such as Reggies Beverage Company/Express.
26	Theme Food	Reporting USACFSC branded food operations only, such as, Primo's Express, or Reggies Express.
38	Rod & Gun Pro Shop	Reporting only resale activity, such as Rod & Gun Skeet/Trapshooting supplies sales. The sale of items are reported using the 300 series sales GLACs and must have an associated cost of goods sold (COGS) to properly reduce inventory levels. The normal revenue General Ledger Account Codes (GLACs) used are 301 – Cash Sales, or 302 – Credit Sales. Use GLAC 501 – Service/ Recreation Activity Income, to report revenue received from performing patron services. Report hunting and fishing income using department codes 59 and/or 5C. Report Rod & Gun Skeet/Trapshooting activity fees and special events (non-recurring) in department code 55.

Outdoor Recreation LL	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (LL) Rod & Gun	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
55	Rod & Gun, Skeet/Trap Shooting	Reporting revenue and expenses from operating rod & gun, skeet/trapshooting activity, including installation-wide special events that only occur once during a fiscal year. Do <i>not</i> use GLAC 509-Dues and Assessments Income, in this or any other department.
59	Hunting	Reporting hunting activity fees to defray NAF expenses incurred. Such fees are assessed in conjunction with the sale of hunting permits. Examples of expenses reported are NAF costs associated with management of organized hunts and lotteries to determine who may hunt, transportation to and from hunting stations, construction and maintenance of hunting stands.
5C	Fishing	Reporting fishing activity fees to defray NAF expenses incurred. For example, fees in conjunction with the sale of fishing permits. Examples of expenses are NAF costs associated with management of organized fishing and lotteries to determine who may fish and transportation to and from fishing expeditions.
5G	Special Events	Reporting non-recurring events such as contests etc.
F3	Miscellaneous-Tobacco	Reporting sales of tobacco products.
G1	Administration	Reporting miscellaneous income transactions (non-sales) that are not specific to one of the department codes listed above. Report NAF expenses that are <i>not</i> APF-authorized. Do <i>not</i> report sales using this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Outdoor Recreation LM	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (LM) Parachute/Skydiving	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
39	Sports Specialty Pro Shop	Reporting general resale activity. Sales are reported using the 300 series GLACs and must have cost of goods sold to properly reduce inventory levels. The sale GLACs used are 301 – Cash Sales, or 302 – Credit Sales. Use GLAC 501 – Service/Recreation Activity Income, to report revenue received from performing patron services. Instruction fees, special event fees, and activity fees are to be reported in department codes that best describe the activities.
44	Instruction Fees	Reporting revenue and expenses for providing skydiving/parachute classes or individual patron instruction. Report the instruction revenue using GLAC 534 – Instruction Fee Income. If the instruction is through a concessionaire, report the revenue received using GLAC 502 – Concessionaire Commission Income.
7L	Activity Fees	Reporting revenue and expenses from delivery of recurring parachute/skydiving jump fee core program activities. Use GLAC 501-Service/Recreation Activity Income, to record the activity fees and most services. Record equipment rentals using GLAC 504 – Rental and Usage Fees Income.
G1	Administration	Reportin revenue (non-sales) not specific to one of the department codes listed above. Report NAF administrative and management costs that are <i>not</i> APF-authorized. Do <i>not</i> report sales in this department code. Revenue GLACs that are appropriate using this code include 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Outdoor Recreation LP	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (LP) Flying	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
27	Convenience Resale	Reporting convenience sales of prepackaged goods. May also include a small vending activity. Examples are a fast/quick mart or shopette type facility where the sale of prepackaged food (not made to order), snacks/juices/bottled water, other goods and merchandise such as bait, tackle, and outdoor recreation accessories. Sales are reported using the 300 series sales GLACs and must have an associated cost of goods sold (COGS) to properly reduce inventory levels. If a concessionaire operates the convenience outlet, report the commission received using GLAC 502 – Concessionaire Commission Income.
44	Instruction Fees	Reporting revenue from fees for instruction such as learning to fly, Biennial Flight Review (BFR), IFR currency checks, ground school, etc. Expenses associated with the instruction must also be reported in this department code.
61	NAFI-owned Aircraft	Reporting revenue and expenses associated with NAFI-owned aircraft. Use GLAC 501 – Service/Recreation Activity Income, to report fees and services income.
63	Leased Aircraft	Reporting revenue and expenses associated with leased aircraft. Use GLAC 501- Service/Recreation Activity Income, to report fees and services income.
G1	Administration	Reporting miscellaneous revenue (non-sales) not specific to one of the department codes listed. Report program administrative and management costs that are <i>not</i> APF-authorized. Do <i>not</i> report sales in this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Outdoor Recreation	FY 04 NAF BUDGET GUIDANCE	
LW	Outdoor Recreation (LW) Recreational Equipment Rental/Sales	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
39	Sports Specialty Pro Shop	Recording general resale activity. The sale of items are reported using the 300 series sales GLACs and must have associated cost of goods sold (COGS) to properly reduce inventory levels. The normal revenue GLACs used are 301 – Cash Sales, or 302 – Credit Sales. Use GLAC 501 – Service/Recreation Activity Income, to report revenue received from performing patron services. Instruction fees, special event fees, and activity fees are to be reported in department codes that best describe the activities. For example, if the fee income is for boarding a dog, the income is reported in Department Code 5B-Kennels under the program code where they are managed, such as the Stables, either program codes KJ or LK (category B or C).
58	Equipment Rental	Reporting revenue and expenses of “operations centers.” Report revenue from fees and services using GLAC 501-Service/Recreation Activity Income. Use GLAC 504-Rental and Usage fees Income, to report recreation equipment rentals.
59	Hunting	Reporting hunting activity fees to defray NAF expenses. For example, fees in conjunction with the sale of hunting permits. Examples of expenses are NAF costs associated with management of organized hunts and lotteries to determine who may hunt, transportation to and from hunting stations, and construction and maintenance of hunting stands.
5C	Fishing	Reporting fishing activity fees to defray NAF expenses. For example, fees in conjunction with the sale of fishing permits. Examples of expenses are NAF costs associated with management of organized fishing and lotteries to determine who may fish, transportation to and from fishing expeditions.
B5	Ticketing	Reporting ticket sales, consignment ticket income (sales/ reservations), service/handling fees on tickets, etc.

Outdoor Recreation LW	FY 04 NAF BUDGET GUIDANCE Outdoor Recreation (LW) Recreational Equipment Rental/Sales	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
B8	Vehicles	Reporting car/RV vehicle rental activities, service/handling fees applied to rental car/RV vehicle arrangements, prepaid rental vehicle arrangement income.
G1	Administration	Reporting miscellaneous income transactions (non-sales) that are not specific to one of the department codes listed above. Report NAF program administrative and management expenses that are <i>not</i> APF-authorized. Do <i>not</i> report sales using this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Recreation Center HC	FY 04 NAF BUDGET GUIDANCE RECREATION CENTER (HC)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
7L	Social Recreation	Record income and expenses associated with the delivery of community recreation programs and services (core program). Revenue General Ledger Account Codes (GLACs) appropriate to use in this department code are: 503 – Special Events Income, 504 – Rental & Usage Fees Income, 517 – Late Charge Assessment Income, 527 – Service Charge Income, 534 – Instruction Fee income, 548 – Coupons and Special offer Discounts, 598 – Intra-fund transaction Revenue (see RECTRAC! Transaction Codes for Recreation Centers).
13	Private Parties Food Sales (Catering)	Report the cost of goods sold, labor, and other operating expenses for food catering operations using this department code. Note: the methodology used to capture/report catering costs should withstand the test of an audit.
14	Snack Bar	Record sales/income and expenses in this department that are limited food service operations where no wait-staff exists.
G1	Administration	Reporting miscellaneous income (non-sales), and NAF expenses that are <i>not</i> APF-authorized. Most NAF expenses of the Recreation Center program are authorized APF and are normally reported in department code GL . Do <i>not</i> report sales in this department code. Income GLACs that are appropriate to report in this department code include: 517 – Late Charge Assessment Income, 523 – returned Check Service Charge Income, 525 – Reimbursed ARM Expense Income, 527 – Service Charge Income and 539 – Amusement Machine Income..
E1	Bingo	Report bingo activity using this department code.

Recreation Center HC	FY 04 NAF BUDGET GUIDANCE RECREATION CENTER (HC)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
F2	Miscellaneous Sales	Reporting core program enhancements (resale and revenue generating services) such as sales of merchandise (t-shirts, hats, resale items), phone cards, merchandise on consignment, local telephone/faxing, copying service user fees, and other services, etc.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

GUIDANCE ON AUTHORIZATION AND USE OF DEPARTMENT CODES

Use RECTRAC! Transaction Codes to track specific items within each department code.

Reporting activity using Department Code, F1 – Miscellaneous, is not authorized under the Recreation Center Program Code.

Arts and Crafts	FY 04 NAF BUDGET GUIDANCE	
JB	ARTS AND CRAFTS (JB)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
34	Arts and Crafts Materials	Reporting framing activity, e.g., art prints, molding, mat board, hardware, etc., fees and sales of finished products.
91	Woodworking	Reporting woodworking activity, materials, e.g., wood/lumber, brads, nails, hardware etc., fees and sales of finished products.
92	Photography	Reporting photograph activity, materials, e.g., photo paper, film, toners, etc., fees and sales of finished photography products.
93	Multicrafts	Reporting multi-craft activity, e.g., clay, greenware, glazes, tools, stained glass, needle point, fabric, sketch pads, art pencils and pastels, acrylic paints and brushes, oil paints, etc., fees and sales of finished products.
96	Engraving	Reporting trophy and engraving activity, materials, e.g., brass blanks, wood plaques, hardware, etc., fees and sales of finished products.
97	Screen Print Shop	Reporting silkscreen activity, e.g., T-shirts, caps, mugs, banners, etc., fees and sales of finished trophies, plaques, and silkscreened products.
F2	Miscellaneous Sales	Reporting resale other materials, merchandise sales, and service fee income.
G1	Administration	Reporting miscellaneous income transactions (non-sales) that are not specific to one of the department codes above and NAF expenses (<i>not</i> APF-authorized) for program administration and management. <u>Do not</u> report sales using this department code. Income GLACs that are appropriate using this code: 527 – Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Auto Crafts	FY 04 NAF BUDGET GUIDANCE	
JC	AUTO CRAFTS (JC)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
94	Auto Shop	<p>Reporting skills development operation (patrons perform work on their vehicles with auto crafts technical staff assisting), technical and safety tasks (work performed by technical staff with patrons present), commercial services (work performed by technical staff without patron presence), and sales of new parts using this department code.</p> <p>Skills development is “do-it-yourself” patron participants who learn while doing their own work and are receiving assistance and instruction from staff. Skills development activity revenue includes fees charges for using facility space, tools, and equipment. General Ledger Account Code (GLAC) 504 – Rental & Usage Fee Income, is to be used to report transactions mentioned above.</p> <p>Special safety and technical restricted tasks work performed by the technical staff as listed in AR 215-1, Figure 8-1 and 8-2. For reporting revenue transactions such as fees and charges for safety and technical tasks performed by staff, use GLAC 501 – Service Income.</p> <p>Commercial/Staff Services, are services that are performed by the shop staff. Commercial services are resale, revenue generating in nature, and patrons need not be present when the work is being performed. The category B auto crafts program may encompass commercial activities; however, commercial/resale activities within category B operating programs are not to receive any direct appropriated fund (APF) support. The commercial automotive operations within the auto crafts category B program are not to operate at a loss and must at least breakeven. The MWR Utilization, Support and Accountability (USA) practice does not apply to any resale operation including commercial automotive service garage operations. Report the revenue transactions using GLAC 501 – Service Income. In instances where the program is contractor operated and a concessionaire commission is paid to the NAFI, report the commission in this department code using GLAC 502 – Concessionaire Commission Income.</p> <p>Sales of new/rebuilt auto parts and supplies including, specialized equipment, tools, oils and lubricants, and accessories from inventory are reported in this department using GLACs 301/302. All sales must have an associated cost of goods sold.</p>

Auto Crafts	FY 04 NAF BUDGET GUIDANCE	
JC	AUTO CRAFTS (JC)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
95	Car Wash Operations	Reporting resale car washing activity except fees collected for hose and bucket type washes. Report the revenue from hose and bucket washes in Department Code 94 – Auto Shop, using GLAC 504 – Rental & Usage Fee income. Report the type of car wash activity using GLAC 501 – Service income and RECTRAC! Transaction Codes: 8X85, for automated drive-through (brush or touchless), 8X86, for high-pressure wand (with soap suds/brush, tire cleaner, etc.), 8X87, for coin/token operated vacuums, 8X88, for MWR fund owned vending, and 8X89, private-public venture (PPV) operation commissions. When there are incidental merchandise (soap, tire cleaner, etc.) sales, record the sales using GLAC 301, maintain an inventory of merchandise, and determine and record a cost of goods sold in accordance with the DoD 7000.14-R (Section A0403).
F2	Miscellaneous Sales	Report commissions from concessionaire-furnished parts or services using GLAC 502.
9E	Auto Stripping Operations	Reporting fees collected for accepting donated used autos/parts and the issuing of used parts and/or accessories from stripping operations. Use GLAC 504 - Usage Fee income, to record such transactions.
G1	Administration	Reporting miscellaneous income transactions (not sales) that are not specific to one of the department codes above and NAF expenses that are <i>not</i> APF-authorized. Most of the Auto Crafts program administrative and management costs are authorized APF and are normally reported in department code GL. <u>Do not</u> report sales in this department code. Appropriate Income GLACs to use in this department are: 527 - Service Charge Income and 523 – Returned Check Service Charge Income.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, NAF FM operating guidance) as an alternate method of executing APF support for bowling. Refer to AR 215-1, Appendix D, and Table D-1 for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, NAF FM Operating Guidance) as an alternative method of executing APF support.

Information, Ticketing and Registration	Commercial Travel	FY 04 NAF BUDGET GUIDANCE ITR (KD, LS)	
KD	LS*	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
B5	-	Ticketing	Reporting prepaid ticket sales, consignment ticket income (sales/reservations), service/handling fees on tickets, and movie ticket sales
B6	-	Hotels	Reporting ticketing activity such as prepaid lodging income, vouchered lodging income, lodging commissions, handling fees applied to lodging arrangements.
B7	-	Tours	Reporting tour activity for traditional ITR services such as arranged local tours for on-post Private Organizations, Units, BOSS, and including other travel arrangements (charter buses, etc.), hotel reservations, drive package tour arrangements, and group tours. Also, for reporting tour service/handling fees applied to tour and travel services and rail travel (scenic) arrangements. Group tours, regardless of individual components of the activity, are reported using this department code under program code "KD".
-	B7	Tours	Reporting point-to-point non-group travel arrangements for individuals, such as vacation packages, cruises, commercially packaged tours, and activity of other travel arrangements (pet shipment, travel insurance, passport photos, etc.).
B8	-	Vehicles	Reporting car/vehicle rental activities, service/handling fees applied to rental car/vehicle arrangements, prepaid rental vehicle arrangement income.
F2	-	Miscellaneous Sales	Reporting sales activity and income from other ITR activities, for example, MWR registration fees, consignment/commissions/service/handling fee income from auto club memberships, various publications, etc., clothing/merchandise sales, and video or software rental/sales. Also, registration/entry fee income from travel trade shows, including rental income from equipment/furnishings that support travel/trade shows, and activity from special sponsorships or installation-wide events.

Information, Ticketing and Registration	Commercial Travel	FY 04 NAF BUDGET GUIDANCE ITR (KD, LS)	
KD	LS*		
Standard Department Code		DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
G1	-	Administration	Reporting miscellaneous revenue transactions (non-sales) that are not specific one of the other department codes listed under these programs. Report program NAF administrative and management expenses that are <i>not</i> APF-authorized. Most administrative/management costs of ITR are authorized APF support and would normally be reported in department code GL. Employees who work in several different departments (20% or less of their total labor hours are worked in any number of departments), labor may be reported in total using this department code.
GL	-	APF Support –Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, FY 03 NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	-	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized (see enclosure 8, FY 03 NAF FM Operating Guidance) as an alternative method of executing APF support.

* For reporting Commercial Travel Activity (GLAC 541).

Commercial Travel is defined as any point-to-point travel arrangement made on behalf of an authorized individual patron that *does not qualify* as, or is *not* a part of a group travel arrangement. Commercial travel includes commercially available airline tickets, cruises, and vacation packages. Commercial travel activity has been and is currently reported under Program Code LS – Commercial Travel. It *does not include*: group tours arranged by an ITR office, even when air or cruise travel is a part of the travel itinerary, provided such services are incidental to the ITR operation.

The RECTRAC! data collection is set to assign commercial travel transactions under Program Code LS – Commercial Travel.

Bowling (12 or Less Lanes)	Bowling (>12 Lanes)	FY 04 NAF BUDGET GUIDANCE Bowling (KA, LE)	
KA	LE	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
01	01	Regular Bar	Reporting sales and expenses associated with serving alcoholic beverages. Use regular bar to the extent possible to avoid reporting bar-related sales to a food department.
03	03	Private Parties Bar (Bar Catering)	Reporting cost of goods sold (COGS), labor, and other operating expenses of beverage (bar) catering using this department code. When catering is 25 percent or more of total bar sales for the bowling program, the income/expenses from bar catering operations <i>must be</i> reported in this department code. Note: the methodology used to capture/report catering costs should withstand the test of an audit.
13	13	Private Parties Food (Food Catering)	Reporting COGS, labor, and other operating expenses of food catering using this department code. When food-catering sales are 25 percent or more of total food sales under a bowling program, the income/ expenses from food catering operations <i>must be</i> reported in this department code. Note: the methodology used to capture/report catering costs should withstand the test of an audit.
14	14	Snack Bar	Reporting sales/income and expenses that are geared towards fast food service and/or limited food service operations where no wait-staff exists.
-	25	Theme Beverage	Reporting the beverage (bar) activity of USACFSC branded food/beverage operations only, such as Reggies Beverage Company/Express, Primo's Express, and Strike Zone, under the bowling program.
-	26	Theme Food	Reporting USACFSC branded food operations only, such as, Primo's Express, Reggies Express, and Strike Zone, or Orion branded food operations under the bowling program.

Bowling (12 or Less Lanes)		Bowling (>12 Lanes)		FY 04 NAF BUDGET GUIDANCE Bowling (KA, LE)	
KA		LE			
Standard Department Code		DEPARTMENT CODE TITLE		DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)	
39		39		Sports Specialty Pro Shop	
				Reporting merchandise sales activity using General Ledger Account Codes (GLACs) 301-302. For layaway sales, use GLAC 303 and record in accordance with guidance in chapter 6, Financial Management Regulation, DoD 7000.14-R, Volume 13. Use: GLAC 534 – Instruction Income, to report bowling instruction fees; GLAC 501 – Service Income, to report income from repair of patron’s equipment and other miscellaneous pro shop services; GLAC 504 – Rental & Usage Fee Income, to report equipment and locker rental income. Do <i>not</i> use Department Code 58 – Equipment Rental under the bowling program. When no pro shop exists, report rental activity in Department Code F1 – Miscellaneous.	
45		45		Lane Operations	
				Reporting activity associated with lane operations. For income transactions, use only the following GLACs: 535 – Lane Fees Income, 536 – Shoe Rental Income, and 503 – Special Events, which may be used to report installation-wide special events such as a millennium celebration, special feasts, or All Army Bowling trials, etc. Labor expense associated with control desk personnel and pin chasers are also to be reported in this department code.	
88		88		Property Operations, Maintenance and Energy	
				Reporting labor and other operating expenses related to maintaining the bowling center equipment, lanes and lane facility to include: maintenance crews (labor and other operating expenses), replacement parts and materials associated with the lanes, pin-spotters, automatic scorers, etc. Maintenance and repairs to other areas such as the kitchen/snack bar and pro shop, should be reported in the appropriate department code that reflects where the maintenance or repairs occurred. For example, if the maintenance was in the pro shop, report the costs to Department Code 39 – Sports Specialty Pro Shop. Any NAF costs for maintenance or repair to the structure or outside of the building(s) should be reported in Department Code G1 – Administration. If the maintenance and repair involves several operating departments within the center such lanes, pro shop, and snack bar, then prorate the expense among the appropriate department codes.	

Bowling (12 or Less Lanes)	Bowling (>12 Lanes)	FY 04 NAF BUDGET GUIDANCE Bowling (KA, LE)	
KA	LE		
Standard Department Code		DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
C1	C1	Vending (other than concessionaire)	Optional to report activity from MWR fund owned (not ARMP) vending machines when the activity warrants a separate department code. Use sales GLACs when reporting transactions.
D1	D1	Amusement Machines (Other than concessionaire)	Optional to report activity from MWR fund owned (not ARMP) amusement machines when the activity warrants a separate department code. Use sales GLACs when reporting transactions.
E1	E1	Bingo	Reporting bingo activity.
F1	F1	Miscellaneous	Optional to report sales (non-concessionaire) of merchandise that are not normally bowling incidental resale items. It also can be used to report bowling merchandise sales when the sales volume is very low and/or no pro shop operation exists. Vending and/or amusement machines, either fund owned or concessions may be reported in this department code. Use: GLAC 501 – Service Income, for vending/amusement transactions when activity volume does not need separate tracking in department code C1, GLAC 502 – Concessionaire Commission Income, for reporting concessionaire agreement income, GLAC 504 – Rental & Usage Fee Income, for miscellaneous services (room rentals, etc.) transactions, and GLAC 537 – Local Telephone Income, for transactions involving customer’s use of the activity telephone.
F3	F3	Miscellaneous Tobacco Sales	Reporting sales of tobacco products.

Bowling (12 or Less Lanes)		Bowling (>12 Lanes)		FY 04 NAF BUDGET GUIDANCE Bowling (KA, LE)	
KA		LE			
Standard Department Code		DEPARTMENT CODE TITLE		DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)	
G1		G1		Administration	
				Reporting miscellaneous income (non-sales) that cannot be more appropriately reported in another department code listed. Also, report bowling program NAF administrative and management expenses that are not valid APF costs and cannot be supported by the MWR USA practice. Note: Bowling centers that are over 12 lanes (program code LE) are category C programs. Program code LE can only use the MWR USA practice when it is located at remote and isolated installations (see AR 215-1, table 4-1). For employees who work in multiple departments (20% or less in any one department), their total labor may be reported in this department. The administration department (G1), <i>is not</i> intended for reporting sales transactions. <i>Do not</i> report sales in Department Code G1 - Administration. Department Codes G6 – Overhead and G8 – ARM Reimbursement, are <i>not</i> to be used to report activity under the bowling program. For bowling operations that receive Army Recreation Machine (ARM) expense reimbursement, report the income in this department code using GLAC 525 – Reimbursed ARM Expense.	
GL		-		APF Support – Normal Ops	
				APF-authorized NAF expenses that are in support of normal operations. Use GLAC 508 (USA Income) to account for the USA Income for service provided under this department based on the budgeted APF support outlined in the installation MOA and the actual NAF expense. No income other than GLAC 508 is authorized in this department.	
GF		-		APF Support - Expanded Ops	
				APF-authorized <i>NET</i> NAF expenses that are in support of expanded operations. Use GLAC 508 to account for the USA Income for service provided under this department based on the budgeted APF support outlined in the installation MOA and the actual NAF expense. No income other than GLAC 508 is authorized in this department.	

Bowling (12 or Less Lanes)	Bowling (>12 Lanes)	FY 04 NAF BUDGET GUIDANCE Bowling (KA, LE)	
KA	LE		
Standard Department Code		DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
GH	-	APF Support - Security	APF-authorized NAF expenses that are in support of MWR facilities and patrons. Use GLAC 508 to account for the USA Income for service provided under this department based on the budgeted APF support outlined in the installation MOA and the actual NAF expense. No income other than GLAC 508 is authorized in this department.
GJ	-	APF Support - EEC	APF-authorized NAF expenses that are in support of Emer. Essential Civ. Use GLAC 508 to account for the USA Income for service provided under this department based on the budgeted APF support outlined in the installation MOA and the actual NAF expense. No income other than GLAC 508 is authorized in this department.

GOLF	FY 04 NAF BUDGET GUIDANCE	
LQ	GOLF (LQ)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
01	Regular Bar	Reporting sales and expenses associated with alcoholic beverages. Use regular bar department to the extent possible to avoid charging bar-related sales to a food department.
03	Private Parties Bar (Bar Catering)	Reporting the cost of goods sold (COGS), labor, and other operating expenses of beverage catering operations using this department code. When catering is 25 percent or more of total bar sales of the golf program (Program Code, LQ - Golf), the income/expenses from bar catering operations <i>must</i> be reported in this department code. Note: the methodology used to capture/report catering costs should withstand the test of an audit.
13	Private Parties Food (Food Catering)	Capture COGS, labor, and other operating expenses of food catering operations using this department code. When food catering sales are 25 percent or more of total food sales under the golf program, (Code, LQ – Golf), the income/expenses from food catering operations <i>must</i> be reported in this department code. Note: the methodology used to capture catering costs should withstand the test of an audit.
14	Snack Bar	Reporting sales/income and expenses in this department that are limited food-service operations where no wait-staff exists.
11	Dining	Reporting sales/income and expenses associated with full-service dining, i.e., sit-down, full-service dining with wait-staff.
25	Theme Beverage	Reporting the beverage (bar) activity for USACFSC branded food operations only, such as: Mulligan's and Reggies Beverage Company under the golf program.
26	Theme Food	Reporting the food activity for USACFSC branded food operations only, such as: Primo's, Reggies Beverage Company, and Mulligan's, under the golf program.

GOLF	FY 04 NAF BUDGET GUIDANCE	
LQ	GOLF (LQ)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
39	Sports Specialty Pro Shop	Reporting sales/income and expenses associated with the following: resale merchandise General Ledger Account Codes (GLACs) 301-307), gift certificate sales in general ledger account code (GLAC), 267 – Miscellaneous Other Unearned Income, when issued, and GLAC 301/302 when redeemed. For layaway sales use GLAC 303 and record per guidance in chapter 6, Financial Management Regulation, DoD 7000.14-R, volume 13. Use only GLAC 534 – Instruction Fee Income, in this department code, to report golf instruction fees. Report equipment repair income and club/equipment/locker rental using GLAC 504 – Rental and Usage Fee Income. Report handicapping services income, using GLAC 501 – Service Income, in this department code. Do not report golf cart activity in this department code (see Department 43 below for golf cart activity). If the golf program maintains the vending machines located throughout the course report the sales in this department.
41	Greens Operations	Reporting income from play in this department using the following GLACs only: 1. GLAC 501 – Service/Recreation Activity Income, is used to report the user or maintenance fees where implemented. 2. Punch/Multi-Play Card Income, use GLAC 267 – Misc Other Unearned Income, to the record customer purchase. Use GLAC 507 - Guaranteed Participation Income, for reporting the redemption of punch/multi-play cards (see #5 below). 3. Advance green fee payments use GLAC 267 – Misc Other Unearned Income, to record payment. Prorate the payment monthly using GLAC 509 – Dues and Assessment Income. 4. The GLAC 531 - Greens Fee Income, is used for reporting daily green fees. 5. Miscellaneous Other Operating Income, #599 is used in rare circumstances only when no other 500 series GLAC is appropriate. An example is when reporting unredeemed punch/multi-play card revenue at end of a course season. The GLAC 599 is used to report unredeemed punch/multi-play card balance.

GOLF	FY 04 NAF BUDGET GUIDANCE	
LQ	GOLF (LQ)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
42	Driving Range	Reporting driving range activity. Revenue should be reported using GLAC 532 – Driving Range Income. Expenses should include labor associated with the collection of balls from the range and dispensing them to patrons, maintenance and operation of the range ball collection equipment, replacement of balls and mats (where their expected life is less than 24 months).
43	Golf Carts	Reporting income and expense associated with motorized golf cart rentals. Cart rental fees, including trail fees, should be recorded using GLAC 533 – Golf Cart Income. Expenses are to include any labor and materials associated with equipment operations, and maintenance and repair, including repair/replacement parts, oils and fuels and depreciation. Report payments associated with golf cart leases in this department code. Also, report interest expense and depreciation associated with a golf cart capital lease in this department code.
88	Property Operations Maintenance and Energy	Reporting labor and other operating expenses that are for operating and maintaining the golf course. Golf course maintenance includes energy/ utility usage, greens keeper labor, tractor operators, and materials/supplies and expendable equipment such as rakes, hoses, sprinkler heads, signage, tee markers, flags, scorecards, etc. Facility maintenance and repair expenses are to be reported in an appropriate department code that reflects where the maintenance and repairs actually occurred. For example, if the maintenance occurred in the pro shop, the expense must be reported in Department Code, 39 – Pro Shop. Any NAF costs for maintenance and repair to the building structure outside should be reported in Department Code, G1 – Administration. If the maintenance or repair involves several departments within the facility such as pro shop and snack bar, the expense is to be prorated and reported among the appropriate department codes. For golf, the only facility maintenance and repair that is appropriate to record in Department Code, 88 – Property Operations, would be the cost of maintenance and repair to buildings or “sheds” that house course maintenance equipment and supplies.

GOLF	FY 04 NAF BUDGET GUIDANCE	
LQ	GOLF (LQ)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
F3	Miscellaneous Tobacco Sales	Reporting tobacco product sales. Use of this department code is optional.
G1	Administration	Reporting NAF miscellaneous income (non-sales) expenses that are program administration and management and are not specific to departments listed above. Report program administrative and overhead expenses including management salaries, salary of administrative assistants or clerks that do not perform duties specific to any one operating department within the program (20% or less of their total labor in any one department). Also report labor and other operating expenses associated with collections or bad debts, and advanced green fee patron account administration expenses.
GL	APF Support – Normal Operations	Recording APF-authorized NAF expenses that are in support of normal operations. Use this department and GLAC 508 - USA Income, to report the USA revenue from services provided based on the APF support authorized in the MOA. No income other than GLAC 508 is authorized in this department.
GF	APF Support - Expanded Operations	APF-authorized <i>NET</i> NAF expenses that are in support of expanded operations. Use this department and GLAC 508 - USA Income, to report the revenue from services provided based on the APF support authorized in the MOA. No income other than GLAC 508 is authorized in this department.
GH	APF Support - Security	APF-authorized NAF expenses that are in security support of MWR facilities and patrons. Use this department and GLAC 508 - USA Income, to report the revenue from services provided based on the APF support authorized in the MOA. No income other than GLAC 508 is authorized in this department.
GJ	APF Support – Emergency Essential Civilian (EEC)	APF-authorized NAF expenses that are in support of EEC. Use this department code and GLAC 508 - USA Income, to report the revenue from services provided based on the APF support authorized in the MOA. No other income other than GLAC 508 is authorized in this department.

FMD	FY 04 NAF BUDGET GUIDANCE	
RF	FINANCIAL MANAGEMENT (RF)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
89	Marketing	Reporting a marketing activity when no marketing division (Program Code RU) exists and the activity is assigned to the Financial Management Division (FMD).
G2	Accounting	Optional, for tracking the cost of liaison and other expense associated with submission of accounting documents to NAF Financial Services (NFS).
G4	Procurement	Reporting a NAF procurement activity when no Services Division (Program Code RE) exists and the NAF procurement activity is operationally assigned to the FMD.
G7	Tax Relief Program (EURO Region Only)	Reporting Tax Relief program activity.
GE	Utility Program VAT (EURO Region Only)	Reporting Utility Program VAT activity.
GG	CFE Base Closure Cost (EURO Region Only)	Reporting EURO Region CFE NAF Base Closure Cost for FMD.
GK	Esprit Card	Reporting Esprit administrative and consolidated receivable operation costs.
GM	Information Management	Reporting Information Management (IM) activity when no MWR Information Technology Services Division (Program Code RI) exists and IM is assigned to the FMD. However, management is encouraged to report the costs associated with providing information technology as a program cost under Program Code RI – Information Technology Services, rather than under this or another fund division program code. Even when operationally assigned to a division chief such as the FMD, Fund manager, Services Division, etc., preferred reporting is under Program Code RI.
5J	Unit Activities	Optional, for reporting FMD cost associated with monitoring and administering unit fund activity. Report revenue and expenses of unit fund activity under Program Code HD – Unit Activities.

FMD	FY 04 NAF BUDGET GUIDANCE	
RF	FINANCIAL MANAGEMENT DIVISION (RF)	
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
G1	Administration	Reporting miscellaneous income (non-sales) and NAF expenses that are not authorized APF (cannot be supported by the MWR USA Practice) in this department code. Most expenses for conducting financial management are authorized APF and should be reported in department code GL.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	APF Support – Expanded Operations, APF Support – Security, APF Support - Emergency Essential Civilian	Reporting all APF-authorized NAF expenses for activity that meet the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. The MWR USA process is authorized as an alternative method of executing APF support.

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Child Development Services / CYS Base (CDS/CYS)	Outreach Services - CYS Services & Central Registration (OS)	Training and Curriculum Specialists (TACS)	Child Development Center Programs (CDC)	Family Child Care Programs (On/Off Post) (FCC)	Family Child Care Subsidies (FCC-Sub)	CHILD DEVELOPMENT SERVICES (CDS)	
PROGRAM CODES*						DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
PC	PG	PL	JG	PD	QM		
STANDARD DEPARTMENT CODES*							
-	-	-	72	-	-	Part Day Preschool	Exclusive for reporting Part-Day Preschool (PDPS) programs.
-	-	-	73	-	-	Full Day Care	For reporting Full-Day Care programs.
-	-	-	74	-	-	Hourly Care	For reporting Hourly/Drop-In Care programs.
-	-	-	78	-	-	Part Day Care - Misc.	Part-Day Services (other than PDPS and Kindergarten) that are tracked separately. Includes standardized programs for shift workers or volunteers.
-	7C	-	-	-	-	CYS Options / Support	All income/expenses for CYS Resource & Referral, Youth Sponsorship, CYS Outreach Care Options (Short Term Alternative Child Care (STACC), Contracted Spaces, Neighborhood Activity Homes, Parent Co-Ops, Mobile CYS Programs, etc.).
-	7D	-	7D	7D	-	Food Program	Food service operations, USDA payments.
-	-	-	7F	-	-	Kindergarten	Army-operated Kindergarten program. Also includes before and/or after school services for children ages 4-6 who attend Kindergarten (on/off post). Service is provided during the school year and all day on teacher inservice days/school holidays.
-	-	-	7Q	-	-	Before/After School Care	Before and/or After school services for Elementary School children provided during duty hours for the school year and all day on teacher inservice days/school holidays.
-	F1	-	F1	-	-	Miscellaneous	Programs/services not covered by other listed codes.
G1	G1	G1	G1	G1	-	Administration	Program overhead/administration and management. NOTE: Use Program Code PG (OS), Dept Code G1, GLAC 501, to report all CYS registration fees.
GL	GL	GL	GL	GL	-	APF Support - Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MMR USA process is authorized (see enclosure 8, FY 04 NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	-	APF Support - Expanded Operations, Security, Emergency Essentialial Civilian	Reporting all APF-authorized NAF expenses for activity that meets the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. See enclosure 8, FY 04 NAF FM Operating Guidance to use MMR USA practice.

* Budgeting any department code other than those listed on this matrix requires coordination with CFSC-CYS.

Abbreviations: CDC - Child Development Center
 CDS - Child Development Services
 CYS - Child & Youth Services
 FCC - Family Child Care
 FD - Full Day Care

MMR USA - Utilization, Support & Accountabilit TAPS - Training & Programming Specialist
 PDPS - Part-Day Preschool
 SAS - School-Age Services
 OS - Outreach Services
 TACS - Training & Curriculum Specialist
 USDA - United States Department of Agriculture
 YS - Youth Services

School-Age Services (SAS)

PROGRAM CODE

QL

STANDARD DEPARTMENT CODES*

DEPARTMENT CODE TITLE

**DEPARTMENT CODE DESCRIPTION
(USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)**

FY 04 NAF BUDGET GUIDANCE

SCHOOL-AGE SERVICES (SAS)

5G	Special Events	Includes one-time special activities such as recitals, fests, etc.
77	Camps	Full/part-day camps offered weekdays during parental duty hours for Elementary School children.
7D	Food Program	Food service operations, USDA Payments.
7F	Kindergarten	Army-operated Kindergarten program. Also includes before and/or after school services for children who attend Kindergarten (on/off post). Service is provided during the school year and all day on teacher in-service days/school holidays.
7Q	Before/After School Care	Before and/or After School services for Elementary School children ages 6-10. Provided during duty hours for the school year and all day on teacher in-service days/school holidays.
7R	Open Recreation	Hourly/drop-in Open Recreation services for Elementary School children ages 6-10 provided during duty hours.
F1	Miscellaneous	Programs/services not covered by other listed codes.
G1	Administration	Program admin, management, general activities. NOTE: Use Program Code PG (OS program), GLAC 501, to report all SAS/CYS registration fees.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process (Operating Guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix I authorizations.
GF, GH , GJ	APF Support – Expanded Operations	Reporting all APF-authorized NAF expenses for activity that meets the definitions in NAF Financial Management Security, Emergency Use for Civilian dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. Also, see enclosure 8, FY 04 M Practice.

* Budgeting any department code other than those listed on this matrix requires coordination with CFSC-CYS.

Abbreviations:

CDC - Child Development Center

CDS - Child Development Services

CYS - Child & Youth Services

FCC - Family Child Care

FD - Full Day Care

MWR USA - Utilization, Support & Accountability

PDPS - Part-Day Preschool

SAS - School-Age Services

OS - Outreach Services

TACS - Training & Curriculum Specialist

TAPS - Training & Programming Specialist

USDA - United States Department of Agriculture

YS - Youth Services

FY 04 NAF BUDGET GUIDANCE

YOUTH SERVICES (YS)

Youth Services / CYS Base (YS/CYS)	Outreach Services - CYS Programs & Instructional Classes (OS-S)	Training & Programming Specialists (TAPS)	Middle School/Teen Programs (MS/Teen)	Youth Sports & Fitness (S&F)		
PROGRAM CODES						
PH	PM	PJ	JM	JH		
STANDARD DEPARTMENT CODES*					DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
14	-	-	-	-	Snack Bar	All Snack Bar food and beverage resale operations.
-	44	-	-	-	Instructional Fees	Instructional classes and specialty clinics such as gymnastics, ballet, piano, 3-on-3, etc.
5G	5G	-	5G	5G	Special Events	One-time special activities such as Special Olympics, Teen Discovery, etc.
-	-	-	77	77	Camps	Full/part-day vacation camps for Middle School/Teens and specialty or sports camps for all
					CYS Options / Support	All income/expenses for CYS Outreach Services (Home School Families, School Partnerships, Special Needs Research Team, Marketing, Boys & Girls Club Affiliation, etc) and Parent Services/ Education (Parent Advisory Council, Resource Library, Newsletters, Parent training etc.), Community Service (Promise Passport, Volunteer Management, etc.), grants/donations.
-	7C	-	-	-		
-	-	-	7D	-	Food Program	Food service operations, USDA Payments
-	-	-	7Q	-	Before/After School Care	Before and/or After School services for Middle School/Teens provided during duty hours for the school year and all day on teacher in-service days/school holidays.
7L	-	-	-	7L	Activity Fees	Recurring activities such as dances, trips, cultural arts, crafts, hobby/recreation clubs, team sports fees, individual sports fees, etc.
7R	-	-	-	-	Open Recreation	All hourly/drop-in Open Recreation services for children/youth ages 6-18 on weekends and evenings.
C1	-	-	-	-	Vending (Other Than Concession)	Vending/amusement machines operated or managed by YS programs (non-concessionaire).
-	F1	-	F1	F1	Miscellaneous	Programs/services not covered by other listed codes.
G1	G1	G1	G1	G1	Administration	Program overhead/administration and management. NOTE: Use Program Code PG (OS Programs & Central Registration), Dept Code G1, GLAC 501, to report all CYS registration fees.
GL	GL	GL	GL	GL	APF Support - Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, FY 04 NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	APF Support - Expanded Operations, Security, Emergency Essentialial Civilian	Reporting all APF-authorized NAF expenses for activity that meets the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. See enclosure 8, FY 04 NAF FM Operating Guidance to use MWR USA practice.

* Budgeting any department code other than those listed on this matrix requires coordination with CFSC-CYS.

Abbreviations:

CDC - Child Development Center
 CDS - Child Development Services
 CYS - Child & Youth Services
 FCC - Family Child Care
 FD - Full Day Care

MWR USA - Utilization, Support & Accountability
 PDPS - Part-Day Preschool
 SAS - School-Age Services
 OS - Outreach Services
 TACS - Training & Curriculum Specialist

TAPS - Training & Programming Specialist
 USDA - United States Department of Agriculture
 YS - Youth Services

FY 04 NAF BUDGET GUIDANCE CHILD AND YOUTH SERVICES OVERVIEW

MDEP:	OCCS							QYDP				
	Child Development Services / Child & Youth Services Base (CDS/CYS)	Outreach Services - CYS Services & Central Registration (OS-Prog)	Training & Curriculum Specialists (TACS)	Child Development Centers (CDC)	Family Child Care (FCC)	Family Child Care Subsidies (FCC Sub)	School-Age Services (SAS)	Youth Services / Child & Youth Services Base (YS/CYS)	Outreach Services - CYS Services/ Instructional Classes (OS-Svcs)	Training & Program Specialists (TAPS)	Middle School/Teen Programs (MS/Teen)	Youth Sports / Fitness (S&F)
APF AMS CODE:	.25	.28	.22	.21	.24	.27	.26	.33	.32	.29	.34	.31
NAF PROGRAM/FCA CODE:	PC	PG	PL	JG	PD	QM	QL	PH	PM	PJ	JM	JH
NAF DEPARTMENT CODES:												
Used by CDS/SAS Programs:												
72	Part Day Preschool			X								
73	Full Day Care			X								
74	Hourly Care			X								
78	Part Day Care - Misc			X								
7F	Kindergarten			X			X					
7Q	Before/After School			X			X				X	
Used by SAS/YS Programs:												
14	Snack Bar							X				
5G	Special Events						X	X	X		X	X
77	Camps						X				X	X
7L	Activity Fees							X				X
7R	Open Recreation						X	X				
C1	Vending							X				
CYS Admin/Support/Multiple Programs:												
44	Instructional Fees								X			
7C	CYS Options/Support		X						X			
7D	Food Program		X		X		X				X	
F1	Miscellaneous		X		X		X		X		X	X
G1	Administration	X	X	X	X	X	X	X	X	X	X	X
GL	Dem.Resources (MWRUSA)	X	X	X	X	X	X	X	X	X	X	X

NOTES / DEFINITIONS:

CDS/CYS Base Includes: 100% of CDS Coordinator/Admin, **60% of CYS Coordinator/Operations Specialist/Admin.**

OS-CYS Programs & Central Registration Includes: CYS Central Registration, CYS Resource & Referral, Youth Sponsorship, alternative Outreach Care Options (Short-Term Alternative Child Care, Volunteer Child Care in Unit Settings, Babysitter Referral, Mobile CYS Programs, Neighborhood Activity Homes, Parent Co-Ops, off-post Contracted Spaces, etc).

TACS (Training & Curriculum Specialists) Includes: Training and technical assistance for CDC/FCC/SPS program staff, FCC providers and specified volunteers.

CDC Includes: Full Day, Part Day and Hourly care services for children 6 weeks to 10 years of age.

FCC Includes: FCC program management and USDA reimbursements for providers.

FCC Subsidy Includes: Direct and indirect subsidies given to FCC providers.

SAS Includes: Before/after school care, vacation services, drop-in/open recreation and camps for Elementary School children during parental duty hours.

YS/CYS Base Includes: 100% of YS Director/Admin, **40% of CYS Coordinator/Operations Specialist/Admin**, programs and services for children/youth ages 6-18 on weekends and evenings, vending/amusement machines operated by YS programs.

OS-CYS Services & Instructional Classes Includes: Instructional Classes, Parent Services/Education (Parent Advisory Council, Resource Library, Newsletters, Parent Training, etc), Outreach Services (Home School Families, Special Needs Resource Team, School Partnerships, Marketing, Boys & Girls Club Affiliation, etc), School Liaison Officer Duties & Functions, Community Service (Promise Passport, Volunteer Management, etc), Grants/Donations (CFC, B&GC, etc), and Special Events.

TAPS (Training & Programming Specialists) Includes: Training and technical assistance for School-Age, Middle School and Teen program assistants and specified volunteers.

Middle School/Teen Includes: Before/after school, vacation services, and camps for Middle School/Teens weekdays during parental duty hours. Also includes all weekend/evening activities for children/youth (ages 6-18). Program areas included are Arts, Recreation & Leisure; Life Skills, Citizenship & Leadership Opportunities; Mentoring, Intervention & Support Services.

Youth Sports/Fitness Includes: Individual and group "Sports, Fitness and Health Options" for children/youth ages 6-18.

School-Age Services (SAS)

FY 04 NAF BUDGET GUIDANCE

PROGRAM CODE

SCHOOL-AGE SERVICES (SAS)

QL

STANDARD DEPARTMENT CODES*

DEPARTMENT CODE TITLE

**DEPARTMENT CODE DESCRIPTION
(USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)**

5G	Special Events	Includes one-time special activities such as recitals, fests, etc.
77	Camps	Full/part-day camps offered weekdays during parental duty hours for Elementary School children.
7D	Food Program	Food service operations, USDA Payments.
7F	Kindergarten	Army-operated Kindergarten program. Also includes before and/or after school services for children who attend Kindergarten (on/off post). Service is provided during the school year and all day on teacher in-service days/school holidays.
7Q	Before/After School Care	Before and/or After School services for Elementary School children ages 6-10. Provided during duty hours for the school year and all day on teacher in-service days/school holidays.
7R	Open Recreation	Hourly/drop-in Open Recreation services for Elementary School children ages 6-10 provided during duty hours.
F1	Miscellaneous	Programs/services not covered by other listed codes.
G1	Administration	Program admin, management, general activities. NOTE: Use Program Code PG (OS program), GLAC 501, to report all SAS/CYS registration fees.
GL	APF Support – Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process (Operating Guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix I authorizations.
GF, GH , GJ	APF Support – Expanded Operations	Reporting all APF-authorized NAF expenses for activity that meets the definitions in NAF Financial Management Security, Emergency Use for Civilian dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. Also, see enclosure 8, FY 04 M Practice.

* Budgeting any department code other than those listed on this matrix requires coordination with CFSC-CYS.

Abbreviations:

CDC - Child Development Center

PDPS - Part-Day Preschool

YS - Youth Services

CDS - Child Development Services

SAS - School-Age Services

CYS - Child & Youth Services

OS - Outreach Services

FCC - Family Child Care

TACS - Training & Curriculum Specialist

FD - Full Day Care

TAPS - Training & Programming Specialist

MWR USA - Utilization, Support & Accountability

USDA - United States Department of Agriculture

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YOUTH SERVICES (YS)

Youth Services / CYS Base (YS/CYS)	Outreach Services - CYS Programs & Instructional Classes (OS-S)	Training & Programming Specialists (TAPS)	Middle School/Teen Programs (MS/Teen)	Youth Sports & Fitness (S&F)		
PROGRAM CODES						
PH	PM	PJ	JM	JH		
STANDARD DEPARTMENT CODES*					DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
14	-	-	-	-	Snack Bar	All Snack Bar food and beverage resale operations.
-	44	-	-	-	Instructional Fees	Instructional classes and specialty clinics such as gymnastics, ballet, piano, 3-on-3, etc.
5G	5G	-	5G	5G	Special Events	One-time special activities such as Special Olympics, Teen Discovery, etc.
-	-	-	77	77	Camps	Full/part-day vacation camps for Middle School/Teens and specialty or sports camps for all
					CYS Options / Support	All income/expenses for CYS Outreach Services (Home School Families, School Partnerships, Special Needs Research Team, Marketing, Boys & Girls Club Affiliation, etc) and Parent Services/ Education (Parent Advisory Council, Resource Library, Newsletters, Parent training etc.), Community Service (Promise Passport, Volunteer Management, etc.), grants/donations.
-	7C	-	-	-		
-	-	-	7D		Food Program	Food service operations, USDA Payments
-	-	-	7Q		Before/After School Care	Before and/or After School services for Middle School/Teens provided during duty hours for the school year and all day on teacher in-service days/school holidays.
7L	-	-	-	7L	Activity Fees	Recurring activities such as dances, trips, cultural arts, crafts, hobby/recreation clubs, team sports fees, individual sports fees, etc.
7R	-	-	-	-	Open Recreation	All hourly/drop-in Open Recreation services for children/youth ages 6-18 on weekends and evenings.
C1	-	-	-	-	Vending (Other Than Concession)	Vending/amusement machines operated or managed by YS programs (non-concessionaire).
-	F1	-	F1	F1	Miscellaneous	Programs/services not covered by other listed codes.
G1	G1	G1	G1	G1	Administration	Program overhead/administration and management. NOTE: Use Program Code PG (OS Programs & Central Registration), Dept Code G1, GLAC 501, to report all CYS registration fees.
GL	GL	GL	GL	GL	APF Support - Normal Operations	Reporting all APF-authorized NAF expenses in support of normal operations. The MWR USA process is authorized (see enclosure 8, FY 04 NAF FM operating guidance) as an alternate method of executing APF support. Refer to AR 215-1, Appendix D, Table D-1, for specific expense element authorizations.
GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	GF, GH, GJ	APF Support - Expanded Operations, Security, Emergency Essentialial Civilian	Reporting all APF-authorized NAF expenses for activity that meets the definitions in NAF Financial Management Memorandums 02-01 and 02-02, dated 01 Oct 01, and 09 Nov 01, subject: New NAF Department Codes. See enclosure 8, FY 04 NAF FM Operating Guidance to use MWR USA practice.

* Budgeting any department code other than those listed on this matrix requires coordination with CFSC-CYS.

Abbreviations:

CDC - Child Development Center
 CDS - Child Development Services
 CYS - Child & Youth Services
 FCC - Family Child Care
 FD - Full Day Care

MWR USA - Utilization, Support & Accountability
 PDPS - Part-Day Preschool
 SAS - School-Age Services
 OS - Outreach Services
 TACS - Training & Curriculum Specialist

TAPS - Training & Programming Specialist
 USDA - United States Department of Agriculture
 YS - Youth Services

FY 04 NAF BUDGET GUIDANCE CHILD AND YOUTH SERVICES OVERVIEW

MDEP:		OCCS						QYDP					
		Child Development Services / Child & Youth Services Base (CDS/CYS)	Outreach Services - CYS Services & Central Registration (OS-Prog)	Training & Curriculum Specialists (TACS)	Child Development Centers (CDC)	Family Child Care (FCC)	Family Child Care Subsidies (FCC Sub)	School-Age Services (SAS)	Youth Services / Child & Youth Services Base (YS/CYS)	Outreach Services - CYS Services/ Instructional Classes (OS-Svcs)	Training & Program Specialists (TAPS)	Middle School/Teen Programs (MS/Teen)	Youth Sports / Fitness (S&F)
APF AMS CODE:		.25	.28	.22	.21	.24	.27	.26	.33	.32	.29	.34	.31
NAF PROGRAM/FCA CODE:		PC	PG	PL	JG	PD	QM	QL	PH	PM	PJ	JM	JH
NAF DEPARTMENT CODES:													
Used by CDS/SAS Programs:													
72	Part Day Preschool				X								
73	Full Day Care				X								
74	Hourly Care				X								
78	Part Day Care - Misc				X								
7F	Kindergarten				X		X						
7Q	Before/After School				X		X				X		
Used by SAS/YS Programs:													
14	Snack Bar							X	X				
5G	Special Events						X	X	X		X	X	
77	Camps						X				X	X	
7L	Activity Fees							X					X
7R	Open Recreation						X	X					
C1	Vending							X					
CYS Admin/Support/Multiple Programs:													
44	Instructional Fees									X			
7C	CYS Options/Support		X						X				
7D	Food Program		X		X	X	X				X		
F1	Miscellaneous		X		X		X		X		X	X	
G1	Administration	X	X	X	X	X	X	X	X	X	X	X	X
GL	Dem.Resources (MWRUSA)	X	X	X	X	X	X	X	X	X	X	X	X

NOTES / DEFINITIONS:

CDS/CYS Base Includes: 100% of CDS Coordinator/Admin, **60% of CYS Coordinator/Operations Specialist/Admin.**

OS-CYS Programs & Central Registration Includes: CYS Central Registration, CYS Resource & Referral, Youth Sponsorship, alternative Outreach Care Options (Short-Term Alternative Child Care, Volunteer Child Care in Unit Settings, Babysitter Referral, Mobile CYS Programs, Neighborhood Activity Homes, Parent Co-Ops, off-post Contracted Spaces, etc).

TACS (Training & Curriculum Specialists) Includes: Training and technical assistance for CDC/FCC/SPS program staff, FCC providers and specified volunteers.

CDC Includes: Full Day, Part Day and Hourly care services for children 6 weeks to 10 years of age.

FCC Includes: FCC program management and USDA reimbursements for providers.

FCC Subsidy Includes: Direct and indirect subsidies given to FCC providers.

SAS Includes: Before/after school care, vacation services, drop-in/open recreation and camps for Elementary School children during parental duty hours.

YS/CYS Base Includes: 100% of YS Director/Admin, **40% of CYS Coordinator/Operations Specialist/Admin**, programs and services for children/youth ages 6-18 on weekends and evenings, vending/amusement machines operated by YS programs.

OS-CYS Services & Instructional Classes Includes: Instructional Classes, Parent Services/Education (Parent Advisory Council, Resource Library, Newsletters, Parent Training, etc), Outreach Services (Home School Families, Special Needs Resource Team, School Partnerships, Marketing, Boys & Girls Club Affiliation, etc), School Liaison Officer Duties & Functions, Community Service (Promise Passport, Volunteer Management, etc), Grants/Donations (CFC, B&GC, etc), and Special Events.

TAPS (Training & Programming Specialists) Includes: Training and technical assistance for School-Age, Middle School and Teen program assistants and specified volunteers.

Middle School/Teen Includes: Before/after school, vacation services, and camps for Middle School/Teens weekdays during parental duty hours. Also includes all weekend/evening activities for children/youth (ages 6-18). Program areas included are Arts, Recreation & Leisure; Life Skills, Citizenship & Leadership Opportunities; Mentoring, Intervention & Support Services.

Youth Sports/Fitness Includes: Individual and group "Sports, Fitness and Health Options" for children/youth ages 6-18.

FY04 NAF BUDGET GUIDANCE COMMERCIAL SPONSORSHIP/ADVERTISING		
Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
9G	Commercial Sponsorship	<p>Commercial Sponsorship revenue is to be reported using GLAC 553 under the department within the program or programs that put on (deliver) the sponsored event/activity. When the sponsorship money is received in advance of the event/activity (not within the same month the event/activity is executed), the transaction is recorded using GLAC 267 – Miscellaneous Unearned Income, instead of GLAC 553 – Commercial Sponsorship Income. When the event/activity is executed, a transaction is recorded that moves the amount originally recorded in GLAC 267 to GLAC 553 – Commercial Sponsorship Income. When an event that has a contractual agreement to receive sponsorship money occurs prior to the actual receipt of the cash, the amount of cash that will eventually be received is recorded as income using GLAC 553 on the day the event occurs with a contra to a GLAC 140 – Miscellaneous Other Receivables. When the cash is actually received, credit GLAC 140 on the DAR.</p> <p>The expenses incurred to obtain and administer the commercial sponsorship are recorded in department code 9G, under Program Code RU – Marketing. Expenses include, but are not limited to: labor, items used directly in or a part of the sponsorship activity, associated costs, and training/professional development costs. Examples of items used directly in the sponsorship activity are general supplies, ads for sponsorship opportunities, printed solicitation pieces or proposals for sponsorship, promotional items purchased for sponsors, and sponsorship recognition and appreciation events. Examples of some associated costs are the commercial sponsorship manager’s travel expenses when traveling for sponsorship purposes, postage, freight, and long distance phone calls. Training/Professional Development examples are industry association memberships, related course work, and conference registration fees.</p> <p>Expenses incurred due to delivering the event/activity <u>are not commercial sponsorship expenses, nor are they to be reported using this department or the marketing program code.</u> The expenses are to be reported under the program code of the program that actually puts on (delivers) the event/activity.</p>

FY04 NAF BUDGET GUIDANCE
COMMERCIAL SPONSORSHIP/ADVERTISING

Standard Department Code	DEPARTMENT CODE TITLE	DEPARTMENT CODE DESCRIPTION (USE THIS CODE FOR INCOME/EXPENSES RELATED TO:)
9H	Advertising	<p>Installation commercial advertising revenue generated during the fiscal year by the marketing or advertising office is reported using GLAC 557 – Advertising Revenue, and department code 9H, under Program Code RU – Marketing. Commercial advertising revenue is any income generated by selling advertising space in NAFI publications, media, or other venues, such as banners, signs, etc., to include electronic formats, i.e. unofficial websites.</p> <p>Report expenses directly associated with the sale of commercial advertising in department code 9H, under RU – Marketing, using appropriate expense GLACs. Expenses incurred for “in-house” printing of NAFI publications are also to be reported in this department code. The cost of any item used directly in the advertising sales process is to be reported in this department code. Examples are general supplies, printed solicitation pieces or proposals for ads, and direct mailings. The costs of printing and/or creating NAFI publications and media where a commercial advertisement is placed <i>is not</i> a direct advertising expense and would be reported in department code 89 – Marketing. For example, when the MWR fund or a MWR program within the fund sells advertising space in a MWR magazine, the expense of printing the publication is not an advertising expense, but rather a printing expense that is to be reported in the marketing division/department. Materials created to promote an event or program that include a sponsor logo or mention would also not be considered a direct advertising expense, but rather an expense of marketing. The associated costs directly related to the IMWRF’s advertising program are to be reported using this department code. Examples of associated costs are travel expenses of an advertising department manager when the travel is directly connected with the advertising; postage and freight that is part of the advertising and long distance phone calls. Report the training and professional development expenses that are directly associated with advertising in this department code. Some examples of these expenses are industry association memberships, related coursework, and conference registration fees.</p>

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

- **PLEASE SEE PAGE 20 OF THIS TAB FOR REVISED APF REPORTING AND ACCOUNT CODES.**
- **PLEASE SEE PAGE 23 OF THIS TAB FOR UNIFORM FUNDING AND MANGEMENT (UFM) INFORMATION.**

1. References:

a. AR 215-1, paragraph 4-3 (DOD MWR Utilization, Support and Accountability) and Appendix D (APF Authorization for Elements of Expense). (http://books.army.mil:80/cgi-bin/bookmgr/BOOKS/R215_1/CCONTENTS). (POC is Christine French, CFSC-FM-C, DSN, 761-7298 or COM (703) 681-7298, e-mail: Christine.French@cfsc.army.mil.)

b. Appropriated Fund (APF) Element of Resource for USA for MWR. (<http://www.armymwr.com/corporate/operations/financial/usa/eor.asp>) (POC is James Garfield, CFSC-FM-M, DSN, 761-7312 or COM (703) 681-7312, e-mail: James.Garfield@cfsc.army.mil.)

2. General.

a. The MWR USA Funding Practice is designed to give more flexibility to commanders to effectively maintain and improve the well-being of soldiers. Commanders and APF and NAF resource managers can execute a Memorandum of Agreement to use nonappropriated funds to provide appropriated fund-authorized services in support of MWR programs, with subsequent payment to the nonappropriated fund instrumentality (NAFI) for these services from appropriated funds. The MWR USA Funding Practice can be used to finance personnel services, supplies, furniture, fixtures and equipment, routine maintenance, and other operating expenses for specified MWR programs. Appropriated funds (APF) for this purpose are limited to the operating accounts that support the installation's base operations.

b. This funding practice applies only to MWR programs, as listed in Enclosure 10 of this budget guidance. Specifically excluded are civilian MWR programs, non-MWR family programs (Army Community Services, Army Family Team Building, Army Family Action Plan, Family Advocacy Program), Fisher Houses, Vehicle Registration, Army lodging, veterinary services, recycling, sale of abandoned personal property, all other supplemental mission programs, and all other non-MWR installation functions.

3. Policy Clarification on APF Authorizations.

a. These policy clarifications do not change any APF funding authorizations contained in Appendix D, AR 215-1. They are provided for more detailed clarification of those policies. Paragraph 9-3, AR 215-1 provides detailed guidance on requirements for APF positions.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

b. Appropriated fund support is not authorized for use in or to support resale and/or revenue-producing activities, regardless of the category of the program. This does not include those activities which only charge nominal user fees to recoup NAF expenses. The following are examples for policy clarification:

(1) Any resale operation (resale of either goods and/or services), which incurs labor and other operating costs, must be supported with NAFs unless specifically authorized APFs or the law requires sales at cost. This applies in CONUS, OCONUS, and at remote and BRAC locations. Nonappropriated fund revenue will not be generated when APFs pay the cost of labor and operating expenses. This does not preclude the use of an APF employee from both renting and checking out outdoor equipment in a Category B outdoor recreation facility when the rental of equipment is very limited; or preclude the registration clerk from selling limited snacks, soft drinks, or juice at a Category A MWR fitness center. The same situation may occur at a marina or equestrian riding facility, where there are both Category B and C activities operating within a single facility and the Category C part of the operation is not significant.

(2) Category B - Equipment Check Out: If equipment is purchased with APF, a rental fee may not be charged unless to recoup NAF expenses of personnel checking out the equipment or NAF expenses for repair and maintenance of the equipment. If equipment is purchased, controlled and repaired with NAF, fees as determined by management may be charged.

(3) Category B - Arts and Crafts: An arts and crafts facility may not charge for skill instruction, supervision, or use of equipment if provided from APF. Fees should be charged for NAF materials, instruction by NAF employees, NAF contractors, or NAF concessionaires.

(4) Category B - Auto Crafts: APF (including personnel, equipment, supplies, etc.) may not be used to do repairs for free and/or for fees in auto crafts facilities, except as provided for in paragraph 8-6b(10), AR 215-1. The APF personnel may be used for management of the facility, to provide supervision of equipment use for both the patrons' and the equipment's safety, and to perform limited functions requiring specialized training in use of the equipment (see Figure 8-1, AR 215-1). Patrons must do all other work. If other services are provided by auto crafts personnel, then the activity is a resale/revenue-producing activity and may not be supported by APF. This does not preclude providing NAF-supported instructional classes in a Category B program.

(5) Category A - Gymnasium: All costs related to operation of the gymnasium are authorized to be supported with APF. Fees may not be charged for the use of APF resources. If, however, the gymnasium contains a snack bar, the snack bar is a resale/revenue-producing activity and may not be supported with APF.

c. All Category C programs are, by definition, revenue-producing activities and are not authorized APF support, except as follows:

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(1) Maintenance and repair of the facility and its installed equipment/systems and premises (roof, foundation, floors, walls, heating, air conditioning, electrical, plumbing, walk-in freezer, etc.).

(2) Utilities in OCONUS areas.

(3) Indirect support services (fire protection, security protection, pest control, sewage disposal, garbage and trash removal, snow removal, medical, veterinary and sanitary inspections, etc.).

(4) 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. (See 3c(1) above.)

d. Category C programs in remote and isolated areas (see Table 4-1, AR 215-1) are authorized the same level of APF support as Category B programs. However, since the majority of activities in Category C programs are resale/revenue-producing, the only additional APF support extended to Category C programs in remote and isolated areas are the manager of the facility and utilities. Appropriated funds are not authorized for dining room, private parties, bar, snack bar, golf (except per 3c(4) above), bingo, etc., activities. This includes food service personnel (cooks, food and beverage managers, dishwashers, waiters, waitresses); bar service personnel; furniture, fixtures, and equipment; supplies; training, etc.

e. If Category A and C or Category B and C programs are included in the same multi-use facility, care must be exercised to ensure that unauthorized support is not provided to the Category C program. For programs such as Stables or Marinas, where both NAF or APF-owned horses or boats and privately owned horses or boats are maintained, the proportion of privately owned versus NAF or APF horses or boats determines the category of the program. If less than 35 percent of the horses or boats are privately owned, the program may be operated as a Category B program. In this case, all costs associated with the privately owned horses or boats must be paid for by the private owners, to include a proportionate share of utilities, supplies, etc. If more than 35 percent of the horses or boats are privately owned, the program must be operated as a Category C program.

f. Common Support Programs are not categorized. Included in this definition are financial management, management above program level (ADCFA, Community Operations Division, Family Support Division, Community Recreation Division), warehousing, personnel, marketing, executive control and essential command supervision (EC&ECS), procurement, etc. The extent to which APFs are authorized for these common support programs depends on the function being performed and the programs being supported. Refer to Appendix D, AR 215-1 for each element

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

of expense for the authorizations by program being supported. Examples regarding common support programs are:

(1) Financial management is authorized APF to the extent that personnel are providing technical guidance and assistance in preparing budgets, financial and analytical data required for command management and DoD Financial and Personnel Management Reports, and for EC&ECS, and responsible for APF resources. The APFs are not authorized to support functions connected with resale/revenue-producing activities, such as accounts receivable.

(2) Warehousing is authorized APF support to the extent that it is for APF items, and not for resale/revenue-producing items and items not authorized from APF.

(3) Functions for general management of more than one MWR program, including directors, division chiefs, and administrative support positions directly related to the above, provided they do not directly manage any program, are authorized APF support.

(4) APF Support for Civilian personnel office (CPO) and Contracting functions is authorized to the extent that these functions can be performed by the APF offices without any increase in staffing (see Appendix D, AR 215-1). However, when the NAF CPO is providing services for positions which are identified as APF authorized, the cost of performing this service may be reimbursable through USA. The same principle applies to services provided by NAF contracting office.

(5) Data automation, auditing, architectural and engineering services, and legal services are specifically addressed in Appendix D.

4. Budgeting Instructions

a. All APF-authorized NAF expenses will be budgeted under one of four NAF department codes under each appropriate NAF program code. (See Encl 10 for programs categorized as MWR and as such are authorized to use MWR USA.) Note that the following department codes are to be used for all applicable expenses contained in the MOA without regard to funding status.

(1) Department Code GL – APF Support - Normal Operations will be used to budget for all APF-authorized NAF expenses in support of normal operations which are authorized to be supported by USA Income IAW the terms of the MOA. The department GL budget for each applicable program code will be included as part of the MOA.

(2) Department Code GF – APF Support - Expanded Operations will be used to budget for all APF-authorized net NAF expenses in support of expanded operations, as defined in Financial Management Memorandum 02-01, which are authorized to be supported by USA Income IAW the terms of the MOA. The department GF budget for each applicable program code will be included in the MOA as part of the MOA.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

(3) Department Code GH – APF Support – Security will be used to budget for all APF-authorized NAF expenses in support of security for MWR facilities and patrons, as defined in Financial Management Memorandum 02-01, which are authorized to be supported by USA Income IAW the terms of the MOA. The department GH budget for each applicable program code will be included in the MOA as part of the MOA.

(4) Department Code GJ – APF Support – Emergency Essential Civilian (EEC) will be used to budget for all APF-authorized NAF expenses in support of EEC operations, as defined in Financial Management Memorandum 02-02, which are authorized to be supported by USA Income IAW the terms of the MOA. The department GJ budget for each applicable program code will be included in the MOA as part of the MOA.

b. General Ledger Account Code (GLAC) 508 - USA Income will be budgeted under Departments GL, GF, GH, and GJ within the appropriate program code, based on the budgeted APF support outlined in the installation MOA to the extent funding is realistically expected to be received.

c. The USA resources may be used to purchase APF-authorized items, which meet the NAF definition of fixed assets if these items are considered supplies or expendable equipment under APF criteria. These items, if they are expected to be supported by USA Income IAW the terms of the MOA, will be budgeted using NAF GLAC 742 - Furniture and Equipment Expense under one of the four applicable department codes, regardless of dollar value. The APF-authorized items which meet the NAF fixed asset definition but which are not realistically expected to be recognized for funding through USA at the time the NAF budget is prepared will be budgeted as NAF fixed assets on the Capital Purchases and Minor Construction (CPMC) budget and not included in any of these four department codes. If additional USA funds become available, NAF budgets may be revised to delete these items from the CPMC budget and to include them as expendable items in GLAC 742 under the applicable department Codes (GL, GF, GH, or GJ). Items expensed in GLAC 742, which meet the NAF capitalization criteria, will be picked up on the NAF fixed asset records for accountability as expendable items and are, therefore, not depreciable. These accountable assets will be identified as APF/USA on the NAF property records. They will not be recorded on the APF property records but will be treated as APF assets for property disposal and BRAC purposes.

d. The NAF cash budget will be adjusted to show the receipt of USA Income per the schedule established in the garrison MOA. Normally, the payment from APF to the MWR Fund will occur in the month after the expenses are recorded. For example, payment for services provided by the MWR Fund in October will normally occur in November after publication of the October NAF financial statement.

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e. The APF support provided through USA Income will not be budgeted as APF support on the APF/NAF Five Year Budget, so that APF support is not double counted, until such time as the budget system is revised to eliminate the double counting.

5. Accounting Instructions

a. All APF-authorized NAF expenses will be accounted for under one of four NAF department codes under each appropriate NAF program code.

(1) Department Code GL – APF Support - Normal Operations will be used to account for all APF-authorized NAF expenses in support of normal operations, within the applicable program code, which are supported by USA Income IAW the terms of the MOA as well as those NAF expenses which are included in the MOA but are termed unfinanced requirements. By doing so, the resultant net loss before depreciation recorded in this department will represent the extent to which NAFs are being substituted for authorized APF support. In addition, the income statements may be used in conjunction with the MOA to request any available year-end funds.

(2) Department Code GF – APF Support - Expanded Operations will be used to account for all APF-authorized net NAF expenses in support of expanded operations, as defined in Financial Management Memorandum 02-01, which are supported by USA Income IAW the terms of the MOA as well as those NAF expenses which are included in the MOA but are termed unfinanced requirements. By doing so, the resultant net loss before depreciation recorded in this department will represent the extent to which NAFs are being substituted for authorized APF support. In addition, the income statements may be used in conjunction with the MOA to request any available year-end funds.

(3) Department Code GH – APF Support – Security will be used to account for all APF-authorized NAF expenses in support of security for MWR facilities and patrons, as defined in Financial Management Memorandum 02-01, which are supported by USA Income IAW the terms of the MOA as well as those NAF expenses which are included in the MOA but are termed unfinanced requirements. By doing so, the resultant net loss before depreciation recorded in this department will represent the extent to which NAFs are being substituted for authorized APF support. In addition, the income statements may be used in conjunction with the MOA to request any available year-end funds.

(4) Department Code GJ – APF Support – Emergency Essential Civilian (EEC) will be used to account for all APF-authorized NAF expenses in support of EEC operations, as defined in Financial Management Memorandum 02-02, which are supported by USA Income IAW the terms of the MOA as well as those NAF expenses which are included in the MOA but are termed unfinanced requirements. By doing so, the resultant net loss before depreciation recorded in this department will represent the extent to which NAFs are being substituted for authorized APF support. In addition, the income statements may be used in conjunction with the MOA to request any available year-end funds

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

b. General Ledger Account Code (GLAC) 508 - USA Income will be used to account for the USA Income for services provided under Departments GL, GF, GH, and GJ under the appropriate program code, based on the budgeted APF support outlined in the installation MOA and the actual NAF expenses. The use of this GLAC in any other department code is not authorized. No income other than GLAC 508 is authorized in Departments GL, GF, GH, or GJ. Also, no cost of goods sold expenses, expenses relating to resale/revenue-producing activities or depreciation expenses are authorized in these departments. USA Income will not be accrued by NAF accounting offices without receipt of a properly executed Memorandum of Agreement (MOA) and a properly executed Miscellaneous Obligation Document (MOD), DD Form 2406.

c. The USA resources may be used to purchase APF-authorized items which meet the NAF definition of fixed assets if these items are considered supplies or expendable equipment under APF criteria. These items, if they are supported by USA Income IAW the terms of the MOA, will be recorded in NAF GLAC 742 - Furniture and Equipment Expense under Departments GL, GF, GH, or GJ, as applicable, regardless of dollar value. Items expensed in GLAC 742 which meet the NAF capitalization criteria will be picked up on the NAF fixed asset records for accountability purposes as expendable items. These items purchased with USA Income are not to be depreciated. These accountable assets will be identified as APF/USA on the property records and treated as APF assets for property disposal and BRAC purposes. An individual item may not be split between GLAC 742 and NAF capitalized fixed asset records. Should a capitalized asset be purchased with NAF which was included in the MOA but was initially termed as an unfinanced requirement but is then subsequently funded within the fiscal year, the initial accounting entries must be reversed and the accounting treatment explained above must be used.

d. The MWR Fund will record the APF expenses supported by USA Income and for which a MOD has been issued in Departments GL, GF, GH, and GJ, as applicable, and record an identical amount of USA Income in GLAC 508, with the contra entry to GLAC 137 - USA Income Receivable. At the end of each month, the NAF Fund Manager will prepare a billing for services on Standard Form 1034 - "Public Voucher for Purchases and Services Other Than Personal," and will attach a copy of Departments GL, GF, GH, and GJ income statements, as applicable, for each program code and consolidated income statements for Departments GL, GF, GH, and GJ, as applicable, for the MWR Fund. This bill will be sent to the appropriate APF disbursing center.

e. Neither department code GL or the use of MWR USA procedures are authorized for supplemental mission programs. These programs, by definition, are NAF adjuncts to APF non-MWR missions. Nonappropriated funds may not be used in lieu of APF for these non-MWR missions. However, department codes GF and GH are authorized for use by these non-MWR programs where the provisions of Financial Memorandums 02-01 and 02-1A have been met. Care must be taken when providing the consolidated departmental income statements to the appropriate APF disbursing center to exclude any amounts for these non-MWR programs.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

f. Revenue and expenses properly charged to department code 7D - Food Program and supported by U.S. Department of Agriculture (USDA) Income (GLAC 543) may not be recorded in Department Codes GL, GF, GH, or GJ.

g. Close and periodic coordination is required between the Installation MWR Fund (IMWRF) and the APF resource management office to ensure that any USA funds which will not be expended (recorded as income and supported by authorized expenses on the NAF financial statement) prior to year-end are promptly identified for re-allocation to other priorities and also to identify any additional APF funds which may become available to fund authorized, unfinanced requirements. If additional available funds are identified, the MOA and budgets must be revised accordingly prior to the obligation of the funds, unless these requirements were included as unfinanced requirements in the MOA and included in the budget under the applicable department code. The NAF expenses chargeable to the NAF income statement include month or year-end accruals. These NAF expenses will be accrued at year-end for items to be paid for by USA when considered obligated under existing APF procedures (items for which a purchase order has been issued or a contract signed). This treatment applies only to USA expenses, not all NAF expenses, and only in September at fiscal year end and may only be used when all NAF expenses which have been identified in the MOA as well as captured in the applicable department codes (GL, GF, GH, or GJ) have been funded through USA.

h. Revenue received from USA is exempt from the Capital Reinvestment Assessment (CRA).

i. Authorized services/expenditures to be provided by the IMWRF include personnel services, supplies, furniture, fixtures, equipment, routine maintenance, and other operating expenditures. No cost of goods sold expenses, expenses relating to resale/revenue-producing activities or depreciation expenses are authorized to be supported by USA Income.

j. Managers have flexibility in the delivery of services outlined in the MOA; there may be differences in the NAF expenses for services provided under the MOA versus the exact expenses or the exact amounts specified in the NAF Department GL, GF, GH, and GJ budgets. However, expenses in these departments will not exceed the agreed aggregate amount per the MOA and must be for APF-authorized expenses. Amounts may vary by month or by program provided the Department GL, GF, GH, and GJ USA Income does not exceed the amounts in the MOA on a cumulative year-to-date basis. The annual phase plan or obligation and payment schedule for execution may be adjusted as necessary as long as the annual/year-to-date amounts are not exceeded.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

SAMPLE MEMORANDUM OF AGREEMENT

1. Paragraph 4-3, AR 215-1, MWR Utilization, Support, and Accountability (USA).
2. This memorandum of agreement (MOA) establishes the APF-authorized services to be provided by the MWR Fund in accordance with reference, the APF funding to be provided to the MWR Fund for providing these services, and the obligation and payment schedule for APF payments to the MWR Fund.
3. This MOA is in effect on the date of approval and may be revised with the agreement of the individuals signing this MOA or their position successors. Funding agreed to in this MOA is subject to the availability of funds, until such time as the installation receives its Funding Authorization Documents (FAD).
4. Programs included in this MOA and the MWR USA Practice are:
 - a. Libraries (Category A) – NAF Program Code HA
 - b. Gym–Physical Fitness/Aquatic Training (Category A) -- NAF Program Code HB
 - c. Recreation Centers (Category A) -- NAF Program Code HC
 - d. MWR Information Technology Services (a Common Support Program) – NAF Program Code RI
 - e. Financial Management (a Common Support Program) – NAF Program Code RF
 - f. Recreation Swimming Pools (Category B) -- NAF Program Code JF
 - g. Youth Sports and Fitness (Youth Leisure and Social/Recreational Services) (Category B) - - NAF Program Code JH
 - h. Outdoor Recreation Checkout Center (Category B) -- NAF Program Code KC
 - i. Arts and Crafts (Category B) -- NAF Program Code JB
 - j. Bowling (12 lanes or less; Category B) – NAF Program Code KA
 - k. Auto Crafts (Category B) – NAF Program Code JC
 - l. Training and Programming Specialists (TAPS) (Category B) - NAF Program Code PJ

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

m. Civilian Personnel Office (a Common Support Program) – NAF Program Code RH

5. The MWR Fund will provide APF-authorized services as outlined in the following paragraphs on behalf of the government to the MWR program and will receive APF payment for these services in the amount of \$3,921,019 in FY 03. A schedule of monthly amounts by program is attached.

a. Library. Operate the libraries in accordance with established operating hours and expanded operations, providing professional library staffing, reference assistance, checkout services, and support to morale, welfare, recreation, education, and training programs. Estimated annual cost to provide these services as projected in the attached NAF Department GL and GF budgets for Libraries – Program Code HA is not to exceed \$594,738.

b. Sports. Operate the Gymnasiums, Mini-Gym, Fitness Centers, Racquetball Courts, Tennis Courts, and Sports Fields. Services are performed in accordance with established operating hours and expanded operations, providing general supervision, a full-range of individual and team sports for men and women, clinics for coaches, officials and other organizational personnel, physical fitness and exercise counseling, and gym/racquetball floor maintenance/refurbishment work. Estimated annual cost to provide these services as projected in the attached NAF Department GL, and GF budgets for Gymnasiums – Program code HB is not to exceed \$1,721,645.

c. Recreation Centers. Operate the Recreation Centers. Services are performed in accordance with established operating hours and expanded operations, providing general supervision, classes or courses of instruction, exhibits, lectures, tours, festivals, and cultural exchange activities, personal develop activities with emphasis on self-development and health and fitness, entertainment and leisure need activities. In addition, EEC training is required for the division chief's position (currently funded through USA) Estimated annual cost to provide these services is projected in the attached NAF Department GL, GF, and GJ budgets for Recreation Centers – Program Code HC is not to exceed \$387,849.

d. MWR Information Technology Services. Operate, oversee, and provide training on the use of electronic data processing equipment and services in MWR. Automation is comprised of interconnected systems and subsystems of equipment that are used in the automatic acquisition storage, management, movement, control, display, switching interchange, transmission, or reception of information to support MWR activities/programs. The MWR Division personnel working in the MWR Division office perform these services. Estimated annual cost to provide these services is projected in the attached NAF Department GL budget for MWR Information Technology Services – Program Code RI is not to exceed \$301,070.

e. Financial Management. Provide technical guidance and assistance in preparing budgets, financial, and analytical data required for command management and DoD Financial and Personnel Management Reports. Financial Management additionally provides essential

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

command and essential control over MWR operations and resource oversight (both APF and NAF) for the Commander and MWR programs/activities. The Financial Management Division, DCA, is the installation staff advisor to the ADCFA, DPCA, and Commander on NAF resource and manpower management. Estimated annual costs to provide these services are as projected in the attached NAF Department GL budget for Financial Management – Program Code RF is not to exceed \$61,430.

f. Recreation Swimming Pools. Operate the indoor Swimming Pools in accordance with established operating hours, providing general supervision, classes or courses of instruction, personal development activities with emphasis on self-development and health and fitness, entertainment and leisure need activities. Estimated annual cost to provide these services is as projected in the attached NAF Department GL budget for Recreation Swimming Pools – Program Code JF is not to exceed \$375,232.

g. Youth Services (Youth Leisure and Social/Recreational Services). Operate the Youth Services program in accordance with established operating hours, providing general supervision, classes or courses of instruction, personal development activities with emphasis on promoting life skills, and to support the well-being and social growth. Estimated annual cost to provide these services is as projected in the attached NAF Department GL budget for Youth Services (Youth Sports and Fitness) – Program Code JH is not to exceed \$68,710.

h. Outdoor Recreation. Operate Outdoor Recreation (a Category B program) in accordance with established operating hours, providing general supervision, classes or courses of instruction, personal development activities with emphasis on promoting fitness and outdoor recreation. Estimated annual cost to provide these services is as projected in the attached NAF Department GL budget for Outdoor Recreation Equipment Checkout Centers – Program Code KC is not to exceed \$14,820.

i. Arts and Crafts. Operate the Arts and Crafts programs in accordance with established operating hours, providing general supervision, classes or courses of instruction, personal development activities with emphasis on educational, self-development activities which advance technical knowledge and skills and offer opportunities for creative growth. Estimated annual cost to provide these services is as projected in the attached NAF Department GL budget for Arts and Crafts – Program Code JB is not to exceed \$30,370.

j. Bowling (12 lanes or less). Operate Bowling Centers (Category B activities) in accordance with established operating hours, providing general supervision, leagues, open bowling, tournaments, and instructional programs, promoting fitness and recreation. In addition, due to the location of this bowling center, additional security checks of delivery vehicles has been ordered by the Commander during heightened Force Protection. Estimated annual cost to provide these services is as projected in the attached NAF Department GL and GH budgets for Bowling (12 lanes or less) - Program Code KA is not to exceed \$88,040.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

k. Auto Crafts. Operate the Auto Crafts program in accordance with established operating hours, providing general supervision, classes or courses of instruction, technical instruction, skilled assistance, and problem solving services. Estimated annual cost to provide these services is as projected in the attached NAF Department GL budget for Auto Crafts – Program Code JC is not to exceed \$38,115.

l. Youth Development Programs. Child and Youth Services have been directed by the Chief of Staff of the Army to expand the Open Recreation Program for Middle School/Teen Youth. This expansion has been funded with appropriated funds with no increase in manpower ceilings. HQDA (CFSC-SFCY) Letter of Instruction directs these funds be obligated to hire new staff (NAF positions of GS 2-5 pay equivalent), train staff, implement pay equity for current staff, purchase after school snacks, equipment, supplies, and transportation (vehicles or contract). Estimated costs to provide these services are as projected in the attached NAF Department GL budget for Training and Programming Specialists (TAPS) – Program Code PJ is not to exceed \$239,000.

6. If supplemental OMA (.L-Account) dollars are subsequently made available to MWR during the fiscal year, the following APF-authorized services provided by MWR may receive USA funding support (up to the level of the supplemental funding):

a. Sports Labor. Unfunded labor requirements of \$260K exist in Sports due to the fact that the MOA includes reimbursement for APF recognized positions only. USACFSC has provided guidance stating that there is no requirement for positions to be on the APF TDA as recognized requirements before they may be reimbursed under USA.

b. Sports General Expendable Supplies. Funds would provide all Sports facilities adequate support for expendable supplies and equipment, which include balls, nets, gloves, and towels for use at the facilities. FY XX funding in the budget is grossly insufficient to meet the requirement. The unfinanced requirement for these items totals \$380K.

c. Child Development General Operating Expenses. Funding is needed to ensure developmentally appropriate training materials for children's learning environments. Such equipment needed to ensure appropriate learning environments include: arts and crafts, dramatic play clothes and props, science materials, books, paints, puppets and other various expendable supplies. Funding is needed in order to carry out the CDS mission regarding quality child care as specified in AR 608-10, which governs all CDS programs. The unfinanced requirement for these items totals \$60K.

d. Arts and Crafts. Operate the Arts and Crafts programs in accordance with established operating hours, providing general supervision, classes or courses of instruction, personal development activities with emphasis on educational, self-development activities which advance technical knowledge and skills and offer opportunities for creative growth. Estimated unfinanced requirement is \$205K.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

e. Auto Crafts. Operate the Auto Crafts program in accordance with established operating hours, providing general supervision, classes or courses of instruction, technical instruction, skilled assistance, and problem solving services. Estimated unfinanced requirement is \$33K.

f. Bowling (12 lanes or less). Operate the Bowling Centers (Category B activities) in accordance with established operating hours, providing general supervision, leagues, open bowling, tournaments, and instructional programs, promoting fitness and recreation. Estimated unfinanced requirement is \$95K.

g. Financial Management. Provide technical guidance and assistance in preparing budgets, financial, and analytical data required for command management and DoD Financial and Personnel Management Reports. Financial Management additionally provides essential command and essential control over MWR operations and resource oversight (both APF and NAF) for the Commander and MWR programs/activities. Estimated unfinanced requirement is \$161K.

h. Community Recreation Division. The Offices of the CRD plan, develop, and implement through program and activity managers all supervised MWR activities. They assure optimum management of assigned programs through periodic review of program goals and objectives. Additionally, they review program budget execution, establish standards for activities, and determine division purchasing requirements. Examine, refine, and consolidate division input to the NAF and APF budgets and Five-Year Plan. Estimated unfinanced requirement to provide these functions is \$153K.

i. Civilian Personnel Office. Provide personnel office support for NAF positions which are authorized APF support. Estimated unfinanced requirement to provide these functions is \$10K.

7. The RM Office will obligate appropriated funds by issuance of the Miscellaneous Obligation Document (MOD), DD Form 2406, upon receipt of the approved MOA from the DCA/DPCA and receipt of the Funding Authorization Document.

8. The NAF Fund Manager will provide monthly bills for these services (SF 1034) NTE the amounts in the monthly/year-to-date schedule. Year-to-date cumulative amounts billed will not exceed the cumulative year-to-date APF obligations. Detailed NAF financial statements for Departments GL, GF, GH, and GJ, as applicable, for each program will be the substantiating documentation for the bills.

9. The NAF Central Accounting Office will maintain the details of all MWR USA expenditures. These records are available for audit as required or as determined by the Commander.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

SIGNED:

APF Resource Manager

MWR Program Director

APPROVED:

Commander

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

Frequently Asked Questions

1. Does an amendment to a Memorandum of Agreement (MOA) have to go through the same process for signatures/approval as the original MOA?

Answer: Yes. That is why you should incorporate both funded and unfunded requirements in the original MOA so you don't have to revise it if additional funds become available. You must revise it, however, for new requirements which were not included in the original MOA as either funded or unfunded requirements.

2. Are garrisons required to use Departments GL, GF, GH, and GJ only when they have a signed MOD in place?

Answer: No. These departments are to be used by all MWR programs to record ANY NAF spent for things that are authorized from appropriated funds. Use of these departments in the manner described will provide the basis for substantiating future requests for budget increases and also be the basis for requesting year-end funds should they become available.

3. Do NAF positions have to be recognized as requirements on the APF TDA before being eligible for funding under USA for MWR?

Answer: No. The only requirements are:

a. The NAF positions are performing APF-authorized functions IAW Appendix D, AR 215-1;

b. The NAF positions are on the NAF PRD (personnel requirements document) – and coded to department code GL in both the personnel and payroll systems;

c. The NAF positions are included in the NAF budget (under the appropriate program code and department code GL).

d. The services which the NAF positions are supporting are included in the MOA (may be included either as funded or may be included as unfunded requirements subject to future funding if APF becomes available). The only connection between the APF TDA and the USA for MWR funding practice is that if there are existing APF TDA authorizations and these positions are converted to NAF positions (under USA for MWR, conversion may only occur when the space is vacant), the TDA is to be annotated as to the disposition of the position/authorization, i.e. converted to NAF under USA. This is to permit the manpower people to track what happened to the positions and to help MWR substantiate that the function didn't go away - the funds will have to be re-programmed from APF personnel services to Element of Resource (EOR) Code 25FC - Other Services.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

NAFIs have historically substituted NAF for authorized APF because APF was either not available or not expedient. These APF-authorized NAF positions should be included in the USA funding practice (in Department GL – APF Support – Normal Operations). If the position had never been recognized on the APF TDA as a requirement, it is incumbent on the commander and the MWR staff to ensure that the functions of that position are APF-authorized IAW AR 215-1.

4. Can encumbered APF positions be converted to NAF, either voluntarily or not?

Answer: No. Positions can only be converted if they are vacant.

5. How do I account for an expenditure which meets the capitalization criteria for NAF, is authorized from APF, and has been included in the MOA as unfunded?

Answer: In this case, the expenditure would be capitalized and the associated depreciation would be recorded using the department code for the benefiting activity. Should the expenditure be subsequently funded from USA for MWR, the depreciation entries would be reversed and the expenditure, using the full initial cost, would be transferred to either department GL, GF, GH, or GJ, as applicable, using the applicable equipment or maintenance GLAC.

6. May we use a Military Interdepartmental Purchase Request (MIPR) instead of a Miscellaneous Obligation Document (MOD) to obligate the appropriated funds?

Answer: No. The following information was provided by the Department of the Army Office of the General Counsel:

“The Comptroller General has specifically held that the MIPR cannot be used to transfer funds from appropriated funds to non-appropriated funds. Matter of Department of the Army – Use of an Intra-Army Order to obtain Child Care Services from a Non-appropriated Fund Instrumentality, B-215580 (December 31, 1984); see also 58 Comp Gen 94 (November 21, 1978). In addition, we use the MIPR for reimbursable work in which one organization is providing goods or services to another for the benefit of the requesting organization. DFAS-IN Regulation 37-1, para 12-1/The MWR USA practice program is based on the statutory authority to support MWR functions with appropriated funds (10 U.S.C. 2241) We provide this appropriated fund support with obligational authority rather than in kind. We are not asking the non-appropriated fund activity to provide the appropriated fund with goods or services for the benefit of the appropriated fund. Therefore, a MIPR is an inappropriate vehicle for the obligating document.”

7. What income may be credited to Departments GL, GF, GH, and GJ?

Answer: The only income, which may be credited to these departments, is GLAC 508 – USA Income. This is because you may not charge for APF resources. Therefore, if an expense is an APF-authorized expense, no income may be charged.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

8. May we use the USA for MWR Funding Practice for APF-authorized items for supplemental mission activities?

Answer: No. Supplemental mission activities are NAF-adjuncts to non-MWR APF missions. They are authorized to generate limited and specific NAFs to be used for specific purposes. They may not spend NAF in support of the non-MWR APF mission. To be eligible for USA for MWR funding, the item/expense in question must be BOTH APF-authorized AND NAF-authorized in the absence of sufficient APFs. Appropriated funds are normally not authorized for the NAF-adjunct to the non-MWR APF mission.

9. Category C programs at remote/isolated locations are authorized APF support as if they were Category B programs. Thus, they can use USA for MWR for all labor, supplies, etc., correct?

Answer: No. Although Category C programs at remote/isolated locations are authorized APF support as if they were Category B programs, in reality, this means only utilities and the manager's salary and benefits. All other Category C activities are considered resale/revenue-generating and are not authorized APF-support, no matter in which category they occur.

10. Should installations execute all APF support for MWR programs through the USA for MWR funding practice?

Answer: Not necessarily, only when it makes sense and is more efficient. Many items/services are more efficient to be funded directly through appropriated funds. Examples are utilities, maintenance and repair, travel and training of APF personnel, etc.

11. What is the role of the NAF accounting office in the USA for MWR funding practice?

Answer: The NAF central accounting office (CAO) should accrue USA income IAW the MOA, when supported by the DD Form 2406, Miscellaneous Obligation Document (MOD) (the APF obligation document), and should record as indicated by installation documents. The CAO should also question any expenses that do not appear to be authorized or refer the expense to the Region or CFSC for resolution. However, the responsibility for ensuring that all NAF expenses under USA for MWR are valid and authorized IAW Table D-1, AR 215-1 remains with the garrison/region, not the CAO.

12. What about APF-authorized NAF expenses that are not funded under the MOA?

Answer: All APF-authorized expenses should be included in the MOA. Those for which funds are available should be included as funded and those for which funds are not available should be included as unfunded. If funds become available during the fiscal year, the installation will not have to revise the MOA if it has already included the provision that the unfunded expenses may be funded if additional funds become available.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

13. What about funding CAO expenses?

Answer: IAW paragraph A020105, DOD 7000.14R, Department of Defense Financial Management Regulation, Volume 13, Nonappropriated Funds Policy and Procedures, August 1994 (page A-3), APFs in support of NAF accounting costs are authorized for the salary of the central accounting officer plus 40 percent of other costs. Installations/IMA REGIONs must obtain information from the central accounting office on how much APF support is already being provided, either from DFAS or from direct APFs from the installation/IMA REGION before including any NAF accounting costs in the USA for MWR funding practice.

14. It seems that a lot of the workload has now been transferred from the APF procurement and personnel offices to the NAF procurement and personnel offices. May any of these NAF expenses be included in the USA for MWR funding practice?

Answer: Yes, you may document the proportion of workload that is performed by NAF procurement and personnel offices in support of APF-authorized requirements and include this in the MOA. It should be reported under Department GL- APF Support – Normal Operations. The documentation must be complete and be able to withstand audit and outside scrutiny.

15. Does each program need its own MOA for funding under USA for MWR?

Answer: No, installations/IMA REGIONs should execute only one “umbrella” MOA for the installation MWR Fund with description of services to be provided by each program and the NAF budgets for providing those services attached.

16. Should equipment purchased through USA for MWR be insured as a NAF asset?

Answer: Yes, it should be insured through the NAF Risk Management Program; however, should a claim be necessary and subsequently funded, the monies must be used to either replace the lost/damaged equipment or returned to the Treasury.

17. Can equipment purchased through USA for MWR be maintained using APF?

Answer Yes, just as any equipment which is authorized APF funding yet was purchased using NAF, either through USA for MWR or pure NAF, is authorized APF for maintenance.

18. May vehicles be purchased through USA for MWR funding procedures?

Answer: No. Vehicles are “centrally managed.” Congress has restrictions on non-tactical vehicles. Only certain types less than \$100,000 in unit cost may be purchased with OMA dollars, otherwise OPA dollars have to be used. Special vehicles that may be purchased include things like fire and garbage trucks (not MWR missions). Cars, vans, mini-buses, carryalls, small trucks, etc., are considered general purpose “centrally managed” vehicles and OPA dollars would

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

need to be used, thus precluding MWR USA procedures (USA for MWR may only be used for expenses authorized from OMA). The references are DODI 4500.36-R, AR 58-1, and Policy Message DALO-TSP, 151416A Sep 97 DTG, subject: Procurement of Non-tactical Vehicles. An alternative is a GSA vehicle lease which may then be included in USA for MWR funding.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

APPROPRIATED FUND (APF) ELEMENT OF RESOURCE FOR USA FOR MWR

1. New Morale, Welfare, and Recreation (MWR) Appropriated Fund (APF) Element of Resource (EOR) 25FD and definition change to EOR 25FC.

<http://www.armymwr.com/corporate/operations/financial/usa/eor.asp>

a. EOR 25FD has been established and published in DFAS-IN Manual 37-100-**. The definition for EOR 25FC has been changed. These EORs are to be used in accounting for transactions under the Utilization, Support, and Accountability (USA) for MWR initiatives only. This EOR is restricted to those obligations that support all Memoranda of Agreement that reflect appropriated fund (APF) obligations to the MWR organization (Nonappropriated Fund Instrumentality) providing MWR services authorized APF on behalf of the U.S. government. Authorized MWR and Family Support activities include MWR, Youth Services and Child Development Services. This will allow the APF obligations to be separately identified and gauged against the corresponding MWR programs.

b. One of the requirements and responsibilities in utilizing USA for MWR is to ensure that both the APF and nonappropriated fund (NAF) accounting systems portray and record the transactions accurately. To do so, and as a matter of oversight, reconciliation between the two systems must take place on a continuing basis. This is one reason that these EOR's were created. The establishment of these EOR's does not create any changes in the existing NAF accounting procedures.

2. Accounting and Reconciliation: The APF accounting system will be responsible to report the data, as well as the installation DCA/DRM to do the reconciliation. The following is a guide on how the reconciliation's should be handled.

a. Under the Memorandum of Agreement (MOA) the installation will have proposed the APF support by program (program or functional cost account code) on an annual basis, subject to the availability of funds.

b. The NAF and APF accounting systems both track these transactions, though in their own unique ways. To enhance the visibility of USA for MWR in the APF accounting system, EOR 25FC and EOR 25FD were established.

c. To ensure that both accounting systems are properly and consistently capturing these data, we are encouraging all installation DCAs and/or DRMs to nominally reconcile both systems: the NAF financial statements to the APF MWR 218 report.

(1) Assumption: Installation obligation of funds done quarterly. Reconciliation's can take place quarterly at most (Qtr 1 to Qtr 1, etc.)

(2) Assumption: Installation DRMs will obligate by AMSCODE while MWR NAF financial statements are prepared by Program Code.

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(3) Installation Account Processing Code (APC) master files must crosswalk AMSCODES to the Program/Functional Cost Account Codes. MDEP obligation totals (QDPC, QCCS, & QYDP) for EOR 25FC and EOR 25FD should track closely to the quarterly NAF financial statements in Department GL.

(4) Year-end APF data will feed into MWR 218 Report where APF indirect support is added. Prepared by Program/Functional Cost Account Code. EOR 25FC and EOR 25FD should be checked against comparable Program Code and Department GL for accuracy.

3. Extracts from the DFAS-IN Manual 37-100-**:

THE ARMY MANAGEMENT STRUCTURE
STANDARD ARMY ACCOUNTING CLASSIFICATION
ELEMENT OF RESOURCE CODES (EOR)
SECTION II
2B-EOR-II-19

25FC - MORALE, WELFARE AND RECREATION UTLZTN, SPT & ACCNTBLTY (USA)-NON-PAY

This EOR crosswalks to OMB Object class 25.2, Other contractual Services and as such is subject to the reporting limitation. This Element of Resource (EOR) is restricted to those obligations that support the non-pay portions under all Memoranda of Agreement that reflect appropriated fund (APF) obligations to the MWR organization Nonappropriated Fund Instrumentality providing MWR services authorized APF on behalf of the U. S. government. Authorized MWR and Family Support Activities may include those identified by AMS codes (****96L, MWR) or (***19, Child Development and Youth Services), and/ or Functional Cost Account (FCA) codes (ref 2D-FCA-1, Section VIII, MWR R Series), but excludes (****20, Army Community Service). This EOR must be used with a MWR FCA code and/or AMS code and reconciled by the appropriate command and resource staff to the program's nonappropriated fund financial statements throughout the fiscal year.

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THE ARMY MANAGEMENT STRUCTURE
STANDARD ARMY ACCOUNTING CLASSIFICATION
ELEMENT OF RESOURCE CODES (EOR)
SECTION II
2B-EOR-II-20

25FD – MWR UTILIZATION, SPT & ACCOUNTABILITY (USA) - PAY

This EOR crosswalks to OMB Object class 25.2, Other contractual Services and as such is subject to the reporting limitation. This Element of Resource (EOR) is restricted to those obligations that support salaries and benefits portions under all Memoranda of Agreement that

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

reflect appropriated fund (APF) obligations to the MWR organization (Nonappropriated Fund Instrumentality) providing MWR services authorized APF on behalf of the U. S. government. Authorized MWR and Family Support Activities may include those identified by AMS codes (****96L, MWR) or (**19, Child Development and Youth Services), and/ or Functional Cost Account (FCA) codes (ref 2D-FCA-1, Section VIII, MWR R Series), but excludes (****20, Army Community Service). This EOR must be used with a MWR FCA code and/or AMS code and reconciled by the appropriate command and resource staff to the program's nonappropriated fund financial statements throughout the fiscal year.

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

UNIFORM FUNDING AND MANAGEMENT (UFM)

1. What has heretofore been known as Uniform Resource Expanded Program (UREP) will now be designated UFM to be in consonance with the language of the FY 03 Authorization Bill passed in the Congress and approved by the President.
2. Uniform funding and management is the merging of appropriated funds (APF) and nonappropriated funds (NAF) for the purpose of providing MWR services under NAF rules and procedures. It is designed to facilitate:
 - a. The procurement of property and services for MWR.
 - b. The management of employees used to carry out the programs.
3. Currently the MWR Utilization Support and Accountability (MWR USA) process is authorized and in use by many for selected functions and expenses. The application of this process Army-wide for the whole MWR program is termed UFM. The basic steps of uniform funding involve:
 - a. Preparation of a memorandum of agreement (MOA) between the APF resource manager and MWR manager outlining the APF authorized MWR service to be performed by the NAF instrumentality (NAFI), the APF funding, and the up-front payment schedule.
 - b. The MOA serves as the basis for creating the APF obligation and forwarding the money to the NAFI.
 - c. Expenditures authorized APF and paid in accordance with the UFM process are recorded in a specially coded department on the NAF financial statement.
 - d. At year-end, the MWR expenses authorized APF must equal or exceed the UFM income. Any recorded expenses excess to the amount of APF provided as a result of the MOA are termed APF shortfall.
4. Uniform Funding is applicable to direct appropriated fund support MWR managers are responsible for. This support is primarily reflected in Management Decision Evaluation Packages (MDEPs) QDPC (Soldier MWR), QCCS(Child Development), and QYDP(Youth Programs). Indirect support APF support such as utilities and maintenance and repair will continue to be provided under current procedures. The UFM is currently limited to operating support. It may not be used for Military Construction Army(MCA) or minor MCA initiatives.
5. Authorization for the use of concept formerly designated as UREP is contained in Section 323: Uniform Funding and Management of Morale, Welfare, and Recreation Programs, of the "Bob

MWR UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)

Stump National Defense Authorization Act for Fiscal Year 2003,” signed by the President on 2 December 2002.

6. The Army’s implementation Plan subject to DOD approval will include a funding strategy and safeguards, a complete manpower transition plan, and accountability controls. However, the key to successful Army-wide implementation of UFM will be the safeguarding of the labor dollars and ensuring parity with other appropriated fund civilian pay dollars. There are no forced conversions of personnel from the status of APF to NAF under UFM.

7. The Army’s process for implementing UFM is a three-phased approach:

- a. Phase 1 - plan for UFM-FY03.
- b. Phase 2 - create lab sites for research and development-FY04.
- c. Phase 3 - implement and operate under UFM Army-wide-FY05.

8. Teams of subject matter experts are focusing on major components of the plan:

- a. Procurement and Contracting.
- b. Human Resources.
- c. Finance and Manpower.

9. These teams, consisting of Garrison, IMA Region and HQ, CFSC and ARSTAF personnel, are developing the formal plan for coordination and ultimately DoD approval.

10. The CFSC and IMA HQ are coordinating the proposed lab sites. Detailed planning and execution guidance will be forwarded to these sites by separate document.

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

MWR NAFls

➤ **ARMY LODGING FUNDS GUIDANCE BEGINS ON PAGE 5 OF THIS TAB.**

1. **PREPARATION:** The Financial Management Budget System (FMBS) Version 2.0 is the standard for preparing the FY 04 NAF budgets and usage is mandatory. IMA REGIONS should contact Richard Dey, CFSC-IM-MIS, Chief, Management Information Systems (MIS), DSN 761-1567 or COM (703) 681-1567, e-mail Richard.Dey@cfsc.army.mil regarding the capability of accessing FMBS. Any additional FMBS training requirements should be coordinated with your respective Region Subject Matter Expert.

2. **SUBMISSION:** Each NAFI budget will be submitted in two separate budget packages (one based on MWR "Fund 1" only and one based on MWR Supplemental Mission Funds only). Each budget package will be submitted to the applicable IMA REGION consisting of the following separate elements (all referenced forms are contained in FMBS). The respective Regions will establish the submission date for garrison or community budget packages.

a. Director's narrative that includes, at a minimum--

(1) Description of current operations, including goals and objectives reflected in the budget.

(2) Significant changes from the previous year's approved budget and actual operations.

(3) Identification and discussion of significant trends.

(4) An explanation of anticipated cost savings.

(5) An explanation of projected NAF revenue increases or decreases.

(6) Justification for using NAFs where APFs are authorized.

b. Annual operating budgets (DA Form 5318-E).

c. APF/NAF Five-Year Financial Plan (DA Form 5320-1-E).

d. CPMC budgets (Parts A-D) (DA Form 5321-E).

e. Five-Year Cash Projection Schedule (DA Form 5911-E). Make sure explanatory notes are included which account for amounts appearing on the lines marked, "explain or list in detail in a footnote."

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

f. NAF Major Construction Schedule (DA Form 5911-2-E).

3. REVIEW AND APPROVAL: The Regions will review and approve garrison budgets.

4. SUBMISSION: The Region will submit (not later than **31 Aug 03**) five Region consolidated budget reports that are run from the baselined budget version in FMBS as a Region user. The following is an aid in generating and identifying specific required reports for RollUp and electronic submission to USACFSC for FMBS v2.0, contact Georgette Cornio, CFSC-IM-MIS, DSN 761-1592 or COM (703) 681-1592, e-mail: Georgette.Cornio@cfsc.army.mil or Gisela Darrow, CFSC-IM-MIS, DSN 761-1578 or COM (703) 681-1578, e-mail: Gisela.Darrow@cfsc.army.mil.)

NOTE: Effective FY 02, there was a change in the reporting requirements. There are two new report Print/Levels. They are called the Supplemental Missions, which total together Fund Codes (E, G, H, J, N).

P/L 32 - Supplemental Missions Total

P/L 33 - Supplemental Missions, Rolled by Prog

a. AOB Summary - (P/L) 14 (IMA REGION, Rolled by Prog) - This will be run for Fund Code 1.

b. AOB Summary - (P/L) 33 (Supplemental Missions, Rolled by Prog) - This will total Fund Codes (E, G, H, J, N) together.

c. APF / NAF Five-Year – (P/L) 14 (IMA REGION, Rolled by Prog) - This will be run for Fund Code 1.

d. APF / NAF Five-Year – (P/L) 33 (Supplemental Missions, Rolled by Prog) - This will total Fund Codes (E, G, H, J, N) together.

e. NAFMC Schedule – This will be run for all (GARR / FUND) that has NAFMC projects within Fund Codes (1, E, G, H, J, N).

f. Cash Five-Year Proj – (P/L) 17 (IMA REGION Total) - This will be run for Fund Code 1.

g. Cash Five-Year Proj – (P/L) 32 (Supplemental Missions Total) - This will total Fund Codes (E, G, H, J, N) together.

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

h. CPMC – (P/L) 12 (IMA REGION, Rolled by Garr) - This will be run for all Fund Codes within (1, E, G, H, J, N).

Before Entering FMBS, you will need to create a Directory / Folder on your local PCs C: Drive, to store the printed reports, such as "C:\BUD_FY04 " .

You will need to LOGIN to FMBS v2.0 as an IMA REGION user.
All Budgets are required to be reviewed and approved by the IMA REGION.

Use the " Process - Submit Budget to IMA REGION " Menu option to submit all Garr / Funds for review.

After they have been Reviewed and Approved by the IMA REGION use the " Process - Process IMA REGION Approval " Menu option to approve all Garr / Funds.

After all Garrisons / Funds have been Approved for that IMA REGION, then run the above 5 reports using the Reports Menu.

You will enter the " Report Parameter Selection " screen as in any report, using the P/L - FY - Fund - Version Type - Version #, just like normal except in Version Type use " Approved " and Version # use " 0" .

On the report " Runtime Parameter Form " enter the following :

Destination File
Printer/File Name C:\BUD_FY04\AOB14_1.TXT
Printer Type Text

NOTE :

The Directory / Folder is the same as setup earlier " BUD_FY04 ", and the File Name is descriptive to the report and Fund Code, i.e.

AOB14_1.TXT - AOB33_S.TXT - CSH17_1.TXT - CSH32_S.TXT - CPM12_1.TXT - APF14_1.TXT - APF33_S.TXT - NAF_IN1.TXT .

After entering the Parameter Form, you can then run the report using the Green Traffic light or File - Run Report menu option.

The report will then run and format all pages and send the results to your local PCs C: drive.

After running all these reports as necessary, you can use your PCs Windows Explorer to verify they are on your local PCs C: drive.

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

These are plain ASCII files, and can be reviewed using WordPad or Word programs, do not modify or save them after review.

E-mail them to: Georgette.Cornio@cfsc.army.mil. E-mail them separately or ZIP the files together.

Georgette will send them to CFSC-FM-C for printing and review.

Mail the Region cover memo and director's narrative to USACFSC, ATTN: CFSC-FM-C, not later than **31 Aug 03**.

5. Budgets must coincide with and reflect the annual MWR 5-Year Plan (AR 215-1, Chapter 10).

6. **REVISIONS:** Budget revisions are not a substitute for managing operations to achieve approved budget goals. However, when circumstances beyond management control cause significant budget variances, budgets may be revised to reflect the new circumstances. Only future data may be revised and the Region consolidated budget must be revised accordingly and be submitted to USACFSC. NAFMC funding commitments approved by the CIRB will not be decreased without approval of the MWR BOD. Failure to fulfill NAFMC commitments normally results in cancellation of NAFMC projects.

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

ARMY LODGING FUNDS

1. This section contains specialized instructions for lodging (official travel) NAFIs. General instructions pertaining to recreation lodging activities are included in the section on MWR NAFIs.
2. For FY 04 the standard for preparing the garrison lodging fund budgets will be in Microsoft EXCEL. The templates and specific instructions will be provided on the Army MWR website (/mwr/fin mgt) for both the budget and importing into FMBS. Lodging fund budgets will first be prepared using the Microsoft EXCEL templates and once approved by the region, the AOB, CPMC, and Cash Budget schedules will be loaded into the Financial Management Budget System (FMBS) by selecting "Import Lodging Fund" on the FMBS menu available to Region ISOs. The FMBS facilitates the direct loading of approved/revised budgets on the Nonappropriated Fund Information Standard System (NAFISS) and MicroCADS (Europe Region) and will be used by all Lodging Funds. Only approved budget figures will be entered into NAFISS or MicroCADs. The servicing contracting/procurement and accounting offices will only accept purchase requests and invoices for payment for CPMC projects included on the approved budget.
3. DODD 1015.11 and/DODI 1015.12, Lodging Program Resource Management (Encl 1, ref g and h) states that appropriated funds (APF) are the primary source of funding for transient lodging capital expenditure items authorized APF support. The policy further provides the Army Secretariat with the authority to waive this requirement when APFs are not available. It is anticipated that the Army Secretariat will waive this requirement given the current APF funding environment. A waiver authorizing the use of NAF for transient lodging utilities is not anticipated. APF must be programmed for operations and CPMC prior to programming NAF and a certification of nonavailability of APF is required where APF is authorized but not available. This certification that APF is authorized but not available may be a statement in the Commander's Memo forwarding the installation budget to the Region for approval. In accordance with the Joint Travel Regulation (JTR) and the Joint Federal Travel Regulation (JFTR), permanent change of station (PCS) travel is official travel and all transient lodging are official government quarters authorized APF support.
4. Garrisons will forward copies of installation-generated and approved lodging NAF budgets to Regions for approval and consolidation into the Region Single Lodging Fund budget. The Regions will provide copies of the Region Single Lodging Fund budget including the approved garrison lodging NAF budgets and all related documents listed below to USACFSC. The budget in the EXCEL template will be forwarded by email or on a computer disk. All other documents may be sent in hard copy.
5. Garrison/community lodging NAF budget submissions will consist of the following separate elements:

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

a. CPMC Budgets (Parts A-D). In addition, a Project Plan (Encl 9, Doc 1) will be submitted for each new project (the project plan worksheet is in the EXCEL Template for FY04) providing the following:

(1) Detailed project description (e.g., Bldg #, number of rooms, age and condition of facility, etc.).

(2) APF work order number.

(3) Justification for need.

(4) Justification for use of NAFs for items authorized APF. An Installation Garrison Commander's certification is required when APF is authorized but not available. This requirement is applicable to operating costs and Capital Purchase, Major/Minor Construction, and Maintenance and Repair authorized APF support.

b. A manager's narrative describing the budget in detail to include as a minimum:

(1) Mission and vision statement.

(2) Description of program / services offered:

(a) Number of common and guest rooms by type and configuration (3 DVQs, 10 doubles with bath, 1 common area kitchen, 1 warehouse, 1 guest laundry room, 1 house laundry room, 3 offices, etc.)

(b) Number of buildings.

(c) Days and hours of front desk operation & housekeeping.

(d) Number of staff broken down by US and local nationals into full-time, part-time, flex.

(e) Ancillary services provided (food & beverage, sundry sales, transportation, continental breakfast, etc.)

(f) Discussion of significant trends and command factors influencing operations.

(3) Evaluation of current status of operation compared to Army Lodging Standards (LOYA awards received, discussion of standards not met and plan to correct, if applicable).

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

(4) Discussion of most recent renovations and brief discussion of Wellness Plan recommendations/results.

(5) Discussion of variances of more than 10% from prior year actual and / or budget for the following areas:

(a) Sales / cost of goods sold.

(b) Income (to include discussion of variances of projected occupancy rates of more than 10%, breakdown of current charges --base rates, additional occupant charges, pet charges, etc.-- and proposed changes in rates).

(c) Labor expenses (to include proposed changes in staffing).

(d) Other expenses (including use of NAF for items authorized APF and any planned cost savings and/or overhead reductions).

(6) Discussion of CPMC items in terms of replacements, new additions, and reason to use NAF instead of APF

(7) Discussion of garrison participation in mandatory NAF centralized contracts and any APF support meeting the needs/items associated with the mandatory centralized contracts.

(8) Any other items the manager considers significant.

c. Start Worksheet.

d. Begin Worksheet.

e. Rooms Worksheet.

f. Detailed and Consolidated Annual Operating Budgets (AOB).

g. Monthly Cash Projection Schedule.

h. Five-Year Cash Projection Schedule. Ensure explanatory notes are included which account for amounts appearing on the lines marked, "explain or list in detail in a footnote."

i. Minimum Net Income Before Depreciation Worksheet.

j. Room Service Charge Computation Worksheet(s).

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

6. Program Codes TB (unaccompanied permanent party) and HG (transient lodging) must be budgeted separately. Installations will consolidate all program HG costs associated with room operations under department code 82, Army Lodging Rooms and department code G1, Administration.
7. Activities such as resale activities, food and/or beverage operations (excluding continental breakfast and mini-bar), conference facilities, etc., within the lodging fund, will be operated IAW AR 215-1 and will not be included in department code 82, Army Lodging Rooms. These activities shall be self-sustaining; covering all costs associated with the operation (i.e., labor, supplies, COGS, etc.) and will be recorded under department codes such as F2, Miscellaneous Sales for non-food items and department code 14, Snack Bar for food sales.
8. Guidance and procedures for allocating overhead services provided to and/or by the MWR Fund are at Encl 5, para. 21.
9. Lodging Capital Assessment (LCA), Army Lodging Fund (ALF) Surcharge, and Unofficial Traveler Surcharge:
 - a. The Service Charge Computation Worksheet template includes the LCA, the ALF Surcharges and the Unofficial Traveler Surcharge if instituted.
 - b. The LCA, ALF Surcharges and Unofficial Traveler Surcharge (if instituted) income will be budgeted and recorded in GLAC # 501, Service/Recreation Income. The LCA and ALF Surcharge expense will be budgeted and recorded in GLAC # 758, ALF Surcharge Expense.
 - c. Based on the Daily Activity Report (DAR) input, the central accounting office will record the amount of the LCA and ALF Surcharges as a payable (GLAC # 238, Army Lodging Fund Surcharge Payable) to the ALF. The LCA and the ALF Surcharge balance are transferred to the ALF monthly.
10. Capital Purchases and Minor Construction (CPMC) Planning and Programming:
 - a. The FY 04 CPMC budget and out-year CPMC programming (5 Year Plan) should work toward facility improvements consistent with the Army Lodging Facility Standards and the Army Lodging Wellness Plan objectives. The standards are on par with mid-range comparable industry facilities.
 - b. Regions will approve CPMC budgets, which are consistent with the Army Lodging Wellness Plan objectives.
 - c. NAF project and funding approval requirements are provided at Encl 9, Doc 2.

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

d. APFs are the only authorized source of funding for permanent party capital expenditures.

11. REVISIONS: Region/garrison/community requirements for and submission of budget revisions are subject to the following guidance: Budget submissions must be as accurate and realistic as possible and reflect all known or planned changes. Revisions are not a substitute for realistic planning and management actions that adjust operations, room rates, and expenses to achieve budgeted goals. However, when actual results vary by 15 percent or more from CFSC/Region-approved budgets in the critical areas of total revenue, total operating expenses, or net income before depreciation, revisions for the remainder of the fiscal year are required to be submitted to the organization that originally approved. To prevent an unjustified drain on the Army's Training / Travel and MPA accounts resulting in an unnecessary buildup of cash or to prevent an unexpected drain on cash, revisions to the operating budget will be required and adjustments to room rates may be necessary when CPMC performance to budget varies by more than 15 percent. Regions may approve budget revisions when the critical annual operating or CPMC budget factors, indicated above, vary less than 15 percent.

a. Regions may supplement with more stringent revision requirements.

b. Regions may delegate approval authority to installation Garrison Commanders for changes not to exceed \$25,000 within the installation's approved lodging CPMC budget amount. Any change to the total dollar amount of garrison CPMC budgets must have prior Region approval.

c. Regions/Garrisons will conduct quarterly performance to budget reviews.

d. Budget revisions will be approved by the Region and a copy forwarded to USACFSC NLT 60 days following approval.

e. Budget revisions will be completed using the EXCEL templates and the instructions for revisions (Installation Information Worksheet Tab, cell B7).

f. Only future data may be revised. For example, a budget revision submitted in April may include revised figures for April through September only. Original budgeted figures for October through March will be added to revised figures to obtain the revised fiscal year total. This does not preclude local use of actual data in conjunction with projected data as a tool in comparing original forecasts with actual results to meet management needs or desires.

g. Whenever one budget component is revised, all other affected budgets must be simultaneously revised. A revision to the AOB may affect funds available for capital expenditures and, therefore, require revision of the CPMC and cash budgets.

h. All approved revisions need to be expeditiously entered into FMBS for entry into NAFISS

BUDGET REQUIREMENTS AND SUBMISSION PROCEDURES

and MicroCADS and CPMC budgets forwarded to the servicing contracting/procurement offices.

[LODGING FUND CPMC PROJECT PLAN](#)

[APPROVAL REQUIREMENT FOR NAF-FUNDED LODGING CPMC PROJECTS](#)

[INTERNATIONAL HOTEL/MOTEL AND RESTAURANT SHOW \(IHM&RS\) 2003
CONSOLIDATED BUY BUDGET INPUT](#)

[FACILITIES/ROOMS CONSTRUCTED/RENOVATED SINCE 1995](#)

[ARMY LODGING CAPITAL EXPENDITURE LIFE-CYCLE GUIDANCE](#)

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

SEE APPENDIX D, AR 215-1 FOR APF AUTHORIZATIONS.

MWR CATEGORY A - MISSION SUPPORT PROGRAMS:

PROGRAM CODE

HA	Libraries
HB	Gym-Physical Fitness/Aquatic Training (and/or athletic equipment checkout)
HC	Recreation Centers (and/or rooms)
HD	Unit Activities
HE	Professional Entertainment Overseas
HF	Parks and Picnic Areas
HH	Sports/Athletics (and/or athletics self-directed)

MWR CATEGORY B - COMMUNITY SUPPORT PROGRAMS:

JA	Sports (above intramural level)
JB	Arts and Crafts (skill development)
JC	Auto Crafts (skill development)
JD	Entertainment (music and theater)
JE	Outdoor Recreation Program General
JF	Recreational Swimming Pools
JG	Child Development Center Programs
JH	Youth Sports and Fitness
JJ	Rescinded
JK	Small Travel Camps/Campgrounds
JL	Cable TV (Korea)
JM	Middle School/Teen Programs
JN	Recreation Planning Team
JP	Recreation Operations Team
JQ	Installation-wide Recreation Events
KA	Bowling (12 lanes or less)
KB	Boating without Private Berthing or Resale
KC	Outdoor Recreation Equipment Checkout
KD	Information, Ticketing and Registration (recreation information, tickets, and tours services)
KJ	Stables (riding stables without private boarding)
PC	Child Development Services / CYS Base
PD	Family Child Care Programs
PE	Rescinded

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

<u>PROGRAM CODE</u>	<u>MWR CAT B-COMMUNITY SUPPORT PROGRAMS (CONT)</u>
PG	Outreach Services – CYS Services and Central Registration (OS)
PH	Youth Services / CYS Base
PJ	Training & Programming Specialists (TAPS)
PK	Rescinded
PL	Training & Curriculum Specialists (TACS)
PM	Outreach Services – CYS Programs and Instructional Classes (OS-S)
QL	School-Age Services (SAS)
UB	Stars and Stripes

MWR CATEGORY C - REVENUE GENERATING PROGRAMS:

KE	Officers' Clubs
KF	NCO/ENL Clubs
KG	Community/Consolidated Clubs
KH	Guesthouses – Non-ALF (MEDCOM installations' use only)
KK	Large Travel Camps/Campgrounds
KL	Theme Operations (CFSC approved)
KM	Food, Beverage, and Entertainment (FBE)
LA	Aquatic Centers (CAT C)
LB	Other Resale
LD	Unit Lounges
LE	Bowling (13 lanes or over)
LF	Cabins, Cottages, Recreational Guesthouses
LG	Marinas (with resale or private boat berthing)
LH	Skating Rinks (ice or roller) Free Standing
LJ	Rescinded
LK	Riding Stables with Private Boarding
LL	Rod and Gun Activities (including skeet and trap)
LM	Parachute/Skydiving
LN	Rescinded
LP	Flying
LQ	Golf
LR	Amusement Centers
LS	Commercial Travel
LT	Freestanding Snack Bar
LU	AFRC (accommodations/dining/resale)
LV	Other Category C Activities
LW	Recreation Equipment Rental and Sales

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

MWR COMMON SUPPORT:

SEE APPENDIX D, AR 215-1 FOR APF SUPPORT FOR EACH ELEMENT OF
EXPENSE

PROGRAM CODE

RA	IMA Region/CFSC Staff
RC	DCA/ADCFA/Fund Custodian
RE	Services
RF	Financial Management
RG	Accounting
RH	Civilian Personnel Office
RI	MWR Information Technology Services
RJ	Contracting
RK	Statutory Accident Insurance (Europe Region only)
RL	Banking and Investment Program (CFSC use only)
RM	Risk Management Program (CFSC use only)
RN	Employee Pay and Benefits (CFSC use only)
RP	Fund Administration
RQ	Community Operations/Business Programs
RR	Community Family Support
RS	Community Recreation
RT	Central Payroll Office (NAF Central Payroll Office (CNPO) use only)
RU	Marketing
RW	MWR Construction Management (IMA Region/CFSC use only)
RX	Human Resources (HR) Base (CFSC use only)
RY	MWR Training (CFSC/IMA Region use only)
RZ	MWR Strategic Planning (CFSC/IMA Region use only)

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

NON-MWR SUPPLEMENTAL MISSION NAF ACTIVITY:

These activities are established to provide a NAF adjunct to a non-MWR APF mission. NAF support to the non-MWR mission is not authorized. These accounts/funds may not be subsidized with MWR NAFs, nor will MWR NAFs be subsidized by these funds. All NAF activity is reported; only APF support to the supplemental mission NAF activity is reported.

PROGRAM CODE

HG	Official Transient Lodging
PB	School Activities (military, not family members)
PF	Family Member School Lunch Program
SA	Army Community Service Program
TA	CG's Mess/Suppl Field Ration Mess
TB	Unaccompanied Permanent Party Billeting
TD	Veterinary Services
TE	Cadet Store
TF	Cadet Restaurant
TG	Cadet Activities
TH	Army Athletic Association
TJ	Magazine Subscription Activities
TK	Museums (gift shops)
TL	US Disciplinary Barracks/US Army Correctional Brigade
TM	Vehicle Registration
TP	Scouting
TQ	Misc Supplemental Mission
TR	Fisher House (under Fund "N" only)
TT	Recycling

DEPARTMENT CODES

00	Balance Sheet
01	Regular Bar
03	Private Parties Bar
04	Bulk Beer Sales
11	Dining Room
12	Food Promotion Sales
13	Private Parties Food Sales
14	Snack Bar Food Sales

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

DEPARTMENT CODES (CONT):

15		Bakery
16		Mobile Snack Bars
25		Theme Beverage
26		Theme Food
27		Convenience Resale
31		Audio/Video Equipment
32		Golf/Tennis Equipment
33		Photo Equipment
34		Arts and Crafts Materials
35		Auto Parts and Supplies
36		Bowling Equipment
37		Gift Shop
38		Rod and Gun Pro Shop
39		Sports Specialty Pro Shop
41		Greens Operations
42		Driving Range
43		Golf Carts
44		Instruction Fees
45		Lane Operations
50	NEW	Waterfront Operations
51		Swimming
52		Parks/Recreation
53		Skiing
54		Skating
55		Rod and Gun Skeet/Trapshooting
56		Stables
57		Marinas
58		Equipment Rental
59		Hunting
5A		Tennis
5B		Kennels
5C		Fishing
5D		Dayroom
5E		Gyms and Sauna
5F		Go-Cart Track
5G		Special Events
5H		Miniature Golf
5J		Unit Activities
5K		Carnival Activities
5L		Special Soldier Support Operations

DEPARTMENT CODES (CONT):

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

5M		Concerts (Installation-wide events)
60		Equipment Issue
61		NAFI-owned Aircraft
62		Government-owned Aircraft
63		Leased Aircraft
64		Equipment Maintenance and Repair Services
65		Boating Operations
66		Camping
72		Part Day Preschool
73		Full Day Care
74		Hourly Care
75	Rescinded	
76	Rescinded	
77		Camps
78		Part Day Care – Misc
7A	Rescinded	
7B	Rescinded	
7C		CYS Options/Support
7D		Food Program
7F		Kindergarten
7G	Rescinded	
7L		Activity Fees
7M	Rescinded	
7P	Rescinded	
7Q		Before / After School Care
7R		Open Recreation
81	Rescinded	
82		Army Lodging Rooms
83	Rescinded	
84		BOQ
85		BEQ
86		Medical Treatment Facility Rooms (MEDCOM only)
87		Recreational Lodging Rooms (MWR Funds only)
88		Property Operation Maintenance & Energy
89		Marketing
8A		Telephone
8B		Laundry
91		Woodworking

DEPARTMENT CODES (CONT):

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

92		Photography
93		Multi Crafts
94		Auto Shop
95		Car Wash Operations
96		Engraving Shop
97		Screen Print Shop
98		Sheet Metal Shop
99		Shoe Shop
9A		Upholstery Shop
9B		Furniture Refinishing
9C		Furniture Construction
9D	Rescinded	
9E		Auto Stripping Operations
9F		BOSS Activity
9G		Commercial Sponsorship
9H		Advertising
A1		Barber Shop
A2		Beauty Shop
B2		Music
B3		Theater
B4		MARS Communication Link
B5		Ticketing
B6		Hotels
B7		Tours
B8		Vehicles (ITR Only)
C1		Vending (other than concessionaires)
D1		Amusement Machines (other than concessionaires)
E1		Bingo
F1		Miscellaneous
F2		Miscellaneous-Sales
F3		Miscellaneous-Tobacco
G1		Administration
G2		Accounting
G3		Personnel
G4		Procurement
G5		Admissions
G6		Overhead
G7		Tax Relief Program

DEPARTMENT CODES (CONT):

G8		ARM Reimbursement
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PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

G9		Chaplain
GA		Payroll
GB		Community Operations Division Staff
GC		Community Recreation Division Staff
GD		Family Support Division Staff
GE		USAREUR Utility Program VAT*
GF		APF Support - Expanded Operations
GG		CFE Base Closure Cost*
GH		APF Support – Security
GJ		APF Support - Emergency Essential Civilian (EEC) (MWR USA)
GK		Esprit Card
GL		APF Support – Normal Operations (MWR USA)
GM		Information Management
GN	Rescinded	
GP		Auditor
H1		Garden Operations**
H2		Cattle Operations**
H3		Swine Operations**
H4		Crop Operations**
H5		Firewood Operations**
H6		Greenhouse Operations**
H7		Mental Hygiene**
W1		Warehouse
W2		Motor Pool
W3		Recycling
*		USAREUR Only
**		US Disciplinary Barracks Only

GENERAL LEDGER ACCOUNTS (GLACs)

CURRENT ASSETS:

Cash		
101		US Cash
102		Foreign Currency Cash
103		US Payroll Cash

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

104		Foreign Currency Payroll Fund
105		Cash Change Fund

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

106	Foreign Currency Conversion Fund
107	US Petty Cash
108	Foreign Currency Petty Cash
109	Bingo Petty Cash
110	Commercial Credit Card Compensating Balance
111	Local Bank Compensating Balance
112	Foreign Currency Change Fund
113	Emergency Local Checking

Investments

115	NAF Centralized Investment Program
116	Savings Account
117	Marketable Securities

Receivables

119	Advance Receivable
120	ARM Income Receivable
121	Member Receivable
122	Esprit Receivable
123	Concessionaire Receivables
124	Returned Checks Receivable
125	AAFES Receivable
126	Loans Receivable
127	Claims Receivable
128	Deposits Receivable
129	Guest Ledger Receivables
130	Accrued Interest Receivables
131	Inter NAFI Receivable IMPAC
132	Dividends Receivable
133	Reserve Component Dividends Receivable
134	Allowance for Doubtful Accounts
135	Inter-NAFI Receivables-Inside IMA REGION
136	Inter-NAFI Receivables-Outside IMA REGION
137	USA Income Receivable
138	Layaway Receivables
139	Commercial Credit Card Receivable

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

140	Miscellaneous Other Receivables
141	Warehouse/Storeroom Inventory
142	Sales Outlet Merchandise Inventory

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

143		Inventory in Transit
144		Work in Progress Inventory

Prepaid Expenses

151		Prepaid Supplies and Equipment
152		Prepaid Taxes and Licenses
153		Prepaid Insurance
154		Prepaid Maintenance and Repair
155		Prepaid Tableware, Kitchenware Linens, and Uniforms
156		Prepaid Bingo Prizes
157		Prepaid Rent
158		Prepaid Guest Supplies (Army Lodging Fund)
159		Prepaid Items in Transit
160		Miscellaneous Other Prepaid Expenses

Fixed Assets

161		Buildings
162		Accumulated Depreciation Buildings
163		Furniture, Fixtures, and Equipment
164		Accumulated Depreciation, Furniture, Fixtures, and Equipment
165		Vehicles, Aircraft, and Boats
166		Accumulated Depreciation Vehicles, Aircraft, and Boats
167		Breeding Livestock
168		Accumulated Depreciation Breeding Livestock
169		Building Improvements
170		Accumulated Depreciation Building Improvements
171		Land Improvements
172		Accumulated Depreciation Land Improvements
173		Maintenance and Repair of Facilities
174		Accumulated Depreciation Maintenance and Repair of Facilities
175		Government Titled Buildings and Improvements
176		Accumulated Depreciation Government Titled Buildings and Improvements
177		Other Government Titled Fixed Assets
178		Accumulated Depreciation Other Government Titled Fixed Assets

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

179		Minor Construction in Progress
180		Fixed Assets in Transit
181	NEW	APF Authorized Fixed Asset
182	NEW	Accumulated Depreciation – APF Authorized Fixed Asset

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

Other Assets

185		Long-term Loans Receivable
186		Artifacts
187		Capital Commitments
188		Employee Separation Allowance Sinking Fund
189		ARM Trust Allocation
190	REVISED	ALF/CWF/PRF Sinking Fund
193		Central Accounting Office Loan Receivable
195		Payroll Deposit Receivable
196		Local Payments for NAFMC
199		Miscellaneous Other Assets

Current Liabilities Payable

201		Accounts Payable
202		Deposits Payable
203		Loans Payable
204		Current Term Capital Lease Payables
205		Grants Payable
206		Dividends Payable
207		Reserve Component Dividends Payable
208		Vending Machine Revenue Sharing Payable
209		Unclaimed Wages Payable
210		Federal Withholding Taxes Payable
211		State Withholding Taxes Payable
212		Local Withholding Taxes Payable
213		FICA Taxes Payable
214		Employee Group Health and Life Insurance Premiums Payable
215		Employee Group Retirement Insurance Premiums Payable
216		Employee Supplemental Insurance Premiums Payable
217		Employee Delinquent Tax Levy Withholdings Payable
218		Employee Savings Bond Deductions Payable
219		Employee Charitable Deductions Payable
220		Employee Savings Allotment Deductions Payable
221		Employee Union Dues Deductions Payable
222		Employee Meals Deductions Payable

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

223		Inter NAFI Payable IMPAC
224		Foreign Withholding Taxes Payable
225		Foreign Unemployment Insurance Taxes Payable
226		Foreign Medical Insurance Taxes Payable
227		Foreign Welfare and Pension Taxes Payable

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

228	Manual Pay Reimbursements Payable
229	401K Deductions Payable
230	Tips Payable
231	Inter NAFI Payables Within IMA REGION
232	Inter NAFI Payables Outside IMA REGION
233	US Unemployment Insurance Payable
234	ARM Distribution Payable
235	Demand Deposits Payable
236	Claims Payable
237	Construction Contracts Payable
238	Surcharge Payable
239	Thrift Savings Plan Deductions Payable
240	Miscellaneous Other Payables

Accruals

241	Interest Payable
242	Salaries and Wages Payable
243	Annual Leave Payable
244	Payroll Taxes Payable
245	Employee Bonuses Payable
246	Other Employee Benefits Payable
247	US Employee Compensatory Time Payable
248	Foreign National Employee Compensatory Time Payable
250	Bingo Cash Jackpot Payable
251	Bingo Merchandise Jackpot Payable
256	Audit Expense Payable
257	Maintenance Expense Payable
260	Miscellaneous Other Accruals

Unearned Income

261	Special Event Advance Ticket Sales
262	Dues and Assessments Advance Payments
263	Advance Payments on Account
264	Rescinded
267	Miscellaneous Other Unearned Income

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

Long Term Liabilities

268	Long Term Loans Payable
270	US Employee Allowances Payable
271	Foreign National Employee Allowances Payable
272	Reserve For Claims

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

273	Long Term Capital Lease Liability
275	Miscellaneous Other Long Term Liabilities
288	Super Fund Clearing Account
289	Location Clearing Account
 Equity	
291	Contributed Capital
292	Retained Earnings
 Sales	
301	Cash Sales
302	Credit Sales
303	Layaway Sales
304	Sales Returns and Allowances
305	Customer Discounts
306	Employee Discounts
307	Intra-fund Sales
Cost of Goods Sold	Note: For FMBS budgeting purposes, GLAC 499 is the net of the 400 GLAC series.
401	Purchases
402	Warehouse/Storeroom Requisitions
403	Transfers from Other Funds
404	Transfers from Other Locations
411	Purchase Returns and Allowances
412	Warehouse/Storeroom Issues
413	Transfers to Other Funds
414	Transfers to Other Locations/Departments
416	Other Inventory Reductions
432	Cost of Goods Sold, Inventory Overages
452	Cost of Goods Sold, Promotions Expenses
453	Cost of Goods Sold, Customer Rejected Goods
454	Cost of Goods Sold, Resale Merchandise SBO

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

455	Cost of Goods Sold Warehouse/Storeroom SBO
456	Cost of Goods Sold, Inventory Shortage
 Other Operating Income	
501	Service/Recreation Activity Income
502	Concessionaire Commission Income
503	Special Events Income

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

504	Rental and Usage Fees Income
505	TV and Radio Rights Income
506	Program and Brochure Income
507	Guaranteed Participation Income
508	Demonstration Resources/USA Income
509	Dues and Assessment Income
510	Foreign Government Reimbursement Income
511	Cash Overage Income
512	Inventory Overage Income
513	Public/Private Venture Income
514	Unofficial Travel Surcharge Income
515	Vendor Reimbursement Income
516	Forfeited Layaway Sales Income
517	Late Charge Assessment Income
518	POV Registration Fee Income
519	Operator License Fee Income
520	Re-registration Fee Income
521	Non-operational Vehicle Fee Income
522	Weapons Registration Fee Income
523	Returned Check Service Charge Income
524	ARM Profit Distribution
525	ARM Expense Reimbursement
527	Service Charge Income
528	Warehouse Price Variance Income
529	Fishing Income
530	Hunting Income
531	Greens Fee Income
532	Driving Range Income
533	Golf Cart Income
534	Instruction Fee Income
535	Lane Fees Income
536	Shoe Rental Income

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

537	Local Telephone Income
538	Recyclable Material Income – Grant/Distribution
539	Amusement Machine Income (Non-Concessionaire)
540	Recyclable Material Income – MWR Operation
541	Commercial Travel Office Commission Income
542	APF Contract Income
543	USDA Income
545	AAFES Dividend Income

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

546		Insurance Premium Income
547		Income from Allocation of Expenses
548		Coupon and Special Offer Discounts
549		AAFES Other Income
550		Consignment Income
551		Communications Services Income
553		Commercial Sponsorship Income
554		Food Purchase Rebate
555		Garnishment Procession Revenue
557		Advertising Revenue
558		Abandoned Automobile Income
559		VTO Concession Fee Income
560	NEW	CFSC Sponsored Promotions
598		Intra-fund Transaction Revenue
599		Miscellaneous Other Operating Income

Labor

601		Salaries and Wages US Employees
602		Salaries and Wages Foreign National Employees
603		Annual Leave US Employees
604		Annual Leave Foreign National Employees
605		Sick Leave US Employees
606		Sick Leave Foreign National Employees
607		Workers' Compensation Insurance US Employees
608		Workers' Compensation Insurance Foreign National Employees
609		Retroactive Wage Increases US Employees
610		Retroactive Wage Increases Foreign National Employees
611		Employer's Share of FICA
612		Employer's Share of Employee Group Health and Life Ins Plans
613		Employer's Share of Employee Retirement Plans
614		Foreign Unemployment Insurance Taxes
615		Foreign Medical Insurance Taxes

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

616		Foreign Welfare and Pension Taxes
617		US Employee Bonuses
618		Foreign National Employee Bonuses
619		Foreign National Employee Separation Pay
620		US Unemployment Insurance Expense
621		US Employee Compensatory Time Expense
622		Foreign National Employee Compensatory Time Expense
623		Home Leave Expense

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

624	Other Benefits US Employees
625	Other Benefits Foreign National Employees
626	Employer Share of 401K Expense
627	Employer Share of TSP Expense
628	US Employee Severance Pay Expense
629	US Post-Retirement Medical Benefits Assessment

Other Operating Expense

650	Capitalized Labor Cost (credit GLAC)
651	Manager's Expense
652	Promotions Expense
653	Customer Rejected Goods Expense
654	Resale Merchandise Spoilage, Breakage, and Obsolescence Expense
655	Warehouse/Storeroom Spoilage, Breakage, and Obsolescence Expense
656	Inventory Shortage Expense
657	Facilities Maintenance and Repair Expense
658	Equipment Maintenance and Repair Expense
659	Vehicle Maintenance and Repair Expense
660	Training Expense
661	Bad Debt Expense
662	Discount Lost Expense
663	Bank Service Charge Expense
664	Vehicle Operating Expense
665	Printing Expense
666	Vehicle License Plate Expense
667	Vehicle Decal Expense
668	Guest Supplies (ALF only)
669	Door Prize and Promotion Expense
670	Sports Activities Expense

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

671	Awards and Trophies Expense
672	Sports Officials Expense
673	Recruiting Expense
674	Scouting Expense
675	Training Table Expense
676	Visiting Team Billeting and Meals Expense
677	Program and Brochure Expense
678	Volunteer Service Expense
679	Condolences/Memorials

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

680	Warehouse Price Variance Expense
681	Commissions Paid Expense
682	Civilian Personnel Services Expense
683	Administrative Support Branch Expense
684	Central Procurement Office Expense
685	Central Accounting Office Expense
686	Contractual Services Expense
688	Common Service Fund Expense
689	Payroll Service Expense
690	Data Processing Expense
691	CDS/YA Meals and Snack Expense
692	Training Travel Expense
693	Claims Expense
694	Studies and Analysis Expense
695	Annuity Expense
696	Grant Expense
697	Dividend Expense
698	Vending Machine Income Sharing Expense
699	Major Construction Expense
726	Supplies Expense
727	Laundry and Dry Cleaning Expense
728	Ice Expense
729	Utilities Expense
730	Communications Expense
731	Freight Expense
732	Travel Expense
733	Insurance Premiums Expense
734	Building and Contents Insurance Expense
735	Advertising Expense
736	Taxes and License Expense

GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

737	Tort Claims Expense
738	Audit Expense
739	Cash Shortage Expense
740	Late Payment Interest Expense
741	Deposits Lost Expense
742	Furniture and Equipment Expense
743	Commercial Credit Card Expense
744	General Entertainment Expense
745	Special Events Entertainment Expense
746	Rental Expense

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

747		Flowers and Decorations Expense
748		Official Hosting and Representation Expense
749		Tableware, Kitchenware, Linen, and Uniforms Expense
750		Bingo Prizes Expense
751		Collection Agency Expense
752		Investment Expense
753		ARM Distribution Expense
754		PCS Expense
755		Interest Expense
756		Consignment Ticket Expense
757		Commercial Communication Expense
758		Army Lodging Fund Surcharge Expense (ALF only)
759		Cable/Pay TV Expense
760		401K Administrative Surcharge Expense
798		Intra-fund Transactions Expense
799		Miscellaneous Operating Expense

Other Income

801		Interest Income
803		Gain on Disposal of Other Fund-Owned Property
805		ALF Payment for Guest House Investment Income
806		Non-operating Sources of Revenue
807		Contributions From Charitable Sources
808		NAF to APF Conversion Income
809	REVISED	AMWRF Dividends (MWR Fund 1 only)
825		Miscellaneous Other Income

Other Expenses

826		Interest Expense
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GENERAL LEDGER ACCOUNTS (GLACs) (CONT)

827		Loss on Gain or Disposal of Fixed Assets
828		Loss or Gain on Foreign Currency Transactions
829	Rescinded	
830		Isolated Unit Dividend Expense
831		Reserve Component Dividend Expense
832		Loss Due to Closure – Business Based
833		APF to NAF Conversion Expense
834	REVISED	Capital Reinvestment Assessment (CFSC-AFRCs only)
850		Miscellaneous Other Expenses

Depreciation Expenses

PROGRAM, DEPARTMENT, AND GENERAL LEDGER ACCOUNT (GLAC) CODES
FY 04

851		Buildings Depreciation Expense
852		Building Improvements Depreciation Expense
853		Furniture, Fixtures, and Equipment Depreciation Expense
854		Vehicles, Aircraft, and Boats Depreciation Expense
855		Land Improvements Depreciation Expense
856		Breeding Livestock Depreciation Expense
857		Other Government Titled Fixed Assets Depreciation Expense
858		Government Titled Buildings and Improvements Depreciation Expense
859		Maintenance and Repair of Facilities Depreciation Expense
860	NEW	APF Authorized Fixed Asset Depreciation Expense
Extraordinary Items		
890		Loss Due to Closure – BRAC
891		Extraordinary Expense
892		Extraordinary Income
Income and Expense Summary		
900		Income and Expense Summary