



DEPARTMENT OF THE NAVY  
COMMANDANT OF MIDSHIPMEN  
UNITED STATES NAVAL ACADEMY  
101 BUCHANAN ROAD  
ANNAPOLIS, MARYLAND 21402-5100

COMDTMIDNINST 7041.1C

09 MAR 2005

COMDTMIDN INSTRUCTION 7041.1C

Subj: ORGANIZATION AND FINANCIAL PROCEDURES FOR MIDSHIPMEN  
WELFARE FUND SUPPORTED ACTIVITIES

Ref: (a) COMDTMIDNINST 1500.1K  
(b) USNAINST 5200.5  
(c) SECNAVINST 5370.2J

Encl: (1) Organization and Duties of the Midshipmen Welfare Fund  
(2) Purchase Order Approval Form  
(3) Midshipmen Welfare Fund Procurement Authorization Form  
(4) Approval Authority for all Welfare Fund Activities  
(5) Bid Comparison  
(6) Organization Accounting Sheet  
(7) Midshipmen Welfare Fund Budget Request Form  
(8) Yearly Financial Statement

1. Purpose. To promulgate the proper handling and utilization of midshipmen welfare funds.

2. Cancellation. COMDTMIDNINST 7041.1B. This instruction has been revised in its entirety.

3. Background. Eligible Extra Curricular Activities (ECAs), Brigade Support Activities (BSAs) and Club Sports will submit a budget request for financial assistance from the Midshipmen Welfare Fund (MWF organization and duties are found at enclosure (1)). The annual budget will be approved each May by the Superintendent, via the Deputy for Finance and Administration and the Commandant of Midshipmen, for the following fiscal year (MWF fiscal year being from 01 July to 30 June). The annual budget will set forth the funds allocated to individual ECA, BSA and Club Sport accounts for the ensuing academic year.

4. Information

a. Budget Accounts. These accounts are funded by an annual budget amount which comes from the Superintendent. Budget requests are submitted each March to the Midshipmen Activities Officer, Club Sports Director or the MWF Manager. Once budgets are approved funds will be placed in Budget Accounts for the respective ECA/BSA/Club Sport.

b. Reserve Accounts. An MWF supported activity is encouraged to supplement Budget Accounts with contributions from club members. Fundraising is authorized ONLY with prior

09 MAR 2005

Superintendent written approval. These funds will be placed in a Reserve Account and will be maintained separately from the activity's Budget Account by the MWF (If approved by the Officer Representative). Financial obligations not covered or budgeted in the budget request may be paid with funds held in the Reserve Account. Reserve accounts are non-Budget Accounts that remain with the organization from year to year. These accounts are derived from one of the following methods: (1) Self-supporting ECA profits, such as those earned by the Glee Club Musical, Masqueraders, and Lucky Bag; (2) Personal donations from members within an ECA/BSA/Club Sport, such as club dues; or (3) Donations from outside sources for a particular cause, such as Wardroom accounts (either dues collected for the wardroom or funds donated by class sponsors) and class organizations. Procurement using money from either type of account will be made following the procurement authorization rules discussed in paragraph 4.c. (3), (4) and (5).

c. Company Wardroom Accounts

(1) Although not recognized as an ECA herein, in addition to reference (a), company wardrooms are directed to comply with all applicable instructions regarding ECAs. The MWF Manager will maintain financial management of Reserve Accounts for each wardroom. Company Wardrooms must maintain their accounts through the MWF using Company Wardroom Binders. Wardroom dues collected must be turned into the MWF office in a timely manner (1-2 business days). If wardroom representative does not comply with this rule, Company Officer and Battalion Officer will be informed via e-mail of wardroom representative delinquency. At that time the accounts will be frozen until the error has been explained in writing. Accounts with other financial institutions are not authorized. Company Officers are charged with the responsibility of administering the company wardroom organization.

(2) Each wardroom will have two separate accounts, a general fund which is derived from collection of wardroom dues and fund raising efforts and a sponsor fund which is derived from donations from class sponsors. The general fund is to be used for daily operation of the wardroom (i.e. food messes, movie rentals, tail gate parties, etc.). The sponsor fund will be used for upkeep and maintenance of the wardroom and mate's area within the company area.

d. Disbursements. Disbursement from Budget or Reserve Accounts will be made by the MWF after receipt of a properly completed Purchase Order Approval Form (enclosure (2)). Only two midshipmen from a particular activity will be authorized to sign

09 MAR 2005

Purchase Order Approval Forms. In order to do so a Midshipmen Welfare Fund Procurement Authorization for Midshipmen (enclosure (3)) must be completed.

(1) Reallocation of funds. Activities may only use their allotted MWF Budget monies to purchase those items approved in their returned budget requests. Reallocation of funds must be submitted in writing and approved by the Commandant Supply Officer.

(2) Authorization Procedures. The authorization procedure for approving expenditures is delineated in the table found in enclosure (4). This table applies to both Budget and Reserve Account expenditures and must be followed by ALL MWF activities. Every procurement will be made by the use of a purchase order originating from the MWF Office. A procurement will not be split to avoid the limitations set forth in enclosure (4). Additionally, procurement will be consolidated to maximize cost effectiveness. Expenditures made for the purpose of tailgate events are considered one event, and any in excess of \$250 must be approved by the Company Officer. Any Tailgate event that involves alcohol must be approved by the Deputy Commandant via the Company Officer and ADEO.

(3) Procurement Requiring Competition. All procurement over \$1,000 requires competition. Obtaining a minimum of three bids is required. The MWF Bid Comparison Form, enclosure (5), will be used to document all bids written or verbal. Verbal bids must include the name of the point of contact and telephone number. The completed bid comparison form must be forwarded to the MWF Manager prior to any orders being placed. If orders are placed prior to the bid comparison sheets receiving the proper level of approval, the buyer is making an unauthorized procurement commitment and can either be held personally liable or merchandise may have to be returned. Activity Officer Representatives (Company Officers for wardroom fund purchases) must retain a copy of each completed bid comparison form for three years for review by the Command Evaluation Office during audits as required by reference (b).

(a) Any purchase over \$1,000 must be competitively bid and have an approved MWF Bid Comparison Form attached to the approval form. Orders may not be split to avoid competition.

09 MAR 2005

(b) All purchases over \$1,000 must have the appropriate officer's signature at the required approval level prior to committing any funds.

(c) All orders (commitment for procurement) other than reimbursements for items within the scope of your authority and food for tailgate parties or wardroom messes must be placed from the MWF office by MWF personnel.

(4) Sole Source Procurement. All sole source procurement above \$1,000 must be documented on bid comparison forms with justification. Reasons explaining why the purchase had only one source must be stated. Additionally, companies contacted in attempts to find competition must be listed. All sole source procurement greater than \$25,000 must be approved by the Commandant of Midshipmen.

(5) Recurrent Bids. Purchase or contract will be opened for bid per the following procedures:

(a) Each activity's presiding midshipman shall designate member midshipmen to review (by appointment) with the MWF Manager all documents and bid specifications pertaining to the upcoming bid. The MWF Manager will make any changes and then forward the draft copy to the Officer Representative. The Officer Representative will review the draft copy and return it to the MWF Manager for final typing and mailing of the bid. A tickler file for the due dates will be maintained by the MWF Manager.

(b) Bids will be received in double envelopes. The outer envelope will be addressed to the MWF Manager; the inner envelope will contain the bid and will be sealed. This inner envelope will be clearly marked on the outside with the name of the article for which the bid is being submitted (i.e., "Bid for Ring Dance Glasses").

(c) The Officer Representative will appoint a committee of at least three midshipmen normally from among the activity's midshipmen officers to be present at the bid opening and to vote on the bids. All bids will be opened at a single meeting, in the office of the MWF Manager, or other designated area with the Officer Representative present as advisor. (The one exception is the Class Ring Bid, which is opened with the MWF Manager and representatives from the bidding ring companies present). After a reasonable time for discussion and

09 MAR 2005

Consideration, the Committee will vote on the bids and indicate their vote by a show of hands. Any bid that may require additional time for presentations (i.e. Lucky Bag publishing and photography contracts) should be arranged so that either the MWF Manager or Commandant's Supply Officer can be present at the meeting. The justification and the bids will be forwarded to the Operations Officer (or Commandant of Midshipmen if over \$25,000) for final approval (via the Officer Representative and the MWF Manager).

(d) In order to avoid the charge of favoritism or undue influence by the bidders or from any source, the terms submitted by each bidder shall be held as confidential until the final vote has been referred to and approved in writing by the Commandant of Midshipmen.

(e) The sheet carrying the final vote shall contain a paragraph stating that the award was made on the merits of the bids as submitted and that there are no written or supplementary conditions as part of the bids.

(f) It is not compulsory to select the lowest bidder, but it is to be distinctly understood that the award is to be made on the written bids as submitted.

(g) The Award Form will be utilized to make the award to the firm selected. This form will be completed by the MWF Manager and then forwarded to those persons whose signatures are required for final approval. When the Award Form is returned to the MWF office it will be mailed along with a letter of congratulations to the successful bidder. The unsuccessful bidders will also be notified in writing of the results. Acceptance and Regret letters will be sent out via mail by the MWF. Under no circumstances should any contact between the midshipmen and bidders involved in the bidding process be made until after the contract is awarded. Refer any questions from the bidders to the MWF Manager.

e. Petty Cash Fund. No ECA/BSA/Club Sport is authorized to have petty cash funds.

f. End of Year. Funds remaining in Budget Accounts after 30 June will be returned to the MWF. Balances held in Reserve Accounts will be carried forward to the next academic year.

09 MAR 2005

g. Internal Reviews. All ECAs/BSAs/Club Sports/Company Wardrooms will maintain separate accounting sheets (enclosure (6)) for their Budget and Reserve accounts. All ECAs/BSAs/Club Sports/Company Wardrooms will report to the MWF Office during the third full week of each month with their accounting sheets/binders to verify balances and confirm all paperwork is in order. Each organization must have the pink copies of purchase orders from checks written and all deposit receipts secured in binders. MWF personnel will randomly review ledgers during this time. Any account not in agreement with MWF records will be reviewed for accuracy and any additional required training will be conducted. ECAs/BSAs/Club Sports/Company Wardrooms that fail to maintain proper records will cease operations pending an inquiry by the MWF Manager and Commandant's Supply Officer. Failure to have accounting sheets/binders verified on a monthly basis will result in accounts for a particular activity being frozen and possible disestablishment of the activity.

h. Requests for Unbudgeted Funds

(1) If a Brigade need arises for which no funds have been budgeted, and for which it would be appropriate to use MWF funds, a USNA Request for Unbudgeted Midshipmen Welfare Funds (enclosure (7)) **must** be completed before any unbudgeted expenditures of the MWF will be approved.

(2) The Commandant's Supply Officer is the final approving authority for expenditures. Some examples of typical Unbudgeted Fund expenditures are:

(a) Funding ECAs or BSAs that are newly formed.

(b) Funding budget requests not submitted for consideration prior to the annual budget being approved.

(c) Funding expenses in support of national competitions.

(d) Funding the transportation of midshipmen to support official Naval Academy events.

i. Emergency Loans

(1) The Officer-of-the-Watch in Bancroft Hall has a \$600 emergency loan fund in their custody. These funds belong to the MWF and are to be used only to assist midshipmen going on

09 MAR 2005

emergency leave. When these funds are lent to a midshipman, the OOW must contact the MWF Manager by 1530 the following work day to replenish the fund.

(2) To borrow a portion of these funds, a midshipman must complete a Loan Contract Card (USNA-BBA-7220/164) provided by the OOW. These cards are located in the Main Office of Bancroft Hall. The completed card must be delivered to the MWF Manager no later than 1530 the following workday (The MWF Manager will make every effort to replenish the fund within the same day).

(3) Per Midshipmen Regulations emergency loans are to be repaid as specified on the loan card. If, due to unusual circumstances, a midshipman cannot repay the loan within the 30 days, the MWF Manager can arrange a repayment schedule. It is the midshipman's responsibility to contact the MWF Manager and make arrangements to repay the loan.

j. **Brigade Benefits Program**

(1) The Brigade Benefits Program is established to provide a means whereby every midshipman has the potential to benefit from the MWF without being a member of a specific ECA/BSA/Club Sport. The primary purpose of the program is to provide discounted tickets to area attractions and movie theaters. The funds may also be used in support of projects and promotions proposed by the Brigade as long as each member of the Brigade has the potential of taking advantage of the program.

(2) Tickets will be sold to Midshipmen **only** and at specified times. Midshipmen will be notified in advance, whenever possible, of any changes to the schedule.

(3) Since tickets are sold below cost (25% of the consignment price) the MWF Manager reserves the right to limit the number of tickets sold to any individual. Movie tickets will be limited to the purchase of two per week per midshipman.

(4) **All ticket sales are final.**

5. Procedures

a. **Budget Requests**

(1) **Who submits.** Any ECA (excluding religious or self-supporting ECAs), BSA, Club Sport and those activities receiving

09 MAR 2005

financial support from the MWF (such as training programs, Operations, etc.). Any other activity desiring financial assistance from the MWF will be considered on a case-by-case basis.

(2) **When.** MWF budget requests (three copies per request) will be submitted to the Midshipmen Activities Officer, Club Sports Director or MWF Manager by the first Friday in March, but in no case later than the Friday prior to the commencement of Spring Leave.

(3) **Format.** Requests will be submitted in memorandum format (enclosure (7)) in the order of priority. Also attached to the request should be a page with the Annual Expenses outlined followed by the Recurring Expenses outlined in detail and a current inventory.

(4) **Specific Instructions**

(a) Budget requests will specify the purpose for which funds are to be allocated. Justification must be specific and must be written as if it is being submitted to a committee that is not familiar with the activity, its purpose, how the items are used, for what the items are used, how often they are used, and their degree of importance to the activity.

(b) In compiling the budget request, if the club would have the opportunity to compete in a national competition, a separate line item should be noted but not added into the final total of the request. REQUESTS FOR NATIONAL COMPETITIONS WILL BE ACCOUNTED FOR IN A SEPARATE LINE ITEM OF THE OVERALL MWF BUDGET AND A SPECIFIC FORM WILL BE UTILIZED TO ACCESS THESE FUNDS. REQUESTS WILL BE HANDLED ON A CASE-BY-CASE AND AVAILABILITY OF FUNDS BASIS (Forms may be obtained in the MWF Office.).

(c) Approval for requests for parties, banquets and alcoholic beverages must be obtained from the Commandant of Midshipmen.

(d) Transportation requests should include travel (bus rental, van rental, gasoline reimbursement) plus reasonable lodging (based upon 3-4 person per room occupancy) costs only, not per diem. Any additional funding will be considered on a case-by-case basis.

(e) Any payment for coaches must be approved by the Commandant of Midshipmen. Coaching salaries will be disbursed

09 MAR 2005

via the Club Sports Director. Each Officer Representative must certify the coach information with the Club Sports Director prior to the beginning of the season or the coach will not be paid.

(f) Uniform items of any type are not normally paid for if they are to become the personal property of the midshipmen or are not transferable to other midshipmen.

(g) **ENDORSEMENT OF THE OFFICER REPRESENTATIVE ON THE BUDGET REQUEST IS REQUIRED.**

(h) Once budgets are approved, funds will be placed in Budgeted Accounts for the approved activities. Any changes to previously submitted budget requests will be considered for approval on a case-by-case basis.

(i) Copies of the approved budget and original requests will be returned to each MWF supported activity before the end of the academic year (whenever possible) and during Reform of the Brigade in August.

(j) Groups which provide a service to the Brigade of Midshipmen, or promote the public image of the Naval Academy, can expect a higher degree of support.

(k) The following matrix can be utilized when submitting a budget request:

EXPENSE CATEGORY	BSAs	CLUB	COMP ECAs	ECAs
TRAVEL	Y	Y	Y	Y (LIMIT 4)
LODGING (2 NIGHTS)	Y	Y	Y	N
FOOD	Y \$25.00/DAY	Y \$12.50/DAY	N	N
COACHING FEES	Y	Y	N	N
LEAGUE DUES	Y	Y	Y	N
ENTRY FEES	Y	Y	Y	N
EQUIPMENT	Y	Y	Y	N
UNIFORMS	Y	Y	N	N
GIFTS - GUEST SPKRS	Y	Y	Y	Y

b. **Receipt and Deposit Procedures.** All deposits and receipts must be entered on the Organization Accounting Sheet (enclosure (6)).

(1) Collecting Cash. If an activity receives cash or checks (whether from its members or from any other source), enter the date the funds were received, payee name, and amount

09 MAR 2005

received on enclosure (6). Each wardroom must have a list of the midshipmen in the company along with the dollar amount collected. Each ECA/Club Sport/BSA that collects dues must have a list of all members along with the dollar amount collected from each member.

(2) Depositing Cash. When the activity deposits these funds, the MWF Manager will complete a numbered receipt. After deposit, the activity treasurer must retain the MWF's receipt and the activity's list of midshipmen together for one academic year for audit purposes per reference (b). Deposits must be made in a timely manner (1-2 business days). If the treasurer/wardroom representative cannot get to MWF in a timely manner, the Officer Representative/Company Officer can designate another midshipman to courier the funds. If funds are not deposited within the 1-2 business days, the Officer Representative/Company Officer along with the Battalion Officer will be notified and the funds will be frozen until an explanation is received in writing.

(3) Timeliness of Deposits

(a) During normal working hours (0730-1600 weekdays). All monies received by the activity treasurer during normal working hours must be deposited with the MWF Manager within 1-2 business days of collection.

(b) During weekends, holidays, or after hours. The activity's treasurer must deposit all monies received after hours and on weekends or holidays to the MWF Manager within 1-2 business days.

c. **Disbursement Procedures.** All disbursements must be entered in the Organizational Accounting Sheets (enclosure (6)).

(1) Disbursements. A complete entry requires: the date of the purchase order, Company name/payee in the "description column", purchase order number or check number in the "reference column," and the amount of the sale in the "Debit" column.

(2) MAINTAIN A CURRENT BALANCE IN THE ORGANIZATIONAL ACCOUNTING SHEETS. During the third week of each month, Organizational Accounting Sheets. Enclosure (6) will be verified by the MWF Manager. Any ECA/BSA/Club Sport or Company Wardroom that is delinquent in having its balance verified will

09 MAR 2005

have a delinquency letter forwarded to the Midshipmen Activities Officer or Club Sports Officer for action. If an organization is delinquent for two months, the organization's funds will be frozen by the direction of the Operations Officer or Commandant Supply Officer. If the organization is delinquent for three months, a recommendation to terminate the activity will be forwarded to the Commandant of Midshipmen.

(3) Activities are not permitted to allow budget or reserve account balances to run into a deficit. Proper management of funds is paramount.

(4) At the time an order is to be placed, if the company will accept a purchase order, provide the following information using enclosure (2):

- name of your activity
- whether the funds are to come from the budget or the reserve account
- complete name and address of the business to include a point of contact and telephone/fax number
- quantity and description of the item
- amount per item (unit cost)
- total amount of the purchase

Activities are responsible for notifying MWF personnel when merchandise has been received and if there are any discrepancies with the invoice. Upon notification of receipt of merchandise, the MWF will forward payment to the company. A purchase order will never be given to a vendor without a stated dollar amount on the order. If the exact amount is unknown because of variable costs, such as shipping charges, note a "not to exceed" dollar value on the purchase order. **NOTE: The MWF is a tax exempt organization and the tax exempt number is printed on the purchase order.** The ECA/BSA/Club Sport/Company Wardroom must retain copies of purchase orders with their financial records for one calendar year. A tickler file will be used to track all outstanding purchase order information.

(5) For a business which does not accept purchase orders, complete the purchase order approval form and include the exact amount of the purchase. Upon receipt of the form, the MWF Accountant will make a check payable to the vendor. You must return the receipt for the purchase to the MWF Office within seven days of picking up the merchandise.

09 MAR 2005

(6) A purchase order approval form may be completed to reimburse an individual for making an authorized purchase for the activity. A receipt must accompany this form. A purchase by a midshipman is deemed authorized if the Officer Representative or Company Officer has given authorization for the treasurer to sign for procurement of \$250 or less as long as the purchase is within the scope of their authority or is part of approved line items in the budget. If the purchase exceeds the \$250 limit, the signature of the Company Officer/Officer Representative must be obtained within five business days of the purchase to be considered an "authorized purchase." If authorization is not received within the five days following the purchase, the MWF Manager reserves the right to NOT reimburse the midshipman. A written explanation must accompany the Purchase Order Approval form.

(7) A check may be made payable to an individual for an advance of funds (i.e. to purchase food for tailgate parties) by completing a purchase order approval form, signed by the appropriate person(s). A receipt must be returned in the amount of the check. If all monies have not been spent, the balance must be returned to the MWF Accountant. The total of the receipts and the cash must equal the amount of the check that was issued. Receipts must be turned in within seven days of the purchase. If receipts are not turned in within the prescribed time, notice will be sent to the Officer Representative/Company Officer regarding noncompliance with this instruction. If no receipt is turned in after contacting the Officer Representative/Company Officer, the MWF Manager will contact the Midshipmen Activities Officer or Club Sports Director. Individuals who fail to turn in the required receipts will be held accountable and responsible for return of these funds. In the case of funds in advance for tailgate expenditures - no funds for subsequent events will be advanced until all outstanding funds are reconciled.

d. Cash Deposits. All activities that are supported by, or whose funds are managed by, the MWF shall make all cash deposits with the MWF Manager. In the Manager's absences, deposits will be made with the MWF Accountant.

(1) All checks which are presented for deposit should be made payable to either "Midshipmen Welfare Fund" or the appropriate ECA/BSA/Club Sport. If the check is made payable to "Midshipmen Welfare Fund," list the appropriate account name on the check for the ECA/BSA/Club Sport.

09 MAR 2005

(2) RETURNED CHECK POLICY. Persons who have checks returned to the MWF for any reason will be charged a ten-dollar (\$10) fee per returned check. Any other charges imposed by the MWF's financial institution will also be passed on to the writer of the check. All charges will be made against the account to which the original deposit was posted.

e. Review of Financial Records. Reviews will be conducted by the Command Evaluation Office, USNA on a yearly basis per reference (b). The purpose of this review is to make sure sound accounting principles are practiced. All ECAs/BSAs/Club Sports and Company Wardrooms are required to complete a yearly financial statement (enclosure (9)) for their turnovers at the end of the academic year. All organizations must submit an end of year financial reports to the Midshipmen Activities Officer.

(1) Those organizations requiring reviews are:

Class Organizations (1/c, 2/c, 3/c, 4/c)  
Religious Organizations  
Glee Club Musical  
Lucky Bag  
Masqueraders  
Company Wardrooms

(2) All ECAs/BSAs/Club Sports/Company Wardrooms will adhere to the following procedures:

(a) Prepare a yearly financial statement (enclosure (9)) in duplicate. The yearly statement will be prepared by the Business Manager/Treasurer/Wardroom Representative and will be signed by both the incumbent and incoming midshipmen, stating that all records, funds, and accounts are in order and have been properly turned over. A copy of this financial statement should be retained with the organization's records.

(b) The Business Manager/Treasurer/Wardroom Representative and the Officer Representative or Company Officer will make all substantiating records available for review when advised of the review date. If the records requested are not turned in by the requested date, a letter will be sent to the Deputy Commandant of Midshipmen, via the Operations Officer, requesting assistance in obtaining the records.

09 MAR 2005

(3) The Command Evaluation Office will:

(a) Conduct reviews including (but not limited to): verification of Organizational Accounting Sheet, invoices, billings, special funds, expenditures, authorizations, end-of-the-year reports and any other pertinent records.

(b) Make recommendations for improvement of any deficiencies.

(c) Forward the review to the Superintendent with copies to the Deputy for Finance and Administration, Commandant of Midshipmen, Operations Officer, Supply Officer, Midshipmen Activities Officer/Club Sports Officer, MWF Manager and the Officer Representatives/Company Officer of the activities reviewed.

(4) The MWF Manager will maintain a master file of all reviews conducted.

(5) Turnover. When the Officer Representative/Company Officer or Business Manager/Treasurer is relieved of assigned duties, a review of the account will be conducted by the MWF Manager prior to turnover. If required, a written report of the review stating all findings will be made to the Deputy Commandant (via; (1) Midshipmen Activities Officer; and (2) Operations Officer.)

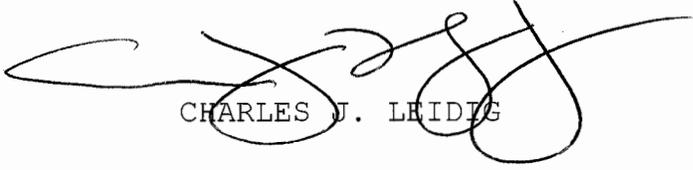
(6) Sales Transactions. All sales transactions involving cash sales of materials such as shirts, ball caps, shorts, yearbooks, calendars, etc., will have strict accountability maintained from initial receipt of material to conclusion of sales. As a minimum this should include: an initial inventory of all material; custody receipts for all transfers and sales of material; maintenance of a complete ledger of transactions; and a final inventory of all material. Utilization of the USNA Store is required for all Class sales.

6. Solicitation. In consonance with the spirit and intent of reference (c) which prescribes the Department of Defense Standards of Conduct, midshipmen will not solicit or accept any gift, gratuity, favor, entertainment, loan, or anything of monetary value for their personal use or for the use of their organization. Expenses incurred by an activity must be paid for by monies held in the MWF. Activities and expenditures are limited to those indicated by the annual budget as approved by the Commandant of Midshipmen.

09 MAR 2005

7. Lucky Bag and Ring Dance Refunds. Lucky Bag and Ring Dance Committee Business Managers will automatically provide a refund for the item or event indicated below to those midshipmen separated prior to December from the Naval Academy:

	<u>LUCKY BAG REFUND</u>	<u>RING DANCE REFUND</u>
4/C Year	Full Refund	N/A
3/C Year	Full Refund	N/A
2/C Year	½ Refund	Full Refund (1 <sup>st</sup> Semester) No Refund (2 <sup>nd</sup> Semester)
1/C Year	½ Refund (Prior to 01 Nov) None (01 Nov and after)	N/A N/A



CHARLES J. LEIDGE

Distribution:  
Electronically (C-1)

09 MAR 2005

**ORGANIZATION AND DUTIES OF THE MIDSHIPMEN WELFARE FUND**

1. Personnel

a. The Commandant of Midshipmen has final authority over the Midshipmen Welfare Fund (MWF) once the Academic Year budget has been approved by the Superintendent.

b. The MWF chain of command is depicted in the following chart.

Commandant of Midshipmen  
Deputy Commandant  
Operations/Supply Officer  
MWF Manager  
MWF Accountant

2. Duties of MWF Personnel

a. **MWF Accountant duties:**

- (1) Process purchase orders for all MWF activities.
- (2) Make all MWF disbursements by check for all MWF activities.
- (3) Prepare and produce monthly income statements.
- (4) Maintain MWF Organization Accounting Sheets.
- (5) Bring to the attention of the MWF Manager any account that is over-expended.
- (6) Close out all budgeted accounts at the fiscal years end (30 June) and place all unspent moneys temporarily into the MWF Contingency Fund Reserve Account.
- (7) Balance accounts payable and accounts receivable on a monthly basis.
- (8) Ensure that all expenditures using budget account money are made only for items listed in the approved annual budget.

Enclosure (1)

09 MAR 2005

(9) Conduct a monthly check of all MWF activities' Organization Accounting Sheets. This monthly check is conducted during the third full week of each month, unless promulgated otherwise by the MWF Manager. This check is mandatory for ALL MWF activities. If an activity fails to report to the Manager, the Midshipmen Activities Officer and Club Sports Director will be notified and will take action as required.

b. **MWF Manager duties:**

(1) Train and assist midshipmen in properly completing purchase order approval forms, bid comparison sheets, and Organization Accounting Sheets.

(2) Monitor emergency loan payments, ensuring that all loans are paid off in a timely manner and that no midshipmen graduates or separates before their loans are paid.

(3) Ensure that the combination to the CDO safe is changed quarterly.

(4) Organize and supervise the negotiation of all recurring MWF contracts.

(5) Receive all cash deposits for the Welfare Fund.

(6) Ensure that all expenditures using budget account money are made only for items listed in the approved annual budget.

(7) Ensure that no Welfare Fund account is over-expended.

(8) Prepare the Annual MWF Budget.

(9) Administer the MWF Budget.

(10) Sign purchase orders written on MWF accounts in the absence of the Commandant's Supply Officer.

(11) Sign purchase orders in the absence of an Officer Representative or Company Officer and other accounts for which there is direct oversight.

09 MAR 2005

(12) Oversee the use of the MWF Nationals Account. Specifically, provide input to the Commandant's Supply Officer on how the funds should be spent.

(13) Oversee and administer the Brigade Benefits Program. Specifically, to determine types and quantities of tickets to be purchased or consigned. To recommend programs to the Operations Officer that should be supported through this account. Provide MWF Ticket Coordinator with price of tickets (less 25% discount on price paid by MWF).

**c. Midshipmen Activities Officer duties:**

(1) Ensure the Welfare Fund is spent only to the best interests of the Brigade of Midshipmen.

(2) Hold general Welfare Fund information lectures for Officer Representatives and key ECA/BSA/Club Sport personnel at the beginning of each academic year and whenever required.

(3) Planning oversight of all ECA/BSA activities.

**d. Operations Officer duties:** Plan and execute oversight of the Midshipmen Welfare Fund Office.

**e. Commandant's Supply Officer**

(1) Sign checks on behalf of the MWF.

(2) Oversee the MWF budget process.

(3) Ensure the Welfare Fund is spent only to the best interests of the Brigade of Midshipmen.

(4) Supervise the use of the MWF Nationals Account.

(5) Supervise the Brigade Benefits Program. Specifically, to determine programs that should be supported through this account.

(6) Be cognizant over the amount of Superintendent funds available for the MWF use prior to the budget meetings held each spring.

09 MAR 2005

(7) Employee and financial oversight of the Midshipmen Welfare Fund Office.

3. Budget Approval Responsibility

a. Commandant Supply Officer, MWF Manager and MWF Accountant will meet to review budgets submitted by organization. The goal is to ensure the validity of the requests and verify that they follow the budget matrix outlined.

b. Budgets will be submitted to Commandant of Midshipmen for review and approval.

(1) Budgets will be submitted to Superintendent via Deputy for Finance and Administration for final review and approval.

(2) Funding will be distributed by USNA Comptroller office on a quarterly basis.

**PURCHASE ORDER APPROVAL FORM**

This form will be utilized when making ALL MWF procurements. Procurements over \$1,000.00 require competitive bids. Please attach **APPROVED** bid comparison or sole source documentation to this form. **ALL ITEMS ON THIS FORM MUST BE APPROVED BEFORE A PURCHASE ORDER WILL BE COMPLETED.**

ACTIVITY \_\_\_\_\_ DATE: \_\_\_\_\_

Purchase to be charged to  Budget  Reserve (check one)

Make Check Payable to: \_\_\_\_\_

Address: \_\_\_\_\_

What is being purchased: \_\_\_\_\_ Amount: \_\_\_\_\_

(USE BACK OF FORM IF NECESSARY)

Where are you going: \_\_\_\_\_

Dates of Movement Order and MO Number: \_\_\_\_\_

Why is this purchase necessary: \_\_\_\_\_

How are you traveling: \_\_\_\_\_

Dates for Van Rental: \_\_\_\_\_ pick-up time: \_\_\_\_\_ drop time: \_\_\_\_\_

\*\*\*\*\*  
MIDSHIPMAN APPROVAL (\$250.00): \_\_\_\_\_

OFFICER REP/COMPANY OFFICER APPROVAL (\$1,000.00): \_\_\_\_\_

OPERATIONS OFFICER APPROVAL (Above \$1,000): \_\_\_\_\_

SUPPLY OFFICER APPROVAL (Above \$1,000): \_\_\_\_\_

COMMANDANT OF MIDSHIPMEN APPROVAL (ABOVE \$25,000.00): \_\_\_\_\_

\*\*\*\*\*

**BELOW TO BE COMPLETED BY MWF PERSONNEL:**

**PURCHASE ORDER NUMBER:** \_\_\_\_\_ **CHECK NUMBER:** \_\_\_\_\_

G/L ACCOUNT

AMOUNT

G/L ACCOUNT

AMOUNT

G/L ACCOUNT	AMOUNT	G/L ACCOUNT	AMOUNT

RECEIPTS/INVOICE ATTACHED

BID COMPARISON ATTACHED

SIGN FOR RECEIPT OF CHECK:

\*\*\*\*\*

COMMENTS:

MIDSHIPMEN WELFARE FUND  
PROCUREMENT AUTHORIZATION AND  
AGREEMENT FORM

DATE \_\_\_\_\_

From: Officer Representative of \_\_\_\_\_  
(Activity Name)

To: Midshipmen Welfare Fund Accounting Technician

1. The following midshipmen (no more that two) are authorized to sign purchase order approval forms not to exceed \$250.00 for the procurement of items either approved in the club's budget or necessary to be purchased from a reserve/wardroom account.

2. This authorization is in effect from the date of this memo until \_\_\_\_\_  
\_\_\_\_\_ (date)

3. I understand that any purchase to be made in excess of \$1,000.00 must be competitively bid and approved by the Midshipmen Welfare Fund Manager/Operations Officer PRIOR TO making the purchase. Orders may not be split to avoid competition.

4. I understand that **ALL PURCHASE ORDERS** require receipts. Receipts will be attached to purchase order approval form for reimbursements and turned in within seven calendar days for funds that have been advanced.

5. I understand that all items to be imprinted must be approved by MWF Personnel prior to vendor obligation.

6. **All** orders (commitments for procurement), other than reimbursements for items within the scope of your authority (\$250) and food for tailgate parties or wardroom messes, must be placed **FROM THE MWF OFFICE BY MWF PERSONNEL.**

7. I understand that all alcohol purchases must have the signature of the Officer Representative or Company Officer (if company wardroom).

8. I understand that our organization is NOT allowed to do any form of fundraising or solicitation of funds.

9. By my signature below, I have read and agree to adhere to the above.

\_\_\_\_\_  
Officer Representative/Company Officer

\_\_\_\_\_  
Printed Name Ext.

(1) \_\_\_\_\_ / \_\_\_\_\_  
Midshipman's Name /Alpha Code Signature

(2) \_\_\_\_\_ / \_\_\_\_\_  
Midshipman's Name /Alpha Code Signature

**APPROVAL AUTHORITY FOR ALL WELFARE FUND  
ACTIVITIES**

Purchases from:	Purchases to and including	Must be Approved by:
\$0.00	\$250.00	Midshipmen authorized in writing by activity officer representative (Company Officer for wardroom fund purchases)
\$250.01	\$1,000.00	Above and/or activity officer representative (Company Officer for wardroom fund purchases)
\$1,000.01	\$25,000.00	Above + Operations Officer and Supply Officer
\$25,000.01	And above	Above + Commandant of Midshipmen

\* A Procurement Authorization and Agreement Form (enclosure (3)) which provides written authorization for midshipmen to approve purchases up to \$250. must be forwarded to the MWF Accountant before the midshipmen make any purchases. Other midshipmen will NOT be permitted to approve purchases.

BID COMPARISON

ECA: \_\_\_\_\_

DATE: \_\_\_\_\_

This form will be utilized when making procurements over \$1,000 (bids greater than \$5,000 should have more detailed information attached, if necessary). A **minimum of three (3)** competitive bids are required. (Bids may be obtained either verbally or in writing if under \$5,000). If this is a sole source please specify. (All sole sources must have justification and those over \$25,000 must be approved by the Commandant). The completed form MUST be forwarded to the MWF Manager in Bancroft Hall (Stop 3A) before a purchase order will be issued by the MWF Accountant. ALL ITEMS ON THIS FORM MUST BE APPROVED BEFORE THE CONTRACT CAN BE AWARDED. The Officer Representative must retain a copy of this form for his/her files.

BID ITEM (Description) \_\_\_\_\_

<u>FIRM</u>	<u>UNIT PRICE</u>	<u>QUANTITY</u>	<u>TOTAL PRICE</u>
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

**FIRM RECOMMENDED:** \_\_\_\_\_

If the lowest bid was not used, please justify: \_\_\_\_\_

\_\_\_\_\_

SOLE SOURCE JUSTIFICATION: \_\_\_\_\_

\_\_\_\_\_

MIDSHIPMEN MAKING RECOMMENDATION: \_\_\_\_\_

Signature

Date

OFFICER REPRESENTATIVE APPROVAL: \_\_\_\_\_

Signature

Date

Below To Be Completed By The MWF Manager

RECOMMEND: APPROVAL/DISAPPROVAL

REMARKS: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Approved/Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_  
Operations Officer Signature

Approved/Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_  
Supply Officer Signature



**BUDGET REQUEST FOR MWF ACTIVITIES**

DATE OF REQUEST:

**SUBJ: MIDSHIPMEN WELFARE FUND BUDGET REQUEST FOR ACADEMIC YEAR 2005/06**

NAME OF GROUP:

DESCRIPTION OF GROUP'S PURPOSE:

MIDN PRESIDENT:

MIDN TREASURER:

OFFICER REPRESENTATIVE:

**NUMBER OF MIDSHIPMEN ON CURRENT ROSTER AS OF THIS DATE:**

**ANNUAL EXPENSES:**

PLEASE PROVIDE THE ABOVE DETAIL FOR ALL ONE TIME EXPENSES TO INCLUDE LEAGUE DUES, GIFTS FOR GUEST SPEAKERS, COACHING FEES, UNIFORMS, EQUIPMENT AND OTHER ONE TIME COSTS YOU FEEL SHOULD BE INCLUDED IN YOUR BUDGET.

ITEM	QTY	UNIT COST	TOTAL COST	DESCRIPTION
------	-----	-----------	------------	-------------

**JUSTIFICATION:**

NOTE: PLEASE ENSURE THAT YOU INCLUDE A CURRENT COPY OF YOUR MWF PROCURED INVENTORIES FOR UNIFORMS AND EQUIPMENT TO INCLUDE ITEM NAME, QTY ON HAND, UNIT AND EXTENDED COST AT TIME OF PURCHASE AND A DESCRIPTION OF THE ITEM AND ITS CONDITION.

**RECURRING EXPENSES IN SUPPORT OF A MOVEMENT ORDER:**

DATE OF DEPARTURE:

DESTINATION:

PURPOSE OF TRIP:

DATE OF RETURN:

NUMBER OF MIDN TRAVELING:

NUMBER OF NON MIDN TRAVELING:

**TRANSPORTATION METHOD:**

PROVIDE DETAIL ON COST TO ATTEND EVENT TO INCLUDE POV GAS/TOLL REIMBURSEMENT, RENTAL VAN FEES, CONTRACT BUS FEES AND/OR AIRFARE AS NECESSARY. ALL TRANSPORTATION COSTS SHOULD BE DETAILED FOR EVERY STEP OF MOVEMENT ORDER.

**LODGING:**

PROVIDE SPECIFICS TO INCLUDE WHERE STAYING, COST PER ROOM AND NUMBER OF PERSONNEL IN EACH ROOM (LIMIT 4). MWF LIMITS LODGING EXPENSE TO MAXIMUM OF TWO NIGHTS, THIRD NIGHT IF APPROVED TO BE COVERED BY RESERVE ACCOUNT.

**FOOD COSTS:**

FOR BSA'S AND OREPS/FACULTY COACHES USE \$25.00 PER DAY FOR FOOD COST MEAL FOR MEAL (\$5.00 BREAKFAST, \$7.00 FOR LUNCH, AND \$13.00 FOR DINNER).

FOR CLUB SPORTS AND ECA'S USE \$12.50 PER DAY FOR FOOD COST MEAL FOR MEAL (\$2.50 BREAKFAST, \$3.50 FOR LUNCH, AND \$6.50 FOR DINNER).

NOTE: DAY TRIPS UTILIZE KING HALL BOX LUNCHESES, NO PER DIEM.

**ENTRY FEE IF APPLICABLE**

CONTACT LAURIE WELLS FOR AMPLIFYING DETAIL IF NECESSARY AT X3-3875.

ENCLOSURE (7)

YEARLY FINANCIAL STATEMENT

DATE: \_\_\_\_\_

From: (Treasurer or Business Manager)  
To: Midshipmen Activities Officer

Subj: Yearly Financial Statement of the ECA Name

CASH ACCOUNT FOR THE YEAR

<u>RECEIPTS</u>		<u>DISBURSEMENTS</u>	
<u>MONTH</u>	<u>TOTALS FOR MONTH</u>	<u>MONTH</u>	<u>TOTALS FOR MONTH</u>
July	_____	July	_____
August	_____	August	_____
September	_____	September	_____
October	_____	October	_____
November	_____	November	_____
December	_____	December	_____
January	_____	January	_____
February	_____	February	_____
March	_____	March	_____
April	_____	April	_____
May	_____	May	_____
June	_____	June	_____
<u>RECEIPTS</u>		<u>DISBURSEMENTS</u>	
<u>TOTAL YEAR</u>	_____	<u>TOTAL YEAR</u>	_____

Cash balance from last statement \_\_\_\_\_

Receipts for year \_\_\_\_\_

Less total disbursements \_\_\_\_\_

CASH BALANCE TO DATE \_\_\_\_\_

Remarks: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature and Rank: \_\_\_\_\_ Treasurer or Business Manager \_\_\_\_\_ Date: \_\_\_\_\_

Signature and Rank: \_\_\_\_\_ Officer Representative \_\_\_\_\_ Date: \_\_\_\_\_