

**SUMMARY OF MAJOR CHANGES TO  
DOD 7000.14-R, VOLUME 12, CHAPTER 30  
“OPERATION AND USE OF GENERAL GIFT FUNDS”**

All changes are denoted by blue font

Substantive revisions are denoted by a ★ preceding the section,  
paragraph, table, or figure that includes the revision

Hyperlinks are denoted by *underlined, bold, italic, blue font*

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
300603	Updated reference from United States Standard General Ledger (USSGL) Treasury Financial Manual, Section III to USSGL Standard Financial Information Structure (SFIS) Transaction Library.	Update

**TABLE OF CONTENTS**

**OPERATION AND USE OF GENERAL GIFT FUNDS**

3001 Introduction

3002 Authority

3003 Designations

3004 Responsibilities

3005 Acceptance

★ 3006 Receipt

3007 Records and Reports

3008 Investments

3009 Property Accountability

## CHAPTER 30

OPERATION AND USE OF GENERAL GIFT FUNDS3001 INTRODUCTION

300101. Purpose. This chapter prescribes the overall policy and assigns responsibilities for the acceptance, holding, administration, receipt, recording, reporting, use, investment, distribution, disbursement, and accountability of money, real property, personal property, or services to the Department of Defense (DoD) under [section 2601 of title 10, United States Code \(10 U.S.C. 2601\)](#).

300102. Definitions

A. Account. A special 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.

B. Acceptance Authorities. Acceptance Authorities are the appropriate concerned Secretary and all designees who may accept gifts pursuant to this chapter. The concerned Secretaries may approve additional delegations.

C. Ethics Counselor. Ethics Counselor is defined as set forth in [DoD 5500.7-R, Joint Ethics Regulation \(JER\)](#).

D. Gifts. Gifts include devises or bequests, and money, real property, personal property, or services.

E. Prohibited Sources. Prohibited Sources are defined as set forth in the [JER](#).

F. Services. Services include activities that benefit the morale, welfare, or recreation of members of the armed forces and their dependents or are related or incidental to the conveyance of a gift of real or personal property.

3002 AUTHORITY

300201. 10 U.S.C. 2601(a) authorizes the Secretary of Defense and Secretaries of the Military Departments to accept, hold, administer, and spend any gift of money, real property, or personal property made on the condition that the gift be used for the benefit, or in connection with, the establishment, operation, or maintenance, of a school, hospital, library, museum, cemetery, or other institution or organization under a Secretary's jurisdiction.

300202. 10 U.S.C. 2601(b) authorizes the Secretary of Defense and Secretaries of the Military Departments to accept, hold, administer, and spend any gift of money, real property, personal property, or services made on the condition that the gift be used for the benefit of the following individuals who are under their jurisdiction.

A. Members of the armed forces, including members performing full-time National Guard duty under [32 U.S.C. 502\(f\)](#), who incur a wound, injury, or illness while in the line of duty.

B. Civilian employees of the Department of Defense who incur a wound, injury, or illness while in the line of duty.

C. Dependents of such members or employees.

D. Survivors of such members or employees who are killed.

### 3003. DESIGNATIONS

The Secretary of Defense and the Secretaries of the Military Departments may approve additional Acceptance Authority designations under their jurisdiction. The Office of the Secretary of Defense (OSD) designations are as follows:

300301. Under Secretary of Defense (Comptroller) (USD(C)). All of the authority and responsibility granted to the Secretary of Defense in 10 U.S.C. 2601 associated with acceptance and use of such gifts has been delegated to the USD(C) in a letter signed by the Secretary of Defense on May 3, 2007.

300302. The USD(C) prescribes additional designations of gift Acceptance Authority to the following OSD Components.

A. Under Secretary of Defense (Acquisition, Technology, and Logistics) (USD(AT&L)). On behalf of the Secretary of Defense, the USD(AT&L) has authority and responsibilities associated with acceptance and use of such gifts of real property or personal property under 10 U.S.C. 2601(a) and 2601(b) or services under 10 U.S.C. 2601(b), and may authorize the development of additional procedures for implementing policy in this chapter.

B. Under Secretary of Defense (Personnel and Readiness) (USD(P&R)). On behalf of the Secretary of Defense, the USD(P&R) has authority and responsibilities associated with acceptance and use of such gifts of personal property under 10 U.S.C. 2601(a) and 2601(b) or services under 10 U.S.C. 2601(b).

C. Director, Administration and Management (DA&M). On behalf of the Secretary of Defense, the DA&M has authority and responsibility, including management responsibility, associated with acceptance and use of such gifts of personal property under 10 U.S.C. 2601(a) and 2601(b) or services under 10 U.S.C. 2601(b).

D. DoD Defense Agencies, Joint Staff, and Combatant Commands. On behalf of the Secretary of Defense, the heads of the DoD Defense Agencies, the Chairman of the Joint Chiefs of Staff, and the Commanders of the Combatant Commands have authority and responsibility associated with acceptance and use of such gifts of personal property under 10

U.S.C. 2601(a) and 2601(b) or services under 10 U.S.C. 2601(b) valued at \$500,000 or less. All gifts over \$500,000 must be accepted by the USD(C).

E. Washington Headquarters Services (WHS). On behalf of the Secretary of Defense, the Director of the WHS has authority to accept such gifts of personal property offered to the OSD for use at facilities under his or her authority under 10 U.S.C. 2601(a) and 2601(b). The Director of the WHS also has the authority to accept such gifts of services for the benefit of individuals described in paragraph 300202 at facilities under his or her authority under 10 U.S.C. 2601(b).

#### 3004. RESPONSIBILITIES

300401. OSD Components. The OSD Components identified in paragraphs 300301 and 300302 and Acceptance Authority designees shall ensure compliance with policy in this chapter and shall establish procedures to ensure personnel are familiar with the restrictions on accepting gifts and requirements for receiving, recording, reporting, and accounting for gifts.

300402. Military Departments. The Secretaries of the Military Departments and Acceptance Authority designees shall ensure compliance with policy in this chapter and establish procedures to ensure personnel are familiar with the restrictions on accepting gifts and requirements for receiving, recording, reporting, and accounting for gifts.

300403. Defense Finance and Accounting Service (DFAS). The DFAS is responsible for the accounting, investing, and reporting of all such monetary gifts and proceeds from the sale of real property or personal property gifts accepted by the Acceptance Authorities and forwarded to DFAS as prescribed in section 3006.

300404. Under Secretary of Defense (Personnel and Readiness) (USD(P&R)). The USD(P&R) shall establish procedures for verifying the eligibility of individuals to receive benefits under 10 U.S.C. 2601(b) as identified in paragraph 300202.A-D and may authorize the development of additional procedures for implementing 10 U.S.C. 2601(b).

#### 3005. ACCEPTANCE

300501. Acceptance Authorities shall decline gifts under the following circumstances.

A. 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;

B. The gift or conditions attached to the gift are inconsistent with applicable law or regulations;

C. 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;

D. 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; and

E. 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:

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

2. The appearance of an improper endorsement of the donor, its events, products, services, or enterprises;

3. A serious question of impropriety in light of the donor's present or prospective business relationships with the Department of Defense;

4. The expenditure or use of funds in excess of amounts appropriated by Congress; and

5. Substantial expenditures or administrative efforts and maintenance that are disproportionate to any benefit.

300502. Department of Defense personnel shall not solicit, fundraise for, or otherwise request or encourage the offer of a gift. Acceptance Authorities shall not accept gifts offered contrary to this policy.

300503. Acceptance Authorities may pay all necessary expenses in connection with the conveyance or transfer of a gift.

300504. Acceptance Authorities shall use increased sensitivity and scrutiny when gifts are offered from prohibited sources, as acceptance may cause embarrassment to the Department of Defense or the appearance of influencing official decisions or actions of the Department, and shall consult with their appropriate Ethics Counselor before accepting such a gift valued in excess of \$10,000 to determine whether the donor is involved in any claims, procurement actions, litigation, or other particular matters involving the Department that should be considered prior to gift acceptance.

300505. Acceptance Authorities may acknowledge offers of future gifts and advise the donors that acceptance will occur after actual presentation of the gifts only when they determine that such acceptance will likely occur.

300506. Acceptance Authorities shall not accept gifts offered indirectly through an intermediary if they could not accept such gifts if offered directly from the source.

300507. The following circumstances also apply to gifts accepted pursuant to the authority in 10 U.S.C. 2601(b).

A. Acceptance Authorities shall consult with their appropriate Ethics Counselor before accepting gifts valued in excess of \$10,000 to ensure that:

1. The gift is not offered in a manner that specifically discriminates among Department of Defense personnel merely on the basis of type of official responsibility or of favoring those of higher rank or rate of pay; and

2. The donor does not have interests that may be affected substantially by the performance or nonperformance of the Department of Defense employee's official duties.

B. Acceptance Authorities may not accept a gift of services under 10 U.S.C. 2601(b) from a foreign government or international organization. They may accept a gift of money, real property, or personal property from a foreign government or international organization under 10 U.S.C. 2601(b) only if the gift is not designated for a specific individual.

### 3006. RECEIPT

300601. All monetary gifts shall be forwarded to the DFAS office servicing the Acceptance Authority via mail or an electronic funds transfer (EFT). Department of Defense officials should contact the DFAS for EFT deposit information.

300602. Gifts of money and the proceeds of the sale of property gifts shall be deposited in the Treasury in the following accounts:

A. The Department of Defense General Gift Fund in the case of deposits made by the Secretary of Defense or Secretary of Defense Acceptance Authority designees.

B. The Department of the Army General Gift Fund, in the case of deposits made by the Secretary of the Army or Secretary of the Army Acceptance Authority designees.

C. The Department of the Navy General Gift Fund, in the case of deposits made by the Secretary of the Navy or Secretary of the Navy Acceptance Authority designees.

D. The Department of the Air Force General Gift Fund, in the case of deposits made by the Secretary of the Air Force or Secretary of the Air Force Acceptance Authority designees.

- ★ 300603. Accounting entries for monetary, nonmonetary, and service type gifts are specified in the [United States Standard General Ledger Standard Financial Information Structure Transaction Library](#).

3007. RECORDS AND REPORTS

300701. Records

A. Acceptance Authorities shall keep accurate, auditable, and timely records of all gifts and provide this information for periodic audits. The receiving organization must obtain and retain in gift fund records the required documentation and information for all gifts received including the date nonmonetary gifts were transferred to property records and the unique identifier or data element, if applicable (see property accountability requirements in section 3009 of this chapter). For audit purposes, the supporting documentation for monetary and nonmonetary gifts must be retained for 6 years and 3 months beyond the life of the asset.

B. Acceptance Authorities shall ensure that the following information concerning items sold is retained in the records.

1. A description of each item sold.
2. The name of the donor for each item sold.
3. The date each item was sold.
4. The name of the purchaser for each item sold.
5. The proceeds of the item sold.
6. Details of any other relevant specific information regarding each item sold.
7. If applicable, the unique identifier or data element used to track the same or similar nonmonetary item such as a Real Property Unique Identifier from the Department of Defense Real Property Unique Identifier Registry or accountable property data elements (see property accountability policy cited in section 2009 of this chapter).

300702. Reports

A. DFAS Standards and Compliance (Corporate Reporting) shall develop and require a standardized report for Acceptance Authorities or designees to use in order to report the following information to DFAS quarterly.

1. A description of the gift.



2. The value of the gift (estimated value if nonmonetary) to include the valuation method used.
3. The name and address of the donor(s).
4. The date each gift was received.
5. The expected useful life of the gift (the length of time in which a depreciable asset is expected to be used).
6. Details of any conditions, restrictions, or other relevant specific information regarding each gift.
7. If applicable, a unique identifier or data element used to track the same or similar nonmonetary items received or shipped from different sources (see 300701.B.7 for examples).
8. Statement explaining the benefits of accepting the gift.
9. The authority, either 10 U.S.C. 2601(a) or 2601(b), under which the gift was accepted.

B. Acceptance Authorities shall report the information in paragraph 300702.A for all monetary gifts and real property gifts along with personal property gifts with a unit value of \$5,000 or more to the DFAS office servicing each Secretary (Defense, Army, Navy, and Air Force) not later than 10 days after the end of each quarter. Monetary, real property, and personal property gifts shall be reported separately.

C. The DFAS Standards and Compliance (Corporate Reporting) shall prepare a report containing the following information and forward the information to the Office of the Under Secretary of Defense (Comptroller) Deputy Chief Financial Officer not later than 30 days after the end of each quarter.

1. Separate summary values for monetary and nonmonetary gifts accepted during the quarter. Also separate as to the authority, either 10 U.S.C. 2601(a) and 2601(b), the gifts were accepted under.
2. A description of all property valued at more than \$1 million. In determining whether the \$1 million threshold has been met, the following procedures shall be used:
  - a. The value of similar items accepted during the quarter shall be added together.
  - b. The value of components which, if assembled, would comprise all or a substantial portion of an item or facility shall be added together.

3008. INVESTMENTS

The DFAS shall:

300801. Cash Management. Invest general gift funds in Government securities until distribution is authorized consistent with good cash management practices.

300802. Purchasing Government Securities. Follow standard operating procedures related to the accounts in paragraph 300602 for purchasing Government securities.

300803. Selling Securities. Follow standard operating procedures to initiate and complete the sale of Government securities.

300804. Maturing Securities. Maintain a tracking system that identifies impending maturities and collections of securities for the specified account and ensure appropriate reinvestment action is taken upon maturity of a security.

300805. Annual Reviews. Conduct an annual review of the account operations and transactions, including the purchase and the sale of Government securities. The objective of the review will include compliance with the Department of Defense and the Treasury policies and procedures, and adequacy of internal controls.

3009. PROPERTY ACCOUNTABILITY

Acceptance Authorities must establish procedures for receiving, accounting, and disposing of real and personal property gifts. Property accountability procedures must be addressed or referenced in general gift acceptance procedures. Property accountability procedures shall be consistent with policy prescribed in [DoD Instruction \(DoDI\) 4165.70](#), *Real Property Management*; [DoDI 4165.72](#), *Real Property Disposal*; and [DoDI 5000.64](#), *Accountability and Management of DoD Owned Equipment and Other Accountable Property*.