



GETTING PREPARED, STAYING PREPARED

OPERATION
READY
Ensuring the U.S. Army is Ready for Deployment and War

Resources and Funding for FRGs



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Objectives of FRG Funding

- To identify resources FRGs need
- To review new Army regulation on funding for FRG operations
- To identify the resources available to FRGs
- To discuss the use of FRG Informal Fund
- To identify the necessary administrative responsibilities
- To provide guidance on key issues

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The objectives of this module are: *(Review slide)*

(After reviewing this slide, you may want to state):

The information presented in this module is taken from sections 3.1 and 3.2 in Part 3 of the FRG Leader's Handbook which are based on AR 608-1, Appendix J. A synopsis of this information is presented in this module.



What Resources Do FRGs Need?

- Materials and supplies (paper and postage for newsletter)
- Equipment (e.g., computers, telephones, printers, copier)
- Location for FRG meetings and events
- Volunteers
- Child care for FRG meetings and events
- Other (e.g., interpreters, transportation, food for FRG events)

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After discussing this list, the presenter can ask the audience to identify other potential resource needs not identified on the list. If other items identified, the presenter should write these down on a flip chart visible to the audience. During the presentation or during the closing, the presenter should return to this list to inform the audience how these resources can be obtained.



FRG Funding Regulation

- On 21 July 2006, AR 608-1, Appendix J, Army Family Readiness Group Operations, released
- This regulation authorizes resource support and funding for FRGs

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This regulation represents an important change. It is important for unit commanders and FRG leaders to be aware of this regulation. With the release of this regulation, FRGs are authorized appropriated fund resources and support. This regulation specifies what sources of support are available to FRGs and how they are to be used. A copy of AR 608-1, Appendix J can be found in the Operation READY Smart Book.

(Distribute handout: [AR 608-1, Appendix J.](#))



Authorized Support and Funding for FRGs

- Unit Appropriated Funds (APFs)
- FRG Informal Fund
- Supplemental Mission Activity (intended for FRGs)

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Under AR 608-1, Appendix J, FRGs are authorized support through the following:

- Unit Appropriated fund (APF),
- FRG Informal fund, and
- Supplemental Mission Account (intended for FRGs)

Each of these will be discussed in the following slides.



Unit Appropriated Funds (APF)

- Commanders submit an annual FRG budget to their higher headquarters.
- A portion of unit's APF (excluding OPTEMPO funds) to be used for FRG mission essential activities and FRG volunteers.
- Commanders authorized to provide the following:
 - Government office space and equipment
 - Government paper and printing supplies
 - Free postage for official mail
 - Government vehicles for official FRG activities
 - Child care for command-sponsored training
 - Statutory FRG volunteers' training and travel expenses
 - Reimbursement of statutory FRG volunteers' incidental expenses

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Commanders are required to submit an annual FRG budget through their chain of command. This budget shows how a portion of the unit's APF will be used for FRG mission essential activities and FRG volunteers. The regulation states that commanders are authorized to provide the following to FRGs: *(Review list on slide)*



FRG Informal Fund

- Requires commander's authorization.
- Used for specific purposes stated in FRG's Informal Fund SOP AND must benefit entire FRG membership.
- FRG Informal Fund may be used for:
 - FRG newsletters that contain more than the maximum amount of unofficial information
 - Social activities
 - Volunteer recognition
 - Refreshments/meals for FRG meetings.
- Monies are collected through fundraising approved by unit commander.
- Requires an SOP be established and designation of fund custodian and alternate.
- Annual income cap of \$5,000 per year from all sources – fundraising, donations and gifts.

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Here are the facts about FRG Informal Funds.

- Establishing an FRG Informal Fund requires the commander's authorization.
- The FRG Informal Fund is to be used for specific purposes stated in the FRG's Informal Fund SOP AND is to benefit FRG membership.
- FRG Informal Fund may be used for:
 - FRG newsletters that contain more than the maximum amount of unofficial information
 - Social activities
 - Volunteer recognition
 - Refreshments/meals for FRG meetings.
- Monies are collected through fundraising within the unit's family or from all persons benefiting from the FRG (e.g., installation). Fundraising must be approved by unit commander.
- Requires an SOP be established and designation of fund custodian and alternate.
- Annual income cap of \$5,000 per year.



Additional Guidance on FRG Informal Fund

- FRG Informal Fund may NOT be used for:
 - Items or services paid with APF funds
 - Purchase of traditional military gifts
 - Unit Ball.
- Only one informal fund per unit.
- FRG Informal Fund may not be mixed with other funds or deposited in interest bearing bank account.

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(Review slide)

(Some additional points can make:)

- Examples of other funds that it can NOT be mixed with are:
 - Unit's appropriated funds
 - Unit MWR fund
 - Unit's cup and flower funds
 - Any individual's personal funds
- FRG informal fund accounts are not subject to formal audit; however, the command does get an annual report.
- The fund manager and alternate are liable for the money.



Unit Commander's Responsibilities

- Set up annual FRG APF budget and SOP and notify FRG leader
- Approve/authorize:
 - FRG's access to government resources
 - FRG Informal Fund and associated tasks
 - Preapproval of volunteer expenses
- Review monthly FRG Informal Fund reports.
- Determine the support FRGDA can provide to FRG, if FRGDA available.

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The unit commander's responsibilities are to:

- **Set up annual FRG budget and SOP.** Once having done so, the unit commander needs to notify FRG leader about:
 - Funds available for mission activities
 - Incidental expense reimbursements allowed and reimbursement procedures.
 - Sample SOP included in Operation READY Smart Book
- **Authorize/approve:**
 - FRG's access to government resources
 - FRG's establishment of FRG Informal Fund
 - FRG Informal Fund SOP (Sample SOP included in Operation READY Smart Book)
 - FRG Informal Fund custodian and alternate
 - Opening of bank account for FRG Informal Fund
 - Fundraising activities for FRG Informal Fund. Prior to approving fundraising, the commander is to consult with SJA or ethics counselor as necessary.
 - Preapproval of volunteer expenses (travel, training).
- Review monthly FRG Informal Fund reports.
- Determine the support FRGDA can provide to FRG, if FRGDA available.



FRG Leader's Responsibilities

- Provide information for FRG budget, per command request.
- Have unit commander identify resources unit can provide and procedures to access these resources.
- Recruit FRG volunteers needed.
- Obtain pre-approval when required.

For FRG Informal Fund:

- If not set up, discuss with unit commander.
- Appoint and get appointment letter for FRG Informal Fund custodian and alternate.
- Ensure FRG Informal Fund reports submitted to commander.
- Ensure FRG Informal Fund SOP written and approved.
- Get command approval for FRG Informal Fund fundraisings.

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Here are the FRG leader's resource management responsibilities:

- Provide information to help commander develop FRG budget, per command request.
- Get resources needed for FRG activities and FRG volunteers.
 - Recruit FRG volunteers needed.
 - From command, get unit roster and unit authorized resources.
 - If not already set up, discuss with command establishing an FRG Informal Fund.
- Other tasks FRG leader needs to perform related to FRG Informal fund are:
 - Appointing FRG Informal Fund custodian and alternate AND getting appointment letter signed by unit commander.
 - Ensuring FRG Informal Fund reports submitted:
 - Monthly reports to unit commander
 - Annual report to first O6 in chain of command
 - Ensuring FRG Informal Fund SOP written and approved by majority of FRG membership; Getting all appropriate signatures.
 - Discussing all FRG Informal Fund fundraisings with unit commander.
- The FRG leader is also responsible for obtaining any pre-approval required.



FRG Informal Fund Custodian Responsibilities

- Custody, accounting and documentation of FRG Informal Fund.
- Prepare FRG Informal Fund SOP for Commander's approval.
- Establish (non-interest bearing) bank account.
- Maintain FRG Informal Fund ledger.
- Prepare and submit monthly and annual reports to leadership.

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(Review slide)

(Additional point can make):

- **Maintain FRG Informal fund ledger**, which specifies costs earmarked for each event.
- **Prepare and submit monthly and annual reports to leadership** that provide:
 - Current balance
 - Total income
 - Itemized list of expenditures with explanation how expenditures consistent with fund's purpose.

We have now reviewed the regulation and everyone's responsibilities. However, it is anticipated that there are likely to be questions. The next slides are intended to address some of these anticipated questions.



Guidance on FRG Informal Fund Account

- Select bank (if account is not established)
- Apply for Employer Identification Number (EIN)
- Obtain authorization letter from commander
- Set up bank account in FRG's name
- Signatory is fund custodian and alternate; Can not be unit commander, deployable Soldier or FRG leader
- Should be non-interest-bearing account
- Order checks

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Here is specific information about how to actually set up the FRG Informal Fund account. (*Review slide*)

Some additional points can make:

- **Apply for the Employer Identification Number (EIN):** Download and complete IRS Form SS-4 from the IRS web site at www.irs.gov to get EIN. This number is used for the account so that personal Social Security numbers are not on the account, and the FRG is not subject to paying federal taxes. This is not a tax-exempt number for use on purchases. It is simply used to identify the FRG.
- **The bank account is set up in the name of the FRG.** The bank will require a letter from the commander that authorizes the FRG to have an account. A sample letter is provided in the Operation READY Smart Book. This letter should be typed on unit letterhead, and all signatories should be named. Each time there is a change of fund managers, such a letter should be provided to the bank, but the account number and name will not change.
- FRG funds should be placed in a bank account for safe keeping. This makes it easier to track the fund money and reassures the membership that the money is in a safe place.
- **Order checks** with the name of the FRG on them—not the fund manager's name.



Guidance on Fundraising

- Fundraising to collect money for the FRG's Informal Fund must be command approved.
- Command must consult with SJA or ethics counselor.
- An Army organization - including but not limited to units, installations, and Family Readiness Groups - may officially fundraise from its own community members or dependents and from all persons benefiting from the Army organization.
- However, FRGs may NOT conduct external fundraising or solicit gifts or donations.
- Units that have exceeded the annual \$5,000 income cap may not conduct fundraisers until the beginning of the new calendar year.

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AR 608-1, Appendix J provides the following guidance on fundraising. Note: This is a change in policy on allowable fundraising practices.

FRGs may fundraise but the fundraising must be reviewed by the SJA or Ethics Counselor and approved by the Unit Commander. The fundraiser may be held anywhere on the installation (active and Army Reserve) with both the unit commander's approval and the approval of the commander that has cognizance over the location (i.e., garrison commander). However, FRGs may not fundraise off of the installation. If the unit is not located on an installation, then fundraising is limited to the unit's members only.

Funds raised count as income for the FRG's informal cap of \$5,000 annually.

(Review slide)



Guidance on Unsolicited Donations

- Unit commanders (Active and Reserve) may accept unsolicited gift or donation of money or tangible property valued at \$1,000 or less for their FRG's Informal Funds after seeking guidance from the Ethics Counselor.
- Garrison commanders may accept unsolicited donations intended for FRG support, following the acceptance authority limits listed in AR215-1.
- Donations accepted by the Garrison Commander will be deposited into the MWR Supplemental Mission Activity Intended for FRGs (9J) and shared with all FRGs supported by the garrison.
- These supplemental mission activities may be used to supplement FRG informal fund activities or to pay for reimbursement of statutory volunteer expenses if appropriated funds are not available. Supplemental funds may not be used to fund FRG mission essential activities.

Review slide



Supplemental Mission Activity

- Supplemental Mission Activity funds are considered NAF funds, but NOT MWR NAF funds.
- The unit commander may utilize these donated funds for any purpose that he/she believes clearly supplements a mission of the FRG, as long as appropriated funds are not authorized.
- Supplemental mission account support to the FRG is not considered FRG income and does not impact the Informal Fund annual funding cap.
- A sample Supplemental Mission Account SOP for commanders is included in the Operation READY Smart Book.
- U.S. Army Community and Family Support Center (CFSC) Supplemental Mission Activity SOP is included in the Operation READY Smart Book.

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Note that donations made to the Supplemental Mission Account are deposited and maintained by the Director, Morale, Welfare and Recreation. Although these funds are Non-Appropriated Funds (non-tax dollars), they are not MWR NAF funds. For this reason, the unit commander and not the MWR Director, has approval authority over the use of the funds. The unit commander may utilize these funds for any purpose that he/she believes clearly supplements a mission of the FRG so long as appropriated funds are not authorized. However, an exception has been made to allow these funds to be utilized for reimbursement of volunteer incidental expenses if appropriated funds are not available.

Funds received from the Supplemental Mission Fund intended for FRGs does NOT count as income to the FRG and does not impact the FRG Informal Fund income cap.

The commander U.S. Army Community and Family Support Center has issued the FRG Supplemental Mission Account SOP. A signed copy is included in the Operation READY Smart Book.

Army National Guard is currently not eligible for Supplemental Mission Account donations.



Guidance on Child Care for FRG Activities

- Discuss child care with commander/RDC for options available and pre-approval
- Access a Short-term Alternative Childcare (STACC) site
- Set up pool of trained child care volunteers [FRG volunteers can be trained through CYS's Volunteer Child Care in a Unit Setting (VCCUS) program]
- Arrange "kiddie corner"

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Having child care for FRG events is important and recognized need. Here is guidance on the options available to FRGs for getting child care: *(Review slide)*

Some additional information to provide:

- **STACC (Short Term Alternative Child Care)** involves the use of paid caregivers and paying an hourly rate fee based on the ages and number of children. On an installation, STACC is usually provided by CYS.
- **VCCUS (Volunteer Child Care in the Unit Setting)** uses volunteers from the unit or another unit to provide childcare for an FRG event. Parents must remain on-site. Check with your installation or State Family Program Coordinator for guidance in setting up a VCCUS. Training may be required for those who volunteer.
- It is helpful if the FRG names a childcare coordinator and/or puts a plan in place so that childcare arrangements can be easily made when necessary.



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Closing

- Any questions?
- Follow-up needed

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Here is information that addresses some commonly asked questions. *Distribute handout:*
[FRG Funding and Resources Frequently Asked Questions](#)

Address any questions. If unable to answer a question, then indicate will share information with all attendees once you obtain the information needed from Army Headquarters. Make sure you have contact information (e.g., e-mail addresses) for all attendees.

Encourage attendees (e.g., unit commanders, FRG leaders, and FRG Informal fund custodians if present) to group themselves by unit and to have a discussion on these issues. This is opportunity for individuals to meet and begin talking about the steps that need to be taken for the unit's FRG.