



DEPARTMENT OF DEFENSE
EDUCATION ACTIVITY
4040 NORTH FAIRFAX DRIVE
ARLINGTON, VIRGINIA 22203-1635

March 10, 1999

FISCAL DIVISION

DoDEA REGULATION 7241.1

DEPARTMENT OF DEFENSE EDUCATION ACTIVITY
Acceptance of Gifts for Domestic and Overseas Defense Dependents' Schools

- References:
- (a) Section 2605, of Title 10, United States Code, "Acceptance of Gifts for Defense Dependents' Schools"
 - (b) DoD Directive 1342.20, "Department of Defense Education Activity (DoDEA)," October 13, 1992
 - (c) DoD Directive 1342.6, "Department of Defense Dependents Schools (DoDDS)," October 13, 1992 with Change 1
 - (d) DoD Directive 1342.21, "Department of Defense Section 6 Schools," October 13, 1992
 - (e) through (n), see enclosure 1

A. PURPOSE

This Regulation establishes policies and procedures for accepting and administering gifts for domestic and overseas defense dependents' schools, hereafter Department of Defense Education Activity (DoDEA), in accordance with references (a) through (d).

B. APPLICABILITY AND SCOPE

This Regulation applies to DoDEA headquarters, areas, districts, and schools. It prescribes the process for accepting and accounting for gifts except as specified in paragraphs H.2 and 3 below. This Regulation does not apply to gifts of gratuitous services (volunteers), or to authorize gifts of cash for the employment of personnel.

C. DEFINITIONS

Terms used in this Regulation are defined in enclosure 2.

D. POLICY

1. DoDEA, pursuant to the procedures of this Regulation, may accept, hold, administer, and spend any gift, including any gift of an interest in real property, made on the condition that it be used in connection with the operation or administration of DoDEA, and may pay all necessary expenses in connection with the acceptance of a gift under this Regulation.

2. Gifts accepted by DoDEA may be used for any purpose that will benefit the schools, dormitories, and other DoDEA activities. For accounting purposes, gifts are accounted for as “conditional” or “unconditional” (see Definitions, enclosure 2 and Procedures, enclosure 4). If there is any doubt about the offer being conditional or unconditional, and if clarification cannot be obtained from the donor, the gift will be classified as an unconditional gift.

3. Acceptance of personal or real property is subject to this Regulation and to reference (e). All personal and real property will remain in the possession and be the responsibility of the donor until the gift offer is accepted by the Director, DoDEA or a designee (except as provided in paragraph H.1 of this Regulation).

4. Unless expressly authorized by the DoDEA General Counsel, gifts will not be accepted if the acceptance of the gift presents or gives the appearance of a conflict of interest, or is inconsistent with, or is offered by prohibited sources as defined by references (f), (g, paragraph 1-227), and (h).

5. Donations of money (including donations from Parent, Teacher, Student Association (PTSA), Wives Clubs and Booster Club) to students for the explicit purpose of facilitating student participation in recognized and authorized student activities must be consistent with paragraphs D, E and F of this Regulation, but, are processed, accepted and accounted for pursuant to reference (i).

6. Gifts for travel of students to academic competitions and co-curricular activities are processed, accepted and accounted for pursuant to reference (i), and must be used consistently with reference (j).

7. Gifts of property with a value less than \$500 may be processed, accepted and accounted for pursuant to reference (e), and used consistently with the policies in paragraphs D, E, and F of this Regulation.

8. Gifts or awards of food, lodging, entertainment and admission to conferences, conventions or meetings made to DoDEA employees while on official business, regardless of the source, are excluded from this Regulation. References (g) and (k) through (m) regulate such gifts.

E. AUTHORIZED USE OF GIFTS

Consistent with the delegations of authority in references (b) through (d), DoDEA designated recipients (see Definitions, enclosure 2) may use gifts consistent with any conditions, not contrary to federal or state law, that are imposed by the donor:

1. For the general benefit or in connection with the establishment, operation, maintenance, administration, of any DoDEA school co-curricular, extra-curricular or student activity.

2. To contribute to the educational experience of students or add to the instructional program, i.e., expenses for research, speakers for group programs, purchase or preservation of works of art or items of historical interest.

3. For any other use when explicitly authorized in writing by the Director, DoDEA, or designee.

F. UNAUTHORIZED USE OF GIFTS

1. DoDEA will not use gift funds for activities benefiting individuals or small groups that are not part of an authorized DoDEA activity.

2. DoDEA incurs no obligation to make special arrangements or to grant special privileges or concessions to a donor.

3. DoDEA personnel will not solicit gifts from potential donors or engage in fund raising on behalf of DoDEA in violation of references (f) and (g) and installation regulations. However, students may participate in fund raising activities in accordance with reference (i), and DoDEA personnel may respond to specific inquiries from potential donors seeking guidance on how they may best assist the DoDEA community.

4. Gifts of cash may not be used to employ personnel.

G. RESPONSIBILITIES

Responsibilities for the administration of the gift fund are provided at enclosure 3.

H. PROCEDURES

1. All gifts of money (including securities) and property must be processed as provided in enclosures 3 and 4 of this Regulation, except as provided in paragraphs 2 and 3 below.

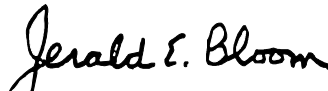
2. Gifts of personal property with a fair market value or cost of \$499.99 or less (including donations from an organization chartered on a base command, i.e., PTSA, Wives Club, Booster Club) or gifts of travel of students may be processed, accepted, and accounted for as provided in references (e), when consistent with the policies of paragraphs D, E and F of this Regulation.

3. Gifts of money with a value less than \$500 made to a student activity fund, operating under the provisions of reference (i), may be processed, accepted and accounted for under the procedures of reference (i) when consistent with the policies of paragraphs D, E, and F of this Regulation.

4. Any gift from a prohibited source, regardless of value, must be coordinated with the DoDEA General Counsel prior to its acceptance by any DoDEA official, reference paragraph D.4 above.

I. EFFECTIVE DATE AND IMPLEMENTATION

This Regulation is effective immediately and shall be implemented upon publication.


for Lillian Gonzalez
Director

Enclosure(s): 5

1. References
2. Definitions
3. Responsibilities
4. Procedures
5. Schematic

DISTRIBUTION: X

REFERENCES

- (e) DoDEA Manual 4100.2, "DoDEA Material Management Manual," August 28, 1997
- (f) DoD Directive 5500.7, "DoD Standards of Conduct," August 30, 1993, with Change 1
- (g) DoD 5500.7-R, "Joint Ethics Regulation (JER)," November 2, 1994, with Changes 1-3
- (h) Section 423 of Title 41, United States Code, "Procurement Integrity"
- (i) DoDEA Regulation 7240.1, "Department of Defense Dependents Schools Administration of Student Activity Fund," September 17, 1985
- (j) Joint Travel Regulations (JTR), Chapter 6, Part A, Paragraph C6002.G
- (k) Title 41, Code of Federal Regulations, Part 304-1, "Acceptance of Payment from Non-Federal Sources for Travel Expenses"
- (l) Section 4111 of Title 5, United States Code, "Acceptance of Contributions, Awards and Other Payments"
- (m) Section 1353 of Title 31, United States Code, "Acceptance of Travel and Related Expenses from Non-Federal Sources"
- (n) DoD Regulation 70014, Volume 14, "Department of Defense Financial Management Regulation, Administrative Control of Funds and Antideficiency Act," dated August 1995
- (o) Section 2682 of Title 10, United States Code, "Facilities for Defense Agencies"

DEFINITIONS

1. Conditional Gift. Any gift that the donor limits in writing to specific use (i.e., activity, purpose, organization, etc.) and ownership (e.g., specific school, district, area or to DoDEA generally) will be deemed a conditional gift even if identified for the general use of the student activity fund.
2. Designated Recipient (Recipient). The person designated to receive and administer a gift is the applicable school principal if the gift is for the benefit of that school, or the district superintendent if the gift is for the benefit of more than one school in the same district, or the area superintendent if the gift benefits schools in multiple districts within the same area, or the Director (or DoDEA Comptroller) when the gift is for the benefit of more than one school in different areas.
3. DoDEA Gift Fund. This is the Treasury account (number 97X8096) to which all cash is deposited, except cash deposited to a student activity fund, pursuant to paragraph H.3. of this Regulation.
4. Expendable Items. Items that are consumed in use or lose their identity in use and are not reusable once they have performed their intended function (e.g., pencils, crayons, erasers, paper clips, paper, tablets, workbooks, notebooks, binders, and other similar items). For DoDEA purposes, all items costing \$49.99 or less will be coded as expendable.
5. Gift. A gift is any contribution, donation, devise or bequest of money (including negotiable instruments or securities), real or personal property.
6. Nonexpendable Items. Items which are not consumed in use; which retain their original identity during their useful life, normally two years or longer; are reusable for the same function; and have a unit cost meeting the current threshold specified in reference (e).
7. Personal Property. Personal property is property of any kind, except real property and records of the Federal Government.
8. Real Property. Real property consists of land, building structures, and installed equipment.
9. Unconditional Gift. Gifts offered with no limitations on use. The gift will be presumed to be an unconditional gift when the written gift offer is not restricted clearly and unequivocally to a particular school or location, or to a particular use, or both. For example, a gift offered to a particular school, district, or area, generally will be used at or within the particular school, district, or area. Such a gift is unconditional if the gift offer does not specify a particular use.

RESPONSIBILITIES

1. The Director, DoDEA:

- a. Oversees the operation of the gift program defined by this Regulation.
- b. Accepts, holds, administers, pays necessary expenses incidental thereto, and spends any gift (including any gift of an interest in real property) made on the condition that it be used in connection with the operation or administration of the Defense Dependents' Education System.
- c. Delegates in writing, and by this Regulation, to such other persons (designees) as appropriate to perform designated responsibilities described in paragraph 1.b. above.
- d. In deciding to accept a gift offer, consults the designated agency ethics official concerning the propriety of the gift. To consider the relationship between the intrinsic value of the gift to DoDEA and the cost of acceptance and maintenance, consults the DoDEA Comptroller and other functional cabinet members as appropriate, i.e.; the Chief, Information Technology Division for gifts concerning technology (. i.e., personal computers and computer servers); and the Chief, Logistics Division for gifts concerning personal and real property.
- e. Unless the Director designates in writing otherwise, serves as the exclusive DoDEA official authorized to finally accept or reject any gift offer (except as provided in paragraphs H.2. and H.3. of this Regulation).

2. DoDEA Headquarters Fiscal Division:

- a. The DoDEA Comptroller:
 - (1) Serves as the chief executive for supervising and administering the DoDEA Gift Fund.
 - (2) Establishes and maintains policies and procedures for accepting and administering gifts made to DoDEA pursuant to the provisions of reference (a) of this Regulation.
 - (3) Requests the Secretary of the Treasury through the Defense Finance and Accounting Services (DFAS), Accounting Directorate HQ/A (ASRA) to:
 - (a) Retain money, securities, and the proceeds of the sale of securities, in the Department of Defense Dependents' Education Gift Fund; and

(b) Invest money and the proceeds of the sale of securities in securities of the United States or in securities guaranteed as to principal and interest by the United States. Interest and profits accruing from the investments will be deposited to the credit of the gift fund under the established Treasury account 97X8096.2, "Earnings on Investments, Department of Defense Dependents' Education Gift Fund."

(4) Ensures that the review of the operation and administration of the Gift Fund, for compliance with reasonable internal management controls, is a part of the DoDEA Management Control Program.

b. Chief, Headquarters Accounting Branch:

(1) Accounts for and provides reporting for all DoDEA gift funds contributed pursuant to paragraph H.1. of this Regulation based upon documentation received from the DoDEA Director, Comptroller or authorized recipients in accordance with this Regulation.

(2) Deposits gifts of money received, pending notification of acceptance from the Comptroller, to the Treasury suspense account.

(3) Transfers funds, upon formal acceptance, from the Treasury suspense account to the Treasury account, "Gifts, Department of Defense Dependents' Education Gift Fund" (receipt account 97X8096.1).

(4) Returns money to the donor if the acceptance is denied.

(5) Provides notification to Defense Finance and Accounting Services, Indianapolis (DFAS-IN-AAZ) for deposits made to the DoDEA Gift Fund account.

(6) Records obligations and disbursements of the gift funds and ensures proper and timely payment of obligations and necessary expenses incidental thereto.

(7) Accounts for funds invested in accordance with paragraph 2.d.(2) above.

(8) Reviews the operation and administration of the DoDEA Gift Fund for compliance with reasonable internal management controls as a part of the DoDEA Management Control Program.

c. Chief, Headquarters Budget Execution Branch:

Issues a Funding Authorization Document (Funding Document) to allocate gift funds to the applicable DoDEA designated recipient (area superintendent, district superintendent, or school) upon notification by the Comptroller of acceptance of the gift.

3. Chief, Information Technology Division:

Coordinates and consults on gift offers concerning technology; i.e., personal computers and computer servers.

4. Chief, Logistics Division:

a. Promulgates, in coordination with the Comptroller and General Counsel, the provisions of reference (e) pertaining to gifts of personal property.

b. Coordinates and consults on gift offers concerning personal and real property in accordance with references (e) and (o).

5. Chief, Review and Compliance Office:

Conducts periodic audits of the administration of this Regulation to ensure compliance with reasonable internal management controls.

6. DoDEA General Counsel:

a. Responds to any questions concerning the propriety of the gift offer and acceptance in accordance with applicable statutes and regulatory authority.

b. May be contacted at anytime during the gift offer review and acceptance process by those persons responsible for providing comments and recommendations. (Include counsel's comments in your recommendation for acceptance/non-acceptance).

c. Coordinates the recipient's recommendation before the Director makes a decision on the gift offer.

7. Designated Recipient (Recipient):

a. Receives, evaluates, and forwards through his/her respective supervisors and through the DoDEA General Counsel and the DoDEA Comptroller to the DoDEA Director, all gift offers with a recommendation for acceptance or non-acceptance. Forwards an information copy of the recommendation to the supporting service center, if applicable. The recommendation will specify the benefit the gift will confer on the government, and whether acceptance of the gift is

feasible. In considering feasibility, the recommendation must discuss how the gift can be used, whether the conditions of the gift are acceptable, and if acceptance is consistent with the DoDEA vision and strategic plan.

b. Determines that the necessary resources to use, administer, and maintain the gifts are available.

c. Ensures that the gift offer identifies the gift as conditional or unconditional as defined in enclosure 2.

d. Processes records and accounts for personal property after the property has been accepted if the property meets accountability criteria in accordance with reference (e).

e. Refrains from making any expenditure until the DoDEA Comptroller has authorized a funding document.

f. Follows the procedures in enclosure 4.

PROCEDURES

For Gift Offers Processed Pursuant to
Paragraph H.1 of this Regulation

Conditional and unconditional gift offers will be processed in the same manner as described in this enclosure, except where noted. A schematic for the gift offer acceptance/approval process is provided at enclosure 5.

1. The Recipient Receives the Gift Offer.

a. Gift Offer to Recipient. If the prospective donor gives the gift offer to any DoDEA employee other than a designated recipient, the employee will immediately refer the donor to the designated recipient.

b. Timely Processing of Gift Offer. Each designated recipient throughout this procedure shall perform their duties in a timely manner (2-3 days) to facilitate the processing of the gift offer decision by the Director within 30 days. The recipient should receive an acceptance or non-acceptance within 30-45 days from the date the gift offer correspondence was forwarded to the Director. Upon receipt of the acceptance notice by the recipient, accepted funds or tangible property will be available immediately for use.

c. Advise Prospective Donor. The designated recipient will advise the prospective donor that the gift offer must be in writing, signed by the donor, and the Director must approve before it can be accepted.

(1) Assist the Donor in Preparing Gift Letter. The recipient will assist the donor in preparing the gift letter. The gift offer must provide the donor's address and phone number, a copy of the will if the gift offer is a devise or bequest, and identify the ownership and use of the gift if the gift is to be conditional (see Definitions, enclosure 2).

(2) Purchase in Lieu of Money. If the gift offer is money or a negotiable instrument (check, money order, draft, etc.) to be used for the purchase of a service, subscription, supplies or other tangible property, the donor must be advised that it is more feasible and timely to have the donor make the purchase and present the gift to the recipient in lieu of the recipient making the purchase through the Government procurement system.

(3) Monetary Gift Received with Offer. In cases where a recommendation to donate tangible property in lieu of donating money (Purchase in lieu of Money) is not applicable or possible and circumstances do not allow the donor to hold the gift of money or negotiable instrument, the donor will be informed that the gift will be deposited pending approval or rejection of acceptance by the Director. The monetary gift will be forwarded with the gift offer by certified mail/return receipt. Cash must be converted to a check or money order in U.S. dollars, payable to the U.S. Treasurer.

(a) Deposit of Monetary Gift Pending Director's Acceptance Determination. The Headquarters Accounting Branch will deposit the monetary gift to the Treasury suspense account pending acceptance by the Director, reference paragraph 6.c. below.

(b) Transfer of Monetary Gift, Pending Acceptance, after Director's Acceptance Determination. If the monetary gift is accepted, the Headquarters Accounting Branch will transfer the money from the Treasury suspense account to the Gift Fund Account reference paragraph 6.e. below. If the monetary gift is not accepted, the Headquarters Accounting Branch will return the money to the donor by issuing an U.S. Treasury check payable to the donor, reference paragraph 6.d. below.

(4) Tangible Property Gift. Gifts of tangible property will remain in the possession of the donor pending approval of acceptance by the Director. However, if circumstances warrant DoDEA taking custody of the gift before acceptance, the recipient will receive the property and process a "Donated Property Form Letter" in accordance with reference (e), chapter VI, and will exercise reasonable care to safeguard and protect the gift pending acceptance or rejection by the Director. Property will be held in suspense and not put in use until formal acceptance is received from the Director. The donor must be advised that DoDEA may not expend funds to protect the property pending the acceptance decision. The original donated property form letter will be maintained by the recipient, a copy will be given to the donor and a copy will be forwarded with the written gift offer. Other copies will be maintained in the property files as specified in reference (e).

2. The Recipient Reviews and Forwards the Gift Offer with Comments and Recommendation to the next Higher Echelon, Through the Responsible General Counsel and the Comptroller to the Director.

a. Details of Review. The recipient's written evaluation will consider the benefit the gift will confer on the government and the feasibility of accepting the gift (see enclosure 3, paragraph 4).

b. Additional Information from Donor. Any concerns that are not addressed or that need clarification will be discussed with the donor and resolved. The donor will be requested to include any additional information in the written offer before it is forwarded for approval of acceptance. An addendum may be attached to the gift offer to provide the additional information.

c. Guidance for Acceptance of Tangible Property. Contact your supporting Logistics office and refer to reference (e) and paragraph D.4. of this Regulation for additional points of consideration and for certain prohibitions concerning the acceptance of gifts of tangible property.

d. Consideration of Additional Cost for Tangible Property. When a gift offer involves additional costs (associated with the gift acceptance, maintenance, etc.) that are not specifically provided for or funded by the donor, a determination will be made as to how these additional costs will be funded and whether such costs are authorized. Guidelines for making this determination are provided in reference (e).

e. Consideration for Acceptance of an Operable Motor Vehicle. If a gift offer for an operable motor vehicle is intended for administrative transportation, consider the following:

(1) Applicable state, military, or Host Nation registration, inspection, and licensing requirements.

(2) Fuel account establishment and management.

(3) Service maintenance contract with a local dealer or military exchange service.

(4) Accountability as non-expendable property on the recipient's hand-receipt.

(5) Establishment of controls on vehicle uses, reference paragraph 5.e(4) below. Unless the vehicle was designed and constructed as a school bus under applicable motor vehicle standards, a donated vehicle may not be used to transport students at any time. Use must be restricted to administrative support, e.g., movement of equipment, supplies, support staff, etc.

f. Consideration for Acceptance of a Motor Vehicle for Instructional Purposes. If a gift offer for an operable or inoperable motor vehicle is intended for learning and teaching purposes, acceptance will be in accordance with the following conditions:

(1) The vehicle is not to be driven or used for personal or private purposes by any student, member of the faculty, or staff.

(2) If the vehicle is an unconditional gift, the recipient may decide to use the vehicle for instructional purposes until the vehicle is duly titled and licensed for transportation purposes in accordance with installation regulations and this Regulation, reference paragraphs 2.e above and 5.e(4) below. Use of the vehicle for transportation purposes is not recommended because of the risk of abuse.

(3) Any expenses incurred, such as gasoline, oil, parts, licensing fees, taxes etc, must be accommodated through the school's existing discretionary funding. Requests for additional funds to support the operation and maintenance of the vehicle are prohibited.

g. Consideration for Acceptance of Information Technology. If a gift offer is for information technology (IT) equipment (i.e., computer server and personal computer), the following criteria will be used in determining whether an offered IT item or money to purchase IT equipment should be accepted.

(1) All donated microcomputers must meet Y2K certification. The donor is responsible for providing the Y2K certification for DoDDS to the DoDEA Area Information Technology Division and for DDESS through the superintendent to the Special Assistant for DDESS prior to a decision being made to accept the computer.

(2) Donated new computers must meet the minimum specifications established for administrative or educational use in accordance with the standards expressed in the DoDEA Technology Program Standards, Exhibit E (reference web site www.odedodea.edu/tpo).

(3) Used computers must meet the minimum computer specifications determined by the DoDEA Education Division to be useful within the DoDEA curriculum for administrative or educational use.

(4) Repairability of donated computers will be determined based on whether the equipment can be maintained cost effectively.

h. Recipient's Recommendation. The recipient will prepare a memorandum to the Director through the DoDEA General Counsel and DoDEA Comptroller, and forward through the intermediate superintendents (unless the designated recipient is the Director) for their respective endorsements, with a recommendation to accept or reject the gift offer. The recipient will maintain a copy of the gift offer correspondence.

3. Headquarters Review of the Gift.

a. Review by DoDEA General Counsel. The DoDEA General Counsel will review the gift offer for legal sufficiency. As appropriate, the DoDEA General Counsel will return the offer to the donor or recipient if additional information is required, or forward the gift offer with appropriate comments to the DoDEA Comptroller.

b. Review by the Comptroller. The Comptroller will review the gift offer for acceptance and make a determination for the Director's approval (signature). The Comptroller is authorized to review, accept, or reject gift offers in consultation with the DoDEA General Counsel and Director. Prior to the acceptance of any gift offer, the appropriate functional cabinet member(s) will be

consulted and any other applicable consultation and coordination will be completed before the Director's review, reference enclosure 3, paragraph 1.d of this Regulation.

c. Details of the Determination. The Comptroller will prepare for the approval (signature) of the Director written determinations to the donor and the recipient for acceptance or rejection of the gift offer in accordance with this Regulation. Copies of the determinations will be forwarded to the appropriate District Superintendent's office, Headquarters Accounting Branch and Budget Execution Branch, and other administrative support offices as applicable (i.e., recipient's supporting offices or service center for Fiscal, Accounting, Logistics, Information Technology, etc). The DoDEA Comptroller will maintain the original gift offer correspondence.

(1) Gift Offer Rejected. If the gift is rejected, the donor and the recipient will be given an explanation as to why the gift offer could not be accepted. If the rejected gift offer was received pending the Director's written determination (i.e., money deposited to the Treasury suspense account or property being held, but not put into use), the donor and the recipient will be informed that the gift will be returned.

(a) Monetary Remittance to Donor by the Headquarters Accounting Branch. If a monetary gift is to be returned to the donor, the Headquarters Accounting Branch will process a payment in the amount of the gift, payable to the donor, reference paragraph 6.d. below.

(b) Tangible Property Returned to donor by the Recipient. If tangible property is to be returned to the donor, the recipient will be requested to make arrangements with the donor for the return of the property. The recipient will prepare a document by which the donor will acknowledge having received the returned property in the same condition it was given. Copies of the correspondence will be forwarded to the Headquarters Accounting Branch and supporting administrative offices, as applicable, to provide an audit trail for closure of the rejected gift offer.

(2) Monetary Gift Offer Accepted and Previously Received. If the gift offer acceptance is money or a negotiable instrument (check, money order, or draft) that has already been received, the donor will be informed that the gift was accepted. Copies of the gift acceptance letter will be forwarded to the Headquarters Accounting and Budget Execution branches for appropriate action.

(a) Transfer of Deposit by the Headquarters Accounting Branch. The Headquarters Accounting Branch will transfer the gift money from the Treasury suspense account to the Gift Fund receipt account, reference paragraph 6.e. below.

(b) Funding Authorization Document (Funding Document) by the Headquarters Budget Execution Branch. The Headquarters Budget Execution Branch will initiate action to issue a funding authorization document, hereafter funding document (fund cite information and purpose for the gift money), to the recipient for use of the gift money in accordance with the gift offer acceptance, reference paragraph 7 below.

(3) Monetary Gift Accepted and Not Previously Received. If the gift offer is money or a negotiable instrument that has not been received, the donor will be instructed to mail (certified mail, return receipt recommended) the gift to the Headquarters Accounting Branch and to make it payable in U.S. dollars to, or endorsed to the Treasurer of the United States. The Headquarters Accounting and Budget Execution branches will perform the following actions in a timely manner to ensure immediate use of the monetary gift upon receipt of the funding document by the recipient.

(a) Deposit by the Headquarters Accounting Branch. The Headquarters Accounting Branch will process a cash collection voucher to deposit the money to the Gift Fund receipt account, reference paragraph 6.f. below.

(b) Funding Document by the Headquarters Budget Execution Branch. The Headquarters Budget Execution Branch will issue a funding document, (i.e., fund cite information and purpose for the gift money), to the recipient to authorize immediate use of the gift money in accordance with the gift offer acceptance, reference paragraph 7 below.

(4) Tangible Property Gift Accepted and Previously Received. If the gift offer is accepted for tangible property and the property was already presented to the recipient, the donor and the recipient will be informed that the gift was accepted. The recipient will then be authorized to use the property, and if property accountability criteria are met, the property will be recorded on the recipient's activity hand receipt, reference paragraph 5.e.(3).

(5) Tangible Property Gift Accepted and Not Previously Received. If the gift offer acceptance is for tangible property, but it has not been received, the recipient will be informed to contact the donor to make arrangements to present the gift. The "Donated Property Form Letter" will be completed, and signed by the recipient and donor upon receipt of the donated property, reference paragraph 5.e. below. Copies of the "Donated Property Form Letter" will be forwarded to the recipient's supporting Fiscal Division or Accounting office, supporting Logistics office, and the Headquarters Accounting Branch for inclusion in their files for the subject gift offer.

d. Investment of the Gift. If the gift offer is for a purpose whereby the funds must be invested, (i.e., scholarship fund, endowment, scholastic or artistic achievement awards), a request for the investment of the funds will be forwarded to the Department of Defense Finance and Accounting Service (DFAS), Accounting Directorate HQ/A(ASRA) when the gift offer is received. Copies will be forwarded to the district superintendent's office, the recipient, and the Headquarters Accounting Branch.

(1) Deposit and Withdrawal of Invested Gift Funds. The terms and conditions for investing monetary gifts (depositing and withdrawing funds for the particular use of the gift) will be established between DFAS and DoDEA, and coordinated with the recipient at the time acceptance is approved.

(2) Investment Withdrawal Requests, Accounting and Reporting of Invested Gift Funds. DFAS will provide documentation to the Headquarters Accounting Branch for the accounting and reporting of the gift fund investments and earnings. The requests from the recipient for the withdrawal of invested funds will be processed through the Headquarters Accounting Branch to DFAS.

4. The District Superintendent and Administrative Support Offices will Receive a Copy of the Gift Determination.

A copy of the gift determination letter will be filed in the District's gift offer file. The District superintendent will maintain such a file for future reference in providing comments and recommendations for subsequent gift offers. Copies will be provided to other administrative support offices as applicable, reference paragraph 3.c. above.

5. The Recipient Will Receive a Copy of the Gift Determination.

a. Recipient Follow-up on Gift Acceptance. Upon receipt of the gift acceptance determination letter, the recipient will follow-up on the receipt of a gift not received after 15 days from the date of the determination letter. For monetary gifts, contact the Headquarters Budget Execution Branch for the funding document. For tangible property, contact the donor for arrangements concerning the delivery of the property.

b. Maintenance and Accounting for the Gift. The gift will be used and maintained by the recipient. The Headquarters Accounting Branch will manage the official accounting records and reporting for the gift fund. Purchases and payments for supplies or services will be processed in a manner that will provide proper documentation to the Headquarters Accounting Branch as discussed in paragraphs 5.c. and 5.d. below.

c. Purchases for the Gift Fund. For a monetary gift that requires a purchase or periodic purchases, the recipient will procure the purchases in accordance with standard DoDEA supply procedures through the servicing procurement office, reference (e). Copies of procurement documentation, (i.e., Requisition/Purchase Request for Supplies or Services, Contract/Purchase

Order for Supplies or Services, and receiving report) will be forwarded to the Headquarters Accounting Branch for processing into the accounting system and to the supporting accounting office for the district office and/or recipient.

d. Payment for Gift Fund Purchases. Payments for the gift purchases will be made in accordance with the recipient's local disbursing procedure (to facilitate payment in foreign currency to local vendors). Disbursements will be made in accordance with the terms and conditions of the gift offer funding document and will be charged to the gift fund account (97X8096, this is the major Treasury account that includes monies from the subsidiary accounts, e.g., 97X8096.1 for receipts and 97X8096.2 for interest earnings). A copy of the SF 1034, "Public Voucher for Purchases and Services Other Than Personal," including support documents (i.e., the invoice and the receiving report) will be forwarded to the Headquarters Accounting Branch for processing into the accounting system, reference paragraph 6.i. below.

e. Delivery of Tangible Property. If the gift is tangible property, the recipient will make delivery arrangements with the donor. The property will be used or placed in operation and maintained by the recipient.

(1) Complete and Sign "Donated Property Form Letter". When the property is delivered, a "Donated Property Form Letter," will be completed and signed by the donor and the recipient of the tangible property in accordance with reference (e). The recipient will maintain the original donated property form letter for their property records, and a copy will be given to the donor. If the property is being held pending the Director's acceptance determination, a copy of the donated property form letter will be forwarded with the gift offer. The Headquarters Accounting Branch will receive a copy to maintain with the official gift offer file. Copies will be forwarded to the District office, the recipient's supporting Fiscal Division or Accounting Office, and Logistics office if applicable. Other copies will be maintained in accordance with reference (e).

(2) Expendable Property. Expendable items (see Definitions, enclosure 2) will be placed into use with no additional property accountability.

(3) Non-expendable Property. At the time the gift acceptance determination letter is received, non-expendable items (see Definitions, enclosure 2) will be accounted for on the recipient activity's hand receipt account in accordance with reference (e).

(4) Operable Motor Vehicle. An operable motor vehicle to be driven for administrative transportation must be duly titled and licensed in accordance with installation regulations. When it is so licensed, an accountable officer must be identified at the school. That officer must be informed in writing by the principal that he or she is personally accountable for any misuse of the vehicle in accordance with reference (n), chapter 33. That officer must then prescribe the rules that will govern the utilization of the vehicle and forward them for approval to the DoDEA General Counsel and Chief, Logistics Division.

(5) Donated Property Becomes U.S. Property. Upon receipt of the accepted gift, title to the tangible property vests in the United States Government. The tangible property is used, managed, accounted for, safeguarded, transferred, and disposed of in the same manner as other U.S. Government property in accordance with reference (e) for personal property and reference (o) for real property.

6. The Headquarters Accounting Branch Will Account for and Maintain the Official Accounting Records for the Gift Fund.

a. The Official Gift Offer File. Copies of the monetary gift offer correspondence will be forwarded to and maintained in the official gift offer file by the Headquarters Accounting Branch when the final determination of the gift offer is made.

b. Accounting, Reporting, and Reviews by the Headquarters Accounting Branch. The official accounting record, reporting, and management control reviews for the Gift Fund Account (97X8096) and sub-accounts for each recipient will be managed by the Headquarters Accounting Branch.

(1) Transactions will be processed into the accounting system in the month received.

(2) The gift fund activity will be reported monthly on the SF 1176 Report and annually on the SF 225 Report, "Report on Obligations."

(3) Annual review of the Gift Fund transactions, reports, operations, and administration will be conducted to ensure compliance with internal management controls. This annual review will be a part of the DoDEA Management Control Program.

c. Deposit Monetary Gifts, Received Prior to Director's Acceptance Determination, to the Treasury suspense account. In cases where the monetary gift is received with the gift offer prior to the Director's acceptance determination (reference paragraph 1.c.(3a)), a cash collection voucher will be processed to deposit the monetary gift to the Treasury suspense account (97F3875).

d. Issue Payment to the Donor for a Rejected Monetary Gift Previously Deposited. If the gift offer is rejected for a monetary gift previously received and deposited to the Treasury suspense account (97F3875), an SF 1034, "Public Voucher for Purchases and Services Other Than Personal," will be processed to issue a U.S. Treasury check in the amount of the gift, payable to the donor.

e. Transfer Funds for a Monetary Gift Accepted and Previously Deposited. If the gift offer is accepted for a monetary gift that has been deposited to the Treasury suspense account, an SF 1081, "Voucher and Schedule of Withdrawals and Credits" will be processed to transfer the money from the Treasury suspense account (97F3875) to the Gift Fund receipt account (97X8096.1) upon receipt of the gift acceptance letter. Copies of the SF 1081 will be forwarded in accordance with paragraph 6.f.(2) below.

f. Deposit Funds for a Monetary Gift Accepted and Not Previously Received. If the gift offer is accepted for a monetary gift not previously received, the gift determination letter will instruct the donor to remit the monetary gift to the Headquarters Accounting Branch.

(1) Upon receipt of the monetary gift from the donor, a cash collection voucher will be processed to deposit the monetary gift to the Gift Fund receipt account (97X8096.1).

(2) Copies of the cash collection voucher (or SF 1081, reference paragraph 6.e above) and the gift acceptance letter will be forwarded to Defense Finance and Accounting Service, Indianapolis (DFAS-IN-AAZ) and the Headquarters Budget Execution Branch to provide notification of the deposit to the DoDEA Gift Fund Account. The two offices will initiate action, respectively, for processing a funding document to authorize the recipient to use the monetary gift, reference paragraph 7 below.

g. Oversee Gift Funds to Be Invested. If the gift offer is for a purpose whereby the funds must be invested, reference section 3.d. above, Department of Defense Finance and Accounting Service (DFAS-HQ/A(ASRA)) will process investments and earnings for the DoDEA gift fund account. Documentation will be forwarded to the Headquarters Accounting Branch for input into the accounting system.

h. Account for Gift Fund Requisitions/Purchase Requests. Purchases made in accordance with the gift offer will be initiated by the recipient, and processed in accordance with DoDEA procurement procedures, reference section 5.c. above. Copies of the purchase request and orders for purchases made in accordance with the gift offer will be forwarded by the recipient to the Headquarters Accounting Branch for input to the accounting system. The purchase request will be processed as a commitment, and the purchase order will be processed as an obligation. These documents will be forwarded to the Headquarters Accounting Branch by the supply activity processing the purchase request through normal supply procedures.

i. Account for Gift Fund Disbursements. Invoice payment for gift fund purchases will be processed in accordance with the recipient's local disbursing procedure, reference section 5.d. above. A copy of the disbursement document, (i.e., SF 1034, Transactions By Others) will be forwarded to the Headquarters Accounting Branch for input into the accounting system as a disbursement.

j. Gift Fund Residual Balances. When there is money remaining from the final purchase of a conditional gift, the residual money will become unconditional gift money. Residual balances for unconditional gift money may be carried forward each Fiscal Year. Applicable statutory authority does not prohibit the carry-over of gift funds from year to year, nor limit the amount or time period for the carry-over of gift fund balances, reference (a). Residual balances may be transferred to the Treasury General Fund Account at any time when the designated recipient anticipates no further use of gift funds or when the gift fund is dissolved by approval of the Director.

7. The Headquarters Budget Execution Branch will issue a Funding Document to the Recipient for Use of Monetary Gifts.

a. Notification of Deposit to DoDEA Gift Fund Account. The Headquarters Accounting Branch will forward copies of the monetary gift acceptance letter and deposit documentation (collection voucher or SF 1081, reference paragraphs 6.e. and 6.f. above) to the Budget Execution Branch and the Defense Finance and Accounting Service, Indianapolis (DFAS-IN-AAZ). This provides notification that a deposit was made to the Gift Fund account and for issuing a funding document.

b. Defense Finance and Accounting Service, Indianapolis (DFAS-IN-AAZ). After notification and verification of the deposit to the Gift Fund account, DFAS-IN-AAZ will process the Gift Fund deposit into the Program Budget and Accounting System (PBAS). PBAS will provide authorization and notification to the Budget Execution Branch for issuing a funding document to the recipient for use of the monetary gift.

c. Budget Execution Branch. The Budget Execution Branch will receive notification from PBAS that a deposit was made to the DoDEA Gift Fund account (97X8096) and will issue a funding document (including fund cite information and the purpose for the gift money) to the recipient for immediate use of the gift money. A copy of the funding document will be forwarded to the Headquarters Accounting Branch for processing into the accounting system.

2. To contribute to the educational experience of students or add to the instructional program, i.e., expenses for research, speakers for group programs, purchase or preservation of works of art or items of historical interest.

3. For any other use when explicitly authorized in writing by the Director, DoDEA, or designee.

F. UNAUTHORIZED USE OF GIFTS

1. DoDEA will not use gift funds for activities benefiting individuals or small groups that are not part of an authorized DoDEA activity.

2. DoDEA incurs no obligation to make special arrangements or to grant special privileges or concessions to a donor.

3. DoDEA personnel will not solicit gifts from potential donors or engage in fund raising on behalf of DoDEA in violation of references (f) and (g) and installation regulations. However, students may participate in fund raising activities in accordance with reference (i), and DoDEA personnel may respond to specific inquiries from potential donors seeking guidance on how they may best assist the DoDEA community.

4. Gifts of cash may not be used to employ personnel.

G. RESPONSIBILITIES

Responsibilities for the administration of the gift fund are provided at enclosure 3.

H. PROCEDURES

1. All gifts of money (including securities) and property must be processed as provided in enclosures 3 and 4 of this Regulation, except as provided in paragraphs 2 and 3 below.

* 2. Gifts of personal property with a fair market value or cost of \$499.99 or less (including donations from an organization chartered on a base command, i.e., PTSA, Wives Club, Booster Club) or gifts of travel of students may be processed, accepted, and accounted for as provided in references (e) and (i) respectively, when consistent with the policies of paragraphs D, E and F of this Regulation.

3. Gifts of money with a value less than \$500 made to a student activity fund, operating under the provisions of reference (i), may be processed, accepted and accounted for under the procedures of reference (i) when consistent with the policies of paragraphs D, E, and F of this Regulation.

GIFT FUND SCHEMATIC

Flow of Gift Offers Through The
Acceptance/Approval Process Pursuant to
Paragraph H.1 and Enclosure 4 of this Regulation

