



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

SECNAVINST 7042.13C
UNSECNAV
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SECNAV INSTRUCTION 7042.13C

From: Secretary of the Navy

Subj: GUIDELINES FOR USE OF LATIN AMERICAN COOPERATION FUNDS
UNDER THE OPERATION AND MAINTENANCE, NAVY, APPROPRIATION

Ref: (a) SECNAVINST 7042.7K
(b) 10 U.S.C. 1050

1. Purpose. To prescribe policies and procedures for the use of Latin American cooperation (LATAM COOP) funds under the Operation and Maintenance, Navy appropriation; and to define the relationship of these funds to the official representation funds (ORF) described in reference (a). This instruction is a complete revision and should be reviewed in its entirety.

2. Cancellation. SECNAVINST 7042.13B.

3. Background

a. Under the provisions of reference (b), the Secretary of the Navy (SECNAV) may provide for the expenses of travel, subsistence, and special compensation of officers and students of Latin American countries, and other expenses that the Secretary considers necessary for LATAM COOP. Historically, these funds have been used to support official entertainment, courtesies for distinguished visitors (DVs), the Chief of Naval Operations (CNO), and Commandant of the Marine Corps (CMC) counterpart visit programs, foreign and domestic travel, ship visits, and other purposes in furtherance of cooperation between the United States and the countries of Latin America.

b. The Secretary has subsequently delegated the final decision authority conferred in reference (b) to the Deputy Under Secretary of the Navy (Plans, Policy, Oversight and Integration) (DUSN PPOI). DUSN PPOI shall assign an action officer as program manager. The Office of the Chief of Naval Operations, Director for International Engagement (OPNAV N52) is designated as the agent cashier of LATAM COOP funds for the Department of the Navy (DON); the assistant agent cashier and Navy program manager shall be a Western Hemisphere action

officer assigned to OPNAV N52. The U.S. Marine Corps (USMC) Headquarters International Issues Branch (PLU) shall assign the Western Hemisphere action officer as USMC program manager.

4. Policy

a. It is DON policy that LATAM COOP funds shall be used to further the standing and prestige of the United States and DON with Latin American countries by providing the financial means whereby cooperation between the United States and Latin America may be achieved and enhanced. For purposes of this instruction, Latin America is defined as Mexico, South and Central America, the Lesser and Greater Antilles Islands, and all Caribbean Islands excluding the U.S. Virgin Islands, Puerto Rico, and Bermuda.

b. LATAM COOP funds will not be used to supplement programs funded by other means, i.e., ORF, Humanitarian Civic Assistance Program, or any similar funding sources. LATAM COOP funds may be used to finance the following expenses when incurred with respect to eligible Latin American countries:

(1) Travel. Official travel and subsistence of Latin Americans identified in paragraph 4b(2)(a) while in the United States on official business, e.g., an official CNO or CMC counterpart visit, is an appropriate use of LATAM COOP funds. In addition, use of LATAM COOP funds may be permitted for travel in certain cases in order to promote mutually beneficial academic and professional exchanges and to promote mid-grade U.S. and Latin American officer engagement with the goal of positively influencing future generations of Navy and Marine Corps leaders. Use of LATAM COOP funds for all travel, with the exception of CNO or CMC counterpart visits, will be approved through the budget process identified in paragraphs 6 and 7. Any modifications or additions to travel, which were not approved in the budget process, shall be reviewed by DUSN PPOI on a case-by-case basis.

(2) Official Functions and Courtesies. Inherent in the receipt of LATAM COOP funds authorization shall be the authority to extend official courtesies on behalf of the U.S. Government and DON and to host official functions as the occasion may warrant. Official functions shall be in keeping with U.S. and Latin American customs, as dictated by the occasion. In all

cases, 30 percent or more of those attending must be Latin American guests. Deviations from these ratios must be expressly authorized by DUSN PPOI in advance of each occasion. Official functions and courtesies include the following:

(a) Official Courtesies for DVs. Extending official courtesies to, or sponsoring official entertainment in honor of Latin American distinguished citizens, military personnel, students in the United States, government officials, or members of the diplomatic community in the United States whose rank, position, function, or stature justify official entertainment such as receptions, luncheons, and dinners.

(b) Port Visits by Latin American Naval Vessels, Marine and Naval Infantry Units. Visits to U.S. ports by Latin American naval vessels for certain expenses, specifically, exchange of social courtesies with local military and civilian officials, participation in events that provide orientation in the ways of American life and customs, and visits to community and regional points of interest. Expenditures that are normally charged to other DON funds, such as government furnished transportation and photography, are not proper charges to LATAM COOP funds. The same guidelines apply to Latin American marine or naval infantry units participating in security cooperation events with the USMC.

(c) Port Visits by U.S. Naval Vessels and USMC Units. United States ship, naval infantry, and USMC unit visits to Latin American countries will be treated as outlined in paragraph 4b(2)(b).

(d) Customary Gifts. Mementos and other gifts, such as flowers, exchanged in conformance with Latin American custom and in conjunction with official ceremonies, dedications, and functions may be purchased with LATAM COOP funds. These items shall not exceed \$335 each, or the current amount determined in the version of reference (a) at the time of the event. The gift shall be of an official rather than of a personal nature. This dollar limitation does not apply to the cost of wreaths to be placed at foreign national shrines as a goodwill gesture on behalf of DON or the U.S. Government. Appropriate size as dictated by local custom is the governing factor in this case. When on official visits to Latin America, SECNAV, Under Secretary of the Navy, Assistant Secretaries of the Navy, Navy

General Counsel, all Navy flag officers, all USMC general officers, the Master Chief Petty Officer of the Navy, and the Sergeant Major of the Marine Corps may present mementos costing no more than \$50 to non-Department of Defense (DoD) individuals who would not normally qualify for official courtesies and yet provide essential support, such as interpreters, drivers, or hotel staff. Typically, such mementos consist of command coins.

(e) Graduation Gifts. Gifts purchased to recognize distinguished Latin American naval or military students at U.S. or Latin American military schools or service academies will be authorized as outlined in paragraph 4b(2)(d) of this instruction.

(3) Other Expenses. For expenses not delineated above, but which are consistent with the provisions of reference (b), such expenses require prior approval of either OPNAV N52 or USMC PLU, respectively. Gifts and mementos exceeding \$335, or the current amount determined in reference(a), must be referred to DUSN PPOI, with OPNAV N52 acting as agent cashier for approval.

(4) General Official Functions. In the event that an official function is organized, which incidentally includes Latin American representatives together with representatives of other countries, but is not specifically organized to foster cooperation with Latin American countries, LATAM COOP funds shall not be utilized. Instead, ORF may be authorized to support such events per reference (a).

(a) To ensure that the intent of the Congress is not violated, it is DON policy not to approve expenses for items of a personal nature, expenditures that tend to circumvent or supplement other specific provisions of law, or expenses solely for the entertainment of officials of the United States. Entertainment should not be construed to include those social amenities which one assumes as a personal obligation and are more private and personal rather than official and representational.

(b) An authorization of LATAM COOP funds is in no sense a gratuity or allowance; reimbursement is limited to actual authorized expenditures. LATAM COOP funds will not be used for:

1. Expenditures normally expected to be assumed as a personal obligation, such as membership fees and dues.

2. Efforts that are normal mission responsibilities and thus eligible for mission funding, or materials or services that may be charged to other Navy funds.

3. Any form of greeting cards or business cards.

4. Gifts intended as repayment for courtesies shown or hospitality received.

5. Payments or gratuities to members of the U.S. Armed Forces or employees of the U.S. Government for services performed at, or in preparation for, official functions.

6. Expenditures in connection with U.S. events (such as ceremonies for keel laying, launchings, commissionings, recommissionings, decommissionings of naval ships, and U.S. holidays) where less than 30 percent of those attending are Latin American guests.

5. Program and Budget Review. Resource sponsors and DON major commands will submit Five Year Defense Program estimates for LATAM COOP funds to OPNAV N52 or USMC PLU following current programming guidance and timelines. To ensure an equitable division of LATAM COOP funds between the Navy and Marine Corps, the agreed upon fiscal year "blue/green split" will be used, unless DUSN PPOI makes exception. The split will be implemented for the fiscal year after DON adjustments and other Congressionally-mandated reductions have been applied. As the budget submitting office for LATAM COOP funds, the Director, Field Support Activity (FSA) will submit the budget request for the funds per the approved program by DUSN (PPOI).

6. Fund Allocation. Major DON commands and other offices will submit requests for LATAM COOP funds for the forthcoming fiscal year by 15 May each year, using the format dictated by OPNAV N52 or USMC PLU. OPNAV N52 or USMC PLU will review this input and coordinate a consolidated annual allocation request with the assigned DUSN PPOI action officer. Upon approval by the DUSN PPOI, OPNAV N52 will forward to the Director, FSA. As the

financial administrator for LATAM COOP funds, the Director, FSA, will issue all funds and citations applicable to these funds directly to major commands. As overall program manager, DUSN PPOI will maintain the authority to modify services to be provided to specified countries based on current political circumstances.

7. Procedures for the Documentation of Expenses. While expending LATAM COOP funds throughout the fiscal year, funds authorization holders shall maintain documentation of all expenditures. Claims are limited to actual expenses. To facilitate review, SF 1034 Public Voucher for Purchases and Services Other Than Personal must be used for all reimbursement vouchers. A single SF 1034 may be used for more than one functional expense, but expenses for each transaction must be itemized separately. If continuation sheets are needed, the same format used for the SF 1034 must also be used.

a. Claims will contain the following to support each expenditure of LATAM COOP funds:

(1) Official Functions

(a) Date, location, type of function, purpose, and number of guests. (Indicate total number of persons in attendance and number of Latin American, DoD civilian, and military personnel, including host(s), contained in the total. Midshipmen, reservists on active duty, members of the National Guard, and spouses of DoD personnel will be included in the guest count as DoD personnel. A record of those guests by name, rank, or title, nationality, and organization affiliation will be maintained by the authorization or sub-authorization holder.)

(b) Brief itemization of expenses, categorized by per diem, transportation, gifts, food, visits, and services. Payment for services of U.S. Government employees or members of the U.S. uniformed services is not permitted. Incidental or miscellaneous expenses must be specifically identified. A separate itemization of food purchases is not required.

(2) Gifts and Mementos

(a) A brief description of the occasion and official designation of the recipient.

(b) The nature, quantity, and cost of the items presented.

(c) A statement that the presentation was made on the behalf of DON or the U.S. Government.

(3) Travel claims will be submitted following current DoD travel regulations.

b. The authorization holder is held responsible for all expenses incurred against the authorization and, therefore, must personally monitor, approve, and sign expenditure documents to ensure the highest order of propriety and integrity in the use of these funds.

c. It is the authorization holder's responsibility to ensure that vouchers for official functions and other expenses describe the nature of each expenditure in a manner that allows reviewing officials to determine whether the funds are used per requirements and policies as contained herein.

d. When, in the opinion of the authorization holder, it is desirable to incur expenditures for a purpose that is not expressly covered in this instruction, but is consistent with the general policies contained herein, special requests shall be made for such authority to DUSN PPOI through appropriate command channels, to include OPNAV N52 and USMC PLU. The request shall include:

(1) Sponsoring organization (command, base, installation).

(2) Details of the function or use of funds.

(3) Cost of the function or use of funds.

(4) Benefits to DON.

(5) Reason why other appropriated funds or non-appropriated funds cannot be used.

(6) Any other pertinent information or circumstances the requester considers germane with respect to the interest of DON or the U.S. Government.

e. DUSN PPOI, the LATAM COOP funds approval authority, OPNAV N52, and USMC PLU are authorized to conduct reviews of the detailed documentation supporting LATAM COOP funds expenditures to ensure compliance with the policies prescribed in this instruction.

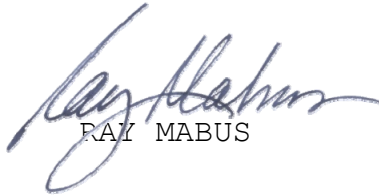
f. At the conclusion of each fiscal year, all DON major commands that utilize LATAM COOP funds shall provide an accounting of all funds expended, using the format dictated by the DUSN PPOI action officer.

8. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed per SECNAV M-5210.1 of November 2007.

9. Forms and Reports Control

a. SF 1034 Public Voucher for Purchases and Services Other Than Personal is available for download from the U.S. General Services Administration Forms Web site at <http://www.gsa.gov/portal/forms/type/SF>.

b. Reports contained within this instruction are exempt from reports control per SECNAV M-5214.1 of December 2005.



RAY MABUS

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