WHY? WHAT DO THEY DO?
ARE THERE RULES? HOW?
I WISH I KNEW MORE!
History of Financial Institutions on Installations

- Department of Defense (DoD) Need for Financial Services
  - Country began mobilizing for war in 1941
  - Disbursing officers needed cash for payrolls
  - Needed Dollars and foreign currency abroad

- Commercial Banks
  - On DoD installations since 1942
  - Overseas military banking facilities began in 1947

- Credit Unions
  - On DoD installations since 1928
  - First credit union on DoD installation overseas opened in 1967
Financial Institutions on DoD Installations Today

- Morale and Welfare
  - Retail Products and Services for Individuals

- Financial Education

- Support of Official DoD Operations
  - Cash Requirements
  - Deposits to US Treasury
  - Exported US Dollar Economy Overseas
Types of Financial Institutions on DoD Installations

CONUS
- Commercial Banks
- Credit Unions

OCONUS
- Credit Unions
- Foreign Banks
- Military Banking Facilities
Yes, There Are Rules…

- Policy and Procedures Exist For Financial Institution (FI) Operations
  - Department of Defense Instruction (DoDI) 1000.11
  - Part 230 of Title 32, Code of Federal Regulations
  - Part 231 of Title 32, Code of Federal Regulations
  - DoD Financial Management Regulation (FMR) Volume 12, Chapter 33

- No More Than One Bank and One Credit Union Per Installation

- There Are Procedures To Follow
  - For DoD to establish FI services on DoD installations
  - For DoD to oversee and support FI operations on DoD installations
  - For DoD and FIs while operating on DoD installations
  - For DoD and FIs to terminate FI services on DoD installations

6/3/2019
General Policy

Policy and Procedures Apply To:

Office of the Secretary of Defense
Military Departments
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
All non-appropriated fund instrumentalities, including the Military Exchange Services and morale, welfare, and recreation activities
All other organizational entities within the Department of Defense
How Do Financial Institutions Get on Installations?

- Installation Commander Determines Need

- CONUS
  - Solicitation of banks in local area
  - May be expanded
  - Lease
  - Operating Agreement

- OCONUS
  - Centrally run contract
  - Geographic Franchise (Credit Unions)
  - Seeking foreign bank operations
How Do Financial Institutions Get on Installations?

- Lease of Real Property

- Operating Agreements (FMR V12, CH33 330310)
  - Agreement between the Installation Commander and the FI
  - Prior to commencement of FI operations

- Financial Institution Agrees to Comply with:
  - FMR Volume 12, Chapter 33
  - DoD Instruction 1000.11
  - 32 CFR, 230 and 231
Operating Agreements – Content

- Days and Hours of Operations
- Products and Services Offered and Associated Fees
- Location of ATMs
- Logistical Support Provided and Associated Reimbursement
- Operating Agreement Contents May Vary
- Sample Operating Agreement in FMR Volume 12, Chapter 33
Use of On-Base Financial Institutions

Policy

- **Installation commanders** shall not seek the provision of financial services from any entity other than the on-base banking office or credit union (FMR V12, CH33 330301E)

- **Military disbursing offices, non-appropriated fund instrumentalities (including MWR activities and the Military Exchange Services), and other DoD Component activities** requiring financial services shall use on-base financial institutions to the maximum extent feasible (FMR V12, CH33 330301F)

- For **individuals**, the use of on-base financial institutions is voluntary and should not be urged in preference to, or to the exclusion of, other financial institutions (FMR V12, CH33 330205J2)
What Are Financial Services?

- Financial Services: Those Services Commonly Associated with Financial Institutions in the United States (32 CFR 231.9)
  - ATMs
  - Web banking
  - Checking accounts
  - Share accounts
  - Funds Transfers
  - Loan services
  - Safety deposit boxes
  - Redemption of US Savings Bonds
  - Acceptance of utility payments
  - Any other services provided by financial institutions
Who Can Provide Financial Services On The Installation?

- Only Financial Institutions Perform Retail Banking Operations (FMR V12, CH33 330311A)
  - ....and only the financial institutions authorized to operate on the installation in accordance with the FMR

- Retail Banking Operations Shall Not Be Performed by:
  - Any DoD Component
  - Any non-appropriated fund instrumentality including the Military Exchange Services and MWR activities
  - Any other organizational entity within DoD
What Else Can Financial Institutions Do?

- Financial Education (FMR V12, CH33 330309A)
  - On-base financial institutions shall be invited to take part in seminars to educate personnel on personal financial management and financial services
  - Financial institutions shall be encouraged to provide financial education and counseling services as an integral part of their financial service offerings
  - Officials of on-base financial institutions shall submit advance briefing texts for approval by the installation commander to ensure that the program is not used to promote services of a specific financial institution
Financial Education Continued

- Provide No-cost Financial Education and Counseling (FMR V12, CH33 330311G)
  - Basic personal and family finance items
    - Budgeting
    - Checkbook balancing and account reconciliation
    - How to start a savings program and benefits of doing so
    - Prudent use of credit
    - How to shop and apply for credit
    - Consequences of excessive credit
Can Any Financial Institution Provide Training?

- Only the Financial Institutions Authorized to Operate on the Installation in Accordance with the FMR

- Other Federal Agencies and Non-Governmental Organizations May Provide Training

  ✓ DoDI 1344.07 Personal Commercial Solicitation on DoD Installations Contains Policy
More That Financial Institutions Can Do

- Treasury General Accounts (TGA) (FMR V12, CH33 330306)
  - On-base financial institutions may serve as custodians of money in excess of amount authorized to be held by DoD Accountable Officials
  - Acceptance of monies for deposit to US Treasury
  - Agreement and compensation terms between US Treasury and financial institution

- DoD Accountable Officials Submit TGA Creation Requests
  - Through the administrative office of their Department or Agency to Treasury Financial Management Services (FMS)
  - The DoD Banking and Credit Union Office is the administrative office for DoD
How Do Individuals Find Out About Installation FIs?

- Advertising Is Allowed

  ✓ On-base financial institution may use the unofficial section of the installation’s daily bulletin to inform DoD personnel of financial services and announce seminars, consumer information programs, and other matters of broad general interest
    - Cannot use above for competitive or comparative advertising of products and services (FMR V12, CH33 330304A)

  ✓ An on-base financial institution may use installation bulletin boards, newsletters or web pages to post general information that complements the installation’s financial counseling programs and promotes financial responsibility and thrift (FMR V12, CH33 330304B)

  ✓ An on-base financial institution may include an insert in the installation’s newcomers package (or equivalent) to identify the financial services that are available on the installation (FMR V12, CH33 330304C)
Can Any Financial Institution Advertise on the Installation?

- Only the Financial Institution(s) Authorized to Operate on the Installation in Accordance with the FMR

- Installation Activities, Including Military Exchange Services and Concessionaire Outlets, Shall Not Permit the Distribution of Literature from Off-Base Financial Institutions If There Is an On-Base Financial Institution (FMR V12, CH33 330304G)
  - Affinity-cards are exempted

- Off-Base Financial Institutions Are Not Permitted to Distribute Competitive Literature or Forms on the Installation (FMR V12, CH33 330304E)
What About Sponsorships By Off-Base FIs?

- Commercial Sponsorships Are Allowed
- DoDI 1344.07 Personal Commercial Solicitation on DoD Installations
- A Company Cannot Advertise or Distribute Literature That Promotes Competitive Financial Services and/or Products Offered by the On-Base FI
- A Sponsorship Cannot Be Used to Gain Access to Collect Information for Solicitation Through Raffles, Drawings, or Surveys Without Individual Written Consent to Be Solicited Beyond the Event
Overview of Operations

Office of Undersecretary of Defense:
Comptroller, Personnel and Readiness, Acquisition and Sustainment

DoD Banking and Credit Union Programs
Defense Finance and Accounting Service

Federal Agencies:
U.S. Treasury, Federal Reserve Banks, Department of State

Overseas Military Banking Program
Contracted Commercial US Financial Institution

Military Service LOs
Installation
On-Installation Financial Institutions

Off-Installation Financial Institutions
Financial Institution Trade Associations
Overseas Credit Unions
FMR, Volume 12, Chapter 33, Paragraph 330204

- Policy and Procedures
- Program Management
- Coordinate with Military Services
- Coordinate with US Treasury
- Coordinate with OSD Comptroller, OSD Personnel and Readiness, and OSD Acquisition and Sustainment
- Liaison with Industry
Key Role: **Military Service Liaison Officers**

- **Stateside Senior Representatives**
  - Provide oversight for programs
  - Liaison with industry
  - Coordinate requirements for financial services on installations

**USA**: CPT Jennifer Evans (317) 212-2664  
[jennifer.c.evans.mil@mail.mil](mailto:jennifer.c.evans.mil@mail.mil)

**USAF**: Mr. Robert Burke (240) 612-5593  
[robert.w.burke34.civ@us.af.mil](mailto:robert.w.burke34.civ@us.af.mil)

**USN**: Mr. Dean Hunstad (202) 685-0360  
[dean.hunstad@navy.mil](mailto:dean.hunstad@navy.mil)

**USMC**: Mr. Dave Fuqua (703) 432-9813  
[david.fuqua@usmc.mil](mailto:david.fuqua@usmc.mil)
Key Role: Installation Commander

- FMR, Volume 12, Chapter 33, Paragraph 330207
  - Decide financial services needed on installation
  - Designate installation Liaison Officer (LO)
  - Must only seek financial services from on-base financial institutions
  - Provide office space and logistical support in accordance with the FMR
  - Invite on-base financial institutions to participate in newcomer briefings and financial education seminars
Key Role: Installation Liaison Officer (LO)

- FMR, Volume 12, Chapter 33, Paragraph 330408
  - Vital link between installation commander and financial institutions
  - Ensure that lease and operating agreements are current
  - Assist in resolving complaints and monitors on-base financial services
  - Keep FIs informed of pending developments impacting services
  - Renegotiate the financial services offered and related service charges and fees as necessary
  - Coordinate with local MWR and Financial Education organizations

The LO Name and Duty Telephone Number Is to Be Displayed at Each Financial Institution Office on the Installation
Key Role: Installation Financial Institution

- Comply with Applicable Laws, Regulations, Policies, and Procedures
- Provide Like Products and Services as Available in the Local Area
- Maintain Liaison with Installation Commander, Base Leadership, and Installation LO
- Ensure Adequate Staffing
- Coordinate Leasing/Operating Agreements with Installation LO
- Ensure Financial Education Materials Submitted for Review
Overview of Operations

Office of Undersecretary of Defense:
Comptroller, Personnel and Readiness, Acquisition and Sustainment

Federal Agencies:
U.S. Treasury, Federal Reserve Banks, Department of State

DoD Banking and Credit Union Programs
Defense Finance and Accounting Service

Military Service LOs
Installation
On-Installation Financial Institutions

Overseas Military Banking Program
Contracted Commercial US Financial Institution

Off-Installation Financial Institutions
Financial Institution Trade Associations
Overseas Credit Unions

Community Bank
Operated by Bank of America Member FDIC
OVERSEAS MILITARY BANKING PROGRAM

CREDIT UNIONS
Authority to Operate Overseas

- Status of Forces Agreements

- Other International Agreements

Operate in Accordance with:

- US Law
- Applicable Host Country Law
- Applicable Local Law
- Applicable US Military Regulations
- Contract (Overseas Military Banking Program)
- Geographical Franchise (Credit Unions)
Overseas Military Banking Program

- Cost Plus Fixed Fee Contract Awarded April 2013
  - 10 year duration (5 year base plus 5 single year options)

- Military Services:
  - Determine operating locations and pay for operations
  - Provide facilities and logistical support at no cost
  - Coordinate products and services made available
  - Coordinate on fee structure

- DFAS Conducts Procurement and Program Management Activities

- Commercial Financial Institution:
  - Furnishes Personnel
  - Operates
    - In accordance with DoD contract
    - In accordance with applicable US law and host country law
    - Under trade name “Community Bank”
OMBP Brick and Mortar Locations

### Banks and ATMs by Service Branch

<table>
<thead>
<tr>
<th>Service Branch</th>
<th>Banks</th>
<th>ATMs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Army</td>
<td>31</td>
<td>125</td>
</tr>
<tr>
<td>Navy</td>
<td>9</td>
<td>39</td>
</tr>
<tr>
<td>Air Force</td>
<td>16</td>
<td>82</td>
</tr>
<tr>
<td>Marine Corps</td>
<td>6</td>
<td>27</td>
</tr>
</tbody>
</table>

#### 62 Banking Facilities
- **273 ATMs**

#### World Map
- **CUBA**
  - 1 PT Bank
  - 6 ATMs
- **UNITED KINGDOM**
  - 6 FT Banks
  - 20 ATMs
- **GERMANY**
  - 19 FT Banks
  - 2 PT Banks
  - 77 ATMs
- **ITALY**
  - 7 FT Banks
  - 24 ATMs
- **SOUTH KOREA**
  - 10 FT Banks
  - 55 ATMs
- **JAPAN**
  - 7 FT Banks
  - 45 ATMs
- **OKINAWA**
  - 7 FT Banks
  - 34 ATMs
- **DIEGO GARCIA**
  - 1 FT Bank
  - 2 ATMs
- **NETHERLANDS**
  - 1 FT Bank
  - 4 ATMs
- **HONDURAS**
  - 2 ATMs
- **KWAJALEIN**
  - 1 FT Bank
  - 4 ATMs

#### April 2018 to March 2019 Banking Facility Transactions:
- **Army**: 487,156
- **Navy**: 144,651
- **Air Force**: 369,893
- **Marine Corps**: 95,222

(As of May 2019)
The Big Three:

- **Enabling the DoD Mission Abroad**
  
- **Supporting the Exported U.S. Dollar Economy at DoD OCONUS Locations**
  
- **Providing Retail Banking Products and Services for Individuals**
DoD Operations/Disbursing Office Financial Needs

- Deposits for credit to U.S. Treasury
- Provides U.S. and local currency needs, to include Limited Depository Accounts
  - When permitted by host country
    - Provides host country currency checking account services
    - Provides third-country currency limited deposit accounts
- Effects EFTs or other bank transfers in U.S., host country, and third-country currencies
- Downrange and other funding missions
- Non-brick and mortar locations also supported
Organizations (DoD Education Activity, NAFIs, Private Orgs, Others)

- U.S. Dollar Checking and Interest Bearing Accounts
- Local Currency Checking Account
- U.S. Dollar Savings Account
- U.S. Currency
- Local Currency
- Certificates of Deposit
- Night Depositories
- EFTs and Other Bank Transfers in U.S., Local, and Third-Country Currencies
Strategic Focus on Financial Needs While Serving Overseas

- Service Members/DoD civilians and families
- Others as approved (NATO, retirees, DoD contractors, host nation U.S. employees)
- Around 750K monthly ATM transactions
- Approximately 80,000 deposit accounts
- Approximately 700 employees

24/7 LOCAL CURRENCY AND U.S. DOLLARS

MAKE EURO BILL PAYMENTS FROM YOUR PHONE

Our Community Bank mobile banking app offers Euro Bill Pay. Please visit the Apple App Store or Google Play to download your app today.

PAY LOCAL BILLS EASIER

Tools to pay overseas bills quickly and efficiently
Lifestage Financial Readiness

From deployment to retirement, and the many stages in between, we can help smooth the transitions with our Lifestages program. Visit our website where you’ll find seven categories of life changing events, as well as relevant information and a handy toolkit for addressing the respective opportunities and challenges of each.

At Community Bank, we’re proud to be part of the military communities we serve, and we understand the unique financial needs of Service members and their families stationed overseas. Our goal is to deliver a banking experience that is helpful to you while you serve your country overseas.

We’re here to help. For support or more information on how Community Bank can assist with your overseas banking needs, visit your local Banking Center, DoDCommunityBank.com, or call the customer service numbers below:

**Contact Customer Service**

Monday-Friday 0800 to 1800 CST, holiday hours may vary
24/7 Debit and ATM card assistance

**Toll Free:**
00-800-2266-3279 (Europe)
1-800-239-9427 (US and all other locations)

**DSN:**
(314) 546-1802

**Contact Banking Centers**
Information available on
www.dodcommunitybank.com/home/locations

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**Community Bank**

Operated by

Bank of America

DoDCommunityBank.com

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**About Us**

Community Bank is provided by the Military Services through a contract between a U.S. commercial financial institution and the Department of Defense. Currently, the contractor is Bank of America, N.A. The Defense Finance and Accounting Service, in coordination with the Military Services banking representatives, is responsible for oversight of Community Bank.

**How Community Bank Can Help**

Even if you have a current banking relationship, Community Bank offers services to support the unique banking needs of U.S. Service Members, other Department of Defense personnel, and their families stationed overseas. Community Bank offers traditional banking services and country-specific banking services to help make banking easier while you serve overseas.

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**Provided by the Military Services Exclusively for You**

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6/3/2019

Integrity - Service - Innovation
You’ve just arrived in country and there’s so much to figure out. Community Bank can help meet your banking needs quickly and easily.

**Addressing Your Immediate Needs**

**Easy Access to U.S. Dollars and Local Currency**

Our 24/7 ATMs allow you to:
- Withdraw U.S. dollars and local currency
- Verify Checking and Savings Account balances before you withdraw money

You do not have to be a Community Bank account holder, most ATM debit cards are accepted, and there is no International Service Fee.

Our Banking Center service offers:
- Incoming and Outgoing Wire Transfers
- Exchange services for local currency and U.S. Dollars

For exact locations of Banking Centers and ATMs, as well as exchange rates, visit www.DodCommunityBank.com.

**Addressing Your Ongoing Needs**

**Make Local and Stateside Payments with Ease**

Our friendly associates know what information is needed to make local payments and can help recommend payment options right for you with no hidden fees and no account required for some forms of payments.
- Pay Online or in Banking Centers
- Set up automatic, recurring payments—a convenient way to pay when a payment amount is known
- Make one-time payments—for bills where amounts vary or if there will only be a single payment
- Pay in local currency by check or cash

**Get Competitive Rates on a Variety of Loans**

On-site loans, on-site help. We can help you select the appropriate loan and work with you to borrow smart and build credit.
- Competitive rates on vehicle, motorcycle, unsecured, and debt consolidation loans
- Discounted loan rates are available
- On-site or Online Loan Application provides results in minutes
- No early payoff fees
- Pre-quality before you shop

**Products and Services Designed for Your Overseas Banking Needs**

We understand the overseas military lifestyle and the banking challenges you may face getting established at your new station. Community Bank provides you with in-person service at our Banking Centers, access to a vast ATM network, and banking at your convenience 24/7 through online and mobile banking. Let us help you address your immediate banking needs first, followed by a more comprehensive solution for managing your money, and having access to it, whenever you are and whenever you need it.

**Email Account Alerts Provide Added Protection**

No matter where you are, our account information alerts keep you informed of account changes and transactions, providing an added layer of protection and making it easy to stay up to date on your finances. Customize your protection with any of our alerts.

**Easy Solutions for Managing Your Money**

- Online and Mobile Banking
- Person to Person Payments
- Internal and External Account Transfers
- Chip-enabled Debit Cards
- Certificates of Deposit
- Bank by Phone
### OMBP – Providing Retail Banking for Individuals

**Since April 1, 2013:**

New ATMs and Lifecycle Replacements: 168

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**Apr 2018 – Mar 2019: # of ATM Transactions by Military Service**

<table>
<thead>
<tr>
<th>Military Service</th>
<th>Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Army</td>
<td>3,612,799</td>
</tr>
<tr>
<td>Navy</td>
<td>1,406,231</td>
</tr>
<tr>
<td>Air Force</td>
<td>2,970,514</td>
</tr>
<tr>
<td>Marine Corps</td>
<td>931,228</td>
</tr>
</tbody>
</table>

6/3/2019
OMBP Facilities

Hainerberg, Germany

USAG Humphreys, South Korea

Wiesbaden, Germany
OMBP Facilities
Credit Unions on OCONUS Installations

- Decision to Provide Services Overseas Rests with the Credit Union
- Operate Under Geographic Franchise
- Serve Their Members and the Community
- Provide Financial Education

- Diego Garcia
- Germany
- Greece
- Guam
- Guantanamo Bay
- Italy
- Japan
- The Netherlands
- Okinawa
- Portugal
- Puerto Rico
- Singapore
- South Korea
- Spain
- Turkey
- United Kingdom
Community Support and Involvement

- Important and Valued Member of the Community
- Command Sponsored Events
  - Welcome Briefings
  - Special Days/Campaigns
  - Schools
OMBP Community Support and Involvement

Total Events By Market – 2,171
1 April 2018 – 31 March 2019

Europe: 500
Japan: 422
Korea: 1249

Korea | Japan/Okinawa | Europe
---|---|---
Europe | Japan | Korea

1200
1000
800
600
400
200
0

Base Sponsored/Other | Financial Education-Adult | Information Table | Newcomer Briefing | Job/Career Fair | Award Ceremony

6/3/2019
Resources

- CFR Title 32, Part 230 – Financial Institutions on DoD Installations
  [http://www.ecfr.gov/cgi-bin/text-idx?rgn=div5&node=32:2.1.1.1.29](http://www.ecfr.gov/cgi-bin/text-idx?rgn=div5&node=32:2.1.1.1.29)

- CFR Title 32, Part 231 – Procedures Governing Banks, Credit Unions and other Financial Institutions on DoD Installations

- DoD Instruction 1000.11 – Financial Institutions on DoD Installations

- DoD FMR, Volume 12, Chapter 33 – Procedures Governing Banks, Credit Unions and other Financial Institutions on DoD Installations
Recap: General Policy

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  - The Office of the Inspector General of the Department of Defense
  - The Defense Agencies
  - The DoD Field Activities
  - All non-appropriated fund instrumentalities, including the Military Exchange Services and morale, welfare, and recreation activities
  - All other organizational entities within the Department of Defense
Questions About This Material, Other Questions About Financial Institution Operations on DoD Installations, or Requests for Financial Institutions on DoD Installations 101 Training May Be Sent To:

✓ william.e.hawbecker.civ@mail.mil