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

USNAINST 7010.1A
Command Chaplain
2 Nov 2026

USNA INSTRUCTION 7010.1A

From: Superintendent, U.S. Naval Academy

Subj: RELIGIOUS OFFERING FUND

Ref: (a) SECNAVINST 7010.6C
(b) SECNAVINST 1730.7E

Encl: (1) Roles and Responsibilities
(2) Guidelines for Disbursements
(3) Custody, Control, and Security
(4) Accounting Procedures
(5) Budgeting
(6) Annual Spenddown Limits
(7) Receipts for Donors
(8) Annual Legal Review of Disbursements

1. Purpose. This instruction provides policy and procedural guidance for Religious Offering Funds (ROF) authorized by reference (a).

2. Cancellation. USNAINST 7010.1

3. Applicability. This instruction applies to all persons within the U.S. Naval Academy (USNA) Command Religious Program (CRP).

4. Discussion. Enclosures (1) through (8) provide authoritative guidance regarding the proper administration of a CRP religious offering fund (ROF).

5. Policy.

a. The ROF provides opportunities within the CRP as defined by reference (a) for religious expression through the collection and disbursement of voluntary monetary donations. The ROF, as an act of religious expression, may support and enhance the CRP beyond mission essential elements.

b. The ROF will be managed pursuant to this instruction, including enclosures (1) through (8), and applicable laws and regulations.

6. Action. Command Chaplain will:

a. Maintain policies and procedures regarding the ROF as described in reference (a).

b. Require all personnel associated with the ROF as identified in enclosure (1) are trained prior to their appointment and complete annual ROF training each subsequent calendar year. Training completion must be documented for each individual using the Record of Training form (enclosure (9) of reference (a)). General sign-in rosters will not be used to satisfy this requirement.

c. Request support from other supervisory chaplains or the Chief of Chaplains on ROF-related issues.

d. The ROF Administrator will distribute a monthly ROF sub-account report to all group representatives. Sub-account representatives must physically sign these monthly reports to formally document their review.

7. Records Management

a. All ROF records must be maintained for a period of six fiscal years in accordance with reference (a)

b. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned per the records disposition schedules located on the Department of the Navy (DON) Assistant for Administration, Directives and Records Management Division portal page at https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-andlnformationMailagement/ Approved%20Record%20Schedules/Forms/ Allltems~aspx. b. For questions concerning the management of records related to this or the records disposition schedules, please contact the local records manager or the OPNA V Records Management Program (DNS-16).

c. Review and Effective Date. Per OPNAVINST 5215.17A, the USNA CCC will review this instruction annually on the anniversary of its issuance date to ensure applicability, currency, and consistency with Federal, Department of Defense, Secretary of the Navy, and all other Navy policy and statutory authority using OPNAV 5215/40 Review of lnstruction.

8. Review and Effective Date. The Command Chaplain will review this instruction annually on the anniversary of its effective date to ensure applicability, currency, and consistency with Federal, DoD, SECNAV, and Navy policy and statutory authority using OPNAV 5215/40 Review of Instruction.

M. J. BORGSCHULTE

ROLES AND RESPONSIBILITIES

1. ROF Administrator. The Command Chaplain will be appointed in writing as the ROF Administrator. The ROF Administrator will manage the ROF pursuant to this instruction and reference (a) and be responsible to the Superintendent for all matters pertaining to the ROF.

2. Assistant ROF Administrator. The Assistant ROF Administrator will be the Deputy Command Chaplain.

3. ROF Custodian and Assistant ROF Custodian. The ROF Custodian and Assistant ROF Custodian will be Religious Program Specialists (RPs) at the rank of Petty Officer Third Class or higher. The ROF Custodian will maintain the ROF pursuant to this instruction and reference (a). The ROF Custodian is responsible to the ROF Administrator for the proper operation of the ROF.

4. Sub-account Representative. The Sub-account Representative serves as the principal advisor to the ROF Administrator on matters pertaining to the assigned faith group's sub-account. The ROF Administrator, Assistant ROF Administrator, ROF Custodian, and Assistant ROF Custodian will not serve concurrently as Sub-account Representatives. A chaplain designated as a Sub-account Representative will not concurrently serve as the ROF Administrator or Assistant ROF Administrator. The senior chaplain assigned to the faith group should normally be designated as the Sub-account Representative unless already serving as the ROF Administrator or Assistant ROF Administrator. In such cases, another chaplain or other individual authorized by reference (a) will be designated as the Sub-account Representative.

5. Audit Board. The Audit Board will conduct ROF audits on a strict quarterly schedule and upon a change in financial institutions in accordance with reference (a). The Audit Board will conduct special audits when directed by the Superintendent. Any special audit or change in financial institution audit satisfies the quarterly audit requirement. The USNA Inspector General's office will be invited to all ROF audits, and a representative of the USNA IG office is required to serve as a mandatory team member for at least one audit annually. Audit boards must utilize the standardized Religious Offering Fund Audit Checklist (enclosure (16) of reference (a)) and Audit Report (Enclosure (17) of reference (a)) to document findings. The Audit Board will formally route completed Audit Reports and Checklists to the Superintendent, via the ROF Administrator, within 14 days of audit completion. Official copies of the final audit reports must be distributed to the Command Comptroller, Command Legal Counsel, and the ROF Custodian.

GUIDELINES FOR DISBURSEMENTS

1. General Guidance

a. ROF disbursements are authorized as acts of religious expression.

b. ROF disbursements must comply with applicable laws, regulations, and service policies.

c. The examples listed in the Table of Authorizations in reference (a) are provided to assist the Superintendent and Command Chaplain in making decisions regarding ROF disbursements. The list of examples is not exhaustive.

d. A legal review will be completed prior to making any donation to a non-federal entity (NFE) or its affiliated organization, in accordance with reference (a).

2. Fair-Share Distribution of Expense Distribution. Expenses and donations not designated for a specific sub-account will be distributed in a manner that ensures no sub-account is unfairly advantaged or disadvantaged, in accordance with reference (a). Unsolicited donations and common administrative expenses will be allocated using the fair-share methodology prescribed in reference (a). The fair-share percentage will be determined by dividing each sub-account's annual receipts by the total annual receipts of the Religious Offering Fund (ROF). Expenses for common-use items will be distributed among sub-accounts based on each sub-account's percentage of usage, as applicable.

3. ROF Disbursement Accounting Guidelines

a. Disbursement requests must be serialized and originate from the Sub-account Representative. The Sub-account Representative will submit the request to the ROF Administrator via the ROF Custodian at least two weeks prior.

b. The Administrator is authorized to approve disbursements of less than five thousand dollars ($5,000). Any disbursement of five thousand dollars ($5,000) or more will require the Superintendent's approval.

c. If request is disapproved, the representative may appeal the decision to the Superintendent via the Command Chaplain. The decision of the Superintendent is final.

CUSTODY, CONTROL, AND SECURITY

1. Principle of Two-Person Integrity and Control. To ensure the highest degree of security and accountability, the principle of two-person integrity and control will govern all ROF financial handling procedures. No single individual will have the unilateral authority or opportunity to access, control, or process ROF assets.

2. This control is mandatory for, but not limited to, the following critical functions:

a. The counting and verification of any and all donations.

b. The preparation and sealing of bank deposit slips and moneybags.

c. The reconciliation of funds against offering receipts.

d. Access to the primary ROF safe for any purpose other than routine, documented transactions.

e. The transfer or transportation of funds from the collection point to the safe, or from the safe to the financial institution.

2. Access to the safe(s) is restricted to the ROF Administrator, Assistant ROF Administrator, ROF Custodian, and Assistant ROF Custodian. All cash, checks, check cards, debit cards, moneybags, and current ledger must be secured in the safe.

3. The ROF Custodian will assign two adults, 18 years of age or older, unrelated to each other or CRP staff, to count all collected donations in the presence of a designated duty person.

4. ROF receipts must be completed in indelible black ink for each collection of donations using enclosure (11) of reference (a). The counters will seal both the collection and the offering receipt in a sealable envelope. The counters must sign across the seal of the envelope.

5. The ROF Custodian or designated duty person will place the envelope in a lockable moneybag, which will have only two keys. The moneybag will be secured in a safe.

6. All donations must be deposited within one week of receipt but should be typically deposited the next business day. The ROF Administrator may waive this requirement under exigent circumstances.

7. On the day of deposit, the ROF Custodian and a designated escort will unlock the moneybag and reconcile the collection with the offering receipts. The ROF Custodian will annotate corrections made to the offering receipt by initialing each correction, then, along with the designated escort, sign the receipt. A deposit slip will be created in the exact amount of each offering receipt. Only one deposit slip per offering receipt is authorized. A copy of the deposit slip will be stapled to the offering receipt.

ACCOUNTING PROCEDURES

1. The ROF organizational ownership card required by the financial institution must identify the Superintendent as president, the Command Chaplain as the vice president, and the ROF Custodian as secretary or treasurer. Copies of the organizational ownership card and signature authority card will be maintained by the command and made available to auditing boards and inspectors.

2. The ROF Custodian and Assistant ROF Custodian are the only persons authorized to sign checks or use debit cards or check cards. The original signature authority card will be maintained at the financial institution.

3. Checks must be prepared in indelible black ink. Blank checks must never be signed. Checks will not be made payable to "cash." Checks made payable to an individual must be preapproved by the ROF Administrator. The check's memo section must reference the serial number of the disbursement request. Local instruction should address issues regarding foreign currency exchange which may affect accounting procedures.

4. Debit card or check card receipts must be attached to disbursement requests with the serial number of the disbursement request written on the receipt. Cash advances and "cash back" are not authorized.

5. To facilitate reconciliation, sub-account ledgers must be maintained in a manner consistent. with the general ledger. All accounting transactions must be recorded in the appropriate ledger at the time the transactions occur. The ledger must contain a complete record, showing the amount, serial number of the disbursement request, date of the transaction, and name of the payee.

BUDGETING

1. Each Sub-account Representative will submit a budget covering the next Fiscal Year no later than 1 September.

2. The budget will include the following:

   a. Date of disbursement needed

   b. Not to exceed amount

   c. Name of organization the check is being made out to

3. See reference (a) enclosure (4) for authorized disbursements of the ROF.

ANNUAL SPENDDOWN LIMITS

1. Reference (a) does not establish spend down limits. USNA will conduct bi-annual spend downs in the months of January and July as necessary to ensure that all Sub-accounts will be below $50,000 in February and August.

RECEIPTS FOR DONORS

1. A receipt for tax purposes will be provided for all donations made by check.

2. The ROF Custodian will maintain accountability of all official ROF receipts issued. A record of receipts issued will be maintained in accordance with reference (a).

ANNUAL LEGAL REVIEW OF DISBURSEMENTS

1. An annual legal review of disbursements is a distinct requirement designed to vet the vendors, charities, and faith-based organizations receiving disbursements to ensure funds are not routed to unauthorized, restricted, or prohibited entities.

2. The ROF Administrator, in coordination with Command Counsel, will establish a standardized procedure for routing disbursements for this annual legal vetting.

3. Command Counsel will conduct these annual reviews and vet non-routine expenditures. This review must be formally established, documented using the checklist found in Enclosure (8) of reference (a), and maintained in the ROF records.