BY ORDER OF THE SECRETARY OF THE AIR FORCE

AIR FORCE INSTRUCTION 32-1022

13 NOVEMBER 2014

Civil Engineering

PLANNING AND PROGRAMMING NONAPPROPRIATED FUND FACILITY CONSTRUCTION PROJECTS

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

ACCESSIBILITY: Publications and forms are available on the e-Publishing website at **http://www.e-publishing.af.mil**.

RELEASABILITY: There are no releasability restrictions on this publication for downloading or ordering.

OPR: HQ USAF/A4CFC

Certified by: HQ USAF/A4CF (Mr. Robert Gill)

Pages: 61

Supersedes: AFI32-1022, 20 May 2009

This Instruction implements Department of Defense Instruction (DoDI) 7700.18, *Commissary Surcharge, Nonappropriated Fund (NAF), and Privately Financed Construction Reporting Procedures*, 15 December 2004 and DoDI 1015.15, *Procedures for Establishment, Management and Control of Nonappropriated Fund Instrumentalities and Financial Management of Supporting Resources*, 31 October 2007. It provides guidance on how to plan, develop, and obtain approval for nonappropriated fund (NAF) projects. Unless otherwise noted, the guidance and procedures outlined in this Instruction apply to all Air Force (AF) installations within the United States (US), its territories, and in foreign countries. Additionally, this Air Force Instruction (AFI) applies to the Air National Guard (ANG), government-owned, contractor-operated (GOCO) facilities, direct reporting units (DRUs), Air Force Reserve (AFRC) Units and field-operating agencies (FOAs) not located on AF installations. For the purposes of this AFI, the ANG will operate as a Major Command (MAJCOM). For the ANG to support the intent of this AFI, the National Guard Bureau (NGB) will prepare an appropriate policy document reflecting its unique legal status and structure, as recognized by Chapter 10 of the United States Code, Air Force Doctrine, and other governing authorities. Any organization may supplement this Instruction. MAJCOMs, FOAs, and DRUs must send a draft copy of their proposed supplement to HQ USAF/A4CFC for coordination; all other commands send one copy of each supplement to the next higher headquarters (HHQ). Ensure that all records created as a result of processes prescribed in this publication are maintained in accordance with Air Force Manual (AFMAN) 33-363, *Management of Records*, and disposed of in accordance with the Air Force Records Disposition Schedule (RDS) located in the Air Force Records Information Management System

(AFRIMS). Refer recommended changes and questions about this publication to the Office of Primary Responsibility (OPR) using the AF Form 847, *Recommendation for Change of Publication*; route AF Form 847s from the field through the appropriate functional chain of command. The authorities to waive wing/unit level requirements in this publication are identified with a Tier ("T-0, T-1, T-2, T-3") number following the compliance statement. See AFI 33-360, *Publications and Forms Management*, for a description of the authorities associated with the Tier numbers. Submit requests for waivers through the chain of command to the appropriate Tier waiver approval authority, or alternately, to the Publication OPR for non-tiered compliance items.

SUMMARY OF CHANGES

This document includes substantial revisions and responsible parties must completely review. It includes updates to many of the roles and responsibilities for AF organizations and personnel in regards to NAF program planning, development and approval authorities.

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Chapter 1

OVERVIEW

1.1. Purpose. The purpose of this instruction is to provide instruction and guidance for those responsible for planning, developing, and submitting nonappropriated fund (NAF) projects to approving authorities in compliance with public law as well as Department of Defense (DoD), and Air Force Instructions. NAF projects are funded with monies not appropriated by Congress, such as private donations, Army and Air Force Exchange (AAFES) dividends, Defense Commissary Agency (DeCA) surcharges, and revenue generated from Services Morale, Welfare, and Recreation (MWR) or lodging activities.

1.2. Principles.

1.2.1. **Project Planning.** Project planning identifies projects needed to satisfy current and future Air Force Services and AAFES program requirements and determines the facilities required and the most economical means of fulfilling those requirements. This determination shall always include evaluating whether to construct new, add to and alter, renovate, or repair the needed facilities. Construction of new square footage should only be considered upon completion of a NAF Project Validation Assessment (PVA). The PVA takes into account SRM costs for existing facilities, demolition of existing facilities, consolidation, market demand, Public-Private Venture, and other alternatives to provide programs and services.

1.2.2. **Project Programming.** NAF programming is the process of acquiring both the approval/authority and funding/resources necessary to perform the planned work.

1.3. Responsibilities.

1.3.1. **Deputy Assistant Secretary of the Air Force for Environment, Safety and Infrastructure (SAF/IEE).** Provides Air Force policy and oversight for the planning, programming, and execution of maintenance, repair, and construction programs for NAF facilities and recreation sites, and approves certain waivers. Submits the annual NAF construction report to Congress in accordance with DoDI 7700.18.

1.3.2. **The Director of Civil Engineers (AF/A4C).** AF/A4C provides programming guidance, oversight, and policy as required. AF/A4C develops policy and oversees execution of NAF facility projects. AF/A4C obtains waivers and exceptions to fund sources and space criteria, and coordinates project approval in accordance with this AFI. AF/A4CF prepares the NAF Construction Report to Congress and submits it through the Secretary of the Air Force to the Office of the Deputy Undersecretary of Defense (Personnel and Readiness) (OSD (P&R)). AF/A4CF, in coordination with AFPC/SV, manages the programming and execution of the AF NAF construction program and is a member of the Air Force Services Council and the NAF Facilities Panel. AF/A4CF provides policy, guidance and direction to the MAJCOMs and the Air Force Civil Engineer Center (AFCEC) as the Design Manager/Construction Manager (DM/CM).

1.3.3. **Director of Services (AF/A1S).** Develops policy and facility programs sourced by NAF consistent with Air Force Facility Standards (Air Force Manual (AFMAN) 32-1084, *Facilities Requirements*). Advocates resource allocation and programs and exercises oversight over approved funding to ensure use is in accordance with authorized parameters of

the annual Air Force-wide NAF construction program. AF/A1S provides oversight through trend analyses and policy revisions. The Director of Services contributes to readiness and improves productivity through programs promoting fitness, esprit de corps, and quality of life for AF people. The directorate provides policy and direction for worldwide Services programs which includes fitness, peacetime and wartime feeding, lodging, libraries, mortuary, child development and youth programs, a wide array of recreation and revenue producing MWR activities like golf, bowling and clubs. AF/A1S is a member of the Air Force Services Council.

1.3.4. **Major Commands (MAJCOMs).** MAJCOMs provide oversight to ensure compliance with law and DoD and Air Force policies. MAJCOMs review project documentation for accuracy if required after approval by Air Force Personnel Center, Services Division (AFPC/SV) and AF/A4C. MAJCOMs are responsible for establishing quality standards; providing command-unique guidance to supplement Air Force policies, procedures, and instructions; validating requirements identified by their installations; developing and advocating command budgets for Sustainment, Restoration and Modernization (SRM) projects through centralized and MAJCOM programs; and ensuring installation compliance with this AFI. The ANG and AFRC Civil Engineer perform these MAJCOM functions for their installations.

1.3.5. **Air Force Manpower, Personnel, and Services (AF/A1).** AF/A1 serves as the senior Air Force representative to the Army and Air Force Exchange Service (AAFES) Board of Directors and is the final Air Force reviewer of AAFES project viability packages submitted for Air Force project viability confirmation**.**

1.3.6. **Air Force Personnel Center, Services Directorate (AFPC/SV).** AFPC/SV oversees and develops procedures to implement the Air Force NAF Facilities Program. AFPC/SV validates requirements identified by bases by arranging and conduction independent PVAs. The AFPC/SV is responsible for ensuring designs are within AF criteria and meet operational and functional standards. They also establish functional and operational standards for MWR and Lodging facilities. The AFPC/SV facilitates the AF NAF Facilities Panel as well as maintains records of all Panel meetings and actions. They obtain project funding approval, provide financial oversight, and perform financial analysis related to proposed expenditures. They execute Indefinite Delivery, Indefinite-Quality (IDIQ) contracts in support of project design and execution and provides assistance on NAF purchasing issues. Finally, the AFPC/SV provides technical clarification and functional assistance to installations on NAF capital improvement issues, and evaluates completed projects for financial, functional, and operational effectiveness. **(T-2)**

1.3.7. **Installation Commander.** The Installation Commander, assisted by the Civil Engineer Squadron Commander/Base Civil Engineer, is responsible and accountable to ensure all work accomplished for the Air Force on Air Force owned/controlled real property is properly authorized and funded in accordance with all laws, policies, and regulations. **(T-2)** The Installation Commander is also responsible for ensuring the effective and efficient use of Air Force real property; and planning and programming all NAF-funded minor military construction and maintenance and repair for real property requirements necessary to properly support assigned missions and people (including tenants) and to care for and preserve Air Force real property. See AFI 32-9005, *Real Property Accountability and*

Reporting, and paragraph 1.2.9 of AFI 34-205, *Services Nonappropriated Fund Facility Projects*, for additional information. **(T-2)**

1.3.8. **ANG and AFRC Installations and Services Facilities.** The ANG and AFRC should rely on local community programs and facilities for Services activities and other community support to the maximum extent possible. The ANG and AFRC should provide only activities where there is significant demand not addressed locally which may include sports fields and courts; dining hall; lodging; physical fitness; multipurpose recreation; sports and recreation equipment checkout; and consolidated club that offers an on-site feeding capability.

1.3.8.1. **Services Activities Already in Operation.** The ANG and AFRC may continue to operate other Services activities that were operating as of September 30, 1991, as long as funding is adequate and they do not inhibit the operation of other programs with significant demand.

1.3.8.2. **Other Community Support Activities.** Limited exchange facilities are authorized. The size of these facilities and the scope of operation are based on the military population supported, and accessibility of active duty exchange facilities. The exchange service must also demonstrate the cost benefit of these activities. Commissaries are not authorized unless special circumstances warrant.

1.3.8.3. **Adding New Services Activities.** The ANG and AFRC may add new activities when justified by patron analysis and approved by the Air Staff functional manager. AF/A1S is the approval authority for adding new Services NAF programs.

1.3.8.4. **Closing Services Activities.** The ANG and AFRC will follow the appropriate Air Staff guidance when closing any Services activities per AFI 34-201, *Use of Nonappropriated Funds (NAFs)*, and AFI 34-101, *Air Force Morale, Welfare, and Recreation (MWR) Programs and Use Eligibility*. **(T-1)**

1.3.9. **Headquarters Army and Air Force Exchange Service (AAFES).** Determines and approves policies, plans, and programs pertaining to AAFES. HQ AAFES decides annual financial plans and goals; monitors, reviews, and recommends approval of construction projects; oversees cost of all AAFES projects; and provides to Chief of Staff and Secretary of the Air Force annual and quarterly reports, as appropriate.

1.3.10. **Headquarters Air Force Civil Engineer Center (AFCEC)**. Serves as the DM/CM for NAF Major Construction projects. AFCEC, as the Air Force's center of excellence for design and construction, is the decision authority on execution strategy, and coordinates with AFPC/SV for configuration control/change management, and financial accounting. **(T-2)** AFCEC will manage design and construction in coordination with AFPC/SV. **(T-2)** When mutually agreed upon with AFPC/SV, AFCEC may act as the Design and Construction Agents (DA/CA) and is responsible for the technical execution of project design and construction.

1.3.11. **Design and Construction Agent (DA/CA).** The DA/CA is the DoD component responsible for the technical execution of project construction and performs the duties of the CO. The DA/CA for NAF Major Construction projects can be the U.S. Army Corps of Engineers (USACE), Naval Facilities Engineering Command (NAVFAC), AFCEC, AFPC/SV, or host base.

Chapter 2

PLANNING NONAPPRORIATED FUND PROJECTS

2.1. Nonappropriated Fund Projects. Nonappropriated funds provide facilities that improve the morale and welfare of Air Force personnel and family members by providing enhanced recreation, services, and resale activities and programs that are not authorized for construction with congressionally appropriated funds. Nonappropriated fund projects are funded with monies not appropriated by Congress such as private donations, AAFES dividends, DeCA surcharges, and revenue generated from Services MWR or lodging activities.

2.2. Planning Actions. Effective planning establishes project requirements and proposes the most effective and economical means of satisfying those requirements. The process described in this paragraph does not apply to AAFES project planning.

2.2.1. **Determine Requirement.** Installations identify programs that promote fitness, esprit de corps, and quality of life for AF people and the facilities needed for them. Installation Commanders review, validate, and prioritize these needs.

2.2.2. **Evaluate Alternative Solutions.** Installations evaluate existing assets and determine the most beneficial and cost effective programs promoting fitness, esprit de corps, and quality of life for AF personnel. AFPC/SV is the OPR for conducting an operational and financial analysis in accordance with AFI 34-205. For NAF facility projects costing $200,000 or more, AFPC/SV conducts a PVA in accordance with AFI 34-205.

2.2.2.1. Proposed NAF projects require compliance with the National Environmental Policy Act (NEPA), prior to irrevocable or irretrievable commitment of resources. The proponent is responsible for compliance with the Environmental Impact Analysis Process (EIAP), AFI 32-7061 as promulgated at Title 32 Code of Federal Regulations (C.F.R.) 989, *Environmental Impact Analysis Process.* **(T-0)**

2.2.2.2. The proponent initiates the EIAP via the AF Form 813, *Request for Environmental Impact Analysis Process*. Ensure all NAF projects comply with Title 32 C.F.R. 989 and that all supporting decisions are consistent with the results of the EIAP. The Certificate of Compliance for the EIAP is summarized in the Department of Defense Form (DD Form) 1391. **(T-0)**

2.2.3. **Initiate Programming Actions.** When it is determined a facility project is required, the Civil Engineer Squadron will prepare appropriate documentation for approval (see **Attachment 3**), and enter the project into the Civil Engineering data management system. Documentation (typically obtained from facility users) shall include a fully justified case for accomplishing the project. **(T-2)** Definitions of the terms used to identify project costs (funded, unfunded, excluded) are defined in **Attachment 1**.

2.2.4. **Air Force Base Capital Improvement Fund (AFBCIF) Project Submission.** Details on AFBCIF project submission, validation, and funding are provided in AFI 34-205. Projects competing for Air Force central NAF funds are submitted by the Installations in accordance with the "Call for Proposed Fiscal Year (FY) Air Force Base Capital Improvement Fund (AFBCIF) Facility Projects" issued by AFPC/SV. Projects are submitted by the base Force Support Squadron Deputy (FSS/CD) and must have a completed

DD Form 1391, FY Military Construction Project Data Sheet, and a completed Internal Needs Validation Study (INVS), and for Category C activities a proforma financial analysis. **(T-2)** The Air Force NAF Facilities Panel (Panel) reviews submissions and recommends projects for PVA studies. Based upon the PVA recommendation and available funding, the Panel recommends projects to proceed to 65% design for inclusion in the annual submission to OSD(P&R). AF/A1S is the approval authority for PVAs and design funding. Vice Chief of Staff of the Air Force (VCSAF) is the funding approval authority for AFBCIF NAF construction funding. The MAJCOM Commander (MAJCOM/CC) is the funding approval authority for local (base) or MAJCOM funded projects.

2.3. Certificate of Compliance. For construction projects, installations ensure planning actions are accomplished by completing a Certificate of Compliance for Critical Planning Actions document (see **Attachment 3** for project documentation requirements). **(T-1)** See AFI 32-1021 *Planning and Programming Military Construction (MILCON) Projects*, for details on the certificate.

2.4. Project Validation Assessment (PVA). A PVA must validate all NAF maintenance, repair, and construction projects costing $200,000 and greater. See AFI 34-205 for additional guidance. The Installation Commander and AFPC/SV must ensure a PVA is accomplished. **(T-2)** A PVA is the process used to formally collect data, document facts, determine projected demand, and analyze results to help make a decision. It verifies customer demand, analyzes site and collocation possibilities, and calculates financial viability "payback." A PVA considers alternatives, weighs new construction versus addition or alteration, proposes acquisition resources and methods (such as design-build, design-bid- build, etc.) and analyzes competition to determine project requirements.

2.5. Facilities. Facilities should be consistent with the Installation Development Plan (IDP), and with installation/MAJCOM policies. Use of pre-engineered buildings is encouraged when they can reduce costs.. Reference AFMAN 32-1084, *Facility Requirements*, and AF/A4C approved design guides for space criteria. Actual project scope for NAF constructed facilities will be determined by a valid market assessment/economic analysis, usually in the form of a PVA. Design and space criteria waivers are submitted to AF/A4CF for Deputy Assistant Secretary of the Air Force (Environment, Safety and Infrastructure) and AF/A1S consideration. Reference AFMAN 32-1084 for specific waiver guidance. Base Civil Engineers or AFCEC DM/CM shall ensure sustainable development concepts are applied in the planning, design, construction, environmental management, operation, maintenance, and disposal of facilities and infrastructure projects, consistent with mission requirements. Sustainable principles shall be integrated into the design, development, and construction of the project in accordance with Executive Order 13423 and all other applicable laws and Executive Orders. **(T-0)**

2.6. Site Considerations. The site refers to the portion of land adequately sized to contain the facility and related functions. The site should include area for landscaping, parking, and essential open and buffer areas, e.g. AT standoff. Site boundaries are established as boundary encompassing facility footprint, paved walkways and parking areas, essential open or buffer zones and, AT standoff areas. Make sure the site is consistent with the IDP (see AFI 32-7062, *Air Force Comprehensive Planning*, for details) and agrees with the PVA recommendation. AFPC/SVX must approve any site changes after the PVA validation. **(T-2)**

2.6.1. **Site Clearance.** Planning site clearance shall be identified in the PVA. Strive to provide a clean site for the construction of a NAF facility; APFs may be used for this purpose. A clean site is defined as a site free from any man-made conditions or structures such as buried underground storage tanks and utilities that interfere with the facility construction. The demolition of existing manmade structures both above and below ground in conjunction with the construction of a NAF facility may be accomplished with APFs and programmed as an APF companion project. **(T-1)** If APF is used for a clean site it must be approved by AF/A4C. The approval package should include a DD Form 1391, a site plan showing the location of all sites considered, and a detailed analysis that includes a strong justification for the site's selection. **(T-1)**

2.6.1.1. If the cost of the clean site requirements, which includes site investigation costs, exceeds 15% of the NAF project cost or $750,000, whichever is less, APFs must be approved through AFCEC by AF/A4C. **(T-2)** The approval package should include the DD Form 1391 (see **paragraph 2.2.4**), site plan showing the location of all sites considered, and a detailed analysis that includes a strong justification for the site's selection.

2.6.2. **Building Disposal.** Dispose of older substandard facilities as new structures are built. **(T-2)** Follow AFI 32-9004, *Disposal of Real Property*, for disposal action guidance. If the installation is not going to dispose of the building, the installation must ensure the DD Form 1391 and DD Form 1391c, *FY Military Construction Project Data (Continuation,)* provide clear justification for retention. **(T-2)** If an existing facility is identified for disposal during the approval process, and an Air Force centrally funded project is approved to replace the facility, AF/A1S must approve the continued use of the facility for a NAF activity. **(T-1)** The Civil Engineer Squadron Commander/Base Civil Engineer is responsible for programming facility disposal or reuse in accordance with AFI 32-9004. **(T-1)** Retain facilities should be consistent with the IDP, and with installation/MAJCOM policies.

2.6.3. **Discovery of Environmental Contamination.** The removal and disposal of contamination unexpectedly encountered within the actual disturbed volume of the project footprint during the execution of the project must be funded with NAF. **(T-1)** In addition, the cost for anticipated removal and disposal of contamination within the project footprint shall be included in the DD Form 1391. **(T-1)**

Chapter 3

PROGRAMMING NONAPPROPRIATED FUND PROJECTS

3.1. Fund Sources for NAF Projects. Facility categories are a primary factor in determining the proper fund source for NAF projects. Use **Tables 3.1** through **3.6** to determine the facility category and fund source. The three identifiable categories or groupings of MWR facilities are Category-A: Mission Sustaining Activities; Category-B: Basic Community Support Activities; and Category-C: Revenue Generating Activities. In addition there are lodging facilities as a separate non-MWR category. A discussion of each follows:

3.1.1. **Category A—Mission Sustaining Activities.** These programs promote the physical and mental well-being of military personnel. They are required to support the basic military mission and are funded with APFs. Restrict use of NAFs to specific instances where the law or policy limits APFs. Programs in this category have virtually no capacity for generating NAF revenues. Table 3.1 shows the fund source for this category and type of the facilities:

Table 3.1. Category A − Mission Sustaining Activities Fund Source.

Line	Cat Code	Type of Facility	Facility Construction[1,3]	Facility Maint & Repair[2,3,7]
1	610-243	Administrative Office, Supply Center Services	APF	APF
2	7XX-XXX 740-677 750-81X	Aquatic Training Facility/ Bathhouse for military training, physical fitness, combat training, and therapy (Indoor) (Outdoor)	APF	APF
3	740-873	Auditorium, Theater Multipurpose	APF	APF
4	740-673	Field House, Physical Activities Complex	APF	APF
5	740-674	Gymnasium / Fitness Center / Health & Wellness Ctr	APF	APF
6	740-675	Library	APF	APF
7	750-XXX	Parks and Picnic Areas (including supporting facilities)	APF	APF
8	750-XXX	Playing Courts and Fields[4,5] (associated with Physical Conditioning)	APF	APF
9	740-316[6]	Community Center, Day Room, Multipurpose Recreational Facility	APF	APF

NOTES:

1. Use of NAFs for construction requires an OSD(P&R) waiver to fund source. **(T-0)**
2. Use of NAFs for maintenance and repair requires a waiver to fund source from SAF/FMCEB. Send requests to USAF/A4CF for staffing through appropriate offices for SAF/FMCEB. **(T-1)**
3. For environmental compliance work, coordinate with AFCEC environmental offices to determine proper source of funding. SAF/FM will not consider a request for a waiver to the environmental compliance construction fund source. **(T-1)**
4. Fund playing courts and fields with APFs, if most of the following conditions exist: a.) They are the only ones on base (i.e., a small installation); b.) Attached to the gym; c.) Detached from the gym, but operated by the gym staff; d.) Reserved for only military personnel during peak use times, e.g., noon hour; e.) Located in the dormitory area for use by active duty military personnel; and f.) Periodically closed to open play to host intramural or varsity-type tournaments. **(T-3)**

5. Skateboard Parks: if the skateboard park is constructed within an existing park and picnic area, then it is classified as a Category A and APFs are the proper fund source; if constructed as a stand-alone facility (indoor or outdoor) or as part of youth center, then it is classified as a Category B facility and NAFs are the proper fund source. **(T-3)**
6. For Cat Code 740-3XX, reference the Type of Facility to determine which Table (3.1, 3.2 or 3.3) to apply.
7. Applies to NAF facilities if title transferred to APF.

3.1.2. **Category B − Basic Community Support Activities.** These programs support the military mission by satisfying the basic physiological and psychological needs of military members and their families. They provide community support systems for the mobile military population. These programs differ from those in Category A, in part, because of their limited ability to generate NAF revenues. Approved remote and isolated locations have additional Category B APF support; see **paragraph 3.9**, and **Attachment 2-paragraph 2.3** for details.

Table 3.2. Category B.

Line	Cat Code	Type of Facility	Facility Construction[1,3]	Facility Maint & Repair[2,3,8]
1	131-114	Amateur Radio Facility	NAF	APF
2	740-664	Arts & Crafts Skill Development	NAF	APF
3	740-665	Automotive Skills Development	NAF	APF
4	740-671	Bowling Center (16 lanes or less-base total must be less than 16)	NAF	APF
5	740-884	Child Development Center	APF	APF
6	740-668	Entertainment Center (music & theater)	NAF	APF
7	740-672	Marina/Boathouse Without Resale or Private Boat Berthing	NAF	APF
8	750-371	Outdoor Recreation (includes small campgrounds)	NAF	APF
9	750-XXX	Playing Courts and Fields[4,5]	NAF	APF
10	740-316[6]	Recreational Info, Tickets, and Tour Services	NAF	APF
11	740-677	Recreation Swimming Pools & Bathhouses (Indoor)	NAF	APF
12	750-81X	Recreation Swimming Pools & Bathhouses (Outdoor)	NAF	APF
13	740-262	Stars and Stripes	NAF	APF
14	740-883	Youth Facilities[7] (Centers, Courts, and Playing Fields)	NAF	APF

NOTES:
1. OSD(P&R) must approve a waiver to fund source if the construction fund source shown is not used. AF/A4CF routes waiver requests to SAF/FMCEB to use NAFs for maintenance and repair. **(T-0)**
2. Includes the reconfiguration of a facility, e.g., the addition, rearrangement, or removal of non load-bearing walls, modification of Heating, Ventilation, & Air Conditioning (HVAC), electrical, or other systems/components to restore a building to functional standards, i.e., to make a facility fully functional and capable of supporting activities and programs effectively and efficiently. Includes maintenance and repair of bowling lanes and pinsetters at remote and isolated and Category B bowling centers. Per AFI 65-106, addition, rearrangement, or removal of non load-bearing walls is subject to availability of APFs; no SAF/FM waiver to fund source is required to use NAFs. **(T-0)**
3. Except for Child Development Centers and Youth Facilities Overseas, use NAFs for all construction environmental compliance. Use non-environmental quality APFs for all maintenance and repair environmental compliance requirements. SAF/FM will not consider a waiver request to the environmental compliance construction class. **(T-1)**

4. Fund construction of playing courts and fields with NAFs if most of the following conditions exist: a.) Part of a NAF youth center program. b.) For primary use by residents (not particularly military). c.) Not operated as part of the gym program. d.) Do not offer special times for military preference. **(T-1)**
5. Category A Skateboard Parks: if constructed within an existing park and picnic area APFs are the proper fund source, if constructed as a stand-alone facility (indoor or outdoor) or as part of youth center, then it's classified as a Category B facility and NAFs are the proper fund source. **(T-1)**
6. For Cat Code 740-3XX, reference the Type of Facility to determine which Table (3.1, 3.2 or 3.3) to apply. **(T-1)**
7. Use APFs for construction, maintenance and repair of youth facilities (youth centers, courts, and playing fields) at overseas locations. **(T-1)**
8. Applies to NAF facilities if title transferred to APF.

3.1.3. **Category C − Revenue Generating Activities.** These programs provide recreational and resale activities that benefit military morale. They foster community spirit and provide alternatives for off-duty pursuits. These programs have the greatest capability of generating NAF revenues and fund most of their expenses.

Table 3.3. Category C.

Line	Cat Code	Type of Facility	Facility Construction	Facility Maint & Repair[1,5,7]	Functionally Unique Items[2,3]
1	NA	Armed Forces Recreation Centers	NAF	APF	NAF
2	740-262	Academic or Recreational Bookstore	NAF	APF	NAF
3	740-668	Amusement & Recreational Machine Locations	NAF	APF	NAF
4	171-151	Bandstand	NAF	APF	NAF
5	740-671	Bowling Center (more than 16 lanes)	NAF	APF	NAF
6	750-42X	Golf Course Grounds/Support Facilities	NAF	NAF	NAF
7	750-42X	Clubhouse, Golf Cart Storage, Parking Lot	NAF	APF	NAF
8	740-672	Marina, Boathouse (resale or private boat berthing)	NAF	APF	NAF
9	750-663	Services Car Wash	NAF	APF	NAF
10	740-XXX	Services Fast Food, Snack Bar, Restaurant	NAF	APF	NAF
11	740-672	Recreation Rental Equipment Checkout Facility	NAF	APF	NAF
12	740-678	Skating Rink	NAF	APF	NAF
13	740-316	Unofficial Commercial Travel Service Facility	NAF	APF	NAF
14	740-615	Collocated or Consolidated Club	NAF	APF	NAF
15	740-612	Enlisted Club	NAF	APF	NAF
16	740-617	NCO Club	NAF	APF	NAF
17	740-618	Officers' Club	NAF	APF	NAF
18	NA	Civilian Dining, Vending & Other Resale Activities and Services	NAF	APF	NAF
19	740-666	Guest Houses, Motels, Hotels	NAF	APF	NAF
20	740-666	Cabins, Cottages, Cabanas	NAF	APF	NAF
21	750-611	FAMCAMPS (including privately owned RVs & trailers)	NAF	APF	NAF
22	740-3XX	AAFES: Exchange logistical, administrative, storage, and maintenance facilities	NAF[4]	APF	NAF
23	740-3XX	Exchange facilities required in areas of military conflict, wartime deployments, and in support of contingency, humanitarian, and peacekeeping operations	APF	APF	NAF

24	740-3XX	Exchange facilities required as integral parts of air terminal, hospital, housing, or other MILCON projects	APF	APF	NAF
25	740-396	Exchange operated laundry and dry cleaning plants, bakeries, dairies, or similar facilities in support of a military mission wartime deployment, and in support of contingency, humanitarian, and peacekeeping operations	APF	APF	NAF
26	740-317	Aero Club	NAF	APF	NAF
27	740-668	Audio or Photo Club (resale)	NAF	APF	NAF
28	740-668	Parachute or Sky Diving Club	NAF	APF	NAF
29	740-315	Rod & Gun Club	NAF	APF	NAF
30	740-668	Scuba or Diving Club	NAF	APF	NAF
31	750-583	Riding Clubs and Stables	NAF	APF	NAF
32	740-3XX[6]	AAFES: All other Exchange facilities including CONUS Main Exchanges and Shoppettes	NAF	APF	NAF

NOTES:

1. In accordance with AFI 65-106, APFs are not authorized in Category C facilities, except in Remote and Isolated locations, for rearrangement or removal of non-load-bearing walls to restore a building to functional standards, i.e., to make an existing building fully functional and capable of supporting Category C activities or programs effectively and efficiently. NAF must fund this work except in Remote and Isolated locations. **(T-1)**
2. Use NAFs for the maintenance and repair of functionally unique items required to support activity operations. These items make the facility usable for the activity it contains, but are not considered part of the normal facility system. See **Attachment 2** for examples. **(T-1)**
3. For Remote and Isolated Locations: APFs are authorized for Category C functionally unique items required to support activity operations (see **paragraph 3.9**). **(T-1)**
4. APFs shall be used outside the United States. **(T-1)**
5. Use NAF for AAFES-owned real property and equipment not transferred to the installation. **(T-1)**
6. For Cat Code 740-3XX, reference the Type of Facility to determine which Table (3.1, 3.2 or 3.3) to apply. **(T-1)**
7. Applies to NAF facilities if title transferred to APF.

Table 3.4. Environmental Compliance−APF Support Authorization by Category.

Line	APF Support Authorization by category	A	B	C	C(R&I)[1]
1	a. **Activity Operations** [2,3]				
2	(1) Base Civil Engineer (BCE) Monitoring Programs (ECAMP, Surveys,	APF	APF	APF	APF
3	(2) Comprehensive base-wide permits (not facility specific)	APF	APF	APF	APF
4	(3) Environmental Impact Analysis Process (EIAP), documents:				
5	(a) Prepared by in-house work force	APF	APF	APF	APF
6	(b) Prepared by contract (AFI 32-7061 as promulgated at 32 C.F.R. §989)	APF	APF	NAF	APF
7	(4) Specialized permits (golf course outfalls to waterways, AAFES service station, marina gas station, etc.) * Includes all costs associated with permit compliance, including testing, monitoring, record keeping, and regulatory reporting.	APF	APF	NAF*	APF
8	(5) Treatment of waste water driven solely by golf course irrigation	N/A	N/A	NAF	APF
9	(6) Runoff originating from golf course	N/A	N/A	NAF	APF
10	(7) Disposal of hazardous materials chemicals, paints, etc.	APF	APF	NAF	APF
11	(8) Pump waste holding tanks	APF	APF	NAF	APF
12	(9) Leak detection monitoring system (includes ground water monitoring wells) *NOT AUTHORIZED FOR AAFES TANKS	APF	APF	APF*	APF
13	(10) Cleanup of spills during transfer or delivery	APF	APF	NAF	APF

14	(11) Other environmental deficiencies (including environmental analysis (EA), cleanup, disposal, and soil repair or restoration):				
15	(a) Caused by an Act of God or fire	APF	APF	APF	APF
16	(b) Incident to and resulting from operations: *NAF if due to simple negligence	APF	APF	APF*	APF
17	b. **Maintenance and Repair**[2]				
18	(1) Maintenance, repair and replacement of tanks, distribution lines to pumps, and pumps and dispensing lines of utility systems for real property facilities under BCE control.	APF	APF	APF	APF
19	(2) Removal of asbestos	APF	APF	APF	APF
20	(3) Removal of Hazardous Lead Based Paint	APF	APF	APF	APF
21	(4) Underground and above ground storage tanks[4]				
22	(a) Tank maintenance, repair, and repair by replacement	APF	APF	APF	APF
23	(b) Distribution lines to pumps	APF	APF	APF	APF
24	(c) Dispensers and hoses	APF	APF	NAF	APF
25	(d) Waste analysis	APF	APF	APF	APF
26	(e) Cleanup	APF	APF	APF	APF
27	(f) Removal/Disposal	APF	APF	APF	APF
28	(g) Repair or restoration of soil	APF	APF	APF	APF
29	(h) Septic system	APF	APF	APF	APF
30	(i) Catchment basin	APF	APF	APF	APF
31	(j) Grease traps	APF	APF	APF	APF
32	(5) Environmental Cleanup in Preparation for NAF Construction	APF	APF	APF	APF
33	c. **New Construction**				
34	(1) Replacement of tanks to increase or decrease capacity or enhance other tank features	APF	NAF	NAF	NAF
35	(2) Construction of containment areas required by EPA, or applicable host nation or US environmental standards as codified in Status of Forces Agreement (SOFA)/FGS, not incidental to tank replacement	APF	NAF	NAF	NAF
36	(3) Hazardous material storage area	APF	NAF	NAF	NAF
37	(4) Install waste holding tanks	APF	NAF	NAF	NAF
38	(5) Utility lines from waste water ponds and plants for irrigation	APF	NAF	NAF	NAF
39	(6) Sewage treatment systems	APF	NAF	NAF	NAF
40	(7) Other construction	APF	NAF	NAF	NAF

***NOTES*:**

1. Category C (R&I) means Remote and Isolated Locations.
2. When NAF is the fund source, reimburse work performed by the Civil Engineer Squadron with NAFs. **(T-1)**
3. Waivers to fund source not authorized. Report all APFs as direct costs. **(T-1)**
4. When a leak is a threat to the environment, detection is an AAFES responsibility. Repair/cleanup is covered by environmental APF funds when an upgrade is required to meet new environmental standards. However, if there is also an increase in capacity, the portion attributed to the capacity increase will become an AAFES responsibility. **(T-1)**

3.1.4. **Lodging Fund Programming.** Although not a separate MWR category, lodging facility fund sources have specialized funding considerations. Lodging facilities, except for temporary lodging facilities, use the same APF source as Category A activities. APFs are the appropriate fund source for environmental compliance. AFI 65-106, *Appropriated Fund Support of Morale, Welfare and Recreation (MWR) and Nonappropriated Fund Instrumentalities (NAFIs)*, provides funding source guidance for all associated expenditures. Submit waiver requests for specific cases to SAF/FMC for approval using procedures outlined in AFI 65-106, Chapter 6. **(T-1)**

Table 3.5. Lodging Fund Facilities− Fund Source.

Line	Cat Code	Type of Facility	Facility Construction	Facility Maint & Repair[2]
1	721-312	Unaccompanied enlisted quarters	APF	APF
2	724-415	Unaccompanied officers' quarters	APF	APF
3	711-XXX	Other appropriated funded housing	APF	APF
4	740-4XX	Temporary lodging facilities	NAF	APF
5	721-315	Visiting enlisted quarters[1]	APF	APF
6	724-417	Visiting officers' quarters[1]	APF	APF

NOTES:

1. Requires waivers to fund source from SAF/FMC in order to use NAFs. **(T-1)**
2. Applies to NAF facilities if title transferred to APF.

3.1.5. **Other Activities.** This final group includes activities that are not in one of the above groups. They are privately funded and not authorized APF support unless specifically authorized in this instruction. Note: Maintenance and repair of banks and credit unions are funded in accordance with the lease agreement for the facility. For support to Fisher Houses reference AFI 65-106.

Table 3.6. Other Activities.

Line	Cat Code	Type of Facility	Facility Construction	Facility Maint & Repair
1	740-153	Banks	Private[1, 2]	Private
2	740-155	Credit Unions	Private[1]	Private
3	NA	Commercial ventures, franchises	Private[1]	Private
4	740-255	Thrift Shops	Private[1]	APF[3]
5	760-111	Museums[4, 5]	Private[1]	APF
6	760-512	Memorials	Private[1]	Private

NOTES:

1. The funds shown above are private funds. Do not use APFs or Services NAFs to fund construction of or relocation of private organizations. See note 3. **(T-0)**
2. See DoD 7000.14-R, Vol. 5, Chap 34 for details on APF support for overseas banks/automatic teller machines (ATMs). **(T-0)**
3. If the Thrift Shop occupies a Government-owned building, use APFs to maintain and repair the structural integrity and systems of the facility and to comply with environmental requirements. Regular maintenance and repair of the shop should be funded by the private organization itself. Fund functionally unique items to support activity operations with private funds. **(T-1)** See **Attachment 2** for examples of functionally unique items.
4. The National Museum of the United States Air Force at Wright-Patterson AFB is authorized APFs for construction.
5. For additional funding guidance on museums, see AFI 51-601, *Gifts to the Department of the Air Force*, AFI 65-601 Vol 1, *Budget Guidance and Procedures*, and AFI 84-103, *U.S. Air Force Heritage Program*.

3.2. Waiver to Fund Source. The tables in the beginning of this chapter prescribe a single funding source for all construction regardless of cost; however, occasionally unique situations or exigencies may require deviation or exception to the basic funding policy. Except as noted below, authority to waive the fund source remains with the Principal Deputy Under Secretary of Defense, Personnel and Readiness or PDUSD(P&R). Installation must completely justify requests for waiver, regardless of cost. AF/A4C, Deputy Assistant Secretary of the Air Force

(Environment, Safety and Infrastructure), and Office of OSD(P&R) will review these requests on a case-by-case basis. Support requests with the same programming documentation required for project approval. Installation must make sure funds are available for the project and are authorized by the funding authority. Include this information in the waiver request. Show how and why the waiver is in the best interest of the Air Force. In a limited number of instances, construction may be funded using more than one source. **(T-0)**

3.2.1. **Nonappropriated Funding for Projects Normally Funded with APFs.** With the exception of facilities in support of temporary duty (TDY) travel and outside the continental United States (OCONUS) youth center, youth courts, and youth playing fields, OSD(P&R) establishes the waiver policy to use NAF in lieu of APFs. **(T-0)**

3.2.1.1. **Waivers for TDY and OCONUS Youth Facilities.** For TDY facilities in support of TDY travel (visiting quarters (VQs)) and for OCONUS youth centers, youth courts, and youth playing fields, SAF/FMC may approve the use of NAF funding when APFs are certified as unavailable. To obtain this certification the MAJCOM must satisfy the following criteria: (1) the installation submitted the project to the MAJCOM for consideration in its Military Construction (MILCON) (major and minor construction) or APF modernization budget; (2) the project was not prioritized high enough to be funded within the AFCEC total obligation authority for any APF source; (3) the MAJCOM certifies that the project is of higher priority than all other non-funded NAF construction and modernization requirements. Waiver requests should be submitted through AFPC/SV to AF/A1S, SAF/IEE and SAF/FMB for funding consideration and SAF/FMC for approval. The waiver request must include certification that the project meets all three criteria. **(T-1)**

3.3. Appropriated Funding for NAF Facility Requirements. APFs are the appropriate fund source for facility requirements supporting NAF activities that are driven by restationing actions, facility relocation for the convenience of the Government, constructing facilities denied by country-to-country agreements, or if a facility is destroyed by an act of God (see 32 C.F.R. 842.22(a)), by fire, or by terrorism. In these cases, appropriated funds are the appropriate fund source for both minor and major construction. Do not use APF, MWR, or Lodging funds to construct or relocate facilities for private organizations. **(T-0)**

3.3.1. **Establishing, Activating, and Expanding a Military Installation.** An expansion must be a major increase in authorized and assigned personnel strength over a short period of time. For example, a 25 percent increase of assigned personnel over a two year period as noted in DoDI 1015.15, Footnote 12, Enclosure 4. Evolutionary expansion over time would not qualify. **(T-0)**

3.3.2. **Relocating Facilities for the Convenience of the Government.** When a military construction project displaces a NAF activity (to include any Category B or C facility, regardless of original fund source), the installation may include the costs of removal, relocation, or construction of a replacement for the NAF facility in the military construction DD Form 1391 documentation. Replacement facilities could include either newly constructed facilities or alteration of existing buildings. Examples are: installation-initiated consolidations or traffic circulation issues. Another example would be the requirement to move facilities out of the Clear Zone/Accident Potential Zone (CZ/APZ). **(T-0)**

3.3.3. **Constructing NAF Facilities Denied by Country-to-Country Agreements.** Replacement of facilities denied by country-to-country agreements should be submitted for APF consideration. **(T-0)**

3.3.4. **Facilities Destroyed by Acts of God, Fire, or Terrorism.** The following two sub-sections detail the conditions under which it is appropriate to fund NAF projects using APFs. Do not use APFs for maintenance or repair of facilities and/or land leased or constructed with NAFs until the Air Force acquires title to the facilities. **(T-1)**

3.3.4.1. **Flooding and Acts of God.** If an act of God damages or destroys AF NAF facilities or grounds, APFs are the appropriate fund source for repair or replacement. For example, if a facility sustains storm damage (storm defined as a weather event named by the National Weather Service or foreign equivalent), whether in or out of a floodplain, it would be considered an act of God. In the case of flooding, this refers to levels that exceed the 100-year flood as defined by the Federal Emergency Management Agency (FEMA) and where the location is not currently identified as a flood hazard area. Additional guidance for golf courses is provided in **paragraph 4.5.4** Flood damage from lesser events such as seasonal flooding or erosion would not be considered an act of God. However, if flooding is widespread, e.g. flooding that impacts several different facilities on base, then it may be considered for APFs to restore the damage. See **Attachment 1** for definition of terms. **(T-1)**

3.3.4.2. **Facilities Destroyed by Fire or Acts of Terrorism.** NAF facilities damaged or destroyed by fire or acts of terrorism are eligible for repair/replacement with APF funding. Fires caused by negligence, as determined by official incident investigation, are a NAF responsibility to fund repair/replacement. **(T-1)**

3.3.5. **Utility Runs.** Public Law authorizes the use of APFs to expand or extend utilities from the base system to connect to the site boundaries or nearest manhole, whichever is closest to the facility under construction. An exception that would not qualify for appropriated funding is long utility runs solely for the irrigation of golf courses.

3.4. Mixing Nonappropriated and Appropriated Fund Construction Funds. Fund all construction elements from a single fund source--NAFs or APFs, but not a combination of both. It may be acceptable to co-locate certain APF activities in a NAF facility, for example: a military clothing sales store in a base exchange, medical pharmacy in a base exchange, or excessive utility runs and roads from the base system to the site boundary (see Paragraph 3.3.5.). The same is true for locating NAF activities in an APF facility, for example, a NAF coffee shop in a base library. The Deputy Assistant Secretary of the Air Force (Environment, Safety and Infrastructure) must approve the use of APFs in a NAF facility and/or NAFs in an APF facility, regardless of cost. **(T-1)**

3.5. Host Nation Credits. Host nation credits are entitlements to the US Air Force from the host nation as goods and services (not money) under a memorandum of understanding executed by the MAJCOM on behalf of the DoD and the host nation. The installation may fund facility requirements (maintenance, repair, and construction), normally funded with nonappropriated and appropriated funds with host nation credits if the installation applies all policies, rules, and procedures that apply to NAF and APF projects.

3.6. Companion APF and NAF Projects. Combining APF maintenance and repair with a NAF maintenance and repair or NAF construction project is allowable within certain restrictions and controls. Title 10 United States Code Section 2492 authorizes the establishment of contracts or agreements between NAFIs and APF organizations that may serve as a vehicle to provide and obtain goods and/or services beneficial to the efficient management and operation of the exchange system or the morale, welfare, and recreation system. Submit separate NAF documents and APF documents to the proper approval authority. See **paragraph 4.4** to view details on maintenance and repair, and **Table 6.2** for maintenance and repair approval levels. See AFI 32-1032, *Planning and Programming Appropriated Fund Maintenance, Repair and Construction Projects*, for details on repair. Comply with the following:

3.6.1. **Separate Schedules.** The installation and the NAF activity must make sure there are separate work and payment schedules for each funding source. **(T-1)** These schedules must identify the various elements of work in each category (construction or repair) and include the costs for each element. **(T-1)** The installation must explain the separate work (cost accounting) schedules for APF and NAF funds in the invitation for bids, include them in the bid submittal, and incorporate them into the resulting contract. **(T-1)** A memorandum of agreement (MOA) can be used to allow work to be initially accomplished entirely using one fund source provided the schedules are sufficiently separated to allow appropriate reimbursement.

3.6.2. **Separate Categories of Work.** The base must clearly identify the separate categories of work in the contract drawings. **(T-1)** For all contract change orders, the installation must identify changes against the applicable work schedules and compute and fund the costs accordingly. **(T-1)**

3.7. Life Safety Code Compliance Deficiencies. Under the definition of repair (see AFI 32-1032), use APFs to rectify fire or other life, occupational safety and health code deficiencies, to include but not limited to, provision of handicap access (Architectural Barriers Act), fire protection (e.g., fire extinguishers, sprinklers, and alarm systems), and security protection (e.g., alarm systems), asbestos abatement, lead-based paint removal, and seismic correction in existing facilities for all categories (A, B, and C), with the exception of work to support activity operations (see AFI 65-106, Attachment 2). Security and alarm systems should follow guidelines set out in the IDP (see AFI 32-7062) and repair or construction work should meet required Unified Facilities Criteria (UFC) standards, current National Fire Protection Association (NFPA) standards, Occupational Safety & Health Administration standards and AFI 32-2001, *Fire Emergency Services*.

3.8. Security and Antiterrorism (AT) Requirements. AT must be incorporated into new construction projects using the facility's construction funding source. **(T-0)** For example, a NAF funded project to construct a new facility will include all security and AT requirements, including intrusion detection systems, as a NAF construction expense. These expenses will be captured as a separate line item. APFs are authorized for AT and security requirements for repair projects. **(T-0)** APFs may be used for intrusion detection equipment associated with a repair project; however, non-standard equipment (e.g. AAFES proprietary systems), or systems in excess of installation requirements are a NAF funding responsibility. **(T-0)** AT measures should comply with guidance in UFC 04-010-01, *DoD Antiterrorism/Force Protection Standards.* **(T-0)** AT requirements should comply with the DoD standards described in DoDI 2000.16, *DoD Antiterrorism (AT) Standards.* Many of the standards in DoDI 2000.16 are

applicable to NAF Instrumentalities. For the purposes of this AFI, the construction programmer should focus specifically on Standards 13, 15, 17, and 18. **(T-0)**

3.9. Remote and Isolated Locations. The Office of the Secretary of Defense designates certain installations as remote and isolated locations. With this designation, Category C activities, including AAFES, at approved locations are authorized Category B level of APF support for maintenance and repair. This includes rearrangement and removal of non load-bearing walls to restore a building to functional standards. Follow **Tables 3.1 thru 3.4** and **paragraph 4.5.4.2** for construction funding guidelines. Do not provide Category B level of APF support for construction. See Chapter 3 and Table 3.1 of AFI 65-106 for details and a list of these locations. **(T-1)**

3.10. Projects Exceeding 75 Percent of Facility Replacement Cost. SAF/IEE must approve if the repair cost (APF, NAF, or a combination) exceeds 75 percent of the facility replacement cost. **(T-1)** Repair work exceeding 75 percent of the replacement cost must be supported by an economic analysis. In addition, documentation must support why replacement is not in the best interest of the Government. For guidance regarding development of an economic analysis reference the AFI 65-501, *Economic Analysis*. **(T-1)** See AFI 32-1032 for further guidance. Facility replacement cost data may be obtained from the installation Civil Engineer.

3.11. Use of Appropriated Funds or Nonappropriated Funds for Maintenance and Repair. Most maintenance and repair applies to work needed to maintain buildings, grounds, and facility systems (electrical, mechanical, plumbing, roofing, foundations, windows, doors, etc.). APFs are the appropriate fund source for this type of maintenance and repair of all categories (A, B, and C), to include AAFES facilities. Do not use APFs to repair functionally unique items required to support Category C activities with the exception of Remote and Isolated locations. (see **Attachment 2** for a partial list of items). **(T-0)** Note that funding for all nonstandard signage, e.g., those using logos in nonstandard colors, are considered functionally unique.

3.11.1. **Waivers.** If APFs are not available a waiver must be obtained to use NAFs for maintenance and repair of all categories. NAFs are the fund source for functionally unique items to support Category C activity operations with the exception of Remote and Isolated locations. Functionally unique items make the facility usable for the activity it contains, but are not considered part of the normal facility system (see **Attachment 2** for a partial list of items). Also, some work in Category B activities can use NAFs or APFs depending on availability of funds without a waiver (See **Table 3.2**). Also, addition, rearrangement, or removal of non load-bearing walls is subject to availability of APFs and does not require a waiver to fund source if funds are available (See **Table 3.2**). Submit waiver requests to AF/A4CF for routing through AF/A1SR to SAF/FMCEB. **(T-0)**

3.12. Sustainable Design and Development (SDD) and Energy. The Air Force is committed to incorporate sustainable concepts in the planning, programming, design, construction, and operation of facilities and infrastructure. All construction, renovation and repair projects regardless of scope, fund source or programmed amount shall comply with the applicable provisions of Public Law 109-58, *Energy Policy Act of 2005*; Executive Order (EO) 13423, *Strengthening Federal Environmental, Energy, and Transportation Management*; Title 42 United States Code (USC) § 15801, *Energy Independence and Security Act of 2007*; and Executive Order 13514, *Federal Leadership in Environmental, Energy, and Economic*

Performance. **(T-0)** All new vertical construction and major renovations shall fully incorporate the Guiding Principles for Federal leadership in High Performance and Sustainable Buildings (HPSB). **(T-1)** UFC 1-200-02 Change 2, *High Performance and Sustainable Building Requirements* provides guidance regarding HPSB requirements. Additionally, program managers shall consider and document green alternatives as they develop their specifications and incorporate green procurement program language into contract statements of work. **(T-0)**

Chapter 4

PROGRAMMING FACILITIES PROJECTS

4.1. Multipurpose Facilities. Commanders should consider constructing multipurpose facilities, similar to modern municipal recreation centers and college student unions, designed for optimum use. Most multi-use facilities include revenue-generating activities such as fast food outlets, delis, dining rooms, concession areas, sports bars, and amusement machines, as well as mission-sustaining functions (fitness centers, community centers, libraries, etc.). Therefore, commanders can use a pro-rated share of APFs and NAFs for construction with prior Deputy Assistant Secretary of the Air Force (Environment, Safety and Infrastructure) approval. A contract or agreement, as discussed in **paragraph 3.6**, can also be established with approval from Deputy Assistant Secretary of the Air Force (Environment, Safety and Infrastructure). Installations must submit requests to MAJCOMs for transmittal to AF/A4CF, for processing. **(T-1)**

4.2. Project Splitting. Installation must not plan a requirement for partial completion with one project and the remainder of the requirement with a separate project or projects programmed in successive years. **(T-0)** This applies to both construction and repair (or combination maintenance and repair) projects. Identify and program the total known or projected requirements as a single project. This determines the appropriate project approval level. This is true whether the projects are planned for simultaneous accomplishment or phased over a period of years. **(T-1)**

4.2.1. **Multiple Construction Projects.** Treat all known construction work (EEIC 529) on a single facility, within a 24-month period, as a single project. The 24-month programming period begins upon contract award. The total combined cost determines the approval level; if the total cost exceeds $750,000, then Congressional approval is required; see **Table 6.1** **(T-0)** MAJCOM/CC funding approval is required for Services projects over $200,000 that are funded by the base. AFPC/SV will obtain funding approval for any projects that are funded by AF Central Nonappropriated Funds. A DD Form 1391, signed by the MAJCOM Civil Engineer is required whenever fund approval is required. **(T-1)** For AAFES projects, if the total cost exceeds $300,000, the MAJCOM Civil Engineer and AAFES Director/Chief Executive Officer (CEO) or Senior Vice President for Real Estate must sign the DD Form 1391. **(T-1)**

4.2.2. **Multiple Repair Projects.** Use the guidance in AFI 32-1032 to determine the total repair requirements and subsequent approval level (See **Table 6.2**). MAJCOM commanders and HQ AAFES can approve NAF repair projects up to $2,500,000. See AFI 32-1032, Chapter 4 for details.

4.2.3. **Examples.**

4.2.3.1. **Officers Clubs.** In this example the solution will be a phased approach. An officers' club needs work in various portions of the facility (lounge, kitchen, ballroom, restrooms, etc.) but funds are not available to cover the total requirement. Since the installation identified all individual requirements, the installation must then consolidate them into one project document and seek the appropriate approval authority. The

installation can then phase execution as feasible within the dollar constraints. Make sure each phase is complete and usable.

4.2.3.2. **Recreational Area Cabins.** This example illustrates a combined approach. Recreation area cabins have deteriorated and require either repair or replacement. The installation must combine the total number of cabins programmed for repair into a single repair project and the total number of cabins for replacement into a single construction project. Approve each project accordingly. The installation may phase the execution within funds availability. If there is a requirement for additional cabins, the installation must combine this requirement with the cabin replacement requirement in a single construction project.

4.2.3.3. **Golf Course Clubhouses.** This example is governed by work class cost. A golf course clubhouse requires additions to the pro shop and locker room, plus repairs to the air conditioning system and replacement of the windows. The installation must combine the additions into a single construction project and the air conditioning system and the window replacements into a single repair project. The total of each class of work determines the individual project approval authority.

4.3. Short-term Facility Requirements. If a NAF construction or repair project generates the requirement for short-term facilities (temporary or relocatable), use NAFs to pay all costs associated with the facility programmed as a funded cost of the NAF construction or repair project. **(T-1)** If an APF construction or repair project on a NAF facility generates the requirement for short-term facilities, use APFs to pay all costs associated with the facility programmed as a funded cost of the APF construction or repair project. **(T-1)** If a requirement is generated by both APF and NAF construction or repair work, a temporary facility can be shared by the APF and NAF activities. **(T-1)** Costs may be split equitably using a standard measure such as correlating costs with square footage used. Use AFI 32-1021 for additional guidance on short-term facilities.

4.4. Appropriated Fund Maintenance and Repair Support to Facilities Leased or Constructed with Nonappropriated Funds. Do not use APFs for maintenance or repair of facilities leased or constructed with NAFs until the Air Force acquires title to the facilities. The AF acquires title through acceptance of the final DD Form 1354, *Transfer and Acceptance of Military Real Property*. If the NAF activity, private organization, or a concession retains ownership (does not apply to AAFES) of the facility, do not use APFs to maintain or repair the facility or equipment (see **Table 3.6**). **(T-1)** However, within available resources, the Civil Engineer staff may perform maintenance and repair on a reimbursable basis provided beneficial occupancy is taken and the items are not part of a construction project punchlist. See AFI 32-9005 for details on transfer of ownership.

4.5. Services Facilities. The MAJCOM has project approval for all construction projects with a funded cost up to $750,000 and repair projects with a funded cost up to $2,500,000. At the time of approval, for construction projects (EEIC 529) with a funded cost between $200,000 and $750,000, the MAJCOM must submit a copy of the approved/signed DD Form 1391 with signatures from the Civil Engineer Squadron Commander and Installation Commander (front and signature pages only) to AF/A4CF and AF/A1SR. **(T-1)** The office of the OSD(P&R) will report the projects after the fact in the next annual Report to Congress. **(T-0)** The installation must submit to the MAJCOM the completed DD Forms 1391 and 1391c, Fiscal Year 20XX Military

Construction Project Data, for each project with a funded cost over $750,000 in the annual construction program. **(T-1)** The MAJCOM submits this information to AF/A4CF for the Report to Congress. **(T-1)**

4.5.1. **Supervision, Inspection, and Overhead (SIOH).** SIOH is a civil engineer responsibility and an APF cost if performed by installation civil engineering (CE) employees (includes government and A-76 contractor employees). **(T-1)** SIOH is a NAF cost if performed by contract, Army Corps of Engineers, AFCEC, overhires, or overtime by installation CE personnel. **(T-1)** The execution agency/contracting agency has the authority to provide their own Title II services. **(T-1)** In all other instances, if the installation CE is unable to perform SIOH, the AFPC/SV IDIQ Construction Management Inspection Contract (Title II Services) should be utilized to ensure lowest cost to the project.

4.5.2. **Design Services.** Design is an APF cost if performed by in-house personnel (includes government and contractor employees). **(T-1)** Design is a NAF cost if performed by contract; including USACE, AFCEC, NAVFAC; or by overhires. **(T-1)** Use NAFs to fund all contract design services except in the following cases when APFs can be used. **(T-1)** Use published standard designs and design guides as applicable.

4.5.2.1. An APF-authorized facility construction project has fallen out of a Fiscal Year 20XX Military Construction Program and the MAJCOM later reprograms it for construction with NAFs as a waiver to the DoD funding guidance. **(T-1)**

4.5.2.2. The MAJCOM programs a NAF-authorized facility construction project, according to DoD policy, in a Fiscal Year 20XX Military Construction Program as a waiver to the DoD funding policy. **(T-1)**

4.5.3. **Design Instruction.** For a typical annual program of construction projects with funded costs of over $750,000, AFPC/SV will request Design Instructions from AF/A4CF through AFCEC to authorize designs to proceed, upon completion of the PVA for centrally funded projects. **(T-2)** Design Instructions for advertisement and award will be managed by AFCEC/CF with coordination by AFPC/SV and AF/A4CF. **(T-2)**

4.5.4. **Golf Courses.** NAFs are the normal source of funds for golf courses, maintenance facilities, golf clubhouses and parking, and golf cart storage, construction, maintenance, and repair. **(T-1)** APFs may be used for maintenance and repair in certain cases: the clubhouse, cart storage facilities attached to a clubhouse, and parking lots. Additionally, base-wide services such as mosquito fogging, control of ticks, rats, forest pests, etc., may be provided as a common service. As a rule, do not use APFs for golf course grounds maintenance and repair. This includes maintenance facilities, latrines, shelters, pump houses, sprinkler systems, and driving ranges, etc. Specialized pest control services such as herbicide and pesticide treatment of fairways, greens, water hazards, sand traps, etc. may be provided on a reimbursable basis.

4.5.4.1. **Golf Course Programming Guidance.** For the purpose of construction and major repair project approval, divide a golf course into the following separate entities:

4.5.4.1.1. Golf Course Playing Area (to include the course itself and tee boxes, fairways, traps, bunkers, greens, golf cart paths, driving range, practice putting green, trees and shrubs, water hazards, shelters, latrines, and snack bars on the course, and

irrigation system –including sprinklers, piping, ponds, water wells, and other irrigation appurtenances).

4.5.4.1.2. Golf Clubhouse (to include parking lot and golf cart storage if the cart storage is attached to the clubhouse).

4.5.4.1.3. Maintenance Facilities (program each building with a separate facility number as a separate project). This includes golf cart storage facilities that are not attached to the clubhouse.

4.5.4.2. **Remote and Isolated Locations.** OSD(P&R) officially designates certain installations as "remote and isolated" locations. With this designation, the installation may increase the use of APFs to maintain golf course facilities. **(T-0)** The following breaks out the appropriate fund source for various golf course requirements at remote and isolated locations.

4.5.4.2.1. **Appropriated Fund Support.** APFs are authorized for routine golf course grounds maintenance and repair at remote and isolated locations. Routine grounds maintenance and repair includes mowing of grass, maintaining greens/tees/fairways, irrigating, applying fertilizer and soil amendments, verticutting greens, aerating, top dressing of greens, green collars and tees, over seeding, repairing damaged areas, weeding, removing debris, providing routine maintenance of maintenance facilities, cart storage facilities, latrines and shelters, cart paths and bridges, course maintenance facilities, changing holes, marking the course, maintaining trees and shrubs, maintaining sand traps and bunkers, maintaining water hazards, maintaining irrigation distribution systems, controlling erosion, applying pest control products as needed, controlling pest, and restoring grounds destroyed by fire or acts of God.

4.5.4.2.2. **Nonappropriated Fund Support.** For exceptionally large repair projects, such as when SAF/IEE approval is required, NAFs are the appropriate fund source for additions, alterations, and replacements to the golf course playing area and golf maintenance facilities either by contract or reimbursement to APFs at remote and isolated locations. Also use NAFs to construct golf clubhouses and cart storage facilities.

4.5.4.3. **Unrelated Costs.** APFs are the appropriate fund source for maintenance costs for facilities or environmental features adjacent to or within the boundaries of the golf course that would exist if the golf course was not there. Do not report these costs in golf course maintenance. This includes, but is not limited to, perimeter roads, drainage ditches, culverts, fences, structures, cemeteries, tree removal, waterways, or appurtenances (power lines, runway approach lights, etc.).

4.5.4.4. **Damage due to Act of God, Fire, or Terrorism.** APFs may be used to restore grounds destroyed by acts of God (hurricane, tornadoes, earthquakes, floods, etc), fire, or terrorism. In the case of flooding, this refers to levels that exceed the 100-year flood as defined by FEMA and where the location is not currently identified as a flood hazard area, refer to 44 C.F.R. 72, *Procedures and Fees for Processing Map Changes.* Do not use APFs to correct situations such as recurrent flooding (except where the course controls base water run-off during storms), or normal erosion of a river or creek

exacerbated by an above normal amount of rain or snow. Repair of vandalism does not qualify for APF funding under this section.

4.6. Temporary Lodging Facilities. Use lodging funds from the NAF account centrally managed by the AFPC/SV for all construction and minor construction projects with related furnishings. AFI 65-106 provides the funding source guidance for all associated expenditures. A PVA must validate all NAF construction projects costing $200,000 and greater. The Installation Commander and AFPC/SV must ensure a PVA is accomplished. **(T-2)** AFPC/SV identifies and prioritizes projects for Air Force central funding. AFPC/SV notifies bases that they have a funded project and must submit the project in accordance with NAF facilities policies. Bases submit complete DD Forms 1391 and 1391c, Fiscal Year 20XX Military Construction Project Data. **(T-1)** The MAJCOM/A4 (Civil Engineer) provides project approval for NAF construction projects up to $750,000 and NAF repair projects up to $2,500,000. **(T-1)** At the time of approval, for construction projects costing between $200,000 and $750,000, the MAJCOM must submit a copy of the approved/signed DD Form 1391 (front and signature pages only) to AF/A4CF and AF/A1SR. **(T-1)** The office of OSD (P&R) reports the projects after the fact to Congress in the next annual NAF Report to Congress. **(T-0)** For projects exceeding the MAJCOM's approval authority, seek approval according to **Table 6.1** and **Table 6.2**. The installation submits projects with a funded cost of $750,000 and more through the MAJCOM to AF/A4CF, before advertisement and award.

4.7. Army and Air Force Exchange Service Facilities (AAFES). Unless exempted in this instruction, AAFES funds all construction and minor construction projects with related supervision, inspection, and overhead, equipment purchase, and installation. This includes DoD-approved remote and isolated locations. AAFES Board of Directors provides all authority for AAFES projects. The AAFES Director/CEO funds projects within amounts delegated by the Board of Directors. The AAFES Director/CEO in turn delegates approval authority to overseas region commanders and CONUS region directors. Projects that exceed the AAFES Director/CEO's approval authority are presented at an AAFES Board meeting for funding approval. The AAFES Director/CEO has project approval for all projects with a funded construction cost of up to $750,000. **(T-0)** For construction projects with a funded cost from $200,000 to $750,000, the AAFES Command Engineer must submit a copy of the approved/signed DD Form 1391 (front and signature pages only) to AF/A4CF. **(T-1)** The office of OSD(P&R) will report these projects after the fact in the next annual NAF Construction Report to the Congress. **(T-0)** The AAFES command engineer must submit to AF/A4CF the documentation specified in **Attachment 3** for all projects costing over $750,000 for inclusion in the next annual NAF report to Congress. **(T-0)** The installation commander or designee must notify and coordinate with HQ AAFES on all proposed construction that will directly impact AAFES operated facilities. **(T-0)**

4.7.1. **Design Services.** AAFES funds all design services except the following where AAFES may use APFs:

4.7.1.1. An APF-authorized facility construction project has fallen out of a *Fiscal Year XX Military Construction Program* and the AAFES command engineer later reprograms it for construction with NAFs as a waiver to the DoD funding policy. **(T-0)**

4.7.1.2. A NAF-authorized facility construction project, according to DoD policy, is programmed in a *Fiscal Year XX Military Construction Program* as a waiver to the DoD funding policy. **(T-0)**

4.7.2. **Design Instruction.** Installations will submit the projects in the CE electronic programming database and will also enter the DD Forms 1391 into the system. **(T-2)** Installations and AFCEC/CF are required to maintain the CE electronic programming database records and shall not advertise or award construction projects or begin design efforts until AF/A4CF issues the appropriate design instructions in the CE electronic programming database. **(T-1)** Design instructions issued in the CE electronic database will be coordinated with AAFES. **(T-1)**

4.7.3. **Sustainable Design and Development (SDD) and Energy.** All construction, renovation and repair projects regardless of scope, fund source or programmed amount shall comply with the applicable provisions of the Energy Policy Act of 2005, EO 13423, 42 USC § 15801, and EO 13514. **(T-0)** All new vertical construction and major renovations shall fully incorporate the Guiding Principles for Federal leadership in HPSB. **(T-0)** UFC 1-200-02 Change 2, *High Performance and Sustainable Building Requirements* provides guidance regarding HPSB requirements. Additionally, program managers should consider and document green alternatives as they develop their specifications and incorporate green procurement program language into their contract statements of work.

4.7.4. **Maintenance and Repair Projects.** Maintenance and repair work is needed to maintain buildings, grounds, and facility systems such as electrical, mechanical, plumbing, roofing, foundations, windows, doors, etc. APFs are the appropriate fund source for maintenance and repair whether in continental United States (CONUS) or OCONUS. **(T-0)** See **Table 3.3** and **paragraph 3.11** for additional guidance. AAFES will fund the following repair and maintenance exceptions:

4.7.4.1. **Owned by AAFES.** Structures to which the AAFES holds title. **(T-0)**

4.7.4.2. **Occupied by AAFES.** Interior finishes of space occupied by the AAFES (e.g., paint, floors, ceilings, special lighting) and of building modifications and alterations solely for purposes unique to AAFES operations. **(T-0)**

4.7.4.3. **On Loan to AAFES.** Available Government equipment on loan to the AAFES. **(T-0)**

4.7.5. **Procedures for Submitting AAFES Projects.** AAFES develops project requirements and initiates projects in coordination with the Installation Commander and Civil Engineer Squadron Commander/Base Civil Engineer. For projects requiring DD Forms 1391, the Civil Engineer Squadron Commander/Base Civil Engineer, Installation Commander and MAJCOM Civil Engineer (as applicable) will sign the DD Form 1391 indicating their proprietary approval of the project. **(T-2)** AAFES obtains funding approval through the AAFES Director/CEO and Board of Directors as appropriate. AAFES projects will comply with base and MAJCOM design and architectural standards and siting in accordance with the IDP. **(T-2)**

4.7.5.1. **Projects Within local Installation Commander Approval Authority.** The AAFES will submit a work request to the Civil Engineer Squadron Commander/Base Civil Engineer when projects are within the limits delegated by USAF. **(T-1)** The Civil

Engineer Squadron Commander/Base Civil Engineer processes the work request as required for approval or disapproval. If approved, the AAFES may proceed with the work using in-house or contract personnel without processing a DD Form 1391.

4.7.5.2. **Projects Over Installation Approval Authority.** HQ AAFES provides draft DD Forms 1391 and 1391c to the installation for completion and the addition of base unique requirements, and signature. The installation forwards the documents for MAJCOM Civil Engineer signature. The MAJCOM forwards the completed package back to HQ AAFES. **(T-0)**

4.8. Private Funding Programming. For purposes of documenting DD Forms 1391, include projects proposed for financing with private funds in the NAF category; for example: banks, credit unions, and so forth, which are not NAF instrumentalities (AFI 34-223, *Private Organizations (PO) Program).* Do not include private capital projects for contractors performing Research, Development, Test, and Evaluation or industrial contracts in the NAF category (AFI 63-609, *Managing Industrial Facilities).* Do not use APFs or Services NAFs for constructing, relocating, repairing, or maintaining facilities for private organizations unless specifically authorized in policy or law. Use AFI 32-9003, *Granting Temporary Use of Air Force Real Property* and AFI 65-106 as primary references for guidance on Government support to private organizations. Facilities constructed with private funds generally require three approvals prior to contract award. Contact AF/A4CI to determine if a beddown approval is required. If the facility is to be donated to the Air Force, AFCEC/CIT is responsible for processing the formal gift acceptance package. Details on the gift acceptance process can be found in AFI 51-601, *Gifts to the Department of the Air Force*. Construction projects over $750,000 require OSD(P&R) approval and Congressional notification. MAJCOMs submit project documents to AF/A4CF to process through SAF/IEE to OSD(P&R) for project approval. **(T-0)**

4.8.1. **Project Approval for Private Capital Funded Projects.** The installation submits through the MAJCOM to AF/A4CF, private capital funded projects with funded costs $750,000 and greater but does not include operational or non-community support facilities such as administrative facilities. **(T-1)** Operational or non-community support facility gifts of construction greater than $750,000 must still be processed through AFCEC/CIT as described above, but do not require reporting in the annual NAF Construction Report to Congress. AF/A4CF obtains approval and reports to Congress through OSD(P&R). **(T-0)** Private organization projects must comply with the same construction project approval levels and congressional reporting requirements as all other NAF projects. Forward DD Forms 1391 and 1391c with a request for out lease to AF/A4CF and AFCEC/CIT concurrently. **(T-0)** Submit these projects and requests for out lease when both are fully developed, to permit progress on the out lease. For projects with a funded cost between $200,000 and $750,000, the MAJCOM must submit a copy of the approved/signed DD Form 1391 (front and signature pages only) to AF/A4CF – at the time of approval. **(T-0)** Private entrepreneurs may initiate design at their own risk. NAF Public Private Venture (PPV) projects fall under this paragraph. Governing instructions are AFI 32-1024, *Standard Facility Requirements,* AFI 32-9001, *Acquisition of Real Property,* and AFI 32-9003, *Granting Temporary use of Air Force Real Property.* For specific information on establishing the following, see the referenced instruction.

4.8.2. **Banks and Credit Unions.** Deputy Assistant Secretary of the Air Force (Environment, Safety and Infrastructure) and Secretary of the Air Force (Financial Management) jointly approve the establishment of bank and credit union operations, regardless of cost. The installation must submit both the project and request for out lease simultaneously through the MAJCOM to Secretary of the Air Force (Financial Management) and AFCEC. **(T-1)** The construction project approval levels and congressional reporting requirements that apply to all other NAF projects also apply to banks and credit unions (See **Table 6.1**.). Maintenance and Repair of Banks and Credit Unions are funded in accordance with the lease agreement for the facility. For projects with a funded cost between $200,000 and $750,000, the MAJCOM must submit a copy of the approved/signed DD Form 1391 (front and signature pages only) to AF/A4CF – at the time of approval. For additional guidance see DoD 7000.14 R, Vol. 5, Chap. 34, *Financial Management Regulation (FMR), Procedures Governing Banks, Credit Unions, and Other Financial Institutions on DoD Installations.*

4.8.2.1. The MAJCOM commander, or designee, may approve projects with funded costs less than $750,000 provided:

4.8.2.1.1. The bank or credit union already is authorized to operate an office on the installation.

4.8.2.1.2. The proposed lease or lease extension plus any previous lease held by the institution does not exceed 25 years.

4.8.2.1.3. The building space is confined to the needs of the bank or credit union, and does not provide space for other commercial or government activities.

4.8.2.1.4. The building does not exceed authorized space criteria in AFI 32-1024.

4.9. Offer of Gifts for Real Property. When a gift of real property involves construction on Air Force land or any modification, alteration or addition to Air Force structures, which will result in additions to the Air Force real property inventory, the real property office will process the proposed gift to AFCEC/CIT in accordance with AFI 51-601, paragraphs. 1.13 and 3.15, and AFI 32-9001. **(T-1)** All other construction project approval levels and reporting requirements that apply to other NAF projects also apply to offers of gifts. For any offer of gift that involves real property construction work, obtain proper project approval (Table 6.1). If the funded project cost is over $750,000, the installation must concurrently submit through the MAJCOM to AFCEC/CIT and AF/A4CF, the DD Forms 1391 and 1391c and offer of gift package for acceptance of the gift, appropriate approval, and subsequent reporting to the Congress. **(T-0)** Congressional reporting in accordance with DoDI 7700.18 applies to facilities such as museums, education centers, etc. but does not include operational or non-community support facilities such as administrative facilities and Fisher House. Operational or non-community support facility gifts of construction greater than $750,000 must still be processed through AFCEC as described above, but do not require reporting in the annual NAF Construction Report to Congress. Make sure the total amount of funds required for the construction project is available before submission of the package. See the AFI 32-9001, AFI 35-101, *Public Affairs Policies and Procedures*, and AFI 51-601 for specific guidance.

4.9.1. **Museum Construction.** For funding guidance of museum facilities see AFI 65-601 Vol.1, section 4J and see **Chapter 6** of this document for the approval process.

4.9.2. **Gift Enhancements.** In lieu of a complete donor-funded facility being constructed, appropriated funded projects can be enhanced with donor funds to provide additional real property requirements (e.g. architectural features, landscaping, etc.).

4.9.2.1. Enhancements may be donated in conjunction with an appropriated funded project. **(T-1)**

4.9.2.2. Enhancements should be identified as early in planning/programming as possible and should be appropriately specified in the donor's proffer. **(T-1)**

4.9.2.3. A separate DD Form 1391 will be developed for all gifts. **(T-1)**

4.9.2.4. Enhancements should be bid as separately-funded options in conjunction with the appropriated funded project or as a separate contract after the appropriated funded project is complete. **(T-1)**

4.9.2.5. The appropriated fund project must have a basic bid package that provides a "complete & useable" facility without the optional bid enhancements. **(T-1)**

4.9.2.6. Enhancements bid as options would be responsible for the associated incremental costs over and above the appropriated funded cost. **(T-1)**

4.9.2.7. Design and SIOH costs for the enhancements must be funded with gift funds. **(T-1)**

4.10. Commissary Surcharge. According to 10 U.S.C 2685, funds originating from the adjustment of sale prices of goods and services sold in commissary store facilities are considered Commissary Surcharge Funds. These funds shall be used only to acquire (including acquisition by lease), construct, convert, expand, improve, repair, maintain, and equip the physical infrastructure of commissary stores and central product processing facilities of the Defense Commissary system; and to cover environmental evaluation and construction costs, including surveys, administration, overhead, planning, and design, related to activities described in this paragraph. **(T-0)** The term physical infrastructure includes real property, utilities, and equipment (installed and free standing, including computer equipment), necessary to provide a complete and usable commissary store or central product processing facility. See DoDI 7700.20**,** *Commissary Surcharge, Nonappropriated Fund (NAF), and Privately Financed Construction Policy.*

4.10.1. Defense Commissary Agency (DeCA) Responsibilities.

4.10.1.1. Serve as the program manager for commissary facilities construction.

4.10.1.2. Design and construct DeCA projects in technical coordination with installation commanders, including preparation of DD Forms 1354 for transfer of completed construction. **(T-1)**

4.10.1.3. Assist installation commanders, as needed, in the completion of siting approval, justification, and documentation for DeCA projects. **(T-1)**

4.10.1.4. Coordinate the Air Force Commissary projects with AF/A4C. **(T-1)**

4.10.1.5. Prepare the annual construction report for DeCA-sponsored projects and submit the report through SAF/IEE to Deputy under Secretary of Defense for Military Communities and Family Policy to Congress. **(T-0)**

4.10.2. AF/A4C Responsibilities.

4.10.2.1. Coordinate with DeCA and AF/A1S on the DeCA facility program. **(T-1)**

4.10.2.2. Assist MAJCOMs and bases with properly programming DeCA projects and resolve funding responsibility issues. **(T-1)**

4.10.3. Installation Commander Responsibilities.

4.10.3.1. Ensure installation participation in planning, pre-design, charrette and design conferences. **(T-2)**

4.10.3.2. Review project documentation for inclusion of specific installation information and requirements. Approve and sign DD1391s for DeCA funded projects for proprietary (not funding) purposes, as the project is work on Air Force Real Property. **(T-2)**

4.11. Housing Privatization. AAFES, the DeCA, and the installation Services have the exclusive right to provide resale merchandise, services, and recreational operations or activities on DoD installations and Air Force housing privatization projects. Facilities owned or operated by these entities can be included in privatization initiatives with the approval of the appropriate authority. Reference AFI 32-6007, *Privatized Family Housing*, for additional information on ancillary support facilities in privatized housing communities.

Chapter 5

TYPES OF LABOR FOR USE ON COMMUNITY FACILITIES

5.1. Military and Appropriated Fund Civilian Labor. **Table 5.1** contains labor guidance for construction, repair, and maintenance of community facilities (Categories A, B, C, and Lodging Fund Facilities). The "X" on the chart indicates that the facility category is authorized use of that particular labor. MAJCOMs should contact AF/A4CF for clarification.

5.2. Civil Engineer Military and Appropriated Fund Civilian Labor. Use this labor on mission sustaining activities and Category A facilities and for maintaining and repairing all facilities, including NAF facilities (except for golf course grounds maintenance). If the workforce is available, use it for authorized NAF facilities. When using civil engineer labor on authorized Category C NAF facilities, the NAF instrumentality custodian must reimburse the civil engineer at labor rates (shop rates) with NAFs except as noted in **paragraph 5.4** **(T-1)** See **Table 5.1** Do not use civil engineer labor on NAF facilities to the extent that the workload requires work on other facilities be contracted out.

5.3. Civil Engineer Military Training Labor. Do not use military training exercises performed by Rapid Engineer Deployable Heavy Operational Repair Squadron Engineer (RED HORSE), Base Engineer Emergency Forces (BEEF), AFRC, ANG, and other military personnel, to construct, maintain, or repair projects on facilities for which NAFs are the funding source for minor or major construction. Military training labor may not be used to construct privately funded projects including banks and museums. This guidance also applies to remote and isolated locations. Military members participating in extended training periods may donate labor at services facilities while off duty during the training period. See **Table 5.1** **(T-1)**

5.4. Donated Labor. Military or APF civilian personnel can volunteer or donate their labor at Force Support facilities after their normal duty hours. Members of any military service can donate their labor. Only individuals in an official leave status can donate their time during the normal duty day. To avoid violation of Title 31 USC § 1341, *Anti-Deficiency Act* individuals offering to provide voluntary services must first agree in writing that the services are truly voluntary and that they expect no compensation nor will they make any claim for compensation. **(T-0)**

5.5. Self-Help Labor. Military or APF civilian personnel can donate their labor at Force Support facilities at the installation where employed. They cannot receive additional pay or compensatory time. They can perform this self-help during their normal duty hours. To avoid violation of the Anti-Deficiency Act, individuals offering to provide voluntary services must first agree in writing that the services are truly voluntary and they expect no compensation nor will they claim for compensation. **(T-0)** See AFMAN 34-214, *Procedures for Nonappropriated Fund Financial Management and Accounting*, for instructions on the use of NAF self-help labor.

5.6. Prison Labor. Federal/state prisoners or incarcerated military personnel perform this labor. Use prison labor primarily for the upkeep of common grounds and for limited construction, maintenance, and repair work, as stated in **Table 5.1**. Military prisoners do not receive additional pay. Only federal/state prisoners can work on golf courses and then only if no other installation grounds upkeep activities can use their labor. Use NAFs for any expenses incurred

when the installation pays federal/state prisoners for work on golf courses. Do not use prison labor for any type of work at or around child development or youth facilities. **(T-0)**

Table 5.1. Military and Appropriated Fund Civilian Labor Guidance.

Line	Type of Facility	Military Labor (Training)	Civil Engineer Military Labor	Civil Engineer Civilian Labor	Donated Labor	Self-Help	Prison Labor
	CONSTRUCTION						
1	- Category A Activities	X	X	X	X	X	X
2	- Category B Activities						
3	-- Child Development and Youth Facilities	X	X	X	X	X	
4	-- Other Category B		X	X	X		X
5	- Category C Activities						
6	-- Exchange Logistical Fac (OCONUS)	X	X	X	X	X	
7	-- Exchange Resale Outlets		X	X	X		
8	-- Golf Course Grounds				X		X (note 1)
9	-- Other Category C		X	X	X		
10	Lodging (APF Funded Construction)	X	X	X			
11	Lodging (NAF Funded Construction – Waiver to Fund Source)						
12	**MAINTENANCE AND REPAIR**						
13	- Category A Activities	X	X	X	X	X	X
14	- Category B Activities						
15	-- Child Development and Youth Facilities	X	X	X	X	X	
16	-- Other Category B		X	X	X	X	X
17	- Category C Activities						
18	--Exchange Logistical Facility (OCONUS)	X	X	X	X	X	
19	-- Other Category C Activities (Structural & Systems) (note 2)		X	X	X		X
20	- Other Category C Activities (Unique to Operations) (note 3)		X[2]	X	X		
21	- Golf Course Grounds						
22	-- Remote & Isolated Locations -- Other Locations (note 4)		X	X	X X		X (note 5) X (note 5)
23	- Other NAF Owned				X		
24	- Grounds (Except Golf Courses)		X	X	X	X	X
25	Lodging (APF Funded maintenance)	X	X	X			
26	Lodging (NAF Funded Renovation)						

NOTES: *(X indicates labor type is authorized)*

1. NAFs are the fund source used to reimburse applicable costs for federal prisoners used on golf courses.
2. Exterior, structural work required to maintain facility systems, e.g., electrical, mechanical, heating, and air conditioning, plumbing, roofing, foundations, doors, windows, etc.
3. Functionally unique items that support Category C activity operations, e.g., dishwashers in clubs, paneling, golf clubhouse lockers, marina docks, etc., see Attachment 2 for more examples of functionally unique items. Military training labor may not be used for privately funded projects including banks and museums.
4. Civil Engineer Squadron Commander/Base Civil Engineer may provide specialized pest control services (herbicide and pesticide treatment) on a reimbursable basis.
5. Only federal/state prisoners on golf courses.

Chapter 6

PROJECT APPROVALS

6.1. NAF Construction Project Approval Levels. Table 6.1 applies to project approval (not to be confused with funding approval) for those facilities where NAFs are the fund source for construction. See AFI 34-205 for funding approval limits.

Table 6.1. NAF Construction[1].

Approval Item	MAJCOM / AAFES	AF/A4C	SAF/IEE	OSD(P&R)
Normal Category B, C, TLF, AAFES Construction	$750K[2, 3, 4]			greater than $750K[5, 6]
- Exception to Criteria[7]	$25K	$75K	Unlimited	
- Waiver to Criteria[7]			Unlimited	
- Waiver to Fund Source [7]			VQs and OCONUS Youth Facilities	Unlimited
- Mixing NAFs & APFs[8]			Within Source	
Banks & Credit Unions [9]	$750K Within Criteria[2, 3, 4]			greater than $750K[5, 6]
Private Funds	$750K Within Criteria[2, 3, 4]			greater than $750K[5, 6]

NOTES:

1. This table is applicable to those facilities that have NAF or private funds as the fund source for construction. MAJCOM Commander may delegate to the installations only approval authority within criteria for projects below $200K.
2. AF/A4C may re-delegate approval authority within criteria for projects $200K-$750K to the MAJCOM/DRU/A7, *but not below*. Also the MAJCOM only has "proprietary" approval of AAFES projects.
3. At the time of approval, MAJCOM must submit a copy of the approved/signed DD Form 1391 (front and signature pages only) for projects $200-750K to AF/A4CF and AF/A1SF. SAF/IEE will continue to report these after-the-fact in the annual NAF Construction Report to Congress. **(T-0)**
4. These projects require after-the-fact congressional notification.
5. Installations may request consideration for authority to advertise once OSD(P&R) submits to Congress. AF/A4CF validates the current working estimate, and AFPC/SV certifies funds are available for Services projects.
6. These require congressional notification and release in the Annual NAF Construction Report to Congress before award.
7. OSD(P&R) approves most waivers to fund source. Waivers and exceptions of projects exceeding $750K must still be reported to Congress. If a criteria does not exist or does not specifically address the facility an "exception" is required. "Waivers" are obtained for existing and applicable criteria that the programmer is requesting an exemption from. **(T-0)**
8. Example: SAF/IEE can approve the mix for an APF Military Clothing Sales Store within an AAFES (NAF) Base Exchange facility or approve NAF funding for excessive APF utilities and roads from the base system to the site boundary or nearest manhole, whichever is closest to the facility under construction. Excessive is defined as exceeding 15% of the NAF project cost or $750,000, whichever is less.
9. These projects use private funds, not APFs or Services NAFs.

6.2. Maintenance and Repair Project Approval Levels. Table 6.2 details the approval level for maintenance and repair projects on facilities where NAFs are specified fund source for construction. This table applies to project approval (not to be confused with funding approval) for those facilities that have NAF as the fund source for construction.

Table 6.2. Sustainment, Maintenance and Repair Project Approval Levels – NAF/APF.

Class of Work	MAJCOM/AAFES[1,2,3]	AF/A4C[6]	SAF/IEE
Maintenance	Unlimited	N/A	N/A
Repair (Using NAFs)	$2,500K[4]	$5,000K	over $5,000K
Repair (Using APFs)[5]	$1,000K	$5,000K	over $5,000K

NOTES:

1. MAJCOM/CC can delegate his or her approval authority up to $1,000K to the installation commander or his or her designee.
2. For repair of Category C items required to support activity operations: MAJCOM/DRU/A7 can delegate approval level to the installation commander, but it cannot be re-delegated below the SV or CE commanders.
3. MAJCOM/DRU/A7, or his or her designee, can combine a $2,500K NAF repair project with a $1,000K APF repair project for a total effort of $3,500K in a single facility.
4. AAFES has up to $500K repair authority using NAFs.
5. At the time of approval, MAJCOM must provide AF/A4CF a copy of the DD Form 1391 (front page only) for any approved APF repair project costing greater than $1M.
6. The $5,000K AF/A4C approval level includes NAF, APF or any combination of both.

6.2.1. **Approval Authority for Repair Cost Increases.** Approval authority for cost increases to repair projects lies with different organizations based upon the type of funding and the amount of the increase. Reference AFI 34-205 for specific guidance on approval levels. The total repair cost shouldn't exceed 75% of the replacement cost (see **paragraph 3.10** for more information). MAJCOMs must provide a courtesy copy of the approval document to AF/A4CF. **(T-1)**

6.3. Advertisement and Award. NAF construction projects over $750K require AF/A4CF authorization prior to both advertisement and award. **(T-1)**

6.3.1. **Advertisement Authority.** AF/A4CF authorization is required before installations may advertise a construction project. **(T-1)**

6.3.1.1. **Advanced Advertisement.** AF/A4CF will consider advanced advertising authority once OSD(P&R) forwards the annual Nonappropriated Fund Construction Report to the Congress -- provided the cost remains valid and AFPC/SV certifies funds are available. AF/A4CF will consider advanced advertising authority for projects within AF/A4C and Deputy Assistant Secretary of the Air Force (Environment, Safety and Infrastructure) authority on a case-by-case basis.

6.3.2. **Statement of Work.** For Services centrally funded construction and A-E design projects costing $200,000 and greater, installations must submit copies of the statement of work to AFPC/SVXF. **(T-2)** Installations must obtain AFPC/SVXF coordination prior to advertisement of any (design and/or construction) centrally funded NAF project. **(T-2)** In addition, AF/A4CF design instruction is required prior to advertisement. **(T-1)**

6.3.3. **Contract Award.** Do not award a construction contract until both project (AF/A4C) and funding (AF/A1S) approvals are received. For AF Services projects, execution agents must obtain certification of funding availability from AFPC/SV prior to advertisement or award.

Chapter 7

CONGRESSIONAL REPORTING REQUIREMENTS

7.1. Requirements and Conditions on Projects Reported to the Congress. The annual NAF report includes major construction projects planned for award within the next fiscal year. OSD(P&R) forwards the report to the Senate and House Armed Services Committees. Make sure the projects are at least 35 percent (design-build can be 15 percent) designed before submitting them to AF/A4CF, for inclusion in the report. For AF Cetrally funded NAF projects, designs must be at 65 percent or more for design, bid, build projects. Funds must be available for construction to meet the award schedules. Submit proposed design, advertising, and award schedules for each project reported.

7.2. Submittal Process. Installation and MAJCOM staffs must obtain OSD(P&R) approval for projects costing over $750,000. The installation initiates the projects and submits its annual program to the MAJCOM, which forwards the MAJCOM program to AF/A4CF, for submittal to Deputy Assistant Secretary of the Air Force (Environment, Safety and Infrastructure), the OSD(P&R), and the Congress. **(T-0)** AAFES projects are submitted directly to AF/A4CF. Follow guidance from AF/A4CF for the annual report.

7.3. Report Contents. The NAF Report to Congress content is prescribed by DoDI 7700.18. The Report shall contain an executive summary of the NAF construction program, proposed major construction projects for the next fiscal year, minor construction projects approved since the previous report, status of previously approved major construction projects, a summary of NAF projects submitted in the President's Budget request for MILCON appropriations, a summary of fixed and annual capital investments, and a summary of proposed PPV projects. **(T-0)**

7.3.1. **Executive Summary.** The executive summary provides a narrative overview of construction program management and oversight. The narrative compares the program being reported to the previously reported construction program. The summary shall include a statement of assurance that funds are available and programmed for the projects. **(T-0)** AAFES/RE submits the narrative summary for the exchange program and AFPC/SVXF submits the narrative summary for the MWR and lodging programs. Both summaries are submitted to AF/A4CF for consolidation. AF/A4CF will incorporate privately funded projects into the overall program summary. **(T-0)** Enclosure 4 of DoDI 7700.18 provides additional information on summary requirements.

7.3.2. **Major Construction Projects.**

7.3.2.1. **Project Narrative.** A one paragraph narrative description for each major construction project shall be provided in the form prescribed by DoDI 7700.18, Enclosure 5, Attachment 1 and shall include the information required in DoDI 7700.18, paragraph E5.1. **(T-0)** Fisher House construction projects are not required to be submitted as part of this report to Congress.

7.3.2.2. **Project Documentation.** The following documentation shall be submitted by the MAJCOMs with the assistance of AFPC/SVXF to AF/A4CF for each major construction project: DD Form 1390, *FY Military Construction Program*, DD Form 1391; and DD Form 1391c, which addresses design/award schedule; financial analysis

information as prescribed in DoDI 7700.18 paragraph E5.2.1.3; and a Department of Defense Commissary Surcharge & Nonappropriated Fund Construction Project Certification form signed by the commander. **(T-0)**

7.3.2.3. **Program Summary Data.** Major construction projects shall be summarized by program, showing state/country, installation, project title, total investment cost, construction cost, design cost, collateral equipment cost, design stage, net present value, internal rate of return, payback period, scope, estimated contract award date, and funding source. **(T-0)** AAFES/RE and AFPC/SVXF are responsible for submitting summaries for their respective programs to AF/A4CF for consolidation. **(T-0)**

7.3.3. **Minor Construction Projects.** MAJCOMs shall submit a list of NAF construction projects with costs between $200,000 and $750,000 that have been approved since the last Report to Congress. **(T-0)** Specify the state/country, installation, project title, total investment cost, construction cost, design cost, collateral equipment cost, scope, estimated contract award date, and the funding source (NAF, surcharge, or private funds) using the format in Enclosure 6 of DoDI 7700.18. **(T-0)**

7.3.4. **Status of Previously Approved Projects.** AFPC/SVXF and AAFES/RE shall submit a status report of all previously approved major projects to AF/A4CF. **(T-1)** Specify the fiscal year approved, state/country, installation, project title, programmed amount and total investment cost. For projects still under design, report the percent complete and estimated award date. For projects in construction, report the percent complete and estimated construction complete date. Projects that have been cancelled; projects not awarded within 1 fiscal year following the approved program year; and projects that have experienced cost/scope changes are addressed in the following paragraphs.

7.3.4.1. **Cancelled Projects.** Congressional notification is required for projects cancelled that had funded costs over $750,000. When it is necessary to cancel a project of Services, AAFES, or private organizations, the appropriate agency must immediately inform AF/A4C. **(T-0)** List the previously approved project, specify the fiscal year approved, state or country, installation, project title, and total investment cost. Also provide a summary paragraph describing the rationale for canceling the project. Notify AFPC/SV on all centrally funded project cancellations. AF/A4CF will then cancel the Design Instruction in the CE electronic programming database. **(T-1)**

7.3.4.2. **Delayed Contract Awards.** Congress emphasizes timely program execution; awards for projects over $750,000 are achieved through aggressive and prudent project management. Authority to award expires no later than the end of the fiscal year in which the project was reported to the Congress. Funding approval for AFBCIF and AFLF projects expires the same time as project approval. See AFI 34-205, para 7.8 for information on obtaining extensions to project funding approval. AF/A4CF, in coordination with AFPC/SVXF, must approve extensions for projects not awarded by that date. AF/A4CF will consider any extension of not more than 1 year after the reported year to accommodate unforeseen site problems, Architect-Engineer design delays, compliance with host-nation agreements, year-end procurement difficulties, etc. **(T-1)** AFCEC will forward an extension request to the AF/A4CF providing an explanation of the delay and a revised award schedule. **(T-1)** The notification will include a courtesy copy to AFPC/SVXF, the Installation Commander, and Base Civil

Engineer. Include the fiscal year approved, state or country, installation, project title, Service, total investment cost and estimated contract award date and a paragraph describing the rationale for the delay (see **Attachment 6**). A revised DD Form 1391 shall be provided for each project. **(T-1)** Projects not awarded by 1 Apr of the extension year will be submitted through the MAJCOM/A4P Programs Division Chief to AF/A4CF for inclusion in the annual NAF report to the Congress. **(T-1)** Funding approval for AFBCIF and AFLF projects expires the same time as project approval. See AFI 34-205, para 7.8 for information on obtaining extensions to project funding approval. Continue efforts to award the project. If award is accomplished by 1 Aug notify AF/A4CF and the project will be removed from the Awarded Within Two Years Section of the Report to Congress. **(T-1)** For AAFES projects, re-reporting will be accomplished thru AAFES to AF/A4CF as part of the annual report to Congress. **(T-1)**

7.3.4.3. **Services Projects—Scope, Cost or Concept Changes.** Any changes to the scope, cost, or concept of a centrally funded Services NAF project require approval by the AFPC/SV staff, the NAF Facilities Panel, or the Air Staff. Additionally, projects with cost increases exceeding 25 percent or scope changes exceeding 10 percent (either increase or decrease) require re-reporting the project to OSD(P&R) and Congress. The installation Mission Support Group Commander submits a request to approve changes, with supporting documentation, through the MAJCOM (for M&R projects and construction projects up to $750,000), and through AFCEC/CF (for projects over $750,000) to AFPC/SV for action. Provide an information copy of the request to AF/A4CFC. **(T-1)** If a project previously estimated to cost $750,000 or below (funded cost) exceeds the $750,000 ceiling, then it must be approved by OSD(P&R) and reported to Congress as part of the annual report to Congress before it can be placed under contract. **(T-0)** If contractor claims create a requirement to seek higher headquarters approval for a cost increase, request guidance from AF/A4CF. Scope increases that exceed the space criteria in AFMAN 32-1084, an AF/A4C approved design guide, or an approved PVA, must also be approved by SAF/IEE or AF/A1S. **(T-1)** Project documentation required for project and funding approval are also required for changes (See Attachment 3). **(T-1)** Further guidance on Services requirements may be found in AFI 34-205.

7.3.4.4. **Exchange Projects - Scope and Cost Changes.** Scope increases or decreases beyond specific thresholds require congressional re-notification. **(T-0)** For projects approved by Congress (over $750,000), HQ AAFES may approve scope increases and decreases to 10 percent of the approved scope. They may also approve cost increases up to 25 percent over the approved funded amount, provided they do not exceed any other approval thresholds. Scope variations (increase or decrease) beyond 10 percent and cost increases beyond 25 percent require congressional re-notification. **(T-0)** Submit requests with revised DD Forms 1391/1391c to AF/A4CF for processing.

7.3.4.5. **All Other Nonappropriated Fund Projects - Scope and Cost Variations.** Apply the same guidance as for Exchange projects. However, the NAF instrumentality providing or authorizing project funds must approve funding for all increases. **(T-1)**

7.3.5. **President's Budget Submissions.** AF/A4CF shall assemble a summary list of projects supporting NAF activities that are submitted in the coinciding President's Budget Request for MILCON appropriations. **(T-0)**

7.3.6. **Proposed Public-Private Ventures (PPV).** AAFES/RE and AFPC/SVXF shall submit to AF/A4CF a summary list of proposed PPV projects anticipated for contract award during the upcoming fiscal year. The format shall conform to Enclosure 9 of DoDI 7700.18. **(T-0)**

7.3.7. **Capital Investment Summary.** AAFES/RE and AFPC/SV shall submit to AF/A4CF their capital investment program summaries in accordance with Enclosure 10 of DoDI 7700.18. **(T-0)**

JUDITH A. FEDDER
Lieutenant General, USAF
DCS/Logistics, Installations & Mission Support

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

10 USC § 2492, *Nonappropriated Fund Instrumentalities: Contracts With Other Agencies and Instrumentalities to Provide and Obtain Goods and Services*

10 USC § 2685, *Acceptance of Gifts for Defense Dependents' Schools*

10 USC § 2811, *Repair of Facilities*

31 USC § 1341, *Limitations on Expending and Obligating Amounts* (Anti-Deficiency Act)

10 C.F.R. 433, *Energy Efficiency Standard for the Design and Construction of New Federal Commercial and Multi-Family High Rise Residential Buildings*

10 C.F.R. 436, Subpart A, Methodology and Procedures for Life Cycle Cost Analyses 32 Code of Federal Regulations 842.22(a), *National Defense-Administrative Claims*

32 C.F.R. 989, *Environmental Impact Analysis Process*

44 C.F.R. 59.1, *Emergency Management and Assistance-General Provisions*

AF Form 847, *Recommendation for Change of Publication,* 1 June 2001

AFI 32-1021, *Planning and Programming Military Construction (MILCON) Projects,* 14 June 2010

AFI 32-1024, *Standard Facility Requirements,* 14 July 2011

AFI 32-1032, *Planning and Programming Appropriated Fund Maintenance, Repair, and*

Construction Projects, 15 October 2003

AFI 32-2001, *Fire Emergency Services,* 27 February 2014

AFI 32-6007, *Privatized Housing Management,* 19 September 2012

AFI 32-7001, *Environmental Management*, 4 November 2011

AFI 32-7061, *The Environmental Impact Analysis Process,* 12 March 2003

AFI 32-7062, *Air Force* Comprehensive *Planning,* 27 June 2013

AFI 32-9001, *Acquisition of Real Property,* 27 July 1994

AFI 32-9003, *Granting Temporary Use of Air Force Real Property,* 19 August 1997

AFI 32-9004, *Disposal of Real Property*, 21 July 1994

AFI 32-9005, *Real Property Accountability and Reporting*, 14 August 2008

AFI 33-360, *Publications and Forms Management*, 25 September 2013

AFI 34-101, *Air Force Morale, Welfare, and Recreation (MWR) Programs and Use Eligibility*, 28 March 2013

AFI 34-205, *Services Nonappropriated Fund Facility Projects*, 5 July 2011

AFI 34-223, *Private Organizations (PO) Program,* 8 March 2007

AFI 32-262, *Use of Nonappropriated Funds (NAFs)*, 2 July 2014

AFI 35-101, *Air Force Community Relations*, 18 August 2010

AFI 51-601, *Gifts to the Department of the Air Force*, 26 November 2003

AFI 63-609, *Managing Industrial Facilities*, 18 January 2005

AFI 65-106, *Appropriated Fund Support of MWR Programs and Nonappropriated Fund Instrumentalities*, 6 May 2009

AFI 65-501, *Economic Analysis*, 29 August 2011

AFI 65-601, Volume 1, *Budget Guidance and Procedures*, 16 August 2012

AFI 84-103, *U.S. Air Force Heritage Program*, 27 October 2004

AFMAN 32-1084, *Facility Requirements*, 20 April 2012

AFMAN 33-363, *Management of Records*, 1 March 2008

AFMAN 34-214, *Procedures for Nonappropriated Funds Financial Management and Accounting*, 14 February 2006

AFPD 32-10, *Installations and Facilities*, 4 March 2010

Air Force Records Disposition Schedule - **https://www.my.af.mil/afrims/afrims/afrims/rims.cfm**

DoD 7000.14-R Vol 2B, Chapter 6, *Financial Management Regulation, Budget Formulation and Presentation, September 2010*

DoD 7000.14-R Vol 5, *Financial Management Regulation, Financial Institutions on DoD Installations, February 2011*

DoD Instruction 1015.13, *DoD Procedures for Implementing Public-Private Ventures (PPVs) for Morale, Welfare, and Recreations (MWR), and Armed Services Exchange Category C Revenue-Generating Activities*, 11 March 2004

DoD Instruction 1015.15, *Procedures for Establishment, Management and Control of Nonappropriated Fund Instrumentalities and Financial Management of Supporting Resources*, 31 October 2007

DoD Instruction 2000.16 Standard 15, *DoD Antiterrorism (AT) Standards*, 2 October 2006

DoD Instruction 7700.18**,** *Commissary Surcharge, Nonappropriated Fund (NAF), and Privately Financed Construction Reporting Procedures*, 15 December 2004

DoD Instruction 7700.20, *Commissary Surcharge, Nonappropriated Fund (NAF), and Privately Financed Construction Policy*, 10 November 2005

DoD Green Procurement Strategy, 2 December 2008

EO 13423, *Strengthening Federal Environmental, Energy, and Transportation Management*, 26 January 2007

EO 13514, *Federal Leadership in Environmental, Energy, and Economic Performance*, 5 October 2009

Unified Facilities Criteria 1-200-02 Change 2, *High Performance and Sustainable Building Requirements*, March 2013

Unified Facilities Criteria 1-300-08 Change 2, *Criteria for Transfer and Acceptance of DoD Real Property*, August 2011

Unified Facilities Criteria 04-010-01, *DoD Minimum Antiterrorism Standards for Buildings*, 8 October 2003

Prescribed Forms

None.

Adopted Forms

AF Form 332, *Base Civil Engineer Work Request*

AF IMT 847, *Recommendation for Change of Publication*

DD Form 1390, *FY Military Construction Program*

DD Form 1391, *FY Military Construction Project Data*

DD Form 1391c, *FY Military Construction Project Data (Continuation)*

DD Form 1354, *Transfer and Acceptance of Military Real Property*

Abbreviations and Acronyms

AAFES—Army and Air Force Exchange Service Facilities

AF/A4C—The Director of Civil Engineers

AF/A4CF—Facility Management Division

AFBCIF—Air Force Base Capital Improvement Fund

AFCEC—Air Force Civil Engineer Center

AFI—Air Force Instruction

AFLF—Air Force Lodging Fund

AFMAN—Air Force Manual

AFPD—Air Force Policy Directive

AFRC—Air Force Reserve Command

ANG—Air National Guard

APF—Appropriated funds

AT—Antiterrorism

BCE—Base Civil Engineer

C.F.R.—Code of Federal Regulations

CO—Contracting Officer

CSAF—Chief of Staff of the Air Force

DA/CA—Design Agent/Construction Agent

DECA—Defense Commissary Agency

DM/CM—Design Manager/Construction Manager

DoD—Department of Defense

DoDI—Department of Defense Instruction

ECIP—Energy Conservation Investment Program

EIAP—Environmental Impact Analysis Process

ERP—Environmental Restoration Program

FF&E—Furniture Fixtures and Equipment

FOA—Field Operating Agency

FY—Fiscal Year

HPSB—High Performance and Sustainable Building

HQ USAF—Headquarters United States Air Force

IDIQ—Indefinite Delivery, Indefinite Quantity

INVS—Internal Needs Validation Study

IRR—Internal Rate of Return

MAJCOMs—Major Commands

MILCON—Military Construction

NAF—Nonappropriated Funds

NAVFAC—Naval Facilities Engineering Command

NEPA—National Environmental Policy Act

NGB—National Guard Bureau

NFPA—National Fire Protection Association

O&M—Operation and Maintenance

OCONUS—Outside the Continental United States, OCONUS includes Alaska and Hawaii when used in this AFI

OPR—Office of Primary Responsibility

OSD—Office of the Secretary of Defense

OSD (P&R)—Office of the Deputy Undersecretary of Defense (Personnel and Readiness)

PA—Programmed Amount

PB—President's Budget

PDUSD(P&R)—Principal Deputy Undersecretary of Defense (Personnel and Readiness)

PPV—Public-Private Venture

PVA—Project Validation Assessment

R&I—Remote and Isolated

RPIE—Real Property Installed Equipment

SAF—Secretary of the Air Force

SAF/FMB—Deputy Assistant Secretary of the Air Force (Budget)

SAF/IEE—Deputy Assistant Secretary of the Air Force for Environment, Safety and Infrastructure

SECDEF—Secretary of Defense

SIOH—Supervision Inspection and Overhead

SOFA—Status of Forces Agreement

SRM—Sustainment, Restoration and Modernization

TNI—Total NAF Investment

USACE—U.S. Army Corps of Engineers

USC—United States Code

UFC—Unified Facilities Criteria

UST—Underground Storage Tank

VCSAF—Vice Chief of Staff of the Air Force

Terms

An Act of God—An act occasioned exclusively by violence of nature, such as flood, earthquake, tornado, typhoon or hurricane. See 32 C.F.R. 842.22(a).

Excluded Costs—NAF owned equipment and Real Property Installed Equipment relocated on the same installation.

Flood or Flooding—(a) A general and temporary condition of partial or complete inundation of normally dry land areas.

Funded Costs—The funded cost is equal to the programmed amount. The funded costs determine the project approval thresholds. Most of these costs are also reimbursable from nonappropriated funds, when they are the funding source for construction, maintenance and repair.

Funded, Unfunded and Excluded Costs—The total project cost of NAF projects includes funded, unfunded, and excluded costs. For NAF projects, this is often referred to as the Total NAF Investment (TNI). See AFI 65-601, V1, *Budget Guidance and Procedures* for further guidance.

Installation Commander's Certificate—Certificate, signed by the Installation Commander, certifying that the construction project complies with policy and directives. An example is provided at the end of **Attachment 3**.

Project Site—The portion of land adequately sized to contain the facility and related functions. The site includes area for landscaping, parking, and essential open and buffer areas, i.e. AT standoff. The building 5-foot line does not establish site boundaries.

Unfunded Costs—Some of these costs are also nonreimbursable costs.

Attachment 2

MAINTENANCE AND REPAIR CATEGORY C FUNCTIONALLY UNIQUE ITEMS TO SUPPORT ACTIVITY OPERATIONS

Nonappropriated funds will pay for the maintenance and repair of functionally unique items required to support Category C program operations. Functionally unique items make the facility usable for the activity it contains, but are not considered part of the normal facility system. For guidance on Appropriated Funds, see **Chapter 3**. Paragraphs **A2.1, A2.2,** and **A2.3** contain a representative listing of functionally unique items for your use. Bases should establish a MOA with NAF activities to define the expected level of service the base would provide with APFs. Contact AF/A4CF if a particular work requirement requires clarification.

A2.1. Building Interior

A2.1.1. Rearrangement or removal of non load-bearing walls.

A2.1.2. Bowling lanes (Bowling Centers with more than 16 lanes).

A2.1.3. Unique systems for security, alarm, health and safety specific to the activity and in excess of Base Standards.

A2.1.4. Bowling pin-setting equipment.

A2.1.5. Floor covering (regardless of type) that is significantly beyond the quality or cost of similar floor coverings used in other buildings on base that are authorized APF support.

A2.1.6. Wall covering (regardless of type) that is significantly beyond the quality or cost of similar wall coverings used in other buildings on base that are authorized APF support.

A2.1.7. Ornate bathroom fixtures. This does not include specialized fixtures such as sensor controlled water spigots, flush valves, etc. that are intended to support environmental, utility conservation, or green building initiatives.

A2.1.8. NAF revenue producing functions such as lounges, eating areas, kitchens, etc., including, range hoods and ducts (not to include grease traps inside or outside the facility). Ornate or unusual entry doors that exceed the base standard found on other APF supported facilities. See AFI 65-106 for additional guidance.

A2.1.9. Golf clubhouse locker rooms, lounges, snack bars, kitchens.

A2.1.10. Equipment that is a direct function of the activity, i.e., dishwashers, ice machines, liquor systems, walk-in coolers, gas station dispensers, car wash equipment, etc.

A2.1.11. Auxiliary power supply, e.g. generators, tanks, inside or outside the building that are not required by base standards or to meet safety, fire protection, AT, etc.

A2.1.12. Specialized pest control services that are not part of installation-wide pest control, may be provided to MWR on a reimbursable basis. Category C facilities are funded by NAF (see AFI 65-106**,** APF Authorized Support Table).

A2.2. Other Than Building Interiors

A2.2.1. Marina docks, bulkheads, and dredging (if in support of Marina operations). However floating docks/bulkheads are considered equipment and are authorized APF support at R&I installations or where they do not support private boat docking.

A2.2.2. Environmental permits, hazardous waste analysis, and disposal that apply only to the specific NAF activity or facility as opposed to base-wide permits, e.g. a NPDES permit for a golf course outfall. For additional guidance see AFI 65-106 and AFI 32-7001.

A2.2.3. Golf course grounds, cart path paving, latrines, shelters, pump houses, and sprinkler systems, golf maintenance facilities.

A2.2.4. Riding stable fencing, tack rooms, horse pens, riding rinks, and other additions not considered part of the main operating facility structure (roof, load bearing walls, etc.).

A2.2.5. Provision of hazardous waste storage, e.g., for golf course grounds if a consolidated base area is not available.

A2.2.6. Repairing and maintaining nonstandard signage, e.g., signage with logos that do not adhere to the base color standards.

A2.2.7. AAFES fuel station above ground storage tanks and underground storage tank appurtenances. See AFI 65-106.

A2.3. Remote and Isolated Facilities. Category C facilities at remote and isolated locations qualify for Category B level appropriated fund support for maintenance and repair. See AFI 65-106.

Attachment 3

DOCUMENTS REQUIRED FOR PROJECT APPROVAL AND FUNDING SUPPORT

A3.1. Required Documentation. The amount and complexity of the required documentation are dependent on the required approval level for the project.

A3.1.1. **Within Installation Commander's Approval Authority.** Nonappropriated funded projects within the installation commander's approval authority typically requires an AF Form 332 or DD Form 1391, PVA for Services projects (as determined by AFPC/SV), an Installation Commander's Certificate (format provided at end of this attachment), and 75 percent calculation if applicable.

A3.1.2. **Within MAJCOM Approval Authority.** These projects require a DD Form 1391, single line drawings, site plan, detailed cost estimate, existing facility/deficiency detail data sheets using DD Form 1391c, PVA for Services projects (as determined by AFPC/SV), Installation Commander's Certificate (format provided at end of this attachment), 75 percent calculation if applicable, and other appropriate certificates required by the major command. In addition to the MAJCOM civil engineer signing the DD Form 1391, AFPC/SV must confirm the proposed work complies with the approved PVA. **(T-2)** For AAFES projects, the Base Civil Engineer, MAJCOM Civil Engineer, and AAFES Command Engineer must sign the DD Form 1391. **(T-3)**

A3.1.3. **Projects with Funded Costs of $750,000 and More, or that Require Waiver, Exception, or Mixing of Funds.** For these nonappropriated-funded projects, submit the following documentation (much of this data can be obtained from the PVA):

A3.1.3.1. **DD Form 1391.** Use the CE electronic programming database DD Form 1391 Processor. See **Attachment 4** for reference.

A3.1.3.2. **Existing Facility/Deficiency Detail Data Sheet.** Use DD Form 1391c.

A3.1.3.3. **Disposition of Existing Facilities Sheet.** Use DD Form 1391c. If the activity vacates the building, state the use and the function that will ultimately occupy the facility. State the amount of space (in square meters) now used by the function. Justify why the function requires the space. If the function relocates state what happens to the space it presently occupies. If relocation results in a "domino" effect, explain associated actions, costs, and fund sources. If the installation commits a building for disposal, show disposal program and schedule.

A3.1.3.4. **Supporting Financial Data for Category C Revenue Generating Activities.** (as prescribed annually by AFPC/SV). This requirement does not apply to AAFES projects.

A3.1.3.5. **Joint Use With Nearby Installations.** Use DD Form 1391c, if applicable. Describe the availability and proximity of similar facilities including those of other Services. If like facilities can be consolidated to achieve savings, describe the consolidation. Work with counterparts at nearby installations to articulate any demand the facility may support from nearby installations.

A3.1.3.6. **Operational and Location Description.** Describe the operations, programs, or activities that the facility will house, how the facility will be operated, and whether the

project updates, replaces, or create a new program or service. Describe the specific location and the major reasons for selecting the location, the adjacent community type facilities, identified public interest in the project, and the number of military installations in the commuting area with a similar facility.

A3.1.3.7. **Prospective Customers.** Identify the prospective patron base by group (military members and their families, retirees and their families, Defense civilians, etc.) who are expected to use the facility, the expected number of customers, the proximity of the customer base, and the method used to validate the patron base and market demand.

A3.1.3.8. **Alternatives.** Describe the alternative methods of providing the service that were considered and the rationale for discarding them. Identify alternative funding sources and the rationale for the selected source of funding. Should the proposed funding deviate from the DoD prescribed source, provide the supporting rationale for a policy waiver.

A3.1.3.9. **Public-Private Venture (PPV) Assessment.** In accordance with DoD Instruction 1015.13 and DoDI 7700.18, para E3.1.5.2, PPV contracts shall be considered for NAF capital requirements over $1,000,000 for NAF Category C facilities. Submit documentation of the PPV assessment which should be contained in the PVA. (T-0)

A3.1.3.10. **Project Validation Assessment (PVA).** Submit the executive summary for the PVA with the individual project documentation.

A3.1.3.11. **Design Data.** If other than a traditional design/construction process is used, submit a brief explanation of the process and how the design/construction cost was estimated.

A3.1.3.12. **Financial Analysis.** Furnish the Net Present Value, Internal Rate of Return (IRR), and Payback calculations on the Installation Commander's Certificate. The three calculations shall be based on the same life cycle. **(T-0)** Show the cash flow in a level of detail that will permit replication and interpretation of the financial data. Note whether the analysis is based on total project cash flows or the incremental cash flow attributable to the project and the rationale for the method used.

A3.1.3.13. **Single-Line Drawing.** Use DD Form 1391c. Prepare the drawing in enough detail to show location, scope, and dimensions of the work. If the work involves alteration to an existing facility, show the existing facility and identify the work required with functional relationship to the new facility. Provide a symbol key.

A3.1.3.14. **Detailed Cost Estimate.** Use DD Form 1391c. Develop a detailed cost estimate based on 35 percent or greater design. Show cost estimates for furnishings, furniture, and equipment in "lump sum" with a total for each category in Block 9 of the DD Form 1391. If costs for supporting facilities are unusually high because of extensive site preparation, utilities, parking, walks, curbs, landscaping, and so forth, an accompanying explanation must justify the costs. Include the foreign currency exchange rate. **(T-2)** Details are provided in **Attachment 5** for completing DD Form 1391s where applicable.

A3.1.3.15. **MAJCOM Certification.**

a. The MAJCOM/A4 Programs Division Chief must sign the following certification for all projects (other than AAFES projects) submitted for approval: I have reviewed the DD Form 1391 and assure the document is complete and accurate, and have validated the primary and supporting costs. The scope has been fully coordinated with the user (if applicable) and the Civil Engineer Squadron Commander/ Base Civil Engineer. Include this statement on the DD Form 1391. **(T-2)**

b. The MAJCOM or DRU/A7 Engineer Division Chief must sign the DD Form 1391 for Services projects approved within MAJCOM authority between $200,000 to $750,000 confirming the proposed work complies with the approved NAF Facilities Panel scope, cost, and concept. **(T-2)**

c. The MAJCOM or DRU/A7 Engineer Division Chief must sign the DD Form 1391 for all AAFES projects costing $200,000 and greater. **(T-2)**

A3.1.3.16. **Certification of Environmental Compliance.** Complete environmental certification of compliance for each project, but retain at MAJCOM. Certification format can be found in Attachment 2, AFI 32-1021.

A3.1.3.17. **Companion Repair Projects.** For companion NAF repair projects costing less than $500,000 and companion APF repair projects costing less than $1,000,000, submit the front sheet DD Form 1391. For companion NAF or APF repair projects beyond MAJCOM approval authority, submit complete DD Forms 1391/1391c for appropriate action. See Table 6.2.

A3.1.3.18. **Identification of all Associated Facility Projects.** Identify on the DD Form 1391 all APF or NAF facility projects in the vicinity associated with the NAF construction. This includes projects recently completed, ongoing, or programmed. (Use plus or minus 3 years as the parameter.)

A3.1.3.19. **Results of the 75 Percent Calculations.** Use DD Form 1391c and the calculation methodology prescribed in AFI 32-1032. Provide results of the 75 percent calculation if the project involves repair work.

DEPARTMENT OF DEFENSE COMMISSARY SURCHARGE & NONAPPROPRIATED FUND CONSTRUCTION PROJECT CERTIFICATION

INSTALLATION:_____

PROJECT TITLE: _____ **PROJECT NUMBER**_____

THE UNDERSIGNED ACCEPT FIDUCIARY RESPONSIBILITY FOR THIS PROJECT: CERTIFYING THAT THE PROJECT COMPLIES WITH APPLICABLE POLICIES AND DIRECTIVES

1. We have based the project scope on actual need and not solely on authorized space criteria.
2. We have identified all known requirements in the project and there is no incremental construction or project splitting.
3. The site selected is the most appropriate location.
4. Analysis forecasts a Net Present Value of years compared to a benchmark of,
   Internal Rate of Return of _____
   % and estimated useful life of _____
   % and a payback of years. _____

5. The correct funding source is being used/ Accompanying project documentation provides rationale for waiver to funding policy.
6. We have exercised good judgment and quality standards are reasonable and consistent with the base exterior and architectural plans for building systems, finishes, collateral equipment, furnishings, and fixtures, and are neither overstated nor understated.
7. Where the project combines more than one funding source, we will award separate contracts, or if we award a single contract, the contractor will use separate cost accounting schedules.
8. We have properly classified the work proposed as construction, maintenance, or repair.
9. The project documentation identifies all design, equipment, maintenance, and repair and construction projects associated with this project, regardless of funding source.
10. A commercial project validation has been performed / An independent project validation has been performed.
11. An assessment of a Public-Private Venture (PPV) alternative has been performed as prescribed in DoD Instruction 1015.13 / A PPV assessment is not required by DoD Instruction 1015.13.
12. For category C projects in the United States and its Territories - the local business community has been notified.

Services Director, Exchange Official or Commissary Official Signature/Rank/Title **Date of Certification**

Signature of Installation Commander or Mission Support Group Commander **Date of Certification**

Attachment 4

PREPARING DD FORMS 1390

A4.1. There must be one DD Form1390 for each base which provides the base's capacity; such as the total acreage, total personnel and then all the projects that are going to be built for the specified year and also future years if applicable. **(T-0)** Therefore, the DD Form 1390 should be submitted with the DD Form 1391 for each project. Note that the ANG DD Form 1390 differs from the active duty form. See DoD 7000.14-R Volume 2B, Chapter 6, *Financial Management Regulation, Budget Formulation and Presentation,* for further instruction.

The following information should be used to prepare DD Forms 1390:

BLOCK 1-Component: Enter "AIR FORCE", which is a mandatory entry.

Title Block: Enter the fiscal year of the funds paying for the project.

FY__ MILITARY CONSTRUCTION PROJECT DATA (NAF)

BLOCK 2-Date: The date should be entered.

BLOCK 3-Installation and Location: Put the name of the installation and the state or country where it's located. Also, enter the name of the installation where work will be done if it is an off-base site. The type of the base should be stated as Air Force Base, Air Base, Air National Guard, or Air Reserve Base after the name.

BLOCK 4-Command: Mandatory format**:** ALL CAPITAL LETTERS.

BLOCK 5-Area Construction Cost Index: This information can be obtained from the DoD Facilities Pricing Guide which is updated every year around March.

BLOCK 6-Personnel Strength: This table shows the number of personnel on the base as of 30 September two years prior to the fiscal year and as of three years after the fiscal year. Three types of personnel should be entered: permanent, student and supported. Each type should be further divided by officer, enlisted, and civilian. The sample table:

6.PERSONNEL STRENGTH:	PERMANENT			STUDENTS			SUPPORTED			TOTAL
	OFFICER	ENLISTED	CIVILIAN	OFFICER	ENLISTED	CIVILIAN	OFFICER	ENLISTED	CIVILIAN	
a. As of: 30 Sep2011	1099	6585	1429	49	6	1	3	6	133	9311
b. END FY2016	1097	6803	1363	49	6	1	3	6	133	9461

BLOCK 7-Inventory Data:

a) Total base acreage: Total acreage of the whole base.

b) Inventory Total as of 30 September 2011: Total NAF inventory dollar amount currently carried on real property records.

c) Authorization Not Yet in Inventory: The dollar amount of projects that are funded in prior year programs, but have not yet been put on our real property records.

d) Authorization Requested in This Program Year: The total dollar amount of all projects requiring authorization for this year.

e) Authorization Included in Following Program Year: The total dollar amount of all projects requiring authorization for the next year.

f) Planned in Next Four (or three) Years: The projects planned for four years after the next year if the program year is the first year of the two-year budget cycle. If the program year is the second year of the two-year budget cycle, then provide the projects planned for three years after the next year.

g) Remaining Deficiency: Total dollar amount that is required to finish all other projects in the future.

BLOCK 8-Projects Requested in This Program: The category (code, project title and scope), cost and design status (start and complete) information should be provided in this block.

BLOCK 9-Future Projects: Provide the project information for the future years if available.

BLOCK 10-Mission or Major Functions: The description of the mission and functions of the base and basically what the base has to accomplish the duty.

BLOCK 11-Outstanding Pollution and Safety Deficiencies: Provide this information in detail including air pollution, water pollution, occupational safety and health, and other environmental issues.

BLOCK 12-Real Property Maintenance Backlog This Installation: This dollar value represents the total APF and NAF amount for the programmed but not yet funded projects.

Attachment 5

PREPARING DD FORMS 1391

A5.1. Preparing the 1391. Use the following directions to prepare DD Forms 1391 for all projects funded from NAF. Since the DD Form 1391 is the basis on which individual projects and some Air Force-wide programs are justified and approved, they must be carefully prepared to provide complete, accurate, and essential information. The project documents must provide a complete word picture of the work planned and the reason for the work. For phased work, a clear description of the ultimate goal of the phased program should be included. The appropriate authority must approve project documents on the front sheet DD Form 1391 or DD Form 1391c for each facility project. **(T-3)**

All of the 1391s and 1391c s should be entered into the CE electronic programming database.

BLOCK 1-Component: Enter "AIR FORCE", which is a mandatory entry.
Title Block: Enter the fiscal year of the funds paying for the project.
FY__ MILITARY CONSTRUCTION PROJECT DATA
BLOCK 2-Date: The date block should be left blank.

BLOCK 3-Installation and Location: Put the name of the installation and the state or country where it's located. Also, enter the name of the installation where work will be done if it is an off-base site. The type of the base should be stated as Air Force Base, Air Base, Air National Guard, or Air Reserve Base after the name.

BLOCK 4-Project Title: First word will be "Maintain", "Repair", "Construct", "Renovate", "Consolidate", "Demolish", or "Add." Make it clear what the work is to do. Include all work classifications associated with each project. Be sure to use the name of the facility in the title not just the facility number (i.e. Add to and Repair Bowling Center, Bldg 1).

BLOCK 5-Program Element: Use NAF for Nonappropriated funds, PVT for private organizations or AAFES for Army and Air Force Exchange Service.

BLOCK 6-Category Code: Show the six-digit code for the real property facilities. References: Categories described in Chapter 3, Automated Air Force Pricing Guide, AFCEC Category Code Listing, AF Corporate Data Dictionary available through Defense Data Network.

BLOCK 7-Project Number: This number is locally assigned and should be consistent with the CE electronic programming database module.

BLOCK 8-Project Cost: While NAF does not have element of expense investment codes (EEICs), you can still use the codes to identify the classification of work. Show the EEIC or work class and total funded project cost, for example EEIC 529 - $000K, or minor construction - $000K.

This value must be same as Total Request (Rounded) on Block 9. **(T-0)**

Maintenance/Repair and Minor Construction projects should be identified separately. Project documentation should clearly specify project cost for each EEIC being used to fund the proposed work.

BLOCK 9-Cost Estimates: This section provides for a breakout of costs by identifiable elements of work including design, construction, collateral equipment, antiterrorism/force protection, restoration, modernization, companion projects, appropriated fund supporting projects and other associated costs, regardless the funding source. Refer to Attachment 1, AFI 65-601, Volume 1 and AFI 32-1032, A2.11 for a detailed breakout of funded versus unfunded costs. Show Overhead and Profit (OH&P) expenses here as funded costs (when appropriate), however, do not show a line item with a zero cost. Use local experience for amount. Show Supervision, Inspection, and Overhead (SIOH) and Furniture, Fixtures and Equipment (FF&E) as applicable.

Primary facility, which is the first item, should match the Project Title (Block 4). For projects like visiting quarters include the number of personnel to be housed in parenthesis.

Sustainable Design and Development (SDD) and Energy. SDD and energy costs should be included as a separate line item under Primary Facility. Document Sustainable Development Policy, EPAct05, EO13423 and EISA07 costs. **(T-0)** These costs will be programmed at no more than 2% of the total construction cost unless specific detailed costs are determined. When the costs exceed 2% an explanation will be provided in block 10. Energy costs will be supported by a Building Life Cycle Cost (BLCC) analysis using the BLCC software developed by the Department of Energy and results of the analysis will be entered in CE electronic programming database. **(T-0)**

Antiterrorism should be included as a separate line item under –Primary Facility. AT costs in excess of 3% of the primary facility cost need to be justified in Block 11. See UFC 04-010-01 for specific AT guidance.

For CONUS projects, AT should be 0.5-1.0% of Primary Facility.
For OVERSEAS projects AT should be 0.5-3.0% of Primary Facility.

Supporting Facilities Supporting Facilities cost in excess of 20% of the Primary Facility cost need to be justified in Block 11. Supporting Facilities include only the following: Utilities, Site Improvement, Pavements and Communications.

Subtotal is the sum of primary and secondary facility costs.

Contingency is normally 5% of the Subtotal. Rates in excess of 5% should be justified in Block11.

Total contract cost is the sum of the Subtotal and Contingency.

Supervision, Inspection and Overhead (SIOH) fee is charged by the design/construction agent/manager. This is calculated as a certain percentage of the Total Contract Cost.

CONUS projects via US Army Corps of Engineers or Navy is 5.7%

USAFE projects located in the United Kingdom is 5%

USAFE projects other than United Kingdom is 6.5%

Overseas projects via US Army or US Navy is also 6.5%

Ensure there are no mathematical errors in the cost estimate. Design costs are unfunded. Ensure cost estimate uses current inflation indices to bring appropriate project costs into the year of expected execution (especially for phased work). Provide a separate cost estimate for companion maintenance, repair, minor construction projects, unfunded design costs, and unfunded Furniture, Fixture and Equipment (FF&E). Include demolition costs if appropriate and applicable.

Foreign Currency Exchange Rate: Enter the rate used, when applicable.

Total PA Request (Rounded): Round project cost (the PA not Total NAF investment) to the nearest thousand.

Rounding Rules:

Project Cost	Round To Nearest
Less than $1M	$10,000
$1M to $5M	$50,000
$5M to $10M	$100,000
$10M to $20M	$200,000
Over $20M	$1,000,000

BLOCK 10-Description of Proposed Work: Describe the major work planned by work classification. When a NAF project has a companion APF project, ensure each project references the other related project. NAF minor construction work should be on a separate project number; however, ensure that each project's programming document(s) reference other

related projects. For phased work, describe the work included in each phase. Be succinct, but descriptive. Units of measure shall be expressed in metric units.

BLOCK 11-Requirement: The REQUIREMENT is the total size (SM, LS, UN, EA, etc) necessary to fulfill the mission. ADEQUATE represents an existing facility or portion of that can be used to meet the REQUIREMENT. SUBSTANDARD represents the facility or facilities that cannot be used (and will normally be demolished).

Requirement: Tell what the project will provide, including the ultimate goal for a phased project. Be specific and ensure the description of the requirement coincides with the classification of work. Avoid use of verbs or other language, which would indicate another work classification. For example, install and replace may give the idea that work is new (e.g. construction) whereas upgrade would likely indicate repair class work.

The current situation: Include age of the facility or associated components; general conditions of the items requiring work; energy conservation or environmental considerations; current impact to installation mission; etc.

Impact if the project is not provided: Include any information, which helps form a word picture of why this project is necessary, state if this project is economically feasible, and the impacts if not accomplished.

Additional: Includes any additional information such as related AFIs or AFMs supporting this kind of facility at this location, and state if this project is economically feasible according to the PVA.

This section should include estimated date for the design start, the estimated percent of the design to be completed as of July 1, date the design to be 100% completed, date construction contracts to be awarded, and date the construction is to be completed.

A5.2. Preparing the DD Form 1391c. DD Form 1391c of a project covers all the additional necessary documents.

A5.2.1. **Detailed Deficiency Data Sheet.** Includes scope of project FY_request, mission, requirements, and functional breakout of proposed project scope.

A5.2.2. **Detailed Cost Estimate.** Includes the costs of: preparation and development, structures, site work, real property installed equipment (RPIE), and fees like Design and Environmental.

A5.2.3. **Companion and Associated Projects.** if any.

A5.2.4. **Financial Analysis.** A Financial analysis shall be accomplished in accordance with AFI 65-501.

On a DD Form 1391c page provide a summary of the financial analysis. **(T-0)**

Ensure the summary includes the following information:

A5.2.4.1. **Operational and Location Description.** Describe the operations, programs, or activities that the facility shall house, how the facility shall be operated, and whether

the project updates, replaces, or creates a new program or service. Describe the specific location and the major reasons for selecting the location, the adjacent community-type facilities (including projects that are planned or under design/construction), public interest in the project, a summary of a local business reaction to Category C projects, and the military installations in the commuting area with a similar facility.

A5.2.4.2. **Prospective Customers.** Identify the prospective patron base by group (military members and their families, retirees and their families, Defense civilians, etc), expected number of customers, the proximity of the customer base, and the PVA method used to validate the patron base and market demand.

A5.2.4.3. **Alternatives and Identification of Waiver Requests.** Describe the alternative methods of providing the service that were considered and the rationale for discarding them. Identify alternative funding sources and the rationale for the selected source of funding. Should the proposed funding deviate from the DoD prescribed source, supporting rationale for a policy waiver shall be provided.

A5.2.4.4. **PPV Assessment.** Submit documentation of the PPV assessment which should be contained in the PVA. **(T-3)**

A5.2.4.5. **PVA.** An executive summary of the PVA shall be provided and include the following:

A market analysis of availability of similar services from the public and private sector. A facility analysis of the structure, design, and functional characteristics of the existing and proposed facility.

An analysis of expected utilization. Recommendations for construction alternatives. **(T-0)**

A5.2.4.6. **Design Data.** Justification must be furnished for projects that have not reached the minimum required design stage. **(T-2)**

A5.2.4.7. **Investment Calculations.** Furnish the Net Present Value (NPV), Internal Rate of Return (IRR), and Payback calculations. Calculations for NPV and IRR shall be based on the same estimated useful life. **(T-3)** Cash inflows and outflows should be shown in a level of detail that shall allow replication of the calculations. Identify whether the analysis is based on total cash flows or the incremental cash flow attributable to the project and the rationale for the method utilized. Contact HQ AFPC/SVXF for additional information on Financial Analysis requirements for AF NAF Projects.

A5.2.4.8. **Payback Calculations.** For payback calculations, the recovery period must occur within the project's estimated useful life.

A5.2.4.9. **Qualitative Analysis.** In the event an individual project does not meet the hurdle rate defined by the DoD Component, an executive summary of the qualitative analysis shall be included. **(T-0)** Alternatives utilized in justifying the project may include market research, customer survey data, facility deficiency data, and mission or quality of life considerations.

A5.3. Installation Commander's Certificate. MWR, Armed Service Exchanges, Defense Commissary Agency Headquarters Directors, and the Installation or Regional Commanders shall certify that individual construction projects conform to the requirements contained on the Project Certification Form. **(T-3)** The certification form may not be modified. For Items 5, 10, and 11, strike-through the statement that is not applicable.

Attachment 6

ITEMS REQUIRED FOR CONGRESSIONAL RE-NOTIFICATION

A6.1. Revised DD Forms 1391/1391c documentation.

A6.2. Reference to previous approval document, including scope and cost.

A6.3. Statement of availability and source of additional funds required.

A6.4. Detailed explanation of how and why the new funded cost exceeds the amount previously approved.

A6.5. If bids are open, a statement that the base has received an acceptable bid and that the acceptable bid is the low bid, or an explanation as to why the low bid does not qualify.

A6.6. If applicable, the number of bids received, bid range and bid expiration date.

A6.7. If under construction, do not stop work, but immediately provide AF/A4CF defendable justification why costs cannot be kept within the threshold amount. Ensure the threshold is not exceeded without prior AF/A4CF approval.

A6.8. Tabulation of both original and revised funded cost with totals.

A6.9. Statement that the scope of the project is unchanged or changed according to conditions outlined.

A6.10. Corrective action required to preclude further increases in the project and the overall NAF program.

A6.11. A statement that NAFs are available at the base, MAJCOM, or AF level (as appropriate) to fund any increased cost.

A6.12. Impact statement if funds are unavailable or if the increased amount is disapproved.