

# ETHICS FLASH — COINS COINS COINS

Fiscal, Ethics, and  
Administrative Law  
Division  
(SAF/GCA)

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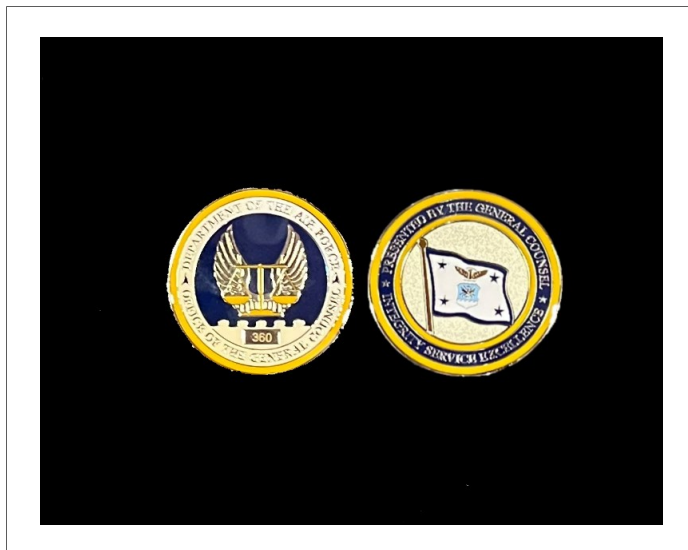
10 USC § 2261  
31 USC § 3512  
DoDI 7250.13  
DAFMAN 65-605  
DAFMAN 36-2806  
AFMAN 34-201  
HOI 65-3  
AFI 65-601  
AFI 65-603

*\*The General Counsel serves  
both the U.S. Air Force and U.S.  
Space Force.*

## THE THING ABOUT COINS

They are everywhere. Popular collectibles, coveted finds, and many steeped in tradition. Coins are displayed beneath glass-top coffee tables, or large jars filled to the brim, and even shadow-boxes holding the most valuable in a person's collection. The challenge coin is a military tradition that dates back well-over a century. While exchanging or gifting coins is a long-standing tradition, it is also one of the most frequent areas for fiscal missteps with a bit of ethics thrown in for good measure!

You all are in for a treat with this Ethics Flash. It's a cross-over. We teamed up with our esteemed colleagues on SAF/GCA's Fiscal Law team to bring you the low-down on coins. For months now, questions on coins have been trending. Where does it say I can use appropriated funds (APF) to purchase coins? May I personalize a unit coin? Can I use coins as prizes in a competition? Is it okay to gift a coin to a departing contractor? Then, one of our most ardent supporters



The coin of the General Counsel of the Air Force

(cough, Honorable Wagner, cough) requested an ethics flash on coins. As you all know by now, we love requests!

This ethics flash is going to cover coins purchased with APF, non-appropriated funds (NAF), and official representation funds (ORF). It will also touch on personally procured coins. Last, we will offer best practices that will assist you

with avoiding fiscal missteps. We are not going to cover unofficial unit coins sold by unit unofficial activities. The goal is to simplify guidance and eliminate any confusion so you stay in the ethical mid-field and fiscally sound. As always, we cannot cover every circumstance so it is always wise to reach out to an ethics official with any questions. Alrighty then, let's go!

## COINS AND CONTRACTORS

Sometimes, we have to be blunt. This is one of those times. Do not give a contractor a coin for his/her work on the contract. You may never give a contractor a coin purchased with APF, NAF, or ORF. You also may not give a contractor a personally procured coin unless the basis for giv-

ing the coin is completely outside the scope of their, or their company's, contract with the Department of Defense. For example, a contractor performed life-saving procedures on an active duty, civilian employee, or retiree in an Exchange Food Court (see DAFMAN 36-2806).

Many unit unofficial activities (e.g., social funds) have the proper permissions to sell unofficial unit coins bearing the unit logo and emblems. Contractors may purchase these coins. When in doubt, before putting your hand out, call your friendly neighborhood ethics counselor!

## THE APF AND NAF COIN

Department of the Air Force (DAF) activities may use APF to purchase special trophies and awards which pertain to mission accomplishments. This includes organizational coins. Commemorative coins are not permitted unless there is specific statute authorizing the purchase (DAFMAN 65-601, Volume 1). NAF may also be used to purchase trophies and awards for competitive excellence or individual recognition of achievements authorized by Air Force instructions (see AFMAN 34-201 for more on use of NAF). DAFMAN 36-2806 allows use of APF and NAF to purchase **unit recognition coins** as a one-time award for military members.

For all of the above, you may only stamp the organization name and the position of the presenter (e.g., Com-

mander, Air Force Material Command) on these coins. You may never engrave or stamp your name on APF or NAF coins. Exceptions to this rule are the SecAF, USecAF,



APF Coin with the position but not the name of the Commandant. Yes, we know. It's a Navy coin.....

CSAF, CSO, VCSAF, VCSO, Assistant Vice Chiefs of Staff and Space Operations, and the Chief Master Sergeants of the Air and Space Forces. If you are not one of those individuals, **do not** personalize an APF or NAF coin. Why? Per-

sonalization creates frozen stock. Per fiscal policy, that's a fancy way of saying these coins become waste. You cannot take the coins when you leave the command (hello, they were purchased with APF or NAF!) and so they are stashed away and become waste.

There is no limit to how many coins you can purchase. However, there are factors to consider, including size of the organization and whether there is a robust system of established, periodic recognition. For the full list of determining factors, please see DAFMAN 36-2806.

APF and NAF coins are separate and distinct from coins used as mementos and welcoming gifts for distinguished foreign and civilian dignitaries. ORF coins may be used to extend official courtesies — oh, look, we're talking about those coins next!

## ORF COINS

ORF is a closely monitored type of appropriated emergency and extraordinary (E&EE) funds. ORF may be spent for purposes determined to be proper by SecAF, including extending official courtesies to certain officials and dignitaries of the United States and foreign countries. ORF courtesies may include dinners or receptions, and mementos, such as coins.

ORF may be used to purchase coins for presentation to those eligible for ORF courtesies. Categories of eligible individuals include foreign personnel, US government leaders, prominent US citizens, select senior DoD personnel, and staff of the above. For details, please

review AFI 65-603.

It's important to note that only certain officials have the authority to provide official



Not an ORF Coin. We just felt bad about including a Navy coin so.....one more for the DAF!

courtesies and only for certain events. In addition, since ORF coins are part of E&EE inventory, they are **closely tracked**. All ORF coins issued **must be**

**documented in inventory** with the presentation date, location/event, recipient's name, grade/title, and official position.

The same rules on personalization apply to ORF coins. Why? See above!

A popular question is whether there is a limit to the total cost of gifts that may be presented to an ORF-eligible guest. For items presented to a non-DoD guest, the total may not exceed the amount established by the Foreign Gifts and Decorations Act (currently \$480). For authorized DoD officials receiving ORF courtesies, the limit is \$50.00.

## PERSONALLY PROCURED COINS

You may absolutely purchase coins with personal funds for select uses. You can use the same vendors identified for unit-funded coins. You may also have your subordinates place such orders provided the additional workload is de minimis. These coins may be personalized but must be kept separate from government-funded coins.

**IMPORTANT!** If you plan to use protected Air Force marks or imagery (the Air Force seal, emblem, etc.) on personally procured coins, you must first receive authorization and follow display guidelines. To



Personal Coin of 16th CMSAF

learn more, visit the DAF Trademark Office (yes, we are fancy!) at <https://www.trademark.af.mil>.

Personally procured coins may be given out for myriad reasons. They can be awarded for routine performance of duty, or to instill unit pride or for a departing em-

ployee. However, while there is more discretion on awarding these coins, you still may not give personally-funded coins to contractors unless it is for action that is completely outside the scope of the contract.

There is no requirement to track your personally procured coins and you may spend as much money as you wish on stock. More often than not, individuals prefer personally funded coins due to the level of freedom they have in awarding the coins.

## BEST PRACTICES

The number one question is whether there is a requirement to track coins purchased with APF or NAF. Current instructions do not require tracking. However, federal statute requires the "head of each executive agency to establish and maintain systems of accounting and internal controls that provide effective control over, and accountability for, assets for which the agency is responsible, including internal audit

[s]." To ensure compliance with this requirement, "the head of each agency shall establish internal accounting and administrative controls that reasonably ensure that all assets are safeguarded against waste, loss, unauthorized use, and misappropriation."

To comply with this requirement, we strongly recommend you track to whom you award APF and NAF coins. This will

avoid questions pertaining to unauthorized use or misappropriation. Tracking will also help avoid violating the rules that govern the awarding and purchasing of coins.

Consider personally procured coins over APF or NAF funded coins. There's more flexibility with these coins (aside from contractors) and less risk in violating ethics and fiscal law, policy, or regulations.

## CORRECTION CORNER

It was bound to happen! Information in the third installment of our Travel Flash is causing some confusion. On page 2, under "Professional Military Education" we stated, "In addition, Commanders, First Sergeants, and Command Sergeants have a duty

to represent their command or squadron at a graduation." This language appeared in previous instructions but was removed from the current version of DAFMAN 65-601, Volume 1. Whether there is a duty is not for us to say. Even if there is, it does not guaran-

tee travel authorization. Travel will still be subject to analysis by your travel approval authority/official and could be denied if found not to be necessary. We apologize for any confusion.

*The Air Force Ethics Office directs the daily activities of the Department of the Air Force ethics program. We serve as legal counsel to the Secretariat, Air, and Space Staff. While we are happy to assist with any ethics issues, individuals outside of Headquarters should consult with their local ethics counselor.*

*Should you have any questions, please reach out to our workflow:*

*[SAF.GCA.Ethics.Workflow@us.af.mil](mailto:SAF.GCA.Ethics.Workflow@us.af.mil)*