

Moral, Welfare and Recreation

STATE UNIT ALLOWANCE

1.0 POLICY

The policies and procedures for the establishment and administration of the State Unit Allowance will be as prescribed herein. The Unit Allowances will be kept separate from all other funds. The Unit Allowance is a non-appropriated fund activity derived from funding pursuant to ARS §26-153.

2.0 FISCAL ACCOUNTING YEAR

The state fiscal year beginning on 1 July and ending 30 June is the basis for management of the State Unit Allowances.

3.0 GENERAL

Commanders are responsible for the administration of the Unit Allowances throughout their respective commands. Funds will be disbursed by DEMA to the major commands and will be held at that level until expenditures are made to a vendor. Subordinate commanders will request payment from the unit allowances from the major command. All records will be kept at the major command level.

It is the intent of this regulation that procedural requirements be delegated to the major command. The Commander will establish internal formats, records and procedures to ensure proper accountability of funds.

All references to Command and Commander in this directive refer to the Commander of the following organizations:

HQ STARC AZARNG	385 Attack Helicopter Gp	HQ ANG
153 FA BDE	Camp Navajo	107 ACS
98 Troop Command	161 AR Wing	162 Fighter Wing
		WAATS

4.0 RESPONSIBILITIES

Commanders will be held responsible for the Unit Allowance administration. Only Commanders are authorized to expend funds as prescribed in this directive. Commanders may designate a Unit Allowance Coordinator to assist in the oversight of the funds. An account custodian and alternate

will be designated at the major command level for the proper and timely accounting of the funds. The Custodian and alternate custodian may have signatory authority for the bank account.

5.0 ACCOUNTING PROCEDURES AND RECORDS

- a. The account custodians will maintain the accounting records of all transactions. A bank account will be established and managed by the custodian. The custodian will provide a quarterly account status report to the Commander. The Commander will initial and date the quarterly status report to document the review. Procurement should be made after a requisition or purchase request memorandum has been properly approved by the Unit Commander.
- b. All checks or warrants for deposit should be properly endorsed for deposit immediately upon receipt. Bank deposits should be made by someone other than the person accepting the revenue and completing the deposit slip. The bank-validated deposit slip should be retained and stapled to the back of the appropriate bank statement.
- c. Disbursements: Any disbursements over \$200.00 will have the signature of the Commander and the account custodian or alternate. Supporting documentation for payment should be in the form of original invoice, contracts, receipts, etc. Such documentation should state clearly the goods/services provided. Checks will be entered into the accounting record when written. Blank check stock should be secure at all times.
- d. Voided Checks: Voided checks will be defaced in ink with the word "VOID" and the signature block cut out. Voided checks should be filed with canceled checks.
- e. Property Acquisitions: When purchases of property or fixed assets are made, adequate records shall be maintained in order to show date of purchase, cost, description, location and final disposition. An annual inventory of property will be conducted and certified by the Unit Allowance Coordinator. Property disposed of, will be documented by a certification by the Unit Allowance Coordinator. Net proceeds from the sale of property will be deposited in the Unit Allowance Fund and expended for items authorized in this directive. Revenues from the sale of property not owned by the Unit Allowance Fund shall not be deposited in the fund.
- f. Supplementary Records:
 - Bank statements should be reconciled no later than the 15th of the following month, and approved by someone other than those responsible for the account. The ending balance date for the bank statement should be at the end of the month to facilitate fiscal year end reconciliation.
 - The check register or control log should be current at all times. Corrections will be made by drawing a line through the error and initialling. Never erase or paint over.

- g. The Commander will determine the format of the accounting record. The format should provide management with a visual report of each unit's activity and current standing as well as the total account balance.

6.0 APPROVED EXPENDITURES

The Unit Allowance was created to provide a financial means for Unit Commanders to meet those organizational needs which are not available from other sources. Items eligible for purchase with Unit Allowance funds include:

- a. Special supplies or equipment not available through normal issue:
- Trophies
 - Rubber stamps
 - Letterhead stationery
 - P. O. Box rental
- b. Entertainment and recreation for *all* members of the Unit:
- Social events such as dances, picnics, special event dinners, for officers and enlisted men and/or families of the Unit. Alcoholic beverages are not authorized expenditures.
 - Items which can be utilized by the part-time Guardsmen in the break time, lunchtime, or physical training time allotted on a weekend drill. Reasonable Annual Training utilization should be considered.

Unit morale

- Additional rations as necessary.
- Decorating recreational and dining areas. (Repairs and decorations to other areas are not authorized).
- Refreshment facilities.
- Name plates and patches.
- Reasonable annual training items or events.
- Flowers for hospitalized guardsmen only, or funerals of guardsmen only.

- d. Vehicles: No expenditures of any type are authorized. Vehicles are totally federally supported.
- e. Other expenditures
 - All other expenditures must be approved by the MWR Executive Council (MWREC) (DEMA-MWR) prior to the obligation of funds. If approved, verbal authorization will be given, followed by written authorization. The written authorization must be attached to the invoice and canceled check for audit.
 - Unauthorized purchases become the obligation of the Commander and the Unit Allowance Coordinator. The MWREC can require reimbursement to the Unit Fund for any unauthorized expenditure.

7.0 ANNUAL REVIEW OF FUNDS

- a. Commanders/Custodians will retain all pertinent records for on-site review by the MWREC or its agent. Accounts will be randomly selected for audit. Commanders whose accounts are scheduled for audit will be contacted for coordination.
- b. In cases of discrepancies or unauthorized expenditures, documentation will be furnished to the appropriate officer who will coordinate correction and/or restitution action.
- c. *State Unit Allowance records are subject to additional inspection, review and/or audit by the Department Chief Auditor, Arizona State Auditor General and the Department of Administration.
- d. State Unit Allowance records may also be reviewed upon inactivation of a unit, change of station, change of custodian, and whenever deemed necessary by the Unit Allowance Coordinator.

8.0 CERTIFICATE OF TRANSFER

When a new Custodian is appointed, the Unit Allowance must be formally transferred. The following will be accomplished within ten working days of the formal transfer.

- a. A Certificate of Transfer will be completed. It will contain a statement of present and bills payable and will include certification by the former Custodian as to the correctness of the entries. The new Custodian will acknowledge acceptance of the account by countersigning the Certificate of Transfer.
- b. A signature card will be forwarded to the bank, bearing the signature of the new Custodian and Alternate Custodian (when applicable) and revoking the signature of the former Custodian.
- c. A bank statement as of the date of transfer will be obtained and reconciled with the fund balance as indicated by the Unit Allowance Record.
- d. The Unit Allowance account will be reviewed by the Resource Manager, DEMA-RM. The former Custodian will be responsible for correction of any discrepancies.


9.0 DISPOSITION OF UNIT ALLOWANCE RECORDS

The Unit Allowance Records will be retained and available for inspection by appropriate authority at the Major Command level for a period of three years after the close of the fiscal year. After three years, provided there is no pending action, the Unit Allowance Records will be destroyed.

10.1 DISPOSITION OF FUNDS UPON TERMINATION OF AN ACCOUNT

Upon termination of a Unit Allowance activity or account, the funds and any property pertaining to that activity will be returned to the MWREC.

BY DIRECTION OF THE Moral, Welfare and Recreation Executive Council:



John A. McMurdie
Resource Manager