This Instruction implements policy, assigns responsibilities, and prescribes procedures under DoD Directive 1015.2 for operating and managing programs for military MWR. It replaces DoD Instruction 1330.18. Civilian Employee MWR programs are addressed in DoD Directive 1015.8.
SUPPLEMENTARY INFORMATION
The following pen changes to DoD Instruction 1015.10, "Programs for Military Morale, Welfare, and Recreation (MWR)," November 3, 1995, are authorized:

**PEN CHANGES**

**Enclosure 3**

**Page 3-1**

Subsection A.3., lines 4 through 6. Change to read "Members of the Ready Reserve, and their family members, are permitted use of Category C activities on the same basis as members on active duty and their family members. Members of the Retired Reserve, including those who have qualified for retired pay at age 60 but have not yet reached age 60, and their family members, are permitted use of Category C activities on the same basis as the members retired from active duty and their family members."

**Page 3-2**

Subsection B.2., line 4. Add "APF and NAF civilian personnel employed by MWR activities, and their family members, may purchase merchandise, without restrictions, from MWR resale activities (not exchanges)."

**Enclosure 11, Attach 1, Page 11-1-1,** add the following countries alphabetically as shown below:
## EFFECTIVE DATE

The above changes are effective immediately.

Larry E. Curry, Director  
Correspondence and Directives
SUBJECT: Programs for Military Morale, Welfare, and Recreation (MWR)

(b) DoD Instruction 1330.18, "Resale Activities Conducted With the Use of Nonappropriated Funds, Other Than by Military Exchanges," August 28, 1974 (hereby canceled)
(c) DoD Directive 1015.8, "DoD Civilian Employee Morale, Welfare and Recreation (MWR) Activities and Supporting Nonappropriated Fund Instrumentalities (NAFIs)," October 22, 1985
(e) through (z), see enclosure 1

A. PURPOSE

This Instruction:

1. Implements policy, assigns responsibilities, and prescribes procedures under reference (a) for operating and managing programs for military MWR.

2. Replaces reference (b). Civilian Employee MWR programs are addressed in reference (c).

B. APPLICABILITY AND SCOPE

This Instruction:

1. Applies to the Office of the Secretary of Defense, the Military Departments (including the Coast Guard when it is not operating as a Military Service in the Navy by agreement with the Department of Transportation), the Chairman of the Joint Chiefs of Staff, the Unified Combatant Commands, the Defense Agencies, and the DoD Field Activities (hereafter referred to collectively as "the DoD Components"); and the Commissioned Corps of the Public Health Service and the National Oceanic and Atmospheric Administration under agreements with the Departments of Health and Human Services and Commerce. The term "Military Services," as used herein, refers to the Army, the Navy, the Air Force, and the Marine Corps.

2. Creates no rights or remedies and may not be relied upon by any person, organization, or other entity to authorize a denial of any rights or remedies.
3. Does not apply to Armed Services Exchange Operations unless specifically stated. (See DoD Directive 1330.9 (reference (d)).)

C. DEFINITIONS

Terms used in this Instruction are defined in enclosure 2.

D. POLICY

It is DoD policy under DoD Directive 1015.2 (reference (a)) as follows:

1. Purpose of MWR. The DoD Components shall establish MWR programs to maintain mission readiness and productivity. To accomplish these ends, these programs promote fitness and esprit de corps of members of the Armed Forces, a strong sense of military community, and beneficial quality of life for authorized patrons. Authorized patrons are identified in enclosure 3.

   a. Peacetime. Provide MWR programs, based on the assessed needs of local patrons, that:

      (1) Support military readiness through physical fitness.

      (2) Support needs for camaraderie and unit cohesion.

      (3) Promote individual growth and development.

      (4) Support family well-being and quality of life.

      (5) Provide the DoD installation community with access to programs similar to those available in a comparable civilian community.

      (6) Are perceived as a valued benefit of being part of the military.

   b. Readiness Contingencies and/or Deployments. Provide MWR programs:

      (1) To deployed units that meet needs for unit cohesion and individual stress relief.

      (2) To continue to support installation communities, adjusting to support family members and other authorized patrons.

2. MWR Programs. MWR programs are vital to mission accomplishment and form an integral part of the non pay compensation system. These programs provide a sense of community among patrons and provide support services commonly furnished by other employers, or other State and local governments to their employees and citizens. MWR programs encourage positive individual values, and aid in recruitment and retention of personnel. They provide for the physical, cultural, and social needs and general well-being of Service
members and their families, providing community support systems that make DoD bases temporary hometowns for a mobile military population.

3. Categories of MWR. The DoD Components shall follow established categories of MWR programs for uniformity of funding and reporting. All management and financial data reported shall comply with DoD Instructions 1015.1 and 1330.20 and DoD 7000.14-R (references (e), (f), and (g)). A listing of MWR programs within each of the following categories (paragraphs D.3.a. through c., below) is at enclosure 4.

a. Category A: Mission Sustaining Programs. These programs are considered most essential in meeting the organizational objectives of the Military Services. The programs shall be supported almost entirely with appropriated funds (APF), with the use of nonappropriated funds (NAF) limited to specific instances where APF are prohibited by law or where the use of NAF is essential for the operation of a facility or program. Programs in this category have virtually no capacity for the generation of nonappropriated revenues. Programs within this category promote the physical and mental well-being of the military member, a requirement that supports accomplishment of the basic military mission. Some examples are physical fitness facilities, libraries, and unit level sports.

b. Category B: Community Support Programs. These programs are closely related, in terms of supporting the military mission, to those grouped in Category A. They satisfy the basic physiological and psychological needs of Service members and families, providing, to the extent possible, the community support systems that make DoD installations temporary hometowns for a mobile military population. These support programs should receive substantial amounts of APF support, but differ from those in Category A, in part, because of their ability to generate NAF revenues. That ability to generate revenues is limited, however, and in no case could they be sustained without substantial APF support. Some examples are automotive skill development, youth activities, child development programs, arts and crafts skill development, and outdoor recreation.

c. Category C: Revenue Generating Programs. Activities in this group have the business capability of generating enough income to cover most of their operating expenses, but they lack the ability to sustain themselves based purely on their business activity; consequently, they receive limited APF support. Some examples are golf courses, clubs, bowling, boating activities, etc. Revenue Generating Programs at designated MWR remote and isolated locations may receive the same type of APF support as Category B programs. Criteria for remote and isolated locations are in enclosure 5.

4. Strategic Plans. MWR programs shall be strategically planned and implemented using business management practices to fulfill local needs, while maintaining the readiness capability to support the wartime mission and to meet quality, fiscal, health, and safety standards.

a. Planning. The DoD Components shall ensure that short- and long-term plans are established and maintained.
(1) **Short-Term Plans.** A comprehensive annual review of all MWR programs and financial resourcing that ensures program delivery is consistent with the DoD Component and Military Services’ goals and objectives.

(2) **Long-Term Plans.** A strategic plan that aligns organizational goals and objectives with resourcing, responsibilities, and implementation timelines. The minimum planning period for a long term plan is 5 years.

b. **Standards.** The DoD Components shall develop goals and standards for the MWR program. At a minimum, these standards shall include the following:

(1) **Program.** Ensure MWR programs meet mission requirements and are market driven. The DoD Components shall periodically measure customer demand, usage, and satisfaction, and act upon findings.

(2) **Financial.** Ensure MWR programs are resourced with APF and NAF according to financial categories, and ensure installation MWR nonappropriated fund instrumentalities (NAFIs) are financially sustainable. The DoD Components shall report results according to guidance in enclosure 7.

(3) **Construction.** Ensure MWR facilities adequately support programs and services that meet the demands of authorized patrons. MWR construction programs shall be supported by feasibility studies, as described in DoD Instruction 1015.1 (reference (e)), and should seek solutions that provide long-term economies of scale and efficiencies, such as multi-use facilities.

(4) **Training.** The DoD Components shall provide training programs that stress stewardship and customer orientation to ensure, as a minimum, that commanders and MWR managers understand fiduciary accountability and program responsibilities.

5. **Funding.** MWR programs should receive funding at the same level as other support programs. MWR programs shall be resourced from either APF or NAF or a combination of both. NAF expenditures for valid MWR purposes are not an augmentation of appropriations.

a. **Funding Sources.** The Department of Defense is responsible for oversight of the total APF and NAF resourcing of MWR programs, including major force structure changes, selected individual program growth, and new market-oriented MWR programs. Specific APF authorizations for elements of resource are shown in enclosure 6. The standards for APF support are shown in enclosure 7. The DoD Components shall report annually on the status of meeting the standards.

b. **Common Support.** A support function that serves more than one MWR program does not constitute authorization for APF support. The authorization for APF support depends on the nature of the program being supported. (See definitions, enclosure 2.) Reporting of common support is outlined in reference (e).
c. **Contractors and/or Concessionaire.** Unless addressed specifically by contract, a contractor or concessionaire of NAFs who sells or provides authorized MWR products or services is entitled to the same level of APF support authorized for the applicable MWR program and the APFs shall be used strictly on the MWR program.

d. **Fees.** MWR programs may charge fees to cover NAF costs associated with management and maintenance of APF provided equipment or materials.

e. **Merchandise Pricing.** Except when authorized by Military Service regulation, no merchandise may be given away or sold for less than cost. No authorized patron shall receive special prices or privileges not available to other patrons. This does not prohibit tailoring unique promotions to major target groups (families, single personnel, retirees, etc.) as a means of increasing participation. Special prices and privileges shall not be given to functions designated as "command-sponsored." Prices for tobacco products, when authorized to be sold, shall be no lower than the selling prices of identical items sold by military exchange retail stores.

6. **Joint Service Operations.** When providing MWR programs, joint Service MWR initiatives are encouraged and should be considered as the first alternative to providing a service. The DoD Components shall update the Assistant Secretary of Defense for Force Management Policy (ASD (FMP)) on current status and future plans for DoD Component joint Service initiatives.

7. **Use of MWR NAFs.** NAFs that are generated from MWR programs or associated with MWR programs shall only be used within MWR programs. The Secretaries of the Military Departments may approve limited waivers for programs closely associated with MWR activities. Unauthorized use of NAFs is addressed in DoD Instruction 1015.1 (reference (e)).

   a. **Command-Sponsored.** Official command-sponsored programs are normally authorized APF support. MWR NAFs shall not be used in support of such functions.

   b. **Private Support.** MWR programs are not authorized to provide NAF financial assistance to private organizations or individuals, unless reimbursed or as authorized by other regulations or statute. MWR programs shall not distribute, transfer, or donate NAF property or assets to a private organization, unless authorized by other regulations or statute. Individuals, units, organizations, or installations shall not have proprietary interest in NAFs and NAFI assets. NAFs shall be used for the collective benefits of patrons who generate them. Fees and charges are assessed owners of privately-owned horses, boats, recreation vehicles, or aircraft that are stabled, moored, provided utilities, or rendered other Government or NAF support.

8. **Cash Accumulation.** The DoD Components shall develop and implement policies to transfer all cash in excess of a military installation's MWR requirements to a single NAF MWR account of each Military Service to be used in accordance with Military Service priorities for MWR programs and capital improvements. Specific guidance is addressed in reference (e).
9. **Customer Focus.** To fulfill the MWR mission, the DoD Components shall establish and operate customer-driven MWR programs as determined by periodic market analysis for the benefit of authorized patrons.

   a. **Market Analysis.** MWR services and products shall be determined by the market as measured by sales, market research, patron affordability, and the ability to maintain financially viable operations.

   b. **Information Management.** Appropriate management information systems shall meet reporting requirements of the installation, major command, Military Services, and the Department of Defense. Automated data processing (ADP) systems shall use open system architecture that facilitates interchange of data among different systems. The Military Services shall enhance ADP cooperative effort initiatives.

   c. **MWR Programs.** In reviewing programs to determine whether current MWR programs should be continued or enhanced or new MWR programs be established, the accessibility and capabilities of existing exchange service, on base commercial, or civilian community MWR alternatives, as well as current and planned MWR programs of adjacent DoD installations, shall be considered. Installations should rely on local community programs to the fullest extent practicable. Separate installation programs should be established only when the local community programs do not meet local installation requirements or when they are not cost-effective.

   d. **Community Agreements.** The DoD Components are authorized to establish agreements with local governments for use of similar Category A and B MWR programs when it is in the best interest of the Department of Defense, and when the provision of such agreements are otherwise in compliance with applicable law and regulation. When existing Category C programs have capacity excess to authorized patron requirements, the Secretary of the Military Department may grant waivers for local community use on a case by case basis. Authorized patrons are in enclosure 3.

   e. **Commercial Alternatives.** The DoD Components should consider the cost-effectiveness of using exchange service alternatives, on base commercial activities, or local community alternatives to operate MWR programs on a case-by-case basis. (See specific guidance on contracts for physical fitness support in enclosure 8.)

10. **Unauthorized Activities.** The DoD Components shall not operate the following activities and programs:

    a. Lotteries or sale of lottery tickets.

    b. Pull-tab bingo.
c. Sale of firearms or ammunition, except in rod and gun clubs, outdoor recreation programs, community recreation sports centers, skeet and trap programs, or other MWR Category B programs as determined by the installation commander.

d. Sale or redemption of chit books related to the sale of alcoholic beverages.

e. Award of coupons for reduced prices on alcoholic beverages or tobacco products.

f. Sale of State excise tax-free tobacco products through vending machines.

11. **Special Activities.** The DoD Components may operate the following special interest activities and programs:

   a. **Gaming.** Before conducting games or related entertainment activity, personnel shall review applicable provisions of the Standards of Conduct and Joint Ethics Regulation (references (h) and (i)).

      (1) **Amusement and/or Recreation Machines.** In overseas locations, unless prohibited by host-country laws or agreements, the Military Services may operate slot machines or other recreation machines that return money or tokens redeemable in money. Payouts from recreation machines and use of revenues shall be determined by the Military Services.

      (2) **Bingo.** May be played on installations within the United States, its territories, and possessions that are fully ceded to the U.S. Government and on those installations that are not fully ceded where playing bingo is allowed within the local civil jurisdiction, State, territory, or possession. Bingo may be played at installations in foreign countries when not prohibited by host-country laws or agreements.

      (3) **Raffles.** May be played on installations within the United States, its territories, and possessions that are fully ceded to the U.S. Government and on those installations that are not fully ceded where playing raffles is allowed within local civil jurisdiction, State, territory, or possession. All raffles will comply with applicable Federal laws (e.g., 18 U.S.C. 1301, reference (j)). Raffles may be played at installations in foreign countries when not prohibited by host-country laws or agreements. Review of all raffles proposals for legal sufficiency is required. Raffle promotions, sale of raffle tickets, and award of prizes shall take place on the sponsoring installation. Participation of local national personnel is prohibited. Raffles shall be structured to at least cover costs of conducting the raffle. Raffle tickets shall clearly state the maximum number of tickets offered for sale in the raffle.

      (4) **Monte Carlo.** Monte Carlo is a scheduled event that provides games and activities played exclusively for entertainment and does not provide any monetary gain in the form of legal tender to the participant. This does not preclude the award of prizes (non-monetary). Once a patron purchases the necessary instrument; that is, tickets, chits, or chips, for use to participate in the available games and activities, no reimbursement may be made for unused or accumulated instruments. In the United States, Monte Carlo games shall conform to
State and local requirements unless these events are played at installations under exclusive Federal jurisdiction. International agreements apply overseas.

b. **Entertainment.** Entertainment and social events shall adhere to standards of good taste and shall not promote environments that are perceived as insulting to the audience. Programs that may offend the audience, including topless or nude entertainers or participants, shall not be permitted. Each event, when viewed in the context of both local and Service standards, must be able to withstand objective scrutiny.

c. **Commercial Sponsorship.** See enclosure 9.

d. **Advertising.** See enclosure 10.

12. **Staffing.** Although NAF employees provide the primary source of staffing, MWR programs are authorized APF staffing for Executive Control and Essential Command Supervision (ECECS) (see definition 12, enclosure 2) and in accordance with the appropriate funding category specified in enclosure 6. Military personnel may be assigned based on paragraphs D.12.b. through d., below.

a. **Civilian Personnel.** The DoD Components shall staff MWR programs primarily with civilians. NAF civilian employee personnel policies shall be in accordance with DoD Instruction 1401.1 (reference (k)).

b. **Permanent Military Personnel.** May be assigned when filling:

   (1) A position in a Category A or B (mission sustaining and/or community support) program, when the Military Service determines assignment of military personnel is required to support wartime or contingency operations, is required based on past practice, or is required for overseas rotation.

   (2) An ECECS position based on the criteria in subparagraph D.12.b.(1), above, or when the position cannot be filled effectively with civilians.

   (3) A life guard position at a Category A swimming pool.

c. **Temporary Military Personnel.** May be placed on temporary assignment to MWR programs, to include detail and temporary duty, for a period not to exceed 90 days, unless a longer period is approved by the head of the DoD Component concerned. Temporary assignments may be made only under the following conditions:

   (1) Fleet Marine Force Personnel Assistance Program (FAP) personnel are not occupying table of organization billets and are required to carry out the provisions of the FAP. (No personnel shall be used to fill Category C program positions.)

   (2) Mobility or deployment requirements occur.
(3) Training to upgrade or maintain essential military skills cannot be provided through other means.

d. Volunteer Military Personnel. This Instruction is not intended to discourage officer and enlisted volunteers or NAF part-time or off-duty employment of enlisted personnel.

e. Seasonal Employment. The assignment of APF seasonal over-hire personnel employed under summer youth hire programs and other DoD and non-DoD funded programs is encouraged where authorized.

13. Installation MWR Support. The DoD Components shall provide MWR support to all DoD personnel and activities supported by the installation, in compliance with "Authorized Patronage" definitions of enclosure 3. Tenants shall receive MWR services from the host installation or community and shall not duplicate those services.

   a. Interagency Support. The installation or community commanders shall provide MWR support for all Military Service organizations, units, individuals, and DoD Agencies located on an installation or in a community. Exceptions may be granted under agreements between the Military Departments or Defense Agencies concerned. DoD Instruction 4000.19 (reference (1)), applies to inter-Service, interdepartmental, and interagency support.

   b. Interagency Patronage. All personnel assigned or working for tenant organizations and units shall be afforded the opportunity to participate in MWR programs as determined by patron authorization (enclosure 3).

14. Base Realignment and Closure (BRAC). MWR realignment and closure costs are authorized funding from all BRAC accounts. APFs may finance MWR costs that are a direct result of an approved BRAC action.

   a. BRAC Funding. MWR programs may use BRAC funding for costs affecting personnel (civilian severance, civilian permanent change of station (PCS), outplacement, transportation of property, etc.). Such funding may also be used for planning and design, minor construction, or operations and maintenance. This includes the cost equal to the depreciated value of the MWR NAF investment in acquisition, construction, or improvement of real property and facilities.

   b. Redesignation. At BRAC closure designated locations, Category C MWR programs shall be considered as "Remote and Isolated" at a time determined by the Military Service or DoD Component concerned to support a reasonable level of service to the remaining population. Conversions of a position from NAF to APF and APF to NAF is prohibited after the announcement of the closure of the activity. Programs shall continue to provide essential needs.

   c. Property. MWR NAF personal property belongs collectively to the Service members and is not considered APF Government property. At BRAC locations, this NAF property may be
removed at the Military Service or DoD Component’s discretion. Every effort should be made to ensure the local redevelopment authority is aware of this difference from APF property. APF purchased MWR property is considered Government property subject to normal BRAC rules.

d. **NAF Treasury BRAC Account.** Proceeds from the sale at BRAC sites of NAF real property or facilities acquired, constructed, or improved with NAF shall be deposited in a reserve Treasury BRAC account. The amount deposited shall be equal to the depreciated value of the investment made with such funds in the acquisition, construction, or improvement of that particular real property or facility. The Secretary of Defense may use amounts in the account for acquiring, constructing, and improving NAFI real property and facilities.

15. **Resale.** MWR programs may engage in resale activities and services that are directly related to their program as defined in enclosure 4. Such activities shall be NAF-operated. Otherwise, military exchanges shall be the primary source of resale merchandise and services on DoD installations. MWR programs shall obtain, in advance, written right of first refusal from the exchange service to operate any other resale or service activity.

a. **Consignment.** Sales may be conducted only when authorized by the DoD Component. Adequate controls shall be established to safeguard against NAF liability for the merchandise.

b. **Services.** The sale of services in which income is received is not considered resale but is defined as participation fees and charges or dues and assessments.

16. **Child Care.** See DoD Instruction 6060.2 (reference (m)).

17. **MWR Support to Military Missions in Foreign Countries.** See enclosure 11.

18. **Alcoholic Beverages.** See enclosure 12.

19. **Lodging**

a. **PCS Lodging.** The Military Service concerned shall determine the method of delivery of lodging services for PCS personnel. MWR programs (to include exchange services) may provide lodging needs for PCS personnel and their families. When these PCS needs are met by MWR operating facilities or the facilities are built and maintained by MWR NAFs, they shall be a part of the single MWR NAFI and shall operate as a Category C Revenue Generating activity. When such facilities are built and maintained or operated by other than the MWR program or exchange service, they shall be a separate fund, designated as a Lodging or Billeting fund, independent of the single MWR fund. These facilities are provided to meet the traveling needs of active duty members and their families who are in a PCS status and normally provide some type of kitchen facilities. PCS style lodging facilities may also be used by individuals who are in a temporary duty (TDY) status and other authorized patrons; however, PCS personnel have priority use.
b. **TDY Lodging.** Official travel quarters, which are called temporary unaccompanied personnel housing (TUPH), are the primary source of quarters for TDY personnel and shall be used if available. PCS personnel and their families may use TUPH. TUPH shall be a separate fund, designated as a Lodging or Billeting fund, independent of the single MWR fund.

20. **Standards of Conduct.** The standards of conduct published in DoD Directive 5500.7 (reference (h)) and DoD 5500.7-R (reference (i)) are applicable to personnel assigned to or employed by MWR programs, services, and entertainment. Violations by personnel subject to the Uniform Code of Military Justice (UCMJ) (reference (n)) are punishable under reference (n).

21. **Equal Opportunity.** The non-discriminatory provisions in DoD Directives 1350.2 (reference (o)) and 1020.1 (reference (p)) are applicable to MWR programs, services, and entertainment, and shall guide MWR officials and employees in the performance of their duties.

22. **Fiduciary Responsibility.** NAF are Government funds entitled to the same protection as funds of the U.S. Treasury. NAF are designated for the benefit of authorized patrons and the purposes of the NAFI. There is an individual fiduciary responsibility for properly using NAF and preventing waste, loss, or unauthorized use. The Department of Defense encourages the reporting of suspected violations at the lowest organization level possible. However, reports may be made to senior management, organizational inspectors general, or to the Department of Defense Hotline. Commanders are responsible for prompt detection, proper investigation, and appropriate corrective action. Individuals reporting NAF violations are protected from reprisal. DoD Directive 1401.3 (reference (q)) is applicable to NAF employees and employers and contains protections and responsibilities in NAF whistleblower cases in accordance with DoD 7000.14-R (reference (g)). Commanders shall take appropriate action against present and former personnel responsible for violations. In cases of a serious criminal infraction, commanders shall refer the matter to the appropriate Defense criminal investigative organization for investigation and referral to judicial authorities. Under 10 U.S.C. 2783b (reference (r)), penalties for substantial violations of regulations governing the management and use of NAF by civilian NAF employees shall be the same as provided by law for misuse of appropriations by civilian employees of the Department of Defense paid from APFs. Violations by personnel subject to the UCMJ (reference (n)) are punishable under reference (n).

E. **RESPONSIBILITIES**

1. The **Assistant Secretary of Defense for Force Management Policy,** under the **Under Secretary of Defense for Personnel and Readiness,** shall:

   a. Serve as the principal point of contact on all MWR policy matters with the DoD Components.

   b. Develop policy and guidance to ensure proper administration and management of MWR programs and monitor compliance thereof.

   c. Develop a DoD MWR strategic plan.
d. Develop DoD MWR goals.

e. Require minimum MWR standards and monitor compliance.

f. Oversee total APF and/or NAF resourcing of MWR programs.

g. Establish working groups with representatives from Components throughout the Department of Defense to assist in formulation and review of MWR policies.

2. The **Heads of the DoD Components** shall:

   a. Designate a focal point to perform control, coordination, oversight, and information management functions for MWR programs.

   b. Develop Military Service standards for all MWR programs in support of DoD goals.

   c. Ensure effective short- and long-term planning for MWR.

   d. Fund MWR programs with the proper fund sources. Ensure respective funding streams are identified in annual budgets to meet MWR goals.

   e. Ensure installations operate market driven MWR programs as determined by market analysis for the benefit of authorized patrons.

   f. Submit all management and financial reports to the ASD(FMP) reflecting personnel and financial management data in accordance with DoD Instructions 1015.1 and 1330.20 (references (e) and (f)) and DoD 7000.14-R (reference (g)).

   g. Report to the ASD(FMP) on current status of joint Service initiatives.

   h. Ensure that cash in excess of installation military MWR requirements is transferred to a single NAF MWR account of the Military Service.

   i. Encourage cost-effective exchange service alternatives, or on base commercial or local commercial alternatives to operation of on-base MWR programs.

   j. Ensure comparable MWR support to all qualified individuals assigned or supported on the DoD installation.

   k. Ensure training is provided stressing stewardship and customer orientation.

   l. Encourage the use of products and services provided by MWR activities.

   m. Implement all other MWR operating policies as identified in this Instruction.
3. The Heads of the DoD Components (other than OSD, the Secretaries of the Military Departments, and the Chairman of the Joint Chiefs of Staff), shall establish, manage, and control MWR programs in accordance with the directives of the Military Department responsible for logistical support.

F. PROCEDURES

Procedures are in enclosures 3 through 12.

G. EFFECTIVE DATE

This Instruction is effective immediately.

Assistant Secretary of Defense
(Force Management Policy)

Enclosures - 12
1. References
2. Definitions
3. Authorized Patronage of Military MWR Programs
4. MWR Programs
5. DoD Remote and Isolated Installations
6. MWR Program APF Support Table of Authorizations
7. Metrics, APF Support as a Percent of Total Expenses
8. Physical Fitness Services
9. Commercial Sponsorship Policy
10. Advertising Policy
11. MWR Support to Military Missions in Foreign Countries
12. Alcoholic Beverages
REFERENCES, continued

(e) DoD Instruction 1015.1, "Establishment, Management and Control of Nonappropriated Funds Instrumentalities," August 19, 1981


(j) Section 1301 of title 18, United States Code

(k) DoD Instruction 1401.1, "Personnel Policy for Nonappropriated Fund Instrumentalities (NAFIs)," November 15, 1985

(l) DoD Instruction 4000.19, "Interservice, Interdepartmental, and Interagency Support," April 15, 1992

(m) DoD Instruction 6060.2, "Child Development Programs (CDPs)," January 19, 1993

(n) Chapter 47 of title 10, United States Code, "Uniform Code of Military Justice"


(p) DoD Directive 1020.1, "Nondiscrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of Defense," March 31, 1982


(r) Sections 672, 673, 2488, 2683, 2783b, 2801, 2805, and 2811 of title 10, United States Code

(s) DoD Instruction 1000.15, "Private Organizations on DoD Installations," September 22, 1978

(t) Sections 106 and 109 of title 38, United States Code

(u) Section 754 of title 30, United States Code


(x) DoD Instruction 5120.4, "DoD Newspapers and Civilian Enterprise Publications," November 14, 1984


DEFINITIONS

1. **Advertising.** The medium providing conspicuous notice or information to the public through private and public media, such as newspapers, magazines, trade and professional journals, special printed matter, circulars, flyers, posters, signs, radio, television, and other promotional devices, such as decals, table tents, or activity calendars. Includes merchandise containing advertising that is free of charge as a bonus or as an inducement to buy. Examples of premiums are ball-point pens or plastic rulers having an intrinsic item value of not over $10 retail.

2. **Alcoholic Beverages.** Beverages containing any alcohol including wines, malt beverages, and distilled spirits. This excludes nonalcoholic beer and wine products.

3. **Appropriated Funds (APF).** Funds appropriated by Congress.

4. **Architectural and Engineering Services.** Applies to services that include the necessary consultations, preparation of preliminary studies, analysis, cost estimates, working drawings, specifications, interior design and decoration, and the inspection and supervision services required for the construction, alteration, or repair of real property facilities.

5. **Auditing Services.** Relates to the independent examination, review, and evaluation of the records, controls, practices, and procedures in the area of financial and operational management of MWR.

6. **Common Support.** That direct support used to fund the management, administration, and operation of more than one MWR program or category and that is not easily or readily identifiable to a specific MWR program. Examples of common support are central accounting office functions, civilian personnel office functions, ECECS, common warehousing functions, and central procurement functions.

7. **Communications.** Applies to electronic communications (for example, telephone, teletype, television, fax, modem, Defense Switched Network, Automatic Data Information Network, on-base telecommunications cable); postage service (dispatch of official mail and rental of post office boxes, domestic, international, or military postal service); and printing and reproduction, including work done on printing presses, lithographing, and other duplicating related to binding operations, photography, microfilming, formats and forms development, editing, and graphics.

8. **Conversion.** Work required to adjust interior arrangements or other physical characteristics of an existing facility, or part of a facility, so it may be used for a new purpose where the facility category code changes. This includes equipment installed in, and made a part of, the existing facility. Work required to adjust interior arrangements or other physical characteristics of an existing facility, that does not change the primary purpose of the MWR activity and/or program being conducted within the facility is not a conversion and is not reported or reviewed as a new NAF construction project.
9. Custodial and Janitorial Service. Applies to the manpower, supplies, and equipment the installation engineer or contractor provides.

10. Customer Driven. Programs and services provided based on customer input.

11. Data Automation. Applies to automated data processing system development or operation.

12. Equipment Maintenance and Repair. Applies to the maintenance, repair, and overhaul of equipment either authorized on table of allowances or on loan to MWR.

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

14. Facilities Maintenance. Refers to the day-to-day work required to preserve real property facilities and prevent premature failure or wearing out of system components (electrical, mechanical, heating and air conditioning, plumbing, roofing, foundations, doors, windows, etc.) or damage to the facility interior resulting from failure of a facility system or to meet health and safety requirements, etc. Work required to prevent or correct all life safety deficiencies; ensure the structural and operational integrity of the building components (such as roofing, foundations, ceiling, floors, walls, windows, doors, etc.); and installed building equipment and systems (such as plumbing, heating, ventilating, cooling, air conditioning, electrical fire protection, and security, etc.); and preserve the existing exterior of a facility.

15. Facility Repair. Work that is required to restore a facility structure, components, and systems to its safe, effective, and economical support of assigned missions and organizations. If this repair work is done to support activities that are authorized to receive APF support, it may be funded with APFs. For such projects, repair work costing up to $5 million for an entire single purpose facility or one or more functional areas of a multipurpose facility can be funded from the Operation and Maintenance appropriation in accordance with 10 U.S.C. 2811 (reference (r)). Repairs costing more than $5 million require Military Department Secretary approval. As a general guideline, when it is estimated that repair costs would exceed 70 percent of replacement costs, replacement rather than repair is recommended.

16. Family Member. Individuals whose relationship to the sponsor leads to entitlements, to benefits, or privileges administered by the Uniformed Services.

17. Grounds Maintenance. Scheduled routine maintenance that the engineering personnel conduct on the installation on grounds, lawn shrubbery, flowers, landscaping, and picnic and park areas (on installation and off installation recreation sites). Excludes golf course grounds except grounds surrounding the immediate area of the club house.
18. **Installation.** Any DoD real property, area, or facility that is controlled, owned, leased, or funded by the Department of Defense.

19. **Installation Expansion.** A major increase in authorized and assigned personnel strength over a short period of time. Such expansion must be the result of a mission change or influx of new units or systems. As an example, a 25 percent increase in a 1-year time span satisfies these criteria. In contrast, personnel increases resulting from an evolutionary expansion occurring over several years do not satisfy these criteria.

20. **Market Analysis.** Identification of the market and analysis of wants, needs, and desires of that market.

21. **Military Community.** Includes U.S. military and family members and DoD civilian population working and assigned to DoD installations. Also includes retired military and other authorized patrons shown in enclosure 3.

22. **Military Construction.** Applies to the erection or installation of new buildings or systems, additions, and conversions, including major repair work. See 10 U.S.C. 2801 (reference (r)) for APF projects.

23. **Minor Construction.** Applies to erecting, adding, expanding, altering, converting, replacing, or relocating an existing facility, provided the cost does not exceed certain dollar limits. See Section 2805 of reference (r) for APF projects.

24. **Morale, Welfare, and Recreation (MWR) Facilities.** A building, structure, land area, or other real property improvement primarily used for MWR.

25. **Morale, Welfare, and Recreation (MWR) Programs.** Those military MWR programs (exclusive of private organizations as defined in DoD Instruction 1000.15 (reference (s)) located on DoD installations or on property controlled (by lease or other means) by the Department of Defense or furnished by a DoD contractor that provide for the mission sustainment, community support, and other revenue generating programs for authorized DoD personnel. They include programs listed in enclosure 4. Civilian employee MWR activities are contained in DoD Directive 1015.8 (reference (c)).

26. **Morale, Welfare, and Recreation (MWR) Programs Operations.** Applies to work accomplished within a facility in support of an MWR program such as repair and maintenance of bowling lanes, pin setting equipment, floor covering, (for example, carpet, hardwood, decorative tile), wall coverings, decorative light fixtures to include chandeliers, club bars, lounges, snack bars, kitchens (including grease traps, range hoods and ducts, etc.), golf clubhouse locker rooms, riding stables and fencing, marina docks, dredging, and repair of bulkheads. Also applies to equipment maintenance that is a direct function of the activity (for example, repair of stoves, cash registers, point of sale systems, dishwashers, liquor systems, and walk in coolers).
27. **Nonappropriated Funds (NAF).** Cash and other assets received from sources other than monies appropriated by the Congress of the United States. (NAFs must be resources of an approved NAFI.) NAFs are U.S. Government funds, but they are separate and apart from funds that are recorded in the books of the Treasury of the United States. They are used for the collective benefit of the authorized patrons who generate them.

28. **NAF Construction.** Single undertaking that produces a complete and usable facility or a complete and usable conversion of an existing facility. (See “conversion” definition 8.) Construction includes erection, installation, or assembly of a new facility; the addition, expansion, extension, relocation, or replacement of an existing facility; and site preparation, excavation, filling, landscaping, land improvements, utility connections, and installed equipment therein.

29. **Nonappropriated Fund (NAF) Employee.** A person employed by a NAFI program and compensated from NAFs. Does not include contractor personnel.

30. **Overseas Locations.** Any installation located outside the 48 contiguous United States.

31. **Premium.** Coupons, product samples, and other similar items or media offered by merchandisers as enticements to purchase commercial products and merchandise.

32. **Ready Reserve.** Comprised of military members of the National Guard and Reserve, organized in units or as individuals, liable for recall to active duty in time of war or national emergency under 10 U.S.C. 672 and 673 (reference (r)). The Ready Reserve consists of three subcategories: the Selected Reserve, the Individual Ready Reserve, and the Inactive National Guard.

33. **Remote and Isolated Installation.** An installation meeting the criteria shown in enclosure 5.

34. **Rents.** Applies to the use or possession of non-DoD lands, buildings, and other improvements and installed equipment for a specified period through contract, lease agreement, or other legal instrument when authority is granted through appropriate channels.

35. **Resale Activities.** The acquisition and resale of goods and services conducted by MWR programs or concessionaires. Specifically excluded from this definition are user fees, interest, and other sources of income not directly related to the sale or resale of merchandise and services.

36. **Retired Personnel**

   a. **Uniformed Personnel**

      (1) All personnel carried on the official retired lists (Active and Reserve) of the Uniformed Services, who are retired with pay, granted retirement pay for physical disability, or entitled to retirement pay whether or not such pay is waived.
(2) Members of the Retired Reserve who have qualified for retired pay at age 60, but who have not yet reached age 60.

(3) Personnel of the emergency officers' retired list of the Army, Navy, Air Force, and Marine Corps who are retired under 38 U.S.C. 106 and 109 (reference (t)).

(4) Retired officers and crew of vessels, and lighthouse keepers and depot keepers of the former Lighthouse Service under 30 U.S.C. 754 (reference (u)).

b. Retired DoD Civilian Employees. Those retired NAF and APF civilian employees of the Department of Defense and its Components.

37. Services. A system or method of providing authorized patrons with the use of a broad spectrum of MWR programs or activities services that are an extension of another more specific MWR program or activity as classified in enclosure 4 of this Instruction. Examples include but are not limited to classes, seminars, instructions, etc.

38. Supplies. Applies to supply items (expendable that are consumed or lose their identity when used, or whose low value do not require the same accountability required for equipment).

39. Surviving Family Members. Family members of a Service member who died while on active duty or while in a retired status, who are dependent on the surviving spouse for over half their support.

40. Surviving Spouse. A widow or widower who has not remarried or who, if remarried, has reverted through divorce, annulment, or the demise of the spouse, to an unmarried status.

41. Utilities. Includes the cost of water, gas, electricity, and other utility services used by MWR programs. Rates charged will not include incremental or prorated share of overhead, maintenance, and repair to utility systems, or capital investments in the installation's utility infrastructure systems unless otherwise specified by a memorandum of agreement (MOA) or Inner Service Support Agreement (ISSA).
AUTHORIZED PATRONAGE OF MILITARY MWR PROGRAMS

A. GENERAL

1. Authorizations shown in subsections B.1. and B.2., below, shall be used to determine program access, except where authorization is in conflict with international agreements.

2. Access to military exchanges, and their programs, shall be in accordance with DoD Directive 1330.9 (reference (d)).

3. If MWR facilities cannot accommodate all authorized patrons, the installation commander determines specific use priorities. The priorities for those authorized to use MWR facilities in such situations shall be based on the priorities established in subsections B.1 and B.2, below. Members of the Ready Reserve and Retired Reserve, including those who have qualified for retired pay at age 60, but who have not yet reached age 60, are permitted use of Category C activities on the same basis as members on active duty.

4. The DoD Component concerned shall ensure patrons are identified as authorized before providing privileges.

5. Patron eligibility for child development programs is provided in DoD Instruction 6060.2 (reference (m)).

B. ELIGIBLE PATRONS

1. Unlimited use authorized for all MWR programs:

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>AUTHORIZED GROUP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Armed Forces and their families</td>
<td>Members on active duty</td>
</tr>
<tr>
<td></td>
<td>Members of the Reserve Components (Ready Reserve and National Guard; Reservists in training)</td>
</tr>
<tr>
<td></td>
<td>Cadets of Service Academies</td>
</tr>
<tr>
<td>Other Uniformed Services</td>
<td>Members of the Coast Guard, Commissioned Corps of the Public Health Service, and Commissioned Corps of the National Oceanic and Atmospheric Administration on active duty</td>
</tr>
<tr>
<td>Armed Forces retirees and their family members</td>
<td>Retired from active duty</td>
</tr>
<tr>
<td></td>
<td>Retired from the Reserves with pay, and retired without pay (gray area)</td>
</tr>
<tr>
<td>CATEGORY</td>
<td>AUTHORIZED GROUP</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Others separated from the</td>
<td>Honorably discharged veterans with 100 percent Service-connected disability and</td>
</tr>
<tr>
<td>Armed Forces and their</td>
<td>involuntarily separated service members under the Transition Assistance Management</td>
</tr>
<tr>
<td>family members</td>
<td>Program. Personnel separated under the Voluntary Separation Incentive (VSI) and</td>
</tr>
<tr>
<td></td>
<td>Special Separation Benefit (SSB) programs for two years after separation.</td>
</tr>
<tr>
<td></td>
<td>Medal of Honor recipients</td>
</tr>
<tr>
<td>Former and/or surviving</td>
<td>Unmarried surviving spouses of personnel who died while on active duty or while in</td>
</tr>
<tr>
<td>spouses and family members</td>
<td>retired status</td>
</tr>
<tr>
<td></td>
<td>Unmarried former spouses who were married to military members for at least 20</td>
</tr>
<tr>
<td></td>
<td>years while the military member was on active duty to the Armed Forces.</td>
</tr>
<tr>
<td></td>
<td>Orphans of military members, when not adopted by new parents, under 21 years old</td>
</tr>
<tr>
<td></td>
<td>(or over if they are incapable of supporting themselves, or 23 years old if they</td>
</tr>
<tr>
<td></td>
<td>are in full-time study)</td>
</tr>
<tr>
<td>U.S. DoD civilians and their</td>
<td>When stationed outside the U.S.</td>
</tr>
<tr>
<td>family members</td>
<td></td>
</tr>
<tr>
<td>Other supporters of DoD</td>
<td>U.S. Federal employees when assigned in areas outside the U.S.</td>
</tr>
<tr>
<td></td>
<td>Medical personnel under contract to the military DoD Component during periods</td>
</tr>
<tr>
<td></td>
<td>when they are residing on the installation</td>
</tr>
<tr>
<td></td>
<td>Military personnel of foreign nations and their family members when on orders</td>
</tr>
<tr>
<td></td>
<td>from the U.S. Armed Forces, or in overseas areas when the major command</td>
</tr>
<tr>
<td></td>
<td>commander grants privileges in the best interest of the U.S.</td>
</tr>
<tr>
<td></td>
<td>Paid members of the American Red Cross, Young Mens Christian Association, United</td>
</tr>
<tr>
<td></td>
<td>Service Organization and other type 1 private organizations identified in DoD</td>
</tr>
<tr>
<td></td>
<td>Instruction 1000.15 (reference(s)) when assigned with U.S. Armed Forces outside</td>
</tr>
<tr>
<td></td>
<td>the U.S.</td>
</tr>
<tr>
<td></td>
<td>U.S. employees of firms under contract to Department of Defense working on an</td>
</tr>
<tr>
<td></td>
<td>installation when assigned in areas outside the U.S.</td>
</tr>
</tbody>
</table>

2. Limited use of military MWR activities at the discretion of the installation commander. Commanders open activities to these patrons based on local demand and capacity. Resale of food, State tax-free beverages, and tobacco products is restricted to amounts consumed on the premises, and to convenience merchandise incidental to daily participation (such as golf tees):
<table>
<thead>
<tr>
<th>Others associated with the Department of Defense</th>
<th>Reserve Officers' Training Corps cadets when participating in field training or practice cruises</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Former Prisoners of War (POWs) and spouses of POWs or Service members missing in action may use clubs</td>
</tr>
<tr>
<td>Other Federal Employees</td>
<td>Use of clubs within the U.S. Individuals are recertified annually</td>
</tr>
<tr>
<td>Guests</td>
<td>Who are not otherwise eligible to use MWR programs, when specifically invited and accompanied by an authorized patron. Installation commanders approve local rules governing the number of guests and the frequency of use at specific facilities</td>
</tr>
<tr>
<td>Members of the public within the U.S.</td>
<td>Leaders in the local community designated by the installation commander. Individuals are recertified annually</td>
</tr>
<tr>
<td></td>
<td>Members of the general public can attend infrequent MWR-sponsored events when the installation meets controls established by the DoD Component, to include at minimum, the criteria below.¹</td>
</tr>
<tr>
<td></td>
<td>Members of the general public within the U.S. may use Category C programs on a continual basis when criteria below¹ has been met and specifically approved by the DoD Component. This approval authority may not be delegated below the Military Service level.</td>
</tr>
</tbody>
</table>

¹a. Commander determines that adequate facilities are available and currently underutilized by authorized patrons.

¹b. Written agreements are obtained from local government officials or other appropriate community leaders indicating that they have no objections to expanded use of military MWR programs.

¹c. Allowing these individuals to use these facilities is beneficial to both the military members and civilians in the community.

¹d. No conflict exists with Federal, State, or local laws.
MWR PROGRAMS

A. CATEGORY A - MISSION SUSTAINING PROGRAMS

1. Armed Forces Professional Entertainment Program Overseas
2. Free Admission Motion Pictures
3. Physical Fitness and Aquatic Training
4. Library Programs and Information Services
5. On-Installation Parks and Picnic Areas
6. Basic Social Recreation Activities
7. Shipboard, Company, and/or Unit Level Programs
8. Sports and Athletics (Self-Directed, Unit Level, Intramural)

B. CATEGORY B - BASIC COMMUNITY SUPPORT PROGRAMS

1. Child Care and Youth Programs
   a. Child Development Programs
   b. Youth Activities
   c. Family Child Care
   d. School Age Care
   e. Resource and Referral

2. Community Programs
   a. Cable and/or Community Television (TV)
   b. Recreation Information, Tickets, and Tours Services
   c. Recreational Swimming

3. Outdoor Recreation Programs
   a. Directed Outdoor Programs
   b. Outdoor Recreation Equipment Checkout
   c. Boating without Resale or Private Berthing
   d. Camping (Primitive and/or Tents)
   e. Riding Stables, Government-owned or -leased

4. Individual Recreation Skill Programs
   a. Amateur Radio
   b. Performing Arts (Music, Drama, and Theater)
   c. Arts and Crafts Skill Development
   d. Automotive Crafts Skill Development
   e. Bowling (12 Lanes Or Less)
   f. Other
5. Sports Programs (Above Intramural Level)

C. CATEGORY C - REVENUE GENERATING PROGRAMS

1. Hospitality and Lodging
   a. Joint Service Facilities and/or Armed Forces Recreation Centers
   b. Food, Beverage, and Entertainment Programs
      (1) Membership Club Program
      (2) Non-membership Program
      (3) Snackbars Incidental to Operation of Other Programs
   c. Unofficial Lodging Program
      (1) Recreational Lodging (Cabins, Cottages, Trailers, Trailer and/or Recreational Vehicle (RV) Parks with Hook-Ups)
      (2) PCS Lodging Facilities

2. Other Special Interest Programs
   a. Flying Program
   b. Parachute and Sky Diving Program
   c. Rod and Gun Program
   d. Scuba and Diving Program
   e. Horseback Riding
   f. Video Program
   g. Other

3. Other Revenue-Generating Programs
   a. Resale
   b. Amusement and Recreation Machines and/or Gaming
   c. Bowling (Over 12 Lanes)
   d. Golf
   e. Boating (With Resale or Private Boat Berthing)
   f. Equipment Rental
   g. Unofficial Commercial Travel Services
   h. Other
MWR PROGRAM DESCRIPTIONS

A. CATEGORY A - MISSION SUSTAINING PROGRAMS. Programs within this category promote the physical and mental well-being of the military member, a requirement that supports accomplishment of the basic military mission.

1. ARMED FORCES PROFESSIONAL ENTERTAINMENT PROGRAM OVERSEAS
   Acquisition and support of professional entertainment provided free to Armed Forces personnel overseas.

2. FREE ADMISSION MOTION PICTURES. Free motion picture entertainment provided to shipboard, isolated, or deployed military personnel and other civilians.

3. PHYSICAL FITNESS AND AQUATIC TRAINING. Programs that develop the cardiovascular fitness, strength conditioning, and flexibility of military personnel. Includes swimming programs associated with Service member training. (It does not include those recreational swimming programs in Category B or associated with Category C membership club programs.)

4. LIBRARIES PROGRAMS AND INFORMATION SERVICES. Programs that provide the DoD community with current, retrospective, and authoritative multi-media materials (e.g., books, magazines, newspapers, microforms, tapes, electronic data bases, etc.) in all subject fields. Literary, musical, artistic, and basic reference for recreation and personal education. Generally, does not include those libraries whose primary purpose is to provide technical reference and information related to training centers, military occupational specialty education, or DoD reference facilities.

5. ON-INSTALLATION PARKS AND PICNIC AREAS. Provide on-installation picnic areas, barbecues, pavilions, game fields, fitness trails, nature centers, playgrounds, etc. for self-directed use.

6. BASIC SOCIAL RECREATION PROGRAM. Provide self-directed individual and self-directed and/or directed group activities that promote stress relief, such as video games, entertainment videos, board games, social events, etc.

7. SHIPBOARD, COMPANY, AND/OR UNIT LEVEL PROGRAMS. Support and activities that maintain mission readiness, improve unit teamwork, and create espirit de corps.

8. SPORTS AND ATHLETICS (SELF-DIRECTED AND/OR UNIT LEVEL AND/OR INTRAMURAL) PROGRAMS AND ACTIVITIES. Support for individuals and teams, to enhance individual fitness, and unit teamwork and readiness.

B. CATEGORY B - BASIC COMMUNITY SUPPORT PROGRAMS. These programs satisfy the basic physiological and psychological needs of Service members and families, providing, to
the extent possible, the community support systems that make DoD installations temporary home towns for a mobile military population.

1. **CHILD CARE AND YOUTH PROGRAMS.** Programs associated with the care and development of children of Military Service members and civilians whose primary place of duty or employment is a DoD installation.

   a. **CHILD DEVELOPMENT PROGRAM.** Child care services for children, aged birth through 12 years, of DoD personnel provided in child development facilities, to include contract operations, family child care home, and alternative locations. Care may be provided on a full-day, part-day, or hourly basis. Care is designated to protect the health and safety of children and to promote their physical, social, emotional, and cognitive development and to enhance children’s readiness for later school experiences.

   b. **YOUTH ACTIVITIES.** A full range of community-based educational, social, cultural, recreational, and physical activities that promote the healthy development and transition to adulthood. The Youth Center serves as the “hub” for most activities.

   c. **FAMILY CHILD CARE.** Home-based child care services that are provided for members of the Armed Forces and DoD civilian personnel by an individual who is certified by the Secretary of the Military Department concerned or Defense Agency Director and/or Commander concerned to provide those services, and provides those services for 10 hours or more per week on a regular basis for compensation. Also referred to as Family Home Day Care, Family Home Care, and Family Day Care.

   d. **SCHOOL AGE CARE.** Either facility-based or FCC-based care for children ages 6-12, or attending kindergarten, who require supervision before and after school, during duty hours, school holidays, and during school closures.

   e. **RESOURCE REFERRAL.** A service that provides information about child care services on and off the installation to meet patrons’ child care needs and maximize use of available sources of child care.

2. **COMMUNITY PROGRAMS.** Those programs that are provided for the general enjoyment of the installation community.

   a. **CABLE AND/OR COMMUNITY TV.** Cable and/or Community TV provided within an installation for the general welfare of authorized MWR patrons.

   b. **RECREATION INFORMATION, TICKETS, AND TOURS SERVICES.** Typical services include information brochures and counseling concerning local and regional attractions; local or regional group tours, etc.; tickets to local movie theaters, concerts, plays, sports events, museums, etc.; admission to regional or national theme parks; and provisions for central registration and advance sales for most MWR facilities, services, and programs on the installation.
c. **RECREATIONAL SWIMMING.** Swimming programs in a recreational environment. (Does not include those swimming programs associated with Category C membership club programs.)

3. **OUTDOOR RECREATION**
   
a. **DIRECTED OUTDOOR RECREATION.** Programs that provide instruction and structured outdoor recreational activities (archery, hunting, fishing, rappelling, hiking, backpacking, bicycling, mountain biking, boating, canoeing, camping jamborees, water and snow skiing, etc.)

   b. **OUTDOOR RECREATION EQUIPMENT CHECKOUT.** Supports self-directed and directed participation in outdoor programs. Equipment is purchased with APFs and NAFs for the purpose of being checked out to participants in MWR programs. Fees may be charged to recover all or part of any NAF costs associated with providing this service. Checkout includes tents, coolers, sleeping bags, stoves, skis, canoes, boats, bicycles, and other equipment that support the program. Sale of incidental items such as lantern fuel, mantels, and similar accouterments is authorized.

   c. **BOATING WITHOUT RESALE OR PRIVATE BOAT BERTHING.** Program may include operation of a marina without resale or private boat berthing. Boats and equipment are MWR-owned and -operated. The operation of a snack bar, restaurant, or resale outlet is authorized only as a Category C program.

   d. **CAMPING (PRIMITIVE AND/OR TENTS).** Small campgrounds operated to provide camping as the primary recreation activity or to support participation in adjacent outdoor recreation activities. The operation of a snack bar, restaurant, or resale outlet is authorized only as a Category C program.

   e. **RIDING STABLES, GOVERNMENT-OWNED OR -LEASED.** Government-owned or -leased horses used for recreational riding.

4. **INDIVIDUAL RECREATION SKILL PROGRAMS**
   
a. **AMATEUR RADIO.** Long distance two-way radio operation associated with the Military Affiliated Radio System.

   b. **PERFORMING ARTS (MUSIC, DRAMA, AND THEATER).** Programs that provide for participation in or attendance at the following events: theater centers, dinner theaters, music centers, performing arts centers, pageants, special entertainment events, and community activities.
c. **ARTS AND CRAFTS SKILL DEVELOPMENT.** Programs that emphasize learning by "doing" through formal and informal instruction in fine arts, crafts, and industrial and vocational arts.

d. **AUTOMOTIVE CRAFTS SKILL DEVELOPMENT.** Automotive and electromechanical skill development programs that promote learning by "doing" through formal and informal instruction.

e. **BOWLING (12 LANES OR LESS).** Bowling programs at centers having 12 lanes or less, offering services such as bowling resale, food and beverage, bowling instruction, open play bowling and league bowling.

f. **OTHER.** Other general recreation skill programs to include classes, lessons, seminars, etc.

5. **SPORTS PROGRAMS (ABOVE INTRAMURAL LEVEL).** Competition by individuals or teams representing the installation or higher level. Inter-Service sport competition events sanctioned by the Armed Forces Sports Council as well as participation in national and international sporting events such as the Pan American Games, Conseil International du Sport Militaire, and the Olympics. (See DoD Directive 1330.4, reference (v).)

C. **CATEGORY C - REVENUE-GENERATING PROGRAMS.** These programs are highly desirable as a means of providing recreational activity, with the attendant morale benefit.

1. **HOSPITALITY AND LODGING**

a. **JOINT SERVICE FACILITIES AND ARMED FORCES RECREATION CENTERS** Facilities and programs operated by one Service for all Component use for the primary purpose of providing rest and recreation activities. Includes Armed Forces Recreation Centers, major hotel operations, and recreation sites designed for use by all Armed Forces personnel.

b. **FOOD, BEVERAGE, AND ENTERTAINMENT PROGRAMS**

   (1) **MEMBERSHIP CLUB PROGRAMS.** May include dining, beverage, catering, social events, entertainment, and other services normally associated with a membership organization, as well as hospitality support for official functions.

   (2) **NON-MEMBERSHIP PROGRAMS.** Open to all Category C patrons. No membership or dues requirement. May include dining, beverage, catering, entertainment, social events, and other services associated with a restaurant and entertainment center, as well as hospitality support for official functions.

   (3) **SNACKBARS INCIDENTAL TO OPERATION OF OTHER PROGRAMS** Food and/or limited menu operations providing service in support of other MWR programs.
c. **UNOFFICIAL LODGING AND PERMANENT CHANGE OF STATION LODGING FACILITY PROGRAM.** Facilities built, leased, acquired, maintained, managed, and operated primarily with MWR or exchange service NAFs (or contracted or acquired through NAF contracting process) for patrons who are in a leave or off-duty status. May also be used by individuals and families who are in a PCS or TDY (Temporary Active Duty) status if non-MWR housing facilities or temporary housing is not available.

(1) **RECREATIONAL LODGING CABINS, COTTAGES, TRAILERS, TRAILER AND/OR RV PARKS WITH HOOK-UPS.** Lodging for recreational use on the installation and at off-installation recreation sites.

(2) **PERMANENT CHANGE OF STATION (PCS) LODGING FACILITIES.** As determined by the Military Service, MWR programs (to include exchange services) may provide lodging needs for PCS personnel and their families. When these PCS needs are met by MWR operating facilities or the facilities are built and maintained by MWR NAFs, they shall be a part of the single MWR NAFI and shall operate as a Category C Revenue Generating activity. When such facilities are built and maintained or operated by other than the MWR program or exchange service, they shall be a separate fund, designated as a Lodging or Billeting fund, independent of the single MWR fund. These facilities are provided to meet the traveling needs of active duty members and their families who are in a PCS status and normally provide some type of kitchen facilities. Facilities may also be used by individuals who are in a temporary duty (TDY) status and other authorized patrons; however, PCS personnel have priority use. Official travel quarters (TUPH) are the primary source of quarters for TDY personnel and must be used if available.

2. **OTHER SPECIAL INTEREST PROGRAMS.** (Other than Membership Club Programs Above.) These programs are more highly specialized, appealing to a limited audience, and are supported through user fees.

   a. **FLYING PROGRAM.** Flying (Aero) operations such as rental of aircraft, storing aircraft owned by members, providing flying instruction, and other related services.

   b. **PARACHUTE AND SKY DIVING PROGRAM.** Parachute and Sky Diving programs such as instruction, sponsored jumps, competitions, etc.

   c. **ROD AND GUN PROGRAM.** Programs such as skeet, trap, other shooting programs, instruction, competitions, resale, food and beverage operations, etc.

   d. **SCUBA AND DIVING PROGRAM.** Groups or individuals having an interest in aquatic and scuba type activities, such as instruction, sponsored dives, etc.

   e. **HORSEBACK RIDING PROGRAM.** Provide services such as boarding, organized events, competitions, etc.
f. **VIDEO PROGRAM.** Provides leisure time opportunities for individuals who have a common interest in video entertainment and technology. Includes video tape and peripheral equipment checkout and rental as well as limited resale services.

g. **OTHER.** Those programs established for a special interest not otherwise addressed.

3. **OTHER REVENUE-GENERATING PROGRAMS.** Those MWR programs that provide various entertainment and recreational opportunities for authorized patrons.

   a. **RESALE PROGRAMS.** Resale activities within the restrictions established in subsection D.15. of the main body of this Instruction. Includes audio and/or photo operations overseas, and similar operations.

   b. **AMUSEMENT AND RECREATION MACHINES AND/OR GAMING.** Includes amusement machines, such as video and pinball machines that do not provide a pay-out, and recreation machines, such as slot machines, that provide a pay-out to the player.

   c. **BOWLING (OVER 12 LANES).** Bowling programs at centers having over 12 lanes, offering open play bowling and league bowling, and services such as bowling instruction, bowling resale, food and beverage.

   d. **GOLF.** Offering open play, tournaments, and services such as golf instruction, golf resale, food, and beverage.

   e. **BOATING ACTIVITIES (WITH RESALE OR PRIVATE BOAT BERTHING)** Includes marina operations with private berthing or with resale activities.

   f. **EQUIPMENT RENTAL.** Equipment purchased with NAFs for the purpose of being rented out to customers to support their special interests. Includes rental of equipment such as lawn mowers, roto tillers, chain saws, large boats, and trailers designed for overnight issue. Includes all resale activities and retail outlets that sell specialized outdoor recreation equipment, clothing, gear, and supplies.

   g. **UNOFFICIAL COMMERCIAL TRAVEL SERVICES.** Economical commercial leisure travel services are usually contracted and defined by high dollar volume, special licensing authority or certification, and other requirements not routinely attainable or suitable to Government involvement. Services may be provided from either transportation-managed offices, or from MWR facilities dedicated exclusively to leisure travel products and services; e.g., air, rail and bus tickets, packaged tours, group tours, cruises, travel insurance, etc.; may also include remote or automated services to satisfy requirements of installations that lack sufficient volume to justify a manned office.

   h. **OTHER.** Appropriate programs not identified or included in the revenue generating group of programs.
DoD REMOTE AND ISOLATED INSTALLATIONS
(APF Support for Category C Programs)

A. BACKGROUND. As requested in 30 U.S.C. 754 (reference (u)), the Department of Defense may inform the Committee on Armed Services of the Senate and the Committee on National Security of the House of DoD installations, having Category C programs, considered eligible for exemption from the normal Category C APF funding authorization in enclosure 6.

B. GENERAL

1. Certain installations (with Category C programs) may not be capable of self-sufficiency due to extenuating circumstances. Installations that ultimately are included on the "remote and isolated" list, however, must have special circumstances that genuinely require additional APF assistance to continue their Category C programs.

2. Those Category C programs at installations, designated as remote and isolated for MWR program purposes, are authorized, generally, the same type of funding as Category B programs. These exemptions are allowed because these locations are isolated or are exceptional due to conditions that make them very similar to isolated and remote locations.

C. OBTAINING AND MAINTAINING REMOTE AND ISOLATED LOCATION STATUS

1. The major factors in evaluating potential candidates for remote and isolated status are the installation's financial capability, performance, and degree of assistance provided by major commands and the Military Service. Other factors that may assist in evaluating the installation as a remote and isolated location include extenuating circumstances that may seriously hinder operation of the installations Category C programs. These may include:

   a. Special security conditions, such as continued threat of civil disorder, political unrest, criminal activity, or terrorist attack that prevent authorized personnel from using on and off-base recreation facilities.

   b. Significant currency fluctuation that greatly affect the cost of all goods and services purchased on the local economy, including MWR.

   c. Extreme climatic or environmental conditions that routinely and for extended periods prevent the use of off-base recreational activities.

   d. Locations where the mission requires a capability to provide MWR support as a result of significant temporary increase or decrease in personnel who are not part of the regular Manning complement of the base, but are assigned for training, for liberty, or for other temporary purposes.
e. **Short tour location**

   (1) Assignment locations less than 36 months accompanied or 24 months unaccompanied.

   (2) Short tour locations established in recognition of community support, family separation, environmental, cultural, mission, or other factors.

   (3) Conditions at short tour locations that are judged to create enough of a hardship on the military member that a reduced tour length is appropriate.

f. **Geographic separation**

   (1) Installations or sites with less than 3,000 active duty military assigned that are at least 1-hour commuting time (during normal driving conditions) from a community (or other military installation) that has three or more different category C type programs, with one or more of these activities being a bowling center, golf course, or marina.

   (2) Significant cultural differences.

2. Documentation concerning an installation's acceptability for being considered a candidate as "remote and isolated" status shall be submitted to the ASD(FMP). All installations designated as "remote and isolated" locations will submit rejustification when circumstances change substantially.
**MWR PROGRAM**

**APF SUPPORT**

**TABLE OF AUTHORIZATION**

<table>
<thead>
<tr>
<th>ELEMENT OF RESOURCE</th>
<th>APPROPRIATED FUND SUPPORT AUTHORIZED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
</tr>
<tr>
<td>---------------------</td>
<td>---</td>
</tr>
<tr>
<td><strong>1. MILITARY PERSONNEL.</strong> (See subsection D.12. of the main body of this Instruction.)</td>
<td>Y</td>
</tr>
<tr>
<td><strong>2. CIVILIAN PERSONNEL</strong></td>
<td></td>
</tr>
<tr>
<td>a. Permanent and/or Temporary Assignment</td>
<td></td>
</tr>
<tr>
<td>(1) Executive Control &amp; Essential Command Supervision (ECECS) at Headquarters, Major Command &amp; Installation levels.</td>
<td>Y</td>
</tr>
<tr>
<td>(2) Managerial and supervisory functions.</td>
<td>Y</td>
</tr>
<tr>
<td>(3) Base Realignment and Closure (BRAC) related costs for NAF and APF employees.</td>
<td>Y</td>
</tr>
<tr>
<td>(4) Personnel directly and primarily involved in resale.</td>
<td>N</td>
</tr>
<tr>
<td>(5) All other functions.</td>
<td>Y</td>
</tr>
<tr>
<td>b. Additional or Collateral MWR Duties. Same authorization as subsection 2.a., above.</td>
<td></td>
</tr>
<tr>
<td><strong>3. TRAVEL OF PERSONNEL</strong></td>
<td></td>
</tr>
<tr>
<td>a. Permanent Change of Station (PCS)</td>
<td></td>
</tr>
<tr>
<td>Same authorization as subsection 2.a., above.</td>
<td></td>
</tr>
<tr>
<td>b. Temporary Duty (TDY and/or TAD) Travel.</td>
<td></td>
</tr>
<tr>
<td>(1) APF employees and military members.</td>
<td>Y</td>
</tr>
<tr>
<td>(2) NAF employees, regardless of position or MWR category, when travel is directed by a DoD Component or organization and the TDY is for a Government purpose related directly to functions authorized APF support.</td>
<td>Y</td>
</tr>
<tr>
<td>(3) NAF employees on NAF business.</td>
<td>N</td>
</tr>
<tr>
<td>(4) International and national sports competition authorized by statute and other DoD issuances to include command supervision. (Does not prevent space available travel by participants in MWR athletic, recreation, and entertainment events programs.)</td>
<td>Y</td>
</tr>
<tr>
<td>c. Use of Vehicles. Includes motorpool controlled vehicles.</td>
<td></td>
</tr>
<tr>
<td>(1) To assist in ECECS.</td>
<td>Y</td>
</tr>
<tr>
<td>(2) Other than to assist in ECECS. When not</td>
<td>Y</td>
</tr>
<tr>
<td>ELEMENT OF RESOURCE</td>
<td>APPROPRIATED FUND SUPPORT AUTHORIZED</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td></td>
<td>A</td>
</tr>
<tr>
<td>authorized, use of reimbursable lease is allowed.</td>
<td></td>
</tr>
<tr>
<td>d. Household Goods. Applies to the authorized transportation of household goods for either:</td>
<td></td>
</tr>
<tr>
<td>(1) APF Personnel.</td>
<td>Y</td>
</tr>
<tr>
<td>(2) NAF Personnel.</td>
<td>Y</td>
</tr>
<tr>
<td>4. TRANSPORTATION OF THINGS</td>
<td></td>
</tr>
<tr>
<td>a. APF Purchased Goods</td>
<td>Y</td>
</tr>
<tr>
<td>b. NAF Purchased Goods</td>
<td></td>
</tr>
<tr>
<td>(1) Transoceanic U.S. and Foreign Goods</td>
<td>Y</td>
</tr>
<tr>
<td>Applies to the movement of goods to and from Continental United States (CONUS) sea and aerial ports of debarkation to the first destination overseas (referred to as second destination charges) including Alaska, Hawaii, and to the first foreign destination (including Guam and overseas territories of the United States) for goods stocked and redistributed or procured from Alaska and Hawaii. Includes excess property.</td>
<td></td>
</tr>
<tr>
<td>(2) Inland</td>
<td></td>
</tr>
<tr>
<td>(a) Movement of U.S. and foreign goods in foreign areas where commercial transportation is not readily available and in combat zones. Includes the movement of goods to isolated locations.</td>
<td>Y</td>
</tr>
<tr>
<td>(b) Movement of U.S. goods within foreign countries from port of embarkation to first destination or bulk breakdown point. Includes the movement of goods to isolated location.</td>
<td>Y</td>
</tr>
<tr>
<td>(c) Movement of foreign goods within foreign countries from port of embarkation to first destination or bulk breakdown point.</td>
<td>Y</td>
</tr>
<tr>
<td>(d) Movement of U.S. goods between DoD installations because of base closure, or to safeguard goods under emergency conditions; e.g., threats of hostile force or natural disaster.</td>
<td>Y</td>
</tr>
<tr>
<td>5. COMMUNICATIONS. See definition 7. in enclosure 2 of this Instruction.</td>
<td></td>
</tr>
<tr>
<td>a. ECECS</td>
<td>Y</td>
</tr>
<tr>
<td>ELEMENT OF RESOURCE</td>
<td>APPROPRIATED FUND SUPPORT AUTHORIZED</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td></td>
<td>A</td>
</tr>
<tr>
<td>b. All others</td>
<td>Y</td>
</tr>
</tbody>
</table>

6. UTILITIES AND RENTS. See definitions of this Instruction.
   a. Utilities. See definition 41 of enclosure 2.
      (1) CONUS
      (2) OCONUS
   b. Rents. See definition 34 of enclosure 2.

7. MAINTENANCE, REPAIR TO SUPPORT MWR ACTIVITY OPERATIONS
   a. MWR Program Operations. Applies to that work required to be accomplished within a facility in support of the MWR program such as repair and maintenance of wall coverings, decorating, lighting, carpeting, theater seats, etc.
   b. Equipment Maintenance and Repair
      (1) APF.
      (2) NAF.

8. INVESTMENT EQUIPMENT
   Relates to the acquisition and use of equipment classified as investment items.

9. SUPPLIES. See definition 38 of enclosure 2.
   Included in this group are clothing, tentage, organizational tools, and administrative and housekeeping supplies, petroleum fuels, lubricants, preservative, coolants, oil derivatives (other than aircraft and boat petroleum, oil, and lubricants, in section 12 of this enclosure, below):
   a. ECECS
   b. Related to resale.
   c. Food supplies for meals served in child development and youth programs.
   d. All other supplies.
<table>
<thead>
<tr>
<th>ELEMENT OF RESOURCE</th>
<th>APPROPRIATED FUND SUPPORT AUTHORIZED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
</tr>
<tr>
<td>10. EQUIPMENT. Includes the acquisition cost of any item of equipment, furniture, or furnishings that does not meet the criteria of an investment cost.</td>
<td></td>
</tr>
<tr>
<td>a. ECECS.</td>
<td>Y</td>
</tr>
<tr>
<td>b. Related to resale.</td>
<td>N</td>
</tr>
<tr>
<td>c. Surplus and/or excess Government equipment.</td>
<td>Y</td>
</tr>
<tr>
<td>d. Equipment for rental</td>
<td>N</td>
</tr>
<tr>
<td>e. All other equipment</td>
<td>Y</td>
</tr>
<tr>
<td>11. MERCHANDISE AND SERVICE. Pertains to merchandise and services procured by an MWR program for resale.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>12. MWR AIRCRAFT AND BOAT PETROLEUM, OIL, AND LUBRICANTS (POL) Applies to POL (including fuel additives) consumed by MWR aircraft and boats operated in conjunction with the MWR program (does not include cost for travel of personnel). (See section 3 of this enclosure, above.) For transportation of things, see section 4 of this enclosure, above.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>13. SERVICES</td>
<td></td>
</tr>
<tr>
<td>a. Education and Training. APF non-tuition courses may not charge for NAF employees attending.</td>
<td></td>
</tr>
<tr>
<td>b. All Auditing Services. See definition 5 of enclosure 2, above. Work done by DoD Component audit organization or independent commercial auditors as part of Service or major command ECECS.</td>
<td></td>
</tr>
<tr>
<td>c. Data Automation. See definition 11 of enclosure 2, above.</td>
<td></td>
</tr>
<tr>
<td>(1) ECECS.</td>
<td>Y</td>
</tr>
<tr>
<td>(2) All Other.</td>
<td>Y</td>
</tr>
<tr>
<td>d. Legal Services. Service and assistance from Judge Advocate General and General Counsel or military and civilian assignment authorizations deemed appropriate by the Service Component. Includes internal civilian staff as integral element of MWR.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Y</td>
</tr>
<tr>
<td>ELEMENT OF RESOURCE</td>
<td>APPROPRIATED FUND SUPPORT AUTHORIZED</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>e. Custodial and Janitorial Service. See definition 9 of enclosure 2, above.</td>
<td>Y Y N</td>
</tr>
<tr>
<td>f. Grounds Maintenance. Applies to work required to maintain surrounding building grounds. Golf course must be NAF funded except ground surrounding immediate area of the club house.</td>
<td>Y Y Y</td>
</tr>
<tr>
<td>g. Other Services. Services associated with protecting health and safety. Services commonly supplied and provided as a command function to all installation employees and organizations. Examples include fire protection, security, safety, rescue, pest control, snow removal, sewage, trash and garbage removal, repair and cleanup of underground storage tank leaks, environmental compliance, vet and medical support, sanitation inspection, maintenance of common grounds, etc.</td>
<td>Y Y Y</td>
</tr>
</tbody>
</table>

14. CONSTRUCTION
a. Architectural and Engineering Services. See definition 4 of enclosure 2, above.
   (1) APF Construction
   (2) NAF Construction. Applies for scheduled projects as approved by the DoD Components concerned, provided no additional manpower authorizations are required.
   b. Minor Construction. See definition 23 of enclosure 2, above.
   c. Military Construction. See Definition 22 of enclosure 2, above.
   d. Facilities Maintenance. See definition 14 of enclosure 2, above.
   e. Facility Repair. See definition 15 of enclosure 2, above.
      (1) APF owned and/or leased
      (2) NAF owned and/or leased

Y Y Y
N N N

6-5
NOTES:

1- Initial APF funding is authorized only when NAF will reimburse (except at BRAC locations that are authorized appropriated funds).

2- Investment equipment in support of food preparation equipment and the use of surplus or excess equipment is authorized.

3- APFs may be used to fund NAF employee courses for training that is not job unique; examples include but are not limited to, management and/or leader development courses, quality training, health and safety, sexual harassment, etc.

4- APFs authorized for youth activities Outside Continental United States (OCONUS). APFs required for Child Development Centers.

5- APFs may be used for all community facility construction related to the establishment, activation, or expansion (see definition 19. in enclosure 2, above, for "expansion") of a DoD installation or relocation of facilities for convenience of the Government; replacement of facilities denied by country-to-country agreements; restoration of facilities destroyed by acts of God, fire, or terrorism; and to correct health and safety deficiencies such as sprinkler or fire alarm systems, environmental compliance, or removal of asbestos.

6- Special Note: See subsection D.3.c for funding of remote and isolated locations which allows such location to receive the same type of APF support as Category B programs.

7- Special Note: Nonappropriated funds shall not be used for the following:
   a. Any military personnel cost for personnel serving in their military duties.
   b. Travel costs associated with subsection 3.b.(4) for Category A and/or C activities.
   c. Transportation of household goods for APF personnel in any Category A/B/C activity.
   d. Any utility or rent cost for any CONUS Category A and/or B activity, see subsection 6.a above.
   e. Any utility cost for any OCONUS Category A/B/C activity, see subsection 6.a above.
   f. Any other service cost as defined in subsection 13.g for any Category A/B/C activity.
   h. Any architectural and engineering services for any APF construction project.
   i. Any military construction for any Category A activity.
METRICS
APF SUPPORT AS A PERCENT OF TOTAL EXPENSES

1. PURPOSE. The purpose of this metric is to monitor the degree of appropriated funding of MWR programs by category and to measure compliance with established funding standards.

2. SOURCE OF DATA. This metric shall be submitted by each of the Military Services to the Department of Defense in the Annual Report as required in DoD Instruction 1015.1 (reference (e)). Data shall be drawn from the Military Services base year (actuals) of the Annual Report, and shall conform to the definitions used in that report.

   a. Include data from Schedule A Income and Expense statement for each program group.
   
   b. APF SUPPORT. Include Total APF Support excluding military construction (MILCON).
   
   c. NAF EXPENSES. Include only NAF support excluding depreciation and cost of goods sold.
   
   d. Divide the amount of APF support (defined in paragraph 2.b., above) by the total of APF Support plus NAF Support (defined in paragraph 2.c., above) to obtain APF Support as a Percent of Total Support.

3. CATEGORY REPORTS. Category totals must include all programs listed in the category listings, regardless of who operates those programs (MWR or some other organization, for example, child care). In the submission of the Annual Report narrative, the Military Services shall report the current fiscal year Category A, B, and C percentage of total APF and/or NAF operating expenses.

4. FUNDING STANDARDS. The basic standard, regardless of category, is to use APFs to fund 100% of costs for which they are authorized.

   a. Category A - Category A activities are entitled to the highest degree of APF support, and virtually all expenses should be supported with APFs. There are a number of activities included in Category A for reporting purposes, even though they are not expected to be fully funded with APFs. Examples include installation-level central accounting offices, procurement, personnel offices, and similar activities. In addition, Category A programs at installation level are frequently collocated with other minor functions (incidental resale activities, etc.) that are not authorized APF support. Those functions are considered Category C for funding purposes, and should be reported in that category if their size is significant; however, in many cases, their small size makes it impractical to break them out and report them separately from their parent Category A program. For these reasons, the DoD APF standard for Category A is a minimum of 85% of total expenditures.
   
   b. Category B - Category B activities have a limited ability to generate NAF revenues, and are therefore entitled to a substantial level of APF support. Category B activities could not be
sustained without a significant level of APF support. The DoD standard for APF funding is a minimum of 65% of the total expenditures.

c. Category C - Category C activities have the highest abilities to generate NAF revenues. In general, APF support should be limited. Category C activities operated at remote and isolated locations should be funded at a Category B authorization level. The Military Services shall report the current fiscal year Category C percentage of total APF and/or NAF operating expenses, using the same approach as outlined in paragraph 4.a, above.
METRICS

NAF FINANCIAL ASSESSMENT REPORT

1. **PURPOSE.** The purpose of this report is to assess the NAF financial status of programs within each category and the financial health of the MWR single fund.

2. **FREQUENCY.** This metric shall be submitted by each of the Military Services to the Department of Defense in the Annual Report as required in DoD Instruction 1015.1 (reference (e)). Income statement and balance sheet data shall be reported as of 30 September. The reports shall be based on the Statement of Operations by MWR category submitted by each of the Military Services.

3. **FINANCIAL STANDARDS**
   
a. Category A - Category A NAF revenue generating activity financial results in the aggregate must be at least break-even on an annual basis, excluding unit activities and common support pro rated functions.

   b. Category B - Category B NAF financial results in the aggregate must be at least break-even on an annual basis excluding common support pro rated functions.

   c. Category C - Each program in this category must be at least break-even on an annual basis excluding common support pro rated functions.

   d. MWR Single Fund

      (1) MWR single installation fund financial results must be at least break-even on an annual basis.

      (2) The MWR installation fund must maintain an acid test ratio of at least 1:1.

4. **BREAK-EVEN.** Break-even financial results are defined as a zero or better net income before depreciation.

5. **ASSESSMENTS.** The data should show the number of installation programs or installation single funds rated green and the number rated red.

   a. Green. Programs are rated green if they meet the standard of break-even or better.

   b. Red. Programs are rated red if they do not meet the standard; i.e., if they do not at least break-even.

6. **REPORTING.** The Military Services shall report annually the following for all installations with MWR that have gross income over $100,000 per year:

7-3
a. The number and percentage of installations whose Category A programs, in aggregate, do not meet the financial standards.

b. The number and percentage of installations whose Category B programs, in aggregate, do not meet the financial standards.

c. The number and percentage of Category C programs that do not meet the financial standards based on the following groupings: clubs (all types, membership and nonmembership, lumped together), golf, bowling, and other (all other Category C programs with individual gross incomes over $100,000 per year lumped together).

d. The number and percentage of MWR single installation funds that do not meet the financial standards. (Break-even and acid test reported separately).
PHYSICAL FITNESS SERVICES

A. GENERAL

1. DoD Directive 1308.1 (reference (w)) addresses physical fitness as a vital component of combat readiness and essential to the general health and well-being of DoD personnel. Individual Service members must possess the stamina and strength to perform any potential mission.

2. It is a DoD responsibility to provide the necessary physical fitness training areas and facilities through APF programs to ensure that DoD personnel are sufficiently fit to accomplish their assigned mission. However, when these APF training areas and facilities are not available to individual Service members due to their particular duty assignment, MWR programs may be used to supplement required physical fitness training.

B. FITNESS EXTENSION SERVICES

1. Where DoD installation facilities are not available, the use of APFs is authorized for contracting with community recreation centers; or organizations such as the Young Men’s Christian Associations; Young Women’s Christian Associations; and municipal, county, State, or private fitness facilities for organizational memberships for fitness by DoD personnel. Individual (by name) memberships paid for with Government funds are not authorized unless the Military Service grants a waiver due to unique circumstances.

2. APFs may be used to contract for gymnasiums, running tracks, athletic fields, shower and/or locker facilities, recreation centers, and community centers, including swimming pools that are an integral part of these physical fitness facilities.

3. Contracting procedures in accordance with applicable law and regulation are to be used. Contract use shall be determined on a case-by-case basis and be supported by sufficient data to demonstrate that broad-based use of the facilities in question is cost-effective. Before authorizing APFs for this purpose, the following data must be collected:

   a. A determination made whether DoD physical fitness facilities are reasonably available.

   b. An assessment to:

      (1) Confirm the inadequacy of available physical fitness facilities.

      (2) Document local circumstances and commuting distance to the nearest DoD installation having physical fitness facilities.

      (3) Determine whether adequate fitness facilities are available without cost to military personnel in the civilian community where they are assigned.
(4) Certify APFs are available within current resources to support the requirement.

c. Determination whether it is more cost-effective to build or lease facilities.

d. Commander's certification that this is in the best interest of the Government.

4. An annual review of these physical fitness arrangements shall be prepared to determine past and future usage of the facilities and a justification for continuing with the arrangements.
COMMERCIAL SPONSORSHIP POLICY

A. GENERAL

1. Commercial sponsorship is the act of providing assistance, funding, goods, equipment (including fixed assets), or services to an MWR program(s) event(s) by an individual, agency, association, company or corporation, or other entity (sponsor) for a specific (limited) period of time in return for public recognition or advertising promotions. Commercial sponsorship is either unsolicited or solicited and is authorized only for support of DoD MWR programs shown in enclosure 4. It does not include volunteer work or activities or outright donations where no volunteer or donor recognition or acknowledgment is expected or required. This program does not include nor refer to those products and services that are considered gifts or donations nor those items considered to be premiums, coupons, or limited samples. Any funds, products, services, or items resulting from the commercial sponsorship programs shall be used only within the MWR program.

2. Commercial sponsorship is authorized only if the DoD Component or Military Service has established standard procedures to ensure the following:

   a. Education and training procedures are developed and administered to those individuals authorized to work with the commercial sponsorship program.

   b. Obligations and entitlements of the sponsor and the MWR program are incorporated into a written agreement that shall be for a 1 year period or less. The period covered by the original agreement and any annual renewals will not exceed a total of 5 years. This does not prevent the award of a new contract to the same sponsor after the initial 5-year period. All agreements shall receive a legal review.

   c. Assistance provided is commensurate with the level of sponsorship offered.

   d. Special concessions or favored treatment are not provided to sponsors, with the exception of public recognition and advertising entitlements addressed in the agreement. In addition, individuals or entities not providing sponsorship are not treated with disfavor or suffer any form of reprisal.

   e. Appropriate disclaimers are required in any public recognition or advertising media since the Department of Defense does not endorse nor favor any commercial supplier, product, or service.

   f. The contents of all public recognition and advertising media, to be used by or for the sponsor, that refers to any part or program of the Department of Defense, are reviewed by the DoD Components for consistency with DoD and Component policies, and are otherwise appropriate under the agreement.
g. Agreements concerning TV and radio broadcast rights to MWR events, and pre-event publicity related thereto, are entered into after coordination with Office of the Assistant Secretary of Defense for Public Affairs for DoD inter-Service events, or the public affairs office of the military component concerned where only one Military Department is involved.

h. Tobacco and alcoholic beverage (including beer) sponsorship shall not be solicited. If offered, sponsorship may be accepted only if unsolicited and not directed predominately or exclusively at the military, provided a responsible use campaign and Surgeon General's warning is part of the sponsorship.

i. The commercial sponsor certifies in writing that its costs of the sponsorship shall not be charged to any part of the Federal Government.

j. The DoD Component shall maintain a record of all MWR-sponsored events to include the sponsor's name and organization, the type and amount of the sponsor's assistance, funding, goods, equipment, or services provided and the disposition and use of that assistance, funding, goods, equipment, or services provided within the MWR programs.

k. Commercial sponsorship opportunities shall be coordinated with the Armed Forces Exchange to ensure they do not violate existing understandings or agreements.

3. Commercial sponsorship is authorized for MWR events at open houses only when specifically approved by the Head of the DoD Component or designated representatives. DoD open house programs are public affairs activities. MWR commercial sponsorship guidelines shall be followed at open houses.

B. SOLICITED

1. This sponsorship is specifically solicited on behalf of the MWR program and/or event from a potential sponsor willing to provide support for the mutual benefit of the sponsor and the MWR program and/or event.

2. The DoD Components and Military Services shall develop written procedures and guidelines for commercial sponsorship program. They shall maintain records on the value of commercial sponsorship funding by solicited and unsolicited with a separate breakout of the value of unsolicited alcohol and tobacco sponsorship.

3. Commercial sponsorship shall be based on principles similar to those that guide NAF contracting; e.g., competition, evaluation of offers, etc. Additionally:

   a. Each installation authorized to accept solicited commercial sponsorship products and services shall designate the individual(s) by name who will work with this type of sponsorship.

   b. Sponsors shall be solicited competitively from an adequate number of known U.S. sources and generally limited to firms and organization involved with consumer products. If
feasible, announcements of solicitations shall be placed in appropriate publications to reach the maximum number of potential sponsors. The NAF contracting official should act in an advisory capacity.

c. Officials who exercise contracting authority shall not solicit for commercial sponsorship. This does not preclude normal NAF contracting in support of commercially sponsored MWR program and/or events.

4. In overseas areas, solicitation of non-U.S. firms is authorized with the commander's approval provided solicitation is not in violation of Status of Forces Agreements (SOFA) or treaty agreements.

C. UNSOLICITED. Unsolicited commercial sponsorship shall be treated the same as solicited commercial sponsorship except that it has been wholly and entirely initiated by the prospective sponsor without prior knowledge of the needs of the MWR program or installation. After an appropriate inquiry from a prospective sponsor, the installation point-of-contact for sponsorship may inform sponsor of the needs. The unsolicited sponsor should then furnish a letter or memorandum of intent to the installation to assist in preparing the sponsorship agreement. Unsolicited sponsorship is otherwise subject to the policies outlined in section A of this enclosure, above.
ADVERTISING POLICY

A. GENERAL. DoD MWR programs must communicate their presence and the availability of goods and services they offer to as many potential patrons as they can. Such communication shall not reflect unfavorably on the Department of Defense.

B. POLICY

1. MWR programs may pay to advertise MWR goods, services, entertainment, and social events in Department of Defense newspapers (DoD Instruction 5120.4, reference (x)) including installation cable television. The following may be included in the advertisement: brand names and item prices, feature acts, films, or talents, and admission price or cover charges, and names of commercial sponsors.

2. MWR programs may pay to advertise their services and events in other than DoD newspapers, provided the chosen media is circulated to, written for, or geared to an audience consisting primarily of military or DoD civilian personnel, or other authorized patrons. When advertising in such non-DoD publications, a disclaimer shall be used to similar to: “this offer or event is open only to authorized patrons.” This policy shall not be interpreted to apply to publications distributed to a more general audience.

3. MWR programs may pay to advertise in appropriate civilian media when MWR events are open to the public, subject to the following conditions:

   a. Events shall not directly compete with similar events offered in the local civilian community. Open events shall be coordinated in advance with the local public affairs office.

   b. Open events must be infrequent, not weekly or monthly, increase military and/or civilian interaction, and enhance community relations.

   c. Merchandise shall not be advertised; however, event-related merchandise and food and beverages may be sold for on-premises consumption.

   d. OCONUS advertising shall conform to existing SOFA regulations, command policy, and local laws.

4. MWR programs (excludes exchange programs) may sell space for commercial advertising in any media (printed, signs, electronic) produced for or prepared by them and may accept payment for such advertising subject to the following conditions:

   a. Publication of paid commercial advertising by MWR programs is bound by similar standards that apply to civilian enterprise publications.

   b. Advertising shall include a disclaimer that it does not constitute a DoD endorsement.
c. Acceptance of paid commercial advertising on Armed Forces Radio and Television Service (AFRTS), local commander's channels, or any APF electronic media is prohibited.

d. Local commanders shall make final decisions on acceptance of advertising and must consider public perceptions, impact to the local economy, and the effect on the local civilian enterprise newspaper, installation guide, and installation map.

e. Advertising in MWR media is based on reaching bona fide users in accordance with established patronage policies.

f. The MWR media are not distributed off the installation. Mailing to authorized patrons is permitted.

5. Mailings to authorized MWR patrons of announcements pertaining to sales in and services provided by MWR programs are authorized. Mailings containing advertisement of specific commercial products, commodities, or services provided by or for any private individual, firm, or corporation are authorized only to those patrons who voluntarily have requested to receive such mailings. The cost of promotional mailings to include postage shall be paid with NAF.

6. MWR programs may contribute articles and stories for publication as unpaid information items in DoD newspapers, plan-of-the-day, AFRTS, and installation cable TV, and other media intended primarily for distribution to authorized patrons.

7. Ads, premiums, coupons, and samples (except tobacco and alcohol) may be distributed directly to authorized patrons. A disclaimer is not required for items provided as premiums, coupons, and samples. MWR programs may accept premiums with a value of $10.00 or less when voluntarily initiated and prepared by suppliers. Ads and promotional devices that are primarily advertising devices, prepared by non-DoD sources, shall not be distributed through official channels. Such media may be placed in locations on the installation for personal pickup. A disclaimer is required to the effect that the Department of Defense does not endorse, pay for, nor sponsor such promotional media. MWR programs shall not solicit funds from suppliers or other non-DoD sources to offset costs of premiums, nor may they request such suppliers or sources to prepare or provide special premiums at their expense.

8. MWR activities may use point of sale displays and promotional material, such as reduced price and special offer coupons, and may participate in national and local coupon redemption programs available to the general public or to the military community.
MWR SUPPORT TO MILITARY MISSIONS IN FOREIGN COUNTRIES

A. The DoD Components shall provide MWR NAF support to military personnel assigned to military missions (Military Assistance Advisory Groups, attaches, missions, contingents, or Security Assistance Offices (SAOs)) to foreign countries as shown in the attachment and as required in DoD Directive 5132.3 (reference (y)). Elements within listed countries shall not receive NAF support from more than one Military Department. At a minimum, the DoD Components shall determine and provide a uniform per capita distribution of NAFs. The amount of distribution shall be reviewed annually by the DoD Component for adjustment.

B. Required APF support should be budgeted by the appropriate Unified Command.

C. DoD Component responsibility is outlined in the attachment. Requests to alter these support arrangements shall be approved by the ASD(FMP). However, if a DoD Component wants to provide support to a specific element within a country assigned to another DoD Component, mutual arrangements may be made between the two Components concerned.

D. The Marine Corps shall provide MWR support for Embassy Marine Guard personnel.

E. Where possible, in-country MWR programs for military missions shall be integrated with other embassy and DoD MWR programs to provide a balanced program.

Attachment

Military Service Responsibility for MWR Programs Support
## MILITARY SERVICE RESPONSIBILITY FOR MWR PROGRAMS SUPPORT

<table>
<thead>
<tr>
<th>Army</th>
<th>Navy</th>
<th>Air Force</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>Malaysia</td>
<td>Argentina</td>
</tr>
<tr>
<td>Algeria</td>
<td>Marshall Islands</td>
<td>Brazil</td>
</tr>
<tr>
<td>Angolia</td>
<td>Mexico</td>
<td>Bulgaria</td>
</tr>
<tr>
<td>Austria</td>
<td>Mozambique</td>
<td>Canada</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>Namibia</td>
<td>Chad</td>
</tr>
<tr>
<td>Belgium</td>
<td>Nepal</td>
<td>China (Beijing)</td>
</tr>
<tr>
<td>Belize</td>
<td>New Zealand</td>
<td>Czechoslovakia (Former)</td>
</tr>
<tr>
<td>Bolivia</td>
<td>Nicaragua</td>
<td>Czech Republic</td>
</tr>
<tr>
<td>Botswana</td>
<td>Niger</td>
<td>Slovak</td>
</tr>
<tr>
<td>Burma</td>
<td>Nigeria</td>
<td>Egypt</td>
</tr>
<tr>
<td>Cameroon</td>
<td>Panama</td>
<td>Honduras</td>
</tr>
<tr>
<td>Columbia</td>
<td>Paraguay</td>
<td>Israel</td>
</tr>
<tr>
<td>Congo (Brazzaville)</td>
<td>Philippines</td>
<td>Jordan</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>Poland</td>
<td>Macedonia</td>
</tr>
<tr>
<td>Cyprus</td>
<td>Romania</td>
<td>Madagascar</td>
</tr>
<tr>
<td>Ecuador</td>
<td>Rwanda</td>
<td>Netherlands</td>
</tr>
<tr>
<td>El Salvador</td>
<td>Somalia</td>
<td>Pakistan</td>
</tr>
<tr>
<td>Finland</td>
<td>Suriname</td>
<td>Peru</td>
</tr>
<tr>
<td>France</td>
<td>Syria</td>
<td>Portugal</td>
</tr>
<tr>
<td>Germany (Bonn)</td>
<td>Tunisnia</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>Ghana</td>
<td>United Arab Emirates</td>
<td>Sudan</td>
</tr>
<tr>
<td>Greece</td>
<td>Uruguay</td>
<td>South Africa</td>
</tr>
<tr>
<td>Guatemala</td>
<td>USSR (Former)</td>
<td>Spain</td>
</tr>
<tr>
<td>Guyana</td>
<td>Armenia</td>
<td>Sweden</td>
</tr>
<tr>
<td>Haiti</td>
<td>Azerbaijan</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>Belarus</td>
<td>Turkey</td>
</tr>
<tr>
<td>Hungary</td>
<td>Georgia</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Iran</td>
<td>Kazakhstan</td>
<td>Venezuela</td>
</tr>
<tr>
<td>Iraq</td>
<td>Lithuania</td>
<td>Yugoslavia (Former)</td>
</tr>
<tr>
<td>Ireland</td>
<td>Tajikistan</td>
<td>Croatia</td>
</tr>
<tr>
<td>Ivory Coast</td>
<td>Ukraine</td>
<td></td>
</tr>
<tr>
<td>Jamaica</td>
<td>Uzbekistan</td>
<td></td>
</tr>
<tr>
<td>Kenya</td>
<td>Yemen</td>
<td></td>
</tr>
<tr>
<td>Korea</td>
<td>Zaire</td>
<td></td>
</tr>
<tr>
<td>Kuwait</td>
<td>Zimbabwe</td>
<td></td>
</tr>
<tr>
<td>Lebanon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luxembourg</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malawi</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11-1-1
ALCOHOLIC BEVERAGES

A. Use of Alcoholic Beverages. The DoD Components will establish programs, policies, and procedures consistent with DoD Directive 1010.4 (reference (z)) to deglamorize the use of alcohol, to discourage and treat its irresponsible use, and to offer alternative leisure time activities.

B. Age Restrictions

1. Drinking Age

   a. The minimum drinking age on a DoD installation located in a State (including the District of Columbia) shall be consistent with the age established by the law of that State as the State minimum drinking age. Minimum drinking age means the minimum age established for persons who may purchase, possess, or consume alcoholic beverages (10 U.S.C. 2683, reference (r)).

   b. In the case of a DoD installation located in more than one State or in one State but within 50 miles of another State or Mexico or Canada, the minimum drinking age on that DoD installation shall be the lowest applicable age of the State in which the DoD installation is located or the State or jurisdiction of Mexico or Canada that is within 50 miles of such DoD installation (Section 2683 of reference (r)).

   c. The minimum drinking age on a DoD installation located outside the United States shall be 18 years of age. Higher minimum drinking age will be based on international treaties and agreements and on the local situation as determined by the local installation commander.

   d. The commander of a DoD installation may waive the requirement of paragraphs B.1.a., b., and c., above, if such commander determines that the exemption is justified by special circumstances. Special circumstances are those infrequent, non-routine military occasions when an entire unit, as a group, marks at a military installation a uniquely military occasion such as the conclusion of arduous military duty or the anniversary of the establishment of a military service or organization. The event must be held on a military installation. The commander shall ensure that appropriate controls are in place to prevent endangering Military Service members or the surrounding community.

2. Serving alcoholic beverages

   a. In the United States, no person under 21 years of age will be employed to dispense, handle, or serve alcoholic beverages unless permitted by laws of the State in which the installation is located. In such cases, the State minimum age laws may be followed.

   b. Outside the United States, no person under 18 years of age shall be employed to dispense, handle, or serve alcoholic beverages. A higher serving age shall be based on
international treaties and agreements and on the local situation as determined by the local installation commander.

C. NAFI Purchase of Alcoholic Beverages

1. Alcoholic beverages containing distilled spirits purchased for resale on a DoD installation located in the contiguous United States, including the District of Columbia, shall be made from the most competitive source, price, and other factors considered. Alcoholic beverages containing distilled spirits purchased for sale on a military installation in Alaska or Hawaii shall be made from, and delivery shall be accepted from, a source within the respective State in which the DoD installation concerned is located. Malt beverages and wine purchased for resale on a DoD installation in the United States shall be made from, and delivery shall be accepted from, a source within the respective State in which the DoD installation concerned is located (including the District of Columbia) (10 U.S.C. 2488, reference (r)).

2. If a DoD installation located in the contiguous States is located in more than one State, a source of supply in any State in which the installation is located shall be considered a source within the State in which the installation is located. (See section 2488 of reference (r).)

D. Authorized Sales. The Secretaries of the Military Departments may issue regulations controlling the sale of alcoholic beverages dispensed by the drink, or beer sold in other than sales outlets for packaged alcoholic beverages. The Directors of Defense Agencies shall coordinate with the Military Service concerned in the preparation of a memorandum of understanding detailing Defense Agency responsibilities for the sale of alcoholic beverages.