



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
HEADQUARTERS, JOINT BASE LEWIS-MCCHORD
1010 LIGGETT AVENUE, BOX 339500, MAIL STOP 1AA
JOINT BASE LEWIS-MCCHORD, WA 98433-9500

IMLM-MWN

4 January 2016

MEMORANDUM FOR: All JBLM Commanders and Unit Fund Managers

SUBJECT: Memorandum of Instruction for Unit Funds

1. REFERENCES:

- a. AR 215-1 (Morale, Welfare, and Recreation Activities and Nonappropriated Fund Instrumentalities), 24 September 2010.
- b. AR 600-20 (Army Command Policy), 18 March 2008/RAR 20 November 2009.
- c. DoD FMR 7000.14-R, Volume 13 (Nonappropriated Funds Policy and Procedures), September 2012.
- d. DFAS-IN Regulation 37-1, (Finance and Accounting Policy Implementation, Chapter 32, para 3209), September 2009
- e. Memorandum, CFSC-FM-C, 16 April 2004, subject: Army Level Requirements (ALR) Morale, Welfare, and Recreation (MWR) Unit Fund Support to Army Troops Deployed Overseas and Activated Reserve Component (RC) Units in Support of Homeland Security.

2. PURPOSE: To assist unit/squadron commanders in the operation and maintenance of unit fund accounts by consolidating information contained in numerous directives and to establish local procedures governing the administration of unit funds.

3. APPLICABILITY:

- a. This policy applies to all organizations assigned or attached to I Corps, 62d Airlift Wing, 627th Air Base Group (ABG), and Joint Base Lewis-McChord (JBLM).
- b. The policies and procedures herein are applicable to all unit funds centralized at IMWRF (Installation Morale, Welfare, and Recreation Fund) level under the jurisdiction of this headquarters.

4. SOURCE OF FUNDS:

- a. Unit funds are nonappropriated funds provided for the entertainment, recreation and comfort of the personnel of the unit/squadron, but only when equitable benefits

accrue to all active duty personnel of the unit/squadron. Unit funds will be used for the collective benefit of all unit members for off-duty recreational purposes as outlined in AR 215-1, 5-13k. Unit funds can be organized and administered at battalion, wing, group, squadron, separate company, battery, or troop level at the option of the commander.

b. The unit/squadron's annual dividends will be allocated at the beginning of each fiscal year. Dividends will be computed by the Nonappropriated Fund (NAF) Financial Management (FM) office based upon assigned strengths reported. Army unit commanders are required to prepare and submit an annual memorandum to the NAF FM office (figure 1). Air Force wing, group, and squadron strengths will be provided by the Air Force Military Personnel Section (MPS). The strength report is due annually no later than 15 September, prior to the start of the new fiscal year. A revised report will be issued when the strength of the unit/squadron changes by more than twenty percent (20%) during the fiscal year. The annual allocation to Army units and Air Force squadrons is four dollars (\$4.00) per service member based upon assigned strength.

c. Unit funds may be carried over from one year to the next and do not expire at the end of a fiscal year.

5. RESPONSIBILITIES:

a. Directorate of Family, Morale, Welfare, and Recreation (DFMWR):

(1) Exercises command responsibility for the administration and control of unit funds centralized at the IMWRF level.

(2) Employs a unit fund manager, from the NAF FM office, who is responsible for all procurements made with unit funds, managing the unit fund account, and maintaining the official fund records. The unit fund manager or his/her designated representative, is the only person(s) authorized to approve purchase requests and obligate funds. Statements will be issued only upon request from the unit/squadron commanders. All correspondence with the unit fund manager should be directed to the JBLM-Main NAF FM office, building 2013, 3rd ST, (253) 966-4300; or to the JBLM-McChord NAF FM office, building 742, Jackson Blvd, (253) 982-0719. Written correspondence should be sent to: DFMWR, NAF RMD, ATTN: NAF Financial Management, Mail Stop 20.

(3) Maintains a NAF property management office for control of property purchased with unit funds. The current address for NAF property management is Building 2057, Crary Ave, JBLM-Main, (253) 967-8327 or DFMWR, NAF RMD, ATTN: NAF Property Management – Supply, Mail Stop 20.

b. Unit/Squadron Commander:

(1) Prepares DA Form 1687 (figure 2) listing name, rank, signature and initials of those individuals authorized by the commander to receive supplies, equipment, and

funds. This document must be kept current and be maintained in the unit files. A copy will be forwarded to the NAF FM office (ref 5.a.2.). Only those individuals listed on the DA Form 1687 will be authorized to conduct unit fund transactions. An assumption of command order letter (figure 3) will be completed by the incoming commander and presented with the DA Form 1687.

(2) Ensures submission of unit assigned strength reports (figure 1) and notifies the NAF FM office (ref 5.a.2.) of change in unit status as identified in paragraph 4 of this document.

(3) Will, at their discretion, establish a unit fund advisory council. Composition should be representative of the unit and include a chairperson and recorder. Members will exercise control over the unit funds and be guided on the principle that such funds are held in trust to be used for unit morale, welfare, and recreation activities to benefit all members of the unit. This includes ensuring any assigned agencies receive their fair share of funds based on unit strength.

(4) Appoints himself/herself, or a designated alternate, to act as the unit fund manager (figure 4).

(5) Reviews the unit fund financial statements, and ensures records are maintained in the event of an audit.

(6) Receives unit fund property in accordance with paragraph 9 of this regulation.

6. ESTABLISHMENT/CANCELLATION OF UNIT FUND ACCOUNTS:

a. The unit fund account code is the authority for the unit to draw dividends. Upon activation of a unit or squadron, the commander will submit a request for a unit fund account code to the NAF FM office (ref 5.a.2.). The written request will be accompanied by a copy of the activation orders and its assigned strength (figure 1).

b. Upon re-designation/reactivation of a unit or squadron, the commander will submit a request for cancellation of the old unit fund account code and assignment of a new unit fund account code to the NAF FM office (ref 5.a.2.).

c. In the event a JBLM unit/squadron, in its entirety, has a permanent change of station, the NAF FM office will close out the account. All assets and property will revert to the IMWRF with the exception of unit awards and/or trophies which are distinctive to the unit/squadron. These items will be transferred on DA Form 3161 to the receiving installation. Upon inactivation of a unit/squadron, the commander will submit a request for cancellation of the unit fund account code to the NAF FM office (ref 5.a.2.).

7. OTHER UNIT FUNDS:

a. Army Level Requirements (ALR) Deployed Funds: Deployed units are allocated \$2.00 per deployed soldier per month during their deployment. Funds expire one year after allocation to the unit, or when the unit is de-activated. See attached ALR fund guidance.

b. Net Zero Funds:

(1) Net Zero Funds are monies that are earned by units for participating in the installation recycling program. The recycling center sells the recycled commodities and gives money back to the units through a troop incentive program.

(2) Monetary awards are made on a quarterly basis by the Net Zero program. The NAF FM office administers these funds in conjunction with unit funds.

(3) The rules for spending these funds are the same as those listed above for NAF funds. Net Zero funds remaining in the account at fiscal year-end will be carried forward.

(4) For more information about the recycling program, please contact Public Works, (253) 966-2100.

8. PURCHASE PROCEDURES:

a. The unit/squadron commander or his designated representative will submit a signed memorandum requesting expenditures of unit funds to the NAF FM office (ref 5.a.2.) (figure 5). The memo must contain the unit account code, description of the expenditure (including the date and name of the event), the amount of money requested, and the person designated to receive funds. The representative must be listed on the DA Form 1687 to receive any funds or information regarding the unit fund balance. The memo must include the statement "The unit fund activity/purchase is intended for off-duty recreational purposes and is available to all military members of the unit." The memo must be signed by the unit/squadron commander.

b. Transfers between activities (DA form 4080), petty cash, International Merchant's Purchase Authorization Card (IMPAC) Visa credit card, or purchase order (DA form 4067-R) will be used to process unit fund purchases.

(1) If a unit/squadron has an event at a MWR facility, a DA form 4080 will be used to transfer funds between the unit fund account and the MWR activity. The NAF FM office will prepare the required documentation.

(2) For expenditures less than \$500 per transaction: Petty cash will be issued by the NAF FM office prior to making purchases. The original receipt(s) of purchase(s) and any unused funds will be returned to the NAF FM office (ref 5.a.2.) within two (2) working days.

(3) For expenditures between \$500 and \$5,000; AND the vendor accepts the Visa credit card: Submit the fund request memo to the NAF FM office (ref 5.a.2.) at minimum 10 working days prior to date of requirement. The NAF FM office will prepare the required documentation and initiate the purchase. The original receipt(s) will be turned into the NAF FM office within two working days after receipt of purchase.

(4) For expenditures between \$500 and \$5,000, and the vendor does NOT accept the Visa credit card: Submit a fund request memo to the NAF FM office (ref 5.a.2.) at minimum 10 working days prior to the date of requirement. The NAF FM office will request a check from the Central Accounting Office (CAO). The original receipt(s) will be turned into the NAF FM office within two working days after receipt of purchase.

(5) For all expenditures exceeding \$5,000: Submit a fund request memo to the NAF FM office (ref 5.a.2.) at minimum 45 days prior to the date of requirement. The NAF FM office will prepare and submit the required documentation to the Army NAF contracting office. This is the only method that can be used to pay for items/services over \$5,000.

(6) No funds will be issued to a unit that has an outstanding expenditure.

(7) A tax exempt form will be obtained from the NAF FM office (ref 5.a.2.) prior to expenditure of funds for taxable items purchased off-base. If there are taxes listed on the receipt, the unit is responsible to cover the tax expenses.

c. Questions concerning the validity of a purchase should be directed to the NAF FM office (ref 5.a.2.). As a general rule, the following purchases are authorized:

(1) Awards for Airman of the month and Airman of the quarter are valid for one year from date of minutes.

(2) Unit histories and related materials for presentation to all unit members and new members when they join; for distinctive insignia, when APFs are not authorized by AR 670-1; and welcome home celebrations (see para 8-29).

(3) Nonappropriated funds may be used for recreational type items authorized by appropriated funds but the unit must submit a certificate of non-availability and/or a memorandum of no funds available obtained from proper sources.

(4) Maintenance service for all items listed on the computerized unit fund hand receipt.

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- (5) Magazines, paperback books and newspaper subscriptions.
- (6) Purchase of food and beverages for unit fund parties. All unit parties where alcoholic beverages are served will be restricted to this installation (day room, dining facility, McChord Field Club, MWR picnic areas, etc.).
- (7) Stationery with unit designation imprinted thereon, placed in the day room for use by all members of the unit.
- (8) Games for the unit dayroom.
- (9) Dining facility decorations for Thanksgiving and Christmas.
- (10) Pictures, picture frames, and posters.
- (11) Tickets for entertainment and sporting events.
- (12) Other recreational type articles or services approved by the IMWRF resource manager.
- (13) Microwave ovens, televisions, and sound systems for the unit dayroom.

d. Unauthorized Purchases: Nonappropriated funds will not be used to pay costs in acquiring items or services authorized to be paid by appropriated funds when appropriated funds are available. Unit funds expenditures will not be authorized for any items that cannot stand up to the test of:

- (1) Enhancing morale of total units involved in the event and,
- (2) Does not mandate "additional duties" from participants and,
- (3) Could not withstand public and/or congressional scrutiny.

e. The use of unit funds is prohibited for the following supplies, equipment, and services. This list is only intended to be used as a guideline and is not all inclusive:

- (1) Any item that is issued through normal supply channels unless a statement of non-availability from the Director of Logistics or a statement of "no funds available" from the Director of Public Works is obtained.
- (2) Grass seed, fertilizer, and various other beautification items.
- (3) Paint, sprayers, and rollers.
- (4) Guidons and/or flags.

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(5) Covers for Charge of Quarters books, sign out books, duty rosters, etc., used in the conduct of official business.

(6) Material such as rimmed tabs, nails, hooks, and screws used on manning boards/bulletin boards.

(7) Plywood, wallboard, lumber, paint, and other materials used to construct manning boards/bulletins or carts of various nature.

(8) Items purchased for resale, e.g., t-shirts, sodas, mugs, and coins.

(9) Greeting cards, flowers, or gifts for individuals and/or organizations.

(10) Tips/gratuities.

(11) Unit funds may not be used to make payments to Casinos, no matter what the purpose or function.

9. Property Accountability.

a. Commanders will maintain, safeguard and account for all unit fund property which is held on a hand receipt from NAF property management office. During change of command, incoming and outgoing commanders will conduct a joint inventory of all NAF property. The incoming commander will sign a hand receipt in conjunction with the NAF property management office (ref 5.a.3.).

b. Both non-expendable and controlled expendable unit fund property that becomes unserviceable will be turned into the NAF property management office (ref 5.a.3.).

c. Unit fund property losses will immediately be reported to the Military Police. Written documentation will be submitted to the NAF resource manager, through the NAF FM office (ref 5.a.2.) and to the NAF property management office (ref 5.a.3.) within three working days. The Director of Family & MWR will determine the need for an investigation in accordance with the provisions of AR 215-1.

10. The POC for this MOI is the NAF FM, Jamie Midstokke, at (253) 967-4336.



WILLIAM E. HARVEY
Director of Family & MWR

IMLM-MWN

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5 Encl:

- 1. Sample Unit Strength Report**
- 2. Sample Delegation of Authority**
- 3. Sample Assumption of Command**
- 4. Sample Appointment of MWR Unit Funds Manager**
- 5. Sample Request to Use Unit Funds**

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YOUR UNIT
FUND CODE
(e.g., AA)

YOUR UNIT'S OFFICIAL
MAILING ADDRESS, TO INCLUDE BOX NUMBER
AND NINE-DIGIT ZIP CODE

(OFFICE SYMBOL, MAIL STOP #)

(DATE)

MEMORANDUM FOR Directorate of Family and Morale, Welfare and Recreation, NAF
Resource Management Division, ATTN: IMWE-JLM-MWN (NAF Financial
Management)

SUBJECT: Unit Strength Report for FY ____.

1. The total strength assigned to (unit name) is _____.
2. POC for this matter is (rank, name, and phone number).

COMMANDER'S SIGNATURE

Figure 1
Sample, Unit Strength Report

IMLM-MWN

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NOTICE OF DELEGATION OF AUTHORITY - RECEIPT FOR SUPPLIES <i>For use of this form, see DA PAM 710-2-1. The proponent agency is DCS, G-4.</i>				DATE 20150215	
AUTHORIZED REPRESENTATIVE(S)					
ORGANIZATION RECEIVING SUPPLIES A Company, 3/2 Infantry Regiment			LOCATION Joint Base Lewis-McChord, WA 98433		
LAST, FIRST, MIDDLE INITIAL			AUTHORITY		SIGNATURE AND INITIALS
			REQ	REC	
Smith, John Q 1LT			No	Yes	
Jones, Edward S SFC			No	Yes	
/////////Nothing follows/////////					
AUTHORIZATION BY RESPONSIBLE SUPPLY OFFICER OR ACCOUNTABLE OFFICER					
THE UNDERSIGNED HEREBY <input checked="" type="checkbox"/> DELEGATES TO <input type="checkbox"/> WITHDRAWS FROM THE PERSON(S) LISTED ABOVE					
THE AUTHORITY TO: Receive unit funds and unit fund purchases; conduct unit fund transactions					
REMARKS					
I ASSUME FULL RESPONSIBILITY					
UNIT IDENTIFICATION CODE N/A			DODAAC/ACCOUNT NUMBER Unit (Fund) Code		
LAST, FIRST, MIDDLE INITIAL	GRADE	TELEPHONE NUMBER	EXPIRATION DATE	SIGNATURE	
Bames, James CPT	O3	967-9999	20160215		

DA FORM 1687, NOV 2016 PREVIOUS EDITIONS ARE OBSOLETE APD LC v1.00ES

Figure 2
Sample, DA Form 1687
(Notice of Delegation of Authority – Receipt for Supplies)

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**YOUR UNIT'S OFFICIAL
MAILING ADDRESS, TO INCLUDE BOX NUMBER
AND NINE-DIGIT ZIP CODE**

(OFFICE SYMBOL, MAIL STOP #)

(DATE)

MEMORANDUM FOR TO WHOM IT MAY CONCERN

SUBJECT: Assumption of Command

- 1. Effective (date), the undersigned assumes command of (the unit), (unit's official mailing address), vice (former Commander).**
- 2. Authority: Paragraph 2-5, AR 600-20.**
- 3. Period: Until officially relieved or released from command.**

INCOMING COMMANDER'S SIGNATURE

**Figure 3
Sample, Assumption of Command Order**

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YOUR UNIT
FUND CODE
(e.g., AA)

YOUR UNIT'S OFFICIAL
MAILING ADDRESS, TO INCLUDE BOX NUMBER
AND NINE-DIGIT ZIP CODE

(OFFICE SYMBOL, MAIL STOP #)

(DATE)

MEMORANDUM FOR RECORD

SUBJECT: Additional Duty Appointment/Assignment – MWR Unit Funds Manager

1. Effective (date), the following individuals are appointed as the MWR Unit Funds Managers for (enter unit's name here).

_____ (name and rank) _____	Primary Unit Fund Manager
_____ (name and rank) _____	Alternate Unit Fund Manager
_____ (name and rank) _____	Alternate Unit Funds Manager

2. Authority: AR 215-1, Chapter 6.

3. Purpose: To perform Unit fund duties to include:

- a. _____.
- b. _____.

4. Period: Indefinite or until rescinded.

5. Special Instructions: Become familiar with AF 215-1 and perform duties as prescribed in AR 215-1, Chapter 6 and JBLM Reg 215-2.

COMMANDER'S SIGNATURE

Figure 4
Sample, Appointment Order

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SUBJECT: Memorandum of Instruction for Unit Funds

YOUR UNIT

FUND CODE

(e.g., AA)

YOUR UNIT'S OFFICIAL
MAILING ADDRESS, TO INCLUDE BOX NUMBER
AND NINE-DIGIT ZIP CODE

(OFFICE SYMBOL, MAIL STOP #)

(DATE)

MEMORANDUM FOR Directorate of Family and Morale, Welfare and Recreation, NAF
Financial Management, ATTN: IMWE-JLM-MWN

1. Request the use of Unit funds for: (Unit name and account code)
2. Funds should be issued to: (Name of Unit fund representative) (Representative must be listed on DA Form 1687 on record at NAF Financial Management Office).
3. Description of the expenditure including total cost, date, and name of event.
4. Mandatory statement: The use of unit funds is authorized for this purchase. Activity and / or purchases are intended for off-duty recreational purposes and available to all military members of the unit.
5. Point of contact (name, rank and phone number)

(Note: Memo will be signed by the Unit Commander.)

COMMANDER'S SIGNATURE

Figure 5
Sample, Request to use Unit Funds