

DoD NAF Accounting Working Group Meeting Minutes

Thursday, October 19, 2017

0900-1000 EDT

Attendees

- MC&FP
 - Mike Curtis
- DFAS – Indianapolis
 - La Zaleus Leach
- Army Secretariat
 - Coleen Amstein, Gerald Holliday
- Army IMCOM G9
 - Paul Burk, Bryan Hartsell, Sonia Daugherty
- Air Force M&RA
 - Lt Col Chip Hollinger
- Air Force A-1
 - Lisa Hughes
- AFSVA
 - Marcus Whitehead, Peter Nation, Marivic Penman
- MCCS
 - Courtney Pulis, Christine Brokaw
- Army – DFAS – Texarkana
 - Lena Anderson
- Navy OPNAV N4
 - Annie Fowler, Katie Bloomberg
- Navy CNIC
 - Nancy Stephens, Jennifer Wilkinson, Jeff Potter
- Grant Thornton (GT)
 - Jeremy Blain, Ariane Whittemore, Stephen Pomager, Jack Renner, Sumner Higginbotham

Welcome and Introductions – Mr. Mike Curtis

- Mr. Curtis welcomed everyone, acknowledged that all the Services were present, and thanked everyone for participating.

Action Items from Previous Meeting – Mr. Mike Curtis, MWR & Resale Policy

- No outstanding action items.

OSD Update – Mr. Mike Curtis, MWR & Resale Policy

- GAO Review update from the Army:
 - Mr. Burk stated that the GAO representatives were not familiar with the NAF Program-Metric and IMCOM G9 staff walked GAO through how to read each field. The GAO representatives were very interested in the budget guidance, approval, and execution processes, including the allocation and use of appropriated funds. The GAO also was interested in the organizational structure of how MWR programs are managed and overseen, and the GAO also requested copies of business operations

standards. Mr. Burk and the IMCOM G9 staff briefed GAO on strategic communications, working groups, and building requirements that feed the POM, and were able to answer all GAO questions.

NAFSGL Updates – Mr. Mike Curtis, MWR & Resale Policy, and Mr. Bryan Hartsell, Army IMCOM G9

- Mr. Curtis posed the question: How can we distinguish APF-authorized (UFM or MOA) items from “pure NAF-” authorized items?
 - Mr. Hartsell stated that the Army currently has a specific cost center that is listed for APF-authorized purchases. The cost center is combined with program and site codes to inform Army of how much spending takes place in APF-authorized purchases. The cost center used by Army is not identified in NAFSGL.
 - Ideas to incorporate this into the NAFSGL include using one of the Service-specific digits in Cost Center or GLAC. A zero or one as the first or fourth digit could determine whether an item is APF- or NAF-authorized. Army has not formed a stance, but is exploring options.
 - The Air Force does not have a specific breakout of NAF vs APF, but rather uses a cost center MOA system.
 - Ms. Pulis stated that based upon DoD FMR Volume 13, the Marines Corps uses a system to identify NAF vs APF expenses. The Marine Corps uses a subaccount field called UFM as an extension of the general ledger account. APF-authorized items get coded to a UFM subaccount. Ms. Pulis emphasized that the expense is determined as UFM-eligible, based upon DoDI 1015.15 Enclosure 4.
 - Ms. Pulis suggested that the NAFSGL could be extended to include the subaccount digits. The service-specific four GLAC digits are already taken in the Marines’ current system.
 - Mr. Blain stated that the current twenty-four digit NAFSGL was based upon accounting structures at that time. With the acquisition of new systems, extending the digits is an option.
 - Mr. Hartsell stated that twenty-four digits is already very long. He asked how the 9999 sub-combinations available in the service-specific four GLAC digits were insufficient to meet services’ needs.
 - Ms. Pulis clarified the service-specific four GLAC digits were used by pre-existing MCCS accounts which are four digits. MCCS mapped its existing four digit code to the four service-specific digits of the GLAC.
 - Ms. Pulis also reiterated there was no requirement to identify APF- v. NAF at the time of the NAFSGL was developed.
 - Mr. Hartsell stated that the Army had shortened its code rather than take existing code and apply it to the NAFSGL framework.
 - Ms. Stephens stated that Navy currently uses cost centers and general ledger accounts. Going forward, the Navy will likely use the fourth GLAC digit in the NAFSGL, with a zero or one to indicate whether an expense is NAF or APF.
 - Ms. Fowler agreed that identifying APF v. NAF is important.
 - Mr. Curtis stated that this is an important point to consider in the future.
- Mr. Curtis stated OSD was interested in how services are capturing food and beverage versus military clubs.

- Ms. Whittemore noted that the Army separated clubs from Food and Beverage in NAF Program-Metric report, but reported them all together as Food and Beverage in their annual briefing to MC&FP leadership.
- Mr. Curtis noted that food and beverage at bowling alleys, golf, and gyms, could also be confusing. Mr. Curtis expressed that these issues should be solved by NAFSGL policy discussions planned for March 2018; benefits would include more accurate reporting.
- Mr. Curtis led discussion of planned offsite for March 2018. One or two representatives from each service would be invited to have an offsite to deep dive into NAFSGL with Grant Thornton support. This group, which would be small and then report out to leadership, would create a “NAFSGL 3.0” to resolve identified issues.
 - The Services agreed to March 2018 meeting, likely in San Antonio. Mr. Burk suggested the Army could host the event.
- Mr. Hartsell would like to examine standardizing the remaining service-specific digits for Cost Centers and the GLAC in order to keep open the possibility for a future Joint NAF Accounting system.
 - Ms. Brokaw noted that MCCA Chart of Accounts is different and will remain different due to its integrated organization.

Wrap Up

- Mr. Curtis summarized the topics noted above and concluded the meeting, commenting that the next DoD NAF Accounting Working Group session will occur on Thursday, November 16.

Action Items Summary – Current Meeting

- MC&FP to draft an agenda and schedule an offsite to perform a deep dive into “NAFSGL 3.0” in mid- to late March 2018, likely to be located in San Antonio. Mr. Burk of Army IMCOM G9 offered to host.