



DEPARTMENT OF THE NAVY
UNITED STATES NAVAL ACADEMY
121 BLAKE ROAD
ANNAPOLIS MARYLAND 21402-1300

USNAINST 7200.2A
4/DepFin

APR 15 2010

USNA INSTRUCTION 7200.2A

From: Superintendent

Subj: PAYMENT OF HONORARIA AND TRAVEL EXPENSES FOR INVITED NON-GOVERNMENT GUESTS

Ref: (a) USNAINST 5721.2A
(b) DOD Financial Management Regulation Volume 10, Chapter 12
(c) Joint Travel Regulations

1. Purpose. To provide policy guidance and procedures for payment of honorarium fees and reimbursement for travel expenses to invited non-government guest speakers, lecturers, panelists and working groups in support of approved programs and the furtherance of the U.S. Naval Academy's (USNA) mission. Reference (a) provides the Superintendent's policy on inviting guest speakers.

2. Cancellation. USNAINST 7200.2. This is a complete revision and should be reviewed in its entirety; no special markings appear in the margins because changes are extensive.

3. Background. Per reference (a), the appearance of guest speakers at USNA is important in the performance of our mission to educate midshipmen. The identification of speakers who can make the greatest contribution to the educational process is the responsibility of individual members of the faculty and staff within their respective areas of expertise.

4. Scope. Payment to a company or individual to serve on a committee or perform an advisory/consulting service is not covered within this instruction. These services must be executed as a contract through the Fleet Industrial Supply Center (FISC).

5. Policy. USNA may offer an honoraria payment in recognition of services rendered and/or reimburse for travel expenses to invited non-government guests.

a. Honorarium – a payment in recognition of service rendered by an individual. Honoraria are intended for one-time events only. Honoraria for multiple-day events should be used only in exceptional circumstances and generally should be accomplished through a technical service contract. Honoraria will be processed using the Honorarium Request/Certification Form, and the Public Voucher for Purchase and Services other than Personal (SF 1034). These forms can be obtained from the USNA Comptroller Department web site at <http://intranet.usna.edu/Comptroller/finance.htm>.

(1) Per reference (b), payments for honoraria or guest speaker fees will not exceed \$2,000. Honoraria greater than \$2,000 will require a waiver from the DoD Financial Management Regulations. Requests must be forwarded to the Comptroller for submission to Chief of Naval Personnel. Requests should be submitted to provide sufficient time for a response and formal offer of speaking engagement.

(2) The tax withholding requirements are different for non-U.S. citizens and therefore it is essential to establish residency status before processing honoraria requests. Non-U.S. citizens are classified by the Internal Revenue Service (IRS) as either resident or nonresident aliens for Federal Income Tax purposes. A Foreign National Information Form must be completed and submitted along with the

APR 15 2010

honoraria request. This form and additional guidance on how to complete the form is available on the USNA Comptroller web site at <http://intranet.usna.edu/Comptroller/finance.htm>.

(3) The following provides the approval authority by amount and authorizing officials:

<u>Amount</u>	<u>Authorizing Official</u>
\$1 - \$250	Department Chairs
\$251 - \$500	Division Chairs
\$501 - \$1,000	Cost Center Head
\$1,001 - \$2,000	Superintendent

(4) Individuals will receive IRS Form 1099-MISC (U.S. Citizens Miscellaneous Income) or IRS Form 1042-S (Foreign Person's U.S. Source Income Subject to Withholding) based on IRS guidelines.

b. Travel. As appropriate, process Invitational Travel Orders (ITO) in the Defense Travel System (DTS) per reference (c).

c. Funding. Appropriations available for payment of honorarium and travel expenses are Operation and Maintenance, Navy in accordance with the necessary expense doctrine and Gift and Museum Funds.

6. Action

a. Cost Center Personnel

(1) Ensure requests for guest speakers are **approved in advance** of invitation per reference (a).

(2) Ensure requests are approved by proper authority level and Financial Managers provide authorization of funding.

(3) Submit approved requests to the Comptroller at least one week prior to the date the service is to be performed. Ensure required documentation is provided with request for non-U. S. citizens.

(4) Process invitational travel orders for approved requests in the DTS at least two weeks prior to travel.

(5) Notify the Comptroller immediately of cancelled events to avoid erroneous payment.

b. Comptroller

(1) Process honoraria requests and provide assistance in use of appropriate funding sources.

(2) Submit waiver requests for honoraria requests greater than \$2,000.

(3) Maintain Comptroller website providing additional information and forms.

c. Disbursing Office. Process honoraria payments per Defense Finance and Accounting Service (DFAS) and IRS regulations.

/S/
J. L. FOWLER

Distribution:
All Non Mids (electronically)