



DEPARTMENT OF THE NAVY
CHIEF OF NAVAL AIR TRAINING
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CNATRAINST 4001.1
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4 Oct 10

CNATRA INSTRUCTION 4001.1

Subj: UNITED STATES NAVY FLIGHT DEMONSTRATION SQUADRON
ACCEPTANCE OF GIFTS

Ref: (a) SECNAVINST 4001.2J
(b) OPNAVINST 4001.1F
(c) Section 2601 of Title 10, United States Code (U.S.C.)

Encl: (1) NFDS Gift Acceptance Tracker

1. Purpose. To establish squadron procedures and guidance for compliance with gift acceptance and outline responsibilities for gift processing per reference (a). This instruction is new and should be read in its entirety.

2. Background. The Navy Flight Demonstration Squadron (NFDS) is an organization that receives multiple gift offers on a weekly basis due to its unique mission of recruiting, retention and community relations. Many of these gift offers are often presented during introduction of the team at formal and informal ceremonies. Other gifts are annual gifts that have very little variance from year-to-year. All gifts must be properly processed to ensure that their acceptance or rejection by the acceptance authority follows the guidelines established in references (a) and (b).

3. Definitions

a. "Acceptance authority" is the official or officer in the Department of the Navy (DON) who, on behalf of the Secretary of the Navy (SECNAV), may accept gifts.

b. "Gift" is defined as a gift, devise, or bequest of real or personal property, without consideration. The term "gift" does not generally include "services"; however, services may be accepted as a gift as authorized by section (b) of reference (c) (pertaining to Wounded Warriors). The acceptance and use of voluntary services in the DON are governed by OPNAVINST 5380.1A.

4 Oct 10

c. "Personal property" includes clothing, jewelry, household furnishings, money, vehicles, stocks, bonds, intangibles, and all property not defined as real property.

d. "Real property" includes land and any buildings, improvements, or fixtures on that land.

4. Gift Acceptance Levels. Authority to accept or reject gifts depends upon the value and kind of property offered. The following gift acceptance levels are established by reference (b):

a. Excess of \$60,000. The Under Secretary of the Navy (UNSECNAV) shall be the acceptance authority for all gifts of real property, other gifts of a value in excess of \$60,000 and gifts requiring an exception.

b. \$60,000 or less. The Chief of Naval Operations (CNO), Vice CNO (VCNO), and the Director of Navy Staff (DNS) may accept gifts other than real property valued at \$60,000 or less for acceptable gifts or services per reference (b).

c. \$12,000 or less. CNO, VCNO, and DNS may delegate their authority to accept gifts of a value of \$12,000 or less. CNATRA is delegated the authority to accept gifts of \$12,000 or less by reference (b).

5. Acceptance Criteria

a. Solicitation of Gifts. Unless authorized by SECNAV, NFDS shall not initiate requests for gifts or contributions.

b. Applicable gift acceptance statutes do not provide authority to accept a gift before the gift is actually available for transfer to the DON. However, the DON may accept offers of future gifts under the following procedure:

(1) Acknowledgement. When a donor makes an offer of a future gift, the total cumulative amount of the future gift determines the appropriate acceptance authority. If the acceptance authority is likely to accept the gift when the actual presentation occurs, he or she will acknowledge the future gift and advise the donor that gift acceptance will likely occur after actual presentation of the gift.

4 Oct 10

(2) Acceptance. When a donor presents the gift, the value of the gift determines the proper acceptance authority for that gift. The acceptance authority will determine whether to accept or reject the gift.

(3) Gifts from Foundations. While foundations and other non-profit organizations may provide valuable support to the squadron, they should not be used as conduits to make indirect gifts that DON gift acceptance policies would not permit.

6. Processing Gifts

a. The Department of the Navy Assistant for Administration (DoNAA) is responsible for processing gifts requiring acceptance by SECNAV or UNSECNAV.

b. After official acceptance by the acceptance authority, NFDS should inform the Chief of Information (CHINFO) of any gift having substantial public affairs implications.

c. Whenever possible, NFDS should not accept custody of a gift before official acceptance. Due to the nature of the presentation of the gift and the public affairs sensitivities associated with gifts presented at public ceremonies, this is not always possible. If DON assumes custody of the gift, NFDS shall advise the donor in writing that possession of the gift does not constitute official acceptance of the gift and that the DON cannot assume responsibility for any expenses incurred, loss or damage before officially accepting the offered gift, even if in possession by NFDS. In these cases, the gift shall be, as soon as practicable, placed into a gift locker and secured pending approval of the gift. These gifts will be logged into a gift log as a post-air show measure and part of the post-air show checklist. A copy of the new gift log entries must be sent to Office of the General Counsel, CNATRA (CNATRA OGC) electronically or by facsimile as soon as possible after the gift is received.

d. Prospective donors should be advised to submit gift offers in writing explicitly specifying any conditions associated with gift acceptance. Upon receipt, NFDS must promptly forward the offers to CNATRA OGC electronically or by facsimile.

e. Forwarding correspondence concerning acceptance of gifts should include:

(1) A complete description of the gift, including the quantity, condition, material, approximate size and weight, value and intended use.

(2) An indication of the item's location and availability. NFDS should consider gifts not immediately available as offers of future gifts.

(3) A description of any unusual or large expense which would be incurred by accepting and using the gift.

(4) Any conditions or implicit assumptions under which the offer of gift is being made.

(5) All pertinent facts concerning the donor's present and prospective business relationships with the DON, any other matter that may raise the appearance of impropriety, and any documentation relevant to the gift or donor.

(6) A summary of the item's significance to the DON.

(7) NFDS recommendation for acceptance/rejection. If recommending acceptance, NFDS should include a proposed acceptance letter as an enclosure to the forwarding correspondence. Acceptance letters must indicate that the acceptance authority is accepting the gift on behalf of the DON. NFDS should address acceptance letters specifically to the donor and suitably convey the DON's appreciation for the gift.

7. Responsibilities for Processing Gifts

a. Public Affairs Officer (PAO).

(1) PAO will forward advance electronic or facsimile copies of the gift log and gift offers to CNATRA OGC as soon as made or received in accordance with paragraph 6c and 6d above.

(2) PAO shall forward all gift offers from prospective donors to the Legal Officer within three working days of receipt. Ensure gift offers include the applicable items listed

4 Oct 10

in paragraph 6e of this instruction. A copy of the gift offer will be maintained in the PAO shop files.

(3) PAO will monitor the gift acceptance tracker to ensure it is up to date and accurately reflects the appropriate dates of submission.

(4) PAO will inform the Legal Officer when the Squadron takes custody of any gifts.

b. Legal Officer(LO).

(1) LO will prepare all gift acknowledgement or acceptance packages and forward them to the Administrative officer (AO) for NFDS Commanding Officer's (CO) signature and serialization.

(2) LO will maintain and review this instruction annually. LO will also maintain the gift log, gift acceptance binder and gift tracker and ensure they reflect up to date and accurate information.

(3) LO will input the serialization number and date into enclosure (1) once he receives verification from the AO that the documents have been sent to CNATRA OGC. LO will also input the date when an approval letter is received from the chain of command (CNATRA, CNAF, CNO, SECNAV (DoNAA)). Once acknowledgement or acceptance is approved by the authorizing authority, the date will be entered into the tracker.

(4) LO will remain in contact with CNATRA OGC to verify the status of requests as they are forwarded up the chain of command for approval. LO will also contact CNATRA OGC for assistance in obtaining copies of the acknowledgement/acceptance approvals if they are not received by the Squadron.

(5) Once the Squadron is in possession of the previously acknowledged gift, LO will generate a receipt of gift letter and forward up the chain of command within five business days of presentation of the gift. Once the squadron is in possession of a newly presented gift at an air show or related function the LO will generate a receipt of gift letter up the chain of command within three days of presentation of the gift or within three

4 Oct 10

days of return from the air show. A tracker entry will be made once the letter leaves the squadron.

c. Administrative Officer (AO).

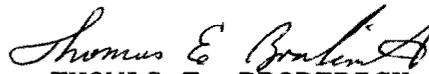
(1) AO will process the correspondence provided by the LO for the CO's signature and serialization. AO will send all gift correspondence to CNATRA OGC electronically in advance prior to signature; final signed hard copies should be sent by regular mail.

(2) AO will add the following items to the NFDS Admin Tracker:

- (a) Repetitive periodic offers.
- (b) Acknowledgement letter requests.
- (c) Acceptance letter requests.

8. Retention of Records. Records for all gifts are permanent and shall be maintained by the Legal Officer in the gift acceptance binder four years in addition to the current year.

9. Points of Contact, CNATRA OGC. Assistant Counsel Joel Bouve, or Paralegal Technician Peggie Penn, Chief of Naval Air Training, 250 Lexington Blvd, CNATRA OGC, Suite 117, Corpus Christi, TX 78419, phone: (361)961-3510, Fax: (361) 961-4450, joel.bouve@navy.mil, peggie.penn@navy.mil.


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