



US Department
of Transportation
Maritime
Administration

MANUAL OF ORDERS

MARITIME ADMINISTRATIVE ORDER

REVOKES

MAO 440-2, dtd.
8/26/82

NO.

440-2

EFFECTIVE DATE

January 5, 1993

SUBJECT

GIFTS AND BEQUESTS

Section 1. Purpose:

This order implements DOT Order 2700.11, Gifts and Bequests, by prescribing policies, procedures, and a system of administrative controls for accepting or rejecting and accounting for gifts and bequests to the Maritime Administration or its employees.

Section 2. Related Directives:

41 CFR 101-49	Utilization, Donation, and Disposal of Foreign Gifts and Decorations
49 CFR Part 99	Employee Responsibilities and Conduct
DOT 1500.6A	DOT Travel Manual
DOT 3700.2	DOT Regulation on Employee Responsibilities and Conduct
MAO 330-13	Accountability and Capitalization of Property
MAO 340-1	Establishment of a Maritime Administration Supply Manual (Including MARAD Personal Property Accountability and Control Handbook)
MAO 350-1	Official Travel
MAO 740-410	Training
MAO 770-735	Employee Responsibilities and Conduct

Section 3. General:

3.01 This order applies to all offers of gifts and bequests to the Maritime Administration or its employees, including personal and real property, cash, and negotiable instruments except for:

- 1 Payments or other expenses for training employees or for travel which are subject to the provisions of appropriate personnel training or travel directives.
- 2 Individual copies of books and other publications, provided the offer conforms to the policy requirements of DOT Order 2700.11, and the value thereof is \$100.00 or less.

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3.02 The Director, Office of Management Services shall develop national policies, procedures, and directives with respect to gift processing, including acceptance and disposal, as necessary.

3.03 The Chief Counsel shall resolve questions concerning what constitutes a gift or bequest, and the legal acceptability thereof.

3.04 The Director, Office of Accounting shall develop accounting policies and procedures for the receipt, deposit, withdrawal, expenditure, or disposal of monetary gifts and bequests.

Section 4. Delegation of Authorities:

4.01 The Assistant Secretary for Administration has been delegated authority to accept, hold, sell, administer, and utilize gifts and bequests of property, both real and personal, including gifts of cash, etc., to aid the work of the Department. That authority includes the right to refuse or to accept offers, or to negotiate the terms of acceptance.

4.02 Authority has been redelegated to the Superintendent, U.S. Merchant Marine Academy (Academy) to approve the acceptance or rejection of gifts and bequests not exceeding \$2,500 in value, subject to any conditions and limitations imposed. Each such offer shall be reviewed by the Chief Counsel, prior to acceptance, for potential conflicts of interest.

4.03 The Superintendent may also accept gifts to support the Academy's nonappropriated fund activities (NAFIs) in any amount, including donations from the U.S. Merchant Marine Academy Foundation, provided the aggregated annual amount approved by the Assistant Secretary for Administration is not exceeded. Gift offers to NAFIs must be reviewed by the Chief Counsel.

4.04 Except for gifts under sections 4.02 and 4.03, above, the Assistant Secretary for Administration makes all determinations with regard to accepting gifts and bequests, including but not limited to:

- 1 Acceptance of gifts and bequests involving real or personal (including monetary gifts and bequests) property or interests therein.

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- 2 Acceptance of gifts and bequests which are conditioned on the undertaking of activities or expenditures not a part of regular Department of Transportation (including Maritime Administration) programs, or which specify particular requirements as to deposit, investment, or management of the fund, or which may require more than incidental expenditures in connection with their administration and use, or which otherwise may involve unusual conditions or requirements.
- 3 Acceptance of gifts from foreign governments as prescribed in 49 CFR Part 99.
- 4 Use of donated monies for representation and official entertainment purposes.

Section 5. Receipt, Acknowledgement, and Acceptance or Rejection of Gifts or Bequests:

5.01 All correspondence concerning gift and bequest offers shall be sent to the Director, Office of Management Services, Washington, DC, except that gift and bequest offers to the Academy, including those to NAFIs, shall be sent to the Academy's Chief of Staff.

5.02 The responsible processing office identified in section 5.01 above, shall:

- 1 Obtain all information concerning the offer necessary to complete the written report required by section 5, DOT Order 2700.11, Gifts and Bequests and prepare Form MA-987, Gift Offer Report (See Exhibit).
- 2 Send an interim acknowledgement letter to the offeror indicating the offer is being processed in accordance with regulations.
- 3 Obtain a determination from the Chief Counsel as to whether the gift or bequest may be processed for acceptance.
- 4 If the offer concerns bonds or other securities, obtain the concurrence of the Director, Office of Accounting in Washington or the Academy's Department of Budget and Accounts, as applicable.

5 If acceptance is to be recommended, process the gift or bequest offer as follows:

- (1) Submit the Gift Offer Report, together with a copy of the offer to the appropriate officials for review and recommendation/approval. (If the approval of the Assistant Secretary for Administration is required, the Director, Office of Management Services shall prepare the appropriate transmittal; attach the completed Gift Offer Report; obtain clearance by the Chief Counsel; and forward the documents to the Associate Administrator for Administration for signature and dispatch. The Maritime Administrator shall be provided a copy of the complete documentation forwarded to the Assistant Secretary.)
- (2) Upon receipt of action by the approving official, prepare and submit the letter of acceptance or rejection to the donor for the signature of the Associate Administrator for Administration, Maritime Administrator, or Academy Superintendent, as appropriate. Copies of the approval document shall be provided to applicable Headquarters or Academy financial and property accountability officials for proper recording.

5.03 The responsible processing office (see 5.01, above) shall maintain copies of gift and bequest offers and acceptance documents.

Section 6. Gift Offers to Employees:

6.01 A gift or bequest offered to an individual employee may be processed for acceptance by the Maritime Administration, subject to the following conditions:

- 1 The employee shall inform the donor that acceptance of a personal gift or donation is forbidden.
- 2 The donor should be requested to title the property or make the instrument or check payable to the "Maritime Administration, Department of Transportation."

- 3 If it is not feasible for the donor to retitle the property or to redraw the document or check in the name of the Maritime Administration, Department of Transportation, the employee shall endorse the document or otherwise transfer the property to the Maritime Administration, preferably in the presence of the donor, and forward the documents to the appropriate processing office (see 5.01, above), within three working days.

Section 7. Deposit Cash or Securities:

All (including those for NAFIs) gifts or bequests of financial instruments such as cash, money orders, or checks shall be deposited, in accordance with the accounting procedures of the Department of Transportation and the Maritime Administration, in the Maritime Administration's Gifts and Bequests Fund, Receipt Account Symbol 69X8503. Pending acceptance, any gift or bequest shall be deposited in the Suspense Fund. Bonds or other securities received shall be forwarded to the Office of Accounting in Washington or the Academy's Department of Budget and Accounts for safekeeping pending action for disposition by the Department of the Treasury, with the proceeds to be deposited in MARAD's Gifts and Bequests Fund. The Academy's Department of Budget and Accounts shall consult the Office of Accounting on disposition.

Section 8. Refunds of Rejected Gifts or Bequests of Cash:

If a gift or bequest of cash is rejected after the funds have been deposited, the processing official (see 5.01, above) shall submit a written request to the Office of Accounting to issue a check for refund. A letter of explanation shall be prepared promptly and sent by the processing official to the donor. Concurrently, the refund check will be sent directly to the donor by the Department of Transportation Accounting and Financial Information System's (DAFIS) disbursing official.

Section 9. Financial Management and Accountability:

9.01 The Director, Office of Accounting and the Academy's Head, Department of Budget and Accounts, shall ensure that the value of all gifts and bequests to the Government (including real and personal property, cash, checks, services in-kind, etc.) is entered into the Maritime Administration's Gifts and Bequests Fund.

9.02 The value of gifts and bequests to NAFIs shall be entered into the Gifts and Bequests Fund, Receipt Account Symbol 69X8503, and then transferred directly into the financial accountability records of the applicable NAfi.

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9.03 To provide for separate financial accounting and reporting of each cash gift or bequest made for specific purposes, each amount shall be identified by the appropriate DAFIS accounting code structure under the Gifts and Bequests Fund.

9.04 Collections of interest on invested funds shall be reported by the Office of Accounting as credits to the Gifts and Bequests Fund and credited to the appropriate DAFIS accounting code structure, as provided in section 9.03, above.

9.05 Subsidiary ledgers shall be maintained by the Office of Accounting and the Academy's Department of Budget and Accounts, as necessary.

9.06 The Office of Accounting and the Academy's Department of Budget and Accounts shall submit quarterly reports on the status and financial activity of the fund to the Director, Office of Management Services, and the Superintendent, U.S. Merchant Marine Academy, and to the head of other organizational components for whose use the funds are intended. In addition, the following reports are to be sent as indicated:

- 1 To the Maritime Administrator, Office of Management Services, Superintendent, U.S. Merchant Marine Academy, and the Office of External Affairs (for any gift or bequest of newsworthy value) - As required, the Office of Accounting and the Academy's Department of Budget and Accounts for their respective accounts shall submit a report listing all gifts and bequests received including name of donor, purpose, and amount or value of donation.
- 2 To the Office of Budget, Office of the Secretary of Transportation - The Director, Office of Accounting shall prepare and submit a monthly report on the status of the Gifts and Bequests Fund. The report, Standard Form 133, Report on Budget Execution, shall be submitted directly to the Secretarial Budget Office with a copy to the Maritime Administration's Office of Budget.

Section 10. Property Accountability:

10.01 Accountability for personal property accepted for the Maritime Administration, including the Academy, shall be in accordance with current property accountability procedures. Property inventory records shall specifically identify property either received directly as a gift or purchased with funds from the Gifts and Bequests Fund and shall retain that identification until disposal.

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10.02 Accountability for personal property accepted for individual NAFIs shall be maintained by the Academy's NAFI Fiscal Control Office, in accordance with the Accounting Manual for Nonappropriated Funds.

Section 11. Expenditures of Cash or Financial Securities:

11.01 All actions initiating expenditures of cash or financial securities from the Gifts and Bequests Fund must be part of a plan approved by the Assistant Secretary for Administration as prescribed by section 5(c), DOT Order 2700.11.

11.02 Officials assigned responsibility for a gift and bequest account shall develop an annual plan for any anticipated expenditures from that account during the subsequent fiscal year. Plans, except those for NAFIs covered in 11.07 below, shall be forwarded to reach the Associate Administrator for Administration by the fifth working day of September each year. Each plan shall include (1) a general statement of the activities to be undertaken and (2) the type and estimated amount of expenditures anticipated.

11.03 Unanticipated requirements not included in the approved plan shall be processed individually in the same manner as the original plan. If approved, they become amendments to the original plan.

11.04 The Director, Office of Accounting and the Academy's Head, Department of Budget and Accounts shall be responsible for monitoring the Gifts and Bequests Fund and reporting expenditure information to the applicable activity manager.

11.05 All procurement actions initiating expenditures from the Gifts and Bequests Fund shall be originated by the head of the organization for which the procurement is intended. Requisitions shall show the Gifts and Bequests Fund, Receipt Account Symbol 69X8503 and appropriate DAFIS accounting code structure. Requisitions shall be forwarded to the servicing procurement office for action in accordance with regular procedures.

11.06 Property procured under this section shall remain the property of the Gifts and Bequests Fund. If at a later date the property is sold, proceeds from the sale shall be deposited in the Gifts and Bequests Fund under the appropriate DAFIS accounting code structure.

11.07 Annual plans for anticipated donations to NAFIs, including those from the U.S. Merchant Marine Academy Foundation, and expenditures from these donations shall be forwarded to the Associate Administrator for Administration by the last work day

in May. One plan will include all such donations to all NAFIs during the next academic year. Each plan shall include (1) a general statement of the activities to be undertaken and (2) the type and estimated amount of expenditures anticipated as has been the customary practice for these donations.

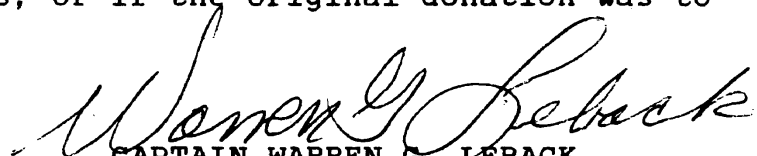
11.08 Upon approval by the Assistant Secretary for Administration, the Director, Office of Budget shall issue annual allotments to the officials assigned responsibility for a gift and bequest account to cover anticipated expenditures from the Gifts and Bequests Fund.

Section 12. Disposal of Property:

12.01 When the holder determines that property either received as a gift or bequest or procured with funds from the Gifts and Bequests Fund is ready for sale or disposal, the processing office specified in section 5.01, above, shall prepare and submit through the Associate Administrator for Administration, a memorandum to the Assistant Secretary for Administration requesting approval of the sale or disposal of the property.

12.02 If the sale or disposal of property is approved, disposal of both real and personal property shall be in accordance with regular Maritime Administration disposal and financial procedures. The disposal documentation shall contain a notation that proceeds are to be deposited in the Gifts and Bequests Fund and the appropriate DAFIS accounting code structure assigned.

12.03 This section shall not apply to disposal of property if the terms of acceptance included specific provision for disposal, such as reversionary clauses, or if the original donation was to a NAFI.


CAPTAIN WARREN G. LEBACK
Maritime Administrator



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Exhibit

GIFT OFFER REPORT
(RE: DOT 2700.11)

DATE: _____

DONOR (name, address and nature of business or profession):

Name _____

Address _____

Business/Profession _____

GIFT: (a) Cash \$ _____

(b) Other (description & estimated fair market value): _____

GIFTED TO: _____

RESTRICTIONS (if any): _____

MANNER OF USE & BENEFITS TO BE DERIVED, INCLUDING SAVINGS: _____

ESTIMATED COSTS, IF ANY, TO PLACE IN USE & DESCRIPTION OF COSTS:

ACCEPTED OR ACCEPTANCE RECOMMENDED BY: _____

Signature

Title