



DEPARTMENT OF THE NAVY  
OFFICE OF THE SECRETARY  
1000 NAVY PENTAGON  
WASHINGTON, DC 20350-1000

SECNAVINST 7010.8A  
14 July 2005

SECNAV INSTRUCTION 7010.8A

From: Secretary of the Navy

Subj: ESTABLISHMENT, MANAGEMENT, AND CONTROL OF THE FISHER  
HOUSE PROGRAM

Ref: (a) DODI 1015.15 of 16 Jul 03  
(b) SECNAVINST 4001.2G  
(c) BUPERSINST 5300.10A  
(d) DOD 7000.14-R, Volume 13 of Jan 04  
(e) BUPERS Recreation and Mess Accounting System Policy  
and Procedures Manual  
(f) SECNAVINST 5340.2C  
(g) DOD 5500.7-R of Aug 93  
(h) SECNAVINST 5720.44A  
(i) SECNAVINST 1650.1G  
(j) Joint Federal Travel Regulations

Encl: (1) National Defense Authorization Act for FY-99,  
Section 906 (Public Law 105-261)  
(2) National Defense Authorization Act for FY-01, Section  
914  
(3) Definitions  
(4) Acceptance of Gifts Policies and Procedures  
(5) Navy Fisher House Program Board of Directors  
Charter

1. **Purpose**. To establish an administrative structure, procedures and oversight process to implement the congressionally directed non-appropriated fund (NAF) financial systems and reporting requirements for Navy Fisher Houses and Fisher Suites.

2. **Cancellation**. SECNAVINST 7010.8.

3. **Background**. Section 906 of the FY-99 National Defense Authorization Act (P.L. 105-261), enclosure (1), added section 2493 to title 10, United States Code (U.S.C.), requiring Fisher Houses to be operated as Nonappropriated Fund Instrumentalities (NAFI) and directed the establishment of a system for the governance of the NAFI. The legislation directs the Secretary of the Navy (SECNAV) to establish a central NAFI fund as the source of funding for the operation, maintenance, and improvement of all Fisher Houses and Suites. In addition, the SECNAV was directed to establish a NAF corpus using Operations and Maintenance (O&M) funds in an amount sufficient to sustain

Enclosure (1)

the operation of Navy Fisher Houses. The legislation also requires an annual report to Congress by 15 January of each year. Legislation directed that funds provided to establish the NAF corpus remain available without fiscal year limitation. Subsequent legislation, enclosure (2), Section 914 of the National Defense Authorization Act for FY 2001 amended Section 2493 of title 10, U.S. Code, to allow the Secretary of the Navy to provide base operating support for the Navy Fisher Houses. Fisher Houses are now authorized appropriated funds for base operating support, at a level equivalent to that provided to Morale, Welfare, and Recreation (MWR) Category B community activities.

4. **Mission**. The mission of the Fisher Houses and Suites is to provide temporary, convenient, and reasonable cost lodging for families of patients at a medical treatment facility (MTF).

5. **Definitions**. Definitions applicable to the administration, operation, and control of the Navy Fisher House Program, the supporting Nonappropriated Fund Instrumentality (NAFI), and its management structure within the chain of command are set forth in enclosure (3).

6. **Proprietary Interest**. All assets, including cash equipment, furnishings, real property and facilities belong to the U.S. Navy Fisher House NAFI. Fisher House activities will not be operated for the financial profit of any person, group, or combination of persons. No individual will have any financial interest or right, in any manner whatsoever, in any property used, acquired or held in the operation of a Fisher House activity.

7. **Policy**

a. **Fisher House NAFI**

(1) The Fisher House NAFI is established as a single source of funding for the operation, maintenance, and improvement of all Fisher Houses.

(2) The NAFI will operate on a Federal government fiscal year.

(3) Commander, Naval Installations Command (CNI) is designated the program manager for the Fisher House Program. As such, it provides Navy wide program management, and controls and directs the expenditure of funds from the Fisher House NAFI

account. An annual NAF operating budget, supported by local Fisher House activity NAF budgets, will be established for the Navy Fisher House Program, which will be reviewed and approved by the Fisher House Board of Directors.

(4) Appropriated funds may only be transferred to the Fisher House central NAF when authorized by Congress. CNI (N2), Assistant Secretary of the Navy (Manpower and Reserve Affairs) (ASN(M&RA)), and Bureau of Medicine and Surgery staff will monitor the Fisher House NAF fund. If additional appropriated funds support is deemed necessary, as recommended by the Navy Fisher House Board of Directors, ASN(M&RA) will incorporate the increased requirement in a budget request submitted during the normal budget process. The Assistant Secretary of the Navy (Financial Management and Comptroller) staff, as part of the Department of the Navy's annual budget review, will submit the request to SECNAV for inclusion in the DON budget.

(5) The Fisher House central NAF cash will be invested through the Navy Morale, Welfare, and Recreation (MWR) program central NAF investment program. Investments are limited to those prescribed in OASD(FMP) memorandum of 24 November 1999, "Oversight and Control of Nonappropriated Treasury Management and Investments" (NOTAL). The objectives of the investment program are, in order of importance, safety of principle, liquidity, and yield.

**b. Fisher House Funding of Operations and Capital Requirements**

(1) Fisher House NAF cash assets may be used solely for the operation, maintenance, and improvement of Fisher Houses and Fisher Suites. Appropriated fund support is authorized at a level equivalent to that provided to MWR Category B community activities.

(2) The costs of building additional Fisher Houses or constructing and outfitting new Fisher Suites will be financed solely from funds specifically appropriated by Congress or gifts and donations for these express purposes. If the need for a new Fisher House or Fisher Suite is established and proffer is approved by the Navy Fisher House Board of Directors (NFHBOD), ASN(M&RA) will incorporate the increased APF requirement for operations and maintenance costs for the additional support facility in the budget request submitted during the normal budget process. Day-to-day operating expenses for added Fisher House facilities will be funded from the Fisher House NAF in accordance with a budget prepared by the Fisher House Program

Manager and approved by the Navy Fisher House Board of Directors. Such changes in scope will be noted in the annual report to Congress. Appropriated funds may not be transferred into the Fisher House central NAF to support new Fisher Houses or Suites or for any other purpose unless such a transfer is specifically authorized by Congress.

c. **Fisher House Employees.** All Fisher House positions that become vacant, or new positions representing additional requirements, will be staffed as NAFI positions. Fisher House employees will report to the MWR Director at the command or region where the facility is located. The MWR Director will prepare evaluation and recommend related personnel actions to the Program Manager. The commander of the MTF at which a Fisher House is located may provide input to employee evaluations.

d. **Funding Policy**

(1) NAF will be used to operate, maintain and improve Fisher Houses and Fisher Suites. These funds will be provided from the Navy Fisher House NAF corpus, fees collected from patrons, support from Combined Federal Campaigns (CFC) or donations from charitable organizations, foundations, or individuals. MWR (MW Special Interest Item) appropriated or non-appropriated funds may not be used to subsidize Fisher House or Fisher Suite operations, equipment purchases, or capital requirements.

(2) The Host Command (MTF) will provide base operating support appropriated funds in support of indirect common-service support functions, including fire protection, security protection, and safety to Navy Fisher Houses.

(3) CNI will provide appropriated funds in support of base operating support plus Sustainment, restoration and modernization equivalent to the level of support provided to MWR Category B community activities. Enclosures (3) and (4) of reference (a) provide a detailed listing of expenses funded with appropriated funds by MWR category.

e. **Management Concept**

(1) The program will be operated centrally providing uniform program management, oversight financial control, operating standards and capital programming in compliance with Congressional direction and consistent with the commitment to the Fisher Foundation to provide a uniform high quality program identity (brand name) in support of military personnel and

families. In addition, the program will be operated in such a way to sufficiently empower Fisher House managers to exercise authority and creativity in providing "Centers of Excellence" in customer service, hospitality, facility maintenance, housekeeping and the operation of effective programs to encourage volunteers and donations from local individuals and supportive organizations.

f. **Budgetary Control.** The Navy Fisher House Program, including individual Fisher Houses, Fisher Suites and program management support, will be constrained within annual operating, capital and cash budgets, as approved through the DON Fisher House Board of Directors (BOD) NAF annual budget process. The program manager is empowered to authorize continued operations in the absence of an approved budget and unbudgeted expenditures to meet extraordinary requirements (e.g., restoration of operations due to storm damage, fire or flood, etc.) within the available central Fisher House NAF fund. Appropriated funds and MWR non-appropriated funds may not be used to supplement the Fisher House Program except as provided for in congressional legislation.

g. **Fiduciary Responsibility.** Chapter 147 of title 10, U.S.C. requires the establishment of fiduciary controls for NAF similar to those established for appropriated funds by the Antideficiency Act. All individuals empowered to exercise custody over or authorize the expenditure of Fisher House NAF will be designated in writing by the responsible commander and be personally accountable for compliance with fiduciary responsibility requirements. Should any unauthorized use of NAF occur, a report must be submitted to the Office of the Assistant Secretary of Navy (Financial Management and Comptroller (ASN(FM&C))) via the chain of command and the Fisher House Program Manager. The NFHBOD will be so advised.

h. **Movement of Funds and Fixed Assets.** Movement of funds and fixed assets among Fisher House operations and/or the central Fisher House NAF account is permitted. The program manager is authorized to approve and direct the realignment of funds and fixed assets among individual Fisher House and Fisher Suite operations. Purposes may include assuring the solvency of individual operations, funding extraordinary expenses at Fisher House or Fisher Suite locations, re-allocation of cash and/or fixed assets from disestablished operations, capitalization of newly established Fisher House operations or actions to otherwise maximize the benefit provided to authorized patrons from existing Fisher House Program assets. The NFHBOD will be

advised when funds or assets valued at over \$25,000 are moved outside the normal budget process.

i. **Disposition of Assets.** Fisher House Program Manager approval is required for the disposition of fixed assets. The proceeds, if any, from the disposition of NAF procured or donated assets are the property of the Fisher House Program and will be deposited into the central Fisher House NAF account.

j. **Insurance.** The Fisher House Program Manager (CNI) procures insurance from commercial sources to adequately cover replacement of Fisher House and Fisher Suites contents in the event of loss. Insurance premiums will be paid from the Fisher House NAFI fund. Premium costs will be allocated as determined by the Fisher House Program Manager.

8. **Acceptance of Gifts.** Gifts and donations are an alternative source of assets and funds to support Fisher House or Fisher Suite operations. In addition, a portion of each Fisher House or Fisher Suites' annual operating budget is expected to be financed from donations and gifts. Fisher House operations will comply with the SECNAV policy for the acceptance of gifts, as prescribed in reference (b). Program specific policy and procedures for the acceptance of gifts is provided at enclosure (4).

9. **Responsibilities**

a. Assistant Secretary of the Navy (Manpower and Reserve Affairs) (ASN(M&RA)) is responsible to SECNAV for oversight of the Fisher House program. ASN(M&RA) will appoint the program manager for the Navy Fisher House program, chair the NFHBOD, and appoint a working group to assist the NFHBOD in carrying out its duties.

(1) A Navy Fisher House Working Group, chaired by a staff member appointed by the ASN(M&RA) and consisting of designated representatives from ASN(M&RA), ASN(FM&C), the program manager (CNI), BUMED, and CNO (N1), will be established to support the NFHBOD. The Navy Fisher House Working Group chairperson will ensure a quorum, consisting of a simple majority, is present at all formal meetings.

(2) The NFH Working Group's charter is to staff and analyze major decisions, budgets, and capital expenditure plans for presentation to the NFHBOD, when directed. The NFH Working Group will:

(a) Review and evaluate the annual Fisher House budget prepared by the Fisher House Program Manager for presentation to the NFHBOD.

(b) Review and evaluate capital projects involving Navy Fisher Houses and Fisher Suites for presentation to the NFHBOD.

(c) Review action items and proposed responses from previous NFHBOD meetings and recommend a response that will be presented at the next BOD meeting.

b. ASN(FM&C) is responsible to SECNAV for Fisher House Program funding and budgeting policy.

c. NFHBOD will perform the following: (1) review and approve the annual Fisher House Program operating and capital budgets; (2) provide oversight to the Fisher House NAFI; (3) evaluate the Fisher House Program as a medical treatment facility patient services operation within the Navy; and (4) review and recommend approval of the annual SECNAV report to Congress on Fisher House operations and the central Fisher House NAF, as required by P.L. 105-261. Enclosure (5) establishes the NFHBOD charter and sets forth membership, duties, and responsibilities.

d. CNI (N2) is designated as: (1) program manager for the Navy Fisher House and Fisher Suite Program; and, (2) manager of the Fisher House NAFI. In carrying out these responsibilities, CNI will provide program oversight, supplement local funds by distributing financial support from the central Fisher House NAF, issue operational and technical guidance to Fisher House and Fisher Suites, issue budget approval authority for individual Fisher House operations, and manage the funds in the central Fisher House NAF account. Specific responsibilities include:

(1) As program manager for the Navy Fisher House Program, CNI will:

(a) Develop and issue operating policy, technical guidance, procedures, and standards for the operation of Fisher Houses and Fisher Suites.

(b) Prescribe formats and timetables for the development of annual operating, and capital budgets for each local Fisher House operation. Develop a consolidated Navy Fisher House Program budget for presentation to the NFHBOD for

review and approval as part of the annual Fisher House Program budget presentation.

(c) Recommend acceptance of personal property gifts for donations with a value of more than \$10,000 to the Vice Chief of Naval Operations (VCNO) or the Under Secretary of the Navy, as appropriate. Ensure records are maintained of gifts of cash, furniture, fixtures, equipment or facilities. Gifts consisting of fixed assets, valued at \$2,500 or more, will be recorded in local base plant account records. Anticipated gifts and their source will be noted in the annual Fisher House budget proposal.

(d) Review and evaluate any proposed expansion of Fisher House services (Fisher Houses or Fisher Suites) and make recommendations to the NFH Working Group and NFHBOD, including an analysis of the proposed financial plan. Approval by the NFHBOD, including endorsement of the financial plan, is mandatory before any new or expanded Fisher House or Suite operation is accepted and/or established. The requesting command will certify the availability of appropriated funds for indirect base operating support as authorized by Congress.

(e) Approve local Fisher House annual operating budgets which document total estimated income and expenses for the fiscal year. Allocate estimated expenses by financing source (e.g., gifts and donations, fees and charges, and the Fisher House NAFI central account). Distribute funds from Fisher House NAF central account to local Fisher House NAF operations accounts as necessary to sustain operations while minimizing local cash balances.

(f) Work with local MWR Director to arrange training for Fisher House Managers that encompasses financial stewardship, operational policies and procedures, and customer service. Ensure MTF commanders, regional commanders, base commanding officers, and Fisher House activity managers fully understand the Fisher House program and their responsibilities for customer service, oversight, fiduciary accountability, and program support.

(g) Develop the annual Congressional report on the central Navy Fisher House NAF account status and program operations as prescribed in enclosure (1) for: (a) review and approval by the NFHBOD; and (b) SECNAV submission to Congress by 15 January annually.

(h) Provide technical assistance to Fisher House activity managers in developing marketing plans, planning

capital replacement, developing standard operating procedures, seeking CFC support, modifying the scope of operations, and achieving compliance with governing regulations.

(i) Review and approve, as appropriate, local Fisher House activity staffing plans and any changes thereto proposed by the facility manager, regional coordinator, or MTF commander for Fisher House and Fisher Suite operations.

(j) Provide staff support on matters affecting Fisher House NAF operations, including Fisher House NAF accounting, NAF employee programs, NAF contracting, and NAF facility project development. Assist in the coordination of reimbursable base level MWR NAF support for the local Fisher House or Fisher Suite operation.

(k) Keep ASN(M&RA) apprised of issues and proposals which could influence achievement of program policy objectives or constitute matters of significant interest to the Congress, private parties, or public. Such issues will also be brought to the attention of the NFH Working Group and NFHBOD during regular sessions.

(l) Conduct an oversight review of Fisher House funds on an annual basis. Particular attention will be given to cash handling, acceptance of gifts, contracting, procurement, and personnel management matters.

(m) Coordinate as necessary with the Zachary and Elizabeth Fisher Foundation on matters related to Navy Fisher House and Fisher Suites.

(2) Additionally, as manager of the Fisher House NAF, CNI will:

(a) Appoint an individual as Funds Administrator (accountable officer) for the central Fisher House NAF account.

(b) Provide NAF accounting and related services on a reimbursable basis in support of local Fisher House and Fisher Suite operations. Such services may include accounting, NAF personnel and benefits program support, NAF procurement and contracting. The local MWR Program Manager is in a position to efficiently and effectively provide supervisory support of daily operations of local Fisher House and Fisher Suite operations.

(c) Prepare a quarterly report to CNI, on the financial condition of the central Fisher House NAF and

individual local Fisher House accounts. Provide additional financial and program analysis as required.

(d) Arrange for audit of the central Fisher House NAFI account in the annual MWR NAF Certified Public Accountant Audit, including a statement confirming that the account was audited, attesting to its financial condition and commenting on the soundness of its financial operations. Audit costs for the annual audit of the central Fisher House NAF account will be separately identified in the auditor's bill and charged to the central Fisher House NAF account.

(e) Provide banking and investment services on a reimbursable basis to the central Fisher House NAF account, as well as individual local Fisher House operating units. Investment earnings will be credited to the central Fisher House NAF account on a monthly basis.

(f) Prescribe accounting procedures and provide technical guidance for their use at individual Fisher House operating locations.

(g) Distribute central Fisher House cash to supplement local Fisher House operations as approved in the annual operating budget or subsequent budget revisions.

(3) Regional Commanders, Installation Commanding Officers and/or MTF commanders. Commanders will provide host services in support of Fisher Houses and Fisher Suites. Services to include:

(a) Provide indirect common support services to the Fisher House facilities in accordance with DON Financial Management Policy Manual NAVSO P-1000, Section 075522.

(b) Fisher House employees will be provided support from the CNI DET Millington NAF personnel office.

(c) Equal Employment Opportunity (EEO) and other scheduled administrative training will be provided to Fisher House employees, as is done for other employees at the MTF to which they are attached.

(4) The MTF commander will monitor customer satisfaction with the local Fisher House; accept gifts with a value greater than \$250 and up to \$10,000 donated to the local Fisher House.

(5) The local Fisher House manager is responsible for the following:

(a) Supervises the overall operation of the activity including customer service, housekeeping, budgeting, funds control, facility maintenance, and development of facility improvement and equipment replacement programs. Ensures financial and operating standards prescribed by the program manager are met.

(b) Ensures safety and sanitation requirements of base fire, security and medical authorities are met.

(c) Maintains custody of all records and property of the activity in their possession. The manager is responsible for the safekeeping, preservation, annual inventory, and accessibility for inspection of all property and records.

(d) Performs functions of receipt, safekeeping, deposit, disbursement, and accountability of funds in his or her custody. Establishes effective controls to ensure these functions are properly performed in a timely manner.

(e) Ensures accurate accounts and records are maintained, as prescribed by the Fisher House Program Manager CNI (N2) and FH NAFI Funds Administrator for Fisher House program NAF accounting.

(f) Recommends hiring selections, employment and dismissal of both non-paid volunteers and employees paid from Fisher House funds to the MWR Director. Establishes work schedules for volunteers and employees. The MWR Director at the command at which the Fisher House is located will provide support in the selection of new Fisher House employees.

(g) Conducts NAF personnel administration within the policy and procedures prescribed by reference (c), the Navy MWR NAFI personnel instruction. Seek technical support and guidance from the local MWR NAF personnel office, as required.

(h) Follows the guidance of the MWR Director and Fisher House Program Manager in NAF financial management, funds control, personnel administration and NAF procurement.

(i) Keeps informed of all current policies and regulations applicable to activity operations.

(j) Takes custody of non-cash gifts or donations of personal property regardless of acceptance authority. Prepares

correspondence for the MTF commander to accept personal property gifts and monetary donations greater than \$250 up to \$10,000 in value. All gifts of money or acceptable securities of \$250 or greater shall be forwarded to CNI, regardless of where acceptance authority is vested. Forwards proposed and/or actual gifts or donations of over \$10,000 to the Fisher House Program Manager CNI (N2), for processing and acceptance by either the VCNO or UNSECNAV. Maintains a permanent record of all gifts or donations received, and otherwise ensures compliance with all provisions of reference (a) and enclosure (4) in the acceptance and processing of gifts or donations.

(k) Obtains prior approval from the NFHBOD, via the Fisher House Program Manager and NFH Working Group, for any proposed increase in Fisher House or Fisher Suite service facilities. Proposed increases must be accompanied by a sound financial plan, including sources of funds to finance budgeted incremental operating expenses and all capital investments required to construct and outfit the proposed facility. The program manager will be advised at least 60 days in advance of any plans to close existing service facilities on a permanent or temporary basis. Notification will include identification of assets and their availability to the program manager. The program manager will make all decisions for redistribution or local disposal.

(l) Maintains Fisher House enrollment as a recipient of funds in the local Combined Federal Campaign.

(m) Develops, maintains, and trains employees and volunteers as required, in standard operating procedures (SOP) in the following areas (as a minimum): cash handling, physical security, customer service standards, fees and charges, acceptance of gifts, accounting, budgeting, and emergency procedures including facility trouble calls. Training will also encompass facility management, sanitation, safety, fire prevention, job performance requirements, equal employment opportunity and other personnel and administrative training required of NAF employees. Standards of conduct training is required annually. Training should be documented in NAF personnel files.

(n) Publicly posts the patron use fee schedule in each Fisher House facility. The fee schedule will be validated annually as part of the NAF budget process. Changes will be recommended by the program manager and approved by the NFHBOD.

(o) Submits a monthly report to the program manager summarizing operations, reporting the local NAF account

financial condition, reporting performance vs. budget; and detailing gifts accepted. The report shall be submitted in a format prescribed by the program manager.

10. **Guest Eligibility and Priority**

a. The following criteria will be considered in determining eligibility for lodging at the Fisher House:

(1) Recommendation by a medical official of the MTF indicating the desirability of the presence of family members at the facility due to the illness of a hospitalized patient.

(2) Military status of patient. Consideration will be given in the following order: (1) active duty; (2) active duty dependents; (3) retirees; (4) retiree dependents; and (5) other eligible MTF users.

(3) Health status of patient. Consideration will be given in the following order: (1) in-patient, very seriously ill; (2) in-patient, seriously ill; and (3) outpatient with conditions requiring regular medical treatment. Outpatient status and need for housing of patient and/or family member will be determined by recommendation of hospital authorities. The MTF commander or designated representatives' health status determination is final.

(4) Family member status. The families (i.e., next of kin) of active duty personnel under treatment for medical conditions resulting from hostile action will be given first priority of access to available accommodations. Furthermore, for purpose of access to Fisher House services, the immediate family of active duty personnel or spouse is defined to include: spouse, father, mother, children, brother, sister, person in loco parentis or only living relative.

(5) Family member resident location will be used to determine guest eligibility. First consideration will be given to family members with no residence within 50 miles of the local Fisher House.

(6) The Fisher House facility will not be used to house guests of the local installation, including visiting medical personnel. When not scheduled to be occupied, the facility will be kept available to accommodate the needs of eligible patrons in medical emergency situations.

(7) The MTF commander will be the final authority for determining access to Fisher Houses in resolving competing requirements for limited space.

b. The following criteria will be considered in determining priority for lodging at the Fisher House:

(1) First Priority: The next of kin of active duty personnel under treatment for medical conditions resulting from hostile action or family members whose presence is required or recommended by responsible hospital authorities due to the serious illness of an active duty service member, or a family member's presence is medically necessary, e.g., bone marrow or organ transplant. This provision applies when the member under treatment is a patient at the MTF. Immediate consideration will be given to family members who have been issued an invitational travel order by the casualty branch of the appropriate military headquarters and/or traveling from outside the local area.

(2) Second Priority: Family members of military authorized dependents, such as the parents of a military spouse with special consideration given to those residing outside the local area.

(3) Third Priority: Family members whose presence has not been requested by the military authorities but wish to be at the bedside of an in-patient active duty service member. Information will be obtained from hospital authorities regarding the advisability of the visit.

(4) Fourth Priority: Family member(s) of retirees and their dependents.

#### 11. Action

a. ASN(M&RA) will establish and convene the NFHBOD annually. A meeting of the NFH Working Group will be scheduled and conducted prior to each NFHBOD meeting.

b. The Fisher House Program Manager, chain of command, and MTF commanders will implement this instruction immediately upon issuance.

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c. CNI, as the Fisher House Program manager and the central NAF account manager, will maintain local Fisher House accounting procedures consistent with requirements of references (c), (d) and (e).

d. The local Fisher House manager will report NAF data to the program manager monthly. Copies will be provided to the regional commander in the appropriate chain of command.

12. **Reports**. The reporting requirements contained in this instruction are exempt from reports control by SECNAVINST 5214.2B.



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**NATIONAL DEFENSE AUTHORIZATION ACT FOR FY-99,  
SECTION 906 (PUBLIC LAW 105-261)**

Sec. 906. RESTRUCTURING OF ADMINISTRATION OF FISHER HOUSES

(a) ADMINISTRATION AS NON-APPROPRIATED FUND  
INSTRUMENTALITY

(1) Chapter 147 of title 10, United States Code, is amended by inserting after section 2492 (as added by section 365) for the following new section:

" 2493. Fisher Houses: administration as non-appropriated fund instrumentality

"(a) FISHER HOUSES AND SUITES DEFINED - In this section:

"(1) The term 'Fisher House' means a housing facility that-

"(A) is located in proximity to a health care facility of the Army, the Air Force, or the Navy;

"(B) is available for residential use on a temporary basis by patients of that health care facility, members of the families of such patients, and others providing the equivalent of familial support for such patients; and

"(C) is constructed and donated by-

"(i) the Zachary and Elizabeth M. Fisher Armed Services Foundation; or

"(ii) another source, if the Secretary of the military department concerned designates the housing facility as a Fisher House.

"(2) The term 'Fisher Suite' means one or more rooms that-

"(A) meet the requirements of subparagraphs (A) and (B) of paragraph (1);

"(B) are constructed, altered, or repaired and donated by a source described in subparagraph (C) of that paragraph; and

"(C) are designated by the Secretary of the military department concerned as a Fisher Suite.

"(b) NON-APPROPRIATED FUND INSTRUMENTALITY.— The Secretary of each military department shall administer all Fisher Houses and Fisher Suites associated with health care facilities of that military department as a non-appropriated fund instrumentality of the United States.

"(c) GOVERNANCE.—The Secretary of each military department shall establish a system for the governance of the nonappropriated fund instrumentality required by subsection (b) of that military department.

"(d) CENTRAL FUND.—The Secretary of each military department shall establish a single fund as the source of funding for the operation, maintenance, and improvement of all Fisher House and Fisher Suites of the non-appropriated fund instrumentality required by subsection (b) for that military department.

"(e) ACCEPTANCE OF CONTRIBUTIONS; IMPOSITION OF FEES.

"(1) The Secretary of a military department may—

"(A) accept money, property, and services donated for the support of a Fisher House or Fisher Suite associated with health care facilities of that military department; and

"(B) may impose fees relating to the use of such Fisher Houses and Fisher Suites.

"(2) All monetary donations, and the proceeds of the disposal of any other donated property, accepted by the Secretary of a military department under this subsection shall be credited to the fund established under subsection (d) for the Fisher Houses and Fisher Suites associated with health care facilities of that military department and shall be available to that Secretary to support all such Fisher Houses and Fisher Suites.

"(f) ANNUAL REPORT.—Not later than January 15 of each year, the Secretary of each military department shall submit to Congress a report describing the operation of Fisher Houses and Fisher Suites associated with health care facilities of that military department. The report shall include, at a minimum, the following:

"(1) The amount in the fund established by the Secretary under subsection (d) as of October 1 of the previous year.

"(2) The operation of the fund during the preceding fiscal year, including—

"(A) all gifts, fees, and interest credited to the fund; and

"(B) all disbursements from the fund.

"(3) The budget for the operation of the Fisher Houses and Fisher Suites for the fiscal year in which the report is submitted."

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2492 (as added by section 365) the following new item:

"2493. Fisher Houses: administration as non-appropriated fund instrumentality."

(b) ESTABLISHMENT OF FUNDS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of each military department shall—

(1) establish the fund required under section 2493(d) of title 10, United States Code (as added by subsection (a)); and

(2) close the Fisher House Trust Fund established for that department under section 2221 of such title and transfer the amounts in the closed fund to the newly established fund.

(c) FUNDING TRANSITION.—(1) Of the amount authorized to be appropriated pursuant to section 301(2) for operation and maintenance for the Navy, the Secretary of the Navy shall transfer to the fund established by that Secretary under section 2493(d) of title 10, United States Code (as added by subsection (a)), such amount as that Secretary consider appropriate for establishing in the fund a corpus sufficient for operating Fisher Houses and Fisher Suites associated with health care facilities of the Department of the Navy.

(2) Of the amount authorized to be appropriated pursuant to section 301(4) for operation and maintenance for the Air Force, the Secretary of the Air Force shall transfer to the fund established by that Secretary under section 2493(d) of title 10, United States Code (as added by subsection (a)), such amount as that Secretary considers appropriate for establishing in the fund a corpus sufficient for operating

Fisher Houses and Fisher Suites associated with health care facilities of the Department of the Air Force.

(d) REPORTING REQUIREMENTS.—The Secretary of each military department, upon completing the actions required of the Secretary under subsections (b) and (c), shall submit to Congress a report containing—

(1) the certification of that Secretary that those actions have been completed; and

(2) a statement of the amount deposited in the fund established by that Secretary under section 2493(d) of title 10, United States Code (as added by subsection (a)).

(e) AVAILABILITY OF TRANSFERRED AMOUNTS.—Amounts transferred under subsection (b) or (c) to a fund established under section 2493(d) of title 10, United States Code (as added by subsection(a)), shall be available without fiscal year limitation for the purposes for which the fund is established and shall be administered as non-appropriated funds.

(f) CONFORMING REPEALS.—(1) Section 2221 of title 10, United States Code, and the item relating to that section in the table of sections at the beginning of chapter 131 of such title, are repealed.

(2) Section 1321(a) of title 31, United States Code, is amended by striking out paragraphs (92), (93), and (94).

(3) The amendments made by this subsection shall take effect 90 days after the date of the enactment of this Act.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FY-01,  
SECTION 914

Sec. 914. SPECIAL AUTHORITY FOR ADMINISTRATION OF NAVY FISHER HOUSES.

(a) BASE OPERATING SUPPORT- Section 2493 of title 10, United States Code, is amended-

(1) by redesignating subsection (f) as subsection (g);  
and

(2) by inserting after subsection (e) the following new subsection (f):

'(f) SPECIAL AUTHORITY FOR NAVY- The Secretary of the Navy shall provide base operating support for Fisher Houses associated with health care facilities of the Navy. The level of the support shall be equivalent to the base operating support that the Secretary provides for morale, welfare and recreation category B community activities (as defined in regulations, prescribed by the Secretary, that govern morale, welfare, and recreation activities associated with Navy installations).'

(b) SAVINGS PROVISIONS FOR CERTAIN NAVY EMPLOYEES-

(1) The Secretary of the Navy may continue to employ, and pay out of appropriated funds, any employee of the Navy in the competitive service who, as of October 17, 1998, was employed by the Navy in a position at a Fisher House administered by the Navy, but only for so long as the employee is continuously employed in that position.

(2) After a person vacates a position in which the person was continued to be employed under the authority of paragraph (1), a person employed in that position shall be employed as an employee of a nonappropriated fund instrumentality of the United States and may not be paid for services in that position out of appropriated funds.

(3) In this subsection:

(A) The term 'Fisher House' has the meaning given the term in section 2493(a)(1) of title 10, United States Code.

(B) The term 'competitive service' has the meaning given the term in section 2102 of title 5, United States Code.

(c) EFFECTIVE DATE- (1) The amendments made by subsection (a) shall be effective as of October 17, 1998, as if included in section 2493 of title 10, United States Code, as enacted by section 906(a) of Public Law 105-261.

(2) Subsection (b) applies with respect to the pay period that includes October 17, 1998, and subsequent pay periods.

## DEFINITIONS

**FISHER HOUSE FOUNDATION, INC.** The national not-for-profit organization established to assist with the coordination of private support and encourage public support for construction of the network of homes known as Zachary and Elizabeth M. Fisher Houses. Fisher Houses, located in proximity to military medical treatment facilities (MTFs), provide temporary lodging to patients of the MTF, members of the family of such patients, and others providing the equivalent of familial support for such patients.

**NON-APPROPRIATED FUNDS (NAF).** Cash and other assets received from sources other than monies appropriated by the Congress of the United States, primarily from sale of goods and services to Department of Defense (DOD) military personnel and their family members and used to support or provide for Fisher House programs. NAFs are government funds used only for the collective benefit of military personnel, their family members and authorized civilians who generate them. These funds are separate and apart from funds under the direct cognizance of the Treasurer of the United States.

**NON-APPROPRIATED FUND INSTRUMENTALITY (NAFI).** An integral Navy organizational entity that performs an essential government function. It acts in its own name to provide or to assist other Navy organizations in providing programs and services for military personnel and authorized civilians. Fisher House NAFIs are established and maintained by the Chief of Naval Personnel. As a fiscal entity, it maintains custody of and control over its non-appropriated funds (NAFs). It is also responsible for the exercise of reasonable care to administer, safeguard, preserve and maintain prudently those non-appropriated fund resources made available to carry out its function. It is not incorporated under the laws of any state or the District of Columbia and it enjoys the legal status of an instrumentality of the United States.

**PROGRAM MANAGER.** A command or office empowered by the Secretary of the Navy to provide overall responsibility for the Fisher House Program and operations, and to administer, provide program technical direction and administrative and budgetary and managerial control over the program or activity. Commander Navy Installations (CNI) is program manager for the Navy's Fisher House Program.

**FISHER HOUSE NAFI ACCOUNT ADMINISTRATOR.** The organization designated by the Secretary of the Navy to administer the central non-appropriated fund Fisher House Program account. CNI (N2) is the designated administrator of the central Fisher House NAFI account. An individual will be designated in writing by CNI as responsible for fiduciary matters inherent in the operation of the central Fisher House NAFI account.

**MEDICAL TREATMENT FACILITY COMMANDER.** The individual with command responsibility for the medical support on the installation at which a Fisher House or Fisher Suite is located. Responsibility for Fisher House APF in-direct common support rests with the military medical facility commander and the operation is identified as an element of the patient services program.

**INSTALLATION COMMANDER.** The base or regional commander responsible for oversight and provision of common support services to tenant commands and activities (e.g., a medical treatment facility).

**FISHER HOUSE/FISHER SUITE ACTIVITY MANAGER.** Individual appointed and designated as responsible for supervision and control of the day-to-day operations of a Fisher House and/or Fisher Suite.

**INSTALLATION NAFI FUNDS ADMINISTRATOR.** The individual assigned responsibility for exercising custodial control of funds including Fisher House NAFI central accounts, grants, fees collected donations or monetary gifts.

**UNIFORMED SERVICES.** For purposes of eligibility to use Fisher House facilities is defined to include, the Army, Navy, Air Force, Marine Corps, Coast Guard, Public Health Service and National Oceanic and Atmospheric Administration and its predecessors (the Coast and Geodetic Survey and the Environmental Science Services Administration).

**VOLUNTEERS.** Individuals who do not meet the definition of "employee" because they donate services that primarily benefit someone other than the NAFI (e.g., Fisher House guests) where the volunteer service is performed. Under such circumstances, there is neither an implied nor expressed compensation agreement. Services performed by volunteers, are personal services, which, if left unperformed, would not necessitate the assignment of an employee to perform them. Volunteers are

not covered under the CNI MWR NAF Workers Compensation Program.

**EXECUTIVE CONTROL AND ESSENTIAL COMMAND SUPERVISION (ECECS).**

Those managerial staff functions and positions located above the direct program managerial and operational level of individual Fisher House programs that support planning, organizing, directing, coordinating, and controlling the overall operations of Fisher House programs. ECECS consists of program, fiscal, logistical, and other managerial functions required to ensure oversight.

**FAMILY MEMBER.** Includes any of the following:

1. Lawful spouse.
2. Children under 21 years of age and unmarried, including pre-adoptive children, adopted children, stepchildren, foster children, and wards who depend upon the sponsor for over half their support.
3. Children who are 21 years of age or over, unmarried, incapable of self-support because of a mental or physical disability, and who depend upon the sponsor for over half their support, including adopted children, stepchildren and wards.
4. Unmarried children, including pre-adoptive children, adopted children, stepchildren, foster children, and wards who have not passed their twenty-third (23<sup>rd</sup>) birthday and are enrolled in a full-time course of study at an institution of higher learning and who depend upon the sponsor for over half their support.
5. Parents, including father, mother, father-in-law, mother-in-law, stepparents and parents by adoption, who depend upon the sponsor for over half their support.

**SUCCESSOR IN FINANCIAL INTEREST.** The NAFI which has ultimate financial liability for the central Fisher House account and is the final recipient of NAFI assets in the event of dissolution of the Fisher House Program. The central Fisher House NAFI account is the successor of local Fisher House assets and liabilities. The Fisher House Program Manager is empowered to and responsible for realigning funds within the Navy Fisher House Program to ensure financial viability of any and all local operations and the central Fisher House NAFI account. In the event the central Fisher House NAFI account

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is insolvent or is disestablished with an asset balance, the net liability or proceeds will rest with the service central MWR Fund NAFI. The central Fisher House NAFI account administrator will advise the program manager of the financial condition of the central Fisher House NAFI account on a monthly basis and is empowered to deny any transactions, which would cause the central Fisher House NAFI account to be put in jeopardy of insolvency.

**GIFT ACCEPTANCE  
POLICIES AND PROCEDURES**

This enclosure sets forth specific policy, procedures, and requirements for gift acceptance within the Navy Fisher House Nonappropriated Fund Instrumentality (NAFI). The Secretary of the Navy (SECNAV) is authorized by 10 U.S.C. Section 2493, to accept, hold, administer, and spend any gift, device, or bequest of real or personal property for the benefit of or in connection with the operation, maintenance, and improvement of all Fisher Houses and Fisher Suites. Gifts and bequests of money greater than \$250, and proceeds from the sales of donated property, accepted under 10 U.S.C. Section 2493 shall be deposited directly into the central fund for Navy Fisher House NAFI. The funds shall be made available to the designated Fisher House or Fisher House Suites in accordance with the terms of the donor's gift. Cash donations of \$250 or less may be accepted by Fisher House managers and are deposited into local Fisher House bank accounts for use in accordance with the terms of the donor's gift.

1. Definitions

a. "Acceptance authority" is the official or officer in the DON who, on behalf of the Secretary of the Navy, may accept gifts that satisfy the acceptance criteria in paragraph 3. The acceptance authorities for particular categories of gifts are listed in paragraph 2.

b. "Gift," unless otherwise qualified, means a gift, devise, and bequest of real or personal property, without consideration. A loan other than a loan of money is considered a gift only if 10 U.S.C. 7222 and 6974 apply.

c. "Money" means cash, checks, or other forms of negotiable instruments.

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

e. "Prohibited source" means any person who: (1) is seeking official action by DON; (2) does business or seeks to do business with DON; (3) conducts activities regulated by DON; (4) has interests that may be substantially affected by the performance or nonperformance of a DON employee's official duties; or (5) is an organization, a majority of whose members

are described in (1) through (4) above. No person or organization shall be deemed a prohibited source for the purpose of this instruction:

(1) solely because of the offer of a gift; or

(2) where the stated purpose of the organization includes the provision of financial support to DON, its components, or DON personnel.

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

## 2. Acceptance Authority

a. The Under Secretary of the Navy (UNSECNAV) shall accept all gifts of real property, gifts with a value in excess of \$50,000, and gifts that require an exception to any of the policies in paragraph 3. The Assistant for Administration to the Under SECNAV (AAUSN) is responsible for processing gifts forwarded to the UNSECNAV for acceptance.

b. Gift acceptance authority is delegated to the following officials:

(1) The Vice Chief of Naval Operations (VCNO) may accept gifts, other than real property, with a value of more than \$10,000 and less than \$50,000.

(2) The Commanding Officer of the National Naval Medical Center and the Commanding Officers of Naval Medical Centers (NNMC and NMC), where the Fisher House or Fisher Suites are located, may accept gifts with a value of \$10,000 or less.

(3) The Fisher House managers may accept gifts with a value of \$250 or less.

## 3. Acceptance Criteria

a. Policy. It is the SECNAV's policy to decline any gift that, at some future time, might embarrass the DON, by reason of favors expected as a result of the gift, by creating the appearance of a relationship in which favors are granted, or which might result in unwarranted publicity for the donor at the expense of the Department. The offer of a gift from any commercial enterprise, non-profit organization or other entity, except for those charitable fund-raising organizations recognized by reference (f) will be declined if acceptance

would appear to be an endorsement of the donor, its product or its services. Further, an offer of funds or administrative efforts should be carefully evaluated to determine whether acceptance is desirable.

b. Solicitation of Gifts. Unless authorized by the SECNAV, requests for gifts or contributions for institutions or organizations of the DON, shall not be initiated by persons in the Department. Gifts initiated contrary to this policy shall not be accepted. Further, as provided in reference (g), the solicitation of gratuities from prohibited sources by naval personnel for themselves or their spouses, minor children, or members of their household is prohibited and may result in disciplinary action. This does not preclude Fisher House participation in United Fund campaigns.

c. Fund-Raising by DON Personnel. Participation by naval personnel in activities to raise funds for future presentation to the Fisher House or Fisher House Suites is prohibited. DON policy prohibits DON personnel from participating in their official capacity as government employees in fund-raising activities that are not recognized for on-the-job solicitation with the Federal Service. This prohibition applies to official participation during duty and non-duty hours, but does not preclude participation in fund-raising activities as a private citizen during non-duty hours. See references (g), (i) and (h).

d. Offer of Future Gifts. Applicable gift acceptance statutes do not provide authority to accept a gift before the gift is actually offered. However, offers to give future gifts (e.g., pledges to raise money, or offers to purchase real or personal property for delivery to the DON) may be accepted under the following two-step procedure:

(1) When a pledge or offer of a future gift is made, whether a one-time gift or several installments, the acceptance authority shall determine whether the gift, when actually donated, is likely to be accepted under the criteria of this instruction. If the gift is likely to be accepted, the donor should be advised that acceptance of the gift will occur after actual presentation of the gift portion, or installment to the DON.

(2) When the gift, portion or installment is actually presented to the DON, the acceptance authority, as determined in paragraph 2, will determine whether to accept the gift, or that portion or installment thereof, utilizing the procedure set forth in this instruction.

e. Gifts from Prohibited Sources. Acceptance of gifts from a prohibited source, as defined in paragraph 1.e. of this enclosure, requires heightened sensitivity because acceptance may create embarrassment to the DON or the appearance of influencing official decision-making or actions of the DON. Consequently, before accepting a gift of more than \$5,000 from a prohibited source, the legal counsel (Office of the General Counsel or Judge Advocate General) for the gift acceptance authority shall consult with and request a determination from the Office of General Counsel (Attn: Assistant General Counsel (Ethics)) whether the donor is involved in any claims, procurement actions, litigation, or other matters involving the DON and will provide this information to the gift acceptance authority. Additionally, gift acceptance authorities shall provide a copy of each gift acceptance decision involving a gift from a prohibited source to the OGC.

f. Gifts from Foundations and Similar Entities. Foundations and other non-profit organizations may provide valuable support to the DON. However, such organizations should not be used as a conduit for gifts from prohibited sources. To prevent appearances of impropriety, DON personnel should not refer potential donors to foundations for the purpose of accepting gifts that would not be permitted by the DON gift statutes or this instruction. Furthermore, DON acceptance authorities should review gifts from foundations and decline them if it reasonably appears that the gift is inappropriate.

#### 4. Processing Gifts

a. Any foreign government gift to a DON employee must be processed under the procedures in Chapter 7 of reference (i). Notwithstanding the previous sentence, gifts of travel offered by foreign governments may also be accepted under the authority of 31 U.S.C. 1353, as implemented by 41 C.F.R Parts 301-1 and 304-1 Chapter 4 of reference (g). The acceptance criteria in paragraph 3 applies.

b. Gifts of consumable or perishable products, such as fruit, flowers, or candy, intended for the use at the Fisher House, and minor property (valued at \$250 or less), such as coffee pots, linens, dishes, video tapes, or cash valued at \$250 or less, may be accepted by the local Fisher House or Fisher Suites manager.

c. Responsibility for processing offers of gifts of personal property is vested in the acceptance authorities designated in paragraph 2.

d. Gifts in excess of \$10,000 shall be forwarded to the VCNO or UNSECNAV via CNI.

e. When the Commanding Officer of the Naval Medical Center receives notice of a proposed gift over \$10,000, he or she shall acknowledge receipt of the offer and advise the prospective donor that this offer has been forwarded to the acceptance authority.

f. Offers of gifts (greater than \$250) should be forwarded promptly to the acceptance authority via the chain of command. Forwarding correspondence should contain, as a minimum, a complete description of the proposed gift, including value and intended use, the identity of the donor, including any known relationship with the DON, and a recommendation for acceptance/rejection, applying the acceptance criteria. In exceptional circumstances where a limited time offer must be expeditiously accepted, such as an offer of tickets to a near-term event or a gift of travel taking place in the near future, the offer may be forwarded to the acceptance authority by facsimile or electronic message, informing the chain of command and requesting approval.

g. If personal property of any kind is received, the receiving activity shall temporarily assume custody of the property. The property shall not be taken up in the property account records until final acceptance.

h. A gift of money or acceptable securities greater than \$250 in value shall be forwarded to CNI, regardless of where acceptance authority is vested. Once a gift has been properly accepted, CNI shall deposit the funds into the central fund for the Fisher House central NAFI and allocate the funds to the Fisher House or Fisher House Suites designated by the gift, devise, or bequest.

i. Checks should be made payable to the "Department of the Navy Fisher House Central Fund."

j. Accepted gifts of minor property (furnishings, fixtures and operating equipment) shall be appropriately recorded in property account records the Commanding Officer of the National Naval Medical Center and Commanding Officers of the Naval Medical Centers.

k. Any offer of a gift of real property or an improvement to real property will be reported to the Fisher House Board of Directors for consideration. Such gifts determined to be desirable for acceptance shall be forwarded to the acceptance authority through the Engineering Field Division of the Naval Facilities Engineering Command serving the area where the real property is located, in addition to the normally appropriate intermediate addressees in the chain of command. All gift processing should be handled in the same general manner. Gifts of an improvement to real property are subject to the bonding requirements of 40 U.S.C. Section 270a.

l. Any gift of payment from a non-Federal source for travel and related expenses for attendance of DON NAFI personnel in an official travel status shall be accounted for and processed under Volume 1, Chapter 7, Part W of reference (h) and Volume 2, Part Q of reference (j). Reference (j) contains the minimum standards for NAFI personnel travel.

m. The Chief of Information shall be informed of any gift having substantial public affairs implications.

5. Income, Estate and Gift Taxes. For the purpose of Federal income, estate, and gift taxes, 10 U.S.C. Section 2493 provides that property accepted thereunder shall be considered as a gift or bequest to the United States. Donors should be advised to consult private tax experts for specific advice concerning permissible deductions.

6. Conveyance or Transfer of a Gift. CNI may pay, from the Fisher House NAFI Central Fund, all expenses in connection with the conveyance or transfer of a gift accepted thereunder. No gifts of property will be sent to the program management office. They will be held on site at the Fisher House where received until the acceptance, declination or disposition decision has been rendered by appropriate authority.

7. Legal Questions. Any question of law, which may arise in connection with a proposed gift, will be referred to the legal counsel or assigned judge advocate for the appropriate acceptance authority.

8. Policy Questions. Any questions which include circumstances not covered by this enclosure or clarification of its control will be forwarded to Assistant for Administration Under Secretary of the Navy (AAUSN) (Special Programs Division) for guidance.

**NAVY FISHER HOUSE PROGRAM BOARD OF DIRECTORS**

**CHARTER**

1. General:

This charter is for the establishment of a Navy Fisher House Program Board of Directors (NFHBOD). Fisher House and Fisher Suites are built by the Zachary and Elizabeth M. Fisher Armed Service Foundation to provide temporary housing and support for the patients and their families who use the military treatment facilities. The mission of the NFHBOD is to oversee the administration of the program and funds used in the operation; maintenance, and improvement of all Fisher Houses and Fisher Suites; and the acceptance of contributions. It recommends actions to the Secretary of the Navy. Such responsibilities will be exercised following policies and procedures outlined in a SECNAV Fisher House Program instruction and in other appropriate directives.

2. NFHBOD Membership:

a. Chairperson: Assistant Secretary of the Navy (Manpower and Reserve Affairs).

b. Voting Member: Surgeon General of the Navy.

c. Voting Member: Director, Budget Policy and Procedures Division, Office of Budget, as Assistant Secretary of the Navy (Financial Management and Comptroller) representative. (FMB-5).

d. Voting Member: Commander Navy Installations CNI (N2).

e. Voting Member: Deputy Commander Navy Personnel Command for Personal Readiness and Community Support (PERS-6).

f. Non-Voting Member: Master Chief Petty Officer of the Navy.

g. Non-Voting Member: Sergeant Major of the Marine Corps.

h. Non-Voting Member: Executive Secretary (a member of ASN(M&RA) staff) appointed by the Chairperson).

i. Non-Voting Member: CNI, Fisher House Program Manager.

j. Non-Voting Member: Chief of Naval Personnel (N00Q)  
MWR Policy Liaison Office Director

k. Non-Voting Member: Funds Administrator, central Fisher  
House NAFI account

l. Non-Voting Member: A local Fisher House manager, as  
designated by the Fisher House Program Manager for attendance  
at a Working Group or BOD meeting.

m. Non-Voting Member Advisors: Chief of Legislative  
Affairs and the Judge Advocate General will serve as advisors  
and provide the Chairperson support as required.

n. Selection of alternate members is encouraged to ensure  
meetings are fully attended and communications between the  
Board and the Fisher Houses and Fisher Suites it administers  
are maintained. Names of representatives and alternates shall  
be furnished to the Chairperson, Board of Directors by the  
designated principal prior to a meeting and will also be  
updated when individuals are replaced.

### 3. NFHBOD Operations:

a. The Board will meet annually to provide program  
oversight. The Chairperson may convene special meetings, as  
required. A meeting of the NFH Working Group will normally be  
scheduled and conducted prior to each NFHBOD meeting.

b. Notice of the meeting shall be given to members of the  
Board (voting and non-voting) and advisor to the Board as far  
in advance as possible.

c. A majority of the voting members (or alternates) shall  
constitute a quorum for the transaction of business. If a  
quorum is present at any meeting, the action taken by a  
majority of the members or alternates present shall be the act  
of the Board.

d. Each designated voting member of the Board or  
alternate shall have one vote. A majority vote will be  
considered as reflecting the will of the Board. The  
Chairperson shall not vote except in the case of a tie vote or  
to constitute a quorum.

e. The Board shall keep a record of its acts and  
proceedings, and shall periodically report same to SECNAV by  
distributing minutes.

f. The Board chairperson may establish committees to assist in carrying out its responsibilities.

4. Subject to the general policies concerning all NAFs, the NFHBOD:

a. Acts for SECNAV in overseeing the administration of the central Fisher House NAFI account, and Navy Fisher Houses and Suites program. The Chairperson will appoint an NFH Working Group, to consist of the designated representatives of the NFHBOD voting members to review and recommend board action on agenda items for each annual NFHBOD meeting.

b. Establishes policies for administration and use of the Navy Fisher House NAFI account and Fisher Houses and Fisher Suites. This authority (along with others granted in this charter) is subordinate to general policies affecting all NAFs and does not override the fiduciary responsibility of individuals assigned to positions of responsibility in administering the Fisher House Program or its assets.

c. Approves or disapproves the annual Fisher House Program NAFI budget and any supplemental budget requests.

d. Oversees the use, distribution, and disposition of Navy Fisher House Program assets to ensure equitability of benefits, based on demonstrated needs.

e. Establishes financial and other standards for the central Fisher House NAFI account and Fisher House and Fisher Suite operations.

f. Reviews annual financial results of Fisher House and Fisher Suites operations and directs program changes, as required to meet standards and revised program direction.

g. Reviews audit results of the central Fisher House NAFI account and local oversight reviews of Fisher Houses and Suites to ensure adequacy of protection of NAF assets.

h. Approves or disapproves all proposed construction and renovation projects for Fisher Houses and Fisher Suites which constitute a change in program scope. Action by the NFHBOD is mandatory before any increase in program scope can occur.