



2014 HOLIDAY ETHICS GUIDANCE

Prepared By: United States Coast Guard Legal Service Command, Mission Support
Division (LSC-4)

As we welcome the arrival of another winter holiday season, there will be numerous opportunities for members of the Coast Guard family to participate in traditional celebrations and activities, as well as give and receive gifts under a variety of circumstances. While enjoying the festivities, we must remember there are ethics rules that apply to all Federal employees at all times. Your Coast Guard ethics attorneys are dedicated to helping members, both active duty and civilian, safely navigate the seas of ethics and participate in these holiday activities without running aground. The following (holiday activity guidance) chart will help you successfully plot a holiday course while remaining within the ethical navigation beacons. We must avoid even the appearance of impropriety, so please ensure you understand the rules. If you have questions or need clarification, please contact LSC-4 at these numbers:

Alameda: Mr. Paul Janoff (510) 437-3347
Norfolk: LCDR Dawn Murray (757) 628-4201

1. General Gift Rules:

A. Gifts from non-Federal persons or entities:

Federal personnel may *not* accept gifts offered because of their official positions or offered by a “prohibited source,” (including contractors and contractor personnel) unless an exception applies. A “prohibited source” is anyone who:

1. Seeks official action by the Coast Guard;
2. Does, or seeks to do, business with the Coast Guard;
3. Conducts activities regulated by the Coast Guard;
4. Has interests that may be substantially affected by the employee’s performance of duty; or
5. Is an organization composed of members described in items 1 through 4 above (this includes contractor personnel and the contractor organization).

There are a few exceptions to this rule, the most common of which are listed below:



1. Federal personnel may accept gifts other than cash not exceeding \$20, as long as the total amount of gifts that the employee accepts from that source does not exceed \$50 for the year (*Caution – accepting the gift may still create the appearance of impropriety*).
2. Federal personnel may accept gifts from a contractor employee if based on a bona fide personal relationship.
3. Federal personnel may accept refreshments consisting of soft drinks, coffee, pastries, or similar refreshments not constituting a meal.

Before accepting anything of value from a prohibited source we ***strongly recommend*** that you call the Legal Service Command to ensure you can comply with the Standards of Conduct.

B. Gifts and Gift Exchanges Between Federal Personnel:

Supervisors may *not* accept gifts from subordinates or Federal personnel who receive less pay, unless one of the following exceptions applies:

1. During the holidays supervisors may accept gifts other than cash of \$10 or less from a subordinate.
2. Supervisors may accept food and refreshments shared in the office and may help pay for the costs of an office party.
3. Hospitality gifts: if a subordinate is invited to a social event at the supervisor's residence, the supervisor may accept a hospitality gift from the subordinate of the type and value customarily given on such an occasion.

C. Contractor Personnel – Gift Exchanges:

There are a number of Ethics rules relating to Federal interactions with Contractor personnel that make it a best practice not to authorize Contractor personnel to participate in gift exchanges (e.g. White Elephant). We strongly advise that before participating in a gift exchange or giving or receiving a gift from a contractor, you contact the LSC and ask for a legal opinion regarding the activity in question.

2. Holiday Decorations:

Agencies may expend appropriated funds for reasonable, non-sectarian, seasonal decorations. Expenditures for seasonal decorations should be limited to those for use in the main entrances to Coast Guard buildings or the Coast Guard work areas where the buildings are shared, such as leased space. Decorations should not endorse, nor appear to endorse, any particular religious or political belief. The analysis of whether there is an endorsement involves fact-intensive review of First Amendment case law. Generally, holiday displays should be inclusive of various traditions, not exclusive to a single faith. Further, displays on Federal property should not single out a particular tradition by giving one display more prominent placement than other displays.



3. Parties, Open Houses, and Receptions:

The rules regarding contractor attendance at holiday parties are complex and varied. Consult the contracting officer and the LSC before inviting employees to a function during their hours of work. While Federal employees and contractors often work side by side, government contractors are not subject to the same ethics rules as their Federal counterparts. Generally, contractors may attend unit MWR Holiday Parties, but only if they are on approved leave through their contractor (not Federal) supervisor, the Government contracting officer does not object to their attendance or time away from the contracting activity, and they pay full fare for their attendance. Federal employees must remember that contractors are a prohibited source and, therefore, all applicable regulations concerning the employees' interaction with a prohibited source should be followed.

A. Hosted by Prohibited Sources:

1. Federal personnel may generally attend an open-house or reception, and accept any gift of refreshments if an Agency Ethics Official makes a determination that it is a widely-attended gathering, and in the agency's interest that the employee attends. An Agency Ethics Official is a person designated by proper authority to review ethical matters and determine whether or not the circumstances are appropriate in accordance with the Standards of Ethical Conduct. Please contact the LSC to obtain a determination.
2. Federal personnel may accept invitations (even from contractors) that are open to the public, all Government employees, or all military personnel.

B. Hosted by Other Federal Personnel:

1. Invitation from your subordinate: You may accept personal hospitality at the residence of a subordinate that is customarily provided on the occasion.
2. Invitations from your boss or a co-worker: No restrictions. Enjoy! (Responsibly please!)
3. Federal personnel may attend social events sponsored by non-prohibited sources if no one is charged admission. (e.g. most holiday receptions and open-houses)
4. Outside business or other relationship results in attendance at an event. For example, a Federal employee's spouse works at SAIC. The Federal employee may accompany the spouse to the SAIC employee's holiday party since the invitation is to the spouse as an SAIC employee, and not to the Federal employee because of his or her position. Federal personnel may accept invitations offered to a group or class that is not related to Federal employment. As an example, if the building owner where your office is located throws a reception for all the tenants of your building, your office may accept.



4. Holiday Cards:

Holiday cards must be purchased, printed, and delivered at an employee's own expense. In addition, you may not send holiday cards in Government envelopes nor may you use an agency's internal mail system. COMDTINST 5375.1D, published in October 2013, governs limited personal use of government office equipment and services.

5. Fundraising:

The only continually authorized workplace fundraisers include the Combined Federal Campaign and Coast Guard Mutual Assistance. The Secretary of Homeland Security may also approve emergency and disaster appeals approved by the Office of Personnel Management and other causes or organizations on a limited time basis. For any other fundraising, please call the LSC for advice. Fundraising by definition is the raising of money. In kind collections such as toy and food drives are governed by other regulations. Please call the Legal Service Command for guidance.

6. Other Important Information:

- Solicitation of funds, food, and other items from outside sources for contributions for your party is prohibited unless obtained in accordance with an official commercial sponsorship program as set forth in the MWR manual (CIM 1710.13C).
- Office parties are generally considered unofficial events and use of appropriated funds to pay for them is not authorized.
- Door prizes or drawings have the potential to involve gambling. Gambling may violate Coast Guard regulations and state or municipal laws, and GSA regulations ban gambling in GSA-owned or -controlled buildings. Please consult the Legal Service Command before including these types of activities in your holiday plans.
- Government vehicles are not authorized to travel to and from a holiday party.
- Many contractors have rules of ethics or business practices that are similar to the Federal rules. In addition, special rules apply regarding contractor employee attendance at office parties. Please call the Legal Service Command before offering contractor employees gifts or opportunities that they may not be able to accept.

Have a terrific and safe holiday season! And remember: this guidance is meant as a quick reference and does not cover every situation. Please call the LSC for guidance if you have any questions at all.

