



UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES  
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February 22, 2022

## SUBJECT: The USU Gift Program

### Instruction 7000

(VPE)

#### ABSTRACT

This Instruction establishes policies and assigns responsibilities and procedures for the solicitation, acceptance, recording, reporting, accountability and use of any gift, devise or bequest of personal property offered to, or for the benefit of, the Uniformed Services University of the Health Sciences (USU).

**A. Reissuance and Purpose.** This cancels USU PPM-003-2012, (*Reference (a)*). This Instruction is intended to enable USU to take full advantage of statutory authorities while preserving public trust by ensuring the integrity of USU operations.

**B. Applicability.** This policy applies to all gifts, devises and bequests (hereinafter “gifts”) of personal property (monetary and non-monetary) offered by an individual or non-Federal entity for the benefit of, or in connection with, the operation or maintenance of USU and its schools, colleges, centers and activities.

1. **Disciplinary and Adverse Personnel Action:** This policy applies to all USU personnel. It is the responsibility of USU personnel to become familiar with and adhere to this Instruction. Questions should be directed to the Vice President for External Affairs (VPE) and the Office of the General Counsel (OGC). Failure to follow this Instruction may constitute an offense under Article 92, Uniform Code of Military Justice (UCMJ) for military members and result in disciplinary action under the UCMJ, or other adverse action, and may result in disciplinary or adverse action under civilian personnel laws and regulations for civilian personnel.

2. **Exceptions:** This policy does not apply to the following, which remain subject to the requirements and restrictions of Federal law and Department of Defense (DoD) ethics rules, including (*References (b), (c), and (d)*), and the Federal criminal code, (*Reference (e)*):

a. Funds administered under a contract, interagency agreement, cooperative agreement, cooperative research and development agreement, or grant, unless they involve monetary or non-monetary gifts;

b. Gifts given to individuals under (*Reference (f)*);

c. Acceptance of fellowships, scholarships, or grants under (*Reference (g)*);

d. Funds raised for a specific purpose among USU personnel within the limits provided by the ethics regulations, such as providing flowers or other gifts to a co-worker upon the occurrence of an event, completely comprised of voluntary employee contributions and not administered by a non-profit IAW (*Reference (b)*);

e. Gifts of voluntary services IAW (*References (cc) & (ee)*)

### **C. Background.**

1. As a general rule, an agency may not augment its appropriations from an outside source without specific statutory authority to do so. The miscellaneous receipts statute, 31 U.S.C. § 3302(b) (*Reference (h)*), requires that any “official or agent of the Government receiving money for the Government from any source shall deposit the money in the [general fund of the] Treasury as soon as practicable.” Therefore, when an agency accepts money from an outside source, those funds must be deposited into the general fund of the Treasury, unless the funds constitute an authorized repayment or unless the agency has specific statutory authority to retain the funds.

2. The USU specific statutory gift authorities found at 10 U.S.C. § 2113(g) (1) (D) (*Reference (i)*), to accept, hold, administer, invest and spend gifts are held at DoD. This Instruction provides comprehensive policies and procedures at USU for facilitating the exercise and implementation of those authorities. Compliance with these policies enables USU to ensure proper acceptance and use of gifts and mitigates risks from potential conflicts of interest, violations of law regarding unauthorized augmentations of appropriations, supplementation of Federal salary, expenditures in excess of appropriations, and handling of miscellaneous receipts.

### **D. Policy.**

#### **1. Gift Acceptance.**

a. USU’s policy is to accept gifts subject to any limitations imposed by applicable Federal law, DoD or USU policies, or the donor. USU will recommend the acceptance of non-monetary gifts, except real property, where they can be of use to USU and are not unduly costly or burdensome.

b. USU will not recommend the acceptance of gifts if the facts and circumstances, or the conditions imposed by the donor, constitute or create any of the following:

- 1) Contrary to law or regulation.
- 2) Contrary to public policy.
- 3) The proffered gift requires substantial expenditures or creates burdensome administrative requirements that are disproportionate to any benefit.
- 4) Contrary to generally accepted public standards.

- 5) An actual conflict of interest.
- 6) An apparent conflict of interest to a reasonable person, which cannot be satisfactorily resolved.
- 7) The appearance of an improper endorsement or expectation of favorable consideration.

c. In implementing USU's gift program, USU will follow the processes outlined in this Instruction. USU gift acceptance policy requires a comprehensive review prior to recommending a gift for acceptance by DoD officials. This includes gifts from private foundations and gifts given directly to USU, whether they are monetary or non-monetary.

## 2. Gift Recording, Reporting and Accountability, and Deposit.

a. USU gift program officials will properly mark and maintain official records of every gift offered, accepted, declined, or disposed of. All USU personnel receiving gifts and gift offers will obtain and retain documentation regarding each gift. Gift records, complete with all supporting documentation, will be maintained for at least six years and three months for audit purposes.

b. USU will ensure that, once accepted by duly authorized DoD officials, gift funds will be received and recorded in the General Fund Enterprise Business System (GFEBS), or any successor system designated by DoD. In-kind gifts offered and accepted will be recorded in accordance with this Instruction. Gifts of private property will be properly recorded on property books as required.

c. Gift funds received by or for USU must be deposited in, and administered through, United States Government Defense Finance and Accounting Services (DFAS) accounts and will not be directed to, deposited with or otherwise administered by other persons or organizations. Therefore, USU personnel, to include USU contractors, will not direct offers and donations made to USU to an outside organization (including any foundation whose mission is solely or in part to support USU activities) and may not use such organizations as a financial intermediary for third party donations of funds, equipment, supplies, or other resources made directly to USU. USU policy is that the statutory gift acceptance authorities provide an adequate basis for accepting donations, if otherwise proper, directly from donors, while allowing USU managers to control the administration of these gift resources.

3. Gift Fund Expenditures. Gift funds accepted for USU are public funds without an expiration period (similar to appropriated "no year" funds) and are available until spent, meaning funds not used are available until they are exhausted. In using gift funds, USU has more flexibility than is the case with appropriated funds, but must follow Federal law, DoD policy, and this Instruction. Donations will be considered to be general in nature and will be used at the discretion of the President, USU unless specific purpose(s) intended for the use of the donated funds are clearly stated with the offer. USU will ensure that it is a good steward of the gift funds entrusted to USU, and will centrally manage and oversee USU gift funds.

#### **E. Limitations on Solicitation and Responding to Unsolicited Offers and Requests.**

1. Solicitation: Statutory gift authorities confer the authority to solicit gifts within the limits of Federal law. However, DoD policy ordinarily prohibits employees, either directly or through a third party, from requesting or suggesting donations to USU or any of its components, except grant funds as authorized by the Comptroller General. USU personnel shall not solicit or otherwise initiate a request for a gift without concurrence from the OGC and approval by duly authorized DoD officials.

2. Exceptions: The prohibition on the solicitation of gifts does not preclude USU personnel from seeking outside collaboration for specific USU activities, such as education, research and technology projects as long as these activities constitute one of the following:

- a. A permissible co-sponsorship between USU and the outside entity;
- b. A formal collaboration between USU and the outside activity;
- c. A grant or cooperative agreement; or
- d. A collaborative research project under provisions of the Federal Technology Transfer Act (FTTA).

3. Responding to Unsolicited Offers and Requests: USU personnel will provide information about the USU Gift Program (*Enclosure 3, Attachment 2*) and current Gift Needs List(s) (described in *Enclosure 2*) when an outside organization or individual expresses an unsolicited interest in supporting USU activities, and/or asks for the needs of the University. Those individuals and organizations that provide a written request for USU's future gift needs (*Enclosure 2, Attachment 2*) will be provided with updated needs lists as they are approved. Additionally, USU personnel will notify the VPE of prospective donors. Where there is not a clear distinction between activities acquainting potential donors with the existence of a gift fund (permissible) and activities that initiate requests for solicitations (not permissible), USU personnel must seek case-by-case guidance from OGC.

#### **F. Gift Acceptance Authority.**

1. The Secretary of Defense (Secretary) has been granted general gift acceptance authority through 10 U.S.C. § 2601 (*Reference (j)*), and has USU-specific gift acceptance authorities by virtue of 10 U.S.C. § 2113(g) (1) (D) (*Reference (i)*).

2. The DoD Comptroller has authority to accept gifts to USU under 10 U.S.C. § 2601 and 10 U.S.C. § 2113(g)(1)(D) (*Reference (k)*).

3. The Under Secretary of Defense for Personnel & Readiness has been delegated authority to accept gifts under 10 U.S.C. § 2601 (*Reference (k)*).



4. The Assistant Secretary of Defense for Health Affairs has been delegated nearly all authorities over the USU vested in the Secretary of Defense by Title 10, U.S.C., including gift authorities (*Reference (x)*).

**G. Gift Expenditure Authority.** Once gift funds are properly accepted on USU's behalf, the President, USU authorizes the following leaders to approve expenditures from gift funds in accordance with the intent of the donor and this Instruction, as follows:

1. The VP External Affairs, VP Finance and Administration, and USU Chief of Staff (CoS) are each delegated authority to approve the expenditure of USU gift funds up to \$25,000 per event/overall requirement (i.e. requirements and purchases may not be split to circumvent the limit);

2. The Deans and Armed Forces Radiobiology Research Institute (AFRRI) Director are delegated authority to approve the expenditure of USU gift funds up to \$10,000 per event/overall requirement (i.e. requirements and purchases may not be split to circumvent the limit).

**H. Foundation Gifts.**

1. DoD may accept and utilize any gift, donation, bequest, or devise of personal property from private foundations<sup>1</sup> to aid or facilitate USU's mission. DoD may accept and utilize funds from foundations without regard to whether the funds are designated as general purpose funds (general) or special purpose funds (special).

2. DoD and USU have no authority to direct any foundation to make a gift to USU. A donor however, may place a condition on a gift to a foundation that the item must be donated to USU. Foundations may make general or special purpose gifts to USU. Gifts from foundations to USU are subject to the requirements of this policy. Foundations will be asked to provide USU with relevant information to enable USU and DoD to conduct conflict of interest reviews when the foundation offers a gift to USU, including information about the underlying source of funds, per *Enclosure 3, Attachment 1*.

**I. Responsibilities.**

1. USU Personnel:

a. Become familiar with and adhere to this Instruction.

b. Provide the information at *Enclosure 3, Attachment 2* about the USU Gift Program to unsolicited gift offerors and those who ask about making gifts to USU.

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<sup>1</sup> The Henry M. Jackson Foundation for the Advancement of Military Medicine (HJF) is an independent, private, nongovernmental, non-profit enterprise that was chartered by Congress in 1983 in large part to support USU. HJF may offer funding and gifts to USU for the purpose of aiding or facilitating the work of the USU in accordance with 10 U.S.C. § 178. Other foundations without a Congressional charter may also offer similar gifts to USU.

- c. Notify the VPE of all gift offers and gift inquiries.
- d. Direct gift program questions to the VPE and the OGC.

2. USU Responsibility Centers:

a. Designate in writing an organizational Gift Program Official who will be responsible for adherence to this policy and proper facilitation of gifts, including processing gifts and maintaining records of all gift actions. Provide an electronic copy of the appointment memorandum to Vice President for Finance and Administration (VFA), VPE, Assistant Vice President for Resource Management (AVR) and OGC.

b. The organizational Gift Program Official ensures compliance with this Instruction and implements internal policies and procedures that relate to this Instruction.

c. Develop an organizational Gift Needs and budget planning process that includes projections of gift funds and gifts in kind needed for priority projects and activities, and recurring events, when possible. Comply with the USU Gift Needs/Requirements process described in *Enclosure 2*.

d. Refer all gift inquiries and offers to the VPE for review, action and/or decision.

e. Submit a completed Gift Conflict of Interest Review Form to the VPE to facilitate the gift review process as directed, and for gifts directly impacting the Responsibility Center. (*Enclosure 3, Attachment 1*).

f. As authorized, Responsibility Center Leaders approve expenditures by VFA appointed GPC Gift Program cardholders from gift funds, approving the amount of funds in accordance with the intent of the donor and this Instruction.

g. Report all gift actions to the VPE on a monthly basis. VFA will monitor and update gift fund accounts.

h. Maintain gift records on site as long as they are in an active status, retiring records after gift closure in accordance with this Instruction.

3. Vice President for External Affairs (VPE):

a. Provides oversight, administration, guidance and management of the USU Gift Program, reporting to the President, USU.

b. Serves as USU's principal contact for gift offers and prospective donors.

c. Oversees the development of, and updates to, the USU Gift Needs List as described in *Enclosure 2*.

d. Receives gift inquiries and offers. Refers all gift offers to OGC for legal and conflicts of interest review. As appropriate, refers offers of gifts of personal property, such as office, lab equipment, or personal work devices, to USU information technology, environmental safety, logistics and/or property management specialists to ensure that IT, property management, safety, and security requirements are met and to obtain recommendations on acceptance.

e. Following successful completion of gift review requirements of this Instruction, forwards gift offers to the President, USU for recommendations on acceptance and forwarding to DoD for gift acceptance determination.

f. Develops, executes, and maintains acceptance and declination letters and emails; maintain copies of letters and emails from donors; provides copies of documentation to the VFA.

g. Approves expenditures from gift funds as authorized, approving the amount of funds in accordance with the intent of the donor and this Instruction.

h. Refers accepted gifts of personal property to property custodians to ensure they are appropriately accounted for in the University's Property Systems.

4. Vice President for Finance and Administration (VFA):

a. Provides financial management guidance for gift program policies.

b. Determines the appropriateness of investment of properly accepted gift funds. The VFA will determine the advisability of investing any excess gift funds which will not be used within a 12 month period. If it is determined that there are excess funds in an amount suitable for investment, then the VFA directs the AVR to coordinate with DFAS to invest designated excess funds in interest-bearing obligations of the United States (that is, U.S. Treasury bills, notes, or bonds) as authorized by law and consistent with the DoD FMR, Vol 12, Chapter 30, Para. 300206 (*Reference (k)*). This notification must include information concerning when these investments will be redeemed in order to meet planned outlays.

c. The VFA determines the amount of funds to be invested, the source of funds, and any recommendations regarding purchase of the U.S. Treasury bills, notes, or bonds. The VFA maintains status reports for all invested funds, including amounts, dates of investment, and maturity. Invested gift funds and income from these investments retain the same limitations as the original gifts. Upon liquidation of investments, the monies must be returned to the same gift fund account to be used within the limits and restrictions of the original gift or gifts. It should be noted that if an investment is redeemed before the maturity date, there may be loss of principal. The spend plan must be aligned with the investment of the securities and redemption of the securities.

d. Monitors the use of gift funds to ensure adequate funds are available to cover Gift Fund obligations/requests.

e. Approves expenditures from gift funds as authorized, approving the amount of funds in accordance with the intent of the donor and this Instruction.

f. Designates personnel who may be appointed as gift fund government purchase card (GPC) holders.

5. Assistant Vice President, Resource Management (AVR):

a. Administers, receives, records, reports, uses, invests, distributes, disburses, and accounts for gifts in the DFAS gift accounts. (*Reference (k)*). AVR shall forward all monetary gifts to the DFAS office servicing the Acceptance Authority via mail or an electronic funds transfer (EFT) as soon as practicable. (*Reference (k)*).

b. Establishes and monitor Gift Fund accounts and sub-accounts with the DFAS to track the deposit and expenditure of Gift Funds. A gift sub-account will be established for all special purpose gifts to ensure the funds are used for the purpose intended by the donor.

c. Utilizes the GFEBS to manage and disburse funds. Compile and submit quarterly reports to DFAS as required by DoD 7000.14-R (*Reference (k)*).

d. Assists Acquisitions in administering a GPC program tied to DFAS gift fund accounts to enable the efficient expenditure of available gift fund monies within GPC purchase thresholds.

e. Provides organizational gift fund account updates to the VPE and VFA as needed, and to USU Schools, Colleges, Centers, and Activities on a monthly basis.

6. Chief of Staff (CoS):

a. Approves expenditures from gift funds as authorized, approving the amount of funds in accordance with the intent of the donor and this Instruction.

b. Develops an organizational Gift Needs and budgets planning process for USU staff elements that includes projections of gift funds and gifts in kind needed for priority projects and activities, and recurring events, when possible. Complies with the USU Gift Needs/Requirements process described in *Enclosure 2*.

7. Office of General Counsel (OGC):

a. Provides legal and ethics guidance on issues involved with the administration of gifts, including gift conditions, use of gift funds, and statutory authorities. Conducts legal and conflict of interest reviews for all gift offers. In the event of a conflict of interest, or an appearance of a conflict, determine whether the agency's interest in accepting a gift outweighs any concern that acceptance will reflect unfavorably upon USU.

b. Coordinates and resolves ethics issues associated with gift solicitation, responding to outside requests for gift needs, gift offers, and gift fund expenditures.



c. Advises regarding questions of user fees, collaborations, co-sponsorships and the applicability of this policy in general to a given activity or gift.

8. Property & Logistics Officer:

a. Appoints a USU Gift Program representative to ensure that personal property gifts accepted from donors are properly recorded in the property accountability systems of record, GFEBS and/or Property Book Unit Supply Enhanced (PBUSE) systems, as appropriate.

b. Ensures that USU has adequate policies and procedures to ensure that gifts are recorded in accordance with DoD policy.

c. Reviews gift offers of equipment and personal or real property for safety, compatibility with existing systems and future plans, and compliance with USU and DoD standards. Estimate any installation, infrastructure and maintenance costs. Recommend approval or disapproval of such gifts.

9. Director of Acquisitions:

a. Appoints a USU Gift Program representative to facilitate gift program matters.

b. Facilitates the timely expenditure of USU gift funds through purchase requests, contracts, and government purchase card(s), as appropriate.

c. Assists gift program officials with the conflicts of interest and Prohibited Source review processes by providing information about USU contracts and Prohibited Sources.

10. Chief Information Officer (CIO):

a. As requested by VPE, develops and maintains a USU Gift Program site on the USU Portal for USU personnel and a public facing site for prospective donors.

b. As requested by VPE, advises and assists with the development of an internal automated gift process and document retention systems.

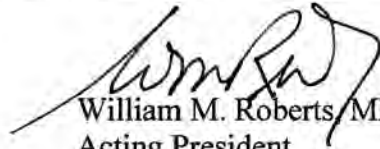
c. Reviews gift offers involving any electronic equipment, office and/or personal devices for safety, compatibility with existing systems and future plans, and compliance with USU and DoD standards. Estimate any installation, infrastructure and maintenance costs. Recommends approval or disapproval of such gifts.

11. Defense Finance and Accounting Service (DFAS) is responsible for the accounting, investing, and reporting of all monetary gifts and proceeds from the sale of personal property gifts accepted by USU and forwarded to DFAS.

**J. Procedures.** See Enclosures 2-4.

**K. References.** *See Enclosure 1.*

**L. Effective Date.** This Instruction is effective immediately.



William M. Roberts MD, MBA  
Acting President

Enclosures:

1. References
2. USU Gift Needs/Requirements List
3. Gift Acceptance Procedures
4. Policies and Procedures for the Use of Gifts and/Gift Funds
5. Glossary

**REFERENCES**

- (a) USU PPM-003-2012 "Appropriate Use of Special Project Funds/Education Programs and other Gift Funds," dated August 10, 2012 (hereby canceled).
- (b) Code of Federal Regulations, Sections 2635 and 3601 of Title 5, Standards of Ethical Conduct for Employees of the Executive Branch and Supplemental Standards of Ethical Conduct for Employees of the Department of Defense.
- (c) DoD Directive 5500.07, "Standards of Conduct," dated November 29, 2007.
- (d) DoD 5500.07-R, "Joint Ethics Regulation (JER)," dated November 17, 2011.
- (e) United States Code, Section 209 of Title 18, Salary of Government officials and employees payable only by United States.
- (f) United States Code, Section 2601a of Title 10, Direct acceptance of gifts by members of the armed forces and Department of Defense and Coast Guard employees and their families.
- (g) United States Code, Section 2603 of Title 10, Acceptance of fellowships, scholarships, or grants.
- (h) United States Code, Section 3302 of Title 31, The Miscellaneous Receipts Statute.
- (i) United States Code, Section 2113(g) (1) (D) of Title 10, Administration of University.
- (j) United States Code, Section 2601 of Title 10, General gift funds.
- (k) DoD Financial Management Regulation 7000.14-R, Volume 12, Chapter 30, Operation and Use of General Gift Funds.
- (l) USU Instruction 5103 "Uniformed Services University of the Health Sciences Committee for Names and Honors," date October 25, 2018.
- (m) Code of Federal Regulations, Chapter 304 of Title 41, Payment of Travel Expenses from a Non-Federal Source.
- (n) GAO Opinion, 61 Comp. Gen. 260 (1982), aff'd upon reconsideration, B-206173, Aug. 3, 1982.
- (o) DoD Instruction 7250.13, "Use of Appropriated Funds for Official Representation Purposes," dated June 30, 2009, Incorporating Change 1, Effective September 27, 2017.
- (p) United States Code, Section 5946 of Title 5.

- (q) United States Code, Section 1353 of Title 31, Acceptance of travel and related expenses from non-Federal sources
- (r) GAO Opinion, B-195492 L/M quoting 25 Comp. Gen. 637.
- (s) GAO Policy and Procedures Manual for the Guidance of Federal Agencies, Title 7 § 5.4.A.1. available at <https://www.gao.gov/assets/80/76194.pdf>.
- (t) Principles of Federal Appropriations Law, Volume II, Chapter 6.
- (u) Office of the Naval Inspector General Report of Investigation, dated 17 November 2009, Subj: Senior Official Case 200801937; Alleged Misuse of Gift Funds and Nonappropriated Funds by VADM Jeffrey L. Fowler, USN, and Mr. Robert C. Parsons.
- (v) Office of the Naval Inspector General Report of Investigation, dated 21 November 2012, Subj: Senior Officer Case 201103025, Alleged Mismanagement by VADM Daniel T. Oliver (RET), President, Naval Postgraduate School.
- (w) Office of the Naval Inspector General Report of Investigation, dated 21 November 2012, Subj: Senior Officer Case 201203874, Alleged Mismanagement by Leonard A. Ferrari, Executive Vice President and Provost, Naval Postgraduate School.
- (x) DoD Instruction 5105.45, "Uniformed Services University of the Health Sciences (USU)," dated May 30, 2019, Incorporating Change 1, Effective September 27, 2017
- (y) GAO Opinion, B-300826, National Institutes of Health - Food at Government-Sponsored Conferences.
- (z) United States Code, Section 5946 of Title 5, Membership fees; expenses of attendance at meetings; limitations.
- (aa) United States Code, Section 4111 of Title 5, Acceptance of contributions, awards, and other payments.
- (bb) GAO Opinion, 36 Comp. Gen. 771.
- (cc) United States Code, Section 1588 of Title 10, Authority to Accept Certain Voluntary Services.
- (dd) Office of the Department of Defense Inspector General Report of Investigation, Subj: U.S. Military Academy, West Point, Controls Over Gift Funds Need Improvements, Report No. DODIG 2015-66 (January 14, 2015).
- (ee) United States Code, Section 2113(g) (1) (F) of Title 10, Administration of University.



## USU GIFT NEEDS/REQUIREMENTS LIST

1. In order to promote strategic planning and facilitate donor development USU will implement a gift needs/requirements process, as follows:

a. VPE will request inputs to the Gift Needs/Requirements ("Needs") List from USU Responsibility Centers on an annual basis in July. These organizations will direct subordinate organizations and personnel to develop Needs Lists, validate and prioritize those inputs, and submit the prioritized organizational Needs Lists to the VPE following the format found at *Enclosure 2, Attachment 1*.

b. Gift Needs submissions, for the most part, should be for programs and funding which substantially enhance the academic experience and contribute to enhancing academic, physical/mental wellness, military character and leadership growth. For example, programs/projects such as, but not limited to: an academic chair endowment; specialized educational equipment and materials; conference/symposium support; travel for training and proficiency opportunities; specialized research equipment; distinguished non-Federal guest speaker honoraria and mementos; physical and technological enhancements to the academic learning environment; student academic awards; and faculty awards.

c. Each Needs List submission requires a budget or breakdown of the estimated funding level, an explanation of how the money will be spent or the items will be used, the timeline by which it will be required and the benefit to students, faculty and staff. The submission will explain how the request will contribute beyond normal appropriated funds "mission" programs and funding and enhance the academic experience and contribute to enhancing academic, physical/mental wellness, military character and leadership growth. Finally, the submission should note whether the Need is a recurring or one-time need (e.g. an annual academic symposium, or a single piece of equipment).

d. Upon receipt of the prioritized Needs submission lists, the VPE will forward the submissions to OGC for review. Following legal review, the VPE will compile and submit the lists to the USU Cabinet for review and a recommendation of the top priorities. The prioritized list will be presented to the President, USU for decision, and any additional action.

e. Upon approval by the President, USU the VPE will forward the final USU-wide Needs List and the compiled organizational Needs Lists to any organizations and individuals who have requested the Needs Lists. Non-Federal entities and private individuals may use these Needs Lists to designate programs they wish to support through gift funds. The VPE will post the updated Needs Lists on the USU intranet.

f. When Gift Needs are identified outside of the annual process, Responsibility Centers will provide the documentation required above for the annual Needs process to the VPE. The out of cycle process may only be used in extraordinary circumstances when the Need cannot be

anticipated for the annual submission. As appropriate, the VPE will process the out of cycle request in the same manner as the annual process.

g. For those who make a written, standing request for USU's Gift Needs, updated lists will be provided by VPE as they are approved.

**USU GIFT NEEDS/REQUIREMENTS FORMAT**

**USU GIFT NEEDS/REQUIREMENTS SUBMISSION**

Annual or One-Time Need (Circle One)

USU Responsibility Center:

TITLE: Title of program or project

DESCRIPTION OF NEED/PROJECT: Provide a complete description of the Need or project. This will enable a potential donor to make an informed decision concerning funding, and will enable USU leadership to determine prioritization of the Need (e.g. academic chair endowment, specialized educational equipment and materials, conference/symposium support, travel for training and proficiency opportunities, specialized research equipment, guest speaker honoraria and mementos, physical and technological enhancements to the academic learning environment, student academic awards, and student clubs support).

BENEFIT TO USU STUDENTS, FACULTY AND/OR STAFF: State the overall benefits to be realized by USU and its personnel if the Need is met. Include approximate numbers as applicable.

POINT OF CONTACT: List the name, email, and phone number of the individual responsible for the program/project.

TOTAL AMOUNT OF MONEY NEEDED: Total dollar figure or value (if an in-kind gift) of the request. Include maintenance and any potential hidden costs.

ESTIMATED BREAKDOWN OF TOTAL AMOUNT: Break out each cost associated with the program or project separately. Be specific. Simply listing "Travel, honoraria and other costs" is too vague.

ACCEPTABILITY OF PARTIAL FUNDING: Indicate whether an amount smaller than the total would be acceptable. If there is a minimum acceptable amount, indicate that amount.

ONE-TIME OR RECURRING NEED: State whether the requirement is needed only once or on a recurring basis. NOTE: Funding in one year does not imply continual funding for that Need—each Need must be evaluated on an annual basis.

CURRENT STATUS: State whether this is a new Need, an enhancement, or a continuation of an existing Need. Additionally, identify if a particular donor has supported this Need in the past.

DATE OF NEED: Provide the month/year when the gift will be needed. If timing is not critical put "As soon as funds are available."

**SAMPLE REQUEST FOR USU'S GIFT NEEDS**

(Use appropriate letterhead)

President,  
Uniformed Services University of the Health Sciences  
4301 Jones Bridge Road  
Bethesda, MD 20814-4799

Dear Dr. \_\_\_\_\_:

The X,Y,Z Foundation is interested in supporting the mission of the Uniformed Services University of the Health Sciences [on an on-going basis]. As a result, I write to request a listing of the University's current gift needs[, and future gift needs as they are approved].

Please direct gift needs lists to Ms. Geni Us, Director of Foundation Giving, at [geni.us@xyzfoundation.org](mailto:geni.us@xyzfoundation.org) or by calling (123) 456-7890.

Sincerely,

Ben E. Factor  
President  
XYZ Foundation



## GIFT ACCEPTANCE PROCEDURES

### 1. Gift Acceptance Review Process:

a. The gift review process begins when a potential donor notifies USU of an interest in giving a gift. The recipient of any gift offer will express thanks for the donor's interest in and support for the USU mission, obtain contact information, inform the potential donor that USU has a gift acceptance process and advise that the offer will be forwarded to the VPE, who will contact the potential donor.

b. All gift offers must be immediately forwarded/communicated to the recipient's designated organizational gift program coordinator and to the VPE. Pertinent information will be provided in order to facilitate further communication with the potential donor.

c. Gift offers must be made in writing and contain sufficient details to demonstrate intent, authority and ability to make a gift to USU. Any conditions must be specified in the offer. See the example at *Enclosure 3, Attachment 3*.

d. Adequate record-keeping and management oversight of gift offers is essential. Prior to making a recommendation to DoD on the acceptance of a monetary gift, the President, USU must consider the legal and conflicts of interest review and concurrence or non-concurrence from the OGC for all gifts. Records shall state with specificity the underlying purpose and intention underlying the gift offer, noting whether the gift is for a special purpose or for general purposes.

e. With respect to gift offers donated for a particular purpose (i.e., special purpose gifts), it is USU policy that the offer will generally not be recommended for approval unless the donor or the donor's estate provides permission for USU to expend the funds for a different purpose, following USU consultation with the donor, in the event that any of the following occur: (1) Funds remain after accomplishing the intended purpose; (2) USU is not able to expend some or all of the funds for the intended purpose; (3) The funds in the account are too low for the stated purpose and the USU Vice President for Finance and Administration (VFA) has determined that additional funds will not become available within a reasonable period (at least three years) to accomplish the donor's original intent; or (4) The original intent is no longer needed at USU. For example, gifts that are given to support the activities of an individual USU employee must be given in such a way that the funds remain available for USU use even if the employee leaves USU. Exceptions to this policy must have review and concurrence from OGC, a recommendation for an exception from the VFA, and approval by VPE.

f. Conflict of Interest Review. All gifts subject to this Instruction must undergo a conflict of interest review by OGC. This includes gifts from Foundations and gifts given directly to USU, whether they are in-kind, monetary or non-monetary personal property.

g. Conflict of interest reviews require assistance from the respective Schools, Colleges, Centers, and Activities by completion of the USU Gift Conflict of Interest Review Form

(*Enclosure 3, Attachment 1*). The responsibilities, structure, and documentation of a conflict of interest review are described below. A conflict of interest review must be conducted for all gift offers.

1) In evaluating whether to recommend acceptance of a gift from a donor, USU must perform a balancing test to determine whether the benefits outweigh the risk that accepting the gift would reflect unfavorably upon USU. For example, the gift should not be accepted if any employee's ability to carry out his or her responsibilities or official duties in a fair and objective manner is influenced, or there is the appearance of undue influence; if acceptance of the gift could compromise the integrity of a government program or any official involved in that program; or if the gift is conditioned on or tied to receiving a future benefit such as a cooperative agreement, Cooperative Research and Development Agreement (CRADA), grant, or contract award.

2) Additionally, neither the gift nor any conditions associated with the gift can be allowed to exert undue influence over USU programs and priorities. A gift may exert undue influence when an individual or organization is able to persuade the agency's decision due to the relationship between the two parties. In exerting undue influence, the individual or organization donor is able to gain an advantage. Examples of undue influence include, but are not limited to, the following:

- a) Any attempt to interfere with the standard procedures of the agency or to place pressure on the agency in order to obtain a specific outcome from the agency or its staff;
- b) Influence by which a person is induced to act otherwise than by his or her own free will or without adequate attention to the consequences;
- c) A situation in which someone uses his or her power or authority in an unfair way in order to influence a decision; or
- d) When one party to a transaction is able to influence the decisions of another party to a transaction.

**h. OGC Conflict of Interest Reviews.**

1) All gift offers will be referred to OGC for review prior to a decision on whether to recommend gift acceptance. OGC concurrence is required in order to forward gift offers with a recommendation for approval. USU Responsibility Centers must assist with completion of the USU Gift Conflict of Interest Review Form (*Enclosure 3 Attachment 1*) and supporting documentation to facilitate OGC review.

2) The fact that a potential donor is a Prohibited Source does not mean that a proposed gift may not be accepted, only that it must be carefully evaluated for possible conflicts of interest in order to avoid embarrassment and to avoid undue donor influence over official USU decisions and actions. A Prohibited Source is any individual or entity that:

- a) Is seeking official action by USU;
- b) Is doing or seeking to do business with USU;
- c) Is conducting activities regulated by USU;
- d) Has interests that may be substantially affected by USU; or
- e) Is an organization for which the majority of its members are described in a) – d) above.

**i. Legal Review**

- 1) A written legal review will be obtained for all gift offers prior to a determination on whether to recommend gift acceptance.
- 2) Legal reviews will consider the following in addition to any other relevant matters:
  - a) Whether statutory authority exists to accept the type of gift (money, personal property, real property, or service) proffered by the type of donor (person, domestic organization, foreign government, or international organization).
  - b) Whether acceptance of the gift is prohibited because:
    - (1) Use of the gift would result in the violation of any prohibition or limitation otherwise applicable to such program, project, or activity.
    - (2) The conditions attached to the gift are inconsistent with applicable law or regulations.
    - (3) Use of the gift would reflect unfavorably on the ability of USU or any of its personnel to carry out any responsibility or duty in a fair and objective manner.
    - (4) Use of the gift would compromise the integrity or appearance of integrity of any USU program or any individual involved in such a program.
    - (5) The gift was offered pursuant to an improper solicitation or request by USU personnel.
    - (6) Acceptance of the gift is not in USU's best interests.
- 3) Legal review will also address whether the donor is involved in any claims, procurement actions, litigation, or other particular matters involving USU or DoD that should be considered before acceptance of the gift.

j. Gifts of Real Property

1) The Secretary of Defense retains the authority to accept gifts of real property *Reference (j)*. An offer of a gift of real property will be forwarded to the VPE for review, analysis and gathering of recommendations consistent with this Instruction and forwarded to appropriate officials in DoD along with recommendations from the President, USU.

k. Gifts Conditioned on Memorialization

1) Gifts conditioned on memorialization require additional review by OGC and the President, USU's approval IAW USU Instruction 5103 (*Reference (l)*).

l. Wills and Trusts

1) Where a bequest or legacy is all or part of a general estate of a deceased individual (for example, a bequest of 1/3 the rest, residue, and remainder of the estate), except for anatomical gifts, USU will recommend that DoD request that the executor liquidate the assets and make distribution in cash, as authorized under the applicable probate or other law. Copies of wills and trusts naming USU as beneficiary and letters of transmittal are to be forwarded to OGC. OGC is responsible for promptly acknowledging receipt of the will or trust and notifying the VPE when the estate is settled. Once these activities have occurred, the guidelines are the same as those used to accept a monetary gift. Proceeds from wills or trusts, either revocable or irrevocable, will not be entered in USU accounts until realized.

m. The President, USU will recommend that DoD decline gifts under any of the following circumstances:

1) The use of the gift is in connection with any program, project, or activity that would result in the violation of any prohibition or limitation otherwise applicable to such program, project, or activity;

2) The gift or conditions attached to the gift are inconsistent with applicable law or regulations;

3) The use of the gift would reflect unfavorably on the ability of the Department of Defense or any personnel of the Department to carry out any responsibility or duty in a fair and objective manner;

4) The use of the gift would compromise the integrity or appearance of integrity of any program of the Department of Defense or any individual involved in such a program; or

5) Acceptance of the gift would not be in the best interests of the Department of Defense, including but not limited to the following, where it creates or requires:

a) The appearance or expectation of favorable consideration as a result of the gift;



- b) The appearance of an improper endorsement of the donor, its events, products, services, or enterprises;
- c) A serious question of impropriety in light of the donor's present or prospective business relationships with the DoD;
- d) The expenditure or use of funds in excess of amounts appropriated by Congress; and
- e) Substantial expenditures or administrative efforts and maintenance that are disproportionate to any benefit.

**2. Recording, Reporting, and Accounting for Gifts:**

- a. Once a gift is accepted by a duly authorized DoD official, USU gift program officials will:
  - 1) Inform the donor where to deliver or send an accepted gift.
  - 2) Direct the benefiting organization to account for gifts of tangible personal property or real property in the applicable property accountability management system.
  - 3) Upon acceptance of a gift of construction, work with appropriate authorities to authorize a right-of-entry for construction.
- b. USU gift program officials will:
  - 1) Properly mark and maintain official records of every gift offered, accepted, declined, or disposed of. All USU personnel receiving gifts will obtain and retain documentation regarding the gift. Gift records, complete with all supporting documentation, will be maintained for at least six years and three months for audit purposes.
  - 2) Ensure that gifts received and expensed are recorded in the General Fund Enterprise Business System (GFEBS), or any successor system designated by DoD.
  - 3) Ensure that gifts of private property are properly recorded on property books.
  - 4) Create Standard Operating Procedures for the receipt, acceptance, valuation, oversight, execution and reporting of funds.
- c. Reporting:
  - 1) VFA will report any gift fund expenditures, and gift fund balances quarterly to the VPE.

2) VPE will prepare and provide a consolidated report of gift activity on a regular basis through the President, USU to the Assistant Secretary of Defense for Health Affairs, or designee.

3) At a minimum, the following information will be reported in the quarterly USU gift activity report:

- a) The type of activity (e.g. gift offer, acceptance/denial, expenditure, consolidation with other gift funds, etc.).
- b) The DoD acceptance authority for the gift.
- c) The date of receipt of the gift.
- d) The type of gift (monetary, real property, or personal property) and a description of the gift.
- e) The value of the gift and valuation method (for example, face value or market value).
- f) The name of the donor and donor's address.
- g) Conditions, restrictions, or other relevant information.
- h) USU gift fund balances.

4) Accountability for gifts:

- a) Accountability for gifts will be continuous from the time of acceptance until the ultimate consumption or disposal of the property occurs.
- b) VFA will ensure accountability is maintained for real property and tangible personal property in accordance with applicable regulations.
- c) Assistant Vice President, Resource Management (AVR) will designate a resource manager to manage accounts for all USU gift funds.
- d) Proceeds from the sale of any gift of real or personal property will be deposited via mail or electronic funds transfer in the DFAS account and will be accounted for and reported to the VPE for USU's quarterly report.

d. Deposits. Gift funds received by USU must be deposited in, and administered through, United States Government DFAS accounts.

**USU CONFLICT OF INTEREST REVIEW FORM**

USU determines whether its interests in accepting a gift outweigh any concern that accepting the gift reflects unfavorably upon the ability of the USU or any employee to carry out responsibilities or official duties in a fair and objective manner; or compromises the integrity, the appearance of the integrity, of a government program or any official involved in that program. This form helps inform the conflict of interest analysis.

1. Date:

2. Name of Donor:

3. Description or Purpose of Gift:

4. Check one: Cash \_\_\_\_ / Personal Property \_\_\_\_ / Real Property \_\_\_\_

5. Amount of Gift/Fair Market Value: \$

6. General Purpose Gift \_\_\_\_ / Special Purpose Gift \_\_\_\_\_. If Special, explain:

7. Does Donor Do or Seek Business with USU/DoD: Circle Y or N. If yes, explain (e.g. CRADA, Grant/Cooperative Agreement, Contract, Grant, Clinical Trial):

8. Does USU Responsibility Center recommend acceptance of gift?

Circle Y or N. If no, explain \_\_\_\_

9. How did the gift offer arise?

10. What is the USU interest in accepting the gift/How will the gift enhance and enable USU to accomplish its mission?

11. If the gift is from a non-profit foundation, has the foundation provided information about any underlying source of the funds to ensure that the gift does not create a conflict of interest or present the appearance of a conflict of interest?

12. Will acceptance of the gift compromise the integrity, or the appearance of integrity, of a governmental program or of any official involved in that program?

Explain why or why not:

13. Is there an actual or apparent conflict of interest?

14. Does the gift meet generally acceptable public standards?

Comments:

15. Will the size or the nature of the gift alone raise a significant concern?
16. Is the gift reasonable to administer based on cost and administrative requirements?
17. Will accepting the gift reflect unfavorably on the ability of USU or any employee to carry out responsibilities or official duties in a fair and objective manner?
18. Are branding or naming rights requested? Does the gift appear to be offered for endorsement purposes?
19. Is there sensitivity in any matter pending before USU or DoD that would affect the interest of the donor? If so, what?
20. Are there any effects of accepting the gift on entities that are inside/outside the agency or component? For example, would any identifiable class or persons or entities receive benefits from or be disadvantaged by the acceptance of the gift by the USU? If so, how?

Additional Comments:



## **Summary of the USU Gift Program**

### **Gift Donations to the Uniformed Services University of the Health Sciences (USU)**

#### **Can USU accept donations and bequests?**

Yes. Although USU is a Federally funded organization and not a fundraising organization, the U.S. Congress has granted authority to accept donations and bequests in support of USU's mission. Gifts provided in-kind go directly to support USU operations. Monetary donations to USU are deposited in USU's gift fund accounts with the Defense Finance and Accounting Service, which are separate from the funding USU receives from Congress.

#### **How are donations used?**

In-kind gifts and gift funds have supported many different USU projects in the past. The following types are examples of ways in which gifts and gift funds have supported USU:

- Academic chair endowments
- Support for USU hosted academic conferences, workshops, and courses
- Purchase of equipment, technology, educational resources and supplies for classrooms, laboratories, simulation centers, and meeting and work/study areas
- Student and faculty awards
- Facilities enhancements for buildings, classrooms, laboratories, simulation centers, and meeting and work/study areas
- Travel to attend conferences, workshops, and courses and other training and proficiency opportunities

#### **What are USU's current gift fund needs?**

USU has instituted an annual gift requirements/needs process to identify and prioritize needs. Gift Needs Lists will be comprehensively updated at least annually, and will be made available to interested donors who ask for USU's Gift Needs. Additionally, for interested donors who make a written request for USU's current and future gift needs, USU VPE will provide on-going updates as new gift needs arise.

#### **How can someone donate to USU?**

Individuals and organizations can donate to the USU Gift Fund by offering to provide gifts in-kind, or by sending a check or money order payable to "The Department of Treasury" with "The Uniformed Services University of the Health Sciences General Gift Fund" written in the memo line, along with a letter stating that the money is to be used to support the University's gift needs. Donations will be considered to be general in nature to be used at the discretion of the USU President unless specific purpose(s) intended for the use of the donated funds are clearly stated with the offer. Donations and letters should be addressed to:

President, Uniformed Services University of the Health Sciences  
ATTN: USU Gift Program, Vice President for External Affairs  
4301 Jones Bridge Road  
Bethesda, MD 20814-4799

If you are considering leaving money to USU in your Will, please include the Uniformed Services University of the Health Sciences Gift Fund and address in the Will and indicate that the bequest is to be used to support the mission of USU, noting any specific purposes, if applicable, for the gifted funds.

**How are donations acknowledged?**

We acknowledge all donations with a thank you letter to the donor after they are formally accepted by authorized officials. If you wish to donate money in memory or in honor of someone, please include the name of the person in the accompanying letter. If you wish to have an acknowledgment sent to a third party (such as a family member of the memorialized or honored), please provide all the necessary information including the mailing address.

**Are gifts deductible?**

Potential donors should consult with their tax advisors. Although determination of any tax consequences is a matter between the donor and the Internal Revenue Service, it is noted that under sections 170, 2055, and 2522 of the Internal Revenue Code of 1986, as amended, donations to the United States for exclusively public purposes are deductible for income, gift, and estate tax purposes.

For the purposes of Federal income, estate, and gift taxes, gifts accepted by USU under 10 U.S.C. §2113 are considered gifts or bequests to the United States. While written notification of acceptance of a gift constitutes USU's acceptance and receipt, USU will not render any opinion of value for non-monetary gifts.

**Who can I contact for additional information?**

If you have any questions, would like to be advised of USU's gift needs, or would like to discuss how you can contribute to USU's mission through the USU Gift Program, please contact the Office of the Vice President for External Affairs at the address above, by email at [usugiftneeds@usuhs.edu](mailto:usugiftneeds@usuhs.edu), or by calling (301) 295-9577.

**SAMPLE GIFT OFFER LETTER**

(Use appropriate letterhead)

President  
Uniformed Services University of the Health Sciences  
4301 Jones Bridge Road  
Bethesda, MD 20814-4799

Dear Dr. \_\_\_\_\_:

As [owner of the property] or [authorized official] acting on behalf of the XYZ Foundation, it is my pleasure to offer [a gift in the amount of \$ \_\_\_\_\_] or [a donation of a Z Series “Spectacular” medical device, including shipping and installation of all components, valued at \_\_\_\_\_] to the Uniformed Services University of the Health Sciences (USU or “The University”), free and clear of all encumbrances, to have and to hold the [funds] or [property] forever.

All rights, ownership and possession of said property are relinquished to The University. No specific privileges or special concessions are expected in return for this offer. This gift is made to support critical needs of USU’s Departments, Centers Components and Activities at the discretion of the University President] or [specifically for the benefit and use of the XX (School, Department, Center, Program, or Facility)] in conformance with Section 2113(g) (1)(D), Title 10, United States Code.

In the event of a special purpose gift: While the specific goal of this gift is intended to enhance the work of the XX (Department, Center, Program, or Facility), the overriding intent is to support USU’s critical needs. It is recognized that in some circumstances, some or all of these funds may need to be repurposed by the University. For example: (1) Funds may remain after accomplishing the intended purpose; (2) USU may not be able to spend some or all of the funds for the intended purpose; (3) The funds in the account may be too low for the stated purpose and a determination may be made that additional funds will not become available within three years to accomplish the specific intent; or (4) The original intent is no longer needed at USU. In such cases, this provides permission for USU to repurpose these funds and expend the funds for a different purpose.

If you have any questions regarding this offer, please contact Ms. Geni Us, Director of Foundation Giving, 123-456-7890 or [geni.us@xyzfoundation.org](mailto:geni.us@xyzfoundation.org).

Sincerely,

Ben E. Factor  
President  
XYZ Foundation

**SAMPLE LETTER OF ACCEPTANCE FOR GENERAL PURPOSE GIFTS**

(Use appropriate letterhead)

Ben E. Factor, Ph.D.  
President  
XYZ Foundation  
1234 56th Avenue  
Metropolis, TX 12345

Dear Dr. Factor:

On behalf of the Uniformed Services University of the Health Sciences, I am pleased to advise you that XYZ Foundation's gift of \$\_\_\_\_\_.00 has been accepted. Your generous gift will be used to support critical needs of USU's Departments, Centers, Components and Activities.

Support from organizations such as yours makes it possible for USU to fulfill its critical missions. We deeply appreciate your assistance and support.

Sincerely,

(Signature)

President, USU

**SAMPLE LETTER OF ACCEPTANCE FOR SPECIAL PURPOSE GIFTS**

(Use appropriate letterhead for the signature authority)

Ben E. Factor, Ph.D.  
President  
XYZ Foundation  
1234 56th Avenue  
Metropolis, TX 12345

Dear Dr. Factor:

On behalf of the Uniformed Services University of the Health Sciences, I am pleased to advise you that XYZ Foundation's gift of \$\_\_\_\_.00 has been accepted. In accordance with your wishes, the funds will be deposited in the USU (XXX Department) Special Purpose Gift Fund Account and will be used by (XXX Department) to support (Name of specific program or project).

USU will make every effort to honor your specific intent for these funds. Nonetheless, there are certain circumstances which may necessitate repurposing some or all of these funds, such as: (1) In the event that funds remain after accomplishing the intended purpose; (2) USU is not able to expend some or all of the funds for the intended purpose; (3) The funds in the account are too low for the intended purpose and there is a reasonable belief that additional funds will not become available within a reasonable period (at least three years) to accomplish the intent; or (4) The original intent is no longer needed at USU. Whenever possible, USU will consult with you before repurposing any funds. Please let me know if you have questions in this regard, or object to granting USU the authority to repurpose any of these funds in such cases.

Support from organizations such as yours makes it possible for USU to fulfill its critical missions. We deeply appreciate your assistance and support.

Sincerely,

(Signature)

Acceptance Authority



**POLICIES AND PROCEDURES FOR THE USE OF GIFTS AND/GIFT FUNDS**

1. **Policies for the Use of Gifts and Expenditure of Gift Funds:** Gift funds are available for expenditure for the same purposes and in the same manner as regularly appropriated funds. In addition, in using gift funds, USU has more flexibility than is the case with appropriated funds, but still must follow Federal law, DoD policy, and this Instruction. The statutory authority for USU to accept gifts also allows substantial discretion in their expenditure after acceptance. Gift funds have no period of expiration and are like "no year" appropriated funds. As such, gift funds are available until expended within any restrictions or limitations imposed by donors, or by law.

a. **General:**

1) Payment from USU Gift Funds shall be made directly by USU to the vendor. In no case may payment of gift money or Gift Funds be made directly to an individual government employee, except that such funds may be used by USU to fund an employee's approved travel on official government travel orders as provided below and in accordance with References (m & q).

b. **Prohibitions:**

1) No monies from a Gift Fund may be expended for books authored by USU/Federal employees without legal review from OGC and approval by the appropriate USU senior official with delegated authority.

2) No monies from gift funds may be expended for the personal use or benefit of a USU employee, including for the purchase of food items, unless specifically authorized through the procedures outlined in this Instruction. Gift funds may only be used for food, beverages and entertainment which bear a legitimate relationship to official agency purposes, in furtherance of USU's mission, (*Reference (n)*). Gift funds may not be used to pay for personal expenses or items, holiday parties, or other purely social gatherings, such as gatherings involving spouses.

c. **Light Refreshments, Beverages, and Meals:**

1) Scope: This Instruction applies to food, beverages and meals provided as in-kind gifts, or paid for by gift funds. This Instruction does not pertain to light refreshments, beverages, and meals paid by USU for Official Representation Purposes under *Reference (o)*, nor to DoD employees who use their own funds to purchase food, beverages, and meals.

2) Properly accepted gifts in-kind are preferred for light refreshments, beverages, and meals rather than the use of gift funds accepted by USU. This is due to the administrative burdens associated with the receipt, deposit, expenditure and continuous accounting for funds from the USU DFAS gift fund account. Whenever possible, USU must plan ahead and identify the needs for food and beverages, light refreshments, and meals in

conjunction with USU programs in order to facilitate gifts-in kind for such purposes consistent with government ethics rules.

3) Light refreshments, beverages, and meals expenditures of USU Gift Funds will adhere to the following guidelines:

a) Gift Funds will not be used in conjunction with routine interagency or intra-agency working meetings. Gifts in-kind of light refreshments, beverages, and meals will not be accepted in conjunction with routine interagency or intra-agency working meetings.

b) For general purpose gift funds, light refreshments, beverages, and meals may be used as follows:

(1) For gatherings of less than 30 people, Gift Funds may be used when 20% or more of the anticipated participants are NOT Federal personnel or contract personnel assigned to work for the USU.

(2) For gatherings of 30 people or more, Gift Funds may be used when 50% or more of the anticipated participants are NOT Federal personnel or contract personnel assigned to work for the USU.

c) For gift funds or gifts-in kind specifically offered by the donor for the purpose of facilitating academic exchange and interchange through the funding of light refreshments, beverages, and meals beyond the percentage limits above in subparagraph (b)(2), such special purpose gifts or gift funds may be used beyond those limitations if the event is held on a USU campus and is therefore most accessible to students, faculty and staff; constitutes an academic symposia, conference, or similar event featuring presentations by recognized non-governmental, non-USU contractor experts in the field; and, the agenda includes the use of the food and beverages in a manner which facilitates learning and the interchange of ideas among the participants.

d) Purchase of alcohol is prohibited.

e) When meals are authorized under this Instruction the maximum amount per meal may not exceed the following limits: breakfast - \$10/person, lunch - \$30/person, and dinner - \$50/person inclusive of all taxes, gratuities, and any facilities fees, and administrative/service charges.

f) Gift funds may only be used at a private club for an event or meal if the following criteria are satisfied:

(1) The expenditure request includes a written assurance that no USU personnel will personally benefit from the payment to the club for the meals. For example, some private clubs require members to spend a minimum amount on dining

charges on a regular basis, and will assess the member an additional charge if that level is not met. If a club credits one of its members with the payment made by or on behalf of USU for holding an event or hosting a non-Federal speaker at the club for a meal, then a conflict of interest exists and the club may not be used for hosting; and

(2) As good stewards of USU funds, event/meal planners incorporate a best value determination into the expenditure request after comparing the costs, including all fees, of holding the event/meal at the private club with the costs of holding the event at two alternative commercial venues, which may include commercial restaurants and catering on the USU campus.

g) Light refreshments may only be authorized for breaks between working sessions for qualifying events. They are to be modest non-meal items that may include, but are not necessarily limited to coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins.

h) Gift Funds may be used for light refreshments, beverages, and meals for government and non-governmental attendees of educational or scientific gatherings pertinent to USU's mission where:

(1) The light refreshments, beverages, and meals are incidental to the conference or meeting, or in other words, are not the main purpose of the gathering;

(2) Attendance at the meal or when refreshments are served is important for attendees' full participation in the conference or meeting because attendee's individual access to meals and refreshments are limited; and

(3) The light refreshments, beverages, and meals are part of a formal conference or meeting approved IAW with the DoD Conference Policy that includes substantial functions occurring while the food is served (e.g., luncheon speaker or exhibit hall viewing of educational displays).

i) For a non-Federal Speaker or Presenter:

(1) In conjunction with a USU-sponsored conference or meeting, the primary purpose of which is the dissemination of educational information and/or the advancement of research (such as a seminar or a symposium), Gift Funds may be used to pay the cost of light refreshments, beverages, and meals for a non-Federal speaker or presenter (excluding contractors of USU) subject to the limitations noted above. Non-Federal guests eligible for meal purchase include distinguished speakers, and other distinguished or prominent visitors who have made a substantial contribution to the Nation or the DoD.

(2) As a general rule, a maximum of four (4) faculty/staff/students, and contract personnel assigned to work at USU (on or off-campus) may accompany the non-

Federal speaker and have their meals purchased using Gift Funds. Exceptional circumstances must be specifically justified to depart from this limitation unless subparagraph (c) (3) above applies. USU community members accompanying the speaker should be limited to those who have mutual interests in the field of education or field of research resulting in interactions of mutual benefit.

(3) In most circumstances, if two or more meals are provided for the speaker or presenter, it is not permissible for the same USU department faculty/staff/student, to include contract personnel, assigned to work at the USU (on or off-campus) to attend more than one meal and have that meal paid for with Gift Funds. They may attend the function; however, their meals must be purchased with their own personal funds.

j) For meals involving the evaluation of a prospective USU Senior Leader/Staff, Chair, Associate Dean, Professor, Associate Professor, or Assistant Professor:

(1) When hosting a prospective candidate for the position of Chair, Associate Dean, Professor, Associate Professor, or Assistant Professor that is open to Federal or non-Federal personnel candidates, advance approval is required.

(2) At least two (2) but no more than three (3) members from the selection committee may have their meals purchased. Exceptional circumstances must be specifically justified. Additional members may attend at their own expense.

(3) Typically, only one meal will be provided for a candidate during the selection process. A second meal may be provided with written approval from the Approving Official.

(4) University-wide Special Events: Consistent with its academic mission and authorities, USU may adopt certain accepted practices common at other institutions of higher learning, subject to applicable law, policy, and regulation, as follows: (a) USU may accept gifts in-kind of food and beverages and/or use USU gift funds for food and beverages for University-wide receptions for students, invited guests, faculty and staff held in conjunction with significant annual academic events, such as USU Founders Day, USU Research Days, and Graduation.

d. Plaques and Mementos: Modest plaques, coins, and mementos for visiting non-Federal speakers and dignitaries may be purchased using Gift Funds upon approval in accordance with this Instruction. The purchase of coins will follow additional, established USU policies regarding the purchase and use of official coins. Each plaque or memento must cost less than \$50.00 and be of little intrinsic value, e.g., no precious metals or gems may be used. Only one plaque or other memento paid with gift funds may be presented to each guest speaker unless the total value for all items presented is less than \$50.00. Individual requests for exceptions to this policy must be forwarded for comment through the VFA and OGC to the VPE for decision.



e. Travel, Meetings, Symposia, Seminars, and Courses: USU Gift Funds may be used for non-local travel, registration, and related expenses for research, education and training. Federal travelers seeking to use USU Gift Funds must first obtain concurrence from OGC in accordance with Federal ethics regulations, (*Reference (d)*), and follow the procedures outlined below in sub-section 2.a.

f. Memberships in Professional Organizations

1) In accordance with *Reference (n)*, individual memberships in professional organizations are considered personal expenses, paid for by the individual. Other than as described below, Gift Funds may not be used.

2) Gift Funds may be used to pay a membership fee if USU cannot receive a professional journal without a membership to the organization, the publication is not otherwise available through the Learning Resource Center (LRC), to include availability on-line, and the organization will not accept an institutional membership.

3) Only one such membership per publication will be granted.

2. Procedures for Approval to use Gifts and USU Gift Funds:

a. Travel and Related Expenses Using USU Gift Funds:

1) The requester must create travel orders for official TDY travel, regardless of whether or not USU Gift Funds will be used to fund any portion of the travel.

2) The requester must then submit a Request to Use USU Gift Funds Form (*Enclosure 4, Attachment 2*), which can be obtained on the USU OGC webpage, to OGC for review by a USU ethics official. Review by a USU ethics official is required for all requests to approve the use of USU Gift Funds for travel and related expenses for official TDY travel by a DoD employee.

3) Once the travel approving authority approves the non-Federal Travel Form in writing with the advice of the USU ethics official, the request to use Gift Funds must be transmitted to the traveler's gift program coordinating official for action in coordination with AVR.

b. Gifts of Travel - Offers From Non-Federal Sources (i.e. not from USU Gift Funds):

1) The requester must create travel orders for official TDY travel, regardless of whether or not USU is funding any portion of the travel.

2) The requester must forward the gift of travel offer from the non-Federal entity to the appropriate organizational gift program coordinating official.



3) The requester must submit a Non-Federal Travel Form, which can be obtained on the USU OGC webpage, to OGC for review by a USU ethics official. Review by a USU ethics official is required for all requests to approve the acceptance of travel and related expenses from Non-Federal sources for official TDY travel by a DoD employee.

4) Once the travel approving authority approves the Non-Federal Travel Form in writing with the advice of the USU ethics official, the gift offer from the non-Federal source may be accepted and approved for travel and must be properly documented by the organizational gift program coordination official and USU resource management. Section 4-100.c. (1) of (*Reference (d)*).

- a) If approval is not secured in advance of travel, **no payments or reimbursements from Non-Federal sources are permitted.** Section 4-100.c. (2).of (*Reference (d)*).
- b) USU may accept subsistence, accommodations and payments or reimbursements of expenses and credit to the appropriation applicable to such expenses.
- c) DoD employees themselves may not directly accept payment or reimbursement of official travel benefits directly from the non-Federal source. Section 4-100.a. of *Reference (d)*. In kind (i.e. non-monetary) official travel gifts accepted by a DoD employee must be approved in advance and reported; USU must make a pro rata reduction in any entitlement of the employee to payment from the Government for such expenses. 31 U.S.C. § 1353(a) (*Reference (q)*).
- d) Waiver of a fee for attendance at an event by a participant in the conduct of that event does not constitute a gift.

c. Gifts Expenses - Other Than Travel:

- 1) The requester must submit a Request to Use USU Gift Funds Form (*Enclosure 4, Attachment 2*), which can be obtained on the USU OGC webpage, to the requester's gift program coordinating official for action and processing.
- 2) The gift program coordinating official will check to see whether the requested gift item/expenditure has been previously listed on the USU Gift Needs List, and whether a non-Federal entity has specifically offered a gift, either in-kind or through a monetary donation, for the item/expenditure.
- 3) The gift program coordination official will forward the request to OGC for review, noting whether a gift in-kind or monetary donation has been offered and accepted for the requested item/expenditure.
- 4) Light refreshments, Beverages, and Meals: Pursuant to the policies outlined above in Para. 1.c., the following steps are necessary for such requests:

- a) The requester will complete and submit the Request to Use USU Gift Funds Form, which can be obtained on the USU OGC webpage.
- b) Prior review by OGC is required for light refreshments, beverages and meals.
- c) OGC will then forward its review to the gift program coordinating official for a determination by the appropriate official.

5) Equipment and Supplies:

- a) The requester will submit the Request to Use USU Gift Funds Form, which can be obtained on the USU OGC webpage.
- b) Prior review by OGC is not required for purchases of equipment and supplies with an aggregate total of \$250 or less. For purchases over \$250, the request must be routed to OGC for review. OGC will then forward its review to the gift program coordinating official.
- c) Computers, mobile devices, software, cellular services, and like items may only be purchased using Gift Funds after consultation with and approval from the CIO and Acquisitions.
- d) USU employees shall not buy equipment, supplies, software, etc. with personal funds and then seek reimbursement from Gift Funds. The same rules that apply to purchases of equipment and supplies using a Government Purchase Card (GPC) apply to the use of Gift Funds.

3. **Audit Requirement:** All expenditures of Gift Funds are subject to audit by USU Financial Management Group (FMG) at any time. A periodic audit program will be implemented by USU FMG.

4. **Common Situations:** *Enclosure 4, Attachment 1*, identifies examples of common situations that will normally be authorized as allowable expenditures for food purchases using Gift Funds. The Enclosure also identifies examples of when Gift Funds will not be allowable.

## EXAMPLES OF COMMON SITUATIONS

This enclosure identifies examples of common situations that will normally be authorized as allowable expenditures for food purchases using Gift Funds **subject to availability of gift funds**. This Enclosure also identifies examples of when use of Gift Funds will not be approved.

**A. Food during conference or meeting:** These examples do not address the approval to hold the meeting or conference, which must follow Federal law and regulations and comply with the DoD Conference Policy through a separate USU approval process.

### 1. Common situations that will normally be approved:

- a. A non-routine conference or meeting -- (**OFF-CAMPUS**):
  - 1) Held no more than two times per year;
  - 2) Held away from the normal work place (off-campus or not where USU employees or other Federal attendees usually work);
  - 3) Not at a location whose primary purpose is to sell food (e.g. restaurant or club);
  - 4) Where there are no eating facilities within a reasonable walking distance and the events do not allow for time to drive for the meal;
  - 5) The meal and/or refreshments are incidental to the conference or meeting, or in other words, not the main purpose of the gathering;
  - 6) Attendance at the meal and/or refreshments is important for the employees' full participation in the conference or meeting; and
  - 7) The meals and/or refreshments are part of a formal conference or meeting that includes substantial functions occurring separately from when the food is served.
- b. A non-routine conference or meeting -- (**ON-CAMPUS**):
  - 1) Held no more than two times per year,
  - 2) The number of anticipated participants who are not Federal personnel or contract personnel assigned to work at USU (on or off-campus) are:
    - (a) Not less than 20% if less than 30 total participants, or
    - (b) Not less than 50% if 30 or more anticipated participants,
      - (1) The meal and/or refreshments are incidental to the conference or meeting, or in other words, not the main purpose of the gathering,

(2) Attendance at the meal and/or when refreshments are served is important for the employees' full participation in the conference or meeting, **and**

(3) The meals and refreshments are part of a formal conference or meeting that includes substantial functions occurring separately from when the food is served.

**2. Situations that will normally not be approved:**

- a. A routine department or staff meeting held at USU or elsewhere.
- b. Refreshments for a promotion, retirement, going away, or other such gatherings.
- c. Purchase of alcohol.
- d. Meeting held at a location whose primary business is to sell food or at a private or membership only club.
- e. Parking expenses.

**B. Meal purchased for a non-Federal Speaker or Presenter:**

**1. Common situation that will normally be approved:**

- a. Meal for speaker or presenter on topic of significance to the mission of the USU;
- b. Held at USU Cafeteria or local restaurant;
- c. The visiting speaker or presenter is not a Federal employee, not a contractor assigned to work at USU; and
- d. The number of accompanying USU employees is four or less and those personnel accompanying are individuals who have mutual interests in the field of education or field of research resulting in interactions of mutual benefit.

**2. Situations that will normally not be approved:**

- a. Meal for a speaker who is a Federal employee outside of DoD, such as NIH, or is a contractor for USU or another Federal agency.
- b. Meals for a USU employee or contractor who is present at two or more meals for a non-Federal or non-USU contractor speaker or presenter.
- c. Purchase of alcohol.

**C. Meals involving the evaluation of a prospective USU Chair, Associate Dean, or Professor:**

**1. Common situation that will normally be approved:**

- a. Meal for a candidate for Chair, Associate Dean, or Professor where the position is open to Federal or non-Federal candidates,
- b. Held at USU Cafeteria or local restaurant,
- c. At least two, but no more than three members from the selection committee will have their meals purchased,

**2. Situations that will normally not be approved:**

- a. Meal for applicant when position is not for Chair, Associate, Dean, Professor, senior USU official or,
- b. Meal for applicant when the position is not open to non-Federal personnel candidates or,
- c. Purchase of alcohol.



## REQUEST TO USE USU GIFT FUNDS FORM

### Request for Approval to use USU Gift Funds for Educational, Scientific and Related Activities

1. Responsibility Center:
2. Requestor's Name and Position:
3. Phone:
4. Proposed Expenditure (Meeting, professional course, seminars, etc.)
5. Justification of Expenditure (Explain why and how the expenditure is necessary, not just desirable, to further an official purpose of the University and that the University's mission could not be accomplished as satisfactorily or as effectively from the Government's standpoint without such expenditures):

(Attach sheet if necessary to fully justify)

Light Refreshments, Beverages, and Meals PURCHASES (skip to next section if no food will be purchased)

If light refreshments, beverages and meals is to be purchased under this request then identify the following:

- Anticipated number of total attendees:
- Anticipated number of Federal employees:
- Anticipated number of Federal personnel attendees' spouses or USU Contractors?

Attach a complete list of proposed attendees and distinguish USU Community (Federal personnel and USU contractors) from those of the guests attending.

By signing below, I understand that all payments must be made directly to the vendor involved by an authorized USU contracting official or government purchase card holder. I further understand that each meal may not exceed \$10 for breakfast, \$30 for lunch, and \$50 for dinner, and that alcohol may not be purchased with these funds. I further certify that if funds are to be used for recruiting purposes, I have consulted USU employment attorneys.

Details of Expenditure:

Light Refreshments, Beverages, and Meals:

Registration:

Other:

Total:

This expenditure [was] [was not] included on a USU Gift Needs List.

A gift [was] [was not] offered for this specific Need.

To the best of my knowledge, expenditures of these funds would not cause a reasonable person with knowledge of all of the facts to question the propriety of this expenditure.

I have attached a copy of the meeting agenda or other documents relating to this request.

Name, Signature and Date of Requestor

CHAIR/DIRECTOR/DEAN:

I recommend approval:

- (i) I concur that the expenditure is necessary, not just desirable, to further an official purpose of the University and that the University's mission could not be accomplished as satisfactorily or as effectively from the Government's standpoint without such expenditures, and
- (ii) To the best of my knowledge, the expenditure of these funds would not cause a reasonable person with knowledge of all the facts to question the propriety of this expenditure and is legally permissible.

Name, Signature and Date of Department Chair/Director or equivalent

REVIEW BY UNIVERSITY ETHICS OFFICIAL:

I find that:

- (i) That the expenditure is necessary, not just desirable, to further an official purpose of the University and that the University's mission could not be accomplished as satisfactorily or as effectively from the Government's standpoint without such expenditures; and
- (ii) Acceptance of the contribution, award, or payment:
  - (A) Would not reflect unfavorably on the employee's ability to carry out official duties in a fair and objective manner;
  - (B) Would not compromise the honesty and integrity of Government programs or of Government employees and their official actions or decisions;
  - (C) Would be compatible with the Ethics in Government Act of 1978, as amended; and
  - (D) Would otherwise be proper and ethical for the employee concerned given the circumstances of the particular case.

Additional Remarks:

Signature and Date of Ethics Official or USU Designated Agency Ethics Official (DAEO)

APPROVING OFFICIAL (Vice President/CoS/Dean/Director):

As delegated by the University President, I have reviewed all of the materials presented and the review by the Ethics Official. I have determined that the expenditure is necessary, and not just desirable to further an official purpose of the Uniformed Services University of the Health Sciences University, that the University's mission could be accomplished as satisfactorily or as effectively from the Government's standpoint without such expenditure, and to the best of my knowledge, the expenditure of these funds would not cause a reasonable person with knowledge of all the facts to question the propriety of this expenditure and is legally permissible.

Signature and Date of Approving Official

## GLOSSARY

### **PART I: DEFINITIONS**

1. Gifts are gratuitous conveyances or voluntary transfers of ownership in property without any consideration, (*Reference (r)*). Property, items, services, and travel purchased using Gift Funds are also considered gifts.

a. Special Purpose Gifts. A gift is considered to be for special purposes if the donor restricts its purpose or imposes a requirement that the gift be used:

- 1) To support a specific research study, project, or conference
- 2) To support activities of a USU Department, Center, Component, or employee identified by name or organizational title
- 3) For specifically identified purposes or functions, such as specific facility enhancements, academic symposia, awards, ceremonies, travel, or student clubs
- 4) For the purchase of specific items of equipment or other specific uses

b. General Purpose Gifts. A gift is general in nature if it is made to or for USU, or any other constituent part of USU for the benefit of all or any part of USU or for any of its functions, without further specification as to its purpose or manner of use.

2. The term "Gift Funds" will be used throughout this policy to denote public funds of gift money provided and held by USU or by Defense Finance and Accounting Service (DFAS) on USU's behalf. Gift money includes cash, checks, electronic funds transfers or other forms of negotiable instruments provided without consideration. Gift funds constitute public appropriated funds under the permanent appropriation granted by (*Reference (i)*).

3. Personal property - a tangible item that is not real property, including artwork, furniture, equipment, office machines, vehicles, materials, and supplies. It excludes financial instruments such as money, stocks, and bonds.

4. Private Entity – A private organization, individual, foundation, company, enterprise, charitable trust, society, or similar donor.

5. Prohibited source – a prohibited source means an entity that:

- a. is seeking official action by the USU; or
- b. is doing or seeking to do business with the USU; or
- c. is conducting activities regulated by the USU; or

- d. Has interests that may be substantially affected by the USU; or
  - e. Is an organization a majority of whose members are described in a. – d. above.
6. Real Property – A tangible item that may be land, buildings, utility systems, fixtures, and other property that is installed and becomes an integral part of the real property.
7. The term “refund” is a return of advances, collections for overpayments, adjustments for previous amounts disbursed, or recovery of erroneous disbursements from appropriations or fund accounts that are directly related to, and are reductions of, previously recorded payments from the accounts, (*Reference (s)*). A good example of a refund is a payment returned by a fraudulent contractor, (*Reference (t)*).
8. Responsibility Center – Organizations designated by the President, USU with budget authority for specified USU organizations. As of 2019, USU Responsibility Centers are as follows: CIO; Graduate School of Nursing (GSN); School of Medicine (SOM); VFA; VPR; AFRRI; Office of the President.
9. The term “special account” is defined in section 300403 of (*Reference (k)*) as an account established in the Treasury of the United States for receipt of monetary gifts and proceeds from the sale of real or personal property gifts to the Secretary of Defense or the Military Departments. In this case the “special account” is the DoD General Gift Fund.