



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
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SECNAVINST 7010.8B
ASN (M&RA)
August 7, 2014

SECNAV INSTRUCTION 7010.8B

From: Secretary of the Navy

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

Ref: (a) 10 U.S.C. §2493
(b) DoD Instruction 1015.11 of 15 November 2011
(c) DoD Instruction 1015.12 of 30 October 1996
(d) DoD Instruction 1015.15 of 20 March 2008
(e) DoD Instruction 1401.1 of 15 November 1985
(f) 10 U.S.C. §2783
(g) The Americans with Disabilities Act (ADA) of 1990, as amended
(h) Americans with Disabilities Act Accessibility Guidelines (ADAAG) Checklist for Existing Facilities, Current Version
(i) ADA Checklist for New Lodging Facilities, Current Version
(j) NAVSUPINST 4200.99B
(k) SECNAVINST 5211.5E
(l) SECNAVINST 4001.2J

Encl: (1) Responsibilities
(2) Fisher House Guest Eligibility and Priority
(3) Financial Procedures for Department of the Navy Fisher Houses
(4) Acceptance of Gifts

1. Purpose. To implement reference (a) and to establish the governance, fiduciary responsibilities, and oversight process for the Department of the Navy (DON) Fisher House Program. This is a complete revision and should be read in its entirety.

2. Cancellation. SECNAVINST 7010.8A.

3. Background. Fisher Houses are typically constructed and donated by the Fisher House Foundation, Inc., a national not-for-profit organization established to assist with the

coordination of private support and encourage public support for the construction of Fisher Houses. Fisher Houses are located in proximity to medical treatment facilities (MTFs). Reference (a) directs that Fisher Houses located in proximity to a healthcare facility associated with one of the uniformed services be administered as a nonappropriated fund instrumentality (NAFI) by the Secretary of that military department. The DON Fisher House Program provides for the governance of Fisher Houses associated with DON MTFs.

4. Mission. The mission of the DON Fisher House Program is to provide temporary, convenient, and affordable lodging to DON MTF patients, members of the families of patients, and others providing the equivalent of familial support for patients.

5. Concept of Operations

a. DON Fisher Houses are located in close proximity to Navy and Marine Corps health care facilities and offer "a home away from home" for patients and families of patients receiving medical care.

b. DON Fisher Houses may be built, furnished, and donated by the Fisher House Foundation, or the Secretary of the Navy (SECNAV) may designate a housing facility donated by another source as a DON Fisher House.

c. Upon acceptance, DON is responsible for compliance with Congressional direction and references (a) through (l). Enclosure (1) provides responsibilities within the DON for the operation of DON Fisher Houses.

d. Fisher Houses are not intended for guests of the installation, its tenants, or installation staff, including visiting medical personnel. Enclosure (2) provides priorities and eligibility standards for DON Fisher House guests.

e. Per reference (a) the DON Fisher House Program is operated as a NAFI. With the exception of base operational support, the operation, maintenance, and improvement of DON Fisher Houses is financed from a Central Fund. The Central Fund is established to support the NAFI. All monetary donations, the proceeds of the disposal of any other donated property, and

appropriated funds (APF) provided by Congress for the support of the DON Fisher House Program shall be credited to the Central Fund and used for that purpose. Financial procedures for the DON Fisher House Program are provided in enclosure (3).

6. Fisher House Employees. All DON Fisher House positions at installations shall be staffed with nonappropriated fund (NAF) employees. Personnel policies for DON Fisher House NAF employees are governed by reference (e) and other applicable regulations.

7. Acceptance of Gifts. Gifts and donations are a source of assets and funds to support the DON Fisher House Program. In addition, a portion of each DON Fisher House's annual operating budget is projected to be financed from donations and gifts. The DON Fisher House Program shall comply with the gift acceptance procedures in enclosure (4).

8. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed per SECNAV Manual 5210.1 of January 2012.

9. Reports. The reports required in enclosure (1), paragraph 1c(1) and enclosure (3), paragraph 6a are exempt from reports control per SECNAV M-5214.1 of December 2005, Part IV, paragraph 7n.



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RESPONSIBILITIES

1. Assistant Secretary of the Navy (Manpower and Reserve Affairs) (ASN (M&RA)). Authority for the oversight of the DON Fisher House Program has been delegated to ASN (M&RA). In carrying out this responsibility, ASN (M&RA) shall:

a. Coordinate, as necessary, with the Fisher House Foundation on matters related to the DON Fisher House Program.

b. Establish and chair a DON Fisher House Board of Directors (BOD) to oversee the policies governing the acceptance of contributions, the administration of the program, and the funds used in the operation, maintenance, and improvement of the DON Fisher House Program and its associated Houses.

c. Ensure the DON Fisher House Program complies with the law, this instruction, and other applicable regulations. ASN (M&RA) shall:

(1) Ensure that a comprehensive site survey of all DON Fisher Houses is conducted every five years to assess compliance with American's with Disabilities Act (ADA) guidelines per reference (g). References (h) and (i) should be utilized for this purpose. Site survey results and planned corrective actions shall be reported to the BOD annually.

(2) Ensure DON Fisher Houses comply with policy contained in reference (k) regarding the protection of personally identifiable information.

2. Assistant Secretary of the Navy (Financial Management and Comptroller) (ASN (FM&C)). ASN (FM&C) is responsible for the DON Fisher House Program funding oversight and fiscal policy.

3. Assistant Secretary of the Navy (Energy, Installations and Environment) (ASN (EI&E)). ASN (EI&E) is responsible for the DON Fisher House Program compliance with laws, regulations, criteria, and standards governing the construction, maintenance, repair, and improvement of facilities. In carrying out these responsibilities, ASN (EI&E) shall:

a. Coordinate, as necessary, with the Fisher House Foundation on matters related to the construction and design of DON Fisher Houses.

b. Establish and maintain procedures that enable the DON to ensure that the construction of DON Fisher Houses complies with applicable laws, regulations, criteria, and standards prior to final DON acceptance of Fisher Houses from the Fisher House Foundation.

4. DON Fisher House BOD. The DON Fisher House BOD oversees the acceptance of contributions and the administration of the program and/or funds used in the operation, maintenance, and improvement of the DON Fisher House Program and its associated houses. In carrying out these responsibilities, the BOD shall:

a. Review and approve the annual DON Fisher House Program operating and capital budgets.

b. Recommend actions to the SECNAV in relation to the DON Fisher House Program and its associated houses.

c. Review the desirability of accepting gifts of real property or improvements to real property per enclosure (4).

d. Exercise other oversight as required by this instruction and as charged by ASN (M&RA) in the establishment of the DON Fisher House BOD.

5. The Chief of Naval Operations (CNO). The CNO shall:

a. Ensure compliance with this instruction and other applicable regulations.

b. Provide APF to support the following for Fisher Houses located on Navy installations:

(1) Base operating support for utilities, water and wastewater, refuse collection, common support services, including fire and police protection, safety, grounds maintenance, and pest control.

(2) Real property management, sustainment, restoration, and modernization per enclosure (3).

6. The Commandant of the Marine Corps (CMC). The CMC shall:

a. Ensure compliance with this instruction and other applicable regulations.

b. Provide APF to support the following for Fisher Houses located on Marine Corps installations:

(1) Base operating support for utilities, water and wastewater, refuse collection, common support services including fire and police protection, safety, grounds maintenance, and pest control.

(2) Real property management, sustainment, restoration, and modernization per enclosure (3).

7. Commander, Navy Installations Command (CNIC). CNIC shall serve as program manager for the DON Fisher House Program, which includes Fisher Houses on both Navy and Marine Corps installations. In carrying out this responsibility, CNIC shall:

a. Ensure annual internal reviews are conducted of each Fisher House and the DON Fisher House Program to ensure fiduciary accountability is maintained with particular attention to cash handling, acceptance of gifts, contracting, procurement, inventory management and accountability, and personnel management matters.

b. Ensure the Fisher House Central Fund is included in the annual Nonappropriated Funds Certified Public Accountant Audit of the Navy's NAF accounts. Ensure the audit includes 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 should be separately identified in the auditor's bill and charged to the central Fisher House NAF account.

c. Appoint a Fisher House NAFI Account Administrator for the Fisher House Central Fund with responsibilities as per paragraph 8 of this enclosure.

d. Designate a Fisher House Program Manager to manage the DON Fisher House Program responsibilities as per paragraph 9 of this enclosure.

e. Review and evaluate, including the fiscal aspects, any proposed expansion of the DON Fisher House Program and offers of gifts of personal or real property or donations, and recommend appropriate action to the appropriate acceptance authority via the DON Fisher House BOD per enclosure (4).

f. In the event of a proposed offer for a new DON Fisher House or an addition to an existing House, oversee the development of a business case analysis in coordination with the appropriate installation for approval by CNO or CMC and the Fisher House BOD. Analysis should include the increased APF requirement that would be needed to support the additional facility if it were accepted.

g. Keep ASN (M&RA) and all Fisher House BOD members apprised of issues and proposals which could influence achievement of program policy objectives or constitute matters of significant interest to Congress, private parties, or the public.

h. Coordinate, as necessary, with the Fisher House Foundation on matters related to the DON Fisher House Program.

8. The CNIC NAF Finance Department. The CNIC NAF Finance Department is responsible for the Fisher House Central Fund. Through the use of a memorandum of agreement, the CNIC NAF Finance Department shall:

a. Provide NAF accounting and related services. Such services may include accounting, NAF personnel and benefits program support, NAF procurement, and contracting.

b. Provide banking and investment services to the DON Fisher House Program, as well as individual local Fisher House operating units. Investment earnings shall be credited to the Fisher House Central Fund on a monthly basis.

c. Prescribe accounting procedures and provide technical guidance for their use at DON Fisher Houses.

d. Distribute Fisher House Central Funds to supplement DON Fisher Houses as approved in the annual operating budget or subsequent budget revisions.

9. The Fisher House Program Manager. The Fisher House Program Manager shall:

a. Maintain custody of and direct expenditures from the Fisher House Central Fund per enclosure (3).

b. Publish technical guidance and formats for operating, cash, and capital budgets for DON Fisher Houses.

c. Develop and maintain standard operating procedures regarding DON Fisher House operations to include cash handling, deposits, and gift processing.

d. Establish internal controls and provide supervision and oversight to ensure that mandatory Government sources of supply are checked and used as required. Fisher House purchase card users shall meet this requirement per reference (j).

e. Provide operational, technical, and training assistance to DON Fisher Houses in developing marketing plans, planning capital replacement, seeking Combined Federal Campaign (CFC) support, and modifying the scope of operations to achieve compliance with law, this instruction, and other applicable regulations.

f. Develop consolidated DON Fisher House Program operating, cash and capital budgets for approval by the Fisher House BOD.

g. Every five years, ensure site specific plans of action, milestones, and funding requirements are developed to remedy ADA compliance deficiencies. These plans of action shall be presented to the Fisher House BOD for review and approval. Renovations conducted to remedy ADA compliance deficiencies shall be financed using the capital budget.

h. Conduct a three year review of the Fisher House Corpus Fund and out-of-cycle reviews of the Corpus Fund on an as-needed basis.

i. Following Fisher House BOD approval of the consolidated operating, cash, and capital budgets, approve local DON Fisher House annual operating capital budgets which document total estimated income and projected expenses identified for the fiscal year.

j. Ensure DON Fisher House managers and staff receive training that encompasses financial stewardship, operational policies and procedures, use of purchase cards, protection of personally identifiable information, and customer service.

k. Ensure DON Fisher Houses are enrolled as recipients of funds in the CFC.

FISHER HOUSE GUEST ELIGIBILITY AND PRIORITY

1. Guest Criteria. Eligibility to stay at a DON Fisher House is determined by uniformed service affiliation, family member status, and medical status. The priority assigned to lodging requests of those individuals determined to be eligible is based upon the health status of the patient. DON Fisher House managers are responsible for making eligibility and priority determinations based upon the criteria set forth in this instruction.

2. Eligibility. Prospective guests must be affiliated with one of the uniformed services, be either the patient, a family member of the patient, or a person providing the equivalent of familial support to the patient, and be in an appropriate medical status. For purposes of Fisher House eligibility, these criteria are defined as follows:

a. Uniformed Service includes the Army, Marine Corps, Navy, Air Force, 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).

b. Members of the reserve components of the uniformed services in paragraph 2a of this enclosure on active duty for or pending release from medical care are equally as eligible as regular component personnel.

c. Family member is defined as follows:

(1) Lawful spouse.

(2) Children, including pre-adoptive children, adopted children, stepchildren, foster children, and wards.

(3) Parents, including father, mother, father-in-law, mother-in-law, stepparents and parents by adoption, persons in loco parentis, and sole friend or relative.

d. Medical status refers to the status of the prospective guest. DON Fisher Houses are not an interim nursing medical facility and should not be treated as such. In order to be

eligible as a DON Fisher House guest, an out-patient must be medically sound and able to independently care for him or herself. Out-patient status shall be based upon the recommendation of the attending physician.

3. Priority. Relative priority for lodging at DON Fisher Houses is determined as follows:

a. Family members of in-patient active duty personnel under treatment for medical conditions resulting from hostile action. Immediate consideration shall be given to family members who have been issued an invitational travel authorization by the active duty member's military headquarters casualty branch.

b. Family members of very seriously ill in-patient active duty personnel whose presence has been required or recommended by responsible MTF authorities or whose presence is medically necessary because of a medical procedure such as a bone marrow, organ transplant, etc.

c. Family members of seriously ill in-patient active duty personnel whose presence has been required or recommended by responsible MTF authorities.

d. Family members, such as parents, of very seriously ill in-patient military dependents whose presence has been required or recommended by responsible MTF authorities.

e. Family members, such as parents, of seriously ill in-patient active duty dependents whose presence has been required or recommended by the responsible MTF authorities.

f. Active duty out-patients undergoing treatment at the MTF and/or their family members whose presence has been requested or recommended by responsible MTF authorities.

g. Family members of retirees undergoing in-patient treatment at the MTF whose presence has been requested or recommended by responsible MTF authorities.

h. Retirees undergoing out-patient treatment at the MTF and/or their family members whose presence has been requested or recommended by responsible MTF authorities. Additionally, retirees (and family member(s)) when a family member is

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undergoing in-patient or out-patient treatment at the MTF and their presence has been requested or recommended by responsible MTF authorities.

i. Family members of active duty or retiree in-patients undergoing treatment at the MTF whose presence has not been requested or recommended, but has been authorized by the MTF authorities.

4. With the exception of priority 3i of this enclosure, special consideration shall be given to family members whose primary residence is over 50 miles from the DON Fisher House.

FINANCIAL PROCEDURES FOR DEPARTMENT OF THE NAVY FISHER HOUSES

1. Purpose. To establish policy and guidance for the funding of the DON Fisher House Program.
2. Background. Per reference (c), DON Fisher Houses are classified as a Program Group IV - Category A Lodging Program NAFI. Accordingly, DON Fisher Houses can be supported by a supplemental mission fund separate from the Lodging, Billeting, or Morale, Welfare, and Recreation (MWR) funds.
3. Policy. Fisher House Central Fund assets, fees collected from patrons (if applicable), support from CFC, or donations from charitable organizations, foundations, and/or individuals may only be used for the operation, maintenance, and improvement of Fisher Houses. Other NAFI may only support the administration, operations, equipment purchase, maintenance or capital requirements of the DON Fisher House Program and DON Fisher Houses on a reimbursable basis.
4. Fisher House Program Manager. The Fisher House Program Manager maintains custody of and directs expenditures from the Fisher House Central Fund. The Program Manager is also responsible for the exercise of reasonable care to administer, safeguard, preserve, and maintain prudently those NAF resources made available to carry out the DON Fisher House function. The Fisher House Program Manager is empowered to:
 - a. 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 Fisher House Central Fund. The CNIC Fisher House Program Manager has approval authority for extraordinary expenditures for \$25,000 and below. Extraordinary expenditures above \$25,000 must be approved by the BOD.
 - b. Realign funds and fixed assets, within the DON Fisher House Program, to ensure financial viability of any and all DON Fisher Houses and the Fisher House Central Fund account. Realignments may include assuring the solvency of individual operations, funding extraordinary expenses at DON Fisher Houses, re-allocation of cash and/or fixed assets from disestablished

operations, capitalization of newly established DON Fisher House operations or actions to otherwise maximize the benefit provided to authorized patrons from existing DON Fisher House Program assets. The Fisher House BOD shall be advised when funds or assets valued at over \$25,000 are moved outside the normal budget process.

5. Fisher House Central Fund. Day-to-day operating expenses shall be funded from the Fisher House Central Fund.

a. The Fisher House Central Fund shall:

(1) Operate on a federal government fiscal year.

(2) Remain available without fiscal year limitation.

(3) Be invested through the Navy's central NAF investment program. Investments are limited to those prescribed in reference (d) to ensure the safety of the principal, liquidity, and yield.

b. APF may only be transferred to the Fisher House Central Fund when authorized by Congress. If additional APF support for the Fisher House Central Fund is deemed necessary, as recommended by the Fisher House BOD, ASN (M&RA) shall incorporate the increased requirement in a budget request submitted during the normal budget process. The ASN (FM&C), as part of the Department's annual budget review, shall submit an OP-5 budget exhibit for inclusion in the DON budget reflecting an increase for the affected fiscal year.

6. Fiduciary Responsibility. Reference (d) requires the establishment of fiduciary controls for NAF similar to those established for APF by the Anti-deficiency Act.

a. All individuals empowered to exercise custody over or authorize the expenditure of Fisher House NAF shall be designated in writing by the Fisher House Program Manager and be personally accountable for compliance with fiduciary responsibility requirements. ASN (M&RA) shall be notified via the chain of command of any unauthorized use of NAF. The Fisher House BOD shall be advised.

b. The Fisher House NAFI Account Administrator shall advise the Fisher House Program Manager of the financial condition of the Fisher House Central Fund on a monthly basis and is empowered to deny any transactions which would cause the Fisher House Central Fund account to be put in jeopardy of insolvency.

7. Proprietary Interest. All assets, including cash, minor property, real property and furniture, fixtures, and equipment, belong to the Fisher House NAFI. The DON Fisher House Program shall not be operated for the financial profit of any person, group, or combination of persons. No individual should have any financial interest or right, in any manner whatsoever, in any property used, acquired, or held in the operation of a DON Fisher House.

8. Successor in Interest. The Fisher House Central Fund is the final recipient of NAFI assets in the event of dissolution of the DON Fisher House Program. The Fisher House Central Fund is the successor of DON Fisher House assets and liabilities.

9. Disposition of Assets. Fisher House Program Manager approval is required for the disposition of fixed assets. Proceeds, if any, from the disposition of NAF procured or donated assets are the property of the DON Fisher House Program and shall be deposited into the Fisher House Central Fund account.

10. Insurance. The DON Fisher Houses participate in the Navy's MWR insurance program to adequately cover replacement of DON Fisher House contents in the event of loss. Insurance premiums shall be paid from the Fisher House Central Fund. Premium costs should be allocated as determined by the Fisher House Program Manager.

ACCEPTANCE OF GIFTS

1. Purpose. To establish specific policy, procedures, and requirements for DON Fisher House Program gift acceptance.
2. Background. Reference (a) authorizes SECNAV to accept, hold, administer, and spend any gift, device, or bequest of real, personal, or minor property for the benefit of or in connection with the operation, maintenance, and improvement of the DON Fisher House Program and its associated Houses.
3. Scope. Reference (1) provides guidance on gift acceptance and outlines procedures for gift processing. For continuity across programs, reference (1) is used as a guide in determining the acceptance authority level and processing guidelines for gifts to the DON Fisher House Program not explicitly addressed in the paragraphs below.
4. Acceptance Authority
 - a. The acceptance authority for all gifts of real property and other gifts with a value greater than \$12,000 shall be the same as acceptance authorities denoted in reference (1).
 - b. CNIC may accept gifts other than real property with a value of \$12,000 or less. In order to improve the efficiency of the gift acceptance process for the DON Fisher House Program, CNIC may delegate the authority to accept gifts of a value of \$12,000 or less to flag officers or senior executive service officials who have a judge advocate or general counsel assigned to their immediate staff.
 - c. CNIC DON Fisher House Managers may accept gifts of consumable or perishable products, such as fruit, flowers, candy, and non-perishable food items or cash donations, gifts of personal and minor property, or services valued at \$1,500 or less.
5. Acceptance Criteria. Gift acceptance authorities under this instruction shall decline gifts under the following circumstances:
 - a. The use of the gift is in connection with any program, project, or activity that would result in the violation of any

prohibition or limitation otherwise applicable to such program, project or activity.

b. The gift or conditions attached to the gift are inconsistent with applicable law or regulation.

c. The use of the gift would reflect unfavorably on the ability of the DON or any DON personnel to carry out any responsibility or duty in a fair and objective manner.

d. The use of the gift would compromise the integrity or appearance of integrity of any program of the DON or any individual involved in such a program.

e. Acceptance of the gift would not be in the best interest of the DON, including but not limited to the following, where it:

(1) Creates the appearance or expectation of favorable consideration as a result of the gift.

(2) Creates the appearance of improper endorsement of the donor, its events, products, services, or enterprises (except for those charitable organization recognized by reference (1)).

(3) Raises a serious question of impropriety in light of the donor's present or prospective business relationships with the DON.

(4) Involves the expenditure or use of funds in excess of amounts appropriated by Congress.

(5) Requires substantial expenditures or administrative efforts and maintenance that are disproportionate to any benefit.

6. Processing Gifts. CNIC shall establish internal controls and oversight responsibilities on the processing of gifts to DON Fisher Houses. At a minimum, these controls shall ensure that:

a. Gifts greater in value than \$100 are deposited on a daily basis in a non-trust fund holding account pending official acceptance or rejection.

b. Donors are notified of the gift receipt and approval process via standardized interim gift acknowledgement letters which inform the donor of the gift acceptance process, that their donation was deposited upon receipt pending official acceptance, and that they will received official notification pertaining to the acceptance of their gift.

c. Gifts not approved within a reasonable period of time are identified for further action or explanation.

7. DON Fisher House BOD Processing of Gifts. Any offer of a gift of real property or an improvement to real property shall be forwarded to the DON Fisher House BOD via the chain of command for consideration. Such gifts determined to be desirable for acceptance shall be forwarded to the acceptance authority via the chain of command per reference (1).

8. Solicitation of Gifts. Unless authorized by SECNAV, DON personnel shall not initiate requests for gifts or contributions for the DON's institutions or organizations. Acceptance authorities shall not accept gifts initiated contrary to this policy. Further, as provided in reference (b), the DON prohibits naval personnel from soliciting gifts from prohibited sources or because of official position for themselves or their spouses, minor children or members of their household. Such activity may result in disciplinary action.

9. Gifts from Prohibited Sources. Acceptance of gifts from prohibited sources requires heightened sensitivity because acceptance may create embarrassment to the DON or the appearance of influencing official decision-making or action of the DON. Consequently, before accepting a gift of more than \$2,500 from a prohibited source, the legal counsel (Office of General Counsel (OGC) or Navy and/or Marine Corps judge advocate) for the gift acceptance authority shall consult OGC (Assistant General Counsel (Ethics)) to determine whether the donor is involved in any claims, procurement actions, litigation, or other matters involving the DON that might cause the acceptance authority to decline an offered gift.