DEPARTMENT OF THE NAVY
U.S. NAVAL SUPPORT ACTIVITY
PSC 817 BOX 1
FPO AE 09622-0001

NAVSUPPACT NAPLES INST 7040.2E
N5

28 FEB 2011

NAVSUPPACT NAPLES INSTRUCTION 7040.2E

From: Commanding Officer, U.S. Naval Support Activity, Naples, Italy

Subj: GENERAL SERVICES FUND

Ref: (a) DOD 7000.14 (Series)
(b) NAVSUPPACT NAPLES INST 5420.14 (Series)

1. Purpose. The General Services Fund (GSF), established per reference (a), is a Non-Appropriated Funds (NAF) activity designed to aid and facilitate U.S. service members and DoD civilian employees in obtaining and liquidating local economy services. The GSF's primary purpose is to provide a mechanism through the Naples Housing Office for timely divestiture of private rental agreements and utility obligations prior to official transfer. It also functions as a sales and accounting outlet for administration of miscellaneous NAF matters related to assignment of personnel overseas. In this capacity, GSF responsibilities include other NAF matters, most importantly the consolidation of Allied Forces Italy (AFI) registration fees from all Motor Vehicle Registration Offices (MVRO) throughout Italy for the U.S. and NATO personnel entitled to AFI registration. In this capacity the GSF is responsible for paying Italian customs fees, via the Central Motor Vehicle Registration Office (CMVRO), associated with stolen AFI registered vehicles throughout Italy. The GSF is also responsible for making road tax payments for secondary and tertiary vehicles registered in the Naples area only.

2. Cancellation. NAVSUPPACT NAPLES INST 7040.2D

3. Background. The GSF was originally established when housing referral services were discontinued as an appropriated fund-supported service. Although some housing referral services were subsequently reestablished with appropriated fund support, the processing of rent deposits, utility bill final settlements and other matters have continued to be handled through the fund. No other fund existed through which these actions may be processed in a timely manner without serious financial burden to the military member. Thus, the fund provided essential morale and welfare services for the military and civilian communities by centralizing rental deposits, final settlement of telephone and electrical bills, thereby simplifying departure of U.S. personnel from Naples/Gaeta Italy. Although private rental housing deposits and final utility payments are processed through the GSF, the GSF is not directly connected with, or administered through the Housing Referral Office.

4. Action

a. The U.S. Naval Support Activity, Naples, Italy (NAVSUPPACT Naples) Installation Business Manager is designated as the GSF Custodian and serves as the account manager for funds and personnel. Accounting and financial management procedures will be conducted per the provisions of reference (a). Reference (b) established a GSF Advisory Committee to assist in management of GSF funds and earnings.

b. The GSF will collect and administer the following funds in support of U.S. and NATO personnel in the Naples area:

(1) Private rental housing contract security deposits (received in Euro from tenants).

(2) Private electrical service initial deposits (received in Euro from tenants).

(3) Electrical final closeouts (received in Euro from tenants).

(4) Private telephone final closeouts (received in Euro from tenants).

(5) Final closeout payments to landlord/tenants.

(6) Miscellaneous non-appropriated funds, as deemed necessary by the GSF Custodian.

(7) Road tax program, includes payment of road taxes on all vehicles registered through CMVRO except the sponsor's primary (white AFI-plated) vehicle. All road taxes will be paid in Euro.

c. The GSF will collect and administer the following funds on behalf of all U.S. and NATO personnel stationed in Italy:

(1) All initial vehicle registration fees associated with the registration of AFI privately owned vehicles (POV) throughout Italy (received in Euro).

d. Funds administered by the GSF will be held in Euro and U.S. dollars interest-bearing Bank accounts. The interest will be considered earnings of the GSF. Fees charged by the GSF for providing the service of administering miscellaneous non-appropriated funds is designed to offset the overhead costs of funding administration. These fees will be established by the GSF Advisory Committee and will also be considered earnings of the GSF.

e. Currency held by the GSF will be limited to those sufficient to provide timely customer reimbursement.

f. Sources and disposition of funds are as follows:

(1) Private rental housing deposits will be accepted in Euro only. These funds will remain on deposit until lease termination, at which time they will be reimbursed to the tenant/landlord in accordance with the final settlement of the lease contract.

(2) Electrical service deposits will be accepted in Euro only. These funds will remain on deposit until electrical final closeout will be paid, at which time they will be deducted or reimbursed to the tenants. Final closeout will be used exclusively for payment to Ente Nazionale per l'Energia Elettrica (Enel), in accordance with the Enel-established billing system.

(3) Telephone service final settlement is accepted only in Euro. These funds will be used exclusively for payment to the Telecom Company in accordance with Telecom-established billing system.

(4) Funds generated by motor vehicle registration are accepted only in Euro. Initial vehicle registration funds are used exclusively for payment of custom fees to Italian Customs authorities associated with stolen or otherwise illegally disposed of vehicles. Additionally, these funds may be used to pay for incidental towing and storage fees, and/or fines associated with said vehicles, as required and documented by the Central Motor Vehicle Registration Office. Use of funds to pay costs associated with vehicles that are abandoned, or otherwise illegally disposed of, should only occur as a last resort after every attempt has been made to have the vehicle owner pay these costs, fees, and fines. In such cases the final disbursement of funds must be approved by the Commanding Officer, NAVSUPPACT Naples. This provision serves to ensure that vehicle owners, **not the U.S. Government**, are held accountable for all costs associated with the final disposition of their privately owned vehicles. Road taxes collected by the GSF will be used exclusively for the payment of road taxes to the Campania Region.

(5) Miscellaneous NAF transaction funds derived from the purchase and resale of gas and oil coupons to eligible local national employees will be conducted in Euro. An approved profit margin on these transactions is determined by the Tax Free Product Administration Office at NAVSUPPACT Naples. Eighty percent (80%) of these profits will be transferred to the Naples Local National Civilian Welfare Recreation Association (the W.R.A.) as long as the administrative cost of managing the program does not exceed the approved profit margin. **If the administrative costs incurred by the GSF exceed the approved profit margin, the Commanding Officer may elect to reduce or eliminate the funding provided to the WRA.**

(6) Routine administrative expenses will be paid from earnings of the GSF. Unusual or single items of expenses in excess of €1,000.00 must be submitted by the GSF Custodian for approval by the Commanding Officer.

(7) GSF earnings will fully support as many GSF Local National employees as is necessary to provide adequate financial oversight. If earnings are insufficient to support the required GSF employees' salaries, one or more employees may be converted to direct appropriated fund support. Salaries of Italian employees must be maintained in compliance with Italian law and the conditions of employment, to include all accrual benefits including termination allowances. Employees' position descriptions will be classified and their pay grade established by the NAVSUPPACT Naples Human Resources Office.

(8) Earnings of the GSF in excess of salaries, administrative expenses and other items noted above will be reviewed by the GSF Advisory Committee for alternate application subject to approval by the Commanding Officer, NAVSUPPACT Naples. Payment of salaries and benefits will not jeopardize GSF solvency or require appropriated fund reimbursement to maintain solvency.

g. GSF employees will provide services to the NAVSUPPACT Naples Housing Department, the CMVRO and all MVROs throughout Italy for collection, deposit and disbursement of funds. Clerks will be collaterally assigned as GSF cashiers or alternate cashiers and shall perform similar duties at the Naval Support Activity, Department Gaeta and the CMVRO satellite offices at NAVSUPPACT Naples Capodichino and JFC Naples, as delegated by the GSF Custodian.

h. The GSF will be audited annually by Command Evaluation and Review/IG Office (01E) with results submitted in writing to the Commanding Officer.

R. B. RABUSE

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