



Deputy Chief Management Officer **ADMINISTRATIVE INSTRUCTION**

NUMBER 115

August 13, 2014

Incorporating Change 1, May 10, 2017

DCMO

SUBJECT: DoD Concessions Committee (DoDCC)

References: See Enclosure 1

1. **PURPOSE.** This administrative instruction (AI) reissues DoD Instruction (DoDI) 5120.18 (Reference (a)) as an AI in accordance with the authority in DoD Directive 5105.53 and Deputy Secretary of Defense Memorandum (References (b) and (c)) to establish a DoDCC for the administration of services which, for the convenience of the U.S. Government, are necessary and benefit the health, morale, and welfare of DoD workforce in the National Capital Region (NCR).

2. **APPLICABILITY.** This AI:

a. Applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD in the NCR that are serviced by the Washington Headquarters Services (WHS) (referred to in this AI as the "WHS-serviced Components").

b. Does not apply to activities on military installations, except as amended or modified at the direction of the Director of Administration in the Office of the Deputy Chief Management Officer (DCMO) in agreement with an authority for the military installation.

3. **POLICY.** In accordance with the authority granted under DoDI 1015.15 (Reference (d)), it is policy for the WHS-serviced Components that:

a. The DoDCC, a DoD nonappropriated fund instrumentality (NAFI), provide quality food, retail services, and other appropriate amenities at fair and competitive prices for WHS-serviced Components. For the convenience of the U.S. Government, these products and services must be necessary and benefit the health, morale, and welfare of the DoD workforce in the NCR, including employees in the Pentagon and other buildings as directed by the Director of Administration.

b. To the extent monies for such purposes are available, DoDCC will provide dividends to WHS-serviced Component Program Group I - Military Morale, Welfare, and Recreation (MWR) Programs and Program Group III - Civilian MWR Programs.

c. The DoDCC will be funded as a Category C activity.

4. RESPONSIBILITIES. See Enclosure 2.

5. PROCEDURES. See Enclosure 3.

6. RELEASABILITY. **Cleared for public release**. This AI is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

7. SUMMARY OF CHANGE. The changes to this issuance are administrative and update references, the effective date, and clarifies language about alternate DoDCC members for accuracy.

8. EFFECTIVE DATE. This AI August 13, 2014.



David Tillotson III
Assistant Deputy Chief Management Officer

Enclosures:

1. References
2. Responsibilities
3. Procedures

Glossary

ENCLOSURE 1

REFERENCES

- (a) DoD Instruction 5120.18, "DoD Concessions Committee," June 9, 2009, as amended, (hereby cancelled)
- (b) DoD Directive 5105.53, "Director of Administration and Management (DA&M)," February 26, 2008
- (c) Deputy Secretary of Defense Memorandum, "Reorganization of the Office of the Deputy Chief Management Officer," July 11, 2014
- (d) DoD Instruction 1015.15, "Establishment, Management, and Control of Nonappropriated Fund Instrumentalities and Financial Management of Supporting Resources," October 31, 2007, as amended
- (e) DoD Instruction 4105.67, "Nonappropriated Fund (NAF) Procurement Policy and Procedure," February 26, 2014, as amended
- (f) Army Regulation 215-4, "Nonappropriated Fund Contracting," July 29, 2008
- (g) DoD 7000.14-R, "DoD Financial Management Regulations (FMRs)," current edition
- (h) DoD Instruction 7600.06, "Audit of Nonappropriated Fund Instrumentalities (NAFI) and Related Activities," November 5, 2012
- (i) Army Regulation 215-1, "Military Morale, Welfare and Recreation Programs and Non-Appropriated Fund Instrumentalities," September 24, 2010¹
- (j) Army Regulation 215-3, "Nonappropriated Funds Personnel Policy," August 29, 2003
- (k) DoD Instruction 1125.03, "Vending Facility Program for the Blind on DoD-Controlled Federal Property," December 22, 2009
- (l) DoD Manual 8910.01, Volume 1, "DoD Information Collections Manual: Procedures for DoD Internal Information Collections," June 30, 2014, as amended
- (m) DoD Manual 8910.01, Volume 2, "DoD Information Collections Manual: Procedures for DoD Public Information Collections," June 30, 2014, as amended

¹ Army Regulations may be found online at <http://www.apd.army.mil/default.asp>

ENCLOSURE 2

RESPONSIBILITIES

1. DIRECTOR OF ADMINISTRATION. Under the authority, direction, and control of the Deputy Chief Management Officer (DCMO) of the Department of Defense, the Director of Administration:

a. Appoints a civilian chair to the DoDCC. This appointment, chosen from the Administrative Assistant (Army and Air Force) and Assistant for Administration (Navy) DoDCC members, will be for a term of 3 years.

b. Supervises and monitors the functioning of the DoDCC.

c. Approves DoDCC meeting minutes.

d. Prescribes non-appropriated fund procurement procedures consistent with DoDI 4105.67 (Reference (e)).

e. Affirms all contractual actions that the DoDCC proposes.

f. Decides, on behalf of the Secretary of Defense, all appeals of protests to DoDCC solicitations or contracts addressed by the DoDCC Chair. There is no further appeal within the DoD.

g. Directs and authorizes additional services, which for the convenience of the U.S. Government are necessary or benefit the health, morale, and welfare of DoD employees in the NCR.

h. Approves authorized MWR activities of the WHS-serviced Components, as designated by the DoDCC, to act as successors-in-interest and receive payments from DoDCC revenues after opportunities for reducing costs to employees have been considered and exhausted.

2. DIRECTOR, WHS. Under the authority, direction, and control of the DCMO, through the Director of Administration, the Director, WHS, appoints a senior management official to the DoDCC to represent DoD Components not otherwise listed in this enclosure.

3. GENERAL COUNSEL OF WASHINGTON HEADQUARTERS SERVICES AND PENTAGON FORCE PROTECTION AGENCY (GC WHS/PFPA). Under the authority, direction, and control of the DCMO, through the Director of Administration, the GC WHS/PFPA designates an attorney to provide legal advice and to serve as a non-voting advisor to the DoDCC.

4. DoDCC CHAIR. Under the authority, direction, and control of the DCMO, through the Director of Administration, the DoDCC chair ensures that:

a. Where DoDCC is the designated provider, the DoDCC or an independent contractor operates food services in DoD-occupied buildings in the NCR.

b. The DoDCC provides commercial-type concessions and services, and such other services and facilities considered necessary to promote the health, morale, welfare, and productivity of the DoD workforce in the NCR.

c. The DoDCC offers food, commercial-type concessions and services, and other such services and facilities at fair and competitive prices for the health, morale, and welfare of DoD workforce in the NCR.

d. All protests to DoDCC solicitations or contracts are properly considered and addressed in accordance with Army Regulation (AR) 215-4, (Reference (f)).

5. DIRECTOR, BUSINESS ENTERPRISE GROUP OF THE DoDCC. Under the authority, direction, and control of the DCMO, through the Director of Administration, and through the DoDCC Chair, the Director, Business Enterprise Group, oversees:

a. Accomplishment of financial accounting in accordance with DoD 7000.14-R (Reference (g)).

b. Independent certified public accountant audits of the DoDCC annually in accordance with Reference (d). Audits must comply with DoDI 7600.06 (Reference (h)).

c. DoDCC payment of WHS fees associated with the use of space for retail and services.

d. DoDCC payment for reimbursable services not to exceed the authority of the Director's warrant.

e. Submission of recurring DoDCC financial statements and meeting minutes accepted by the DoDCC to the Director of Administration.

f. Documentation of meeting minutes, including the rationale for contributions to MWR activities, and amounts retained for capital improvements and cash reserves.

6. ADMINISTRATIVE ASSISTANTS TO THE SECRETARIES OF THE MILITARY DEPARTMENTS. The Administrative Assistants to the Secretaries of the Military Departments serve as the senior civilian representatives to the DoDCC, unless otherwise directed by the respective Secretary and each designates a Service member at the O-6 level or above to serve on the DoDCC.

7. VICE DIRECTOR, JOINT STAFF (JS). The Vice Director, JS, serves as a representative to the DoDCC.

ENCLOSURE 3

PROCEDURES

The DoDCC will:

a. Be composed of:

(1) The Administrative Assistant to each of the Secretaries of the Military Departments, one of whom will be designated as the chair, serving on a 3-year rotational basis.

(2) The Service members as designated in section 6 of Enclosure 2 of this AI.

(3) A senior management official from WHS, as designated in section 2 of Enclosure 2 of this AI.

(4) The Vice Director, JS, as designated in section 7 of Enclosure 2 of this AI.

(5) An attorney, designated by the GC WHS/PFPA, according to section 3 of Enclosure 2 of this AI.

b. When necessary, appoint alternate members to attend committee meetings. These alternates must be appointed in advance in writing. They will have the ability to vote on committee matters.

c. Adhere to References (d), (e), (f), and (h), and ARs 215-1 and 215-3 (References (i) and (j)).

d. For operating procedures, adhere to chapters 4-5, 10, 13-14 and 16-19 of Reference (i).

e. Staff and maintain its internal organization. The DoDCC may employ administrative and clerical assistants, one of whom will be designated the Director, Business Enterprise Group, as designated in section 5 of Enclosure 2 of this AI, to conduct DoDCC affairs. These assistants must be compensated from nonappropriated funds available to the DoDCC, in accordance with Reference (j).

f. Enter into, make, and amend contracts, as an instrumentality of the United States, using nonappropriated funds, to carry out its functions and responsibilities in accordance with Reference (e).

(1) This authority may be delegated by the DoDCC to the DoDCC Chair or to the Director, Business Enterprise Group. Such delegation:

(a) Will be recorded in writing in the DoDCC meeting minutes and may not be further delegated.

(b) Will not become effective until the Director of Administration approves the meeting minutes where such delegation was decided.

(2) Contracts will not become binding and effective until the Director of Administration approves them, and each such instrument must contain a clause to that effect.

(3) For contracting procedures, adhere to Reference (f) with the following exceptions:

(a) Chapter 1, §1-19 “Acquisition meetings and conferences,” §1-26 “Electronic formats for NAF contracting,” §1-28 “Uniform Procurement Instrument Identification Numbering System:” Chapter 2, §2-4 “Length of contracts,” §2-11 “Required sources of supplies and services,” Chapter 8 “Construction Contracting.”

(b) The DoDCC may use DoDCC created forms instead of those used in Reference (f).

g. Operate, or provide for the operation of, food service facilities and provide for such commercial concessions and other services in accordance with DoDI 1125.03 (Reference (k)) and this AI. Determination must comply with Reference (k).

h. Determine the best method to maintain and secure necessary food service facilities, concessions, and other services. Coordinate necessary real property upgrades, modifications, and utilization changes with the Director, Facilities Services Directorate, WHS.

i. Prepare annual and long-term operating budgets for use in making and documenting decisions regarding retained earnings and contributions to authorized welfare and recreation funds.

j. Establish and document a strategic approach for managing revenues, including capital improvements and cash reserves. Cash reserves are intended to continue operations during business interruptions, including funding unanticipated projects and making payments to WHS-serviced Component MWRs in accordance with this paragraph and as approved by the Director of Administration.

(1) In the event that revenues exceed costs after operating expenses and amounts retained for capital improvements and cash reserves have been identified and funded, the first priority will be to invest those revenues into services that reduce costs for the DoD workforce or improve DoD workforce wellbeing.

(2) After opportunities for reducing costs to employees have been considered and exhausted, DoDCC is authorized to make payments to authorized MWR activities of the WHS-serviced Components, as approved by the Director of Administration. The amount of such payments will be pro-rated among the approved MWR activities, as determined by the DoDCC.

k. Ensure, in the event of its disestablishment, that any remaining excess funds are paid to those MWR activities identified in paragraph i of this enclosure as the successors-in-interest for all funds of the DoDCC.

- l. Establish subcommittees to study specific topics, at its discretion. Subcommittee membership may be reviewed and adjusted at the discretion of the DoDCC Chair.

- m. Obtain reports and information, in accordance with the procedures in Volumes 1 and 2 of DoD Manual 8910.01 (References (l) and (m)), as necessary, to carry out assigned responsibilities and functions.

- n. Construction planning and real property management will comply with WHS requirements and guidelines.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

| | |
|-------------|--|
| AI | administrative instruction |
| AR | Army regulation |
| DCMO | Deputy Chief Management Officer |
| DoDCC | DoD Concessions Committee |
| DoDI | DoD Instruction |
| MWR | morale, welfare, and recreation |
| GC WHS/PFPA | General Counsel of Washington Headquarters Services and Pentagon Force Protection Agency |
| JS | Joint Staff |
| NAFI | nonappropriated fund instrumentality |
| NCR | National Capital Region |
| WHS | Washington Headquarters Services |

PART II. DEFINITIONS

These terms and their definitions are for the purpose of this AI:

Administrative Assistant. The principal advisors to the Secretaries of the Military Services for all administrative matters.

DoDCC. An entity established to provide for the administration of quality food and retail services, as well as other appropriate amenities, at fair and competitive prices that, for the convenience of the U.S. Government are necessary and benefit the health, morale, and welfare of DoD workforce in the NCR, including the Pentagon, Mark Center, and other designated buildings as directed by the Director of Administration.

DoD workforce. The Service members and civilian employees of the WHS-serviced Components.

NAFI. Defined in section E2.13 of Reference (d).

NCR. The geographic area located within the boundaries of: the District of Columbia; Montgomery and Prince Georges Counties in the State of Maryland; Arlington, Fairfax, Loudoun, and Prince William Counties and the City of Alexandria in the Commonwealth of Virginia; and all cities and other units of U.S. Government within the geographic areas of such District, Counties, and City. The term may include the Raven Rock Mountain Complex, if so decided by the Director of Administration.