DEPARTMENT OF THE NAVY
BUREAU OF MEDICINE AND SURGERY
2300 E STREET NW
WASHINGTON DC 20372-5300

IN REPLY REFER TO
BUMEDINST 4001.4A
BUMED-14
14 Apr 94

BUMED INSTRUCTION 4001.4A

From: Chief, Bureau of Medicine and Surgery

Subj: ACCEPTANCE OF GIFTS

Ref: (a) SECNAVINST 4001.2F
(b) SECNAV approval of 25 Jun 88 on CNO memo ser 00/8U500242 of 6 Jun 88 (NOTAL)
(c) OPNAVINST 4001.1C
(d) NAVCOMPT Manual 036200
(e) NAVCOMPT Manual 036700

Encl: (1) Guidelines for Obtaining and Accounting for Infant Formula

1. Purpose. To amplify the new changes to references (a) and (b) by reference (c) for the acceptance of gifts by activities resourced by the Chief, Bureau of Medicine and Surgery (BUMED). The policy outlined in reference (c) changes the routing chain of some naval medical treatment facilities when processing donations are received. This is a complete revision and must be read in its entirety.

2. Cancellation. BUMEDINST 4001.4.

3. Discussion. Reference (a) authorizes the Chief of Naval Operations (CNO) to accept gifts of personal property of a value less than $5,000. The Secretary of the Navy (SECNAV), in reference (a), authorizes the CNO to delegate acceptance authority for gifts of a value up to $3,000. All prior grants of gift acceptance authority from the CNO are canceled. No further delegation of gift acceptance authority, other than granted by this instruction, is authorized.

4. Policy. Department of the Navy policy allows the following:

a. Gifts of personal property under 10 United States Code (U.S.C.) 2601 (which are not acceptable under a more specific statute); gifts for use in providing recreation, amusement, or contentment of enlisted members under 10 U.S.C. 7220; and acceptance of payment from non-Federal source for travel expenses under 31 U.S.C. 1353 (implemented by 41 C.F.R. parts 301-1 and 304-1).

b. The following officials are delegated gift acceptance authority for gifts of personal property (including money) for the benefit of an institution or organization; for providing

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recreation to enlisted members serving in such organizations under his or her command or subordinate command; or for acceptance of payment from a non-Federal source for travel and related expenses for attendance of personnel in a travel status at any meeting or similar function relating to official duties:

(1) Gifts of a value less than $5,000: Vice Chief of Naval Operations and Assistant Vice Chief of Naval Operations.

(2) Gifts of a value of $3,000 or less: Commander in Chief, U.S. Atlantic Fleet; Commander in Chief, U.S. Pacific Fleet; Commander in Chief and Deputy Commander in Chief, U.S. Naval Forces, Europe; numbered fleet commanders; Commander, U.S. Naval Forces Central Command; Commander, Military Sealift Command; commanders of systems commands; chiefs of bureaus; Chief of Naval Education and Training; type commanders; President, Naval War College; Superintendent, Naval Postgraduate School; Commander, Navy Recruiting Command; Commander, Naval Reserve Force; Commandant, Naval District Washington; Commander, U.S. Naval Forces, Japan; Commander, U.S. Naval Forces, Korea; Commander, U.S. Naval Forces, Marianas; Commander, Fleet Air, Mediterranean; and naval base commanders.

c. Naval medical facilities shall forward requests for acceptance of gifts, via the chain of command, to the responsible line commander with gift acceptance authority. In cases where the responsible line commander is a Marine Corps activity, or BUMED resourced non-medical facility, the request shall be forwarded to BUMED. The request shall contain, at a minimum, the following information: a description of the gift, including the estimated value and the source of that estimate; the donor's identity, point of contact, phone number, and defense contractor status; a description of what personnel will be making use of the gift; if the donor is a defense contractor, then a statement indicating whether any of the personnel who will be using the gift are involved in making procurement decisions affecting the donor and, if so, whether any possible appearance of impropriety would be outweighed by the benefit derived from the gift; and, for gifts of personal property, verification that the donor has been notified that the facility has accepted temporary custody of the gift pending final approval.

d. Unless authorized by SECNAV, requests of gifts shall not be solicited by persons in the Department of the Navy (DON).

e. All accepted gifts must be used for the purpose intended by the donor. An offer of a gift with specified conditions other than the designated use of the gift must be declined.

f. SECNAV directs refusal of any gift that might embarrass the DON by reason of favors expected or unwarranted publicity for the donor.

g. Gifts to the DON by defense contractors are not necessarily unlawful; however, they must be closely reviewed before acceptance to ensure that an appearance of influencing impartial procurement processes or business relationships does not exist.

h. An offer that requires substantial expenditures of funds or administrative efforts should be evaluated to determine whether acceptance is merited.

i. The acceptance of alcohol and tobacco products is not authorized.

j. Gifts of property which are not related to the treatment of the patient and are given to the command for further distribution as gifts to patients, cannot be accepted. This position is based on references (d) and (e), which require property accounting of command assets.

k. Gifts of property which are treatment related, such as infant formula and diapers, may be accepted. However, this type of property may be distributed to patients only under such conditions, at such times, and in such quantities as is appropriate for the care and comfort of the patient while in the naval treatment facility and until the patient is able to purchase similar property after departing the facility. Acceptance of gifts of infant formula, of a value of $3,000 or less, from the manufacturer for these limited purposes is authorized and no further request for acceptance approval should be submitted. Gifts of infant formula at a value in excess of $3,000 must be processed for acceptance approval per this instruction. Infant formula shall be handled following enclosure (1).

5. Procedures for Handling Gifts of Money or Securities

a. Gifts of money (cash, checks, or other negotiable instruments) or securities, acceptable under 10 U.S.C. 2601, including gifts for morale, welfare, and recreation (MWR), shall, after acceptance following this instruction, be forwarded to the Assistant for Administration, Under Secretary of the Navy (AAUSN), regardless of where acceptance authority is vested. AAUSN will deposit the funds in the "Navy General Gift Fund" account and issue a fund allotment NAVCOMPT 372, to the intended receiving command.

b. All checks shall be made payable to the Department of the Navy.

6. Action. Commanding officers, commanders, and officers in charge shall comply with this instruction when processing gifts and donations.

7. Form. NAVCOMPT 372 (1-85), Allotment/Sub-Allotment Authorization, S/N 0104-LF-700-6701, is available from the Navy Supply System and may be requisitioned per NAVSUP P-2002D.

D. F. HAGEN

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GUIDELINES FOR OBTAINING AND ACCOUNTING FOR INFANT FORMULA

1. Infant formula must be accounted for, controlled, and issued consistent with standard medical supply procedures. This instruction governs the acquisition of infant formula and enables activities to accept free or nominal cost infant formula which is a common industry practice. Commanding officers shall ensure that the material managers comply with the following guidelines:

a. Notify interested manufacturers that free or nominal cost infant formula may be accepted on a rotational basis of not less than 6 months. The use of a particular brand of formula will depend on availability, physician and parental desires, and nutritional needs of the infant. In this manner, more than one manufacturer may participate in this program at any given time.

b. Prepare a schedule of suppliers and rotation dates for the products available under the program. Copies will be available to interested parties as appropriate.

c. Ensure the proper management of infant formula to include usage rates by manufacturer, rotation of dated material, and orderly transition from one supplier to another as necessary.

d. Be strictly limited to inpatient use.

e. In overseas areas where there are no local distributors or manufacturer representatives for infant formula, activities are authorized to acquire infant formula directly from the manufacturers. The contracting officer shall be notified of such arrangements.

2. If free formula is not available, or other factors prohibit use of this program, infant formula shall be bought, receipted for, and controlled as any other medical supply item.