



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

USNAINST 4001.2K
4/DepFin

18 JUN 2014

USNA INSTRUCTION 4001.2K

From: Superintendent

Subj: ADMINISTRATION OF THE NAVAL ACADEMY GIFT AND MUSEUM FUND PROGRAM

Ref: (a) USNAINST 4001.5B
(b) SECNAVINST 4001.2J
(c) OPNAVINST 4001.1F
(d) DoD FMR 7000.14-R
(e) CNP Memo 7000 Ser PERS 70/197 of 5 Apr 13
(f) USNAINST 7000.4A
(g) USNAINST 7200.2A
(h) USNAINST 5600.8

Encl: (1) Gift and Museum Fund Budget Submission Form

1. Purpose. To provide guidance on the administration of the U. S. Naval Academy (USNA) Gift and Museum Fund Program.

2. Cancellation. USNAINST 4001.2J. 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. Title 10 U. S. Code Sections 6973, 6974 and 6975 provide statutory authority for USNA Gift and Museum Funds. Reference (a) provides policy for soliciting, accepting and processing gifts to the USNA.

4. Policy

a. The USNA Gift and Museum Funds are trust funds which may be used only in accordance with the terms of the gift. The Department of the Navy Assistant for Administration (DON/AA) is responsible for overall administration of the Navy's General Gift Fund program with authority delegated to the Superintendent for the Naval Academy's Gift and Museum Fund program per references (b) and (c). The Superintendent is authorized to expend these funds in accordance with the wishes of the donors subject to the financial controls and responsibilities of reference (d). The Superintendent retains complete legal responsibility under Title 31 U. S. Code 1517 for all obligations incurred within the program.

b. The Gift and Museum Fund Program will assist in accomplishing the mission of the Naval Academy by providing alternate funding support for the Academy. Through various contributions and bequests, the Gift and Museum Fund Accounts provide support to help achieve the critical margin of excellence, which is not adequately supported with appropriated funds.

c. References (e) through (h) provide additional policy guidance.

5. Authorized Expenses. The use of gift funds for official functions are authorized as delineated below. The Chief of Staff, consistent with existing law/regulations and under exceptional circumstances, has the authority to grant exceptions to this list of authorized expenses.

a. Conferences. Conference approval is outlined in reference (e).

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b. Entertainment. Gift and Museum Funds are authorized for entertainment expenses for representational purposes in support of USNA's mission. Reference (f) provides guidance and approval authority.

c. Facility Fees. Gift Funds are authorized to pay fees for use of non-Naval Academy facilities. Fees will not be charged for the use of Naval Academy facilities for official events.

d. Gifts. Gifts are authorized for presentation to individuals at official events. Refer to reference (f) for additional guidance.

e. Grants. Grants may be authorized to provide advance funding for individual or group costs when use of the unit travel card is not authorized. Contact the Comptroller Department if a grant is required.

f. Guest Lecture Fees. Lecture fee policy and guidance is provided in reference (g).

g. Labor. Gift and Museum Funds are authorized to support the hiring of temporary personnel such as distinguished visiting faculty, tutors, fellows, and coaches. These hires count towards Reimbursable Full-Time Equivalent (FTE) positions and an authorized FTE must be available for this hire.

h. Information Technology (IT). Requirements for IT should be addressed through the Abbreviated Systems Decision Paper and Life Cycle Management Reviews with IT Services Division under appropriated funds prior to use of Gift and Museum Funds.

i. Material and Services. Requirements for materials and services will be procured through the government purchase card program and appropriate contracting office.

j. Postage. Postage requirements for official events are authorized through the centrally funded Academy Mail Center, thus purchase of individual postage stamps is not authorized.

k. Printing. Printing procedures are provided in reference (h), with mandatory services through the Defense Automated Printing Service (DAPS). The Public Affairs Office will approve all publication and printing requests.

l. Prizes and Awards. Prizes and Awards are approved by the Superintendent via the Staff Judge Advocate (SJA). The SJA maintains a master file of all approved awards. Cost Center Heads will forward requests for new awards to the Comptroller for processing through SJA.

m. Training. Training courses and conference attendance will be approved via the SF182, Authorization, Agreement and Certification of Training. Civilian and Military personnel offices will approve the requests.

n. Travel. Travel will be processed through the Defense Travel System (DTS). Travel advances may be authorized only in unusual situations, such as overseas travel.

o. Unit Travel Card. The Unit Travel Card is authorized to facilitate group travel to purchase transportation, lodging, car rental, athletic team travel, pier services and dockage fees. If the vendor requires terms and conditions as part of the agreement, the requirement must be procured through the contracting office.

p. Video Services. Video and Imaging services will be processed through the Multimedia Support Center or the Naval Media Center.

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6. Procedures

a. Budget Formulation and Submission

(1) Cost Centers. Cost Center Financial Managers, in coordination with an Account Manager, will formulate and submit budgets using enclosure (1) with signed endorsements by the Cost Center Financial Manager and the Cost Center Head. The endorsement includes a certification that all requirements and source of funds have been identified, are necessary to further an official purpose of the Naval Academy, and are consistent with the donor's intent. Budgets will be submitted annually by 15 May.

(2) Budgets requesting Superintendent's Unrestricted Gift Funds must include detailed requirements and specific events.

(3) Programs funded from multiple sources including Gift and Museum Funds, Operation and Maintenance, Navy, and/or reimbursable funds, will include all funds in the budget submission. Approval will be determined after a review of the "total cost" to the government.

(4) Budget submissions will include justification and explanation of the budget requirements with supporting background information to include the following:

- (a) Requirements - Provide details of the requirement;
- (b) Salary/Benefits - Position Title, Name, Grade/Step, and Appointment time period;
- (c) Contractual Relationships - Name, Purpose, Performance Dates;
- (d) Travel - Purpose, Date, Travel/Per Diem costs, etc;
- (e) Equipment/Furniture - Requirements with list of items; and
- (f) Events - Purpose, Audience, Itemized Costs.

(5) Revised budgets will be submitted when changes to requirements occur and additional funds are necessary.

b. Budget Approval and Operating Targets (OPTARs). The Comptroller will:

(1) Review budget submissions against donor's intent and available funding.

(2) Inform Cost Center Heads and Cost Center Financial Managers of approved budgets.

(3) Provide annual/quarterly OPTAR allocations per approved budget.

c. Budget Execution

(1) The Cost Center Account Manager/Cost Center Financial Manager will:

(a) Ensure there is an approved budget and an OPTAR allocation available prior to incurring any obligation.

(b) Ensure requests are reviewed and approved prior to receipt of goods or services. All requests should be accomplished through proper contracting methods. Individuals should not incur expenses personally, with the exception of food expenditures when use of the purchase card is not feasible.

(c) Prepare and approve appropriate obligation documentation with proper lead time for contracting and forward to the Comptroller Department with detailed supporting information for processing. If expenses are incurred

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by individuals personally, ensure receipt is itemized; summary receipts with total or credit card slips are not acceptable. This practice supports the Accountable Official/Certifying Officer's responsibilities to attest to the legality, propriety and/or correctness of a document that supports an obligation/payment voucher.

(d) Ensure internal controls are exercised in the execution of funds to include separation of duties for the purchase and receipt of materials and services to the maximum extent possible.

(2) The Comptroller will:

(a) Ensure obligation request is within donor's intent and available funding.

(b) Prepare obligation documentation through appropriate contracting method.

(c) Certify invoices as necessary.

(d) Maintain a Fund Administration and Standardized Document Automation (FASTDATA) record for each account and provide monthly reports to the Cost Center Financial Manager.

7. Responsibilities

a. Deputy for Finance/Chief Financial Officer (CFO). As Program Manager, the CFO will administer the Gift and Museum Fund Program ensuring the appropriate use of the funds and overall protection of available resources in consideration of the mission of the Naval Academy.

b. Comptroller

(1) Publish annual budget call to request budget submissions. Notify Cost Center Heads and Cost Center Financial Managers of the approved annual budgets.

(2) Prepare and distribute OPTAR authorizations for approved budgets and monitor budget execution.

(3) Prepare appropriate obligation documentation from cost center requests approved by the Cost Center Financial Manager.

(4) Maintain official accounting records and provide monthly reports to the Cost Center Financial Manager.

(5) Provide "Delegation of Authority and Responsibility for the Administrative Control of Funds" Memorandum to Cost Center Financial Managers and ensure proper training.

(6) Provide "Appointment/Termination Record - Authorized Signature", DD Form 577, to Certifying Officials and ensure proper training.

(7) Perform Certifying Officer responsibilities for attesting to the legality, propriety and correctness of a voucher for payment.

c. Cost Center Account Managers. A Department of Defense (DoD) military member or civilian employee who is selected by the Cost Center Head to oversee and manage a specific Gift and Museum Fund account. This individual will coordinate all requirements with their Cost Center Financial Manager.

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(1) Submit budget to the Cost Center Financial Manager.

(2) Obtain obligation approval from the Cost Center Financial Manager and Cost Center Head (as appropriate) in advance of obligation.

d. Cost Center Financial Manager. A DoD military member or civilian employee who is designated in writing to provide source information and data to the Comptroller and Certifying Officer in support of the obligation and payment process. The Cost Center Financial Manager is responsible for attesting to the legality, propriety and/or correctness of a document that supports an obligation/payment.

(1) Receive a memorandum from the Comptroller, "Delegation of Authority and Responsibility for the Administrative Control of Funds" to act as an agent on behalf of the Comptroller in the administration of funds allocated to the Cost Center as specified in the memorandum. Perform training as specified.

(2) Submit Gift and Museum Fund budgets to their Cost Center Head for endorsement to reach the Comptroller annually by 15 May.

(3) Maintain knowledge of each Gift and Museum Fund budget submission, in coordination with the Account Manager, to explain and justify the specific requirements to the Cost Center Head and the Comptroller. Ensure "total cost" to the government is included in the submission.

(4) Ensure requests are consistent with the donor's intent and in accordance with policy guidance concerning the specific fund.

(5) Ensure obligations are approved in advance and provided to Comptroller for posting in the accounting system prior to receipt of goods and services. Ensure detailed receipts are provided for reimbursement.

(6) Monitor fund balances to ensure funding is available prior to submission of an obligating document or invoice for payment.

e. Cost Center Heads

(1) Review the budget submissions and forward to the Comptroller with an endorsement to certify that all requirements and sources of funds have been identified, are necessary to further an official purpose of the Naval Academy, and are consistent with the donor's intent.

(2) Ensure approval of official events in advance; specifically with regard to authorized entertainment and conference requirements.

f. Command Evaluation Office. The Command Evaluation Office will periodically review the execution of Gift and Museum Funds for compliance with this and other applicable instructions and report findings directly to the Superintendent.



M. H. MILLER

Distribution:
All Non Mids (electronically)

GIFT AND MUSEUM FUND BUDGET SUBMISSION

18 JUN 2014

Fiscal Year: _____

Gift Fund Account: _____

Account Manager: _____

Source of Funds: _____

Budget Item/Requirement	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
Total Funds Requested					

Signatures below hereby certify that the requirements identified above are necessary and further an official purpose of the Naval Academy for which the donated funds were provided. The Naval Academy cannot accomplish the function as satisfactorily or effectively without the requirements; and they do not violate any restrictions imposed by the donor on the use of the funds.

*****This form must be approved and signed by the Cost Center Head prior to incurring any obligations.*****

Submitted: _____ Account Manager _____ Date _____

First Endorsement: _____ Cost Center _____ Date _____
 Financial Manager

Second Endorsement: I certify that all requirements and source of funds have been identified.

_____ Cost Center Head _____ Date _____