

VOLUME 12, CHAPTER 30: “OPERATION AND USE OF GENERAL GIFT FUNDS”

SUMMARY OF MAJOR CHANGES

Changes are identified in this table and also denoted by [blue font](#).

Substantive revisions are denoted by an * symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by [***bold, italic, blue and underlined font***](#).

The previous version dated [March 2019](#) is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
1.1	Added an Overview section	Addition
1.3	Updated authoritative guidance section to include only hyperlinks and title of reference	Revision
2.0.3, 5.5, & 5.8.1	Changed the term “ethics counselor” to “ethics official”	Revision
5.1	Added an Acceptance of Gifts section for Military Musical Units, Accounting for Missing Persons, Museum Programs, U.S. Service Academies, and Uniformed Services University of Health Sciences	Addition
5.1.5	Incorporated the Under Secretary of Defense for Personnel and Readiness policy memorandum, “Delegation of Gift Acceptance Authority for the Uniformed Services University of the Health Sciences,” dated December 13, 2024.	Addition
7.2.3	Changed Community and Public Outreach Division to Community Relations Division	Revision

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CHAPTER 30

OPERATION AND USE OF GENERAL GIFT FUNDS

1.0 GENERAL

*1.1 Overview

The Secretary of Defense (SecDef) and Secretaries of the Military Departments have the authority to accept, hold, administer, and spend gifts made for the benefit or in connection with various institutions and individuals under their jurisdiction. These gifts include money, real property, personal property, or services for the establishment, operation, or maintenance of schools, hospitals, libraries, museums, cemeteries, and other institutions, as well as for the benefit of wounded or injured members of the armed forces (including members performing full-time National Guard duty), civilian employees, dependents, and survivors of members or employees who are killed.

1.2 Purpose

The purpose is to prescribe the overall policy and assign 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 DoD.

*1.3 Authoritative Guidance

1.3.1. Title 10, United States Code, section 974 ([10 U.S.C. § 974](#)), “Military Musical Units and Musicians: Performance Policies; Restriction on Performance in Competition with Local Civilian Musicians.”

1.3.2. [10 U.S.C. § 1501](#), “System for Accounting for Missing Persons.”

1.3.3. [10 U.S.C. § 2601](#), “General Gift Funds.”

1.3.4. [10 U.S.C. § 2113](#), “Administration of University.”

1.3.5. Code of Federal Regulations ([CFR](#)) [§ 2635.203](#), “Definitions.”

1.3.6. DoD Instruction ([DoDI](#)) [4165.14](#), “Real Property Inventory and Reporting.”

1.3.7. [DoDI 4165.70](#), “Real Property Management.”

1.3.8. [DoDI 4165.71](#), “Real Property Acquisition.”

1.3.9. [DoDI 4165.72](#), “Real Property Disposal.”

1.3.10. [DoDI 5000.64](#), “Accountability and Management of DoD Equipment and Other Accountable Property.”

1.3.11. DoD Directive [\(DoDD\) 5500.07](#), “Ethics and Standards of Conduct.”

2.0 DEFINITIONS

2.0.1. Account. For purposes of this chapter, an account is a special account established by the [U.S. Department of the Treasury](#) for receipt of monetary gifts and proceeds from the sale of real or personal property gifts to the SecDef or the Military Departments.

2.0.2. Acceptance Authorities. Acceptance Authorities are the appropriate concerned Secretary and all designees who may accept gifts. The concerned Secretaries may approve additional delegations.

* 2.0.3. Ethics Officials. Ethics Officials represent the [U.S. Government and U.S. Government personnel who are acting in their official capacities](#) as set forth in DoDD 5500.07 - R.

2.0.4. Gifts. Gifts include devises or bequests of money, real property, personal property, or services.

2.0.5. Prohibited Sources. Prohibited Sources are defined as set forth in CFR § 2635.203.

2.0.6. 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. Performance of services includes non-monetary gifts of services through volunteer gratuitous agreements.

3.0 DESIGNATIONS

The SecDef 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:

3.1 USD(C)

All authority and responsibility granted to the SecDef associated with the acceptance and use of gifts has been delegated to the USD(C).

3.2 USD(C) Designations

The USD(C) prescribes additional designations of gift Acceptance Authority to OSD Components. On behalf of the SecDef, the USD for Acquisition and Sustainment (A&S), USD Personnel and Readiness (P&R), Administration and Organization Policy, DoD Defense Agencies, Joint Staff, Commanders of Combatant Commands, and Washington Headquarters Services (WHS) have the authority and responsibilities associated with acceptance and use of such gifts of real

property or personal property and may authorize the development of additional procedures for implementing policy in this chapter. The Director of the WHS also has the authority to accept such gifts of services for the benefit of individuals at facilities under his or her authority. All gifts over \$500,000 must be accepted by the USD(C).

4.0 RESPONSIBILITIES

4.1 OSD Components

OSD Components and Acceptance Authority designees must ensure compliance with [the](#) policy in this chapter and must establish procedures to ensure personnel are familiar with the restrictions on accepting gifts and requirements for receiving, recording, reporting, and accounting for gifts.

4.2 Military Departments

The Secretaries of the Military Departments and Acceptance Authority designees must 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.

4.3 DFAS

DFAS is responsible for the accounting, investing, and reporting [of](#) all 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 6.0.

4.4 USD(P&R)

USD(P&R) must establish procedures for verifying the eligibility of individuals to receive benefits and may authorize the development of additional procedures [for receiving gifts](#).

5.0 ACCEPTANCE

*5.1 [Acceptance of Gifts](#)

[5.1.1. Military Musical Units.](#) Monetary contributions, personal property, or services for the benefit of a military musical unit may be accepted by the SecDef and Secretaries of the Military Departments. Any monetary contributions must be credited to the corresponding appropriation or account, subject to the same purposes, conditions, and limitations as the funds in that account.

[5.1.2. Accounting for Missing Persons.](#) Gifts including personal property, money, or services for the purpose of facilitating accounting for missing persons may be accepted, held, administered, spent, and used. All monetary gifts and bequests accepted must be deposited in the DoD General Gift Fund.

5.1.3. Museum Programs. Gifts such as books, manuscripts, works of art, historical artifacts, drawings, plans, models, or condemned or obsolete combat materiel may be solicited from a bona fide collector for military museum programs. The military museum program may accept a gift of services from a nonprofit entity established to support the program. Nonprofit entity personnel who provide a gift of services may not be employed within the U.S.

5.1.4. U.S. Service Academies. Gifts of real property can be accepted for the U.S. Military Academy, the Naval Academy, the Air Force Academy, and the Coast Guard Academy. These gifts can be accepted even if the gift is subject to the condition that the property bears a specified name. The Secretary of the Military Department responsible for the respective Service Academy has the authority to accept such gifts.

5.1.5. Uniformed Services University of the Health Sciences (USUHS). Any gift, devise, or bequest of personal property made to the University, including those in the support of an academic chair, teaching, research, or demonstration project may be accepted, held, administered, invested, and spent. This authority is delegated to the USD(P&R) and may be further delegated by the USD(P&R) in writing to the Assistant Secretary of Defense for Health Affairs and/or to the President, USUHS, but may not be delegated below the President, USUHS.

5.2 Circumstances to Decline Acceptance

Acceptance Authorities must decline gifts under the following circumstances:

5.2.1. The use of the gift is **connected** 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;

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

5.2.3. The use of the gift would reflect unfavorably on the **DoD's ability**, or any personnel of the Department, to carry out any responsibility or duty in a fair and objective manner;

5.2.4. The use of the gift would compromise the integrity or appearance of integrity of any program of the DoD or any individual involved in such a program; and

5.2.5. Acceptance of the gift would not be in the best interests of the DoD, including but not limited to the following, where it creates or requires:

5.2.5.1. The appearance or expectation of favorable consideration because of the gift;

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

5.2.5.3. A serious question of impropriety considering the donor's present or prospective business relationships with the DoD;

5.2.5.4. The expenditure or use of funds more than amounts appropriated by Congress;

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

5.2.5.6. Gift acceptance or the imposition of naming rights that would not reflect favorably upon the DoD; or

5.2.5.7. The real property subject to the gift naming condition has not been named by an act of Congress.

5.3 DoD Personnel

DoD personnel must not solicit, fundraise for, or otherwise request or encourage the offer of a gift. Acceptance Authorities must not accept gifts offered contrary to this policy. Notwithstanding this general prohibition, the SecDef may solicit from a bona fide collector, a gift for the use and benefit of a military museum program.

5.4 Related Expenses

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

*5.5 Offers from Prohibited Sources

Acceptance Authorities must use increased sensitivity and scrutiny when gifts are offered from prohibited sources. Acceptance of gifts from prohibited sources may cause embarrassment to the DoD or the appearance of influencing official decisions or actions of the Department. Acceptance Authorities must consult with their appropriate Ethics Official 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 must be considered prior to gift acceptance.

5.6 Acknowledgement of Future Gifts

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

5.7 Acceptance through Intermediaries

Acceptance Authorities must not accept gifts offered indirectly through an intermediary if they **cannot** accept such gifts if offered directly from the source.

5.8 Accepting Gifts to Benefit Certain Members, Dependents, and Civilian Employees

* 5.8.1. Acceptance Authorities must consult with their appropriate Ethics **Official** before accepting gifts valued more than \$10,000 to ensure that:

5.8.1.1. The gift is not offered in a manner that specifically discriminates among DoD personnel based on type of official responsibility or of favoring those of higher rank or rate of pay; and

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

5.8.2. Acceptance Authorities may not accept a gift of services 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 only if the gift is not designated for a specific individual.

5.9 Acceptance of Property Gifts with Naming Rights

5.9.1. The authority to accept gifts **with the condition of naming rights** may be delegated by the Secretary concerned only to a civilian Presidential appointee in a position requiring Senate confirmation. This authority may not be further re-delegated.

5.9.2. The Secretary concerned must issue uniform regulations governing the circumstances under which gifts conditioned on naming rights may be accepted, appropriate naming conventions, and suitable display standards. The naming conventions and suitable display standards must be in accordance with Unified Facilities Criteria [\(UFC\) 3-120-01](#) and other implementing guidance issued under the purview of the USD(A&S).

5.9.3. The Secretary concerned or designee must decline conditional gifts offered unless the donor agrees in writing that the Military Department retains the right to remove or alter the name if a determination is made that:

5.9.3.1. The donor has committed an immoral act or engaged in unethical conduct;

5.9.3.2. The donor has engaged in activities that reflect unfavorably on the U.S.;

or

5.9.3.3. A subsequent donor offers to significantly alter a facility, and such gift is worthy of receiving naming rights.

6.0 RECEIPT

6.1 Monetary Gifts

All monetary gifts must be forwarded to the DFAS office servicing the Acceptance Authority via mail or an electronic funds transfer (EFT). DoD officials must contact DFAS for EFT deposit information.

6.2 Gift Fund Accounts

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

6.2.1. The DoD General Gift Fund in the case of deposits made by the SecDef or SecDef Acceptance Authority designees.

6.2.2. 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.

6.2.3. 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.

6.2.4. 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.

6.3 Accounting Transactions

Accounting entries for monetary, non-monetary, and service-type gifts are specified within the [*U.S. Standard General Library*](#).

7.0 RECORDS AND REPORTS

7.1 Records

7.1.1. Acceptance Authorities must keep accurate, auditable, and timely records of all gifts and provide this information for periodic audits. The receiving organization must obtain and retain the required documentation and information for all gifts received including the date non-monetary gifts were transferred to property records and the unique identifier or data element, if applicable (see property accountability requirements in section 9.0). For audit purposes, the supporting documentation for monetary and non-monetary gifts must be retained [in accordance with the policy in *Volume 1, Chapter 9*, “Financial Records Retention.”](#)

7.1.2. Acceptance Authorities must ensure that the following information for items sold is documented and retained:

7.1.2.1. A description of each item sold;

7.1.2.2. The name of the donor for each item sold;

7.1.2.3. The date each item was sold;

7.1.2.4. The name of the purchaser for each item sold;

7.1.2.5. The proceeds of the item sold;

7.1.2.6. Details of any relevant specific information regarding each item sold; and

7.1.2.7. If applicable, the unique identifier or data element used to track the same or similar non-monetary item such as a Real Property Unique Identifier from the DoD Real Property Unique Identifier Registry or accountable property data elements (see property accountability policy cited in section 9.0).

7.2 Reports

7.2.1. DFAS Standards and Compliance (Corporate Reporting) must develop and require a standardized report for Acceptance Authorities or designees to report the following information to DFAS on a quarterly basis:

7.2.1.1. A description of the gift;

7.2.1.2. The value of the gift (estimated value if non-monetary) and the valuation method used;

7.2.1.3. The name and address of the donor(s);

7.2.1.4. The date each gift was received;

7.2.1.5. The expected useful life of the gift (the length of time in which a depreciable asset is expected to be used);

7.2.1.6. Details of any conditions, restrictions, or other relevant specific information regarding each gift;

7.2.1.7. If applicable, a unique identifier or data element used to track the same or similar non-monetary items received or shipped from different sources;

7.2.1.8. Statement explaining the benefits of accepting the gift; and

7.2.1.9. The authority under which the gift was accepted.

7.2.2. Acceptance Authorities must report the information in the reports for all monetary gifts and real property gifts along with personal property gifts and services 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 must be reported separately.

* 7.2.3. Acceptance Authorities must prepare a separate report entitled "Donations to Military Musical Units under 10 U.S.C. § 974(d)". The report must be submitted to Congress annually for all gifts accepted during the fiscal year by Military Musical Units. A copy of the report must be provided to the OUSD(C), Deputy Chief Financial Officer; and the Office of the Assistant Secretary of Defense for Public Affairs, [Community Relations](#) division.

7.2.4. The DFAS Standards and Compliance (Corporate Reporting) must prepare a report containing the following information and forward the information to the [OUSD\(C\)](#), Deputy Chief Financial Officer no later than 30 days after the end of each quarter:

7.2.4.1. Separate summary values for monetary and non-monetary gifts accepted during the quarter and the authority under which the gift was accepted; and

7.2.4.2. A description of all property valued at more than \$1 million. In determining whether the \$1 million threshold has been met, the following criteria must be used:

7.2.4.2.1. The [cumulative](#) value of similar items accepted during the quarter; and

7.2.4.2.2. The [cumulative](#) value of components which, if assembled, would comprise all or a substantial portion of an item or facility.

8.0 INVESTMENTS

DFAS must:

8.0.1. Invest general gift funds in Government securities until distribution is authorized [and](#) consistent with good cash management practices;

8.0.2. Follow standard operating procedures related to the respective Gift Fund Accounts for purchasing Government securities;

8.0.3. Follow standard operating procedures to initiate and complete the sale of Government securities;

8.0.4. 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; and

8.0.5. 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 DoD and the Treasury policies and procedures, and adequacy of internal controls.

9.0 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 must be consistent with policy prescribed in DoDI 4165.14, DoDI 4165.70, DoDI 4165.71, DoDI 4165.72, and DoDI 5000.64.