

10 MAY 2004



Services

**COMMAND LODGING FUND (CLF)
PROGRAM**

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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Supersedes AETCI 34-201, 27 April 2001

Pages: 21
Distribution: F

This instruction follows guidance in AFD 34-2, *Managing Nonappropriated Funds (NAFs)*, and AFI 34-201, *Use of Nonappropriated Funds*, and establishes responsibilities and procedures for administering the CLF Program. It explains the functional roles of headquarters and base-level Comptroller, Services, and Civil Engineering organizations. This instruction applies to Services commanders and chiefs of Services. It does not apply to AETC-gained Air Force Reserve Command (AFRC) units or Air National Guard (ANG) units. The use of the name or mark of any specific manufacturer, commercial product, commodity, or service in this publication does not imply endorsement by the Air Force.

See **Attachment 1** for a glossary of references and supporting information. Maintain and dispose of records created as a result of processes prescribed in this publication in accordance with AFMAN 37-123, *Management of Records*, and are disposed of in accordance with AFMAN 37-139, *Records Disposition Schedule* (projected to be the Air Force Disposition Schedule [RDS]).

SUMMARY OF REVISIONS

This document is substantially revised and must be completely reviewed.

Changes the excess cash computations from monthly to daily and eliminates supplies and amenity purchases from CLF responsibility (paragraph **1.3.**); adds AETC Commander responsibilities (paragraph **2.2.**); refines duties and responsibilities for HQ AETC/SVF (paragraph **2.3.4.**); expands quarterly reporting requirements (paragraph **2.3.4.12.**); adds requirement to provide occupancy and utilization reports for the lodging rate process (paragraph **2.3.5.4.**); refines duties and responsibilities for HQ AETC/CE (paragraph **2.4.**); updates requirement for forwarding receiving documentation for all CLF grants (paragraph **2.8.7.**); adds requirement to submit manager's prepaid expense report monthly (paragraph **2.8.10.**); updates responsibilities of base-level Comptroller (paragraph **2.11.**); updates excess cash computations (paragraph **4.**); reflects changes in excess cash pull process (**Figure 1.**); changes the command standard

for labor and operating expenses to 80 percent and establishes secondary performance measures (paragraph 5.3.2); requires base lodging fund (BLF) expenditures to be directly posted to the appropriate expense general ledger account code (GLAC) and limits use of GLACs 130/194 (prepaid expenses) (paragraph 5.3.3); adds requirements for initial assessment when BLFs fail to meet command performance standards (5.3.4); revises the capital asset replacement schedule (Attachment 3); and eliminates the previous Attachment 5 (Lodging Case Goods).

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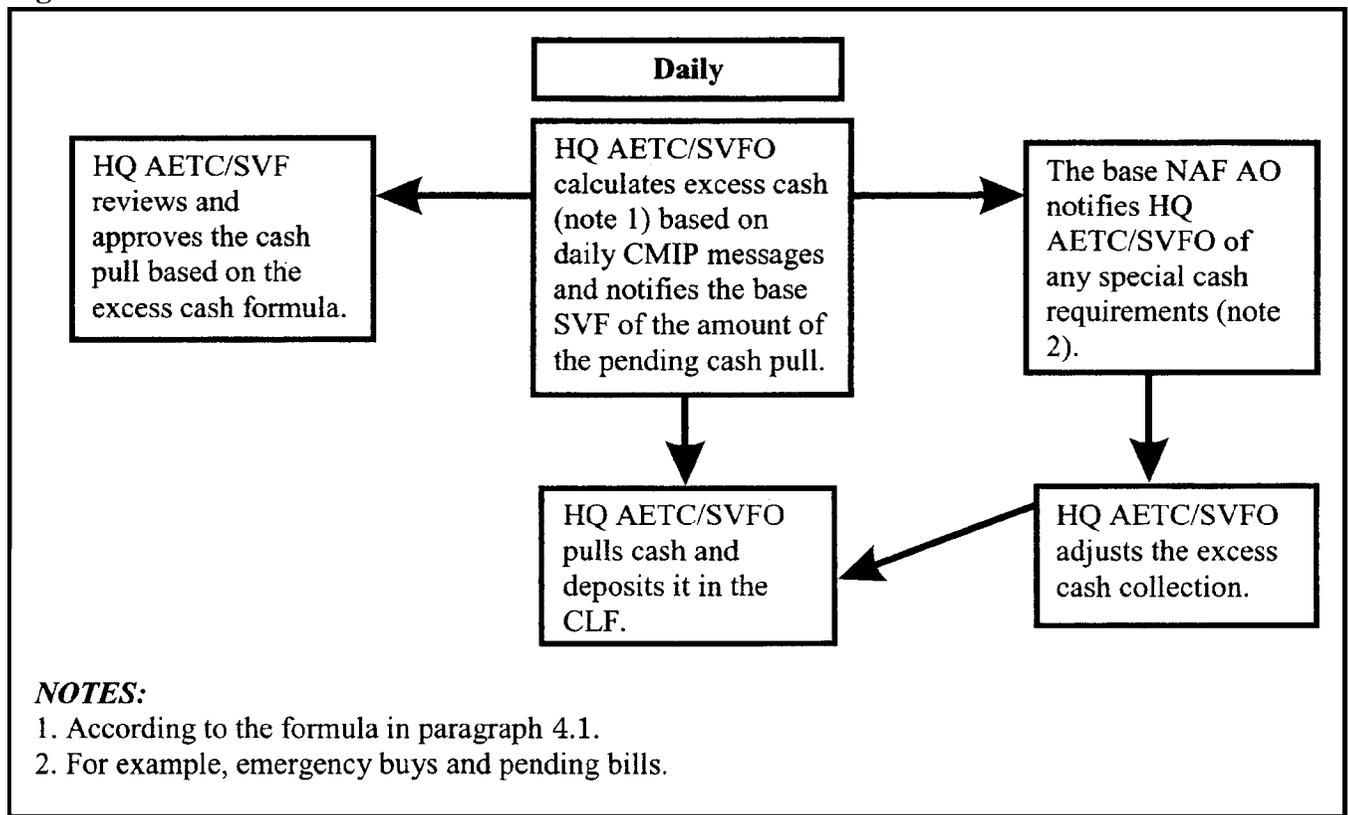
1. Overview:

1.1. The CLF program serves as a financial tool to help each AETC lodging operation maximize facility enhancements through efficient distribution of lodging funds transferred within the command.

1.2. The CLF is intended to ensure AETC lodging activities meet the Air Force standards according to AFI 34-246, *Air Force Lodging Program*, via a common cause approach. Through excess cash pulls from each installation’s base lodging fund (BLF), contributions are collected to cover the command’s annual capital lodging requirements.

1.3. Excess cash pulls from BLFs are based on daily computations (**Figure 1**). These funds are returned to BLFs based on the need for furnishings, nonappropriated fund (NAF) expendable equipment, vehicles, and bulk purchases of uniforms. **NOTE:** To achieve the resources necessary in support of the CLF program, see paragraph 5.

Figure 1. Excess Cash Pull Process.



1.4. To determine the appropriate fund source, see Figure 6.1 of AFI 65-106, *Appropriated Fund Support of Morale, Welfare, and Recreation and Nonappropriated Fund Instrumentalities*.

2. Responsibilities:

2.1. Basic Authority:

2.1.1. The CLF is administered by the fund custodian (HQ AETC/SVF), as directed by the AETC Vice Commander (AETC/CV) and the AETC NAF council and approved by the AETC Commander (AETC/CC).

2.1.2. The HQ AETC NAF Finance and Audit (F&A) Committee (a subcommittee of the AETC NAF Council) provides guidance on the administration and execution of the CLF program.

2.1.3. The CLF is the successor fund for base-level funds and is responsible for covering all debts in the event BLFs become insolvent.

2.2. **AETC Commander (AETC/CC):** (*NOTE:* These actions may be delegated to AETC/CV as the AETC NAF Council chairperson.)

2.2.1. Oversees all nonappropriated fund instrumentalities (NAFI) within the command and administers command-level NAIs (AFI 34-201).

2.2.2. Appoints HQ AETC NAF F&A Committee members and current standing authorities for handling scope and cost increases and out-of-cycle requirements exceeding \$25,000.

2.2.3. Appoints AETC NAF Council members to administer the CLF program and review grant execution.

2.2.4. Approves the annual CLF grant program based on anticipated cash pull forecasts. Approves interior design packages for the purchase of furnishings, lighting fixtures, draperies and bedspreads, wall covering, and carpeting, including standard case good selections for distinguished visitors quarters.

2.3. **Director of Services (HQ AETC/SV):**

2.3.1. Executes the CLF based on program guidance provided by AETC/CC (or AETC/CV, if so delegated).

2.3.2. Approves emergency expenditures from the CLF up to \$25,000 per incident.

2.3.3. Reviews quarterly cash flow to determine if additional grants may be authorized, based on excess cash availability.

2.3.4. **Resource Management Division (HQ AETC/SVF):**

2.3.4.1. Reviews base-level NAF requirements budget (NRB) submissions to ensure compliance with applicable AFIs and availability of funds. Notifies HQ AETC/SVX when quarterly NRBS are available for review.

2.3.4.2. Executes procurement actions for approved CLF grants. *NOTE:* This excludes authorized government purchase card (GPC) purchases (paragraph 2.8.6.).

2.3.4.3. Presents the annual CLF grant program to the AETC NAF Council for recommendation of approval.

2.3.4.4. Presents the council with out-of-cycle approvals for grants handled through either staff action or within current standing authority restrictions.

2.3.4.5. After AETC/CC approval, assigns a CLF grant number to each approved project and sends a memorandum to installation commanders and base-level Services, notifying them of approved grants. On future correspondence, refers to this number on all purchase orders, invoices, receiving reports, payments, and correspondence relating to the specific grant. Forwards copy of grant memorandums to HQ AETC/SVX.

2.3.4.6. In coordination with HQ AETC/SVX, identifies, prioritizes, and submits grants requiring interior design assistance into the HQ AETC/CEC design schedule. Provides grant

requirements to HQ AETC/CEC every 2 years by 15 March (for the 2-year rate package cycle) with an expected completion date no later than 15 August.

2.3.4.7. Informs the bases of the design execution schedule for annual grants.

2.3.4.8. Reviews and validates purchase requests for lodging manager or installation commander grants. Coordinates approval with HQ AETC/SVX and forwards approval to the NAF accounting office (AO) for execution. Purchases for a lodging manager or installation commander grant must be completed by 30 September of each year unless advance approval is received from HQ AETC/SVF.

2.3.4.9. Reviews and validates project or grant requirements for CLF expenditures. Coordinates approval with HQ AETC/SVX; processes purchase requests through the Internet Based Purchasing System (IBPS) (except for annual trade show purchases, which are accomplished on AF Form 9, **Request for Purchase**); and forwards these requests to the Air Force Nonappropriated Fund Purchasing Office (AFNAFPO) for negotiations and purchasing.

2.3.4.10. Using six-part folders, tracks all grants for obligations through completion, as follows:

2.3.4.10.1. Grants are for specific requirements and will not be transferred to other grants or requirements without written justification from the Services commander or chief of Services and approval by HQ AETC/SV. HQ AETC/SVF will coordinate action with the HQ AETC/SVXM staff.

2.3.4.10.2. Grants must be completed by 30 September of the fiscal year in which they were issued. Waivers will only be granted for unusual or unknown circumstances that prevent timely execution; for example, discovery of termites or asbestos.

2.3.4.10.3. Requests for a waiver must be signed by the Services commander or chief of Services and forwarded to HQ AETC/SV by 30 June. Waivers not received by 30 June will be handled on a case-by-case basis.

2.3.4.11. Recommends changes to the cash pull formula to HQ AETC/SV.

2.3.4.12. Provides HQ AETC/SVX with a monthly rolling, four-quarter report on primary and secondary performance measures (as noted in paragraph 5.3.2.). The report will include recommendations to bring labor and operating expenses within established goals. In addition, provides AETC/CV a quarterly briefing on those funds failing to meet standards and the impact on the CLF. **NOTE:** The reporting requirement is exempt in accordance with AFI 33-324, *The Information Collections and Reports Management Program; Controlling Internal, Public, and InterAgency Air Force Information Collections*, paragraph 2.11.2.

2.3.4.13. Consolidates all base-level files and develops the biannual lodging rate determination package. Provides briefings to HQ AETC/FM and XP on the impact of the increase to command and TDY-to-school funding.

2.3.4.14. Evaluates and approves base requests for operational grants.

2.3.5. **Plans and Force Management Division (HQ AETC/SVX):**

2.3.5.1. Reviews and validates base NRBs.

2.3.5.2. Prioritizes all base requirements, focusing on the most urgent need, and recommends

funding order to HQ AETC/SVF. Works with HQ AETC/CE to ensure any appropriated fund (APF) companion projects are identified and funded in the year of CLF grant execution.

2.3.5.3. Reviews design packages and forwards them to base lodging managers (BLM), who are given 30 days to review interior design packages. Provides copies of the design packages to HQ AETC/SVF for inclusion in CLF folder and purchase requests.

2.3.5.4. Provides information on occupancy rate and facility utilization for input into the biannual lodging rate determination process. Reviews and scrubs capital requirements for the 2-year program and provides by-base requirements to HQ AETC/SVF.

2.3.5.5. Reviews the monthly rolling 4-quarter report on primary and secondary performance measures. Corresponds with BLMs when primary and secondary performance measures are not met. Schedules staff assistance visits to installations where performance measures have exceeded the standard for more than four rolling quarters.

2.3.5.6. Informs HQ AETC/SVF of the design schedule for proposed grants.

2.4. Civil Engineering (HQ AETC/CE):

2.4.1. Supports the CLF through interior design project management provided by the interior designers assigned to HQ AETC/CECT and CECF who will:

2.4.1.1. Work directly with HQ AETC/SVXM and the base Services deputy, BLM, and selected vendors during the design phase of their grants. The designers will notify HQ AETC/SVX of any proposed project changes in items and/or cost estimates.

2.4.1.2. Provide HQ AETC/SVX with an estimated completion date of designs by grant and base.

2.4.1.3. Review and develop required certifications and then forward the completed packages to HQ AETC/SVX for review.

2.4.1.4. Notify HQ AETC/SVF and SVX when they cannot meet the annual suspense date.

2.4.2. Keeps the HQ AETC/SVF and SVX staff apprised of companion APF lodging projects in order to minimize scheduling disruptions.

2.5. Comptroller (HQ AETC/FM):

2.5.1. Oversees the CLF execution and monitors compliance with financial policy and management.

2.5.2. Supports the CLF through the oversight of annual program execution and review of the rate determination package.

2.5.3. Chairs the NAF F&A Committee, which is responsible for recommending financial policies, standards, and goals affecting the CLF for the AETC NAF Council's review and AETC/CC's approval.

2.5.4. Performs periodic reviews on CLF execution, identifying problem areas and providing HQ AETC/SVF with recommended solutions, as follows:

2.5.4.1. The nonappropriated fund financial analyst (NAFFA) accompanies the lodging management assistance team (LMAT) in reviewing base-level lodging operations when scheduling permits.

2.5.4.2. The NAFFA identifies most the urgently needed requirements for possible CLF funding. In conjunction with the LMAT, the NAFFA helps prioritize requirements and ensures funding matrix is followed. He or she provides recommendations on funding, based on limited resources.

2.6. Installation Commander:

2.6.1. Approves, disapproves, or amends the base NAF council meeting minutes and other NAF council recommendations regarding the BLF budgets and capital requirements execution.

2.6.2. Approves the standard case good selection. Notifies HQ AETC/SV in writing when the standard case good selection changes or is discontinued.

2.6.3. Receives a quarterly briefing by the resource management flight chief (RMFC) on any requests for operational grants approved by HQ AETC/SVF.

2.6.4. Supports APF companion projects when required for CLF grants.

2.7. Services Commander or Chief of Services:

2.7.1. Ensures the BLM and NAF AO are properly trained on CLF grant responsibilities and execution.

2.7.2. Ensures BLM and RMFC jointly develop the 5-year capital requirements budget to incorporate Air Force requirements.

2.7.3. Ensures the base civil engineer reviews NRBs for possible APF companion requirements and such requirements are identified for funding in base financial plan (FINPLAN).

2.7.4. Receives a monthly briefing from the RMFC on any requests for operational grants approved by HQ AETC/SVF.

2.8. Resource Management Flight (RMF). RMF responsibilities are as follows:

2.8.1. The RMFC or NAF AO will request CLF reimbursement to pay for approved GPC purchases and installation commander's or BLM's grant.

2.8.2. The NAF AO must know the status of each CLF grant. He or she will provide HQ AETC/SVF a monthly status report by the 15th workday following the end of the month (**Attachment 2**). **NOTE:** This reporting requirement is exempt in accordance with AFI 33-324, paragraph 2.11.12.

2.8.3. The RMFC will review the lodging operation's 5-year NRB by facility and activity (for example, cost center codes 31, 35, 36, 37, and 38) and provide guidance on quarterly updates.

2.8.4. The RMFC will obtain base-level budget approval through his or her base NAF council and forward the budget to HQ AETC/SVF no later than the 15th of the month preceding the start of each quarter. **NOTE:** This reporting requirement is exempt in accordance with AFI 33-324, paragraph 2.11.12.

2.8.5. The RMFC will provide HQ AETC/SVF a copy of the approved base NAF council minutes.

2.8.6. The NAF AO will send CLF project purchase requests for all GPC, petty cash, and case goods (furnishings) or soft goods (draperies, bedspreads, etc.) to HQ AETC/SVF for review and validation prior to procurement from vendor for purchases authorized with local funds. CLF funds are not considered authorized without prior approval from HQ AETC/SVF.

2.8.7. The NAF AO must send remaining documentation to HQ AETC/SVF no later than 5 days after completion of purchase, receipt of services or merchandise, and payment. Examples include receiving documents, invoices, proof of payment (a copy of the check or electronic fund transfer [EFT] payment verification) for reimbursement, and purchases made under the installation commander's or BLM's grant.

2.8.8. When grants are complete and all bills are reimbursed, the BLM and NAF AO will notify HQ AETC/SVF within 15 days to deobligate all remaining funds allocated to the grant.

2.8.9. The RMFC will forward vehicle requests (including vehicle analysis with complete justification) to HQ AETC/SVF.

2.8.10. Each month the NAF AO will forward the manager's prepaid expense report from the NAF field accounting system to HQ AETC/SVF (along with other financial reports) to ensure BLF expenses recorded as prepaids are not excessive. **NOTE:** This reporting requirement is exempt in accordance with AFI 33-324, paragraph 2.11.7.

2.9. **Combat Support Flight.** The combat support flight will coordinate on all correspondence and actions related to the CLF program.

2.10. **Base Lodging Manager (BLM):**

2.10.1. Must know the status of each CLF grant at all times.

2.10.2. Advises his or her respective NAF AO of any anticipated delays in execution of the CLF projects.

2.10.3. Requests, in writing, extensions of execution time lines for grants through the installation commander or designated representative.

2.10.4. Identifies, budgets for, and purchases day-to-day requirements such as guest amenities and supplies, resaleable merchandise, personnel costs, and maintenance of NAF-owned property. Emergency asset purchases or unforeseen requirements under \$2,500 may be identified for local funding, but this will not be done to circumvent the CLF program or piecemeal purchases. Emergency expenditures will be considered part of the operating expenses identified in paragraph 5.3.2. Requests for requirements above this amount will be forwarded through the support group commander to HQ AETC/SV.

2.10.5. Prepares the 5-year NRB by facility and activity (cost center codes 31, 35, 36, 37, and 38) and updates it quarterly as required. The NRB must include the quantity and unit cost of items requested. Prioritizes the first 2 years by quarter and the last 3 years by year. The NRB process is the key to this program.

2.10.6. Presents the NRB to the base NAF council for recommendation to the installation commander for approval.

2.10.7. Bases the projected NRB on the condition and age of furnishings and anticipated replacement due dates. Considers refinishing case goods instead of replacing them. Replacement frequency for furnishings are shown in **Attachment 3**. Establishes case good selections in accordance with paragraph 2.6.2.

2.10.8. Selects like items if the selected style of case or soft goods is not part of a complete upgrade project; for example, worn draperies with same design color. Obtains and documents

written or telephonic design approval from the command interior designer prior to forwarding the purchase request to the NAF AO.

2.11. Base-Level Comptroller (FM):

2.11.1. Provides oversight and audit services of the financial operation of the BLF through the base NAFFA. The NAFFA conducts periodic reviews to ensure effective use of available lodging facilities. In addition, the NAFFA conducts quarterly reviews of CLF execution to ensure balance sheet accounts properly identify outstanding requirements, purchases, and remaining command funding obligations.

2.11.2. Identifies CLF projects not meeting the required timelines and offers solutions or recommendations to accelerate project execution to meet command deadlines.

2.11.3. To decrease the possibility of pilferage and misuse of lodging revenues and other resources, reviews lodging internal controls for possible weaknesses relating to cash, accounts receivable, management of front desk operations, accounting documentation, and separation of employee duties.

2.11.4. Ensures items identified by the base civil engineer for APF requirements are listed in the FINPLAN for funding in year of execution.

3. Out-of-Cycle Requirements and Operational Grants:

3.1. Bases will request emergency requirements for out-of-cycle funding by providing full justification of the emergency requirement to HQ AETC/SVF.

3.2. Bases may request an operational grant to sustain operations, as follows:

3.2.1. The RMFC will determine if an operational grant is necessary and, if so, will notify the Services commander or chief of services.

3.2.2. The RMFC will notify HQ AETC/SVFO of the amount required to continue operation and forward an e-mail request for the operational grant to HQ AETC/SVF along with a cash flow forecast (to include cash on hand and estimated receipts and disbursement for the next 30 days by week). The format for cash flow is available from HQ AETC/SVF.

3.3. If the grant is approved, HQ AETC/SVF will transfer funds to the base to meet operational costs. An operational grant does not require an assigned number. See paragraph 10. for the required accounting entries.

4. Excess Cash Computation:

4.1. HQ AETC/SVF will calculate and pull excess cash, using the process in [Figure 1](#). Bases must inform HQ AETC/SVF of any other requirements affecting cash no later than the close of business on the date of the cash-pull notification. HQ AETC/SVF will use the following figures in the calculations:

4.1.1. Cash on hand as of the daily cash management investment program (CMIP) message (balance sheet account 101).

4.1.2. Fifty (50) percent of average current liabilities (201 - 249). Do not include CLF grants payable (2011) in this amount.

4.1.3. Other requirements as provided by the BLM or RMFC.

4.2. The BLM or RMFC must fully explain and justify other requirements. For example, unexpected overtime may be incorporated into the formula. Collection time on accounts receivable will also fall into this category. **NOTE:** Defense Finance Accounting Service (DFAS) payments may take as long as 90 days to receive.

5. Lodging Metrics:

5.1. **Figure 2.** contains a lodging metric for assessing financial condition.

Figure 2. Lodging Metric for Assessing Financial Condition.

Most recent quarter's adjusted net income	+	Acceptable	Commander involvement
	-	Commander oversight	Command oversight
Prior quarter's adjusted net income	+	Acceptable	Commander involvement
	-	Commander oversight	Command involvement
Second prior quarter's adjusted net income (note)	+	Acceptable	Commander involvement oversight
	-	Commander oversight	HQ AFSVA/SVOHL involvement (note)

NOTE: HQ AFSVA involvement is required when the BLF fails to meet the standard for a rolling 12-month period and current quarter.

5.2. To use the lodging metric (**Figure 2.**):

5.2.1. Determine the fiscal year-to-date adjusted net income or loss; that is, net income adjusted for depreciation (NIAD).

5.2.2. If the result is a profit and the most recent quarter has a net profit, the BLF is in sound financial condition.

5.2.3. If either the fiscal year-to-date or the most recent quarter resulted in a loss, the financial status of the fund is not acceptable and the installation commander's involvement is necessary.

5.2.4. If both the fiscal year-to-date and the most recent quarter resulted in a loss, command involvement is required.

5.3. Lodging Management Standards:

5.3.1. Lodging financial management standards are as follows:

5.3.1.1. Seven (7) to 15 percent NIAD.

5.3.1.2. Acid test ratio of .75:1.

5.3.1.3. Current ratio of 2:1 cost of goods goal: 55 to 65 percent (according to sales mix analysis).

5.3.2. Base lodging operations for personnel and operating expenses will not exceed 80 percent of sales and revenue (general ledger account codes [GLAC] 3XX plus 5XX minus 501S) on a rolling 4-quarter basis. Personnel expenses are limited to 65 percent of sales and revenue (GLACs 3XX plus 5XX minus 501S) on a rolling 4-quarter basis. Operating expenses (GLACs 720 to 796, less

908) are limited to 15 percent of total sales and revenues excluding assessments (GLACs 3XX plus 5XX minus 501S) on a rolling 4-quarter basis. Operating expenses are defined as guest amenities, supplies, resaleable merchandise, and maintenance of NAF-owned property. **NOTE:** For a list of the GLACs used in this instruction, see [Attachment 1](#), References.

5.3.3. Operating expenses may be directly expensed to the appropriate GLACs or recorded as prepaids (in accordance with AFMAN 34-214. *Procedures for NAF Financial Management and Accounting*). The maximum proration of prepaid expenses is 12 months. CLF purchases may also be recorded as prepaids (in accordance with AFMAN 34-214) with maximum proration of 12 months current and 12 months long term (based on item and quantity purchased) through the CLF. If GLAC 130 is used for both BLF and CLF, a fourth digit shred is required to differentiate between the different funding sources. A copy of the manager's prepaid expense report will be forwarded monthly to HQ AETC/SVF to ensure CLF purchases recorded in GLAC 130 and GLAC 194 are not excessive and items are being expensed accurately.

5.3.4. Command involvement is required when the BLF fails to meet the established Air Force or command standards for two consecutive quarters. The BLM, in coordination with the RMFC, will prepare an initial assessment (IA), explaining the causes and corrective actions. The BLM will submit the IA to HQ AETC/SVF no later than the 15th calendar day of the month following the quarter reported.

5.3.5. HQ AFSVA involvement is required when the BLF has a current and rolling 4-quarter NAID loss and the rolling 4-quarter loss is in excess of \$25,000. The BLM, in coordination with the RMFC, will prepare an IA to HQ AETC/SVF no later than the 15th calendar day of the month following the quarter reported. The BLM will also prepare an action plan, to include a pro forma financial statement, for HQ AETC/SVF no later than the 45th calendar day after the quarter reported, in coordination with the RMFC and signed by the installation commander. HQ AETC/SVF will advise HQ AFSVA of the proposed corrective action.

6. Tracking Procedures:

6.1. The NAF AO and BLM will use AETC Form 34, **Command Lodging Fund (CLF) Grant Tracking**, to track each grant. (See [Attachment 4](#) for a sample form.)

6.2. The NAF AO will annotate the spreadsheet and keep a running total of the balance remaining on each grant as the base obtains authority to obligate funds.

6.3. The BLM will prepare a receiving report and forward it to the RMFC or NAF AO on the date the merchandise is received.

6.4. The NAF AO and BLM will reconcile the tracking sheets monthly prior to the closeout of the financial statements.

7. Accounting for HQ AETC Central Purchases:

7.1. On receipt of the grant approval memorandum, the BLM and RMFC will update the NRB approval amount to equal the AETC grant amount.

7.2. HQ AETC/SVFO will forward copies of contracts and purchase orders to the BLF operation. The BLF will ensure the NAF AO receives copies of the orders.

7.3. As the BLF operation receives the goods from the vendor, the BLM or designee will complete receiving reports and submits them to HQ AETC/SVFO and the local NAF AO. Activities must submit receiving reports as soon as the items are received to ensure prompt payment penalties are not incurred and all discounts can be taken by HQ AETC.

7.4. If the purchase is part of a CLF project, the NAF AO posts all transactions as a debit to GLAC 185 and a credit to GLAC 287. File the paperwork in the construction-in-progress folder for that specific project. Once the project is complete, use the guidance in AFMAN 34-214, to remove the project from GLAC 185 and post the individual purchases to either asset or expense accounts, depending on the purchase. Ensure items are established in the master fixed asset listing in accordance with AFI 34-204, *Property Management*, and AFMAN 34-214.

7.5. If the purchase is not part of a CLF project (for example, a command buy of dehumidifiers), the NAF AO will record the purchase as an asset or expense in the month received. Refer to AFMAN 34-214 to determine if an item is recorded as an asset or directly expensed to lodging. Record a debit to the appropriate asset or expense account and credit GLAC 287. Use AFMAN 34-214 to determine depreciation or amortization timeframes.

7.6. Each month HQ AETC/SVFO will e-mail a payment notification spreadsheet to the NAF AO so the base can reconcile its project dollar amounts with HQ AETC dollar amounts. The payment notification spreadsheet should be used by both lodging and the NAF AO to update project folders and ensure the amounts posted to the general ledger agree with the amounts actually paid to vendors by HQ AETC/SVFO, as follows:

7.6.1. If a payment is listed on the payment notification spreadsheet, but not recorded in the general ledger, the NAF AO will obtain the receiving report from the activity and record the items using the guidance in paragraphs 7.4. and 7.5. Depreciation may need to be accelerated, depending on the month the items are received.

7.6.2. If a transaction is on the general ledger, but not yet paid for by HQ AETC/SVFO, suspense it until the next month because it may be pending for payment in HQ AETC/SVFO. If the payment is never posted on the HQ AETC/SVFO spreadsheet, there may be a duplicate entry or HQ AETC/SVFO may not have received the receiving report. The NAF AO will contact the BLM and HQ AETC/SVFO to assist with resolution of this matter.

7.6.3. If the amount HQ AETC/SVFO pays differs from the amount recorded on the general ledger, the NAF AO will make adjustments to agree with the HQ AETC/SVFO spreadsheet because these amounts reflect actual vendor payments.

7.6.4. The NAF AO will retain a copy of the HQ AETC/SVFO spreadsheet in each project folder to show monthly payments for that particular project.

7.7. When projects are complete, the NAF AO will work with the BLM to close out each project folder to ensure all items have been received and expensed correctly and all documentation is contained in the project folders.

7.8. Each quarter, HQ AETC/SVFO e-mails each NAF AO a CLF project spreadsheet, which provides accounting instructions to record reserved equity amounts for open CLF projects. The NAF AO must ensure the prior entry is reversed from the general ledger before posting the new dollar amount. He or she will only record the amounts provided by HQ AETC/SVFO.

7.9. The NAF AO will not record any entries to GLAC 276. Because the projects are centrally funded, HQ AETC/SVFO will record these entries on command records.

8. Accounting for Reimbursable HQ AETC Grants:

8.1. HQ AETC/SVFO will send the BLM and RMFC a memorandum on all reimbursable grants. This memorandum will provide authority for the RMFC to obligate funds and for the local NAF contracting officer or servicing contracting office to purchase the items listed in the memorandum. The NAF AO will provide HQ AETC/SVFO a copy of the contract or order once it is placed by the contracting officer.

8.2. When the order is received, the BLM will submit a receiving report to the NAF AO. The NAF AO will process payment to the vendor, using normal procedures. When the item is established as an accounts payable, the NAF AO will process a journal voucher to establish a command receivable. He or she will record the accounts payable as a credit to GLAC 201 and a debit to GLACs 185, 181, 130, and 720, as applicable, depending on the project. The journal voucher entry will be a debit to GLAC 1141 and a credit to GLAC 287.

8.3. The NAF AO will send HQ AETC/SVFO a request for reimbursement to include copies of all documentation used to support vendor payments. HQ AETC/SVFO will process the cash transfer within 30 days of receipt. When the funds are on the CMIP message, the NAF AO will process a journal voucher to clear the accounts receivable. The entries required are a debit to GLAC 101 and a credit to GLAC 1141.

9. Accounting for Excess Cash. HQ AETC/SVFO will notify the RMFC of the amount and date of the next excess cash transfer. If BLF cash is not available for transfer, the RMFC or NAF AO will notify HQ AETC/SVFO to either reduce the amount or not process the cash transfer. HQ AETC/SVF will approve all requests to change the amount of excess cash transferred. When the NAF AO receives notification on the CMIP message that excess cash has been transferred, he or she will process a journal voucher to debit GLAC 287 and credit GLAC 101.

10. Accounting for Operational Grants. When the NAF AO receives notification on the CMIP message of the operational grant transfer, he or she will process a journal voucher to debit GLAC 101 and credit GLAC 287.

11. Forms Prescribed. AETC Form 34, **Command Lodging Fund (CLF) Grant Tracking.**

12. Forms Adopted. AF Forms 9, **Request for Purchase.**

BRUCE A. BUSH, Colonel, USAF
Director of Services

Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

AFI 33-324, *The Information Collections and Reports Management Program; Controlling Internal, Public, and InterAgency Air Force Information Collections*

AFI 34-201, *Use of Nonappropriated Funds*

AFI 34-204, *Property Management*

AFI 34-209, *Nonappropriated Fund Financial Management and Accounting*

AFMAN 34-214, *Procedures for Nonappropriated Fund Financial Management and Accounting*

AFI 34-246, *Air Force Lodging Program*

AFMAN 37-123, *Management of Records*

AFMAN 37-139, *Records Disposition Schedule* (projected to be the Air Force Records Disposition Schedule (RDS))

AFI 65-106, *Appropriated Fund Support of Morale, Welfare, and Recreation and Nonappropriated Fund Instrumentalities*

General ledger codes (GLAC):

GLACs 3XX (*Sales*)

GLACs 5XX (*Activity Revenue*)

GLAC 101, *Cash-In-Bank*

GLAC 130, *Prepaid Expenses – Short Term*

GLAC 181, *Fixed Assets – Furniture and Equipment (NAF)*

GLAC 185, *Construction-In-Progress*

GLAC 194, *Prepaid Expenses – Long Term*

GLAC 201, *Accounts Payable*

GLAC 276, *Capital Requirements – Outyears – Years 2 - 5*

GLAC 287, *Transferred Equity*

GLAC 501S, *Activity Revenue - Surcharge*

GLAC 720, *Supply Expense*

GLACs 720 – 796 (*Operating Expenses*)

GLAC 908, *Air Force Assessments*

GLAC 1141, *MAJCOM Receivable*

Abbreviations and Acronyms

AO—accounting office

APF—appropriated fund

BLF—base lodging fund

BLM—base lodging manager

CLF—command lodging fund

CMIP—cash management investment program

DVQ—distinguished visitors quarters

F&A—finance and audit committee

FINPLAN—financial plan

GLAC—general ledger account code

GPC—government purchase card

IA—initial assessment

LMAT—lodging management assistance team

NA—not applicable

NAF—nonappropriated fund

NAFFA—nonappropriated fund financial analyst

NAFI—nonappropriated fund instrumentality

NIAD—net income adjusted for depreciation

NRB—nonappropriated fund requirements budget

RMF—resource management flight

RMFC—resource management flight chief

TLF—temporary lodging facilities

VAQ—visiting airmen quarters

VOQ—visiting officers quarters

VQ—visitors quarters

Attachment 2

SAMPLE FORMAT OF A CLF GRANT SUMMARY—MONTHLY REPORT

CLF#	Project Description	GRANT AMOUNT	AMOUNT ON ORDER	ACCOUNTS PAYABLE	AMOUNT PAID	BASE BALANCE	AWAITING REIMBURSEMENT	AMOUNT REIMBURSED	AETC GRANT BALANCE	STATUS & REASON FOR DELAY
00-021	Replace drapes, bedspreads, mattresses, regulator arm chairs, VOQ DV sofas, B663	18,700.00	10,200.00	4,590.00	3,200.00	800.00	1,800.00	1,400.00	17,300.00	All items on order, awaiting delivery
00-022	Regulator 8 sofas & 8 chairs, VOQ DV sofas, B668	13,200.00	0.00	0.00	12,900.00	500.00	0.00	12,900.00	300.00	Project complete, all items received, paid and reimbursed
00-023	Supplemental funding of uniforms Lodging requirements	13,000.00	0.00	8,540.00	375.00	6,085.00	0.00	375.00	14,625.00	All items received
FY00 SubTotal		46,900.00	10,200.00	13,940.00	16,475.00	7,185.00	1,800.00	14,675.00	31,225.00	
01-051	Replacement uniforms, front desk, management, admin, custodial workers, housekeepers	17,080.00	11,080.00	0.00	375.00	5,625.00	0.00	375.00	16,705.00	Lodging manager is preparing request to purchase remaining uniforms
01-052	Replace mattresses/boxsprings & TVs, VOQ DV sofas, B663	10,125.00	3,065.00		3,000.00	30.00	0.00	3,000.00	7,125.00	Mattress/box springs on order. Contracted buy of TVs
01-053	Replace bedframes, nightstands, VAO, B617	17,880.00	18,750.00	0.00	0.00	1,130.00	0.00	0.00	17,880.00	Bedframes, nightstands on order, awaiting delivery
01-053	Replace carpet, walkover, TVs, mattresses, bedspreads, drapes, blinds, VOQ, B668	159,100.00	33,000.00	111,000.00	9,800.00	5,500.00	0.00	9,800.00	149,500.00	All items on order, awaiting delivery
01-054	Paint interior walls or walkover, replace vinyl flooring, drapes, bedspreads, TLF arm	89,250.00	52,250.00	0.00	0.00	36,000.00	52,250.00	0.00	88,250.00	All items on order, awaiting delivery, 5-21-06 - Rec'd Contract approval to increase funds authority by \$50,500
01-055	Replace carpet in VOQ lodging lobby	4,080.00	0.00	0.00	4,050.00	30.00	0.00	4,050.00	30.00	Project complete, all items received, paid and reimbursed
FY01 SubTotal		296,715.00	138,175.00	111,940.00	17,225.00	48,315.00	52,250.00	17,225.00	279,490.00	

Attachment 3

SAMPLE RECOMMENDED CAPITAL ASSET REPLACEMENT FREQUENCY

A3.1. General Requirements. See [Table A3.1.](#)

Table A3.1. General Upgrade Considerations.

I T E M	A	B	C
	Area	Type of Upgrade	Frequency (Intervals)
1	Common Areas	Decor upgrade: carpet, drapes, and other decor items	4 years (See Table A3.2. , Items 1 - 12, Column B)
2		Complete upgrade: case goods, sofas, lounge chairs, televisions, lighting, counter, display cases, etc.	8 years (See Table A3.2. , Items 1 - 12, Column C)
3	Guest Rooms (VAQ, VOQ, and VQ)	Decor upgrade: carpet, drapes, bedspreads, and other decor items	5 years (See Table A3.2. , Items 13 - 35, Column B)
4		Complete upgrade: case goods, vinyl flooring, drapes, bedspreads, lighting, televisions, appliances, etc.	10 years (See Table A3.2. , Items 13 - 35, Column C)
5	Guest Rooms (TLF)	Decor upgrade: carpet, drapes, bedspreads, and other decor items	3 years (See Table A3.2. , Items 36 - 57, Column C)
6		Complete upgrade: case goods, vinyl flooring, drapes, bedspreads, lighting, televisions, appliances, etc.	9 years (See Table A3.2. , Items 36 - 57, Column C)
7	Corridors	Decor upgrade: carpet, drapes, artwork, other decor items	5 years (See Table A3.2. , Items 58 - 61, Column B)

A3.2. Specific Upgrade Considerations. See [Table A3.2.](#)

Table A3.2. Specific Upgrade Considerations.

I T E M	A	B	C
	Area	Decor Upgrade	Complete Upgrade
Common Areas			
1	Carpet	4 years	8 years
2	Tile	NA	
3	Vinyl		As required
4	Drapes	4 years	8 years
5	Blinds	NA	
6	Artwork	As required	
7	Decorator Accessory Items	4 years	
8	Lobby Furnishings	NA	
9	Office Furnishings		
10	Lighting		
11	Guest Counter		As required
12	Wall Coverings	4 years	8 years
Guest Rooms (VAQ, VOQ, and VQ)			
13	Carpet	5 years	10 years
14	Wall Covering	As required	
15	Painting	5 years	
16	Tile	As required	
17	Vinyl		
18	Drapes	5 years	
19	Bedspreads		
20	Lamps	NA	
21	Lamp Shades	3 years	
22	Artwork	As required	
23	Decorator Accessory Items	5 years	
24	Case Goods (New)	NA	
25	Case Goods (Refinished)	As required	
26	Dining Table	NA	
27	Dining Chairs		

I T E M	A	B	C
	Area	Decor Upgrade	Complete Upgrade
28	Bar Stools		5 years
29	Sleeper Sofas		
30	Sofas		
31	Upholstered Chairs		
32	Mattresses		
33	Box springs		
34	Television Set		10 years
35	Microwave		
Guest Rooms (TLF)			
36	Carpet	3 years	9 years
37	Wall Covering	As required	
38	Tile	NA	
39	Vinyl		
40	Drapes	3 years	
41	Bedspreads		
42	Lamps	NA	
43	Lamp Shades	3 years	
44	Artwork	As required	
45	Decorator Accessory Items	3 years	
46	Case Goods (New)	NA	
47	Case Goods (Refinished)	As required	
48	Dining Table	NA	
49	Dining Chairs		
50	Bar Stools		
51	Sleeper Sofas		3 years
52	Sofas		5 years
53	Upholstered Chairs		
54	Mattresses		9 years
55	Box springs		
56	Television Set		

I T E M	A	B	C
	Area	Decor Upgrade	Complete Upgrade
57	Microwave		
Corridors			
58	Carpet	5 years	NA
59	Wall Coverings		
60	Window Treatments		
61	Artwork		

