



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

USNAINST 12790.5E
4/NABSD
10 Jun 2019

USNA INSTRUCTION 12790.5E

From: Superintendent, U.S. Naval Academy

Subj: U.S. NAVAL ACADEMY RETAIL OPERATIONS

Ref: (a) DoD Instruction 1000.15
(b) OPNAVINST 4535.1B
(c) CNICINST 7043.1
(d) USNAINST 7010.2C
(e) USNAINST 7010.3B

1. Purpose. To provide policy regarding retail activities, including vending machines, occurring or operating on U.S. Naval Academy (USNA) property and to assign responsibility for administration and control of such activities/machines.
2. Cancellation. USNAINST 12790.5D. This instruction is a complete revision and should be reviewed in its entirety.
3. Background. The Naval Academy Business Services Division (NABSD) was established in 2001 and approved as a Non-appropriated Fund Instrumentality (NAFI) in 2010 by the Chief of Naval Operations. As the government activity responsible for overseeing all retail operations on USNA property, NABSD has the critical role of ensuring all associated business dealings are conducted safely and per federal regulations. Equally important is NABSD's financial support to the Midshipmen Welfare Fund (MWF), which funds midshipman club sports, extracurricular activities, and numerous other quality of life activities.
4. Policy. This policy applies to all facilities and grounds under the operational cognizance of the Naval Academy including the Naval Academy Laundry, Brigade Sports Complex, NABSD Warehouse, and the Club at Greenbury Point. Retail activities in and around these locations are authorized and remain under the control of the Director, NABSD. Retail activities occurring in federal facilities and property leased to Non-Federal Entities or part of Commander, Navy Installations Command Morale, Welfare and Recreation (MWR) program, such as Navy Getaways, will be managed per the associated lease agreements and other governing instructions. Retail activities located in other Naval Support Activity, Annapolis (NSAA) buildings are under the control of the Commanding Officer, NSAA or his designated representative.

5. Action

a. Per references (a) through (e), the Director, NABSD shall establish standard operating procedures to ensure that financial accountability, inventory control, sanitation, alcohol service control, and contractual agreements are established and maintained on all retail operations under NABSD purview as described in paragraph (4) above.

b. Per reference (b), the vending machine income sharing requirements of the Randolph-Sheppard Act do not apply to those machines where profits are remitted to military MWR programs. USNA's MWF is the equivalent of an MWR program and therefore the Randolph-Sheppard Act also does not apply to the profits generated from vending machines operated by NABSD that support the MWF.

c. In order to access the USNA property to conduct retail activities, vendors must be under contract with NABSD and must have valid access privileges as an NABSD approved vendor. This requirement exists to ensure the safety and security of those living and working on the USNA complex, including midshipmen.

6. Records Management

a. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned for the standard subject identification codes (SSIC) 1000 through 13000 series per the records disposition schedules located on the Department of the Navy/Assistant for Administration (DON/AA), Directives and Records Management Division (DRMD) portal page at <https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx>.

b. For questions concerning the management of records related to this instruction or the records disposition schedules, please contact the USNA records manager or the DON/AA DRMD program office.

7. Review and Effective Date. The Director, NABSD 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.



W. E. CARTER, JR

Distribution:
Non-Mids (electronically)