

**Army Regulation 230-3**

**Nonappropriated Funds and Related  
Activities**

# **Department of the Army Welfare Fund**

**Headquarters  
Department of the Army  
Washington, DC  
30 June 2016**

**UNCLASSIFIED**

# ***SUMMARY of CHANGE***

AR 230-3

Department of the Army Welfare Fund

This major revision, dated 30 June 2016--

- o Updates the purpose of the regulation (para 1-1).
- o Directs the Administrative Assistant to the Secretary of the Army to appoint the Deputy Administrative Assistant to the Secretary of the Army as chairperson of the Department of the Army Welfare Fund Board of Directors and reassigns responsibility for appointing Department of the Army Welfare Fund Board members, except the chairperson and alternate chairperson, to the Deputy Administrative Assistant to the Secretary of the Army (para 1-4).
- o Provides guidance on the authority and composition of the Department of the Army Welfare Fund Board of Directors (chap 2).
- o Assigns the fund manager as program manager of the Department of the Army Welfare Fund and expands position responsibilities (para 2-2b).
- o Expands and identifies eligibility for support from the Department of the Army Welfare Fund (para 3-2a).
- o Adds an internal control evaluation (app B).
- o Removes all references to the Army and Air Force Civilian Welfare Fund (throughout).

Effective 30 July 2016

## Nonappropriated Funds and Related Activities

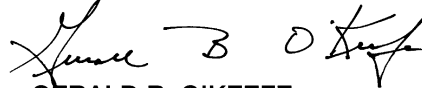
### Department of the Army Welfare Fund

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By Order of the Secretary of the Army:

**MARK A. MILLEY**  
General, United States Army  
Chief of Staff

Official:



**GERALD B. O'KEEFE**  
Administrative Assistant to the  
Secretary of the Army

**History.** This publication is a major revision.

**Summary.** This regulation covers the policies and procedures governing the Department of the Army Welfare Fund and its subsidiary funds. It identifies the responsibilities of the Board of Directors and Fund Manager in relation to agency subsidiary funds and outlines authorized and prohibited uses of funds that have been made available to the Department of the Army Welfare Fund.

**Applicability.** This regulation applies to Department of the Army civilian personnel and Active Army personnel within the National Capital Region only. Army National Guard and U.S. Army Reserve components are excluded.

**Proponent and exception authority.** The proponent of this regulation is the

Administrative Assistant to the Secretary of the Army. The proponent has the authority to approve exceptions or waivers to this regulation that are consistent with controlling law and regulations. The proponent may delegate this approval authority, in writing, to a division chief within the proponent agency or its direct reporting unit or field operating agency, in the grade of colonel or the civilian equivalent. Activities may request a waiver to this regulation by providing justification that includes a full analysis of the expected benefits and must include formal review by the activity's senior legal officer. All waiver requests will be endorsed by the commander or senior leader of the requesting activity and forwarded through their higher headquarters to the policy proponent. Refer to AR 25–30 for specific guidance.

**Army internal control process.** This regulation contains internal control provisions in accordance with AR 11–2 and identifies key internal controls that must be evaluated (see appendix B).

**Supplementation.** Supplementation of this regulation and establishment of command and local forms are prohibited without prior approval of the Administrative Assistant to the Secretary of the Army, 105 Army Pentagon, Washington, DC 20310–0105.

**Suggested improvements.** Users are invited to send comments or suggested

improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) to Headquarters, Department of the Army, DAWF Fund Manager or Executive Secretary, Support Services-Washington (AAHS-SV), 121 Army Pentagon, Washington, DC 20310–0121.

**Committee management.** AR 15–39 requires the proponent to justify establishing/continuing committee(s), coordinate draft publications, and coordinate changes in committee status with the Office of the Administrative Assistant to the Secretary of the Army, Department of the Army, Analysis and Integration Cell (AAAI-CL), 105 Army Pentagon, Washington, DC 20310-0105. Further, if it is determined that an established "group" identified within this regulation later takes on the characteristics of a committee as found in AR 15–39, then the proponent will follow AR 15–39 requirements for establishing and continuing the group as a committee.

**Distribution.** This publication is available in electronic media only and is intended for Active Army activities located in the National Capital Region.

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## **Glossary**

## Chapter 1 Introduction

### 1-1. Purpose

This regulation prescribes the basic policies, operating procedures, and principles that govern the Department of the Army Welfare Fund (DAWF) and its subsidiary funds. It covers the DAWF Board of Directors responsibilities and reporting requirements to ensure compliance with DODI 1015.15 and DODI 7600.06. DAWFs will be used for recreational, social, and group activities and events in which civilian and military personnel participate.

### 1-2. References

See appendix A.

### 1-3. Explanation of abbreviations and terms

See the glossary.

### 1-4. Responsibilities

The Administrative Assistant to the Secretary of the Army (AASA) has sole responsibility for oversight of the DAWF. As such, the AASA will—

- a. Appoint the Deputy AASA as chairperson of the DAWF Board of Directors. The Deputy AASA will—
  - (1) Oversee the DAWF through implementation of the evaluation criteria in appendix B.
  - (2) Ensure that audits of the DAWF are conducted in compliance with DODI 7600.06. Audits will be scheduled as the fund manager determines.
  - (3) Appoint board members as required (see board composition and additional responsibilities as discussed in para 2-2).
- b. Appoint an alternate chairperson in a nonvoting capacity (except when acting as chairperson).
- c. Administer policy and guidance applicable to the DAWF.

## Chapter 2 Board of Directors

### 2-1. Authority

- a. The DAWF is a morale, welfare, and recreation (MWR) activity (see AR 215-1).
- b. Policy and operation principles set forth in AR 215-1 will serve as general guidance for administration of the fund. Otherwise, the DAWF is exempt from all other guidance in AR 215-1 and other applicable regulations because it differs in certain important aspects from nonappropriated welfare funds. The DAWF Board of Directors is authorized to establish special operating methods and procedures for administering the DAWF to the extent necessary to serve the purpose of the fund.
- c. The DAWF Board of Directors will coordinate all questions about the scope of authority to establish special operating methods and procedures with the legal advisor (see para 2-2b(3)).
- d. The use of official time is authorized to carry out the administrative functions and responsibilities assigned to the DAWF Board of Directors.

### 2-2. Composition

- a. The DAWF Board of Directors may consist of civilian and military personnel. The chairperson, the Deputy AASA, is a voting member and will appoint a representative from each subsidiary fund as a voting member. Normally, this representative would be the president/chairperson of the subsidiary fund council. The chairperson, the Deputy AASA, will also appoint a representative from each of the following offices or commands as a voting member:
  - (1) The Office of the Assistant Secretary of the Army (Financial Management and Comptroller).
  - (2) The Office of the Assistant Deputy Chief of Staff, G-1.
  - (3) The Office of the Vice Director of the Army Staff.
  - (4) Fort Belvoir (must be located on Fort Belvoir and assigned to Headquarters, Department of the Army (HQDA)).
  - (5) The Office of the Assistant Chief of Staff for Installation Management.
  - (6) Joint Base Myer-Henderson Hall.
- b. The chairperson will appoint the following individuals as nonvoting members to the DAWF Board of Directors to provide advice and assistance:
  - (1) *Fund manager*. The fund manager will—
    - a) Serve as the program manager of the DAWF, with responsibility for coordinating and staffing actions and for

developing, implementing, and interpreting policy, as directed by the DAWF Board of Directors and all applicable regulations.

(b) Receive, safeguard, and disburse funds and other assets as prescribed in DFAS-IN Regulation 37-1, AR 215-1, and AR 215-4.

(c) Ensure that appropriate personnel are bonded in accordance with AR 215-1.

(d) Advise the DAWF Board of Directors on financial matters.

(e) Respond to recommendations from the DAWF Board of Directors.

(f) Provide status reports to the DAWF Board of Directors at the regularly scheduled meetings.

(g) Initiate action to resolve any loss of assets.

(h) Designate a financial accountant to provide administrative support and financial and accounting services to the DAWF and its subsidiary funds.

(2) *Executive secretary.* The executive secretary will—

(a) Provide administrative support to the DAWF Board of Directors.

(b) Record minutes of DAWF Board of Directors meetings, decisions, and actions.

(c) Maintain official records associated with the DAWF in accordance with AR 25-400-2.

(3) *Legal advisor.* The legal advisor will advise the Board of Directors on legal matters affecting the DAWF.

c. The chairperson may designate alternates for each nonvoting member.

d. Members of the DAWF Board of Directors will—

(1) Promote the morale and welfare of covered personnel by encouraging and facilitating the establishment and continued operation of agency welfare programs through grants and other measures.

(2) Determine programs, projects, and classes of expense that would constitute appropriate use of the DAWF.

(3) Ensure proper administration and protection of the DAWF.

(4) Review requests for the establishment of subsidiary funds in accordance with the provisions of this regulation.

(5) Review financial statements and budgets and submit suggestions to the fund manager and chairperson for consideration.

(6) Exercise general control over, and ensure proper administration of, subsidiary funds the DAWF supports.

(7) Approve internal administrative procedures and controls the fund manager proposes.

## **2-3. Meetings**

a. The DAWF Board of Directors will meet twice a year or at the call of the chairperson.

b. A meeting quorum for voting purposes requires at least two-thirds of the voting members.

c. The executive secretary will provide an agenda in advance and will include action and information items, as well as copies of the most recent financial statements.

d. The executive secretary will prepare minutes from the board proceedings.

## **Chapter 3 Operating Procedures**

### **3-1. Sources of income**

The DAWF derives income from its investments and grants from the Department of Defense (DOD) Concessions Committee. Other forms of income may include:

a. *Fees from sponsored recreational activities.* The DAWF is authorized to hold special events cosponsored by private organizations in accordance with DOD 5500.07-R, AR 215-1, AR 210-22, and AR 360-1. Both the DAWF and the private organization must maintain separate receipts. The DAWF will not give the private organization any endorsement or special concession. All agreements for cohosted events must be in writing.

b. *Voluntary donations.* Donations offered by individuals, business firms, civilian organizations, or other groups from the private sector may be accepted if the DAWF Board of Directors determines that acceptance is in the best interest of the DAWF. While the DAWF Board of Directors will not solicit donations, it can provide information on DAWF needs in response to inquiries from potential donors. The DAWF Board of Directors will not grant special privileges or concessions to the donor, and a disclaimer that the Army does not officially endorse the donated product will be posted or written in accordance with AR 215-1.

### **3-2. Eligibility, prohibitions, and restrictions**

a. *DAWF eligibility.*

(1) The following personnel are eligible to receive support from the DAWF:

(a) Army civilians and military personnel in the National Capital Region (NCR) assigned to HQDA and its field operating agencies.

(b) Army civilians located in the NCR who are not assigned to HQDA or its field operating agencies and who are not covered by another fund.

(2) Personnel assigned to HQDA who receive support from the DAWF will not also receive command unit funds or civilian welfare funds.

*b. Prohibitions and restrictions.*

(1) Financial assistance will not be rendered to private organizations or charities.

(2) DAWF publications or printed material must not contain information that implies the Government endorses or favors specific commercial products, commodities, or services. An appropriate disclaimer will be included in material that advertises or refers to a specific company or commercial product.

(3) DAWF funds will not be used to purchase alcoholic beverages or tobacco products.

(4) Manufacturers or vendors of alcohol and tobacco products are prohibited from cosponsoring promotional programs, activities, or contests with the DAWF that are aimed primarily at Department of the Army (DA) personnel. This prohibition is to avoid the appearance that the Army, through the DAWF, is endorsing the use of alcohol or tobacco products. However, the DAWF may accept support from such manufacturers or vendors for worthwhile programs designed to benefit civilian and military personnel when the support does not require advertised cooperation that identifies an alcohol or tobacco product with the program.

(5) The DAWF may not cosponsor events with industry or nongovernmental associations that do business with or have the potential to do business with DA. However, cosponsorship of civic or community activities between the DAWF and industry or nongovernmental associations is authorized when the industry's or association's involvement is remote from its business purpose. All cosponsored events will be subject to legal review.

### **3-3. Principles of financial management**

*a.* The DAWF Board of Directors will maintain an internal control system to safeguard DAWF assets, check the accuracy and reliability of accounting procedures, promote efficiency, and ensure compliance with accounting and reporting provisions set forth in DFAS-IN Regulation 37-1; DOD 7000.14-R, Volume 13; AR 215-1; and AR 215-4.

*b.* Controls for safeguarding DAWF assets will include—

(1) Cash deposits in an approved banking facility.

(2) Prenumbered cash receipts, as appropriate.

(3) Established procedures for handling checks.

(4) Segregated duties, whenever practicable, to minimize opportunity for abuse.

*c.* The Army Banking and Investment Fund will be the centralized banking and investment vehicle for DAWF assets.

*d.* The DAWF Board of Directors will approve program activities and budgets on DOD's fiscal-year basis.

*e.* The DAWF Board of Directors may deny or prohibit the use of funds in any instance or for any purpose that is inconsistent with either the general objectives of the fund or the best interests of DA.

*f.* The DAWF and its subsidiary fund managers must be bonded. Bonding is also required for alternate fund managers and others who will have access to the funds or who serve in the absence of the fund managers. Notices of bonding must be provided to the DAWF Board of Directors. The respective fund will be responsible for bonding expenses.

*g.* Any recommendation to disestablish the DAWF must be addressed through the AASA to ensure proper disposition of DAWF assets and liabilities. Refer to AR 215-1 for general guidance.

### **3-4. Management of property**

Property refers to tangible items of value other than cash, securities, and rental property acquired and held for the use and benefit of DAWF program participants. DAWF property items include, but are not limited to, furniture or furnishings, sporting equipment, trophies, and office equipment. Physical inventories will be conducted every year with status reports provided to the DAWF Board of Directors during their meetings.

### **3-5. Requirements for financial reporting**

The Board of Directors, Army Civilian Welfare Fund, U.S. Army Installation Management Command G-9, 2455 Reynolds Road, Fort Sam Houston, TX 78234 provides financial reporting functions for the DAWF. Financial data provided by the DAWF is consolidated into the Army Civilian Welfare Fund Report. The DAWF Fund Manager will submit the following reports according to the provisions of DODI 1015.15:

*a.* A balance sheet quarterly (no later than 30 days after the end of the quarter).

*b.* Income statement quarterly (no later than 30 days after the end of the quarter).

*c.* Narrative statement annually (30 days after the fourth quarter) (RCS: SAOSA-18). This statement should include an overview of the previous year's financial status, current year's performance, and future projections based on past and current year performance.

### **3-6. Correspondence and inquiries**

*a.* For questions or concerns about policy or general administration of the DAWF, contact: Fund Manager, Board of Directors, Department of the Army Welfare Fund, Support Services-Washington, 121 Army Pentagon, Washington, DC 20310-0121, or by phone at (703) 692-4857.

*b.* For additional information, contact: Executive Secretary, Board of Directors, Department of the Army Welfare Fund, Support Services-Washington, 121 Army Pentagon, Washington, DC 20310-0121, or by phone at (703) 697-7325.

## **Chapter 4 Agency Subsidiary Funds**

### **4-1. Principles for operations**

The DAWF Board of Directors will oversee its subsidiaries' operations. Subsidiaries are organizations within the NCR that establish an approved charter and receive support from the DAWF. Funds of subsidiaries will not be carried as assets in the accounts of the DAWF; they will be maintained separately with reporting to their respective subsidiary councils.

### **4-2. Establishment of subsidiary funds**

*a.* Agencies that want help from the DAWF to establish a subsidiary welfare fund must give evidence of their intent to conduct a reasonably well-rounded program that will serve the interests of eligible personnel.

*b.* Agencies must submit requests for recognition and assistance to the DAWF Board of Directors at least 90 days before the date funds are desired. Requests must include—

(1) A copy of the proposed charter to establish a subsidiary fund and fund council, using the format provided in AR 15-39. At a minimum, the charter must include provisions concerning the composition, method of selection, and term(s) of office of the subsidiary fund council; frequency of meetings; definition of a quorum; and maintenance and approval of minutes. In addition, the charter should contain information on how the program will be conducted, standards to be applied, and any other basic policies and procedures for administering and safeguarding the subsidiary fund.

(2) A breakdown of proposed expense by major purpose (for example, recreational or social). Subsidiary funds must project their annual funding requirements and provide justification. Justification will include discussion of proposed activities, anticipated results, and number of personnel to be covered.

(3) Information concerning any existing funds, other support sources, or organization(s) maintained for the morale or welfare of its personnel and plans regarding funds support in relation to the proposed welfare fund.

*c.* The DAWF Board of Directors will notify the requesting agency (in writing) of the status of its request, to include effective date, if approved.

*d.* Established subsidiary funds must revalidate their charters every 3 years. The DAWF Board of Directors will review the charter to ensure that subsidiary funds are operating within their authorized scope.

*e.* Upon dissolution of a subsidiary fund, residual cash assets will be returned to the DAWF. The subsidiary fund must immediately notify the DAWF Board of Directors of its decision to discontinue. Upon notification, the DAWF Board of Directors will arrange a terminal audit and appraisal and disposition of fund-owned property in accordance with AR 215-1.

### **4-3. Administration of subsidiary funds**

*a.* Subsidiary fund councils and administrative officials are jointly responsible for ensuring that fund activities adhere to their charters and other established policies. The subsidiary fund councils and administrative officials must follow policies in DOD 5500.07-R.

*b.* Subsidiary funds will—

(1) Be administered through a fund manager and council, as indicated in AR 215-1. Council members will be elected by a system that will provide for annual elections, equitable representation of all personnel, and annual rotation of a portion of the membership. Council membership may include military personnel; however, the chairperson must be a civilian with the majority of the voting members being civilians. In the interest of continuity of experience, the initial terms of membership should be adjusted to permit staggered rotation. To avoid special elections, heads of agencies may appoint an eligible employee to replace a member who has terminated employment with the agency by virtue of retirement, transfer, etc., until the next regularly scheduled election. With the exception of the fund manager, terms of membership will not exceed 2 years, and members should not serve more than two consecutive terms.

(2) Be managed by the fund manager and chairperson (separate individuals), with the former to be appointed by the head of the agency and the latter to be elected by the council members.



#### **4-4. Management of subsidiary funds**

*a.* Subsidiary funds principally derive their income from grants given by the DAWF based on the number of eligible assigned personnel. However, subsidiary funds need not consider the DAWF grant as their sole source of income. Subsidiary funds may conduct authorized activities in accordance with their charters.

*b.* Prior approval must be obtained from the DAWF Board of Directors for any program or expense not clearly authorized by AR 215-1.

*c.* If subsidiary funds need disbursement from the DAWF, they must submit their request to the DAWF Board of Directors in writing at least 90 days before the date funds are needed.

*d.* Neither a subsidiary fund nor any group the DAWF supports will employ personnel to be paid from the welfare fund for either full- or part-time services.

*e.* To safeguard assets, each subsidiary fund will maintain records and accounts to satisfy the minimum requirements for accountability in DFAS-IN Regulation 37-1; DOD 7000.14-R, Volume 13; and AR 215-1. Subsidiary funds will be audited according to requirements in DODI 7600.06.

*f.* Prohibitions for the use of welfare funds outlined in paragraph 3-2 apply to subsidiary funds.

#### **4-5. Requirement for financial summary of subsidiary funds**

Subsidiary funds must submit an annual financial summary to the DAWF Board of Directors not later than 31 October of each year. The summary will be based on the accounting records of the fund for the period 1 October through 30 September of the preceding year and will include—

*a.* Income statement and expenses by major purpose. Within each major purpose, the subsidiary fund will briefly enumerate the nature of expenses (such as items purchased or athletic league fees paid). The subsidiary fund will fully explain any substantive deviation from previous estimates or other program changes.

*b.* Balance sheet.

*c.* Budgeted strength by agency, with breakout of civilian and military personnel who received unit funds.

*d.* General comments on the activities and results of the program since the previous submission and any observations or recommendations that may assist the DAWF Board of Directors in measuring results and future planning.

*e.* Semiannual status report that includes a quarterly report of fund expenses submitted to the DAWF Board of Directors.

*f.* Receipts for all expenses during the reporting period.

## **Appendix A References**

### **Section I Required Publications**

#### **AR 210–22**

Private Organizations on Department of the Army Installations (Cited in para 3–1a.)

#### **AR 215–1**

Military Morale, Welfare, and Recreation Programs and Nonappropriated Fund Instrumentalities (Cited in para 2–1a.)

#### **AR 215–4**

Nonappropriated Fund Contracting (Cited in para 2–2b(1)(b).)

#### **AR 360–1**

The Army Public Affairs Program (Cited in para 3–1a.)

#### **DODI 1015.15**

Establishment, Management, and Control of Nonappropriated Fund Instrumentalities and Financial Management of Supporting Resources (Cited in para 1–1.)

#### **DODI 7600.06**

Audit of Nonappropriated Fund Instrumentalities (NAFI) and Related Activities (Cited in para 1–1.)

#### **DOD 5500.07–R**

Joint Ethics Regulation (JER) (Available at <http://www.dtic.mil/>.) (Cited in para 3–1a.)

#### **DOD 7000.14–R, Volume 13**

Financial Management Regulation (DOD FMR) (Available at <http://www.dtic.mil/>.) (Cited in para 3–3a.)

#### **DFAS–IN Regulation 37–1**

Finance and Accounting Policy Implementation (Available at <http://www.asfm.army.mil/>.) (Cited in para 2–2b(1)(b).)

### **Section II Related Publications**

A related publication is a source of additional information. The user does not have to read a related reference to understand this publication.

#### **AR 1–21**

Administrative Space Management in the National Capital Region

#### **AR 15–39**

Department of the Army Intergovernmental and Intragovernmental Committee Management Program

#### **AR 25–30**

Army Publishing Program

#### **AR 25–400–2**

The Army Records Information Management System (ARIMS)

#### **DODI 1015.08**

DOD Civilian Employee Morale, Welfare, and Recreational (MWR) Activities and Supporting Nonappropriated Fund Instrumentalities (NAFI)

#### **DoDI 1015.10**

Military Morale, Welfare, and Recreation (MWR) Programs

## **DOD 1015.8-R**

DOD Civilian Employee Morale, Welfare, and Recreational (MWR) Activities and Supporting Nonappropriated Fund Instrumentalities (NAFIs) Regulation

### **Section III**

#### **Prescribed Forms**

This section contains no entries.

### **Section IV**

#### **Referenced Forms**

##### **DA Form 2028**

Recommended Changes to Publications and Blank Forms

## **Appendix B**

### **Internal Control Evaluation**

#### **B-1. Function**

The function covered by this evaluation is the administration of the DAWF.

#### **B-2. Purpose**

The purpose of this evaluation is to assist the DAWF in evaluating the key requirements outlined in this regulation. This evaluation is not intended to cover all criteria.

#### **B-3. Instructions**

Answers must be based on the actual testing of the evaluation criteria (such as document analysis, direct observation, sampling, and simulation). Answers that indicate deficiencies must be explained and corrective action indicated in supporting documentation. These criteria must be evaluated at least once every 3 years.

#### **B-4. Evaluation criteria**

- a.* Are members of the DAWF Board of Directors appointed by memorandum, and does the executive secretary maintain the appointment orders?
- b.* Does the DAWF Board of Directors meet at least twice a year?
- c.* Does the executive secretary document and maintain the meeting minutes?
- d.* Are funds requested and distributed in accordance with the established guidance?
- e.* Are financial statements reviewed by the DAWF Board of Directors and are audits results provided to the legal advisor for review?
- f.* Are fund management controls in place and being followed?
- g.* Have personnel with access to funds been properly bonded and has documentation of the bonding been provided to the DAWF Board of Directors?
- h.* Has an audit been performed as required?
- i.* Are physical inventories of DAWF property conducted every year and reported to the DAWF Board of Directors?
- j.* Are requests for the establishment or disestablishment of subsidiary funds properly reviewed and documented?
- k.* Are charters for subsidiary fund councils reviewed every 3 years?
- l.* Is membership of the DAWF Board of Directors and its subsidiary funds reviewed every year to comply with membership appointments?
- m.* Are subsidiary fund managers providing an annual financial statement and a semiannual fund status report that includes the required information?
- n.* Is the DAWF fund manager maintaining all receipts for fund expenses and are subsidiary fund managers available to support U.S. Army Audit Agency audits and other financial reviews required by DAWF directives?

#### **B-5. Comments**

Help make this a better tool for evaluating the DAWF. Submit comments to: Fund Manager or Executive Secretary, Board of Directors, Department of the Army Welfare Fund, Support Services-Washington, 121 Army Pentagon, Washington, DC 20310-0121 or by phone at (703) 692-4857/(703) 697-7325.

## **Glossary**

### **Section I**

#### **Abbreviations**

##### **AASA**

Administrative Assistant to the Secretary of the Army

##### **AR**

Army regulation

##### **DA**

Department of the Army

##### **DAWF**

Department of the Army Welfare Fund

##### **DOD**

Department of Defense

##### **DODI**

Department of Defense instruction

##### **HQDA**

Headquarters, Department of the Army

##### **MWR**

morale, welfare, and recreation

##### **NAF**

nonappropriated fund

##### **NAFI**

nonappropriated fund instrumentality

##### **NCR**

National Capital Region

### **Section II**

#### **Terms**

##### **Donations**

Voluntary offerings by individuals, business firms, civilian organizations, or other groups in the private sector. Donations may take the form of funds or products.

##### **Executive secretary**

An individual appointed to provide administrative support to the DAWF Board of Directors. Duties include, but are not limited to, arranging meetings, planning agendas, and maintaining information on the nature, functions, and operations of the DAWF Board of Directors and its members.

##### **Fund manager**

An individual appointed by written authority to a post of responsibility and trusted to exercise administrative and executive control of a nonappropriated fund (NAF) instrumentality and charged with accountability for its NAF resources. The fund manager is the official fund manager of a NAFI.

##### **Industry organizations and associations**

Private groups whose goals are to promote cooperation between DOD and industries with which it does or has potential business.

**Legal advisor**

An attorney from the Chief Attorney and Legal Services, Office of the Administrative Assistant to the Secretary of the Army, who provides legal advice relating to matters affecting the DAWF and its subsidiary funds.

**National Capital Region**

The geographic area located within the boundaries of the District of Columbia; Montgomery and Prince George's Counties in the State of Maryland; Arlington, Fairfax, Loudoun, and Prince William Counties and the city of Alexandria in the Commonwealth of Virginia; and all cities and other units of government within the geographic areas of the District, counties, and city.

**Nonappropriated fund instrumentality**

A U.S. Government organization and fiscal entity that performs essential Government functions. It is not a Federal agency. It acts in its own name to assist other DOD organizations in providing MWR and other programs for military personnel, their families, and authorized civilians. It is established and maintained individually or jointly by two or more DOD components. As a fiscal entity, it maintains custody of and control over its NAFs, equipment, facilities, land, and other assets. It is responsible for the prudent administration, safeguarding, preservation, and maintenance of those NAF resources made available to carry out its function. With its NAFs, it contributes to the MWR programs of other authorized organizational entities, when so authorized. A NAF instrumentality (NAFI) is not incorporated under the laws of any State or the District of Columbia, but it has the legal status of an instrumentality of the United States. NAIs are not "persons" subject to Federal trade and antitrust laws, and they are not subject to State regulation or control in the absence of specific authorization in a Federal statute.

**Nonappropriated funds**

Cash and other assets derived from sources other than congressional appropriations, primarily the sale of goods and services to DOD personnel and their families that the NAFI uses to support or provide authorized programs. NAFs are Government funds used for the collective benefit of those who generate them. These funds are separate from funds that are recorded in the books of the U.S. Treasurer.

**Private organization**

A self-sustaining, non-Federal entity, incorporated or unincorporated, that is operated on Army/DOD installations with the written consent of the installation commander or higher authority, by individuals acting exclusively outside the scope of any official capacity as officers, employees, or agents of the Federal Government or its instrumentalities.

**Subsidiary fund council**

A representative body of civilian employees and military personnel appointed or elected to assist in the management of a subsidiary fund. The council is responsible for subsidiary funds' missions and policies, particularly ensuring that the program is run legally and ethically. The council has decisionmaking authority to set the subsidiary fund's policy, objectives, and overall direction; adopt charter and bylaws; and name members to committees. The council is subject to the oversight of the DAWF Board of Directors.

**Subsidiary funds**

Agency funds receiving support from the DAWF.

**Unit funds**

Funds installation commanders establish and administer by for the benefit and well-being of the assigned military members. Unit funds are derived from NAF activities, such as sales, special events, and fees.

**Section III****Special Abbreviations and Terms**

This section contains no entries.

**UNCLASSIFIED**

**PIN 023930-000**