



ERMC
Europe Regional Medical Command

Funding Family Readiness Groups

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Legal Status: Appropriated Fund Commander's Program

- **AR 600-20, paragraph 5-10**
- **Commanders have an obligation to provide assistance to establish and maintain personal and Family affairs readiness through the Total Army Family concept**
- **Examples include FRGs and other volunteer programs and activities**



Agenda

- **Fiscal Law Overview**
- **Mission Activities**
- **Informal Funds**
- **Fundraising**
- **Gifts and Donations**





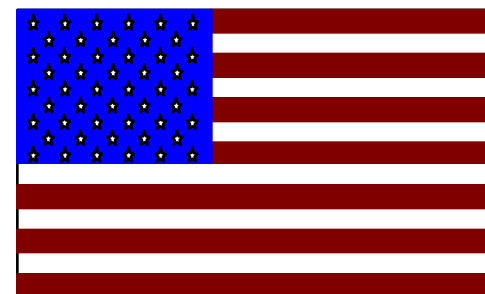
Where Do We Start?

"No money shall be drawn from the Treasury, but in consequence of appropriations made by law."



ART. I, § 9, CL. 7

U.S. CONSTITUTION

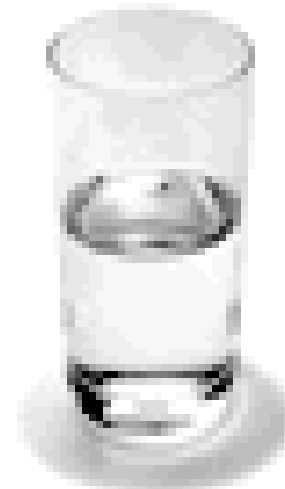




Glass Half Empty Rule

“The established rule is that the expenditure of public funds is proper only when established by Congress, not that public funds may be expended unless prohibited by Congress.”

U.S. v. MacCollom, 426 U.S. 317 (1976)



You don't need to be a pessimist to understand fiscal law, but it helps.



P-T-A

- **PURPOSE:** Obligation for purpose for which money was appropriated by Congress
- **TIME:** Obligation during period of availability
- **AMOUNT:** Sum of money appropriated to support obligation



Purpose Statute -- 31 U.S.C. § 1301(a)

- Appropriations shall be applied only to the objects for which appropriations were made except as otherwise authorized by law.
- Determining purpose
 - Necessary expense
 - Not provided for elsewhere
 - Not prohibited
 - Stated purpose



Time

- Funds must be obligated before expiration
 - Every account has a “shelf life”
 - Varies according to fund

* O & M = 1 year

* Military Personnel = 1 year

* Procurement = 3 years

* RDT&E = Normally 2 years

* Major Military Construction = 5 Years

* Shipbuilding = 5 Years

* Stock/Industrial/Working Capital Funds = Indefinite



Amount

“The lack of money is the root of all evil.”

Mark Twain



The Anti-Deficiency Act

31 U.S.C. § 1341

- It is a violation of law to either spend or obligate funds:
 - in **advance** of appropriations, or
 - after the **expiration** of appropriations, or
 - in **excess** of appropriations



The Anti-Deficiency Act

31 U.S.C. § 1341

Augmentation is action by an agency that increases the effective amount of funds available in an agency's appropriation. This generally results in expenditures by the agency beyond the amount originally appropriated by congress.

- **Issue:** Power of the Purse
- **Sanction:** Administrative and Criminal
- **Common Violations:** Unauthorized gifts or fundraising



Legal Status

- Legal status determines APF funding and support
- FRGs are APF command programs
- FRGs are NOT:
 - Morale, welfare, recreation programs
 - Non-appropriated fund instrumentalities
 - Private organizations
 - Non-profit organizations



Funding Mission Activities

- **Must** be funded with APF
- **May not** be augmented with private money, even if APFs run out (possible ADA violation)
- What is a “mission activity?”





MISSION ACTIVITIES



AR 608-1, Appendix J-2a

FRG Mission Activities include:

- Acting as an extension of the unit in providing official, accurate command information
- Providing mutual support between the command and the FRG membership
- Advocating more efficient use of available community resources
- Helping families solve problems at the lowest level



MISSION ACTIVITIES



AR 608-1, Appendix J-2d

FRG Common/Essential Tasks include:

- FRG member meetings
- FRG staff and committee meetings
- Publication and distribution of FRG newsletters
- Maintenance of updated family rosters and family readiness information
- Establishment of FRG member telephone trees and e-mail distribution lists
- Scheduling educational briefings for members



MISSION ACTIVITIES



AR 608-1, Appendix J-3

Resources to carry out Common/Essential Tasks:

- Government space and equipment
- Paper and printing
- Army and Installation Post Offices and Official Mail
- Government vehicles
- Funding for volunteer support



MISSION ACTIVITIES



Funding for Volunteer Support

- Training and travel expenses
- Authorized FRG volunteer travel may include FRG volunteer visits to geographically dispersed FRG members in direct support of the FRG mission
- Volunteers may be provided reimbursement for out-of-pocket expenses such as child care, long distance telephone calls, mileage



Remember Ethics!

- **Use of Government Resources**
 - Computer and office equipment
 - Faxes, email, scanners
 - Paper, toner
 - Postage
 - NTVs
 - Volunteer personnel

Official Use Only!

Must relate to FRG Mission!



MISSION ACTIVITIES



Considerations

1. CDR's budget for FRG mission activities
2. Identified needs of unit Soldiers and civilian employees, and their Families
3. Command interest and emphasis
4. Number of FRG members
5. Time, energy and creativity of FRG membership
6. FRG demographics (singles; Families with young children; years serving with the military)
7. Unit's deployment and training schedule



MISSION ACTIVITIES



EXAMPLES

- Unit Soldier and Family welcoming activities
- Deployment briefings
- Classes and workshops (often through ACS; e.g., military benefits; AFTB; coping with stress)
- Recruiting, training and recognizing FRG volunteers



Special Issues – Child Care

- Depending on availability of funds, unit commander may authorize APFs for:
 - child care for command-sponsored training
 - needed family support, including child care, education, and other youth services for Armed Forces members who are assigned to duty or ordered to active duty ICW a contingency operation





Special Issues – Food/Entertainment

- **Buying food for individuals is generally not considered a “necessary expense” since food is considered a personal expense**
- **Entertaining Federal employees or other individuals generally does not materially contribute to an agency’s mission, so entertainment is generally considered a personal expense**





Special Issues – FRSA

- Provides administrative and logistical support to commanders, Rear-D commanders and volunteer FRG leaders
- Duties include:
 - Prepare and distribute correspondence, rosters, newsletters, flyers and reports
 - Prepare content for vFRG website
 - Maintain regular contact with community agencies to inform FRG leaders on updated information
 - Schedule and coordinate FRG meetings and event logistics
 - Assist with maintaining unit volunteer records

FRSAs were added to unit TDAs, so there is no need to worry about funding FRSAs during the FRG budget process.



FRG BUDGET PROCESS

- STEP ONE:** Commanders will consider FRG mission activity requirements when planning their annual budget
- STEP TWO:** Commanders will approve a budget SOP that describes the support available for FRG mission activities
- STEP THREE:** FRG leaders must be familiar with the FRG budget SOP





Impermissible Activities

- **FRGs may not enter into commercial sponsorship agreements. Commercial sponsorship is generally only authorized for official MWR programs and events.**
- **Commanders and FRG leaders should not be involved in the management of POs that support FRGs.**
- **Commanders may not authorize travel or reimbursement of volunteer expenses for members of their household or other persons that could present a potential conflict of interest.**



Fiscal and Ethics Considerations

- **FRG expenditures are subject to the Joint Ethics Regulation and all other applicable statutory and regulatory restraints on official activities/use of APFs/fundraising**
- **FRG APF resources may not be used to support PO activities, internal fundraisers or commercial ventures**



FRG Informal Funds and AR 608-1

Appendix J-7a: Informal Funds are private funds (not APF; not NAF) generated by FRG members that are used to benefit the FRG membership as a whole

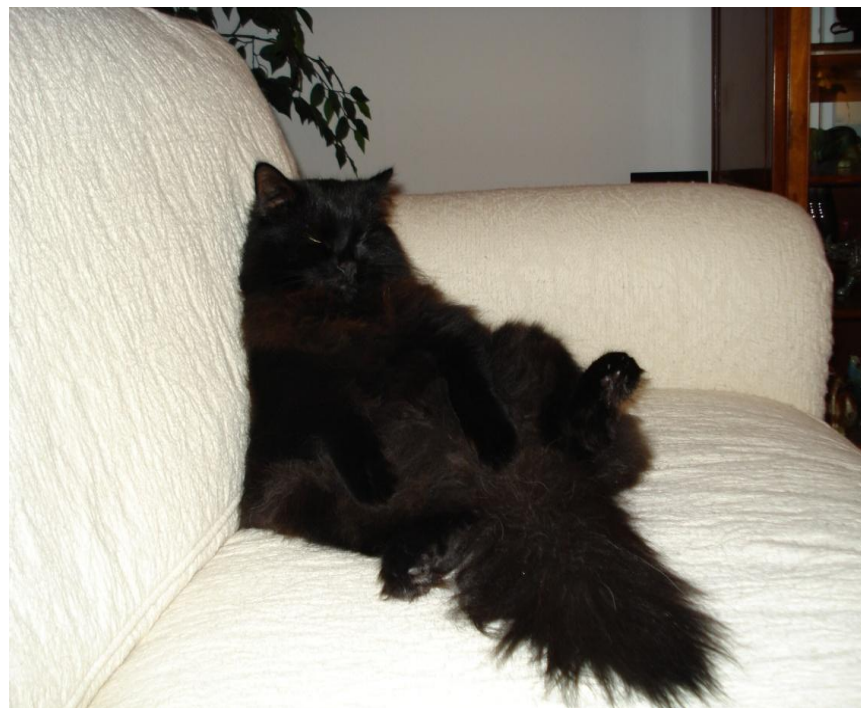
Appendix J-2e: FRG social activities can enhance family and Soldier camaraderie, provide stress relief and reduce family loneliness during deployments. *Social activities will not be funded using APFs.* FRG members may use money contained in an FRG Informal Fund to pay for social activities.





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FRG Informal Funds





FRG Informal Funds

FRG Informal Funds are governed by AR 608-1, Appendix J and AER 608-2. Follow ALL procedures defining what the FRG informal fund is for (i.e. birthdays, holiday parties, FRG meeting refreshments), and that its purpose is to benefit the FRG members.

- ** Annual income cap of \$10,000 per calendar year from all sources – fundraising, donations and gifts.
- ** FRGs can accept donations to their IF equal to or less than \$1000 per donation.



FRG Informal Funds

- Commanders should not approve FRG requests to fundraise without an FRG informal fund SOP drafted IAW 608-1, Appendix J.
- Once established, fundraising should only be for uses consistent with the FRG's informal fund SOP and AR 608-1, Appendix J.
- AER 608-2: FRGs may conduct fundraising activities among its members, on the installation, and in the Garrison community.



FRG Informal Funds

- FRG Informal Funds cannot pay for *mission activities*
- FRG Informal Funds can only be used for quality of life purchases for which APFs are not authorized, that benefit the entire FRG membership, and that are consistent with the FRG Informal Fund SOP
- One FRG Informal Fund per unit is authorized



FRG Informal Funds – Authorized Uses

- FRG newsletters that contain mostly unofficial information
- Parties
- Social outings
- Volunteer recognition
- Picnics
- Refreshments





FRG Informal Funds – Prohibited Uses

- Augmenting the unit's other informal funds
- Augmenting the unit's official budget by purchasing items or services that should be funded w/APF
- Purchasing traditional military gifts, such as Soldier farewell gifts, that are not related to family readiness
- Funding the unit ball





Informal Fund Quiz

- 1) In January, we had \$0 in our FRG IF.
- 2) In February, we held a fundraiser, and raised \$9K for our FRG IF.
- 3) In March, we were offered a donation of \$1K for our FRG IF.
- 4) In July, we held a Unit Family Picnic and spent \$7K.
- 5) Our FRG IF now has a balance of \$3K.
Can we fundraise for the holiday party?



Scenario

A unit commander would like to organize an FRG picnic to be held after the monthly FRG meeting. Since the meeting and the picnic will be held in different locations, he would like to provide transportation for the FRG members from the site of the meeting to the site of the picnic using NTVs. In the alternative, he would like to reimburse only the FRG volunteers for mileage for driving their POVs. Although the picnic will be a potluck, the commander would like to rent a bouncy castle for the kids, and buy welcome gifts for the new FRG members. What APF support is authorized?



Gifts and Donations





Most Important Gift Rule

No Solicitation!!

**This includes AAFES,
DeCA and MWR.**

**However, in response to
an appropriate inquiry,
personnel may inform
potential donors of needs.**



Donations to FRGs \leq \$1,000

- Unit commanders may accept an unsolicited gift or donation of money or tangible personal property of a value of \$1,000 or less for its FRG IF after consultation with the unit Ethics Counselor
- Gifts to FRG IFs are considered income and impact the FRG IF annual income cap of \$10,000
- Donations to IFs must be used for purposes identified in IF SOP

AR 608-1, Appendix J-7f



Donations to FRGs > \$1,000

- Acceptance Authority is Garrison CDR (up to \$100,000)
- Funds become Installation ACS supplemental mission program funds (NAF) – no impact on IF cap
- These NAFs will be shared equally by FRGs (both active component and Army tenant units, including NG and AR) that receive support from the ACS center that received the donation
- These NAFs can be used for any purpose that the commander determines clearly supplements an established mission of the FRG, as long as APFs are not authorized, and as long as consistent with AR 215-1



Questions?

