

DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY ALASKA
Fort Richardson, Alaska 99505-5100

United States Army Alaska Regulation 215-3

15 May 1999

Morale, Welfare and Recreation

Amusement and Vending Machine Operations

Summary. This regulation concerning amusement and vending machine operations has been revised. This regulation covers the United States Army Alaska (USARAK) policies and procedures for amusement and vending machine operations. Revisions include proponent name change, office symbol change, reference changes, and clearer instructions.

Applicability. This regulation applies to all Installation Morale, Welfare, and Recreation Fund (IMWRF) activities that have amusement or vending machines installed on the premises. Federal and Nonappropriated Fund (NAF) employees' failure to comply with this regulation's provisions shall be grounds for disciplinary action. Activity and unit commanders, managers, assistant managers who operate amusement and vending machines, and designated impartial observers shall read this regulation before assuming appointed duties.

Impact on New Manning System. This regulation does not contain information that affects the New Manning System.

Supplementation. Supplementation of this regulation is prohibited without prior approval from the Directorate of Community Activities, Attention: APVR-RCA.

Interim changes. Interim changes to this regulation are not official unless the Director of Information Management authenticates them. Users will destroy interim changes on their expiration date unless sooner superseded or rescinded.

Suggested improvements. This regulation's proponent agency is the Directorate of Community Activities. The Directorate of Community Activities invites users to send comments and suggested improvements on Department of the Army (DA) Form 2028 (Recommended Changes to Publications and Blank Forms) directly to APVR-RCA.

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*This regulation supersedes United States Army Alaska Regulation 215-3, dated 15 May 1996.

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1. Purpose

This regulation prescribes local policies and procedures for amusement and vending machine operations.

2. References

a. Required publication. Army Regulation (AR) 215-4 (Nonappropriated Fund Contracting) is a required publication. It is cited in paragraph 4.

b. Referenced publications. (Referenced publications are merely sources of additional information. The user does not have to read them to understand this regulation.)

(1) Army Regulation (AR) 215-1 (Morale, Welfare, Recreation Activities and Nonappropriated Fund Instrumentalities) is a referenced publication.

(2) Department of Defense (DOD) Regulation 7000.14-R (Financial Management Regulation) is a referenced publication.

b. Referenced forms.

(1) DA Form 2028 (Recommended Changes to Publications and Blank Forms) is a referenced form. It is cited in suggested improvements statement.

(2) DA Form 4083-R (Vending or Amusement Machine Collections) is a referenced form. It is cited in paragraphs 8 and 9d and appendix A.

(3) Morale, Welfare, and Recreation (MWR) Form 109 (MWR Video Game Refund Record) is a referenced form. It is cited in paragraph 9 and appendixes A and B.

3. Explanation of abbreviations and terms

a. Abbreviations.

(1) app..... appendix

(2) AR..... Army Regulation

(3) DA..... Department of the Army

(4) DOD Department of Defense

(5) IMWRF Installation, Morale, Welfare, and Recreation Fund

(6) MWR Morale, Welfare, and Recreation

(7) NAF Nonappropriated Fund

(8) USARAK..... United States Army Alaska

b. Terms.

(1) Amusement machine. A coin-operated, mechanical, electrical, or electronic machine with nonpayment features that enable winning players to receive free games or prolonged play.

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(2) Impartial observer. A military person or an appropriate or NAF employee, appointed, in writing, by the Deputy Director of Family Activities or his/her representative, who is not an employee of the activity where the amusement or vending machines are located.

(3) Vending machine. A coin-operated, mechanical, or electrical machine that, in exchange for money inserted, vends or issues an item or service selected. Examples are food, drink, golf- and bowling-ball cleaning, and shoe shining machines.

4. Machine acquisitions

Acquire amusement and vending machines by purchase or concessionaire contract per AR 215-4.

5. Locking devices

Secure amusement and vending machines with at least two locks; one to access the machine and a NAF-owned lock to access the cash box. Additionally, the concessionaire may provide another locking device on concessionaire machine cash boxes so that both the NAF key and a concessionaire key are required to open it.

6. Key control

Properly control keys to restrict cash box and internal control device access. Keys will remain in the custody of the Directorate of Community Activities-designated key control officer. The key control officer will designate an impartial observer and assign the keys to him/her when required for cash collections or service calls. The key control officer will ensure that a key register is maintained for security and internal control.

7. Machine inventories

The NAF, Financial Management Branch Chief must maintain both a NAF- and a concessionaire-owned amusement/vending machine inventory, which includes each machine's serial number and location. Inventory records will be updated when machines are changed or rotated. The cash collection team will be provided with a current NAF-/concessionaire-owned machine list. Machines will not be removed from an activity before the final cash collection is made.

8. Cash collection

a. Make cash collections once a week from NAF- and concessionaire-owned machines; if anticipating sales less than \$50.00, make collections twice a month. Schedule a collection for the last working day of the month and furnish collection figures immediately to the Central Accounting Office for inclusion in the monthly financial statements.

b. The impartial observer, appointed by the key control officer, assumes responsibility for fund collections upon key receipt. An impartial observer must accompany the concessionaire when collecting cash from concessionaire-owned machines or a NAF representative when collecting cash from NAF-owned machines.

c. Use DA Form 4083-R (Vending or Amusement Machine Collections) to document the cash collected (see app A). Prepare a DA Form 4083-R each time cash is removed from NAF- or concessionaire-owned machines. Prepare the forms in sets of three, with each set sequentially numbered for control (see app A). The impartial observer and the NAF or concessionaire representative will sign the form. Submit the original as part of the daily activity report. The concessionaire retains one copy. Forward one copy to the NAF, Financial Management Branch.

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d. All machines will have a non-resettable coin counter meter. Accurate reading of each machine must be made and immediately posted on DA Form 4083-R.

e. The difference between the two readings will be the number of times the machine has been played (less malfunctions) since the last collection. The number of times the machine has been played (less malfunctions), multiplied by the cost per play, should equal the amount of money in the cash box and the amount recorded on the DA Form 4083-R.

f. The impartial observer shall make a brief written statement about any personally observed evidence of tampering or malfunction on DA Form 4083-R, in the remarks section.

g. If the actual cash varies from the meter readings on a concessionaire-owned machine, check the machine for mechanical malfunction or tampering and notate DA Form 4083-R, in the remarks section. The activity manager will be responsible for resolution if the machine is NAF-owned.

h. The impartial observer counts or witnesses the counting of all coins. The impartial observer is required to wrap all coins collected from NAF machines; NAF, Resource Management provides the wrappers. In the absence of a bonded employee, observers may be required to make a deposit for the IMWRF.

i. Revenues will be divided between the activity representative and the concessionaire at the time of collection; the percentage of collection will be per the terms of the contract agreement. The activity manager or bonded representative will deposit all revenues collected to a USARAK IMWRF bank account. The activity's daily activity report must reflect transaction and deposit receipts.

j. The impartial observer and concessionaire collect funds from vending and amusement machines, under contract with IMWRF, located in post unit areas. The impartial observer will retain and transport that portion of the money that belongs to MWR to NAF, Resource Management for deposit to an IMWRF bank account. Post units with NAF-contract machines will receive a 25 percent share, which will be deposited in that unit's fund account.

9. Machine malfunctions

The facility manager will use the petty cash fund to reimburse customers for money lost because of an inoperative machine. Managers will document transactions as follows:

a. Prepare a MWR Form 109 (MWR Video Game Refund Record) (see app B) to identify the machine that malfunctioned, the person requesting the refund, and the approving official.

b. Pay the refund from the petty cash fund and have the customer sign MWR Form 109.

c. Retain the MWR Form 109 (see app B) with the petty cash records to backup the petty cash balance until the fund is reimbursed from subsequent vending machine collections. Do not use the MWR Form 109 to request petty cash replenishment.

d. Attach the MWR Form 109 to DA Form 4083-R to account for the difference between the cash collected and the reconciled-per-plays amount.

10. Machine damage repair costs

The repair costs for vending and amusement machines under contract with the IMWRF, located in post unit areas, and damaged through unlawful break-in or through improper handling by patrons will be charged to that unit's fund account unless an individual is adjudicated accountable (for example, Article 15, Report of Survey, civil conviction, etc.) for the damage or destruction, and makes restitution for

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the repair/replacement costs incurred by the damage/destruction. If a unit fund account is charged with costs that are later paid by the accountable individual, the unit fund account will be reimbursed.

11. Sales accountability

a. Weekly, compare meter readings that record the number of plays or coins dropped in an amusement and service vending machines to the number of coins emptied from the machines. If discrepancies exist in concessionaire-owned machines, request the contractor's representative to examine the machine for malfunction or tampering and repair it accordingly. If discrepancies exist in NAF-owned machines, the NAF custodian or designated representative will be responsible for resolving them and notifying the Financial Management Branch.

b. Perform receipt analysis from vending machines that dispense goods by comparing the difference in the machine content sales value during inventories with the receipts emptied from the machine. Discrepancies will be resolved per paragraph a above.

c. When service is performed on machines, a representative from the NAF, Financial Management Branch or the unit/activity will accompany the service person. To ensure sales accountability accuracy, the representative records beginning and ending meter readings during services.

FOR THE COMMANDER:

OFFICIAL:

CHARLES R. DEWITT
COL, GS
Chief of Staff

//Original Signed//

WILLIAM F. HIGGINS, JR.
LTC, SC
Director of Information Management

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1 - APVR-GPA-AE (MOS Library, Assistant Directorate of Community Activities, Education Branch,
Attention: Mr. Mauer)

1 - Commander, United States Army Pacific Command, Attention: APIM-OIR
Fort Shafter, Hawaii 96858-5100

Appendix A
Department of the Army Form 4083-R Preparation and Processing

A-1. The impartial observer will prepare a separate, prenumbered DA Form 4083-R for each activity as follows:

- a. Activity/Location. Enter the names and codes (for example: Fort Richardson Teen Club (D6-1Y-76)).
- b. Date. The impartial observer will enter the date (for example: 11 April 1999).
- c. Machine Number. Enter the machine serial number.
- d. Machine Type. Enter the type of machine (for example: Pac-Man, pool table).
- e. Previous Machine Reading. Enter the previous meter reading from the NAF amusement record.
- f. Current Meter Reading. Enter the current meter reading taken from the meter in the machine.
- g. Metered Game. This is obtained by subtracting the past meter reading from the current reading.
- h. Charge Per Game. Enter the price of per-game play.
- i. Metered Income. This is obtained by multiplying the metered games by charge per game (for example: 10 (games) times \$.50 (per game) equals \$5.00).
- j. Cash Collected. After the coins and bills are counted, enter the amount collected in the appropriate column.
- k. Difference.
 - (1) Metered income minus the cash collected. If a difference occurs, enter an explanation in the remarks section (for example: Meter Out of Order).
 - (2) For vending machines that dispense merchandise, enter the content's value before and after restocking.
- l. Refunds. Enter the total amount of refunds given out by totaling the amounts on MWR Form 109.
- m. Total. Add all the figures in the metered income, cash, and difference columns. The total of the metered income column and the actual cash collected column must be the same. If not, the difference must be reflected as "+" or "<->" in the difference column.
- n. Remarks. Enter any statement by the impartial observer as to evidence of tampering or malfunction. Enter explanations on the differences of metered cash count and the actual cash count.
- o. Printed Name blocks. Legibly enter the printed names of the command, NAF, and concessionaire representative in the appropriate blocks.
- p. Signature blocks. The command, NAF, and concessionaire representative enter their signatures in the appropriate blocks.

A-2. The original DA Form 4083-R, with all MWR Forms 109 attached, will be given to the activity cashier or manager for submission along with the daily activity report.

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A-3. The second copy will be retained by the command representative to be returned to the NAF, Financial Management Branch.

A-4. The third copy will be given to the concessionaire.

Appendix B
Morale, Welfare, and Recreation Form 109 Preparation and Processing

B-1. Cashiers who refund for amusement or vending machine malfunctions will prepare a separate MWR Form 109.

B-2. Retain the MWR Forms 109 in the cashier's petty cash fund to support any disbursement made for reimbursement. Submit MWR Forms 109 to the impartial observer for reimbursement at the next collection.

B-3. MWR Form 109 must reflect the machine location, name, refund date, amount refunded, and signature of the customer. The manager should ensure that the customer enters his/her name, grade, duty telephone number, and duty station.