

AR 215-1, Chapter 5

Section III
Authorized and Prohibited Uses of Nonappropriated Funds
5–13. Authorized use

Appendix D addresses authorized uses of APFs. MWR NAFs are used only to pay for, or defray the cost of, a wide range of MWR programs or functions integral to the functions for which the NAFI/entity was established, unless specifically stipulated otherwise in this regulation. Funds from supplemental mission NAFIs support only the requirements for which they were established. In all cases, NAFs are used judiciously and not as a matter of convenience.

MWR NAFs may be expended for authorized APF MWR-related purchases under the DOD MWR USA/UFM funding practices (paras 5–2 and 5–3). Otherwise, NAFs will not be used when APFs are available (see appendix D on APF authorizations). In addition to authority for using NAFs and prohibitions stated elsewhere in this regulation, the following apply:

a. Awards.

(1) IMCOM Region directors or their subordinates may authorize the use of APFs to purchase trophies and similar devices for award to Soldiers and units according to criteria in AR 600–8–22 (chap 11) for—

(a) Their excellence in accomplishments and competitions, which clearly contribute to the increased effectiveness or efficiency of the military unit.

(b) Competition in intramural and athletic competitions.

(2) NAFs may be used to pay cash awards or to purchase savings bonds, equivalent securities, trophies, plaques, or other items to recognize civilian and military excellence in athletic or nonathletic competition and proficiency in recreational programs or to acknowledge unusual accomplishment supporting special events, as follows:

(a) Cash, savings bonds, or equivalents will not be awarded in connection with amateur sports competitions when prohibited by the cognizant national sports governing body.

(b) Events and competition that include prizes or trophies will be officially established, announced in advance, conducted within a stated period of time, and have uniform eligibility criteria.

(c) All individuals or organizations supported by the sponsoring NAFI/entity will be given an equal opportunity to participate. When limitations are established, such as grade limitations for Soldier-of-the-Month competitions, additional programs such as Noncommissioned Officer of the Month will be established to include those segments of the community previously excluded.

(d) Eligibility to participate will be limited to authorized patrons of the sponsoring NAFI/entity unless the garrison commander authorizes participation by members of the local community or others to foster community relations.

(e) The total value of prizes, in cash or any other form, will not exceed \$500 for individual, team, or unit awards unless higher limits are approved at the IMCOM Region level. FMWRC may approve higher limits for awards for specific garrison, IMCOM Region, or Army-wide competitions conducted by FMWRC.

(3) Awards honoring volunteers or gratuitous service personnel at volunteer recognition ceremonies may be purchased with NAFs.

b. Mementos. Mementos (not to exceed \$200) may be purchased for presentation to distinguished military and other visitors in recognition of their contributions to the Army's MWR program (or NAFs of non-MWR NAFIs, when recognition is related to the purpose for which the NAFI was established).

c. Incentive awards programs. Such programs for NAF employees are outlined in AR 215–3.

Note. Incentive awards programs for APF employees are outlined in AR 672–20. APF employees and military personnel are excluded from the NAF awards programs but are eligible to participate in the NAF suggestion program and may be nominated for award of The Order of the White Plume.

d. Food and beverages.

(1) The purchase of food and beverages (to include alcoholic beverages) is authorized from NAFs for distinguished visitors, official guests, and others as outlined below. Use of NAFs to defray associated costs (linens, cleaning costs, master-of-ceremony fees, entertainment, and decorations) entailed with hosting MWR events and distinguished persons is an authorized NAF expense. The following NAF expenditures must support the MWR program and be in keeping with rules of protocol and in the best interest of the Army.

(a) Recognition celebrations in honor of individuals providing voluntary services to missions, which support Soldiers and their Family members.

(b) MWR events open to the entire military community and approved by the garrison commander. Alcoholic

beverages provided at these events are limited to malt beverages and wine. Events should be of a traditional historical or military nature. Dignitaries from the local community may be invited to the MWR event to promote good community relations.

(c) Luncheons, dinners, and special occasions hosting officially invited distinguished visitors or honoring military personnel for unique MWR accomplishments, when approved by the garrison commander. NAFs will be used to pay food and beverage (including alcoholic beverages) costs of the person being honored and guests accompanying the person being honored. All other attendees are required to pay.

(d) Distinguished visitors officially invited to participate in service school functions, including a limited number of students and faculty, and service school students attending receptions, graduation events, and other special occasions.

Approval by the service school commandant or superintendent is required.

(e) Receptions or meals provided to registered attendees in conjunction with authorized Army MWR worldwide conferences.

(2) Per diem for meals (or receptions if considered meals) provided per paragraphs 5-13d(1)(c), (d), and (e) will not be claimed on the travel voucher if in a temporary duty (TDY) status.

(3) See program policy in chapter 8 for authorized expense accounts for the purpose of food and beverages.

e. Civilian employee awards celebrations. Nominal celebratory expenses and refreshments for MWR and NAF civilian employee awards celebrations are authorized with NAFs, subject to the following or similar procedures. Garrison commanders must prescribe local procedures and they must withstand the test of public scrutiny.

(1) Refreshments will be limited to coffee, tea, juice, and/or soft drinks, and fruit, cheese and crackers, and donuts, cookies, and/or cake. Banquets, luncheons, or meals are not authorized.

(2) Celebrations will be infrequent, no more than quarterly, and include a number of employees receiving awards for the previous period.

(3) NAF expenses will be kept to a minimum, commensurate with the frequency of the occasion.

(4) Monies are budgeted for the ceremonies, within each program.

(5) Celebrations are limited to NAF program employees, recognizing them for improvements in customer relations, customer service, winner of sales contests, and employee of the month, quarter, or year. These celebrations will be geared to the program-level employee, rather than garrison, IMCOM Region, or DA-level (ECECS) employees.

(6) Annual appraisal certificates may be presented, but should not be the basis for holding such celebrations.

(7) See paragraph 5-14h for prohibited use of NAFs.

5–14. Prohibited uses

a. Public scrutiny. NAFs will not be used for any purpose that cannot withstand the test of public scrutiny or which could be deemed a misuse or waste of Soldiers' dollars.

b. Authorized APF expenditures. NAFs will not be used to pay costs in acquiring items or services authorized to be paid from APFs when APFs are available (except under DOD MWR USA/UFM funding practices, see paras 5–2 and

5–3). However, NAFs may be used—

(1) When the appropriate official certifies in writing that authorized APFs cannot satisfy the requirement.

(2) When functions, programs, and activities to be funded with NAFs are integral to the functions for which the NAFI/entity was established, unless otherwise specified elsewhere in this regulation.

c. Support of POs. NAFs or NAF assets will not be transferred to POs as dividends or other distributions. NAFIs/entities will not provide NAF financial assistance in the form of contributions, repairs, services, dividends, or other donations of money or other assets to private organizations or individuals unless authorized by other regulations, DOD policies, or law. For assistance to Scouting organizations, see DODI 1015.9.

d. Distributions to charities. NAFIs/entities will support only those programs and functions for which the NAFI/entity is organized. NAFIs/entities do not contribute to or engage in fundraising activities for charities, foundations, and similar organizations nor collect or disburse donations of private or personal nature.

e. Real property. Purchase of real property (land, buildings, and other fixed improvements) will be limited to the acquisition of commercially owned buildings on Government property.

f. Garrison MWR operating entity revenue deposits. Revenues generated from a defined MWR program will be deposited in accounts at the IMCOM Region and used only for reinvestment in the MWR program, unless otherwise authorized in this regulation.

g. Supplemental mission income or expenses. Supplemental mission programs may be accounted for in the Region single MWR fund. The income generated by supplemental mission programs may be used only to support the specific program or function for which the account was established including their NAF capital expenditures and fund management overhead. Other MWR NAFs will not be transferred to or expended from supplemental mission accounts,

and supplemental mission NAFs will not be expended for the MWR mission. As an example, donations designated for ACS may be deposited in the Region single MWR fund ACS supplemental mission account. The amount deposited will be used only to support the ACS mission and other MWR NAFs are not used to supplement the ACS account (unless authorized elsewhere in this regulation.)

h. Food and beverages. NAFs will not be used to pay for refreshments or meals for any person except as described in this regulation.

i. Non-MWR functions.

(1) NAF payment for any expense involved in a change of command or retirement ceremony, command representation, protocol function, scholarships, free mailing or postage, unit ceremonies, or any other specific benefit for select individuals or groups will not be authorized.

(2) Items for retirements, funerals, or other such personal-type events will not be purchased with NAFs.

(3) NAFs will not replace or supplement appropriations for public affairs, medical, religious, or other activities or programs that are outside the purposes for which the NAFI/entity was established.

(4) NAFs will not be used for costs of employees who are not performing duties directly related to the NAFI/entity function or mission.

j. No proprietary interest. Individuals, units, organizations, garrisons, or installations do not have proprietary interest in NAFs or NAFI/entity assets.

k. Personal items. NAFs will not be used for personal items, such as memo pads including personalized memo pads used at work, or personal greeting cards.

l. Personal loans. NAFs will not be loaned to individuals, either in cash or as an advance payment of wages or allowances, except as provided for in AR 215–3.

m. Payments to individuals. Cash, securities, or other NAF assets will not be paid to individuals, except for awards and other recognition programs provided for in this and other regulations. Payments to individuals for service contracts or for costs associated with administering the NAF personnel system prescribed in AR 215–3 are not considered payments to individuals.