

**From:** Waddelow, Lt Col Annette (USAF)  
**Sent:** Wednesday, May 17, 2000 4:17 PM  
**To:** DIRECTORATES; MCOE; MCOV; ES MEPS; WS MEPS  
**Cc:** MIM- Support Services  
**Subject:** I-00-MAY-06(IMC 1 to USMEPCOM Regulation 215-1, 22 October 1999, Amusement Vending Machine Fund)

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**IMC Message: I-00-MAY-06**

**IMC Effective Date: 16 June 2000**

From MRM-FP

Subj IMC 1 to USMEPCOM Regulation 215-1, 22 October 1999, Amusement Vending Machine Fund

To HQ USMEPCOM Directors and Special Staff Officers  
All Sector and MEPS Commanders

**1. Purpose.** This interim message change (IMC) officially—

- Incorporates omissions.
- Clarifies procedures.

**2. New and/or changed material.** The new and/or changed material has been annotated by the underscore/strikethrough method. File this IMC transmittal page in front of the publication until it is superseded or rescinded. Remove and insert the pages from USMEPCOM Reg 215-1, 22 October 1999, as follows:

<b>Remove pages</b>	<b>Insert pages</b>
1-1 through 1-4	1-1 through 1-4
4-3 and 4-4	4-3 and 4-4
4-7 and 4-8	4-7 and 4-8
5-1 through 5-10	5-1 through 5-10
5-17 and 5-18	5-17 and 5-18
6-1 through 6-4	6-1 through 6-4
7-1 through 7-6	7-1 through 7-6
7-15 through 7-20	7-15 through 7-20
B-1 and B-2	B-1 and B-2

**3. Implementation.** This IMC is released for implementation on the effective date shown above.

**4. USMEPCOM Electronic Pubs/Forms Library.** The IMC transmittal message page (file name 2151ri1m.doc) and the page changes (file name 215-1ri1.doc) will be uploaded to the electronic library within 72 hours after the initial distribution via the Command Message System.

a. To review the files from the electronic library, use the paths below as applicable.

HQ USMEPCOM and sector users. Using Windows Explorer, use the path below:

U:\common\pubs\mepcom\regs

MEPS users. Using Citrix WinFrame Client for DOS, select the drive letter that shows “<\\MEPS1\MIM>” and then use the path below:

SSD\pubs\mepcom\regs

b. The files are also available on the Intranet at <https://mepnet.mepcom.army.mil>.

**5. Comments/suggested improvements.** Users may submit comments and suggested improvements on Department of the Army (DA) Form 2028 (Recommended Changes to Publications and Blank Forms) or by memorandum to the point of contact (POC) in paragraph 6.

**6. POC.** The POC for the content of this IMC is MAJ Washington (MRM-FP) DSN 792-3680 ext. 7333 or commercial (847) 688-3680 ext. 7333.

## **Chapter 1 General**

### **1-1. Purpose**

a. This regulation establishes policies, procedures, and responsibilities for USMEPCOM activities and AVMF program.

b. This regulation is the sole authority governing the operation of AVMF. It is geared towards the specific requirements of managing the AVMF at all echelons of USMEPCOM and consolidates the guidance and main points of the AR 215-series that are applicable to the USMEPCOM AVMF Program. This regulation complies with the intent of the Morale, Welfare, and Recreation (MWR) Program, is flexible, and meets the unique needs of our organization while maintaining strict financial controls.

c. The USMEPCOM AVMF Program is a Quality of Life Program that directly supports morale by providing a variety of community, service member, and family support activities.

d. The AVMF Program:

(1) Provides quality of life, leisure time activities commensurate with generally accepted family values.

(2) Promotes and maintains mental and physical well being of authorized personnel.

(3) Fosters the service member's morale and promotes unity within the military entrance processing station (MEPS).

### **1-2. References**

Required and related publications, required and prescribed forms, and prescribed file numbers are listed in appendix A.

### **1-3. Abbreviations and terms**

Abbreviations and special terms used in this regulation are defined in the glossary.

### **1-4. Responsibilities**

**a. Director, Resource Management is responsible for:**

(1) Providing policy guidance to HQ USMEPCOM, sectors, and MEPS personnel.

(2) Discussing any significant AVMF issues with the respective commander.

(3) Conducting training assistance visits.

~~(4) Conducting 3-year revalidation reviews.~~

(5) Conducting command-directed audits or revalidation.

(6) Conducting a review and issuing a report of findings NLT 30 working days following suspension and returning all documentation to the MEPS.

~~—(7) Conducting a revalidation visit to the MEPS, within 60-90 days following receipt of corrective action (when necessary) in conjunction with the sector. Revalidate suspended accounts within 30 working days following receipt of corrective action from MEPS.~~

(8) Conducting AVMF Manager's Training Course through correspondence course.

**b. The Inspector General (IG)** is responsible for:

(1) Conducting on-site inspection of each AVMF using the checklist in appendix B.

(2) Suspending accounts that ~~do not pass all critical areas identified~~ rate less than 70 percent in three or more functional areas in appendix B.

(3) Discussing significant AVMF issues with the respective sector commander and MRM-FP.

**c. The Director, Internal Review (IR)** is responsible for conducting compliance audits.

**d. Sector commanders** are responsible for:

(1) Reviewing and suspending accounts that ~~do not pass all critical areas~~ rate less than 70 percent in three or more functional areas in appendix B.

(2) Reviewing reports of the investigating officer to determine pecuniary liability and authorize, with or without formal investigation, the relief of individuals from accountability and responsibility for AVMF property and other assets.

(3) Recommending approval or disapproval for all exception to policy memorandums submitted by the MEPS prior to submission to MRM-FP.

**e. MEPS commanders** are responsible for:

(1) Ensuring all AVMF appointments are in writing.

(2) Appointing an AVMF manager.

(3) Ensuring the AVMF manager ~~attends the AVMF Course within 120 days of initial appointment or at the earliest possible date~~ request AVMF training materials and test within 90 days after appointment.

(4) Appointing an assistant AVMF manager.

(5) Appointing an AVMF council.

(6) Appointing an AVMF committee.

(7) Appointing the AVMF committee president from the MEPS personnel.

(8) Conducting a command quarterly review of AVMF documents (app B).

(9) Ensuring all deficiencies from the previous staff assistance visit (SAV)/ training assistance visit (TAV), MIG, MIR, and revalidation review are corrected.

(10) Signing AVMF council actions as the approving official.

(11) Ensuring the AVMF warranted contracting officer (WCO), is nominated and passes the AVMF Warranted Contracting Officer's correspondence course at least 30 days prior to the requesting termination of the current WCO.

**f. AVMF manager** is responsible for:

(1) Legal and fiduciary responsibility for all AVMF matters and issues.

(2) Receiving, safeguarding, and accounting for all monies and assets prescribed in this regulation.

(3) Carrying out policies in accordance with this regulation.

(4) Ensuring all required AVMF forms in binders 1 and 2 are properly completed and maintain accountability for AVMF owned property and assets.

(5) Conducting quarterly AVMF reviews with the MEPS commander.

(6) Attending AVMF committee meetings as a nonvoting member, advisor, and recorder, and ensuring committee minutes are prepared and forwarded to the council for approval.

(7) Performing the duties of the contracting officer representative (COR).

(8) Ensuring a WCO is appointed by HQ USMEPCOM.

(9) Coordinating with the contracting officer at the purchasing and contracting office (PCO) on a new amusement or vending machine contract not later than 120 days before the expiration of the current contract.

(10) Conducting semiannual property inventories.

(11) Ensuring only the AVMF WCO or ordering officers make AVMF purchases.

(12) Preparing memorandums for record (MFR) for all unusual circumstances that occur.

(13) Ensuring the assistant AVMF manager is fully trained and able to manage the AVMF account in the absence of the manager.

(14) Completing USMEPCOM Form 215-1-5-R-E (Certificate of Fund Transfer).

(15) Ensuring all deficiencies are corrected from the last SAV/TAV, MIG, MIR, and revalidation review.

(16) Ensuring all accounting records are maintained in accordance with chapter 5.

(17) Evaluating the proposed annual AVMF budget for feasibility.

(18) Ensuring accurate preparation and timely submission of [the annual insurance update and Randolph Sheppard Act required reports listed in paragraph 5-5.](#)

(19) Forwarding required AVMF forms in binders 1 and 2 and the checkbook to MRM-FP within 1 week after suspension.

(20) Forwarding corrective action for discrepancies on suspended accounts to MRM-FP within 30 days after receipt of report of findings from MRM-FP.

**g. Assistant AVMF manager** is responsible for:

- (1) Assisting AVMF manager.
- (2) Assuming the responsibilities of the AVMF manager when he or she is absent for more than 60 days.

**h. WCO** is responsible for:

- (1) Completing all required contracting documentation for AVMF purchases less than **\$5,000**.
- (2) Appointing and supervising no more than five ordering officers.
- (3) Ensuring all newly appointed ordering officers have read and are thoroughly familiar with chapter 3-4 of this regulation.

(4) Passing the AVMF WCO correspondence course.

**i. The AVMF committee** is responsible for:

(1) Submitting a proposed annual budget, all planned activities, and recommended policies for guests to the AVMF council for approval.

(2) Assuming responsibility for execution of all council approved activities and policies.

(3) Conducting meetings as often as required to efficiently control AVMF business; at a minimum, once each quarter.

**j. The AVMF council** is responsible for:

(1) Approving or disapproving each expenditure and ~~recom-mendation~~ recommendation of the AVMF committee.

(2) Referring items back to the AVMF committee for reconsideration.

#### **1-5. Management control evaluation checklist**

Department of the Army (DA) Form 11-2-R (Management Control Evaluation Certification Statement) will be used to document management control evaluations, see appendix B. For additional information on management controls, see USMEPCOM Reg 11-4 (Management Control).

- (1) Best costume at a Halloween party.
- (2) High game, high series, or the first place team at a bowling party.
- (3) The winner of any competitive game of skill at AVMF function.
- (4) Team competitive events at a USMEPCOM Organizational Day.
- (5) Trophies, plaques, or MEPS T-shirt awarded for the Run for Your Life Program.

**c. Job incentive.** Awards for MEPS Military Member of the Quarter/Year. Up to \$200 saving bonds or \$100 in gift certificates, money order or AVMF check can be awarded using AVMF. At a minimum, these awards will be approved and added to the annual budget. If the event does not occur, the AVMF committee must decommit these funds. Job incentive awards for USMEPCOM civilians are funded with appropriated funds.

**d. Operating expenses.** Examples of operational expenses include:

- (1) Bank service charges.
- (2) Postage.
- (3) Check reorders.
- (4) Money orders (the cost of a money order will automatically be taken out of the amount deposited).
- (5) Costs incidental to the maintenance and repair of procured AVMF property.

**e. Postage stamps.** The AVMF manager will ensure all postage stamps are secured and accounted for using USMEPCOM Form 215-1-7-R-E (Stamp Control Log) (fig. 4-3). The form will include the date the stamp was used, for what purpose, and the amount of stamps remaining. This form may be obtained from the USMEPCOM Electronic Pubs/Forms Library and reproduced on 8 ½- by 11-inch plain white bond paper. **If the account has been suspended**, the AVMF manager will make a copy of the form, prior to forwarding the records. All stamps are to be retained for mailing bank deposits and must be accounted for on the duplicate USMEPCOM Form 215-1-7-R-E. The date, purpose, cost of mailing, and value of stamps remaining must be included on the log. It is not necessary to hold a committee meeting to approve the purchase of stamps [provided purchasing stamps was approved in the first minutes of the FY or the annual budget report and provided funds are committed.](#)

**f. Unit social functions.** Group participation at recreational, social, cultural, or athletic events designed for the collective benefit of all USMEPCOM employees. Unit social functions include:

- (1) Football, basketball, baseball, hockey, soccer games, wrestling and boxing matches, tennis and golf tournaments, water and air shows, car races, theme parks, amusement parks, State or county fairs, circuses, museums, theaters, concerts, cultural centers, etc.
- (2) Package deals including chartered bus transportation, meals and refreshments before, during, or after the event.
- (3) Christmas, Halloween, birthday parties (covering a period of time, i.e., monthly, quarterly, etc.), picnic, campouts, trips to national parks, etc.

(4) Chartered fishing trips, boat rides, etc. Package deals may include refreshments, meals, and chartered transportation to the boat dock area.

(5) Sight seeing tours (package deals may include chartered transportation, meals, and refreshments).

(6) Ski trip (Package deals may include chartered transportation, lift tickets, rental of equipment, meals, refreshments, and overnight accommodations).

(7) Horseback riding expeditions (Package deals may include chartered transportation, rental of horses, food, and refreshments).

(8) Luaus, volksmarches, etc.

(9) Bowling parties.

(10) Children's Christmas party gifts not to exceed \$10 per gift.

(11) Rent or fees for picnic grounds, sports fields, camp grounds, etc.

**g. Meals and refreshments in conjunction with specific events.** This includes events of historical and traditional significance:

(1) Organizational days, hails and farewells (when they cover a period of time (i.e., monthly, quarterly, etc.).

(2) Army/Navy/Air Force/Marine Corps/Coast Guard/USMEPCOM birthdays, and Armed Forces Day celebrations.

(3) Food and refreshments brought into the Headquarters, Sectors, and MEPS for everyone to eat at their desks, rather than at a special group gathering, is not considered a unit social function, unless it is done due to a lack of gathering space.

**h. Procurement.** Articles, services, or equipment that is not available or authorized through appropriated funds for the collective benefit of all beneficiaries. These items may be used by any USMEPCOM individual on a hand receipt basis. Accountability of equipment will be covered in chapter 6. Examples of property for this purpose are listed below:

(1) **Coffee pots and mugs.** Coffee pots and mugs are the property of the fund, available to all beneficiaries, and cannot be personalized, i.e., bear the name, nickname, rank, or branch of Service of an individual.

(2) **Camcorders or video cassette recorders (VCR).** The camcorder or VCR may be purchased for USMEPCOM personnel to use on a hand receipt basis.

(3) **Barbecue grills, banquet, or picnic tables.** AVMF may be used to purchase banquet tables for parties or recreational and welfare activities only if it is more cost effective than renting the equipment or using existing picnic areas.

(4) **Cameras, film, and accessories.** These items may be purchased for use with group activities. The equipment, less film, may be checked out using a hand receipt by individuals for personal occasions.

(10) Any item that requires multiple payment with the exception of a deposit.

c. Incentive awards.

(1) Plaques given as job incentive awards. Plaques for both MEPS military and civilian personnel are purchased from appropriated funds.

(2) Civilian job incentive awards, (i.e., MEPS Civilian Member of the Quarter) are payable through appropriated funds.

d. Operating expenses.

(1) Checks made out to the AVMF manager, assistant fund manager, WCO, ordering officer, or any other person with check signing authority ~~or the WCO with the exception of~~ (except a refund due to cancellation of a shared cost event).

(2) Local and State retail sales tax will not normally be paid since NAF are instrumentalities of the U.S. Government. Tax relief forms or exemption certificates, and exemption identification numbers as applicable are obtained from State tax authorities.

(3) Purchase of State tax-free tobacco products, candy, soft drinks, etc., from commercial vendors, commissaries, or Army, Air Force, and Navy exchanges to stock and sell through vending machines. All AVMF contracts will require the vendor to stock and maintain all machines.

e. Social functions.

(1) Door prizes and raffles.

(2) Prizes for bingo cards and other games of chance.

(3) Gambling or trips to casinos to include river boat gambling cruises.

f. Meals.

(1) Hams, turkeys, gifts, etc., for MEPS personnel during holidays.

(2) Alcoholic beverages (beer, wine, etc.).

g. Miscellaneous.

(1) Firearms and ammunition.

(2) Fireworks.

(3) Any activity where the distance traveled exceeds 350 miles (excluding all commercial travel).

**4-6. Contributions**

a. Unconditional contributions and donations of property, money or services voluntarily offered by individuals, business firms, civilian organizations, benevolent and fraternal societies or any association outside the military departments may be accepted by AVMFs when determination is made by the MEPS

commander that acceptance is in the best interests of the Service. Contributed or donated property, money, or services must comply with regulatory guidelines outlined in this regulation. Military and civilian personnel of the MEPS will not solicit prospective donors for contributions to AVMFs.

- b. Raffles of property received as gifts by the AVMF are not authorized.

## Chapter 5 Financial Management

### 5-1. Administrative

Thorough and complete accounting records and well-documented business activities are essential to the AVMF. All disbursements and monies received must be promptly posted into MS Money transaction records. Fund managers should fully explain income and expenditures so that a third party would reasonably understand what actually happened. Receipts, bank statements, comprehensive records, check registers, and detailed correspondence are all part of a good file. In all cases, records for the AVMF will be legibly printed with black, blue, or blue-black ink. Pen and ink corrections must be made by lining through the error without obscuring the original entry and initialing over the entry. Then the corrected information should be inserted above the lined-through entry. Erasures, white out, liquid paper, or strikeovers will not be made on these documents. The AVMF manager or assistant manager will prepare memorandums for record (MFR) for all unusual circumstances that occur ( i.e., exception to policy and unusual expenditures) (see fig. 5-1).

### 5-2. AVMF appointment grade/criteria

- (1) AVMF manager in the grade of officer, ~~E-7/GS-7~~ or E-7 and above (military only).
- (2) Assistant AVMF manager in the grade of ~~E-5/GS-5~~ and above (military only).
- (3) AVMF council will consist of the Commander, Support Group Supervisor, and one other disinterested individual capable of having AVMF check signing authority.
- (4) AVMF committee consisting of at least five voting members (must have at least one civilian and one military representative on the committee) and the nonvoting AVMF manager.
- (5) AVMF committee president may be an officer, civilian (GS-~~5~~4 or above), or enlisted (E-5 or above) assigned to the MEPS (careful consideration must be given to the maturity, objectivity, experience, and desire of the individual selected as AVMF president).
- (6) AVMF WCO, E-~~6~~5 or above (military only-no civilian) is nominated and passes the AVMF WCO's correspondence course at least 30 days prior to the requesting termination of the current WCO.
- (7) Ordering officers, ~~E-5/GS-5~~E-4/GS-4 and above.

### 5-3. Accounting records

a. Single-entry bookkeeping. The AVMF operates on a cash basis, using a single-entry bookkeeping system to account for income and expenditures. This is the simplest accounting process and notes only the amounts received and paid by the fund.

b. Binders.

(1) Current fiscal year (FY). The outside of the AVMF binders are to be labeled for ready identification with the MEPS name, the FY, and "NAF accounts." (Example: Boston MEPS, FY 95, NAF Accounts). AVMF manager will use for binder 1: File number 215 Morale, welfare, and recreation correspondence files, destroy when no longer needed for current operations. "Also, the manager will use for binder 2 file number 215-5e (NAF accounts) with disposition to destroy after 3 years." The current FY AVMF accounting records will be maintained in three-ring binders.

(1) Binder 1 will be organized in the following order:

- (a) USMEPCOM Reg 215-1.
- (b) Contracting officer warrant by Commander, USMEPCOM.
- (c) Current contract and modifications.
- (d) State tax exemption form (obtain form from the state the MEP is located in).
- (e) Current appointment orders.
- (f) Most current records of audits, (e.g., IG, revalidation review, commander's review).
- (g) Reports (quarterly/annual).
- (h) Semiannual property inventory.

(i) USMEPCOM Form 215-1-5-R-E (Certificate of Fund Transfer) (fig. 5-42) may be obtained from the USMEPCOM Electronic Pubs/Forms Library and reproduced on 8 1/2- by 11-inch plain white bond paper.

(j) MS Money Property Transaction Record Inventory.

(k) Approved annual spending plan.

(2) Binder 2, will be organized sequentially for the current FY, beginning with the month of October as follows:

(a) Monthly MS Money transaction report.

(b) Bank statements.

(c) Approved committee minutes.

(d) DA Forms 2107 may be obtained from the USMEPCOM Pubs/Forms Library and reproduced on 8 1/2- by 11-inch plain white bond paper with all documentation.

(3) Prior FY. Previous year's documents will be placed in an inactive file. Use file numbers 215 Morale, welfare, and recreation correspondence files and destroy when no longer needed for current operations and 215-5e, NAF accounts, with disposition to destroy after 3 years.

#### **5-4. Transfer of accountability**

A USMEPCOM Form 215-1-5-R-E, Certificate of fund transfer, will be filled out for changeover of AVMF manager, (figure 5-42). The certificate will include the following:

- a. The MS Money transaction record is in balance and up-to-date.
- b. All forms contained in binder 1, are completed and up to date.
- c. A 100 percent physical inventory of check stock and AVMF property.

### 5-5. Types of reports

a. The AVMF manager will submit all reports in a timely manner. If the AVMF manager does not meet the set suspense for reports, he or she will receive a courtesy call to correct the situation. If the situation is not corrected within 24 hours, the MEPS commander will be contacted right away for assistance via e-mail, telephone or fax.

b. Monthly Bank Statement Reconciliation. The AVMF manager will reconcile the monthly bank statement by the **NLT the 20th of each month** with MS Money. A copy of the MS Money Transaction Record must be filed in AVMF binder 2.

c. MS Money Quarterly Budget Report. The AVMF manager will forward MS Money Quarterly Budget Report to HQ USMEPCOM ATTN: MRM-FP, either by mail, fax; or e-mail **NLT the 21st calendar day of January, April, July, and October.**

d. Annual requirements.

(1) Randolph-Sheppard Act, Annual Report (fig. 5-23).

(a) The Randolph-Sheppard Act, Annual Report (20 United States Codes (USC) section 107 et seq.) states that blind citizens will be given absolute priority in establishment and operation of vending machines on federal property. The MEPS are not entitled to income earned when the blind citizens control the vending machines on the MEPS premises. However, when operated by the MEPS the State licensing agency for the blind will receive part of the commissions from the machines. If annual commissions exceed \$3,000 at the FY end, commanders must disburse 50 percent of the annual commission in excess of \$3,000 to the state agency for the blind.

(b) The on-site official responsible for the MEPS facility must contact the state licensing agency for the blind, in writing, to give blind citizens the opportunity to operate vending machines on the premises in those MEPS where vending machines are operated. The on-site official is the General Service Administration (GSA) building manager (to include MEPS located in federal buildings or in privately owned facilities leased by GSA) unless they have delegated the responsibility to the MEPS commander. The MEPS commander is the on-site official if the station's lease was obtained through the US Army Corps of Engineers (COE). MEPS commanders are not required to obtain copies of the correspondence from the GSA building managers if the responsibility is not delegated to the MEPS commander. A concession opportunity will be offered to the State licensing agency for the blind in conjunction with acquisition, substantial alteration, or renovation of property. Satisfactory sites will be provided for the operation of vending machines operated by the blind.

(c) AVMF manager will monitor the commission when the MEPS have a contract with a vendor to provide such services. The on-site official is responsible for collecting, accounting and disbursing the commission. MEPS commanders are responsible for ensuring that 50 percent of annual commissions, which exceed \$3000 at the end of each FY, are disbursed to the State agency of the blind. Each MEPS will submit information to HQ USMEPCOM, ATTN: MRM-FP, which will be compiled and submitted as the Randolph-Sheppard Act Annual Report. Negative reports will be submitted. Reports will be transmitted either by mail or electronically in order to arrive at HQ USMEPCOM **NLT the 10th calendar day of October.**

(2) Annual insurance update. The annual insurance update will be prepared by the AVMF manager, approved by the committee and council, and submitted to HQ USMEPCOM **upon request (normally in the month of August).**

(3) Annual budget report. The annual budget report will be prepared by the AVMF manager, approved by the committee and council, and submitted to HQ USMEPCOM **NLT 30 August of each year** (fig. 5-3).

#### **5-6. Cash on hand**

All AVMF income will be mailed to the bank on the same day it is received by the AVMF manager except amounts less than \$200 that can be maintained in a secured safe for up to 4 days, but not over the weekend. Cash amounts of less than \$10.00 can be retained and accounted for locally by the AVMF manager until additional funds are available for deposit. Cash will **not** be forwarded through the mail; only a negotiable instrument such as a cashier's check or money order will be used. Under no circumstances will AVMF managers deposit cash into any personal checking account, then write (or have written) a check for the amount of cash to deposit to the bank. Any fees associated with purchase of negotiable instruments for deposit are authorized AVMF expenditure and should never be paid "out of pocket" by the fund manager. These fees may be taken out of the shared cost collected or purchased separately if stated in the minutes.

#### **5-7. AVMF electronic accounting and reporting procedures**

See appendix C for accounting and reporting procedures.

#### **5-8. Maintain the checking account**

a. A checking account is absolutely essential to safeguarding funds and recording receipts and payments. All AVMF accounts are centrally maintained and protected by the Army Central Banking and Investment Fund. All Department of Defense (DOD) NAFI's banking contracts are awarded by the respective Services. Benefits from centralized banking are:

(1) Automatic overdraft protection for any insufficient check written.

(2) Maximum interest accrued because the total balance of all MEPS AVMF accounts is used in computation.

(3) A centralized liaison at Service level to assist fund managers with questions or disputes.

(4) Tax exempt status as an instrumentality of the U.S. Government.

b. Each checking account will be in the name of the AVMF, for example: "Harrisburg MEPS Amusement Vending Machine Fund, an Instrumentality of the United States." The account will not be in the name of the AVMF manager or any other individual.

c. The banking facility will provide signature cards for at least two individuals on the fund council. Each AVMF check will always be prepared by the AVMF manager and signed by an authorized individual for whom signatures are on file with the banking facility. (**Note:** Authorized individuals who have check signing authority may not serve as the AVMF contracting officer, ordering officer, AVMF manager or assistant.) A new signature card will be provided to the bank upon appointment of any new co-signer(s); however for those MEPS who choose to use one signature on a check, a new signature card will be sent to the banking facility stating that you are now only requiring one signature on AVMF checks. For those MEPS using one signature, the check must be filled out with the signature on the top line and the individual's name printed on the bottom line where the second signature normally goes. Copies of signature cards will be maintained by the AVMF manager in AVMF binder 1, appointment orders section.

d. AVMF checks are prenumbered. The fund manager will retain ruined or voided checks. The word "VOID" will be clearly written or stamped across the face of the check in a manner to ensure that the check cannot be used. Any outstanding checks that are more than one year old will be credited back into the AVMF fund account.

e. By the 20th of each month, the AVMF manager will reconcile the month bank statement with MS Money.

f. The Banking Liaison Office (Community and Family Support Agency) will issue a monthly memo balance statement to each MEPS which will include the earned amount of interest to be posted to the AVMF checking account. Fund managers should post interest to the MS Money Transaction Record from the memo balance only. (Note: Bank transactions occurring on the same days are usually represented as a net figure on the memo balance statement).

g. All fund transactions will immediately be annotated in MS Money. Fund managers will post income deposits, disbursements, and adjustments as they occur. All entries will have the DA Form 2107 voucher number posted in the memo column.

h. Checks will be used in numerical sequence. Canceled checks received with the bank statements and voided checks will be attached to the appropriate check stub in the checkbook or keep checks in sequential order with the checkbook. The AVMF manager will secure the checkbook when not in use. Check records will be completed in pen and ink and will indicate to whom, for what purpose, the date, and for the amount the check was written. Checks will only be made payable to the vendor, for the exact amount of purchases (to include gratuities), but not to exceed the amount approved by the council. Following are noted exceptions:

(1) Change received from checks will be converted to a negotiable instrument (i.e., money order or cashier's check) and deposited to the bank as soon as possible.

(2) Checks made payable to MEPS military member of the quarter/year, or in the event of a cancellation of a cost share activity, will be signed for on a DA Form 2107 with the individual's signature.

(3) No blank check will be signed. The check amount may be left blank; however, the AVMF manager is responsible for printing "NOT TO EXCEED," along with the dollar amount, on the face of the check. This amount must not exceed the amount approved by the committee and council.

(4) The AVMF will **immediately endorse**, "FOR DEPOSIT ONLY" signed, and forwarded to the AVMF bank. If the fund council approves use of a rubber stamp to use on deposited checks, the stamp may be purchased with AVMF.

(5) All personal checks returned for insufficient funds will be brought to the attention of the fund committee and council, and recorded in the committee's written record. Restitution for the face value of the check will be made by the initiator of the check, payable to the AVMF. Such payment must be in the form of a money order within 5 days of notification. In addition, a returned check charge of up to \$15 **may be** assessed for administrative charges. In order to assess such charges, the committee and council must approve the assessment of such charges prior to each event.

(6) The MEPS commander may grant a written exception to the policy in cases where the vendor does not accept checks. In this case, the check will only be written to the warranted contracting officer or ordering officer and used the same day in which it was given. This exception, along with receipts, must be attached to the DA Form 2107.

### 5-9. Conducting a committee meeting

- a. The AVMF committee president presides at the meetings and has voting rights. Parliamentary procedures should be practiced to insure that a structured decision making process is used.
- b. The AVMF committee meetings must constitute a quorum by having 51 percent of their members on appointment orders present at the meeting. The AVMF council may require voting record of each proposal be included in the minutes.
- c. Minutes will include the time, date, place of the meeting, who was present, ~~and who was absent,~~ and nonmembers present. Minutes should be short, concise, and simple. A completed sample of the minutes is in figure ~~5-45-5~~. Minutes will:

- (1) Include as a statement in the minutes, a review of the MS Money Transactions Record as of the most recent transaction. This review must also include verification of the current balance of available funds and commitments approved but not expended. No funds will be committed if they are not available at the time of the meeting.

- (2) Summarize discussions and decisions on old business carried over from previous meetings.

- (3) Summarize discussions and decisions on new business brought up at the present meeting. When discussing proposed events, the cost limitation, and the participation parameters to include guests must be voted on and approved for each planned activity and recorded in the minutes. The minutes should discuss each proposal in sufficient detail that the AVMF council can make proper judgments. The entire cost of an activity, to include all "shared cost" amounts, will be approved by the AVMF council before any AVMF monies are disbursed or collected.

- d. The AVMF Committee President and the AVMF manager, or the individual acting in their capacity at the AVMF committee meeting, will sign the minutes verifying their completeness and accuracy.

### 5-10. Process disbursements

- a. The AVMF manager will document all disbursement on the DA Form 2107 and will reference the approved minutes. A completed sample of this form is at figure 4-1.

- b. A payment will not exceed the maximum amount approved by the AVMF council. Increases in price will be brought before the committee and council. Supplemental approvals must be made in writing prior to payment. Disbursements will not be made if the AVMF account has insufficient funds to cover the expense. Payments will be made promptly upon receipt of services or items. Payment will not be deferred in anticipation of future income.

~~c. The AVMF committee and council may authorize an amount not to exceed \$100 for immediate cash requirements without an additional committee meeting. The AVMF WCO or ordering officer may exceed previously approved expenditures for immediate cash requirements for an amount not to exceed \$100 without an additional committee meeting.~~

### 5-11. Completion of DA Form 2107

- a. AVMF manager will record all income on the DA Form 2107. These vouchers will be numbered sequentially as used and supported by a bank deposit slip which will be attached to the DA Form 2107. The date of the DA Form 2107 will be the date the deposit is sent to the bank.

b. This voucher is the basic accounting record of AVMF transactions and AVMF manager will complete as transactions occur. There will be one DA Form 2107 for each individual transaction. DA Forms 2107 will not be batched by type of transaction. The only exception to this requirement is in the case of shared cost. Each DA Form 2107 represents a line entry on the transaction record.

c. Vouchers are numbered consecutively by FY. The first digit refers to the FY; the second digit refers to the voucher sequence number. For example, voucher numbering for FY 95 begins with "5-1," "5-2," "5-3," etc. The DA Form 2107 must comprehensively state all facts pertaining to the transaction. The description block should include such information as:

- (1) Purchased or received.
- (2) To and from whom.
- (3) Quantity.
- (4) Unit price and total amount of transaction.
- (5) When transacted.
- (6) Reference any related transactions (voucher numbers of any other transactions that pertain to the same MWR action).
- (7) Method of delivery or payment.
- (8) Date and paragraph of approved committee minutes which authorizes the transaction.

d. The "Authorized for Payment" block of the DA Form 2107 will be checked for all disbursement vouchers; "Authorized for Receipt" block will be checked for all income vouchers.

e. Any supporting documents, such as DA Forms 4065-R, 4066-R, 4067-R, vendor receipts, cash register tapes, DA Forms 4083-R (Vending or Amusement Machine Collections) for concessionaire income, MFRs, or DA Forms 1992 (NAF Receipt Voucher), will be attached to the DA Form 2107 and will be marked with the DA Form 2107's voucher number. All NAF purchase documents will also be attached to the voucher used to record payment. The dollar value listed on the voucher and the value on supporting documents should be the same. A brief memo will explain any discrepancies and will be attached to the DA Form 2107.

f. Bank generated transactions, such as interest income and redistribution will be recorded from the monthly bank statement. Interest will be recorded on the DA Form 2107. See figure 4-1 for a completed sample of DA Form 2107.

g. The AVMF Fund manager will ensure each disbursement is supported by an invoice, bill, receipt, or appropriate purchase document. All pertinent documents will be attached to the DA Form 2107. The only exception is a bank debit action. The ending date of the applicable bank statement, entered on the DA Form 2107, is sufficient.

h. Enter the number of the AVMF check used to make a disbursement on the DA Form 2107.

**5-12. Conducting a joint coin count/completion of DA Form 4083-R**

a. Concessionaire commissions are considered as income to the AVMF. Vendor checks must be made payable to the MEPS AVMF. To determine the amount of commissions due the MEPS, a joint count of money contained in the amusement and vending machines and verification of merchandise remaining in the machines is necessary. This verification process is required by each concessionaire contract. The joint count will be performed with the following individuals:

(1) The vendor or vendor's representative.

(2) A disinterested person assigned to the MEPS on a rotating basis (not the AVMF manager or assistant AVMF manager).

(3) The AVMF manager or assistant AVMF manager will sign the "command representative" block.

b. A disinterested person will perform the joint coin count (AVMF manager or assistant manager are the only individuals not qualified as a disinterested person). Furthermore, the disinterested person will be briefed by the AVMF manager or assistant manager as to their duties and responsibilities. This individual will verify the amount of money taken from the amusement machines and money and merchandise in the vending machines. They will also verify meter counts if applicable. If machines do not have meters, a joint verified cash count is sufficient. Any discrepancies greater than 5 percent between the metered income and the cash collected will be explained on the DA Form 4083-R in the remarks block. A copy of the DA Form 4083-R will be provided to the vendor. If the machine is not fixed in 3 months and still has meter discrepancies greater than 5 percent, the machine will be pulled from service. The DA Form 4083-R is used to record the details of the joint count. Figure [5-55-7](#) provides a completed sample of DA Form 4083-R.

c. Upon receipt of the commission check payment from the vendor, the AVMF manager will reconcile the amount of commissions received from the vendor against the verified count record contained on the DA Form 4083-R and later, to the bank statement deposits. Any discrepancies must be brought to the attention of the vendor as soon as detected. Variances of [\\$5-50](#) or less will be resolved by adjusting the difference in a subsequent commission check. If a discrepancy exceeds [\\$550](#), it will be resolved by issuing a new supplemental check. The applicable DA Form 4083-R, a copy of the vendor check, and a copy of the deposit slip will be attached to the DA Form 2107. Complete the DA Form 4083-R as follows:

(1) Activity/location: Name of the MEPS.

(2) Control Number: Record voucher number used on the DA Form 2107.

(3) Date: Record the date of collection.

(4) Machine Number: Record the serial number of the machine.

(5) Machine Type: Identify the name or product by its brand name.

(6) Previous meter reading: Record reading from a previous collection sheet out of the current meter reading column.

(7) Current meter reading: Record reading from the machine from which collections are made.

(8) Meter games: Record the sum of the current meter games less previous meter readings.

- (9) Charge per game: Record the cost per game.
- (10) Metered income: Actual per game multiplied by metered games.
- (11) Cash collected: An actual amount of cash collected from the machine.
- (12) Difference: Record any difference between metered income and cash collected. Explain the difference in the remarks blocks.
- (13) Total customer refunds: Record the total amounts from the applicable columns.
- (14) Totals: Record the total amounts from the applicable column.
- (15) Remarks: Record information pertaining to difference column.
- (16) Shared of cash collections:
  - (a) Concessionaire, post percent approved by contract and earning for the period.
  - (b) NAFI, post percent approved by the contract and earning for the period.
- (17) Print names:
  - (a) Command representative block: Fund manager's or assistant fund manager's name will be posted to the block.
  - (b) Fund representative block: A disinterested person of the MEPS on a rotating basis will be posted to the block. This person can not be the fund manager or the assistant fund manager.
  - (c) Concessionaire representative block: Any person from the vendor's organization will be posted to the block.
- (18) Signatures: Same as printed names.

### 5-13. Redistribution of income

**a. General.** The purpose of redistribution is to provide a proportionate share of the proceeds from total AVMF income to support morale welfare, and recreation (MWR) activities on an equitable level for USMEPCOM personnel.

**b. Redistribution proponent.** The headquarters financial policy section staff is the proponent for ensuring proper redistribution of income based on AVMF quarterly revenue.

(1) Income redistribution will be calculated using a command-wide redistribution formula.

(2) The redistribution formula is based on income per capita in both sectors and MEPSs, that is, income per individual beneficiary. Beneficiaries are defined for redistribution purposes as assigned or attached USMEPCOM military members and civilian employees.

(3) Redistribution is calculated based on total income accumulated during each fiscal quarter. Redistribution income is income from concessions, bank interest, recycling programs, and personal travel

rebates. A MEPS that exceeds the average income per capita retains 50 percent of the excess and pays the remainder to MEPSs that do not exceed the average income per capita. A memorandum will be electronically sent to the local community and family support activity (CFSA) and to MEPS detailing the electronic funds transfers that will occur.

**c. Funds transfer.** Redistribution of funds will be made by electronic fund transfer (EFT) from one MEPS to another by the CFSA. A retained earnings amount will be established by MEPSs that normally "pay out" to prevent the possibility of a negative balance. MEPSs that normally pay out must not obligate these funds until after redistribution is completed and documented on the monthly bank statement (normally February, May, August, and November bank statements). Retained earnings are determined as follows:

(1) The average of the four quarters redistribution money paid out will be maintained as the minimum checking account balance.

(2) This amount will be put in the committee minutes throughout the FY.

(3) this amount will be adjusted once the quarterly redistribution is done by HQ USMEPCOM in the next committee minutes.

DEPARTMENT OF DEFENSE  
MILITARY ENTRANCE PROCESSING STATION  
2107 NE COLUMBIA BLVD  
PORTLAND, OREGON 97211-1987

MCO-WPO (215)

6 Nov 98

MEMORANDUM THRU Commander, Western Sector, USMEPCOM, ATTN: Capt. Thibodaux, 3350  
Peoria Street, Suite 150, Aurora, CO 80010-1408

FOR Commander, USMEPCOM, MRM-FP, 2834 Green Bay Road, North Chicago, IL 60064-3094

SUBJECT: Portland, Oregon MEPS Holiday Party Request

On January 22, 1998, our AVMF Committee recommended and our Council approved a holiday party brunch on board the Sternwheeler, riverboat. We made a deposit based on a preliminary attendance of 64 adults, 20 children and 5 infants. The total cost expected was to be less than \$2,500, including the deposit.

Earlier this week, I conducted an attendance count for the holiday party event. Members and friends of the Portland, Oregon MEPS are enthusiastic about the planned river boat brunch. The current count is 94 adults, 41 children and 7 infants.

Request approval to spend \$3,285.90 for the holiday party. In accordance with USMEPCOM Regulation 215-1, the required DA Form 4065, DA Form 5567 and facsimiles of the solicitations received are enclosed. Three riverboat companies were solicited for the event; however, only two are available. The AVMF Committee recommended and the Council has approved the allocation of funds for the event on November 4, 1998. After the expenditure, I will have enough funds for reserve to meet my current commitments.

Point of contact is the undersigned at (503) 282-3999.

Encl  
as stated

DAVID B. WILLING  
CPT, USA  
AVMF Manager

**Figure 5-1. Sample of an exception to policy memorandum**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Collections Check Receipt	10th	10th	10th	10th	10th	10th	10th	10th	10th	10th	10th	10th
Bank Statement Reconciliation	20th	20th	20th	20th	20th	20th	20th	20th	20th	20th	20th	20th
Hand Receipt Review				30th			30th			30th		
New NAF Binders									30th			
Semi-Annual Inventory				30th						30th		
Randolph Sheppard										10th		
FOM List									30th			
Annual Budget								<a href="#">30th</a>		<a href="#">40th</a>		
1st Qtr Budget	21st											
2nd Qtr Budget				21st								
3rd Qtr Budget							21st					
4th Qtr Budget										21st		
1st Qtr CIP		28th										
2nd Qtr CIP					30th							
3rd Qtr CIP								30th				
4th Qtr CIP											30th	
Insurance Update	Due upon request. "Normally between Aug and Oct"											

**Figure 5-6. Sample AVMF periodic reports schedule**



## Chapter 6 Property

### 6-1. Property information

Information on property owned by the AVMF regardless of cost, will be maintained on your MS Money Transaction Record.

### 6-2. AVMF losses of cash or other assets

a. The AVMF manager will report any known, suspected loss of cash or property of more than \$50 or more, damage to, or destruction of property of the fund, other than normal operating losses, the fund council. The MEPS commander will initiate a serious incident report (SIR) and contact the Command Legal Advisor to determine if and which type of investigation is warranted under AR 15-6 (Procedures for Investigating Officers and Boards of Officers).

~~b. Who will investigate all property losses.~~

~~c. Who will submit final report NLT 15 days after completion of the investigation.~~

d. All property losses should be reviewed by the AVMF fund council. However losses of expendable property with a unit cost or like items with a total cost of \$50 or less do not require investigation.

e. Investigating officers will forward reports of investigation through sector commanders to HQ USMEPCOM for review and appropriate insurance information concerning the property recommendations of pecuniary liability will be made by the investigating officer and approved by the sector commander. The loss will be dropped from inventory. Statements of droppage will include the determination of pecuniary liability. The statement of droppage will be signed by the AVMF manager and AVMF committee president, and approved by the MEPS commander.

f. The sector commander will review for adequacy of investigation and completeness of findings.

g. The sector commander will review recommendations regarding responsibility for or relief from pecuniary liability to determine the extent to which negligence, fraud, dishonesty, or misconduct may have contributed to the loss, and that relief is justified by positive findings of freedom from culpability.

### 6-3. Joint transfer inventory

Prior to the effective date of the transfer of accountability, either temporary (~~30-60~~ days or ~~more~~less) or permanent, a transfer inventory will be JOINTLY performed by the outgoing and incoming AVMF managers. This inventory will consist of a physical review, identification, and verification of all items on the MS Money Property Transaction Record. The succeeding AVMF manger will accept responsibility for the assets and property after a joint inventory is performed. The incoming AVMF manager will sign and date the bottom of the MS Money Property Transaction Record Inventory Report. This inventory will be signed by the outgoing and incoming managers, the AVMF committee president, and AVMF council. A memorandum reporting the results of the inventory will be completed and submitted to the AVMF committee and forwarded to the council for approval before the outgoing custodian is relieved of liability. This memorandum must be posted in binder 1.

### 6-4. Semiannual inventory

Semiannual inventories will be conducted in October and April. ~~JOINTLY conducted~~ Joint inventories ~~conducted~~ in October or April meet the semiannual inventory requirement. An exception to policy can be submitted for Joint inventories conducted in September or March with subsequent inventories to be

accomplished NLT 6 months after the last inventory. This inventory will be conducted by the fund manager and a disinterested individual using MS Money Transaction Property Records and computer generated sheet to match the outdated DA Form 1759 or you may use a DA Form 2062 (Hand Receipt/Annex Number). Completion of the inventory will be signed and dated by both the AVMF manager and the disinterested individual at the bottom of the MS Money Property Transaction Record Inventory Report and posted in binder 1.

#### **6-5. Security and storage of property**

a. AVMF property items will be marked with a durable type of identification, such as an affixed tag, decal or engraving that is difficult to destroy, mutilate or alter. Items too small or fragile for a tag or decal should be marked by the most practical method possible.

b. AVMF property will be controlled by one of the following methods:

(1) Physically secure property when not in use in storage accessible to the AVMF manager.

(2) Property issued temporarily to an individual may be accounted for by preparing DA Form 2062. Property may be issued on a temporary hand receipt for a period not to exceed 30 days. Prior to renewal of the hand receipt, property must be presented to the fund manager for inspection. The committee and council will determine how long an individual may retain property on hand receipt for personal use.

(3) Property will be hand receipted on DA Form 2062 to the supervisor of the work area where the property is physically located. These hand receipts should be reviewed and updated every 30 days.

(4) Property located for community use will be controlled as the committee recommends and the council approves.

#### **6-6. Physical security (vending/amusement machines)**

a. A double lock system will be installed by the vendor on all amusement and vending machines covered by the AVMF contract. One lock will be on the cash box, the other lock will ensure that no one can gain access to the cash box. The keys for the AVMF locks will be maintained by the key custodian using the MEPS key control log. The keys for the concessionaire locks will be maintained by the vendor. Pool tables are not classified as amusement machines, and therefore, do not require additional locks.

b. All amusement and vending machines will be checked daily to ensure unauthorized access has not been attained or vandalism has occurred. The individual responsible for opening the game room will conduct this check without documenting this check.

#### **6-7. Property insurance**

a. The Army Risk Management Program (RIMP) is a centralized Property and Casualty Insurance Program for U.S. Army NAFIs and is used for AVMF. The objective of the RIMP is to provide broad insurance protection to NAF assets at the lowest cost.

b. An annual premium will be paid to the Army Central Insurance Fund (ACIF) to cover the collective insurance premium for each MEPS. HQ USMEPCOM will request that Army Banking and Investment Fund (ABIF) deduct each sector's entire annual premium from a designated activity within that sector.

After deduction, [FPSD-MRM-FP](#) will request that ABIF deduct an equal amount from each MEPS to reimburse the designated activities (minus their equitable premium contribution).

c. The annual premium includes:

(1) Property insurance. The dollar value of all MEPS assets requiring protection will be totaled and identified. Assets that are not included in the total will not be insured. HQ USMEPCOM, MRM-FP, requires immediate telephonic notification of the acquisition of additional property followed up by written notification within 30 days. This information will be forwarded to ACIF for action. AVMF property will remain uninsured if the notification procedures are not followed.

(2) Fidelity bonding. Fidelity bonding protects the AVMF against theft by its employees. The bond covers all employees and not just employees who handle money. Coverage includes losses of money and property through theft, embezzlement, and other acts of larceny committed by employees. All AVMF managers will be bonded.

(3) Tort or general liability. Claims covered by this section include:

(a) Claims against the AVMF due to acts or omissions of the AVMF or US MEPCOM employees.

(b) Claims arising out of the activities of members or authorized users of AVMF property.

(4) Money and securities insurance. This program ensures the AVMF against monetary losses caused by other than an employee.

(5) Questions on ACIF coverage and claim procedures will be directed to [FPSDMRM-FP](#).

## **6-8. Property disposal**

a. Property remains accountable until properly dropped from accountability. Other property is controlled by committee/council procedures. Sale at fair value: Sale will be made to the highest bidder, subject to the constraints below:

(1) The fund council must establish the minimum acceptable bid. This cash value must be at least equal to the depreciated value of the equipment using 10 percent depreciation per year.

(2) Sale announcements and minimum acceptable bids will be publicized to all eligible personnel at least 5 days before the sale.

(3) The first bidding opportunity will be afforded to the beneficiaries of the AVMF.

(4) Items for which no bids are received may then be sold to nonbeneficiaries for the established minimum bid.

(5) The AVMF manager will withhold sale and turn-in the property as excess to the Defense Reutilization and Marketing Office (DRMO) if the minimum depreciated bid (stated in (a)(1) above) is not reached.

(6) The auction announcement, as well as a memorandum listing all bids, buyer name(s) and selling price, must be attached to the DA Form 2107 (fig. 4-1). The memorandum is used to record the receipt of income from the sale.

(7) A statement of droppage for equipment greater than \$100 should be prepared for items which have been sold, and will include the date of purchase, quantity, item, acquisition cost, sale price, and final disposition. The acquisition cost and the sale price columns will be totaled on statements involving more than one item.

b. Fair wear and tear (FWT) will be considered when depreciating equipment.

c. Transfer to an NAFI or other AVMF.

(1) Property may be transferred without cost to another AVMF or NAFI.

(2) The statement of droppage that supports the transfer will include the date of purchase, quantity, item, acquisition cost and final disposition. Acquisition costs will be totaled on statements involving more than one item.

(3) Items authorized for procurement with appropriated funds, by Common Table of Allowance (CTA), or Table of Distribution and Allowance (TDA) will be controlled using the appropriated fund property book procedures by HQ USMEPCOM.

(4) The Statement of Droppage (see fig. 6-2) will include the date of purchase, quantity, item, acquisition cost, and final disposition. Transfer documents showing nomenclature, value of property, and name of entity to which it was transferred will be maintained with the statement of droppage.

(5) A sample Statement of Droppage memorandum is provided at figure 6-2.

d. Turn-in to the DRMO.

(1) Excess property may be turned in to the nearest DRMO. Excess property is property of no further use to the AVMF and for which sale or transfer to another AVMF is impractical.

(2) Serviceable excess property, valued greater than \$200 will be turned into the DRMO if the DRMO is within 50 miles of the MEPS.

(3) Unserviceable excess property, valued at greater than \$100, will be turned into the DRMO if the DRMO is within 50 miles of the MEPS.

(4) Should the nearest DRMO be greater than 50 miles from the MEPS or it is not cost effective to turn in (e. g. removing antifreeze from a refrigerator prior to turn in cost more than it's current value), the fund committee may recommend alternate ways of disposing of the equipment. Donations to charitable organizations may be made when all other means of disposal are exhausted and the fund council approves the donation.

(5) The Statement of Droppage will include the date of purchase, quantity, item, acquisition cost, and method of disposition. The turn-in document, DA Form 1348-1 (DOD Single Line Item Release/Receipt Document) showing nomenclature, value of the property, and the DRMO validation of receipt, will be filed with the Statement of Droppage.

(6) A statement of droppage must be prepared for each donated item and will include an original date of purchase, quantity, item description, acquisition cost, and recipient of donation.

e. Lost, damaged, or destroyed property may be removed from accountability.

f. Raffles of excess or unserviceable property are not authorized.

## Chapter 7 Procurement

### 7-1. Authority

NAFs, such as AVMF, are not provided by Congress, they are defined as Government funds. The only method of making purchases with NAF is through the use of NAF contracting procedures. The Commander, USMEPCOM, has [been](#) delegated the authority to warrant qualified individuals to do AVMF contracting functions within the Command. These individuals are the only authorized personnel to make purchases with AVMF monies. However, they may not award contracts for amusement and/or vending machine concession contracts. This type of contracting must be accomplished by the appropriated funds contracting office that supports each MEPS or in special cases, by HQ USMEPCOM, Resource Management Directorate, Logistics Division (MRM-LO).

### 7-2. Contracting functions

a. The two possible AVMF contracting positions in each MEPS are:

- (1) The AVMF WCO.
- (2) The ordering officer.

Although these positions differ based upon the level of training and responsibility, they are both empowered to legally bind the AVMF. Binding the AVMF is defined as signing contracts, purchasing material or services, or reserving services.

b. The WCO is empowered with safeguarding Government funds. This authority cannot be treated lightly. Should a contracting officer misuse funds, he or she will be held personally liable and be subject to administrative, disciplinary, and/or nonjudicial punishment.

c. WCOs may not obligate the AVMF for purchases of **\$5,000** or greater and will not have check signing authority. Purchases over **\$2,500** require HQ USMEPCOM approval.

d. Ordering officers may not obligate the AVMF for purchases greater than **\$1,000** and will not have check signing authority.

### 7-3. Selection, training, and appointment of AVMF WCOs

a. A WCO may be any military ~~or civilian~~-member, assigned to the MEPS, in the grade of E-5/~~GS-5~~ or above.

b. Only the Commander, USMEPCOM, has the authority to appoint WCOs.

c. MEPS commanders will identify an individual to do contracting officer functions and will nominate the individual in writing. Nomination will serve two purposes:

- (1) To identify the individual who will be serving as the WCO (**see fig. 7-1**).
- (2) To enroll the individual in the USMEPCOM AVMF Contracting Officer's Correspondence Course (app. D).

- d. In selecting an individual for AVMF WCO, the MEPS commander must keep in mind that the contracting officer functions as the "honest broker" for AVMF procurement actions. The AVMF WCO must be completely impartial and impervious to any command influence in the execution of contracting duties.
- e. AVMF WCO cannot be the AVMF manager (except those grandfathered).
- f. To be appointed as an AVMF WCO, the nominee must complete and pass the USMEPCOM AVMF Contracting Officer's Correspondence Course (app. D). The course also includes an "open book" examination that must be successfully completed by the nominee before being warranted by the Commander, USMEPCOM.
- g. Upon receipt of the nomination and enrollment request, HQ USMEPCOM, Resource Management Directorate, Logistics Division (MRM-LO) will send the correspondence course test to the nominee. When the nominee completes the examination, he or she will return it to MRM-LO to be graded. Based upon test results, a contracting officer warrant will be issued within 2 weeks of receipt.
- h. The nominee(s) will not perform any contracting functions until he or she is in possession of a signed certificate of appointment (**fig. 7-2**).
- i. The contracting officer's authority cannot be delegated. However, at least one ordering officer must be appointed by the contracting officer in writing to help that contracting officer.
- j. To terminate a contracting officer's appointment, the MEPS commander must submit a written request to HQ USMEPCOM, MRM-LO (**see fig. 7-3**). The request must include an effective date of termination and the reason for termination. The request must be received not less than 45 days before the current WCO departs. The MEPS commander simultaneously submits an appointment/ enrollment request for the individual who will assume contracting duties. This will ensure sufficient overlap of the outgoing and incoming individuals as well as allow enough time for the nominee to complete the USMEPCOM AVMF Contracting Officer's Correspondence Course and receive a contracting officer warrant.

#### **7-4. Selection, training, and appointment of AVMF ordering officers**

- a. In order to assist in the execution of contracting duties, the AVMF WCO will select an individual to assist with contracting functions. This individual is referred to as an ordering officer and is limited to over-the-counter purchases not to exceed \$1000 using the DA Form 4066-R (Purchase Record Invoice Voucher). See **figure 7-4** for a completed sample of the form and instructions.
- b. The ordering officer will be an officer, enlisted, or civilian employee assigned to the MEPS in the grade of E-4/GS-4 or above.
- c. The AVMF warranted contracting officer will appoint in writing an ordering officer, using appointment of an ordering officer memorandum (**fig. 7-5**). Upon appointment, ordering officers will acknowledge their appointment in writing. A copy of the appointment memorandum will be placed in binder 1.
- d. The MEPS AVMF WCO has a direct relationship with and responsibility for all contracting actions taken by the ordering officer. The ordering officer acts as the agent of the AVMF WCO. Therefore, it is critical that the AVMF WCO closely monitor all contracts executed by the ordering officer, periodically

review all ordering officer actions and ensuring all newly appointed ordering officers have read and are thoroughly familiar with chapter 3 of this regulation.

e. The appointment of an ordering officer will remain in effect until the ordering officer is terminated or reassigned. Ordering officer termination will be accomplished in substantially the same format as the WCO.

f. Ordering officers terminate once the WCO terminates. If the WCO leaves before another is appointed no funds may be expended until the new WCO is appointed and he or she appoints new ordering officers.

### 7-5. Purchase requests

a. General. DA Form 4065-R (Army NAF Purchase Request) (**fig. 7-6**) will be completed by ~~the AVMF manager or assistant manager for all any assigned individual requesting~~ AVMF purchases. The AVMF WCO or ordering officer must acquire an approved 4065-R prior to procurement action. DA Form 4065-R for purchases over \$5,000, submitted to the appropriated fund contracting office must be approved and signed by the MEPS commander. ~~Assigned individuals will use the DA Form 4065-R to request AVMF purchase approval. This is the only document the committee will approve for AVMF expenditures such as pizza parties, organization days.~~

#### b. Purchases.

(1) For purchases of **\$2,500** or less, price competition is not required. However, the contracting officer must determine the price to be fair and reasonable prior to placing an order. Purchases of less than **\$1,000** will be made using DA Form 4066-R when all of the following conditions apply:

- (a) The supplies/services are immediately available.
- (b) The amount of the purchase does not exceed **\$1000**.
- (c) One delivery and one purchase will be made.
- (d) The supplies/services will not require technical inspection.
- (e) Its use is determined to be more economical and efficient than other methods.

(2) For purchases over **\$1000**, the DA Form 4067-R (Order for Supplies or Services/Request for Quotations (Nonappropriated Funds)) will be used. See **figure 7-7** for a completed sample of form and instructions.

(3) For purchases of **\$2500** or more, price competition is required, unless only one supplier is available to perform. Generally price quotes should be solicited orally. However, written solicitation will be used for proposed service type contracts over **\$2500**. Written solicitations may be used when:

- (a) A large number of line items are included in a single purchase or detailed specifications are involved.
- (b) Obtaining oral quotes is not practical or economical.
- (c) The supplier is located outside the local trade area.

HQ USMEPCOM, ATTN: MRM-FP, must approve all purchases of \$2500 or more. The [AVMF manager-WCO](#) will obtain competitive bids prior to requesting approval from HQ USMEPCOM and will be forward with the request.

(4) Oral solicitations. The contracting officer will document solicitations on DA Form 5567-R (Army NAF Solicitation Abstract Form) and will be filed with the resulting purchase order. See **figure 7-8** for a completed sample of form and instructions. Competition exists when the following conditions ~~were~~ are met:

- (a) Offers were solicited from at least three responsible offerors.
- (b) All offers were submitted independently of each other.
- (c) At least two offers were received.

(5) Purchases over **\$1000** will be made using DA Form 4067-R. Purchase orders issued on DA Form 4067-R can either be unilateral or bilateral. A unilateral purchase order, signed by the contracting officer, neither creates a contract nor ensures that the vendor will perform in accordance with the terms of the order. A bilateral purchase order is signed by both the contracting officer and the vendor and is a binding contract. Use of a bilateral purchase order should be considered:

- (a) When time of delivery or performance is critical.
- (b) When the contracting officer has experienced problems with the vendor in the past.
- (c) The contract is for services. (Entertainment contracts must be issued on a bilateral basis.)

(6) Modifications of purchase orders will be in writing and issued on DA Form 4073-R (Amendment of Solicitation/Modification of Contract (Nonappropriated Funds)). Modifications can also be unilateral or bilateral. However, modifications to bilateral purchase orders must also be issued as bilateral. Cancellations of purchase orders will be issued on a bilateral basis.

(7) Purchases greater than **\$5,000** will be submitted to an appropriated fund contracting office using the DA Form 4065-R. In addition, complex contracts, regardless of dollar amount, may also be submitted to an appropriated fund contracting office for execution.

#### **7-6. Filing of purchase documents**

The AVMF WCO will maintain the original purchase order file. Files will be prepared using file number 215-e. Files will be kept by FY and filed numerically. The AVMF WCO's files will be destroyed after 3 years.

#### **7-7. Concessionaire contract procedures**

a. Each MEPS with vending and/or amusement machines as the primary source of AVMF income will have a nonappropriated fund contract which covers the operation of such machines.

b. The appropriated fund contracting officer who supports the MEPS or MRM-LO, on a case-by-case basis, will award the AVMF concessionaire contracts. (MRM-LO will be considered for those MEPS who are being charged for contracting support).

c. The AVMF manager will begin coordination with the supporting appropriated fund contracting

office NLT 120 days prior to expiration of the existing concessionaire contract. The fund manager will also assemble the procurement package, as required by the contracting office, which will include the following as applicable:

- (1) DA Form 4065-R (Army NAF Purchase Request) (**fig. 7-6**).
- (2) DA Form 4071-R (Schedule (Nonappropriated Funds)) (**fig. 7-9**).
- (3) Written request for appointment of a contracting officer's representative (COR) (par. 7-9).
- (4) A Statement of Work (SOW) (par. 7-10).
- (5) Instructions for the completion of a procurement package are located in paragraph 7-5.

#### **7-8. Exercising contract options**

a. In some cases, concessionaire contracts include renewal options that allow the MEPS to request continuation of the existing contract for a specified period of time, normally another year. The AVMF manager should discuss exercising contract options with the respective purchasing and contracting office not less than 60 days prior to expiration of the current option year. This will ensure that all of the needed forms and information are submitted to the contracting office with a sufficient contract administrative lead-time.

b. Should the MEPS commander decide not to exercise renewal options for the existing contract, a new procurement package must be assembled and submitted to the purchasing and contracting office NLT 120 days prior to contract expiration.

#### **7-9. Contracting officer representative (COR)**

The AVMF manager will be appointed by the supporting contracting office as the COR for the AVMF concessionaire contracts. The COR is not authorized to initiate, negotiate, or award concessionaire contracts. The COR is responsible for monitoring the concessionaire contract in the MEPS, documenting any poor performance, and conducting continuous dialogue with the respective purchasing and contracting office that has awarded the concessionaire contract. The COR acts as an agent of the purchasing and contracting office and must work with the contractor to ensure that the terms and conditions of the concessionaire contract are being fulfilled by the contractor and the MEPS. Specific COR duties will be provided in writing by the respective purchasing and contracting officer when the AVMF concessionaire contract is awarded.

#### **7-10. Statement of work (SOW)**

a. A sample vending machine SOW is provided at appendix E; a sample amusement machine SOW at appendix F.

b. AVMF managers will communicate directly with the supporting purchasing and contracting office for any additional, local requirements.

#### **7-11. Contract file**

A copy of the current concessionaire contract will be maintained in binder 1 by the MEPS AVMF manager as the COR.

**7-12. Contract review and payment**

a. The COR will closely examine the AVMF contract awarded by the respective purchasing and contracting office to ensure that responsibility for loss or damage to machines are specifically identified as the contractor's responsibility. The contractor is required to carry all insurance and pay applicable taxes and fees required by city, State, and Federal laws.

b. The AVMF contract should clearly state that all payments by the contractor to the AVMF must be made by check, payable to the respective MEPS AVMF, and sent to the MEPS NLT the 10th day of the following month.

~~c. The building block of the AVMF accounting file is the DA Form 2107 (Nonappropriated Fund Receipt and Disbursement Voucher). This form will be used to record all income, disbursements, lateral transfers, and/or statements of droppage.~~

**DA Form 4065-R Instructions**

Block 1: Enter MEPS complete address.

Block 2: Enter last two digits of FY and contract number.

Block 3: Date form was filled out.

Block 4a: First item number 0001, second item number 0002.

Block 4b: Item description, any specification requirement, warranty, suggested model, suggested source, any delivery charges, and total estimated cost.

Block 4c: Enter quantity.

Block 4d: Enter unit of issue.

Block 4e: Estimated of cost per item.

Block 4f: Estimated of total cost for all items.

Block 5: Enter ~~the date the item will be delivered~~ desired/required delivery date.

Block 6: Enter the MEPS address.

Block 7: ~~Not required~~ Check when applicable.

Block 8: Enter ~~contracting officer's~~ name, title, and signature of individual requesting the purchase.

Block 9: Enter AVMF manager's name, title, and signature.

Block 10: Enter total cost of all items, to include freight if required.

Block 11: Enter the date and paragraph of the approved committee minutes authorizing this purchase.

Block 12: Contracting officer's name, title, signature, and date.

Block 13: Remarks ~~and contracting officer's telephone number~~ when applicable.

Block 14: MEPS commander's name, title, signature, and date.

**Figure 7-6. Sample of a DA Form 4065-R and instructions – continued**

M	TAB	TAB	TAB	TAB	TAB	TAB	TAB
<b>ORDER FOR SUPPLIES OR SERVICES/REQUEST FOR QUOTATIONS (Nonappropriated Funds)</b>							PAGE OF <b>1</b>
For use of this form, see AR 215-4; the proponent agency is ODCSPER							
(Check A appropriate Item)  <input type="checkbox"/> <b>Order for Supplies or Services-</b> No appropriated funds of the United States shall become due or be paid the contractor by reason of this delivery/purchase order.		Request for Quotation No. _____ Return _____ copies of this quote by: _____ This is not an order. Supplies are of domestic origin unless otherwise indicated by the quoter. The fund reserves the right to consider quotations or modifications thereof received after the date indicated should such action be in the interest of the fund. This is a request for information and quotations furnished are not offers. When quoting complete blocks <b>9, 10, 15a, 20, 21, 22</b> . If you are unable to quote, please advise. This request does not commit the fund to pay any cost incurred in preparation of this quotation or to procure or contract for supplies or services.					
1. CONTRACT/PUR ORDER NO. NAFBM2-99-T-0005		2. DELIVERY ORDER NO.		3. DATE 8 Feb 99		4. PURCHASE REQUEST NO. 99-01	
5. ISSUED BY HQ USMEPCOM ATTN: MRM-LO 2834 Green Bay Road North Chicago, IL 60064-3094			6. ADMINISTERED BY (If other than 5) Same as block 5			MARK ALL PACKAGES AND PAPERS WITH CONTRACT OR ORDER NUMBER	
7. NAME AND ADDRESS OF CONTRACTOR/QUOTER Action Jackson Amusement, Inc. 87 Broadway Route 99 Malden, MA 02148			8. DELIVER TO DESTINATION BY: 01 Apr 99			9. DELIVERY FOB ___ DEST ___ OTHER <i>(See Schedule if other)</i>	
			10. DISCOUNT TERMS NET			12. PAYMENT WILL BE MADE BY N/A	
11. SHIP TO Boston Military Entrance Processing Station 495 Summer Street Boston, MA 02210-2109							
14. TYPE OF ORDER ___ DELIVERY-This delivery order is subject to instructions contained on this form only and is issued on another Government agency or in accordance with and subject to terms and conditions of above numbered contract. ___ PURCHASE-Reference your quote furnish the following on terms specified herein. Contract Clauses and Special Requirements, both attached; and delivery as indicated. ___ If Checked, Contractor shall sign "ACCEPTANCE" in block 15b. and return _____ copies.							
15a. FOR USE WHEN FORM IS USED FOR REQUEST FOR QUOTATIONS (QUOTER IS TO COMPLETE THIS BLOCK). PRINTED NAME OF QUOTER _____ SIGNATURE _____ DATE _____							
15b. FOR USE WHEN CONTRACTOR'S SIGNATURE IS REQUIRED FOR ACCEPTANCE OF ORDER ACCEPTANCE THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME. NAME OF PERSON AUTHORIZED TO SIGN AND TITLE _____ SIGNATURE _____ DATE _____							
16. ITEM NO.	17. SCHEDULE OF SUPPLIES/SERVICES	18. QUANTITY ORDERED/* ACCEPTED	19. UNIT	20. UNIT PRICE	21. AMOUNT		
000.1	Concessionaire contract in accordance with the attached statement of work.						
* If qty accepted by the fund is same as qty ordered, indicate by <input checked="" type="checkbox"/> mark. * If different, enter actual qty accepted below and circle.				22. TOTAL			
24. PRINTED NAME AND SIGNATURE OF CONTRACTING OFFICER AND DATE				23. DIFFERENCES			
26. QUANTITY IN COLUMN 18 HAS BEEN: ___ INSPECTED ___ RECEIVED ___ THE CONTRACT EXCEPT AS NOTED SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____ DATE _____				27. CHECK NUMBER		29. TYPE OF PAYMENT ___ COMPLETE ___ PARTIAL ___ FINAL	
30. SIGNATURE AND TITLE OF PAYMENT OFFICIAL				28. DATE OF CHECK		DATE	

Figure 7-7. Sample of a completed DA Form 4067-R and instructions

### **DA Form 4067-R Instructions**

Block 1. Delete or “X” out the word Contract and enter the next purchase order number.

Block 2. Write N/A.

Block 3. Enter today’s date.

Block 4. Enter the purchase order number from block two of DA Form 4065-R.

Block 5. Enter the MEPS complete address.

Block 6. Leave Blank.

Block 7. Enter the complete name, address, and point of contact of the vendor.

Block 8. Enter the date on which delivery or performance is required.

Block 9. Free on Board (FOB) destination is the preferred method for supplies delivered within the Continental US. FOB other, means “other than destination” and should only be used when it is unavoidable or more cost effective. In this case, it is advisable to have the supplier pay freight and add the cost to the invoice as a separate item. The freight charge provided by the supplier should be shown in the amount column (block 21) and should also be included in the total cost of the order (block 22).

Block 10. Enter N/A.

Block 11. Enter the complete address of the MEPS and the contracting officer phone number.

Block 12. Enter the MEPS complete address, the fund manager name, and phone number.

Block 13. Enter # 12.

Block 14. Check the block marked “purchase.” The blank is provided for an explanation of pricing. Such terms as “published price list,” “catalogue,” “verbal quotation per Mr./Ms. Whoever on 3 Jan 95” are sufficient.

Block 15. For bilateral purchase orders, check the line for ACCEPTANCE in block 14 and enter the number of copies of the purchase order to be returned to the issuing office. The contractor will show their acceptance of the order by signing block 15b and returning the designated number of copies to the issuing contracting officer.

Block 16. The item number refers to the line item number for the supplies or services. It does not include shipping charges, discounts, shipping instructions, warranties, etc.

Block 17. This section refers to the description of the supplies or services being ordered.

Block 18. Enter the quantity of each line item being ordered.

**Figure 7-7. Sample of a completed DA Form 4067-R and instructions - continued**

Block 19. The unit refers to the packing destination, such as "each," "case," "bundle," "carload," or "lot."

Block 20. Enter the unit price of the item.

Block 21. Multiply the unit price of each item by the number of units and enter that figure as the total amount of the line item.

Block 22. Enter the total amount of the purchase order.

Block 23. Leave blank.

Block 24. Enter the contracting officer name, signature, and date.

Block 25. Enter the amount that the check was written for.

Block 26. Enter an "X" in the inspection, received, and final block. ~~The contracting officer signature and date must also be entered in this block.~~ Signature of individual accepting and inspecting the supplies and services. (Must be someone other than the AVMF WCO.)

Block 27. Enter the check number.

Block 28. Enter the date of the check.

Block 29. Enter an "X" in the final block.

Block 30. Enter the name and signature of the fund manager and date.

**Figure 7-7. Sample of a completed DA Form 4067-R and instructions – continued**



**DA Form 5567-R Instructions**

**Block 1 (Purchase Request Number).** Enter the purchase request number from block 2 of DA Form 4065-R.

**Block 2 (Requesting Activity).** Enter MEPS name.

**Block 3 (Buyer's Name).** Enter the AVMF ~~manager's~~ warrant contracting officer's name.

**Block 4 (Remarks).** Enter any information from block 13 of DA Form 4065-R.

**Block 5 (Vendors):**

a (Name). Name of company or vendor's business.

b (Telephone Number). Vendor's telephone number.

c (Quoter). Name of person quoting the price.

d (DEL). ~~The date the item(s) will be delivered.~~ Estimated time for delivery (for example, 2 to 3 days).

e (DISC). Enter N/A if there are no payment terms, or enter the payment terms (i.e., - 1% 10, net 30).

f (FOB). Enter the amount of freight cost if applicable.

(1) DEST. Check "DEST" if the vendor is paying the shipping cost.

(2) OTH. Check "OTH" if the MEPS is paying the shipping cost.

g (GSA, NAF, OM, Other). Enter an "X" in the GSA block if the vendor has a GSA schedule contract. Enter an "X" in the NAF block if the item(s) will be purchased at a post exchange or Navy exchange. Enter an "X" in the OM block if the item will be purchased in the open market. Enter an "X" in the "Other" block if purchasing from the supply system, mandatory sources, etc.

**Block 6:**

a (No.) Record the item from DA Form 4065-R, block 4a.

b (Item/Service). Record the item from DA Form 4065-R, block 4b.

c (Qty). Record the item from DA Form 4065-R, block 4c.

**Block 7, a through d, (Price):** Each price column is separated into two subcolumns. In the subcolumn "Unit," enter the unit price quoted by the vendor for each line item. In the subcolumn "Ext," multiply the quantity in block 6c by the unit price and enter the total in the "Ext" column.

**Block 8 (Total).** Enter the total price for each vendor. This figure should include (shown separately) the estimated freight or delivery cost if any.

**Figure 7-8. Sample of completed DA Form 5567-R and instructions - continued**

## Appendix B

### Management Control Evaluation Checklist – Amusement Vending Machine Fund

#### B-1. Function

To provide the MEPS commander a self-assessment tool of AVMF operations covering six functional areas and insight on how the fund would rate during an inspection. This standard checklist was designed for easier tracking of systemic problems and prioritization of training resources. Emphasis is on internal controls over cash accountability and disbursements.

#### B-2. Purpose

All inspections or reviews shall use the checklist contained in this appendix. This checklist incorporates tests of internal controls, as well as compliance to critical regulatory requirements. The purpose of this checklist is to assist commanders, managers, and assessable HQ USMEPCOM and MEPS AVMF managers in evaluating the key management controls listed below. It is **not** intended to cover **all** controls.

#### B-3. Instructions

Answers must be based on the actual testing of key management controls (e.g., document analysis, direct observation, sampling, simulation, other). Answers that indicate deficiencies must be explained and corrective actions indicated in the supporting documentation. These controls must be evaluated at least once every 2 years. Certification that the evaluation has been conducted will be done on DA Form 11-2-R (Management Control Evaluation Certification Statement).

#### B-4. Functional areas with test questions

The following standard has been established for inspection purposes:

- Individual Functional Area Rating:
  - Commendable - 90 - 100%.
  - Satisfactory - 70 - 89%.
  - Unsatisfactory - receiving a "NO" in any question highlighted, asterisked, or below 70%.
- Overall Rating:
  - Commendable - 90% or higher in five out of ~~six~~ seven functional areas and a satisfactory or above in the remaining area.
  - Successful - 70% or higher in all functional areas.
  - Satisfactory - 70% or higher in five out of ~~six~~ seven functional areas.
  - Unsatisfactory – Less than 70% in ~~four out of six~~ three or more functional areas. This will require a follow up visit from the Financial Policy and Systems Division HQ USMEPCOM or in conjunction with Sector HQ to revalidate the AVMF fund.
  - Suspension - less than 70% in ~~three~~ four or more functional areas. The total suspension process could be up to 90 days and will require a follow up visit from the Financial Policy Division HQ USMEPCOM or in

conjunction with the Financial Policy and Systems Division HQ USMEPCOM or in conjunction with sector headquarters to revalidate the fund.

**a. Functional Area 1 - Administration**

- (1) Are individuals identified for the following key AVMF positions: \*YES NO
- (a) AVMF fund manager? (USMEPCOM Reg 215-1, par. 1-4(f)) \*YES NO
- (b) Assistant AVMF manager? (USMEPCOM Reg 215-1, par. 1-4(g)) \*YES NO
- (c) AVMF council? (USMEPCOM Reg 215-1, par.1-4(j)) \*YES NO
- (d) AVMF committee? (USMEPCOM Reg 215-1, par. 1-4(i)) \*YES NO
- (2) Is the fund manager appointed as the contracting officer representative (COR) by your purchasing and contracting office? (USMEPCOM Reg 215-1, par. 1-4(f)) \*YES NO
- (3) Is the warranted contracting officer (WCO) appointed by the Commander, USMEPCOM? (USMEPCOM Reg 215-1, par. 1-4(f)) \*YES NO
- (4) Are no more than five ordering officers appointed by the WCO? (USMEPCOM Reg 215-1, par. 1-4(h)) YES NO

**b. Functional Area 2 - AVMF Expenditures - Authorized/Unauthorized**

- Is the AVMF council ensuring only authorized expenditures are made? (USMEPCOM Reg 215-1, par. 1-4(j)) \*YES NO

**c. Functional Area 3 - Accounting and Reporting Procedures**

- (1) Are all accounting records maintained IAW chapter 5? YES NO
- (2) Was a USMEPCOM Form 215-1-5-R-E (Transfer of Funds Certificate) completed between the outgoing and the incoming fund manager? (USMEPCOM Reg 215-1, par. 5-3) \*YES NO
- (3) Is there a DA Form 2107 (NAF Receipt and Disbursement Voucher) for each fund transaction? (USMEPCOM Reg 215-1, par. 5-10) \*YES NO
- (4) Does the MS Money transaction register record all disbursements and related vouchers? (USMEPCOM Reg 215-1, par. 5-7g) \*YES NO
- (5) Are fund transactions posted to MS Money with the voucher number and committee minutes posted in the memo column? (USMEPCOM Reg 215-1, par. 5-27g) YES NO
- (6) Are the following on file? (USMEPCOM Reg 215-1, par. 5-4)

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**\*Critical area**