



**DEPARTMENT OF THE NAVY**  
COMMANDER NAVY INSTALLATIONS COMMAND  
716 SICARD STREET SE SUITE 100  
WASHINGTON NAVY YARD DC 20374-5140

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From: Commander, Navy Installations Command

Subj: NAVY CIVILIAN MORALE, WELFARE, AND RECREATION ACTIVITIES

Ref: (a) DoD 1015.8-R of November 1985  
(b) DoD Instruction 1015.08 of 23 December 2005  
(c) OPNAVINST 12990.1  
(d) BUPERSINST 12990.1A  
(e) DoD Instruction 1015.15 of 31 October 2007  
(f) 20 U.S.C. 107a -107f  
(g) OPNAVINST 4535.1C  
(h) 10 U.S.C. § 2492  
(i) DoD 7000.14-R, Volume 13  
(j) OPNAVINST 1700.7E  
(k) CNICINST 7043.1  
(l) DoD 5500.7-R of 29 November 2007  
(m) CNICINST 1710.3  
(n) OPNAVINST 1700.16B  
(o) DoD Instruction 1015.10 of 6 July 2009  
(p) DoD Instruction 1100.21 of 27 March 2019  
(q) OPNAVINST 5380.1D  
(r) 10 U.S.C. § 2783  
(s) CNICINST 5890.1

1. Purpose. To provide overall policy and assign responsibility for Civilian Morale, Welfare, and Recreation (CMWR) programs and activities per references (a) through (s).

2. Scope and Applicability. This manual applies to Navy commands and installations operating CMWR programs and activities.

3. Background

a. CMWR is a separate program working in tandem with the Department of the Navy (DON) Morale, Welfare, and Recreation (MWR) program. The mission of the CMWR program is to provide conveniently available activities and facilities of a food service or recreational nature to Department of Defense (DoD) civilian employees as authorized by references listed in appendix A.

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b. Commander, Navy Installations Command (CNIC) administered the CMWR program under reference (d), which is superseded by this manual. Previous establishments of CMWR Nonappropriated Fund Instrumentalities (NAFI) under reference (d) will continue to remain in force and effect unless otherwise reorganized or disestablished under this manual.

#### 4. Records Management

a. Records created as a result of this manual, regardless of format or media, must be maintained and dispositioned per the records disposition schedules located on the Department of the Navy Assistant for Administration, Directives and Records Management Division portal page at <https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx>.

b. For questions concerning the management of records related to this manual or the records disposition schedules, contact the local records manager or the Office of the Naval Chief of Operations (OPNAV) Records Management Program (DNS-16).

5. Review and Effective Date. Per OPNAVINST 5215.17A, CNIC N9 will review this manual annually on the anniversary of its effective date to ensure applicability, currency, and consistency with Federal, Department of Defense, Secretary of the Navy (SECNAV), and Navy policy and statutory authority using OPNAV 5215/40, Review of Instruction. This manual will be in effect for 10 years, unless revised or cancelled in the interim, and will be reissued by the 10-year anniversary date if it still required, unless it meets one of the exceptions in OPNAVINST 5215.17A, paragraph 9. Otherwise, if the manual is no longer required, it will be processed for cancellation as soon as the need for cancellation is known following the guidance in OPNAV Manual 5215.1 of May 2016.



J. V. MENONI  
Acting

#### Releasability and distribution:

This manual is cleared for public release and is available electronically only via CNIC Gateway 2.0, <https://g2.cnic.navy.mil/CC/Documents/Forms/Directives%20Only.aspx>.



# COMMANDER, NAVY INSTALLATIONS COMMAND



## NAVY CIVILIAN MORALE, WELFARE, AND RECREATION ACTIVITIES MANUAL

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CHAPTER 1  
ASSESSMENT, ESTABLISHMENT, CONTINUANCE, AND DISESTABLISHMENT OF  
CMWR ACTIVITIES

0101. Control and Supervision

a. A CMWR activity must be established under CNIC's CMWR NAFI by a properly designated authority. Reference (c), CNIC is granted authority to establish activities to perform CMWR functions in the United States Navy.

b. The routine operation and administration of CMWR activities is exercised through the local and Region chain of command. Per DoD policy, overall managerial control and supervision is exercised through executive control and essential command supervision (ECECS) per references (a) and (e).

0102. Roles and Responsibilities

a. CNIC Headquarters (HQ) Director, Fleet and Family Readiness (N9) will:

(1) Issue final approval for the establishment and disestablishment of individual CMWR activities at the Region and installation level.

(2) Develop and maintain operational policy for the appropriate execution and operation of CMWR activities.

(3) Issue guidance letters to clarify the policy of this manual, and make necessary editorial corrections, in order to ensure the efficient and proper administration of the Navy's CMWR program.

b. CNIC HQ CMWR (N92B), as program manager for Navy CMWR, will:

(1) Operate and manage the central Navy CMWR NAFI.

(2) Manage and control the Navy CMWR Central Fund.

(3) Provide general supervision, technical and administrative guidance.

(4) Establish procedures and instructions for the fiscal oversight and review of CMWR funds and their activities to ensure their effectiveness in meeting mission requirements, the needs of patrons, and to ensure protection of assets.

(5) Administer system-wide business processes and programs (e.g., consolidated management, centralized accounting, investments, banking, and personnel administration).

(6) Provide standardized terms and conditions for contracts, agreements, and other commercial documents to ensure consistency with policy and best business practices.

(7) Coordinate enterprise-wide business arrangements on behalf of Region and installation CMWRs in order to reap the benefits of volume discounts and preferential pricing.

(8) Ensure fair distribution and monitoring of CMWR resources.

(9) Distribute Navy CMWR Central Fund assets among CMWR activities as appropriate for their collective interests.

(10) Serve as successor-in-interest to CMWR activities throughout the enterprise, including arranging for the continued operation of locations and facilities of disestablished CMWRs for periods of time as determined to be in the best interests of the Navy and its MWR patrons.

(11) Provide training support for CMWR volunteers.

(12) Collect and consolidate CMWR program and activity annual reports and forward Randolph Sheppard Act information to Assistant Secretary of the Navy, Manpower and Reserve Affairs (ASN (M&RA)), per references (f) and (g).

c. Region Commanders (REGCOMs) are responsible for:

(1) The routine administration and operation of CMWR activities within the Region, including implementation of, and adherence to, all applicable rules and regulations.

(2) Oversight of CMWR assets and financial affairs.

(3) Collecting and forwarding annual reports to N92B.

(4) Assessing the continued local need for CMWR activities, conducting periodic surveys and triennial reviews of CMWR activities and recommending to N92B:

(a) The establishment of additional CMWR activities.

(b) The continued operation of CMWR activities.

(c) The consolidation of CMWR activities.

(d) The disestablishment of CMWR activities.

(5) Ensuring any support services, including financial management and fiscal oversight, provided to the CMWR by a military MWR activity will be properly documented and reimbursed per reference (h).

d. Installation Commanding Officers (ICO) or Unit Commanders operating a CMWR activity are responsible for:

(1) Operating CMWR activities (including, but not limited to, accounting procedures and reporting, administration and oversight of contracts, purchase orders and administration of credit cards) as appropriate and directed by CNIC and REGCOM, subject to established policies and procedures including references (a) and (i).

(a) Credit/Debit Sales. Credit card transactions are to be authorized and settled using the centralized merchant processing contract. CMWRs can accept Visa, MasterCard, Discover, and American Express.

(b) Credit cardholder data will be secure and protected following the Payment Card Industry Data Security Standard (PCI DSS). PCI DSS compliance, required by any merchant, retailer, or organization of any size, including CMWRs, means following standards when processing, storing or transmitting a cardholder's financial information or authentication data.

(c) For more information regarding the proper establishment to accept credit cards, please contact N92B or CNIC HQ Financial Office (N948).

(2) Forwarding an annual CMWR report to N92B via the Region (N9) not later than 45 calendar days after the end of the fiscal year.

(3) Triennial reviews will be submitted to N92B 90 days after issuance of this manual and every three years after, unless otherwise directed to complete by the N92B.

(4) Ensuring election of members to CMWR Advisory Councils.

#### 0103. Annual CMWR Report

a. ICO or Unit Commanding Officers operating a CMWR are required to submit a fiscal year-end report, via the Region, to N92B which includes the following:

(1) CMWR Financial Statement, through the CNIC Accounting Information Management System (AIMS)/Systems Application Product (SAP) accounting system.

(2) Total value of nonappropriated fund (NAF) property (equipment, inventory, assets, and vehicles).

(3) List of CMWR program volunteers to be bonded, including individual bonding limits.

(4) Annual Vending Machine Report that lists number of vending facility applications (approved, denied, or pending), amount of vending machine income received from commissions, and income shared with State Licensing Agencies (SLA) as required by references (f) and (g).

(5) A CMWR consolidated payment, assessed annually by N92B, for Program Management Assessment, Property and Liability Insurance, and Bonding Coverage payments, through the AIMS/SAP accounting system.

b. N92B will collect and consolidate CMWR activity annual reports and forward the Randolph Sheppard Act information to ASN (M&RA) not later than 60 days after the end of the fiscal year.

0104. Assessments

a. When assessing programs to determine whether CMWR activities should be established, continued, enhanced, or disestablished, the following must be carefully considered:

(1) The accessibility and capabilities of existing Navy Exchange (NEX) and military MWR programs and services, and the terms and conditions of any support from such entities.

(2) On-base commercial alternatives.

(3) Nearby off-base commercial alternatives.

(4) Current and planned military and civilian MWR programs at adjacent DoD installations.

(5) Installation population and demographics.

b. A business case analysis will be developed in support of any proposal to establish, upgrade, enlarge, or disestablish a CMWR activity.

c. Final determination regarding the factors and equities to justify the establishment, enhancement, or disestablishment of a CMWR is the responsibility of N9.

0105. Establishment

a. A CMWR activity will be established only upon the written authorization of N9.

b. Requests for establishment of a CMWR Installation activity will be submitted by the ICO via the Region, and include a business case analysis addressing the following:

(1) Purpose and requirement for the CMWR activity, including explanation of why existing MWR programs (military and civilian) and similar off-base commercial alternatives are insufficient to accommodate the MWR requirements of the civilian workforce.

(2) Number of persons employed or on duty at the Installation by grouping, i.e., appropriated fund (APF) civilian employees (as authorized), NAF employees, military personnel

(as authorized), employees of tenant federal agencies, contractor employees working full time on the Installation, and all others.

(3) Proposed CMWR activities and services together with a complete list of products or items to be sold and the proposed estimated prices on which financial projections are based. Explain the proposed method of operation, (e.g., in-house or contracted-out, or by a combination of the two).

(4) Space criteria allowances, availability of facility space and surplus government equipment, and estimate of APF support authorized and budgeted for the current and following full fiscal year.

(5) Estimate of required support from Navy MWR or other NAFIs, with the projected costs associated with reimbursing these entities.

(6) Any additional information supporting the request.

c. Under normal conditions, the host command is responsible for administering CMWR activities for all civilian employees of the host installation, its tenant commands, and those off-site Commands with civilians assigned in close proximity to the host Command. Unless specifically authorized by N9, a CMWR activity will not be operated by individual tenant Commands or activities. In those instances where a separate CMWR activity is requested by an individual tenant command, special circumstances and justification for such action must be included in the request. Additionally, such requests must be forwarded via the host installation commander and the Region.

#### 0106. Continuance

a. Installation roles and missions change, thereby affecting personnel demographics. Numbers, physical locations, and composition of civilian employees and military groupings may affect the patron base and, thus, the financial health of established CMWR activities. The two principal criteria for continuance of a CMWR activity within the same scope of MWR activities are:

(1) A continuing need for a CMWR activity to serve the authorized patron base.

(2) The CMWR activity is projected to remain financially viable and capable of fulfilling its morale, welfare, and recreational commitments.

b. Once officially established per Section 102 above, each CMWR activity will be reviewed, as required by reference (b), not less than every three years (triennially) by Region (N9), on behalf of the REGCOM, to assess the continued need for the activity and provide a recommendation.

(1) Triennial review procedures will be prescribed by N92B and CNIC Support Services Center (N94) and issued as Standard Operating Procedures for use throughout the Navy's CMWR program.

(2) Assessments will include demographics of civilian employee population and usage of different CMWR activities to ensure efficacy of current CMWR activities.

(3) The ICO will utilize the assessment results to tailor local CMWR activities to meet Installation needs. N9 will consider the triennial review recommendation in determining whether the CMWR should be continued or disestablished.

c. For purposes of programmatic oversight and administrative control of CMWRs deemed suitable for continued operation, N9 may reorganize a CMWR at the Region or installation level by disestablishing a formerly-created CMWR NAFI and replace it with a NAF Activity under the guidance of the CNIC HQ Central Fund NAFI. In most cases, the conversion from CMWR NAFI to CMWR NAF activity will require only minimal alterations in the business model of the Region or installation CMWR, but N92B may direct the initiation of an audit or review.

#### 0107. Disestablishment

a. CNIC HQ will disestablish a CMWR activity when it is determined the activity is unnecessary or redundant with military MWR or private sector community services; or is no longer financially viable or capable of fulfilling MWR commitments; or has been mismanaged to the extent that its continued operation is no longer beneficial to the Navy.

b. When disestablishment of a CMWR activity is under consideration, the ICO or REGCOM, through the CMWR activity's fund custodian and advisory board, will take action to ensure against unmanaged dissipation of assets, unnecessary expenditures, and other inappropriate actions. Disbursements will be limited to the most essential operating expenses.

c. A CMWR activity may be disestablished only in writing by N9. Requests for disestablishment must be submitted via the appropriate chain of command, to include the host ICO in those cases where the CMWR is administered by a tenant command. The following actions will be taken at the appropriate time:

(1) Notify the REGCOM (N9) and N92B of the proposed actions and dates.

(2) Upon receipt of written approval from N9, and subject to any special instructions therein:

(a) Arrange for the orderly termination of all contracts and business arrangements, including those associated with food vending and retail sales. Future commitments will be cancelled; and contractual agreements will be phased out, cancelled, or renegotiated, as appropriate.

(b) Collect receivables.

(c) Liquidate outstanding obligations in an orderly manner.

(d) Redistribute or dispose of property as directed by N92B.

(e) Perform a terminal audit. Terminal audits may be conducted by local or Region oversight functions with the approval of N92B.

d. It will be the objective of the CMWR activity to conserve assets to ensure future use by CMWR activities within the Navy. Distribution of CMWR funds, assets, or property to military MWR or any other entity other than a Navy CMWR is prohibited per reference (e).

e. As the successor-in-interest, N92B may disestablish any CMWR activity unable to pay its annual operating assessment or provide proof of, or payment for, casualty, liability, and bonding insurance. It is the individual CMWRs' responsibility to ensure payment of assessments and insurance premiums are kept current. Every effort will be made to communicate and coordinate collection of payments before CNIC initiates formal disestablishment procedures.

f. Upon completion of CMWR activity disestablishment and dissolution actions, residual CMWR NAF cash will be forwarded to CNIC N948 to be credited to the account of N92B together with an information copy of the required terminal audit. Action copies of terminal audits will be forwarded through the chain of command.

g. When control of an installation is transferred to a military department other than DON, or to another U.S. Government department or agency, necessitating the disestablishment of CMWRs, the disposition of CMWR activity NAF assets or liabilities will be determined through negotiation. These negotiations will ensure a fair and equitable distribution of assets, in consideration of CMWR requirements, and must be approved by N92B.

h. N92B, as successor-in-interest, may elect to take over the accounts, property, resources, and contracts of the CMWR in order to maintain operations until such time as it is determined to reestablish the CMWR, merge the CMWR into another CMWR in the Region, or permanently disestablish the CMWR. In such case, the following actions will be taken at the appropriate time:

(1) Transfer funds in all accounts to N948 to be credited to the account of N92B.

(2) Execute all necessary documentation to pass title of property and equipment to N92B.

(3) Arrange for the replacement or cancelation of contracts as specifically directed by N92B.

(4) Draft for approval any necessary documentation, including Memoranda of Agreement (MOA), to effectuate the transfer of functions.

(5) Comply with all other instructions provided by CNIC HQ.

CHAPTER 2  
AUTHORIZED PROGRAMS AND ACTIVITIES

0201. General

a. CMWR resale activities must generate sufficient NAF income to be operationally (i.e., financially) self-sustaining. The revenue-producing activity should also generate sufficient overall income to disburse a budgeted portion to sustain the CMWR recreation and welfare activity. Coordinated planning, programming, and budgeting are essential to operate the resale function and finance the recreation and welfare function.

b. Per appendix A, reference (a), functionality of the Navy's CMWR program will not be categorized as 'Category II' or 'Category IV' operations, but will conform to references (b) and (e) in regards to applicable Program Group and Categories.

0202. Income-Generating and Resale Activities. CMWRs may be permitted to produce revenue through resale and services provided to authorized patrons.

a. CMWR General Food and Beverage Program. CMWR food and beverage outlets may include snack bars, grills, counters, and food in prepared form for on-premises, take-out, or delivery.

(1) In most ashore locations retail food services are considered an MWR, NEX, or Randolph-Sheppard Blind Vendor Program function. Accordingly:

(a) The authority of these organizations to operate of food venues such as restaurants, cafeterias, fast food in-house brands, franchises, and mobile canteens will be accorded preferences and priorities as found in references (g) and (j).

(b) The availability, convenience, adequacy, feasibility, and benefits of NEX, MWR, and Randolph-Sheppard food service operations, and similar food service outlets operating in close proximity to the installation and conveniently accessible to federal civilian employees, must be considered prior to establishing an on-base CMWR food service operation.

(2) In those locations lacking food service that adequately serves the demand of the civilian workforce, and CMWR operations functioning as a previously established concern, CMWR food and beverage programs promote and maintain the well-being, morale, and efficiency of the civilian workforce.

b. CMWR Vending Services. CMWRs are authorized to operate vending machines, either directly or by contract with commercial entities, or by reimbursable support agreement with NEX. CMWRs are required to share vending machine income with State Licensing Agencies under the Randolph-Sheppard Blind Vendor Program; see reference (g) and Chapter 5, Section 513.

c. CMWR Catering Services

(1) Commercial catering services are normally a function of the host installation's military MWR program. The general policy is that CMWR food and beverage activities will not compete with the military MWR's catering program.

(2) CMWR activities must obtain prior approval from the host ICO to provide catering services, including on-base locations where such catering services will be offered.

d. CMWR Sale of Merchandise. CMWRs may operate stands, counters, or kiosks offering:

(1) Essential toiletry articles.

(2) Sundry merchandise such as candy, newspapers, batteries, novelties, and assorted convenience items.

(3) Emblematic/souvenir items with the CMWR or organizational logo on such items as t-shirts, hats, memorabilia, Command logo coins, water bottles, mugs and cups. All emblematic items will be for resale only. Command giveaway of emblematic merchandise is prohibited.

(4) Seasonal items, such as holiday cards, federal almanacs, and calendars.

e. Other Revenue Generating Activities. CMWRs may, subject to the authority of the facility and Installation Commander, and consistent with the guidance of local policy and appendix A, reference (l), engage in the following:

(1) Occasional fundraising events, such as car washes.

(2) Bingo games are authorized as described in Chapter 22 of reference (m), subject to the CMWR complying with all such policy and procedure.

(3) Raffles and Monte Carlo Nights, as described in Chapter 1 of reference (m) are not authorized to be hosted by a CMWR.

f. Contracting Out Services. CMWR may contract out some or all of its resale operations, e.g., food service operations and vending machine operations. Contracts will be processed per reference (k) and Chapter 5, Section 0504 of this manual.

(1) Any food and beverage or vending proposed service support, including service support from MWR or NEX under a MOA, will be forwarded to N92B and the Region Navy Office of the General Counsel (OGC) prior to the execution and signature of any such documents.

(2) In soliciting contracts for cafeteria food service the provisions of the Randolph-Sheppard Blind Vendor Program as addressed in references (f) and (g), must be followed where applicable; see Chapter 5, Section 513.

0203. Recreation-Welfare Related Activities

a. CMWR recreation related activities includes those functions that enhance the morale of civilian employees by promoting a sense of well-being through on-base physical and mental self-development programs of a recreational nature. Although these CMWR activities may generate limited income from fees and charges incidental to their operation, they are largely dependent on NAF support provided by the CMWR food service and resale activity. Logistical APF support is authorized by reference (b).

b. Authorized Activities. CMWR activities may engage in the following programs and activities, when approved by the ICO:

(1) Annual Holiday Season party.

(2) Annual summer picnic.

(3) Recreation centers and employee lounges.

(4) Intramural athletics, sports programs, and participation in intramural leagues of the civilian community.

(5) Group activities serving special recreational, social, hobby, or occupational interests of a limited number of employees; e.g., stamp clubs, square dancing, and aerobics. Opportunity for participation, however, must be extended to all interested employees. Some groups may be organized on a one-time or temporary basis for a particular purpose such as tours, game attendance, or entertainment events.

(6) Participation in installation-wide events that may be patriotic, historical, cultural, or of similar themes.

c. Unauthorized Activities. The following activities, services, functions, and events are prohibited:

(1) The sale and consumption of alcoholic and malt beverages without prior written authorization by SECNAV.

(a) Requests for authorization will be submitted to SECNAV, via the ICO, REGCOM, N92B, CNIC, and Chief of Naval Operations, Personal and Family Readiness (N135).

(b) Alcohol service must comply with the training and certification requirements of appendix A, reference (n).

(2) Programs and activities authorized to be conducted or funded with APF, including, but not limited to:

(a) Beautification and maintenance of grounds.

(b) Employee awards.

(c) Change of Command or retirement ceremonies.

(d) Community relations (COMREL) events.

(e) Breakroom microwave ovens, refrigerators, or other supplies, equipment, or appliances that have been authorized for purchase with APF by statute, regulation, instruction, case law, or administrative decision.

(3) Gifts, gratuities, or special benefits to an individual. Cash or mass gift 'giveaways' (e.g., Thanksgiving or Christmas turkeys, gift cards or certificates) to any members of the command, any volunteers of the CMWR activity, any family members, or to any other individual or group of individuals outside the CMWR activity.

(4) Participation in, or support of, charity drives and cooperative endeavors such as mutual aid, employee insurance, or death benefit associations (other than authorized by DON NAFI employee benefit programs). Such monetary participation is considered to be a private, personal individual decision.

(5) Any gambling activity, except Bingo, including lotteries, pull tabs, pools, games for money or property, or sale or purchase of number slips or tickets on government installations, or similar games of chance as prohibited by reference (l).

(6) Entertainment not suitable for a typical mixed community audience or that could be perceived as an embarrassment to DON.

(7) Emergency loans to federal employees.

(8) Use of NAFs to subsidize the cost of cash prizes.

(9) Commercial sponsorship, either solicited or unsolicited. See references (m) and (o).

CHAPTER 3  
VOLUNTEERS AND MANAGERS

0301. Prohibition Against Hiring CMWR Employees

a. Other than persons under contract or reimbursable services, all persons providing support to CMWRs will be volunteers, and be appointed in full compliance with references (p) and (q).

b. CMWRs will not hire, employ, or otherwise pay or provide remuneration to any person to serve as a manager or a full or part-time employee of CMWR.

c. The operation or management of a CMWR may not be contracted out to business concerns, other entities, third-parties, or other individuals except:

(1) Concession contracts or similar arrangements for specific food and beverage or retail operations.

(2) Vending machine operations.

(3) As otherwise approved, in writing, by N92B.

0302. CMWR Activity Managers. The CMWR Activity Manager is the primary operating official of the CMWR activity. The CMWR manager will be designated in writing by either the REGCOM or ICO. The CMWR manager is accountable to the REGCOM or ICO for content, financial integrity, health, and accomplishment of the CMWR mission.

0303. CMWR Fund Custodian. The CMWR Fund Custodian will be designated in writing by either the REGCOM or ICO. This individual will have the responsibility and trust to exercise administrative and executive control of a CMWR activity and is charged with accountability for NAF resources.

0304. Collateral Duties. A Region or installation MWR program may assign a MWR NAF employee collateral duties to manage, operate, or support a CMWR, including the duties of CMWR Activity Managers and CMWR Fund Custodians, but in no event may CMWR revenues or funds be used to pay for or supplement the salary of such MWR NAF employee other than the routine and incidental charging of service fees under contract or agreement.

CHAPTER 4  
AUTHORIZED PATRONS

0401. General. Per reference (a), the following patronage authorizations for participation in CMWR activities will be followed in the priority order listed below:

a. Resale and Revenue Sharing:

(1) DoD and other civilian employees working on, or logistically supported by the installation, as well as their dependents, and accompanying guests.

(2) DoD contract personnel and technical representatives working on the installation.

(3) Uniformed personnel (Active Duty and retired with pay), their dependents, accompanying guests, and members of reserve components. Military personnel and their dependents will enjoy the same priority as DoD civilian employees and their family members when there are no military MWR programs available at the Installation.

(4) Unremarried former spouses and other dependents entitled to commissary, exchange, and theater privileges.

(5) Authorized visitors to the installation.

b. General Welfare and Recreation:

(1) DoD and other civilian employees working on, or logistically supported by the installation, their dependents, and accompanying guests.

(2) DoD contract personnel and technical representatives working on, or logistically supported by the Installation.

(3) Active Duty uniformed personnel, their dependents, accompanying guests, and members of Reserve Components. Military personnel and their dependents will enjoy the same priority as DoD civilian employees and their family members when there are no military MWR programs at the installation.

(4) Uniformed military personnel retired with pay, their dependents, and accompanying guests.

(5) Unremarried former spouses and other dependents entitled to commissary, exchange, and base theater privileges.

(6) Retired DoD employees and their dependents.

c. CMWR events and activities will be made available to all eligible personnel. Personnel of tenant organizations will have the same priority as those of the host organization.

0402. Official DoD Identification. DoD identification cards or badges, or locally approved identification procedures will be used to verify patron eligibility and priority, as required. No verification of identification is required for use of food service facilities or vending machines.

CHAPTER 5  
FISCAL MANAGEMENT

0501. NAF Fiduciary Responsibility

a. References (e) and (i) prescribe guidance and controls for NAFIs and financial management of resources. CMWR NAFIs are required to use the CNIC Shore Enterprise wide financial system of record. All CMWR resources will be administered economically and efficiently through sound financial management practice, as promulgated by the N92B.

b. CMWR NAF are government funds entitled to the same protection as funds of the U.S. Treasury, per references (i) and (r).

c. There is an individual fiduciary responsibility for proper use of NAFs and preventing waste, loss, or unauthorized use. This responsibility extends to all DoD personnel, to include members of the Armed Forces and civilian employees paid with either APF or NAF. As per reference (r), penalties for substantial NAF violations by civilian employees are the same as those under the provisions of federal law that govern the misuse of APF. Violations by military personnel are subject to the Uniform Code of Military Justice.

d. Reporting of suspected violations at the lowest possible organizational level is encouraged. However, reports may be made to senior management, the Navy Inspector General (IG), or to the Defense IG Hotline. The chain of command is responsible for prompt detection, proper investigation, and appropriate corrective action. Individuals reporting violations are afforded protection provided through the Whistle Blowers Protection Act of 1989. REGCOM or ICO will take appropriate administrative and disciplinary action against present and former personnel responsible for violations. In case of a serious criminal infraction, commanders will refer the matter promptly to the appropriate criminal investigative organization for investigation and disposition.

e. CMWR NAF is designated solely for the benefit of authorized patrons and the purposes of the CMWR NAFI.

f. REGCOM and ICO will ensure NAF resources are applied to common installation programs rather than to separate host and tenant activities. This, however, will not prohibit the funding of individual command or tenant events such as picnics or holiday parties, so long as commensurate events are funded in an equitable manner across the Region or installation.

0502. CMWR Fund Custodians

a. Fund Custodians are responsible for administering each CMWR activity and will be appointed in writing by the ICO or REGCOM.

b. The custodian will follow the guidance contained and referenced in this manual, as well as the operational guidance provided by the ICO or REGCOM.

c. Since they are responsible for the financial affairs of the fund, custodians will have a working knowledge of accounting principles and be capable of managing funds. In their fiduciary capacity, custodians are responsible for receiving, safeguarding, disbursing, accounting for, and otherwise administering CMWR Fund financial affairs. Custodians will also monitor budgets and financial performance for compliance during the fiscal year.

d. In their administrative capacity, custodians will serve on the CMWR Advisory Council, without a vote, assisting the chairperson to prepare for and conduct council meetings, implementing or insuring implementation of approved council actions and ensuring proper supervision and administration of the CMWR work force.

#### 0503. Fiscal Oversight and Review

a. ICOs or REGCOMs will appoint either the local evaluation and review staff, internal audit offices, IG, or an audit board consisting of collateral duty personnel to perform NAF reviews of all CMWR activities. For continuity purposes, professional civilian personnel with competency in the areas of review are desired. Local fiscal oversight and review will concentrate on segments of operations most vulnerable to fraud, waste, and abuse. Areas reviewed will include cash funds and receipts, bank deposits, sales, accounts receivable, procurement, receiving and accounts payable, cash disbursements, payroll, merchandise and consumable inventories, and fixed assets.

b. Annual Schedule. The designated auditors must submit a schedule of reviews to the ICO or REGCOM for review and approval at least 30 days before the start of each new fiscal year. The schedule will include a timetable for reviewing required and vulnerable segments of operations for each activity, optimally on an annual basis, but not less frequently than triennially. Reviews should be scheduled more frequently when unsatisfactory conditions are found.

c. Triennial Reviews. Triennial reviews as required per reference (b) and this manual will be directed by, and subject to the oversight and guidance of, the REGCOM.

#### 0504. Procurement. Policy and procedures for the procurement of CMWR supplies, equipment, or services with NAF are contained in reference (k).

a. CMWRs will not have duly appointed and warranted NAF contracting officers, therefore they will utilize NAF contracting officer support from N94 or Regional N94 offices. Reasonable fees may be assessed for NAF contracting officer support rendered to CMWRs.

b. CMWR activities are authorized to contract or enter into appropriate agreements with the Navy, Navy MWR and other NAFIs, and other DoD and Federal Agencies under the authority of

reference (h). However, all contracts and MOAs must be executed through N94 or Regional N94 offices with concurrence upon review by CNIC HQ or Regional OGC.

c. Prior to entering into any negotiations for any contract or agreement with either commercial enterprises or DoD/Navy organizations relating to vending machine services, micro market operations, or food and beverage venues, the CMWR will notify N92B and provide all relevant information and documentation regarding the proposed procurement.

0505. NAF Property Administration. The CMWR Fund Custodian is in charge of all purchased fixed asset and other stock record property. Assumption of property responsibility by another individual, the servicing accounting office, or the CMWR advisory organization, does not alter the custodian's accountability. Accounting procedures for NAF-purchased property are prescribed in reference (i). These procedures include capitalization, depreciation, property control and inventory records, and transfers. Loss of NAF purchased property assets will be reported promptly to the custodian.

0506. Disposition of Excess CMWR Property

a. Property purchased with APF and loaned to CMWR must be returned to the contributing command or transferred to the Defense Logistics Agency (DLA) Disposition Services for disposal.

b. Excess unserviceable CMWR property purchased with NAFs can be cannibalized for the purpose of servicing other CMWR equipment.

c. CMWR property purchased with NAF (including NAF vehicles) may be disposed of per the following guidance. Whenever possible, activities are strongly encouraged to redistribute serviceable NAF property to CMWR activities with a need for the equipment. It is recommended that excess CMWR NAF property be disposed within the Navy community rather than being sold to non-Navy individuals or organizations as follows:

(1) Report to the REGCOM via the chain of command for redistribution as may be needed by other Navy CMWR activities within the installation or Region.

(2) Trade-in for purchase of like property.

(3) Sell to interested individuals (including other commands) through a sealed bid procedure. Such sales will be offered first to authorized CMWR activity patrons and secondly to military MWR program patrons, prior to being offered to any other individuals or organizations.

(4) Excess CMWR NAF property having an original cost of \$1,000 or less, and an estimated current value of \$500 or less may be sold to authorized patrons in a 'yard sale' or

‘garage sale,’ at a predetermined market price, per appendix A, reference (m) and without the requirement for any policy waiver.

(5) Excess CMWR NAF property having an original cost of more than \$1,000 and an estimated current value of more than \$500 may be disposed of using the sealed bid procedures.

(6) Sale of excess CMWR NAF property through ‘yard sales’ or ‘garage sales’ and “sealed bid” auctions will be widely advertised in on-base media, e.g., base newspaper and bulletin boards. Advertisement should begin two to four weeks prior to the event, with follow-up publicity scheduled one to two weeks prior to the event and final publicity one to four days prior to the event.

(7) CMWR volunteers and MWR employees, as well as any family members of said volunteers and employees, are prohibited from purchasing items disposed of at annual ‘garage sale’ or by ‘sealed bid’ auctions.

(8) Excess CMWR NAF property will not be donated to or offered as a condition of transfer at Commands identified for Base Realignment and Closure. Excess CMWR NAF property will be identified by the local command for Navy retention and redistribution and will not be eligible for inclusion in any community reuse plans.

(9) In no instance will CMWR property be donated to any individual or civilian organization, or to any charities.

(10) Proceeds from the sale of property owned by CMWRs will be deposited in an Installation or Region level CMWR NAF account.

#### 0507. Authorized APF Support

a. Use of Loaned Surplus APF Equipment. Government-owned (i.e., APF property) surplus or excess equipment, not in use or immediately required to meet operational need, is authorized to be loaned to CMWR activities. Surplus or excess government property is controlled by the DLA. When loaned to a CMWR activity, it must be returned to the nearest DLA Reutilization Transfer and Donation location upon request or when the property is no longer desired by the holding CMWR activity.

(1) Records and other documentation for loaned APF property are not to be combined with NAF-purchased property accountability records. NAF purchased property will be marked differently than APF property and separate inventories will be maintained.

(2) The cost of maintenance and repair of APF surplus property on loan to a CMWR activity is properly chargeable to the supporting CMWR as a NAF cost.

(3) CMWR activities are at liberty to purchase property at regularly scheduled DLA auctions if it is determined to be the most advantageous business solution for the activity.

- b. CMWR Equipment. The purchase of CMWR equipment is not authorized with APF.
- c. Facilities, Utilities, and Logistical Support. See reference (a).

0508. Co-Funding with Military MWR Activities

a. CMWR funds and resources are not to be utilized to assist in the support of military MWR programs, activities, or events unless there is a direct and proportionate benefit to the civilian employee population of the location or installation.

b. CMWR and military MWR programs and activities may collaborate and co-fund, or provide assets, in support of a co-hosted event or activity for which there is common participation or utilization provided that such participation is proportionately paid for with CMWR funds. For example, if 750 DoD civilian employees and 250 active duty military personnel on a military installation elect to participate in an authorized base wide event, the CMWR activity would be required to fund 75 percent of the total cost of the event and the remaining 25 percent of the cost would be paid for with military MWR NAF. The proportions of civilian employees and military personnel will not be based on installation demographics, but rather, on the actual number of military and civilian patrons, and their family members and guests, actually attending the event or participating in the activity.

c. One of the participating MWR activities will be designated as the fiscal agent for mutual support. This support includes the receipt of, accounting for, and protection of joined assets. It also includes the transfer and disbursement of cash assets at the appropriate time, if applicable.

d. When military and civilian MWR activities co-host an MWR event, and NAF from both activities is temporarily combined for the purposes outlined above, this does not create a new NAFI designed to support more than one Program Group; see reference (o).

0509. Prohibited Use of CMWR NAF and Property

a. The use of CMWR NAF and property is authorized only for those purposes related to the official CMWR program. Specifically, CMWR NAF will not be used for non-CMWR activities, facilities, or equipment or for individuals, organizations or groups not directly related to or sponsored by the CMWR program.

b. CMWR NAF may not be expended or CMWR property utilized without fair and appropriate reimbursement, for the following:

(1) Underwriting the cost of military MWR events or activities other than through proportional cost-sharing and co-funding as provided in reference (c).

- (2) Payment of cost for military personnel performing military duties.
- (3) Any construction, improvement, alteration, refurbishment, or renovation of any CMWR facility which is comparable to a military MWR Category A facility.
- (4) Utility or rental cost for any CMWR facility, which is comparable to a military MWR Category A, B, or C facility.
- (5) Payment to officers or board members for work performed on CMWR matters.
- (6) Payment to DoD civilians for contracted work performed on CMWR matters if they already hold a full-time job at another APF or NAF activity, or to military personnel for work performed on CMWR matters.
- (7) For any expenses associated with official activation, deactivation, or realignment of a command, change of command, retirement ceremonies, ship or unit homecoming events, or other official or unofficial events not directly aligned with the CMWR function or mission.
- (8) For any expenses associated with change of command or retirement receptions, or for expenses of similar social functions that are traditionally not characterized as MWR events.
- (9) For support of functions which are held primarily to accomplish public affairs, COMREL objectives, such as air shows and open houses.
- (10) Underwriting the cost of Navy birthday celebrations or Service Balls of any type.
- (11) For hosting extravagant celebrations or events that would create the perception of frivolous or wasteful spending. Any holiday or celebratory event with a per-capita cost exceeding \$50 must be referred for legal review to the Region Navy OGC.
- (12) Procurement of any item of equipment not used primarily as an integral part of the CMWR program or activity.
- (13) To defray the operating expenses of dependent schools, or to pay tuition or fees incident thereto.
- (14) To defray general and administrative expenses (e.g., salaries, equipment, supplies, and travel) associated with support of Navy general libraries.
- (15) To defray or subsidize any operational, personnel, or maintenance expenses for any non-CMWR program, e.g., station beautification/maintenance/custodial contracts, station galley, Fleet and Family Service Centers (FFSCs).
- (16) For support of religious programs.

(17) For payment of instructors, tuition, or purchase of books for off-duty, military or civilian, education programs. This does not apply to arts, crafts, and hobbies offered as part of a CMWR activity.

(18) For cash donations to, or cash expenditures for, any charitable or fraternal group or organization such as Navy Relief, American Red Cross, Combined Federal Campaign, or similar organizations.

(19) For support of non-federal entities or private organizations operating on or off the Installation.

(20) For any promotional or give-away items given out to patrons or employees for free or a subsidized price below cost, including but not limited to t-shirts, ball caps, mementos, emblematic items, or collectables.

c. CMWR property or equipment may not be 'borrowed' by the command or any other non-CMWR activity without a written agreement and appropriate reimbursement, in conformity with reference (h).

#### 0510. Taxes

a. As instrumentalities of the United States, CMWRs are entitled to the same immunity from taxes as is the United States government. All CMWRs will operate under the CNIC Enterprise-wide financial system of record, thus allowing usage of the enterprise-wide Federal Tax Identification (ID) Employer Identification Number tax exempt status.

b. Concessionaire and services contractors are not instrumentalities of the United States. Therefore, they will collect, report, and pay all applicable Federal, State, and local taxes.

#### 0511. Insurance Requirements

a. CMWRs are required to obtain and maintain insurance coverage through a commercial insurance company or to participate in the CNIC MWR Self-Insurance Program, as detailed in reference (s).

b. Application for participation in the CNIC MWR Self-Insurance Program must be received and payment must be made before any coverage is provided. If such coverage is provided, a certificate of coverage will be issued to the CMWR activity concerned.

c. If utilizing commercial insurance, CMWRs must be insured for the following:

(1) Personnel responsible for the custody of CMWR NAFs must be bonded.

(2) Furniture, fixtures and equipment recorded on NAF property control records.

(3) Merchandise inventory.

(4) NAF-purchased vehicles.

(5) General Liability. Minimum limits are \$500,000 per person, \$1,000,000 per occurrence.

(6) Automotive liability. Minimum limits are \$500,000 per person, \$1,000,000 per occurrence and \$100,000 property damage.

(7) Money and securities.

d. The individual liability of third parties, specifically the liability of one patron to a third party, is not the responsibility of the Navy and therefore is not included in the CNIC MWR Self-Insurance coverage. This self-insurance coverage, as offered to CMWR activities, only covers liability for acts or omissions (negligence) that occur in the scope of authorized duties of Navy personnel engaging in CMWR activities.

e. Contractors are responsible for general liability and worker's compensation coverage as it applies to their operations, their employees, and their subcontractors.

f. Fund custodians should periodically review current insurance policies to ensure coverage, limits, deductibles, and conditions adequately apply to the operation of the CMWR activity.

#### 0512. Tort and Contract Claims

a. Tort claims are resolved either via private insurance or via the CNIC MWR Self-Insurance Program, per reference (s).

b. Adjudicated contract claims arising out of CMWR operations will be paid by the CMWR activity concerned. The Navy CMWR Central Fund will not assume responsibility for payment of contract claims, except those acquired as the successor-in-interest to residual assets and liabilities of dissolved CMWR activities, or in the event of a current financial inability of an existing CMWR to pay such claims, as determined by N92B.

c. The above provisions do not apply when any element of a CMWR activity operates under a concession or services contract. In those cases, the concessionaire will provide adequate public liability and products liability insurance, as prescribed in reference (s).

0513. Randolph-Sheppard Vending Stand Act. Reference (f) requires the establishment of a vending facility program for the blind on Federal property. Per reference (g), REGCOMs are responsible as the 'on-site official' for Randolph-Sheppard Act (RSA) matters. Therefore, CMWR activities intending to engage in operating food services, vending facilities, or vending machines will comply with the requirements of reference (g), and have a working knowledge of

the RSA, which specifically provides SLA for the blind a priority right to operate vending facilities and directs that a portion of net income from some vending machines be shared with the SLA. The RSA further establishes requirements for the inclusion of blind vending stands in certain newly constructed or renovated buildings. Sufficient procedures will be implemented to provide for the collection of, and accounting for, vending machine income and ensuring compliance with the requirements of the RSA.

CHAPTER 6  
CMWR ADVISORY COUNCILS

0601. Mission and Duties. Members of the CMWR Advisory Council act in an advisory capacity and provide overall guidance and broad recommendations in the management of the CMWR activity. The Council also serves as an advocate and spokesman for the interests of the Navy civilian employee community. CMWR Advisory Councils do not have management, administrative control, or custody of CMWR funds, nor are they involved in the day-to-day operations of the CMWR activity.

0602. Composition. A CMWR Advisory Council will be composed of a President and no less than 3 members, nor more than 10 members.

0603. Qualifications. Members of the CMWR Advisory Council must be federal civilian employees, either APF or NAF funded, and may be employed either full-time or part-time. Council members should have an awareness and understanding of the CMWR mission, operation, rules, and its goals and objectives. Members are also expected to be familiar with the CMWR activities and the business model supporting such activities

0604. Selection. CMWR Advisory Council members may be either appointed by Region N9 or elected from among the general population of federal civilian employees at the installation, command, or facility being serviced by the CMWR. Specific procedures for election of council members will be promulgated by the REGCOM.

0605. Term. Council members will serve for a term of two years and will immediately notify the Council President if the member's intent to remain a council member changes. The Council President will maintain a roster, with term expiration dates, that will be submitted to the ICO and copied to the Region's designated CMWR Manager.

0606. Status. CMWR Advisory Council members may perform their functions as collateral duties, or, if serving outside of duty hours, as volunteers, subject to references (p) and (q).

0607. Military Advisor. The ICO or REGCOM may appoint one military advisor to attend CMWR Advisory Council meetings in the event that:

- a. 50 percent or more of the installation is comprised of Active Duty military personnel.
- b. There are no military MWR activities available and the CMWR supports both civilian and military MWR programs. The military advisor will not be a member of the council, and will not hold any position or office in the council, will not have a vote in any proceedings.

0608. Meetings. Meetings will occur once per month, at dates and times determined to be convenient by the membership of the council and the command.

a. Meetings will occur on the Navy installation where the CMWR activity is located. Meetings may utilize MWR facilities or any other Navy facility reasonably available, supported by either APF or NAF, subject to the consent and approval of the manager of the APF facility in question, or a reimbursable agreement with the manager of the NAF facility concerned.

b. Meetings should normally not exceed two hours in duration without the express consent and approval of the ICO or REGCOM.

0609. Advice. The CMWR Advisory Council will provide advice and guidance, as it deems necessary, from time to time, to the CMWR Activity Manager, the ICO, or REGCOM, as appropriate. In the event the CMWR Council believes its advice has not been adequately considered, it may address its concerns via the chain of command. N92B is the final authority to receive, address, and respond to concerns of the CMWR Advisory Council.

## APPENDIX A DEFINITIONS

1. Civilian Morale, Welfare, and Recreation (CMWR) Activity Manager. Individual responsible for supervising and controlling the day-to-day operations of a CMWR activity (e.g., cafeteria, snack bar, vending machines, fitness center, etc.).
2. Appropriated Fund (APF). Government monies allocated by Congress for a specific purpose or use, e.g., assets (personnel, money, material, real property) provided to support Morale, Welfare, and Recreation (MWR) functions. CMWR activities receive only common (i.e., indirect) APF support.
3. Automated Information Management System (AIMS). The centralized accounting system under the control of Commander, Navy Installations Command (CNIC). AIMS provides a uniform system of accounting for Navy MWR nonappropriated fund instrumentalities (NAFI). It is used to record, classify, and summarize (in terms of money) transactions and events that are of a financial nature. AIMS uses the double-entry accrual basis of accounting. Per established principles of double-entry accounting, equilibrium must be maintained. Every recording of an entry must consist of a debit and an offsetting credit and the total dollar amount of debits must always equal the total dollar amount of credits. Accrual accounting emphasizes matching revenues and expenses associated with each other in the period in which they occur. Generally, accrual accounting contributes to effective financial control over resources, cost of operations, and is essential in developing adequate revenue and cost information.
4. CMWR Program Activity. An activity falling under the aegis of the Navy's CMWR Program Group III NAFI. A civilian-centric MWR established at Regions, installations, or commands where there are sufficient numbers of civilian employees to warrant establishment and can sustain programs through a nonappropriated fund (NAF) activity. CMWR programs are established for the comfort, entertainment, mental and physical improvement of Department of Defense (DoD) civilian employees and other authorized patrons. Since APF resources are not to be provided by direct dollar support, the generation of NAF income is required to sustain CMWR programs. A CMWR program may encompass and oversee CMWR resale activity, CMWR recreational and welfare activity, or both.
5. CMWR Resale. A CMWR function properly established to provide resale goods and services to authorized patrons and generate income to sustain welfare and recreation programs. Sales may include regular meal-time services, food and beverage operations, vending machine services, amusement machines, electronic games, CMWR event tickets, command memorabilia and other health and comfort items offered to generate income.
6. CMWR Recreational and Welfare. A CMWR function that supports a variety of events, entertainment, recreational pursuits, and benefits that appeal to as many eligible civilian employee patrons as is financially feasible (e.g., sports, hobbies and crafts, social and recreational groups, lounges and break areas, circulating library, outdoor activities, family

services, and special installation or command events not authorized APF support that promote command morale or the welfare of the civilian work force).

7. CMWR Central Fund. The Navy CMWR Central Fund has been designated to provide financial support and assistance to all CMWR NAFIs within or assigned to the department; to receive and retain or redistribute, as appropriate, excess or residual NAF assets of CMWR activities; and to assume any residual liabilities as the successor-in-interest of a dissolved CMWR activity. N92B and N94 manages the Navy CMWR Central Fund.

8. Common Support Services. Common support services are those that protect the health and safety of all participants, employees, resources, and property on base and provide support that is of a more physical nature, e.g., facility and facility systems maintenance and repair, structural integrity of facilities, fire and security maintenance, handicap accessibility, snow removal, sewage and trash removal. Additional common support services include such services as human resources office, comptroller, legal, and background check services, which may be provided to the CMWR as contracted support under reference (h).

9. Concessionaire. A private sector commercial enterprise under contract to a CMWR activity for providing goods and services.

10. CMWR Fund Custodian. An individual appointed by written authority to a post of responsibility and trust to exercise administrative and executive control of a CMWR activity and charged with accountability for NAF resources.

11. Executive Control and Essential Command Supervision (ECECS). Those managerial staff functions and positions located above the direct program managerial and operational level of individual CMWR activities that support planning, organizing, directing, coordinating, and controlling the overall operations of CMWR programs. ECECS consists of program, fiscal, logistical, and other managerial functions required to ensure oversight.

12. Military MWR Program. A Program Group I NAFI. The term used by the Navy to identify recreation, social and child care activities administered by CNIC. Military MWR programs are designed to provide essential MWR mission support services, community support programs, business activities' programs, as well as programs that will effectively contribute to the morale, well-being, and quality of life of Navy personnel, including active duty, ready reserve, DoD civilians and their family members, as well as other authorized individuals and groups.

13. MWR Programs. These programs consist of activities, facilities, and services that provide recreational and free-time, self-development, and general welfare programs for authorized DoD patrons.

14. Navy Installation. For the purposes of this manual, real property controlled by Department of the Navy (DON) or occupied by Navy personnel, such as a base, site, building or other location.

15. NAF. Cash and other assets received by a NAFI from sources other than monies appropriated by Congress of the United States, primarily from sale of goods and services to DoD military and civilian personnel and their family members and used to support or provide MWR programs. NAF are government funds and are used for the collective benefit of Navy personnel who generated them. These funds are separate and apart from funds under the direct cognizance of the Treasurer of the United States.

16. NAFI. An integral DoD organization that performs an essential governmental function utilizing funds not appropriated by Congress, but rather obtained from other sources, such as through sales and services rendered to authorized patrons. The Navy CMWR NAFI acts in its own name in providing funding support to CMWR activities for civilian employees and other authorized patrons. As a fiscal entity, the Navy CMWR NAFI maintains custody of and control over its NAF. It is not incorporated under the laws of any State or the District of Columbia and it enjoys the legal status of an instrumentality of the United States. The Central Navy CMWR NAFI is operated from CNIC HQ, Fleet Readiness (N92) and oversees the operation of all Region and installation Navy CMWR Activities throughout the Shore Enterprise under N92B.

17. Non-Federal Entity (NFE). An NFE is a private organization that may be constituted or established or operated on a Navy installation, with the written consent of the Installation Commanding Officer or higher authority, by individuals acting exclusively outside the scope of any official capacity as officers, employees, or agents of the Federal government. NFEs may be incorporated or unincorporated, but are not NAFIs and there is no official relationship between their activities and those of DoD personnel who are members or participants. Due to the nature of the functions that they perform and the particular characteristics of these organizations, which provide for limited government supervision, they are not held to be an integral part of the Navy organization. Examples of NFEs include, but are not limited to, credit unions, United Services Organization, lodges (fraternal or benevolent organizations), veteran's organizations, chief's organization, wives' clubs, ethnic group affiliations, sports officials' organizations, scouting organizations, and sports little leagues.

18. Volunteers. Individuals who perform services under such circumstances as there is neither an implied nor expressed compensation agreement; see references (p) and (q). Volunteers may be APF or NAF, but must perform their duties while in an off-duty status, and only provide limited and incidental support for short timespans. Duties performed by volunteers will not be included in the employee's official position description (PD).