

## CHAPTER 9

UNIT FUNDSA0901        GENERAL

A090101    Accounting and Reporting Procedures. This chapter has accounting and reporting procedures for unit funds and unit activities established and administered by installation commanders in accordance with AR 215-1. Installation commander includes, as applicable, the State Adjutant General (AG) for the Army National Guard, the Major, U.S. Army Reserve Command (MUSARC), or reserve component (division, troop command, or brigade) delegated as a major command by the State AG or MUSARC. Included are those funds integrated into the IMWRF, and those maintaining their own accounting records. Funds keeping their own records are:

- A.     Inmate morale support funds.
- B.     Stockade morale support funds.
- C.     Hospital prisoner morale funds.
- D.     Non-troop program Reserve units.
- E.     Reserve Component units.
- F.     Units designated as isolated units.

A090102    Reserve Components and Isolated Unit Funds. Procedures in AR 215-1 are not changed by provisions of this publication.

A090103    Installation Unit Activities. Separate unit funds are not authorized for installation/ base units; however, at MACOM direction, those units may receive monetary NAF support through IMWRF. Installation units receiving NAF support are referred to as "unit activities" and are accounted for within the IMWRF.

A0902        CONSOLIDATED UNIT FUND ACCOUNTING. Under AR 215-1, unit funds of two or more units of company, battery, battalion, brigade, or higher size, may be combined into one consolidated unit fund account. Accounting and reporting is required to be integrated with the functions of the IMWRF.

A0903        SOURCE OF FUNDS. Unit activities receive NAF support from the host IMWRF. NAF support to isolated and reserve component units is provided by the coordinating installation (usually the one nearest the unit). The coordinating installation will request reimbursement from FORSCOM for all CONUS reserve component units and isolated units, or USAPAC for units based in Puerto Rico and the Pacific.

A0904        UNIT MWR FUNDS. The accounting and reporting functions of installation unit activities will be integrated with the IMWRF functions. Isolated and reserve component unit funds will account for their funds in accordance with paragraph A0906.

A0905        ACCOUNTING FOR IMWRF UNIT ACTIVITIES. All installation unit activities will be accounted for using a locally assigned location code and the standard department code 5J under program code HD. Individual unit activity statements will be prepared by the IMWRF management, not the CAO.

A090501     Debit GLAC 6XX and Credit GLAC 201 is an example of entry to record the expense incurred by the IMWRF unit activity.

A090502     Debit GLAC 101 and Credit GLAC 5XX is an example of an entry to record the revenue received by the IMWRF for the unit activity.

A0906        ACCOUNTING FOR ISOLATED UNIT ACTIVITIES. Reserve or isolated units

authorized to keep their own accounting records will use the following:

**A090601** The frame work of accounting records in this section is the single-entry or cash basis system. Single-entry bookkeeping is simple and economical. It should, under certain conditions, provide enough data to prepare financial statements. The cash basis of accounting records revenue and expenses when actually received and paid, without regard to the period to which they apply.

**A090602** No other classification of accounting transaction is maintained except for property purchased with unit funds or property acquired by gift, transfer, or donation. These acquisitions require subsidiary records for control purposes.

**A090603** The isolated unit fund dividend distribution from the DA MWRF will be paid through Forces Comand and be paid by a coordinating installation. The coordinating installation will pay the dividend directly to an approved isolated unit fund and be reimbursed by Forces Command. The entry to record the payment by the coordinating installation is DR GLAC 140 - Miscellaneous Other Receivables and CR GLAC 101 - US Cash. When the corrdinating installation receives reimbursement, the entry is DR GLAC 101 and CR GLAC 140.

**A090604** When the isolated unit activity is funded as part of an IMWRF, the procedures in A0905 apply.

**A0907** RECORDS AND FORMS. Basic records and forms will be established and maintained as prescribed in this section. Records of a unit fund will be kept to the minimum required to support the funds transactions.

**A090701** D A F o r m s 2 1 0 7 (Nonappropriated Fund Receipt and Disbursement Voucher) will be used to support all receipts and disbursements by unit funds. This general purpose voucher is prescribed to support all transactions except those processed through the petty cash fund. Refer to chapter 4 for procedures on petty cash expenditure.

**A090702** DA Form 2107 will be numbered sequentially by calendar or fiscal year, i.e., 94-1, 94-2, etc. A single series of numbered vouchers will be used for all transactions within the calendar or fiscal year, whether the action is a receipt or a disbursement. For example, if the last voucher issued was No. 94-10 for an expenditure, and the next transaction to be recorded is a receipt of cash, the collection voucher will be numbered "94-11". Each DA Form 2107 prepared will be dated, numbered, and contain all data required to fully identify the transaction. The voucher will be signed by the fund manager. It will be supported by attached documents required to validate the transaction, such as vendor invoices, statements, bills, receipts, receiving reports, and other related documents.

**A090703** Purchases made through petty cash disbursements will be processed according to procedures in chapter 4. A DA Form 2107 will be prepared when the petty cash fund is replenished.

**A090704** When possible, all goods and services will be paid for at the time of purchase. Memorandum records will be maintained to insure that outstanding orders are properly suspended. These memorandum files will prevent placing of orders in excess of the unit fund's available cash balances.

**A090705** Other records will include a check book, bank deposit slips, bank statements, bank account reconciliations, statements of operation and fund equity, copies of audit reports, property receipts, and miscellaneous correspondence relating to unit fund administration.

**A0908** CASH, PROPERTY, AND RECONCILIATION RECORD (CPRR). This DA Form 5627-R (Cash, Property and Reconciliation Record) is the primary official record of unit fund management and administration. DA Form 5627-R will be locally reproduced on 8 1/2 by 11 inch paper. All entries must be supported by an approved DA Form 2107.

A090801 Cash Receipts. Unit fund managers will be responsible for safeguarding cash receipts by promptly depositing them. Dividends received through the IMWRF and cash from sales of fund-owned property will be fully identified so that proper disposition may be made.

A090802 Cash Disbursements. All cash disbursements, except petty cash transactions, will be documented on a DA Form 2107. If a petty cash fund is established, the total authorized amount of the petty cash fund will be entered in the expenditure column of the DA Form 5627-R with a memo entry. Thereafter, only the amount of a fund replenishment to the original authorization will be recorded. When the petty cash fund is discontinued, the amount expended will be entered in the expenditure column, the balance will be deposited in the bank. The later will be shown as a memo entry in the receipts column of the DA Form 5627-R. Transactions affecting cash and property will be entered in both cash and property columns of the DA Form 5627-R.

A090803 Property Transactions. The following transactions will be entered in the DA Form 5627-R to maintain property control: (1) Cash purchases of property; (2) Cash sales of excess or worn out property; (3) Transfers and gifts from other units or other sources; and (4) Disposals to the property salvage officer. Property will be recorded on DA Form 4078. When cash is involved in the property transaction, entries will be made in both the cash column and the property column.

A090804 Reconciliations.

A. Reconcile the property records maintained on DA Forms 4078 with the balance shown in the property column of the DA Form 5627-R each quarter. The cost of all property items purchased with unit funds or otherwise acquired by the unit (excluding Government property) will be summarized from the DA Forms 4078. The amount will be balanced to the amount shown on the fund record.

B. Reconcile the bank statement to the fund cash account each month. This account is also maintained on the DA Form 5627-R. The bank statement balance, minus outstanding checks, plus deposits made after the bank statement cutoff, should always equal the balance column on the DA Form 5627-R.

A0909 PETTY CASH SYSTEM.

A090901 Petty cash procedures will be governed by chapter 4.

A090902 Prepare DA Form 2107 to support the issuance of a check to restore the petty cash fund to its original amount. Attach all supporting documents to the DA Form 2107. Enter the total of all subvouchers on the DA Form 2107. Post the same amount in the expenditures column of the DA Form 5627-R.

A090903 Reserve component units are not required to use petty cash procedures if they:

A. Receive income only from dividends; and

B. Spend those dividends during annual training. Attach all sales slips, receipts, and supporting documents to the DA Form 5627-R. These documents will be accepted as evidence of purchase.

A0910 REPORTING. Unit fund managers will keep a DA Form 5627-R. Record receipts and expenditures on a daily basis, as they occur. At the end of each month, total all columns and send an information copy to the servicing IMWRF. Reserve Component units do not need to send an information copy of the DA Form 5627-R to the servicing IMWRF. RC unit fund managers will send a copy of the DA Form 5627-R to the next major command headquarters each quarter. After review, it will be returned to the RC fund manager to be included in the unit's files.

A091001 Certificate of Transfer. Fund managers will prepare a certificate of transfer as shown in figure 2-1. Both the current manager

and the successor will sign the certificate. It will be filed with the current financial statement.

A091002        The outgoing fund manager will also notify the servicing bank of the change of fund managers. A letter resembling the following will be sent to the bank: "I have this date transferred the unit fund of Company A, 4th Infantry, to John Doe, 1st Lieutenant, Infantry, who will, until replaced, have authority to draw on the fund deposited in your bank. His signature appears below." The letter will be signed by the current fund manager and his or her successor.