



National Capital Region
Medical Directorate
ADMINISTRATIVE INSTRUCTION



NUMBER 7820.01
MAY 19 2016

RESOURCES

SUBJECT: Gifts and Donations

References: See Enclosure 1

1. PURPOSE. This Instruction, in accordance with (IAW) the authority in References (a) through (d), shall:

a. Establish policies and procedures for receiving, accepting, processing, and reporting gifts offered to the National Capital Region Medical Directorate (NCR MD), Medical Treatment Facilities (MTFs), and the Joint Pathology Center (JPC) from non-Federal entities (NFEs) IAW section 2601 of title 10, U. S. Code and DoD 7000.14-R (References (e) and (f)).

b. Not pertain to gifts given to individuals covered under DoD 5500.7-R (Reference (g)).

c. Not authorize the solicitation of gifts by MTF or JPC personnel.

2. APPLICABILITY. This Instruction:

a. Applies to the NCR MD Headquarters, Fort Belvoir Community Hospital (FBCH), Walter Reed National Military Medical Center (WRNMMC) [hereafter, FBCH and WRNMMC are referred to as MTFs], and the JPC.

b. Does not apply to:

(1) Gifts of voluntary services IAW section 1588 of Reference (e).

(2) Gifts of travel, IAW section 1353 of title 31, United States Code; section 7342 of title 5, U. S. Code; and DoD Directive 1005.13 (References (h) through (j)).

3. DEFINITIONS. See Glossary

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4. POLICY. It is NCR MD policy that supplementation of this Administrative Instruction and establishment of Command or local forms is prohibited without prior approval from the Director for Business Operations or designee.

5. RESPONSIBILITIES. See Enclosure 2

6. PROCEDURES. See Enclosures 3 through 6.

7. RELEASABILITY. UNLIMITED. This Administrative Instruction is approved for public release and is available on the Internet from the NCR MD Web Site at: www.capmed.mil.

8. EFFECTIVE DATE. This Instruction is effective upon its publication to the JTF CapMed Issuance Website.



C. M. Feller
Captain, NC, USN
Director
Acting

Enclosures

1. References
2. Responsibilities
3. General Provisions
4. Processing Institutional Gifts of Property or Money
5. Processing Non-Institutional Gifts for Distribution to Individuals
6. Processing Gifts to Warrior Family Coordination Cell (WFCC) and Soldier and Family Assistance Centers

Glossary

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ENCLOSURE 1REFERENCES

- (a) Deputy Secretary of Defense Memorandum, "Establishing Authority for Joint Task Force National Capital Region Medical (JTF CapMed) and JTF CapMed Transition Team (Unclassified)," September 12, 2007
- (b) Deputy Secretary of Defense Action Memorandum, "Civilian and Military Personnel Management Structures for the Joint Task Force National Capital Region Medical," January 15, 2009
- (c) Comprehensive Master Plan for the National Capital Region Medical, April 23, 2010
- (d) Supplement to the Comprehensive Master Plan for the National Capital Region Medical, August 31, 2010
- (e) Section 2601, 1588 of title 10, United States Code
- (f) DoD 7000.14-R, Vol. 12, Chapter 30, "Operation and Use of General Gift Funds," October 26, 2010
- (g) DoD 5500.7-R, "Joint Ethics Regulation," August 1, 1993
- (h) Section 1353 of title 31, United States Code
- (i) Section 7342 of title 5, United States Code
- (j) DoD Directive 1005.13, "Gifts from Foreign Governments," February 19, 2002
- (k) Under Secretary of Defense Memorandum, "Delegation of Gift Acceptance and Use," August 29, 2011
- (l) DoD Instruction 6000.8, "Funding and Administration of Clinical Investigation Programs," December 3, 2007

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ENCLOSURE 2RESPONSIBILITIES1. DIRECTOR, NCR MD. The Director shall:

- a. Provide policy and guidance necessary to ensure compliance with Federal laws and DoD issuances and guidance.
- b. Accept offered gifts to NCR MD valued at up to \$500,000.00 for MTFs and Centers.
- c. Delegate approval authority in writing to MTF Commanders and the JPC Director for gift acceptance and use pursuant to applicable regulations IAW section 2601 of Reference (e) and Reference (g).
- d. Express DoD appreciation for gifts to MTFs and Centers valued over \$250,000.00 and those gifts otherwise deemed worthy of Secretary of Defense recognition, which will be processed through the Administrative Assistant to the Secretary of Defense for appropriate recognition by the Secretary of Defense.
- e. Appoint the NCR MD Gift Program Coordinator.
- f. Ensure gifts which exceed \$500,000.00 in value are sent for approval by the Under Secretary for Defense (Comptroller) per References (f) and (k).

2. NCR MD DIRECTOR FOR BUSINESS OPERATIONS. The Director for Business Operations shall:

- a. Implement policy on behalf of the Director, NCR MD.
- b. Oversee the NCR MD Gift Program.
- c. Have the authority to approve exceptions or waivers to this Administrative Instruction consistent with applicable laws and regulations.

3. NCR MD CHIEF OF RESOURCE MANAGEMENT. The NCR MD Chief of Resource Management, shall:

- a. Establish and maintain command gift fund accounts and any sub-accounts.
- b. Ensure proper accounting and quarterly auditing and reporting to the NCR MD Director for Business Operations.

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- c. Coordinate, manage, and administer gifts and donations to NCR MD on behalf of the Director, NCR MD.
- d. Process gift offers for approval and acceptance by the Director, NCR MD.
- e. Maintain the records of all gifts accepted or declined by the Director, NCR MD under delegation by Secretary of Defense for 6 years and 3 months beyond the life of the gift.
- f. Provide a written copy of all delegations to the Administrative Assistant to the Secretary of Defense.
- g. Receive and consolidate quarterly reports of gifts accepted by delegated acceptance authorities no later than 5 days after the end of each quarter of the fiscal year.
- h. Submit NCR MD's report of all gifts accepted under Secretary of Defense delegation or by Commanders under Director, NCR MD's delegated authority. This report must be submitted quarterly to the DoD Gift Program Coordinator no later than 5 days after the end of each quarter of the fiscal year.

4. MTF AND JPC DIRECTORS. The MTF and JPC Directors shall:

- a. Provide MTF and JPC policy and guidance necessary to ensure compliance with Federal laws, regulations, DoD, and NCR MD guidance and issuances.
- b. Subject to written delegation of approval authority or as authorized by the Director, NCR MD to accept and determine appropriate use for gifts valued up to \$250,000.00 within their MTFs or the JPC; and when appropriate, distribution to individuals within the MTFs and JPC. A copy of the delegated approval authority must be maintained in the office where the authority is held.
- c. Express DoD appreciation for gifts within the MTF or JPC valued up to \$250,000.00.
- d. Direct a legal review for gifts valued at \$1,000.00 or higher by the servicing legal office / Ethics Counselor.
- e. Maintain records of gifts accepted or declined under this delegation for 6 years and 3 months beyond the life of the gift.
- f. Provide the NCR MD Resource, a report of gifts accepted under delegated approval authority no later than 5 days after the end of each quarter of a fiscal year.

g. Appoint a Gift Manager (GM) to coordinate gift actions, facilitate efficient processing and action, and ensure proper accountability of gifts within their MTF or JPC. The GM will also assist the MTF Commander or JPC Director in developing and approving prioritized needs lists.

5. LEGAL ADVISOR, NCR MD. The Legal Advisor, NCR MD shall:

a. Provide legal reviews and guidance for all DoD and NCR MD policies governing gifts and donations to NCR MD.

b. Provide legal advice and counsel to facilitate NCR MD compliance with all statutes governing gifts and donations.

c. Provide the final review and issue written legal opinions for all gift offers requiring Director, NCR MD's decision.

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ENCLOSURE 3GENERAL PROVISIONS

1. Acceptance authorities will not split gifts in order to stay under their delegated threshold.
2. Gifts from foundations and similar entities will not be used as conduits or intermediaries to make indirect gifts to the MTF or Center that would otherwise be impermissible for DoD acceptance.
3. Acceptance authorities will:
 - a. Use increased sensitivity and scrutiny when gifts are offered from prohibited sources, as acceptance may cause embarrassment to NCR MD, the MTF, or Center; or create the appearance of influencing official decisions or actions.
 - b. Consult with their designated ethics counselor before accepting such gifts to determine whether the donor is involved in any claims, procurement actions, litigation, or other particular matters involving NCR MD, a MTF, or Center that should be considered prior to acceptance.
4. NCR MD, MTF, and Center personnel will not solicit, fundraise for, or otherwise request or encourage a gift from a NFE. In response to an inquiry, NCR MD, MTF, and Center personnel may inform a prospective donor of the needs of the activity or command only after notifying the appropriate GM.
5. Acceptance authorities will inform prospective donors that as representatives of the Government, they cannot assume responsibility for any expenses incurred before the offered gift is accepted, even if it is in the Government's temporary custody.
6. Except in unusual circumstances, acceptance authorities will not accept custody of a gift (personal or real property, money or negotiable instruments) before it is officially authorized.
7. Acceptance authorities will notify donors, in writing, that such acceptance of custody does not constitute official acceptance of the gift. Donors will also be notified that the DoD will not pay interest on improperly accepted gifts nor will it be responsible for any loss or damage to the gift before official acceptance.

8. Acceptance authorities will maintain and properly mark the official record of every gift accepted, declined, or sold under their acceptance authority IAW Reference (f). All records, to include supporting documentation, for monetary and non-monetary gifts will be retained for 6 years and 3 months beyond the life of the gift for audit purposes.

9. Acceptance authorities will not render any opinion of the value on a specific gift that a donor has offered and will not back-date or accept an offer on the condition that it be back-dated for tax purposes. Gifts accepted under section 2601 of Reference (e) are considered gifts or bequests to the U. S. under the Internal Revenue Code and written notification of acceptance constitutes acceptance and receipt by the DoD. It is the donor's responsibility to consult a private tax expert for tax advice on the tax implications of gift giving to the DoD.

10. Acceptance authorities may pay all or some of the necessary expenses in connection with the conveyance or transfer of a gift. The gift action will detail expenses paid in connection with a gift's acceptance and/or use.

11. Acceptance authorities will report the proceeds from the sale of any gift on the quarterly report to Director, NCR MD. Proceeds will be deposited via mail or electronic funds transfer in the appropriate sub-account in the DoD General Gift Fund.

12. Acceptance authorities will follow the guidance in Reference (f) for keeping accurate, auditable, and timely records of all gifts and will provide this information as required for periodic audits.

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ENCLOSURE 4PROCESSING INSTITUTIONAL GIFTS OF PROPERTY OR MONEY1. GIFT OFFERS

a. A letter of proffer (LOP) for an institutional gift will be in writing, signed, and dated by the donor, and describe, in detail, the gift being donated and the estimated value of the gift (including the valuation method used). It will contain sufficient details to prevent any misunderstanding between the donor's intent and the DoD execution. If the gift is an unconditional gift, the LOP will contain a statement that there are no other conditions or obligations that apply to the Government. If it is a conditional gift, it must list the conditions or donor proposed restrictions on use of the gift.

b. All LOPs will be sent directly to the Command's GM for the establishment of a case file. NCR MD personnel who receive an institutional gift offer, which he or she is not authorized to accept on behalf of the DoD, will send the offer to the GM for processing through the proper command channels to the appropriate approval authority.

c. A LOP from a company, profit or non-profit corporation, or any other entity will require sufficient evidence that the offeror has the authority to make the gift on behalf of the entity.

d. Offers requiring Director, NCR MD approval must be forwarded through command channels to the NCR MD Chief of Resource Management for staffing to Director, NCR MD.

e. Gift offers related to a clinical investigation study will be sent to the Clinical Investigation Programs (CIPs). CIPs in MTFs, Centers, and the Uniformed Services University of Health Sciences will process gifts in excess of \$1,000.00 related to clinical investigation studies IAW appropriate command guidance and IAW DoD Instruction 6000.8 (Reference (I)).

2. PROTOCOL FOR ACCEPTING AND REJECTING GIFTS

a. Acceptance authorities will accept the gift on behalf of the DoD in writing, and when appropriate, inform the donor where to deliver or send the gift.

b. Acceptance authorities will instruct the appropriate commander or Director of the gift's disposition if it was delivered to a subordinate command or center for custody, pending acceptance, and use authorization.

c. Acceptance authorities will prepare a memorandum for record (MFR) addressing the following six questions:

- (1) Is the gift needed or wanted? Explain why the gift is appropriate for the activity.
 - (2) Are there any professional, technological, or economical advantages to accepting the gift? If yes, explain.
 - (3) Identify the donor and explain the relationship, if any, to the activity.
 - (4) Is the donor a prohibited source? Can acceptance of the gift adversely affect the public's confidence in the integrity of the NCR MD, MTF or Center, or the DoD? Explain.
 - (5) Will/can acceptance of the gift grant special privileges or concessions to the donor? Explain answer.
 - (6) Can acceptance of gift result in actual or perceived preferential treatment of the donor, for example, in such matter as future acquisitions? Explain answer.
- d. Acceptance authorities will not reject any gift unless its acceptance would not be in the best interests of the DoD or violates applicable law or regulation. Acceptance authorities will decline gifts under the following circumstances:
- (1) Improper appearance or expectation as a result of the gift;
 - (2) Improper endorsement (of appearance thereof) of the donor (its events, products, services, or enterprises);
 - (3) A serious question of impropriety due to the donor's present or prospective business relationships with NCR MD, the MTF, or Center;
 - (4) The expenditure of funds in excess of amounts appropriated by Congress; and
 - (5) Substantial expenditures or administrative efforts and maintenance disproportionate to any benefit to be realized by acceptance of the gift.
- e. A rejected gift will be declined in writing with an expression of appreciation.

3. LEGAL REVIEW

- a. Acceptance authorities will consult with the designated ethics counselor before accepting any gift.
- b. For gifts valued in excess of \$1,000.00, a written legal opinion is required. The GM will provide copies of the LOP and MFR to the ethics counselor to determine:
 - (1) Whether the donor is involved in any claims, procurement actions, litigation, or other particular matters that should be considered prior to gift acceptance pursuant to Reference (f);

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(2) Whether acceptance of the gift is in the best interest of the DoD pursuant to Reference (f).

(3) Whether the gift is offered in a manner that specifically discriminates among DoD personnel merely on the basis of the type of official responsibility or of favoring those of higher grade or rate of pay; and

(4) Whether the donor has interests that may be substantially affected by the performance or nonperformance of any DoD personnel in their official duties.

4. CLOSING INSTITUTIONAL GIFT ACTIONS

a. Approval authorities will express the DoD appreciation by sending a letter of appreciation (LOA) to the donor even when declining the offer (citing reasons for declination).

b. Approval authorities will not publicly acknowledge gifts (e.g., television or printed media) absent Director, NCR MD (or designee) authorization, and will take care to avoid the appearance of official endorsement or solicitation of donations.

c. All accepted gifts of property will be delivered to the appropriate Logistics Division or Property Branch for in-processing. The Logistics Division or Property Branch will assign a control number, unique identifier, or data element used to track the property prior to issuing the property to the department, command, or center for use. Property will be accounted for IAW appropriate governing regulations.

d. All accepted gifts of money will be made by check payable to the "Treasurer of the United States." Upon final gift acceptance, Defense Finance and Accounting Service - Indianapolis will assign the line of accounting for this gift fund (otherwise known as a "limit"). In order to establish a new gift fund, the GM will submit the following items:

(1) Copy of the gift acceptance letter signed by Secretary of Defense, Director, NCR MD, or an approval authority defined under this Instruction.

(2) At least one check for deposit to this gift fund.

(3) The name for the gift fund to bear.

(4) Line of accounting for this gift fund.

e. The GM will ensure that copies of all pertinent documentation are contained in the case file and then close the file.

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ENCLOSURE 5PROCESSING NON-INSTITUTIONAL GIFTS FOR DISTRIBUTION TO INDIVIDUALS

1. Approving authorities will only accept those gifts intended for distribution to individuals that promote health, comfort, convenience, and morale (for example, reading materials and writing paper). The Command or Center, and not the donor, will decide the category of personnel to receive the gifts. Organizations with a particular service affiliation who want to donate to their members need to specify this in the LOP. If two or more NFEs donate similar items or collection of similar items, the items should be distributed as equally as possible. Approval authorities will not accept alcoholic beverages and the donor must agree to pay transportation costs.
2. In addition, the following restrictions apply:
 - a. Advertising marked on articles will not discredit the military service;
 - b. Service members should not serve as the medium for redistributing the material to others;
 - c. The donor will not restrict release of information regarding the gift to the public;
 - d. Approval authorities will make no public announcement of gifts received except when authorized by Director, NCR MD (or designee). Acceptance authorities will send a suitable acknowledgement to the donor on behalf of the military personnel concerned. LOAs will not imply DoD, NCR MD, MTF, or Center endorsement. Approval authorities will word these letters so as to avoid seeming to solicit donations from NFEs, or from the general public; and
 - e. Acceptance authorities will not arrange special concessions or privileges for the donor.
3. All LOPs for non-institutional gifts will describe, in detail, as required by paragraph 1.a of Enclosure 4, the gift being donated, approximate value, and which group of individuals should receive the gifts.
4. All LOPs for non-institutional gifts for distribution to individuals will be sent directly to the GM for the establishment of a gift case file.
5. The GM will provide copies of the LOP to the designated ethics counselor.
6. The ethics counselor will conduct a conflict of interest analysis and legal review consistent with the requirements of paragraph 3 of Enclosure 4. If it is appropriate to accept the gift, the ethics counselor will prepare an MFR to document the legal review consistent with the

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requirements of paragraph 3 of Enclosure 4. If acceptance is not appropriate, the ethics counselor will prepare a MFR indicating the basis for the recommendation against acceptance of the gift.

7. Chief of Resource Management, NCR MD will process gifts valued over \$250,000.00, and forward the documents, with recommendation for acceptance or rejection, to Director, NCR MD.

8. Gifts which exceed \$500,000.00 in value must be approved by the Under Secretary for Defense (Comptroller) per References (f) and (k).

9. The GM will ensure that copies of all pertinent documentation are contained in the gift case file and then close the file.

ENCLOSURE 6

PROCESSING GIFTS TO WARRIOR FAMILY COORDINATION CELL (WFCC) AND
SOLDIER AND FAMILY ASSISTANCE CENTERS

1. The mission of the WFCC is to support the Wounded, Ill, and Injured (WII) by providing services and information to warriors in transition and their families. The WFCCs are housed in dedicated physical locations with directors and staff. In addition to providing services, the WFCCs are also intended to be centers of gravity for WII and their families to gather for camaraderie and to share information.

2. Donations for the WFCCs are accepted by the Army Soldier and Family Readiness Donations Supplemental Mission Non-appropriated Funds Instrumentality at Headquarters, Family and Morale, Welfare and Recreation Command (FMWRC). Interested donors should be referred to FMWRC for additional information. Donations to WRNMMC and FBCH WFCC will be coordinated and processed IAW this Administrative Instruction.

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GLOSSARYPART I. ABBREVIATIONS AND ACRONYMS

CIPs	Clinical Investigation Programs
Director, NCR MD	Director, National Capital Region Medical Directorate
FBCH	Fort Belvoir Community Hospital
GM	Gift Manager
IAW	in accordance with
JPC	Joint Pathology Center
LOA	letter of appreciation
LOP	letter of proffer
MFR	memorandum for record
MTFs	Medical Treatment Facilities
NFEs	non-Federal entities
RM	Resource Management
WFCC	Warrior Family Coordination Cell
WII	Wounded, Ill, and Injured
WRNMMC	Walter Reed National Military Medical Center

PART II. DEFINITIONS

acceptance authority. An official or officer in the NCR MD, MTF, or Center who may accept (i.e., approve) or decline gift offers IAW this Instruction.

conditional gift. A contribution, donation, devise, or bequest of real or personal property, or tangible or intangible personal property that will only be provided if the recipient agrees to certain conditions or restrictions.

donation. Includes gifts and refers to something of value received from a non-Federal entity without consideration or exchange of value.

donor. Includes a person, company, or organization that contributes money or property by making a donation to a cause or fund.

ethics counselor. Generally a DoD employee, appointed in writing by the DoD Component-designated agency ethics official or designee, to assist in implementing and administering the DoD Component command's or organization's ethics program and to provide ethics advice to DoD employees of the DoD Component command or organization as set forth in Reference (g).

GM. Generally a DoD employee appointed in writing by an Approval Authority to coordinate gift actions, facilitate efficient processing and action, and ensure proper accountability of gifts within a regional medical command. The GM will also assist regional medical commanders, and MTFs and Centers within their region, in developing and approving prioritized needs lists.

LOA. A written letter of appreciation from an approval authority to the donor of a gift.

LOP. A written offer to provide a loan or gift.

limit. The limitation is a four-digit suffix to the basic symbol. The limit issued to identify a subdivision of funds that restricts the amount or use of funds for a certain purpose or identifies sub-elements within the account for management purposes. On accounting documents, the limit is preceded by a decimal point.

NFE. Generally, a self-sustaining, non-Federal person or organization, established, operated, and controlled by any individual(s) acting outside the scope of any official capacity as officers, employees, or agents of the federal Government. A non-Federal entity may operate on DoD installations if approved by the installation commander or higher authority under applicable regulations.

prohibited source. Any person or organization who: (1) is seeking official action by the DoD or a DoD Component; (2) does business with or seeks to do business with the DoD; (3) conducts activities regulated by the DoD; or (4) has interests that may be substantially affected by the performance or non-performance of the DoD employee's official duties.

unconditional gift. A contribution, donation, devise, or bequest of real or personal property, or tangible or intangible personal property that is provided to the recipient without conditions or restrictions. This includes a gift where the donor specifies the place, manner, or purpose, so long as the specification is within the normal use of the gift.