



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
FINANCIAL MANAGEMENT AND COMPTROLLER
 109 ARMY PENTAGON
 WASHINGTON DC 20310-0109

SAFM-FO

MAR 25 2014

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Clarification of Sponsorship and Advertisement for Off-Post Financial Institutions

1. REFERENCES:

- a. Department of Defense (DoD) Financial Management Regulation (DoDFMR), Volume 5, Disbursing Policy Chapter 34.
- b. DoDI 1000.11 Financial Institutions on DoD Installations.
- c. DoDI 1344.07 Personal Commercial Solicitation on DoD Installations.
- d. AR 215-1 Military Morale, Welfare, and, Recreation Programs and Nonappropriated Fund Instrumentalities.
- e. Memorandum, Office of Under Secretary of Defense, Comptroller, March 29, 2002, subject: Clarification of Advertising Policy Guidance Contained in Chapter 34, Volume 5, of the DoD Financial Management Regulation (DoDFMR). (enclosed)
- f. Memorandum, Department of the Army, Office of the Assistant Secretary Financial Management and Comptroller, April 25, 2002, subject: Clarification of Advertising Policy Guidance Contained in the DoD Financial Management Regulation (FMR), Volume 5, Chapter 34. (enclosed)

2. **PURPOSE:** The purpose of this memorandum is to give clarity for off-post Financial Institutions (FI) who sponsors on-post events.

3. **POLICY:**

- a. Literature which includes both competitive and non-competitive services infringes on the restrictions established under DoDFMR 5, Chapter 34. Paragraph 340404E states, "Off-base financial institutions are not permitted to distribute competitive literature or forms on the installation." Those under a sponsorship agreement are considered commercial sponsors. According to AR 215-1, commercial sponsorship "is the act of providing assistance, funding, goods, equipment (including fixed assets), or services to an MWR program(s) or event(s) by an individual, agency, association, company, or corporation, or other entity (sponsor) for a specific (limited) period of time in return for public recognition." Off-post FIs under sponsorship agreement should not

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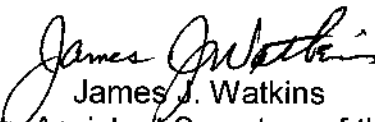
distribute literature or display signage leading customers to websites, phone numbers, or other media which promotes competitive products with those available through on-post FIs.

b. Off-post FIs who want sponsorship recognition may distribute literature which only takes customers directly to their non-competitive products. The Morale, Welfare and Recreation (MWR) websites are permitted to have web links and other phone numbers from sponsors as long as it takes them directly to non-competitive products only. DoDI 1015.10, enclosure 11, paragraph 1b (13) states "off-post financial institutions are permitted to serve as sponsors for MWR events as long as they limit promotions to product lines and services not offered by the applicable on-post bank or credit union."

c. Army subject matter experts, such as the liaison officers and the banking officers, will discuss potential materials with Financial Institutions before finalizing any agreements. All documents will be reviewed by the Bank and Credit Union Liaison Officers and legal counsel before the commander's final approval. This will ensure sponsor's business strategies do not violate any of the above referenced regulations, policy memorandums, or existing operating agreements regarding these matters.

4. The Army's point of contact for this memorandum is MAJ Emma Parsons, Department of the Army Banking Officer, emma.parsons.mil@mail.mil, (703) 693-2698, or DSN 223-2698.

2 Encls


James J. Watkins
Deputy Assistant Secretary of the Army
(Financial Operations)

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Director, 18th Financial Management Support Center

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Director, 175th Financial Management Support Center

Director, 266th Financial Management Support Center

Director, 336th Financial Management Support Center

Director, 398th Financial Management Support Center

Director, 469th Financial Management Support Center



OFFICE OF THE UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

MAR 29 2002

COMPTROLLER

J. Hill
 MEMORANDUM FOR ~~ACTING~~ DEPUTY ASSISTANT SECRETARY OF THE ARMY
 (FINANCIAL OPERATIONS)

SUBJECT: Clarification of Advertising Policy Guidance Contained in Chapter 34, Volume 5,
 of the DoD Financial Management Regulation ("DoDFMR")

Your memorandum, subject as above, requested clarification of the Department's policy pertaining to on-base advertising by a financial institution not authorized to operate on the installation. Specifically, you requested our interpretation of the subject policy as it pertains to the financial institution utilizing the Internet and sponsoring on-base events.

Volume 5, Chapter 34, paragraph 340403, "Advertising," of the "DoDFMR" addresses the extent to which financial institutions—operating either on or off a military installation—may employ advertising. With respect to advertising by financial institutions not operating on an installation, subparagraph 340403.E states that off-base financial institutions are not permitted to distribute competitive literature or forms on the installation. In addition, subparagraph 340403.G prohibits installation activities, including Military Exchange Services and concessionaire outlets, from distributing such literature on behalf of off-base financial institutions.

While the distribution of competitive literature either by an off-base financial institution or an on-base activity (on behalf of an off-base financial institution) is prohibited, the "DoDFMR" does describe authorized uses of commercial advertising, mailings or telecommunications. The segregation of advertising into distinct categories makes it clear that the intent of the guidance is not to restrict the customary forms of commercial advertising but, rather, to curtail the display of advertising that is targeted to on-base personnel in direct competition with those financial institutions having the authority to operate on-base. Such advertising includes direct access on the installation to displays containing "take one" pamphlets or account application forms from off-base financial institutions. This policy, when extended to Internet advertising, precludes the display of electronic banners advertising an off-base financial institution on the home (e.g., default) page of Internet terminals located on-base including those offered by a third party without a fee. This policy does not preclude on-base personnel from accessing websites established by off-base financial institutions from such terminals nor does it prohibit off-base financial institutions from any other form of advertising on the Internet.

With respect to on-base events sponsored, in whole or in part, by an off-base financial institution, the display of advertising banners or the distribution of literature either by an off-base financial institution, or an on-base activity in cooperation with an off-base financial institution, is not permitted.

Mr. Tom Summers is the staff contact for this matter. He may be reached by e-mail: summerst@osd.pentagon.mil or by telephone at (703) 602-0299 (DSN 332-0299).

[Signature]
 Ronald L. Adolphi
 Director for Finance and Management Policy



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
FINANCIAL MANAGEMENT AND COMPTROLLER
108 ARMY PENTAGON
WASHINGTON DC 20310-0109

April 25, 2002

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Clarification of Advertising Policy Guidance Contained in the DoD Financial Management Regulation (FMR), Volume 5, Chapter 34

References:

a. DoD Financial Management Regulation (FMR), Volume 5, Chapter 34, Paragraph 340403, Sep 00.

b. OUSD(C) memorandum, March 29, 2002, subject: Clarification of Advertising Policy Guidance Contained in Chapter 34, Volume 5, of the DoD Financial Management Regulation ("DoDFMR") (Attached).

Recently several issues regarding the interpretation of the advertising section of the DoD FMR Volume 5, Chapter 34, paragraph 340403, have been brought to my attention, particularly Internet advertising by off-post financial institutions. I addressed these concerns to Mr. Ronald L. Adolphi, the Acting Director for Finance and Management Policy, OUSD(C), and asked that he provide clarification of the advertising policy. Reference b is that clarification.

In Reference b, Mr. Adolphi states, "This policy, when extended to Internet advertising, precludes the display of electronic banners advertising an off-base financial institution on the home (e.g., default) page of Internet terminals located on-base including those offered by a third party without a fee. This policy does not preclude on-base personnel from accessing websites established by off-base financial institutions from such terminals nor does it prohibit off-base financial institutions from any other form of advertising on the Internet."

My point of contact for this action is CPT Kelly M. Mizell, (703) 693-2766 or kelly.mizell@hqda.army.mil.

William M. Landrum III
Colonel, Finance Corps
Acting Deputy Assistant Secretary of
the Army (Financial Operations)

Attachment

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COMMANDER

U.S. Army Materiel Command, ATTN: AMCRM
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U.S. Army Medical Command, ATTN: MCRM
Military District of Washington, ATTN: ANRM
U.S. Army Forces Command, ATTN: AFRM-FM
U.S. Army Pacific Command, ATTN: APRM
U.S. Army Test and Evaluation Command, ATTN: CST-RM
U.S. Army South, ATTN: SORM
175th Finance Command, ATTN: BLO
266th Finance Command, ATTN: BLO

Superintendent, U.S. Military Academy, ATTN: MARM

CF:

Association of Military Banks of America
The Defense Credit Union Council
OUSD (C) (Mr. Ronald L. Adolphi)