



DEPARTMENT OF THE ARMY

HEADQUARTERS, UNITED STATES ARMY TRAINING CENTER AND FORT JACKSON
4325 JACKSON BOULEVARD
FORT JACKSON, SC 29207-5015

REPLY TO
ATTENTION OF

IMSE-JAC-MWA

14 MAR 2011

MEMORANDUM FOR

Commanders, All Units Reporting Directing to This Headquarters
Commanders, Fort Jackson Partners in Excellence
Directors and Chiefs, Staff Offices/Departments, This Headquarters

SUBJECT: Fort Jackson Policy Memorandum #32 – Family Readiness Group Informal Funds

1. References.

- a. Department of Defense 5500.7-R, Joint Ethics Regulation, 29 November 2007, w/changes.
- b. Army Directive 2008-01, Secretary of the Army, 7 March 2008, subject: Increase In Family Readiness Group Informal Fund Cap.
- c. TRADOC Regulation 350-6, Enlisted Initial Entry Training Policies and Administration, 1 July 2009.
- d. Army Regulation 600-20, Army Command Policy, Rapid Action Revision, 27 April 2010.
- e. Army Regulation 600-29, Fund-Raising within the Department of the Army, 7 June 2010.
- f. Army Regulation 608-1, Army Community Service Center, Rapid Action Revision, 21 December 2010.

2. There are special ethical challenges surrounding fundraising in an Army Training Center environment. In a non-training unit, our Soldiers have virtually unlimited access to all manner of commercial goods and services. In initial entry training (IET) and specifically basic combat training, we intentionally deny our Soldiers those goods and services to focus them on the tough training task at hand, to develop hardened minds and bodies, and to make a clean break from the often expected luxuries found everywhere in civilian life. When we conduct fundraising in this environment, we must keep in mind that we are doing so in a totally controlled business environment -- a monopoly -- and we must never lose sight of that singular difference in our fundraising climate from elsewhere in the Army.

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3. We must recognize that we bear the responsibility for taking an absolutely objective ethical look at our practices and ensure that they serve to benefit the Soldier in training, as well as the cadre and permanent party Family members. We must hold ourselves to the highest standards of doing what is right -- because we hold such a high degree of ultimate Soldier control.

4. This Family Readiness Group (FRG) fundraising policy with its enclosures is written with these facts in mind. It is intended to set out a map of practical guidance for FRGs that maintains informal funds. It is intended to not only spell out prohibited practices, but to explain how to ethically and legally conduct operations. Some of our previous practices were not acceptable. I expect each unit commander to personally supervise the proper execution of this program, because -- as in all other areas -- commanders are accountable through the chain of command for execution to the Army standard. Use common sense, and where doubts exist, speak with your Ethics Counsel. Let's continue to support worthy and ethical fundraising that benefits not only our cadre, but also our Soldiers in training and their Families.

5. Establishment of an informal fund. All fundraising on Army installations are strictly controlled. Fundraising solicitations, conducted by organizations composed of civilian employees or members of the Uniformed Services (which would include FRGs) among their own members for organizational support or for the benefit of specific member welfare funds, are permitted. In order to raise money, these organizations must first establish an informal fund. Operation of the fund will be consistent with Army values, Army Regulation (AR) 608-1, Army Community Service Center, App. J, DOD 5500.7-R, The Joint Ethics Regulation, AR 600-29, Fund-Raising Within the Department of the Army, and other pertinent regulations. Within the IET environment, one FRG informal fund per unit may be established at battalion level or higher. Other units and Partners in Excellence may establish as company level.

6. Training. Among units that want to establish or continue previous Unit Informal Funds, the commander or executive officer, FRG leader and FRG treasurer must complete the Fort Jackson Family Readiness Operations Training 2-hour block of instruction co-sponsored by the Staff Judge Advocate and Army Community Services (beginning in January 2011). All levels of leadership, both Families and Soldiers are encouraged to attend this briefing for clarity in the legal aspects of fundraising and specific issues related to the IET environment. The ACS will maintain a roster of individuals completing this training, which will serve as a consolidated list of FRGs authorized to conduct informal fundraising on Fort Jackson.

7. Establishment and maintenance of the informal fund includes:

a. The fund custodian. The unit commander (battalion level or higher) will designate a fund custodian and alternate by memorandum. It is recommended that the commander appoint an active duty Soldier to one of these positions and an FRG spouse to the other position. Note that the custodian/alternate may not be a commander, deployable Soldier, or the FRG leader.

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The custodian is responsible for informal fund custody, accounting and documentation. The custodian may open a non-interest bearing bank account in the fund's name with the commander's authorization. He or she is personally liable for any loss or misuse of funds. He or she will report monthly or as requested to the commander, and will provide an annual report to the first O-6 commander or designee in the unit's chain of command no later than 30 January of each year, with copies furnished to the Director, ACS, and Chief, Administrative Law, Office of the Staff Judge Advocate (OSJA).

b. The fund standard operating procedures (SOP). The FRG leader will prepare the fund SOP. The SOP establishes the fund's purpose. It should describe the members' intent for why funds will be raised and to what purpose those funds will be put. It must be approved by the unit (battalion or higher) commander and a majority of the FRG members, and must include:

(1) The fund's name;

(2) A description of the purposes and functions of the fund and a summary of its routine activities; and

(3) This statement: "This FRG informal fund is for the benefit of the FRG members only and is established exclusively for charitable purposes and to provide support for Soldiers and Family members as the Soldiers and Families adapt to Army life. It is not a business and is not being run to generate profits. It is not an instrumentality of the United States Government."

c. Fund cap. The FRGs are not established as vehicles to raise funds, solicit donations, manage large sums of money, or to operate as businesses. The AR 608-1, Appendix J, cap on FRG informal funds is currently \$10,000.00 gross receipts (income) per calendar year. Unit commanders may establish a lower fund cap.

d. Gifts to FRG informal funds. In accordance with AR 608-1, Appendix J, unit commanders may accept unsolicited gifts of a value of \$1,000.00 or less after referral to the Installation Gift Coordinator (Financial Management Division, Family and Morale, Welfare and Recreation (FMWR)) and legal review by an ethics counselor (Administrative Law Division, OSJA). Gifts of greater than \$1,000.00 value may not be accepted by individual FRG informal funds, and should be referred to the Installation Gift Coordinator. A determination will be made whether the gift may be accepted into a supplemental mission fund for distribution to eligible FRGs.

8. The IET Fundraising Guidance. The fundraising guidance applies to IET units and fundraising occurring in IET units or by IET unit personnel.

a. TRADOC Regulation 350-6, paragraph 2-4j contains specific guidance regarding fundraising in the IET environment:

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(1) No cadre member may sell any product, service, or opportunity to IET Soldiers or their Families. Consistent with Army regulations and local garrison commander rules and policies on fund-raising, IET unit FRG informal funds may raise funds at IET graduations, including a "Family activity day" that may occur the day before graduation.

(2) No IET Soldiers will be directed to participate in or make purchases at any authorized fund-raising activities conducted in the brigade, battalion, company, or training area.

(3) No fund-raising activities that directly involve IET Soldiers, as primary or sole customers, may be conducted during the training cycle by IET units, informal funds, FRGs, or private organizations associated with IET units. The FRG activities such as bake sales at the commissary, PX area, or other public locations would not violate this provision because the activities are aimed at a wide range of patrons and not solely IET Soldiers.

(4) IET Soldiers cannot be the sole or primary customers of special FMWR events (for example, summer concert series). This does not prohibit the patronage of traditional installation recreation services such as the bowling alley, outdoor recreation, and the movie theater.

b. This means that if all other requirements are met, FRGs may hold fundraisers (one per cycle) at graduation events, and sales may be made to Soldiers as well as to visiting Family members. However, no cadre Soldier may make an actual sale to IET Soldiers or their Family members (although cadre may support the FRG fundraiser in other ways). The FRG Family members or other supporters must make the sales. Unit FRGs are limited to one fundraising activity over the graduation events, outside the training cycle. The FRG fundraisers in the unit area (other than at graduation) may not sell to IET Soldiers, regardless of whether the actual sales are made by cadre or Family members.

9. Fundraising events. After an informal fund is properly established and in place the FRG may request approval for fundraising events. Fundraising events in the unit area may be approved by the respective brigade-level commander. Fundraising event requests must be in writing and be coordinated with Administrative Law Division, OSJA. A form for fundraising event requests is enclosed. Fundraising requests outside of the unit must be in writing, coordinated with the Administrative Law Division, OSJA, approved by the brigade-level commander, and have the permission of the activity controlling the site of the fundraising (e.g., AAFES if event is at the Exchange). Fundraising requests outside the unit area, or otherwise primarily soliciting persons not included in the FRG, must also contain a statement explaining why the fundraising will benefit the population from whom funds are being raised. Example: if a fundraising event will be held at the Exchange, the request should explain why the fundraising will be of benefit to the Fort Jackson community as a whole. Note that FRG activities such as bake sales at the commissary, PX area, or other public locations, would generally not violate TRADOC

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Regulation 350-6, because the activities are aimed at a wide range of patrons and not solely at IET Soldiers. Certain fundraising practices sometimes common in the community may not be used by FRGs (or other informal funds on Fort Jackson). These include soliciting off the installation (not authorized in AR 608-1), or from persons or organizations doing business on the installation, such as vendors, suppliers, and service contractors. Raffles and other gambling devices may not be used for fundraising on Fort Jackson. The FRG fundraising is limited to one per cycle during graduation events, other fundraising may be conducted as authorized.

10. Use of funds. Mission-related activities of the FRG are primarily funded with appropriated funds. Money raised by an FRG informal fund is an auxiliary source of funding for worthwhile activities that cannot be funded with appropriated funds. Funds must be used for the benefit of the entire group. This means that the FRG may not use FRG raised funds for the benefit of individuals within the unit or small groups within the unit, nor may it use FRG raised funds primarily for the benefit of individuals or causes outside the group. The FRGs may not use their funds to make loans or monetary gifts to individual unit members, nor make donations from FRG funds to other causes, such as charities. The FRG activities may, however, incidentally benefit other members of the community, such as FRG events where other members of the community are invited to participate. See enclosure for additional examples of acceptable and unacceptable uses of FRG generated funds.

11. This policy memorandum supersedes USABCTCOE&FJ Policy Memorandum 4-14, 31 July 2009.

12. The proponent for this policy is Carla Atkinson, Director, ACS, at 803 751-5256 or Carla.atkinson@us.army.mil.

Encl


JAMES M. MILANO
Major General, U.S. Army
Commanding

FAMILY READINESS GROUP FUNDRAISING

ACCEPTABLE PRACTICES

- Pizza sales, bake sales, car wash
- Partnership with MWR at installation MWR events (buddy pies, snow cones sales, etc.)
- Revenue share arrangements with MWR (unit specific merchandise)

UNACCEPTABLE PRACTICES

- Sale of most perishable foods (All food sales must be coordinated with the Preventative Medicine Officer)
- Raffles and other activities constituting gambling
- Retail sales (merchandise such as t-shirts, mugs, caps, etc. that compete with AAFES or MWR at MWR events or locations)
- Fundraising from IET Soldiers
- Soliciting sponsorship from non-Federal sources
- Fundraising off the installation, or soliciting on post contractors, vendors, or their employees
- Making a concession agreement with an outside business
- Fundraising without approvals or necessary coordination
- Maintaining inventories of goods

FAMILY READINESS GROUP EXPENDITURES

ACCEPTABLE PRACTICES

- Most recreation activities – must be made available to all members of the FRG
- Off-duty recreational trips, so long as they are consistent with Army values
- Refreshments, decorations, etc., for organization days, Hails and Farewells, retirement ceremonies, and other unit events
- Holiday decorations for common areas
- Awards of excellence for competitions/activities open to the entire group
- Furnishings/equipment for dayrooms
- Magazines available to all unit members

UNACCEPTABLE PRACTICES

- Mission related items
- Purchases/activities for individuals or small groups, loans or gifts of money
- Personal gifts at retirement ceremonies, Hails and Farewells, other parties or activities
- Contributions to charities
- Facility maintenance (except day room)
- Retreats