



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
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OPNAVINST 1710.9
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OPNAV INSTRUCTION 1710.9

From: Chief of Naval Operations

Subj: ADMINISTRATION OF THE MORALE, WELFARE, AND RECREATION
AFLOAT RECREATION PROGRAM

Ref: (a) DoD Instruction 1015.10 of 31 Oct 07
(b) DoD 7000.14-R, Vol 13 of Aug 94
(c) DoD Instruction 1015.15 of 31 Oct 07
(d) DoD Directive 4105.67 of 2 May 01
(e) DoD Instruction 4105.71 of 26 Feb 01
(f) OPNAVINST 4060.4C
(g) SECNAVINST 5760.14
(h) SECNAVINST 5870.4
(i) SECNAVINST 1700.12A

Encl: (1) Definitions

1. Purpose. To implement policy and assign responsibility under references (a) through (i) for administration of the Morale, Welfare, and Recreation (MWR) Afloat Recreation Program.

2. Policy and Scope. This instruction supplements existing Department of Defense (DoD) policy contained in reference (a). It is Navy policy to provide Navy personnel and their family members with MWR programs which effectively contribute to their Quality of Life (QOL). The afloat recreation program contributes to mission readiness and improves productivity through activities promoting fitness, esprit de corps, and individual stress relief. The policy and guidance prescribed in this instruction are applicable to all ships that maintain a ship recreation fund. All active duty and reserve personnel stationed or embarked on board Navy ships are entitled to participate fully in the afloat recreation program.

a. References (b) and (c) provide guidance for the financial management of MWR programs.

b. References (d) and (e) provide guidance for Non-Appropriated Fund (NAF) procurement.

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c. Terms used in this instruction are defined in enclosure (1).

3. Afloat Recreation Program Responsibilities

a. Assistant Secretary of the Navy (Manpower and Reserve Affairs) (ASN (M&RA)) is the principal staff assistant and coordinating official for MWR programs and Non-Appropriated Fund Instrumentalities (NAFIs).

b. Deputy Chief of Naval Operations (Fleet Readiness and Logistics) (DCNO (N4)) serves as resource sponsor for Navy MWR programs.

c. DCNO (Manpower, Personnel, Training and Education) (MPTE) (N1) develops and coordinates overall MWR policy. As executive agent, Director, Manpower, Personnel, Training and Education Policy Division (N13) shall:

(1) develop policy to ensure that the availability and quality of MWR programs meet command and servicemembers' needs and enhance servicemembers' QOL; and

(2) periodically assess the adequacy of supply versus demand in addressing requirements for MWR services.

d. Commander, Navy Installations Command (CNIC), as the Navy's MWR program manager, is responsible for execution of policy contained in this instruction. The afloat recreation program will be administered by CNIC, Fleet Readiness Programs (N92) which shall:

(1) promulgate guidance for management and implementation of the afloat recreation program;

(2) develop an operational manual(s) to replace BUPERSINST 1710.16A and BUPERSINST 7010.14 to include guidance for fiscal management, accounting, procurement, and program procedures;

(3) certify compliance with established policy and program guidelines through fiscal oversight and program inspections;

(4) be designated successor in interest for all MWR afloat recreation program funds;

(5) establish written procedures to disestablish a ship's recreation fund; and

(6) provide technical assistance and training to commands administering afloat recreation programs.

4. Shipboard Personnel Responsibilities

a. Force Commanders. The effective operation and administration of ships' recreation programs are command responsibilities beginning with the force commander. Force commanders will ensure that subordinate commanders provide overall coordination and administration of recreation programs within their respective commands.

b. Fund Administrator. The commanding officer (CO) of each ship is designated as the fund administrator and shall establish and execute a recreation program within the constraints of available resources. COs are responsible for the administration, supervision, and operation of their shipboard recreation program. These responsibilities are not transferable to embarked staffs or attached mobile units such as aviation squadrons or Marine Corps detachments. Specific responsibilities of the fund administrator include the following:

(1) directing the program per established policies and procedures;

(2) reviewing and approving financial statements;

(3) appointing qualified personnel to execute the recreation program;

(4) ensuring the recreation fund custodian and recreation services officer attend the required CNIC (N92), Fleet Recreation Management course prior to or just after being assigned;

(5) ensuring Appropriated Fund (APF) and NAF MWR budgets support QOL activities;

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(6) ensuring cash and MWR property is safeguarded;

(7) implementing corrective action from audit recommendations and/or CNIC inspections; and

(8) ensuring MWR expenditures benefit the majority of the ship's crew. Decisions regarding questionable expenditures should only be made after consulting CNIC (N92).

c. Recreation Services Officer (RSO). The RSO, appointed in writing by the CO, shall manage the ship's recreation program. For the purpose of continuity, tenure as RSO should be at least one year. COs should make every effort to appoint an experienced, motivated leader as RSO. An assignment of a chief petty officer as RSO is authorized (provided a commissioned officer is unavailable for assignment). Prior to or within one month of being appointed to the position, the RSO is required to attend the CNIC (N92), Fleet Recreation Management course. RSO principle duties include the following:

(1) developing and conducting recreation programs, activities, interdivisional athletics, off-duty activities and leisure programs which are designed to maintain and improve the morale of the ship's crew;

(2) training and supervising personnel assigned to the ship's recreation program; and

(3) maintaining custody and control of recreation equipment and property inventories.

d. Recreation Fund Custodian (RFC). The RFC, appointed in writing by the CO, shall manage the ship's recreation fund. Individuals assigned duties as a fund custodian for another account or detailed duties involving the disbursement of APF shall not be charged with the handling, custody, or accountability of records for recreation funds. COs are encouraged to assign separate individuals to serve as the RSO and the RFC. This division of responsibility generally results in a more proactive shipboard recreation program and more efficient use of recreation funds. Where local situations dictate, a chief petty officer may be designated as RFC. Prior to or within one month of being

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appointed, the RFC is required to attend the CNIC (N92), Fleet Recreation Management course.

(1) When the RFC is absent from the command for more than 15 days, but less than 30 days, the CO shall designate, in writing, another officer to act as the RFC. The RFC will be relieved of duties if they will be absent for more than 30 days. A formal relieving process between incoming and outgoing custodians is required. The relieved RFC will transfer all funds, inventory, property, records, accounts, vouchers, and bank accounts to the new custodian. The relieving RFC will note all shortages, missing documents, and discrepancies in the Letter of Relief. The CO will ensure an internal audit of the recreation funds is performed.

(2) RFC principle duties include the following:

(a) accurate accounting for the receipt and expenditure of recreation funds, ensuring propriety of all transactions;

(b) establishing and monitoring internal controls;
and

(c) preparing financial reports.

e. Athletics Officer (AO). The AO, appointed in writing by the CO, shall provide a well-balanced program of sports activities (formal and informal) and coordinate such programs with appropriate shore commands, fleet commanders, and CNIC (N92) sports personnel. An officer, chief petty officer, or petty officer may be assigned AO duties.

5. General Program Information

a. Recreation Advisory Board (RAB). An RAB shall be established to represent a cross-section of enlisted, officers, and embarked units in matters concerning the recreation program. An advisory board is essential in helping the CO provide for specific recreational needs of the command. Typically, the RAB is appointed by the fund administrator. Membership diversity will ensure a wide variety of program interests is accurately represented. The board is advisory in nature and does not have management or administrative custody of recreation funds.

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b. Deployed Forces Support Coordinator (DFSC). CNIC (N92), DFSCs are located at fleet concentration areas worldwide. They provide direct support to fleet units in all aspects of shipboard recreation program administration. A DFSC will specifically provide on-site training and assistance in the areas of recreation program accounting, auditing, procurement, general program administration, and fund management. Although the actual duties of a DFSC will vary from location to location, their common goal is a commitment to enhance the QOL of shipboard personnel.

c. Establishment of a Ship's Recreation Fund. Afloat commands may not establish a NAFI without written approval of CNIC, Fleet and Family Readiness Support Center (N94). In the case of ships undergoing construction, which are eligible for precommissioning support from the CNIC central fund, the ship's recreation fund is established officially at the time of initial grant distribution. Embarked units will participate in their host command's recreation program and are not permitted to establish or operate a separate recreation fund.

d. Inspection and Audit. CNIC, as the designated successor in interest to all afloat recreation funds, has a fiduciary responsibility to conduct recreation fund inspections.

e. Recreation Programming Aboard Ship. MWR funds shall be expended on an equitable basis in order to provide a balanced recreation program. Activities and programs which benefit the greatest number of patrons should receive the greatest support. In determining the level of support for proposed programs and activities, the RSO shall consider the number or percentage of servicemembers who will participate, cost per participant, and cost of the program as a percentage of the annual recreation fund budget. The variety of shipboard recreation activities and programs is limited only by the resources and imagination of the crew. A short list of common shipboard programs include the following:

(1) intramural team sports such as interdivisional softball;

(2) individual sports competition such as a racquetball tournament;

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(3) discounted tickets and tours;

(4) unit social activities such as divisional parties or ship's picnic;

(5) recreation education programs where Sailors learn leisure skills such as outdoor adventure programs; and

(6) bingo.

f. Shore-Based Recreation Programs. Active duty and reserve personnel stationed or embarked on board Navy ships are entitled to participate in local MWR programs.

g. Auxiliary Resale Outlets (AROs). Reference (f) authorizes the establishment and provides guidance for operation of AROs on ships without a ship's store. Establishment of an ARO requires written concurrence from CNIC (N94).

(1) Allocation of profits from an ARO will be established at the time the ARO is approved.

(2) AROs are restricted to providing the following resale merchandise:

(a) Non-alcoholic hot and cold beverages;

(b) Donuts and other pastries;

(c) Commercially prepared and packaged snack items;

(d) Commercially prepared and packaged sandwiches;

and

(e) Emblematic merchandise such as plaques, ball caps, and decals which must include the unit insignia of the particular organizational unit operating the ARO.

(3) Cooking and/or assembly of any food item is specifically prohibited.

(4) AROs are not covered under the CNIC risk management program. Each ARO is required to purchase and maintain liability insurance.

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h. Resale Operations

(1) A ship's store is the primary provider of resale operations. Net income generated from a ship's store is a funding source for the recreation program.

(2) An MWR resale program is only authorized on ships without a ship's store.

(3) As a sanctioned NAFI covered under the CNIC risk management program, shipboard resale operations are not required to purchase liability insurance.

i. Unit Allocations

(1) When the needs of the ship's recreation program have been met, COs may allocate special expenditures supporting participating units within the command. The term "participating units" encompasses subdivisions of the ship's company, such as a division or a department, and embarked elements, such as mobile units, aviation squadrons, and Marine Corps units.

(2) CNIC (N94) will establish a standard rate per active duty servicemember, per quarter or year, to be expended on unit/divisional allocations. Divisions may not accumulate more than 2 quarters. Funds may be used by participating units for social or recreational activities.

(3) Each ship independently administers unit allocation funds, which are available for use by the ship's CO as a resource for delivering quality recreation programs to attached Navy personnel and Marine Corps units during periods of embarkment. This period of embarkment is inclusive from the time of initial embarkation until debarkation. Deployment work-up periods of 10 days or more shall be counted towards the total number of days deployed. Embarked units will continue to receive support from the host command if those embarked units are debarked for operational commitments, and returning to the ship to finish out the deployment.

(4) Marine units, air wings, squadrons, or Amphibious Ready Groups (ARGs) staffs must be physically located on board the ship during in-port and underway periods to be eligible for unit allocations.

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(5) A Marine unit, air wing, squadron, or ARG unit by definition does not constitute eligibility for shipboard unit allocation support.

(6) Unit allocations brought on board by an embarked unit, prior to or during a deployment, must be deposited into the host command's recreation account and be made available to the entire ship's company.

(7) Unit allocations shall be transferred to the embarked unit's host command at the base to which they are returning.

(8) No unit may participate in more than one recreation fund at any given time.

(9) Fund administrators may permit funds allocated to participating units to accrue during each fiscal year. Ordinarily, unexpended balances of accrued allocations cannot be carried over to succeeding fiscal years. However, fund administrators may allow participating units to carry over accrued funds in view of operational commitments that preclude the pursuit of leisure activities.

j. Funding Sources

(1) Shipboard Sources

(a) Ship's APF. Operating Target (OPTAR) funds will be the primary source of support for mission sustaining activities. Reference (a) identifies mission-sustaining activities as the following:

1. physical fitness;
2. shipboard libraries; and
3. sports/athletics (self-directed, unit level, and intramural).

(b) Ship's Store. The sales and disbursing officer usually manages the ship's store. A percentage of the ship's store profits is transferred to the ship's recreation fund and constitutes the major source of NAF. Normally, the sales and

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disbursing officer also manages shipboard vending machines and electronic game machines, both of which can be a source of income for the recreation fund.

(c) Fees and Charges. Reasonable fees and charges are appropriate for relatively high-cost recreation programs, e.g., an offshore fishing charter or weekend ski trip. Fees and charges for gear issue may also be appropriate.

(d) Fund Raising. COs may authorize fund raising events for specific recreational programs; however, any solicitations so authorized must not conflict with the Combined Federal Campaign or the Navy and Marine Corps Relief Society (NMCRS) campaigns, may not be conducted on the job, and may not be performed as an official duty.

(2) Financial Assistance from CNIC (N94) Central Fund

(a) Precommissioning Grants. These grants are provided to a vessel under construction prior to the actual commissioning of the vessel. Upon request, a grant will be provided to precommissioning crews. CNIC (N94) will establish the grant amount. Funds will be provided only to that portion of the nucleus crew stationed at the precommissioning site. For assistance, in preparation of the grant request, contact the local DFSC.

(b) Commissioning Grants

1. New ships will be provided an initial grant of funds within 60 days of commissioning. This grant is provided for the purchase of initial recreation equipment and supplies until such time the ship's store, where applicable, can generate profits for supplemental support of the recreation program. CNIC (N94) will establish rates based on the ship's crew complement.

2. Aircraft squadrons and mobile units will not be provided commissioning grants since such groups will generally be allowed to participate in a local MWR fund.

(c) Shipyard Grants. Ships undergoing major conversion, repair, or overhaul in a Navy or private shipyard may request financial assistance from CNIC (N94) in advance by

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providing dates of the overhaul period, estimated ship's complement, local funds available during the period, net ship's store profits available for transfer to the recreation fund, and intended use of the funds granted by CNIC, Director, Fleet and Family Readiness Programs (N9). Funding will not be provided retroactively (i.e., for prior year periods) or for yard periods of less than 30 days in duration. The grant is requested quarterly. CNIC (N94) will establish a uniform standardized rate per crewmember. This program does not apply to aircraft carriers. Assistance to aircraft carriers will be considered on a case-by-case basis. For assistance in preparation of the grant request, contact the local DFSC.

(d) CNIC (N92) Equipment Program. Operations and Maintenance, Navy (O&M,N) funds are used to purchase recreational equipment for the Fleet. Annually, these funds are budgeted centrally by CNIC.

(e) Corporate Sponsorship. Afloat commands are prohibited from soliciting or accepting support stemming from commercial sponsorship. However, local MWR departments are authorized to solicit and accept commercial sponsorship support on behalf of ships.

k. Personal Loans. Reference (g) authorizes ships without a designated NMCRS representative on board to make personal loans from the recreation fund for validated emergency travel. Subject loans can only cover the cost of traveling from the Continental United States (CONUS) point of arrival to the final destination, and departure from the final destination to the CONUS point of departure to the ship. Commands are required to submit such loans to NMCRS for full reimbursement. Personal loans, other than those for validated emergency leave travel, are not authorized.

l. Navy Motion Picture Service (NMPS) has the exclusive responsibility for the administration and management, including procurement and distribution, of entertainment motion pictures for shore and afloat units within the Navy. NMPS provides entertainment movies on 8 millimeter (mm) videocassette to afloat and shore units and on 35mm film to designated shore installations.

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m. Copyrighted Sound and Video Recordings

(1) Per reference (h), Navy policy does not condone, facilitate, or permit unlicensed public performance or unlawful reproduction for private or personal use of copyrighted sound or video recordings, using government APF- or NAF-owned or leased equipment or facilities. The Navy recognizes the rights of copyright owners by establishing specific guidelines for the use of copyrighted works.

(2) Within the Department of the Navy, displays or performances onboard ships are not considered "public," provided the performances or displays are made without any purpose of direct or indirect commercial advantage and without charge to the recipients.

(3) The reproduction of copyrighted sound and video recordings on Navy installations using government or NAF-owned equipment is prohibited.

n. Disestablishment of a Ship's Recreation Fund. The fund administrator is responsible for ensuring an orderly and proper disestablishment process. The chain of command is primarily responsible for redistributing excess, serviceable recreation equipment to other afloat units. Residual funds in the ship's recreation account shall be transferred to CNIC (N94) as successor in interest.



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DEFINITIONS

Afloat Recreation Fund. The ship's recreation fund is an officially established fiscal entity of an individual ship available for use by the CO as a means of promoting morale and well-being by providing quality recreation programs. The ship's recreation fund serves as an official vehicle for the receipt, control, and disbursement of shipboard non-appropriated MWR recreation funds.

Appropriated Funds (APF). APF are government monies set aside by Congress for a specific purpose or use. OPTAR monies are one example of APF.

Fund Administrator. The individual responsible for the administration of a NAFI. COs serve as the fund administrators for the ship's recreation funds.

Morale, Welfare, and Recreation (MWR) Programs. Those military MWR programs (exclusive of private organizations as defined in DoD Instruction 1000.15 of 20 December 2005), located on DoD installations or on property controlled (by lease or other means) by the DoD or furnished by a DoD contractor that provide for the mission sustainment, community support, and other revenue generating programs for authorized DoD personnel.

Nonappropriated Funds (NAF). NAF are cash and assets other than monies appropriated by congress. While NAF are government funds, these funds are separate and apart from funds that are recorded in the books on the Treasurer of the United States. Monies distributed from ship store profits or proceeds from a resale operation are examples of NAF.

Nonappropriated Fund Instrumentality (NAFI). A NAFI is a DoD organizational entity that performs government functions. The ship's recreation fund is a NAFI which provides recreation programs for the command. As a fiscal entity, a NAFI maintains control over its NAF. A NAFI is not incorporated under the laws of any State or the District of Columbia and it enjoys the legal status of an instrumentality of the United States.

Resale Operation. Established aboard ships with a recreation fund but without a ship's store. The resale operation is

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authorized to sell prepackaged foods, snack items, emblematic items, and other appropriate items of ship memorabilia.

Successor in Interest. A NAFI designated to provide financial support and assistance, receive or redistribute cash and excess assets, and assume residual liabilities of an assigned NAFI.