

6 October 2004

Morale, Welfare, and Recreation

Nonappropriated Fund Personnel Policy and Procedures

*This regulation supersedes AE Regulation 215-3, 29 January 2004.

For the CG, USAREUR/7A:

E. PEARSON
Colonel, GS
Deputy Chief of Staff

Official:



GARY C. MILLER
Regional Chief Information
Officer - Europe

Summary. This regulation provides personnel policy and procedures for administering nonappropriated fund (NAF) personnel in the Army in Europe and must be used with AR 215-3.

Summary of Change. This revision clarifies that—

- Non-U.S.-citizen family members who are citizens of NATO countries may be employed in NAF positions under U.S. conditions even if they are not U.S. resident aliens as long as they are not citizens of or ordinarily resident in the country in which employed (para 4c).
- Non-U.S.-citizens may not be assigned to any position designated as a sensitive position (paras 4b and 4c).
- Applicants who are available in or relocating to the commuting area of a position under recruitment are considered to be locally available for quarters allowance purposes (para 7a(1)(e)).

Applicability. This regulation applies to the administration of NAF employees appointed under U.S. employment conditions and serviced by Army civilian personnel advisory centers in Europe, unless otherwise stated in a servicing agreement. This regulation does not apply to NAF employees hired under host-nation conditions.

Supplementation. Organizations will not supplement this regulation without USAREUR G1 (AEAGA-C) approval.

Forms. This regulation prescribes AE Form 215-3A. AE and higher-level forms are available through the Army in Europe Publishing System (AEPUBS).

Records Management. Records created as a result of processes prescribed by this regulation must be identified, maintained, and disposed of according to AR 25-400-2. Record titles and descriptions are available on the Army Records Information Management System Web site at <https://www.arims.army.mil>.

Suggested Improvements. The proponent of this regulation is the USAREUR G1 (AEAGA-C, DSN 375-2574). Users may suggest improvements to this regulation by sending DA Form 2028 to the USAREUR G1 (AEAGA-C), Unit 29351, APO AE 09014-9351.

Distribution. C (AEPUBS).

CONTENTS

1. Purpose
2. References
3. Explanation of Abbreviations and Terms
4. Employment
5. Delegated Recruitment
6. Severance Pay
7. Allowances and Differentials

Appendix

- A. References

Glossary

1. PURPOSE

This regulation and AR 215-3 prescribe personnel policy and procedures pertaining to the management and administration of nonappropriated fund (NAF) employees.

2. REFERENCES

Appendix A lists references.

3. EXPLANATION OF ABBREVIATIONS AND TERMS

The glossary defines abbreviations and terms. Some terms used in this regulation are defined in AR 215-3.

4. EMPLOYMENT

a. As provided for in section 1 of the United States-German Administrative Agreement pursuant to paragraph 3 of Article 74 of the Supplementary Agreement to the NATO Status of Forces Agreement (SOFA), persons who have committed offenses against German or other host-nation customs and tax provisions that have been officially reported by U.S. or host-nation police authorities will be denied employment in Germany in sales organizations and clubs or have their employment terminated.

b. Resident aliens of the United States may be hired under U.S. employment conditions. In NATO countries, employment under U.S. conditions is restricted by the NATO SOFA to individuals who are nationals of a NATO country. These individuals may not be employed under U.S. employment conditions in the country of their citizenship. In accordance with AR 215-3, non-U.S. citizens will not be assigned to any position designated as a sensitive position.

c. Non-U.S. citizens who are authorized individual logistic support (ID cards) as family members of military members or civilian Federal or NAF employees may be employed under U.S. conditions if they are nationals of a NATO country other than the country in which employed and are not ordinarily resident in the country in which employed. These individuals do not have to be resident aliens of the United States. They must have a social security number before employment. In accordance with AR 215-3, non-U.S. citizens will not be assigned to any position designated as a sensitive position.

d. U.S.-citizen and U.S. resident-alien applicants who cannot obtain status under the NATO SOFA, either because they are ordinarily resident in the host nation or because they are not nationals of a NATO country, may not be employed in NAF positions under U.S. employment conditions. They may be employed under host-nation employment conditions when permitted by the laws of the host nation. Employment compensation is subject to U.S. income taxes and withholding. The determination of ordinarily resident varies by country.

e. Both U.S. and non-U.S. citizen off-duty military (ODM) are members of the “force” as defined in the NATO SOFA, Article I, paragraph 1a. Non-U.S. citizen ODM are not subject to restrictions on employment under U.S. conditions that apply to other non-U.S.-citizen applicants; these restrictions on employment, however, apply after the non-U.S. citizen ODM separates from the military.

f. The employing activity will pay the tuition for family members (“dependents”) of regular full-time pay-band employees at level NF-3 and above to attend Department of Defense Education Activity (DODEA) primary and secondary schools when DODEA does not provide tuition-free enrollment.

g. The minimum age for NAF employment is 16. Persons 16 and 17 years old may work in any job for which they qualify. Pay will be set at the pay-schedule rate or within the pay-band range of the position. The following restrictions apply:

(1) Persons under 18 years old who have not completed secondary education or do not have an equivalency certificate must have written consent for employment and workhours from parents or legal guardians and school administrators, whether or not the persons are enrolled in school.

(2) Persons under 18 years old will not be appointed to any position that is hazardous or detrimental to welfare, health, or safety. The employing activity will make adequate provisions for the safety and welfare of persons under 18 years old.

(3) Persons under 18 years old will not be employed between the hours of 2400 and 0600.

(4) Persons under 18 years old will not be employed in jobs that involve dispensing or serving alcohol.

(5) The duty hours of persons enrolled in secondary school may not conflict with school hours. Employment may not exceed 5 workhours on schooldays, or 8 workhours on non-schooldays or days preceding non-schooldays (for example the afternoon and evening before a holiday or weekend). When school is in session, a student may not work more than 28 hours in any 1-week period. During recess and vacation periods when school is not in session, employment may be full time. When students are hired as regular part-time employees, the notification of personnel action will include a remark that work may be full time during school recess and vacation periods. Regular part-time appointments may be converted noncompetitively to regular full-time appointments when the employee completes secondary education or receives an equivalency certificate.

h. AE Form 215-3A may be used when specified in the job announcement.

5. DELEGATED RECRUITMENT

Commanders may delegate direct recruitment authority for NAF positions to any level of management deemed appropriate. Delegated recruitment authority may be used for pay-banded employee (NF) positions at levels 1 through 3, childcare pay-band positions, and Federal Wage System positions. Delegations must be in writing. When managers exercise recruitment authority, the civilian personnel advisory center (CPAC) will not duplicate recruitment for the same positions at the same activity. AE Form 215-3A may not be used with delegated recruitment authority because the form is designed for use with official personnel folders.

a. The CPAC will—

(1) Inform the workforce of activities with recruitment authority and the activity points of contact.

(2) Provide management with the necessary advisory service and training to establish and maintain a recruitment program.

(3) Provide program oversight. Conduct periodic audits and maintain a record of the audits with the official recruitment files. Ensure recruitment files include a complete and accurate audit trail.

(4) Retrieve management recruitment files at least annually and incorporate them into the CPAC file system. Ensure files identify the activity and manager that created them.

(5) Extend employment offers to selected applicants after ensuring compliance with referral priorities.

(6) Arrange for entrance-on-duty dates.

(7) Ensure local and national background-check requirements are met.

b. Managers with delegated recruitment authority will—

(1) Provide a copy of the written delegation to the servicing CPAC.

(2) Publicize vacancies.

(3) Receive and rate applications against established qualification requirements.

(4) Check the applicant's references. Reference checks must be documented in writing and maintained with the recruitment file.

(5) Ensure employment preferences required by law and DOD policy are granted to qualified applicants.

(6) Prepare DA Form 4985.

(7) After making a selection, submit a copy of the referral list to the CPAC to make the job offer. Management will not extend offers of employment.

(8) Establish and maintain official recruitment files.

(9) Respond to inquiries from applicants. Maintain a record of inquiries and responses in the recruitment file.

6. SEVERANCE PAY

Employees who were appointed to positions in USAREUR nonappropriated fund instrumentalities (NAFI) before 15 November 1974 and who have been in continuous service without a break of 1 workday since 15 November 1974 will have severance pay computed by the same method used for appropriated fund (APF) employees. This affects only the calculation and payment method; it does not change eligibility or creditable service requirements of AR 215-3. Severance pay will not be paid in a lump sum; it will be paid every 2 weeks up to a maximum of 26 pay periods.

7. ALLOWANCES AND DIFFERENTIALS

Except as otherwise stated in this paragraph or in the terms of a servicing agreement, foreign allowances and differentials are authorized under the provisions of the Department of State Standardized Regulations (DSSR) and DOD 1400.25-M, chapter 1200, subchapter 1250. The CPAC will determine eligibility for allowances each time an employee changes positions. Employees will receive authorized allowances for which they are eligible.

a. Quarters-Allowance Eligibility.

(1) Living quarters allowance (LQA) and temporary quarters subsistence allowance (TQSA) are authorized for individuals recruited from the United States for NAF regular full-time positions, at any pay level or grade, when the period of residency in the United States immediately preceding the date of appointment was at least 12 months.

(a) On subsequent voluntary change to a pay level or grade below that for which initially recruited, the quarters-allowance authorization terminates. LQA terminated under this provision will be reinstated on the effective date of appointment, without a break in service of more than 3 days, to a position at NF-4 or above, or NF-3 or above in the 1701 occupational series in the Child and Youth Services (CYS) Program.

(b) On subsequent involuntary change to a lower grade or pay level for reasons not related to conduct or performance, the quarters-allowance authorization continues.

(c) Individuals recruited on regular limited-tenure appointments are authorized LQA only for the scheduled term of the initial appointment. LQA may be continued if the provisions of (2) below are met.

(d) A waiver of the 12-month residency requirement may be granted when there is clear and compelling evidence of a substantive period of domicile in the United States by the individual, the individual's immediate family, and the individual's household goods before the individual applies for employment. Waiver requests must be endorsed by the area support group commander, the activity commander or director for separate activities, or the HQ USAREUR/7A staff principal, and will be sent to the USAREUR G1 (AEAGA-C), Unit 29351, APO AE 09014-9351, for consideration. Requests will be evaluated in the manner for determining place of actual residence specified in the Joint Travel Regulations. Waivers will not be approved if there is indication that U.S. residency of less than 12 months was established to acquire LQA in deliberate circumvention of the 12-month requirement.

(e) Individuals who make themselves available as local applicants under job announcements that do not include areas outside of Europe in the area of consideration will not be considered as recruited from the United States for LQA purposes.

(2) LQA and TQSA are authorized for individuals recruited outside the United States for NAF regular full-time positions if, at the time of appointment, the individual is already receiving a quarters allowance as a NAF or APF employee or as a military member. These individuals are also subject to the limitation in (4)(b) below and must meet basic eligibility requirements of the DSSR. In addition, the individuals must be appointed, without a break in service of more than 3 calendar days, to a position at pay level NF-4 or above, or NF-3 or above in the 1701 occupational series in the CYS Program.

(a) On subsequent voluntary change to a lower pay level, the quarters-allowance authorization terminates. LQA terminated under this provision will be reinstated on the effective date of appointment, without a break in service of more than 3 days, to a position at pay level NF-4 or above, or NF-3 or above in the 1701 occupational series in the CYS Program.

(b) On subsequent involuntary change to a lower pay level for reasons not related to conduct or performance, the quarters-allowance entitlement continues.

(3) LQA and TQSA are authorized for individuals recruited outside the United States for regular full-time positions designated as hard-to-fill if they meet the eligibility criteria in DSSR, section 031.1. LQA granted under this provision is limited to the period of assignment in the position. Designation of a hard-to-fill position requires approval of the USAREUR G1 (AEAGA-C) and will be based on a written request with documentation showing that worldwide, open recruitment has not produced the necessary number or quality of candidates.

(4) Employees receiving LQA because they met the eligibility criteria at the time of initial selection, but who do not now meet the criteria in this regulation, are authorized to continue receiving LQA as long as they remain employed without a break in service of more than 3 calendar days.

(a) This provision will not extend or reinstate payment of LQA when termination of payment has been directed by law, regulation, or policy.

(b) Employees whose LQA was based on a management-directed reassignment retain LQA as long as they remain employed in the same NAFI at the same duty location. This includes former APF employees who retained LQA under the provision of (2) above. If the employing NAFI merges with another NAFI or is divided into more than one NAFI, or if the employee is involuntarily reassigned to another location within the same NAFI, the quarters allowance will continue. This provision will not be used to establish eligibility for an employee not already receiving a quarters allowance.

(5) APF morale, welfare, and recreation (MWR) employees who convert to NAF in their current position, without a break in service under the Uniform Funding and Management Program, will continue to receive LQA if they meet the basic eligibility requirements in the DSSR and are receiving LQA at the time of the NAF appointment. LQA will continue as long as the employee occupies an MWR position at the same or higher pay level or grade without a break in service.

(a) On subsequent voluntary change to an MWR position at a pay level or grade below that at which initially converted, the quarters-allowance authorization terminates, unless the criteria in (2) or (3) above are met.

(b) On subsequent voluntary change to a non-MWR position, LQA eligibility will be determined in accordance with the criteria in (2) or (3) above.

(c) On subsequent involuntary change to any position at a lower pay level or grade for reasons not related to conduct or performance, the quarters-allowance authorization continues.

b. Quarters-Allowance Administration.

(1) When quarters allowance is granted, the CPAC will require an official document, such as a rental contract, to determine the cost of the quarters. The CPAC will help employees determine accurate estimates for utility costs. Employees will provide an initial receipt for each utility when it is received, but not later than 15 months after the grant is initiated.

(2) During the 10-year period of eligibility for receiving the rental portion of LQA for personally owned quarters, payment will be limited to the lesser of the amount the employee pays for the quarters or 10 percent of the purchase price (or appraised value for acquired quarters), not to exceed the maximum rate authorized by the DSSR.

c. Pay Advances. Employees authorized official-travel orders for a permanent change of station to an assignment in a foreign area may request a pay advance in a lump sum of up to 6 pay periods of their net base pay. The advance may be requested on arrival at the new post and up to 2 months after arrival. Employees must agree to repay the advance by payroll deduction over a maximum of 26 pay periods, beginning with the first pay period after receiving the advance. Outstanding amounts must be repaid immediately if employment is terminated before settlement of the advance.

d. Post Allowance. Employees will receive post allowance if they meet the criteria in DSSR, section 040i. The amount of the entitlement will be in accordance with DSSR, section 226. The rules for married couples apply whether the spouse of the NAF employee is a NAF or APF civilian employee or a military member. When the spouse of the NAF employee is military, the NAF employee may not claim the spouse but may claim other dependent family members if they are not included in a cost-of-living allowance received by the military spouse.

APPENDIX A REFERENCES

SECTION I PUBLICATIONS

NATO Status of Forces Agreement

Department of State Standardized Regulations (<http://www.state.gov/m/a/als/c1843.htm>)

Joint Travel Regulations (<http://www.dtic.mil/perdiem/trvlregs.html>)

DOD 1400.25-M, Department of Defense Civilian Personnel Manual (CPM)

DOD 1401.1-M, Personnel Policy Manual for Nonappropriated Fund Instrumentalities

AR 25-400-2, The Army Records Information Management System (ARIMS)

AR 215-1, Morale, Welfare, and Recreation Activities and Nonappropriated Fund Instrumentalities

AR 215-3, Nonappropriated Funds Personnel Policy

AE Regulation 600-77, Status of Forces Agreement Identification

AE Pamphlet 690-630, Excused Absence

USAREUR Supplement 1 to AR 690-300.301, Overseas Employment

USAREUR Regulation 600-700, Identification Cards and Individual Logistic Support

SECTION II FORMS

DA Form 2028, Recommended Changes to Publications and Blank Forms

DA Form 4985, NAF Referral and Selection List

AE Form 215-3A, Nonappropriated Fund - Inservice Application

GLOSSARY

SECTION I ABBREVIATIONS

AE	Army in Europe
APF	appropriated fund
AR	Army regulation
CPAC	civilian personnel advisory center
CYS	Child and Youth Services
DA	Department of the Army
DOD	Department of Defense
DODEA	Department of Defense Education Activity
DSSR	Department of State Standardized Regulations
HQ USAREUR/7A	Headquarters, United States Army, Europe, and Seventh Army
LQA	living quarters allowance
MWR	morale, welfare, and recreation
NAF	nonappropriated fund
NAFI	nonappropriated fund instrumentality
NATO	North Atlantic Treaty Organization
NF	pay-banded employees
ODM	off-duty military
SOFA	Status of Forces Agreement
TQSA	temporary quarters subsistence allowance
U.S.	United States
USAREUR	United States Army, Europe

SECTION II TERMS

ordinarily resident

A U.S. citizen who has continually resided in the host country for the period specified in USAREUR Supplement 1 to AR 690-300.301 without status as a member of the “force” or “civilian component” or family member thereof (as defined in the NATO Status of Forces Agreement) or a U.S. citizen who has obtained a work permit of any duration in the host country. This definition applies unless otherwise defined by local law, rule, or regulation. An individual who qualifies as a member of the civilian component and subsequently obtains a work permit is not considered ordinarily resident as long as the individual remains a member of the civilian component.

resident alien

A lawful resident of the United States who is not a U.S. citizen but has a Permanent Resident Card (Form I-551), commonly known as a “Green Card.”

United States

The 50 U.S. states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and possessions of the United States.