

Limitation on Use of Exceptions

Remember, even if an exception applies, an official superior may not coerce the offering of a gift.

Voluntary Contributions

Q: The Deputy Associate Administrator of our office was recently promoted to a new position in a different office. He will no longer be our supervisor. Before he leaves to take the new position we would like to collect money for an appropriate gift. May we do this?

A: Yes. You may collect voluntary contributions of nominal amounts (\$10 or less) for a gift for the Deputy Associate Administrator to recognize his promotion to a position outside of your supervisory superior-subordinate relationship. If the promotion did not terminate that relationship, you would be prohibited from soliciting or making contributions to buy a gift. You could, however, take up a collection to buy refreshments to be consumed by everyone in the office to mark the occasion.

Q: Every year at our agency, employees are asked if they wish to contribute to an office social fund, which we use to purchase gifts for our coworkers on special occasions, such as a wedding, illness, or a death in the family. Is this an acceptable practice?

A: Yes. Employees may solicit and make voluntary contributions of nominal amounts for such social funds. It is critical, however, that no one is pressured or coerced into contributing. Employees should be made aware that they may contribute as little as they choose or not at all. Keep in mind that because beneficiaries of this fund may include supervisors or other employees who earn more than some contributors to the fund, this fund may be used to purchase gifts only for special, infrequent occasions. The fund also may be used on an occasional basis to buy food and refreshments to be shared in the office among several employees.

Retirement Contributions

Q: To mark the occasion of his or her retirement, may the members of the immediate staff of the supervisor give him or her a party and provide him or her with a gift?

A: Yes. They may distribute an announcement for the party and include a nominal amount for a retirement gift in the fee for the party. A retirement gift may not exceed \$300 from any “donating group” including subordinate employees. (But cost of food, refreshments, and entertainment provided to superior and his personal guests to mark the occasion is not included in the \$300 aggregate limit).

References:

DoD 5500.7-R; Joint Ethics Regulation,
CH-7, 17 November 2011
5 C.F.R. § 2635.301-304



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GIFTS BETWEEN EMPLOYEES

“Integrity First”

GIFTS

BETWEEN EMPLOYEES

This pamphlet provides a brief overview of gift rules by answering some of the most frequently asked questions concerning gifts between employees.

A gift is any gratuity, favor, discount, entertainment, hospitality, loan, forbearance or other item having monetary value.

A gift is not modest items of food and non-alcoholic refreshments, such as coffee and donuts, that are not part of a meal, and items of little intrinsic value such as greeting cards, plaques, and certificates intended solely for presentation. Car pooling and similar arrangements are fine, provided there is a proportionate sharing of cost and effort involved.

The General Prohibitions

Q: What are the prohibitions on gifts between employees?

A: You may not give a gift to, or contribute to a gift for, your official superior. You also may not solicit a contribution from another employee for a gift for either your or that employee's official superior. Finally, you may not accept a gift from someone who is paid less than you unless that person is not your subordinate and there is a personal relationship that justifies the gift.

Who is Your Official Supervisor?

Your immediate supervisor, anyone who has responsibility for your official performance evaluation, and anyone above your supervisor in the chain of command.

Personal Relationships

Q: I have worked with someone for many years and we have become great friends. She is in a higher grade, but she is not my official superior. May we exchange gifts?

A: Yes. As noted under the general prohibitions, employees generally may not accept gifts from other employees

who receive less pay, unless, as in your case, the two are not in a superior/subordinate relationship and a personal relationship justifies the gift.

Exceptions to the General Prohibitions

The \$10 Rule

Q: My supervisor and I have developed a good working relationship over the years. Are there any gift-giving exceptions that would permit me to give him a gift on his birthday or Bosses' Day?

A: Yes. On an occasional basis, including any occasion on which gifts are traditionally given or exchanged (i.e., birthdays, holidays), you may give and your supervisor may accept, a gift, other than cash, with a market value of \$10 or less per occasion.

What is Market Value?

Market value is the cost that a member of the general public would reasonably expect to pay for the gift. If you cannot readily determine the retail value of a gift, you may estimate its value by reference to the retail cost of items of a similar nature.

Q: One of my colleagues and I share office space. We are the same grade level, but she makes more money than I do. While I can't really say we are "friends", we do have a congenial relationship. May I give her a birthday present, and is there a dollar limit on the gift she may accept?

A: Yes. You may give your colleague a birthday present. However, she may only accept a gift from you that is valued at \$10 or less. Even though she is not your superior, you receive less pay than she does, and there does not appear to be a personal relationship between the two of you that would otherwise justify the gift.

Q: Why a \$10 limit?

A: Because it is high enough to permit an exchange of modest tokens between employees but low enough generally to discourage employees from purchasing gifts for their superiors.

Food and Refreshments Shared in the Office

Q: For my birthday, my staff all contributed to purchase me a birthday cake and gift basket filled with chocolates and nuts. May I accept this gift?

A: While it is likely the aggregate value of the gift exceeds \$10.00, you may accept the cake and gift basket provided you share it in the office among several employees. Donations to the gifts must be voluntary.

Hospitality Gifts

Q: When I was in the private sector, I invited employees to our home for annual holiday parties. Now that I work for the government, I plan to invite the people I supervise to similar events in my home. If any of these employee guests bring a gift, may I accept?

A: Yes. You may accept hospitality gifts from subordinate employees and other employees receiving less pay than you if the gifts are of a type and value customarily given in connection with the receipt of personal hospitality, such as a bottle of wine or flowers.

Special Occasions

Q: My supervisor is in the hospital and I would like to send her a flower arrangement. Am I limited to \$10?

A: No, you are not bound by the \$10 rule in this case. In recognition of infrequently occurring occasions of personal significance such as illness, a marriage, a death in the family, or the birth or adoption of a child (but not holidays or annually recurring events), and on occasions that terminate the superior/subordinate relationship; you may give gifts to an official supervisor and accept them from subordinates or other employees receiving less pay. On these occasions, the market value of a gift or gifts from a subordinate (or a donating group which includes subordinates) may not exceed an aggregate value of \$300.