



DEPARTMENT OF THE AIR FORCE  
WASHINGTON DC 20330



OFFICE OF THE GENERAL COUNSEL

November 27, 2017

MEMORANDUM FOR DISTRIBUTION C AND ALMAJCOM

FROM: SAF/GCA

SUBJECT: Air Force Ethics Office Advisory – 2017 Holiday Parties and Gifts Guidance

Your Air Force Ethics Office wishes you a very happy holiday season, which is a time of parties, receptions, and exchanging gifts. To ensure you do not unwittingly violate the *Standards of Ethical Conduct for Executive Branch Employees*, a brief summary of the applicable rules are set out below. If you have any questions, please contact the Air Force Ethics Office at [USAF.Ethics@mail.mil](mailto:USAF.Ethics@mail.mil).

**GIFTS**<sup>1</sup>

**General Rule:** Federal personnel **may not** accept gifts offered because of their official positions or offered by a “prohibited source.” A “prohibited source” is anyone who:

- Seeks official action by the employee’s agency;
- Does business or seeks to do business with the employee’s agency;
- Conducts activities regulated by the employee’s agency;
- Has interests that may be substantially affected by the employee’s performance (or non-performance) of duty; or
- Is an organization whose membership is composed of persons described above.

**Gifts and Gift Exchanges Between Supervisor and Subordinate:** Supervisors **may not** accept gifts from subordinates or Federal personnel who receive less pay.

- *Exception #1:* On an occasional basis, including those on which gifts are traditionally given, supervisors may accept non-cash gifts valued at \$10 or less from a subordinate.
- *Exception #2:* Supervisors may accept food and refreshments shared in the office and may share in the expenses of an office party.
- *Exception #3:* If a subordinate is invited to a social event at the supervisor’s residence, the subordinate may give the supervisor a hospitality gift of the type and value customarily given on such an occasion (e.g., host/hostess gift).

**Gifts and Gift Exchanges Between Peers and Co-workers:** There are no legal restrictions on gifts given to peers or subordinates; however, common sense (and good taste) should apply.

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<sup>1</sup> Gifts include most items of value; examples are free attendance at dinners and other meals, receptions, sporting events, and similar widely-attended gatherings (WAGs).

Gifts and Gift Exchanges That Include Contractor Personnel:

- Gifts accepted from contractors **may never** exceed \$20.<sup>2</sup>
- When considering whether to give a gift to a contractor, check with the contractor. Many contractors have codes of ethics that are similar to Federal rules that may preclude the acceptance of gifts.

Additionally, see section on *Rules Applicable to Contractor Employees*, below.

**PARTIES, OPEN-HOUSES, AND RECEPTIONS (NON-FEDERAL)**

Parties, Open-Houses, and Receptions Hosted by Non-Prohibited Sources: Federal personnel **may** attend social events sponsored by non-prohibited sources, if none of the guests are charged admission (e.g., most holiday receptions and open-houses).

Parties, Open-Houses, and Receptions Hosted by Prohibited Sources Including Contractors: The general rule is that Federal personnel **may not** accept gifts from prohibited sources, including contractors and contractor personnel.

- *Exception #1:* Federal personnel **may** accept non-cash gifts not exceeding \$20, as long as the total amount of gifts that the individual accepts from that source does not exceed \$50 for the year.
- *Exception #2:* Federal personnel **may** accept gifts that are based on a bona fide personal relationship. (Such personal gifts are actually paid for by the friend/contractor employee rather than the contractor.)
- *Exception #3:* Federal personnel **may** generally attend an open-house or reception, and accept any gift of refreshments if the ethics official determines that the event is a widely attended gathering, and the employee's supervisor determines (now required to be in writing) that it is in the agency's interest that the employee attend.
- *Exception #4:* Federal personnel **may** accept invitations that are open to the public, all Government employees, or all military personnel. This exception would not apply to discounts to subgroups based on rank, position, or organization.
- *Exception #5:* Federal personnel **may** accept invitations offered to a group or class that is not related to Government employment. (For example, if the building owner where your office is located throws a reception for all of the tenants of the building.)
- *Exception #6:* Refreshments consisting of soft drinks, coffee, pastries, or similar refreshments not constituting a meal **may** be accepted since they are not considered to be a gift.
- *Exception #7:* Gifts based on a spouse's outside business or employment relationship **may** be accepted. For example, a Federal employee's spouse works at ABC. The Federal employee may accompany the spouse to the ABC employee holiday party since the invitation is to the spouse as an ABC employee, and not to the Federal employee because of his or her position.

Remember: Federal personnel **may not** accept a gift from an outside source, even where one of the exceptions applies, if the gift was solicited or is given in return for being influenced in the performance of an official act (this constitutes a bribe).

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<sup>2</sup> Gifts of \$20 or less per occasion, not to exceed \$50 in a year from one source.

## **PARTIES, OPEN-HOUSES, AND RECEPTIONS (FEDERAL PERSONNEL)**

- Invitation from your subordinate: You **may** accept personal hospitality at the residence of a subordinate that is customarily provided on the occasion.
- Invitations from your boss or a co-worker: No restrictions. Enjoy!

## **RULES APPLICABLE TO CONTRACTOR EMPLOYEES**

Many contractors have rules of ethics or business practices that are similar to the Federal rules. Take these rules into consideration before offering contractor employees gifts or opportunities that they may not be able to accept.

Office Party (non-duty time): Your office is having a holiday party during the non-duty lunch hour or after work and asks each person attending to pay \$5 to cover refreshments and to bring a potluck dish or dessert. Contractor employees **may** attend, pay \$5, and bring food because these contributions are not considered to be gifts, but a fair share contribution to the refreshments. Contributions must be voluntary, so soliciting must be done with care to ensure there is no pressure. Also, ensure this is non-duty time for the contractor employees, as well.

Office Party (duty time): What about a party that cuts into duty hours? The Government usually **may not** reimburse a contractor for its employees' morale and welfare expenses. The contractor has to decide whether to let its employees attend and forego payment for their time, or insist that they continue to work. If contractor employees are allowed to attend, the contractor must also decide whether it will pay its employees for that time, even though the Government will not reimburse it. The contractor does not have to pay its employees for that time. Consult the contracting officer and ethics counselor before inviting contractor employees to a function during their duty hours.

Gift to Supervisor: Your office wants to give the office supervisor a gift. However, you cannot solicit other employees for contributions to a group gift. (Group gifts are permitted only for special, infrequent events such as retirements.) As for contractor employees, you **may not** ask them to contribute anything to this type of gift, as it is considered soliciting a gift from a prohibited source. Even if contractor employees volunteer to contribute cash, the donation may not be accepted because the \$20 exception does not apply to cash.

Exchange of Gifts: Your office, including the contractor employees, wants to exchange gifts at the party. If gifts are chosen at random or traded, there are no monetary limits because the purchaser of the gift does not know who will eventually receive it. Gift exchanges in which employees purchase gifts for other employees whose names they drew at random are more troublesome. Where contractor personnel are involved, a \$20 limit applies. Where an employee may buy a gift for a superior, the \$10 limit is prudent.

Private Parties (Federal Personnel): One of your Government co-workers is having a party at his house and has invited office personnel, including the contractor employees. Providing food and refreshments to a contractor employee does not violate Government ethics

rules. The contractor employees may want to check with their contractor's rules before accepting (since many contractors have similar ethics rules). If the contractor employee brings a hospitality gift, it may not exceed \$20.

Private Parties (Contractor Employee): If a contractor employee is having a personal party and invites Government personnel, normally Government personnel **may** attend since the contractor is not paying for the event.

Private Parties (Contractor-sponsored): If the contractor is sponsoring an employee party or open-house, and you are invited by the contractor (or an employee of the contractor), you **may not** attend unless one of the exceptions applies. For example, under the "\$20 rule," if the average cost per guest does not exceed \$20, Government personnel may accept. (However, if the cost per guest is \$40, the "I won't eat more than \$20 worth of food" defense will not work.)

Also, Government personnel **may** accept if the invitation is based on a *bona fide* personal relationship with the contractor employee.

Finally, if the party qualifies as a widely-attended gathering (involving a large number of persons representing a diversity of views) and the employee's supervisor determines (in writing) that it is in the agency's interest for the employee to attend, the employee **may** enjoy the food, drink, and entertainment. Government personnel who desire to take a gift to show their appreciation for the hospitality should consult with the contractor employee to determine if he or she may accept such a gift in accordance with the contractor's rules of ethics.

#### **ADDITIONAL RESTRICTIONS FOR POLITICAL APPOINTEES**

Lobbyist Gift Ban: Full-time civilian political appointees **may not** accept gifts from registered lobbyists or lobbying organizations. Political appointees include all full-time non-career Presidential appointees, non-career Senior Executive Service (SES) appointees, and non-career appointees excepted from the competitive service by reason of being of a confidential or policymaking character (e.g., Schedule C, politically appointed term SES, or equivalent).

#### **FUNDRAISING**

An employee **may not** engage in fundraising, including active participation in a fundraiser, in his or her official capacity, unless authorized by statute, executive order, regulation or agency determination. The only authorized formal fundraising in the Air Force is on behalf of the Combined Federal Campaign and the Air Force Assistance Fund. Also, limited "by our own, from our own, for our own" internal organizational fundraisers may be authorized but check with an ethics official first.

An employee **may** engage in fundraising in his or her personal capacity as long as there is no solicitation from subordinates or persons having business with the Air Force and there is no use of official title or position. In addition, such solicitation should not be done on government property.

### OTHER IMPORTANT INFORMATION

1. You **may not** solicit outside sources<sup>3</sup> for contributions for your organizational holiday party. This includes funds, food, entertainment, and party materials.
2. Generally, office parties are unofficial events and you **may not** use appropriated funds to pay for them. Non-appropriated “unit funds” may be available for such events.
3. Depending on how they are structured, door prizes or drawings could involve gambling, which would require compliance with state statutes and Federal regulations. DoD regulations prohibit gambling in the Pentagon and on Federal property or while in a duty status. GSA regulations ban gambling in GSA-owned or controlled buildings.
4. You **may not** use appropriated funds to purchase and send holiday greeting cards.
5. As a general rule, personnel participate in holiday social events in a personal, not official, status. Therefore, use of Government vehicles to/from such events would not be authorized. However, there may be very limited circumstances in which a senior official or officer is invited to attend because of their official position and he or she will be performing official functions at the event, as opposed to being invited because he or she is an important person. In these situations, use of a Government vehicle **may** be authorized, subject to normal “home-to-work” transportation restrictions. Note, however, that it would be difficult, if not impossible, to justify the use of a Government vehicle when a function involves one’s immediate staff/office or events composed of personal friends. All requests for use of a Government vehicle to attend holiday social events should be reviewed on a case-by-case basis.

Have a wonderful holiday season!! Please remember this guidance highlights common questions and does not cover every situation in which you may encounter. If you have any questions, contact the Air Force Ethics Office at 703-693-0417 or via email at [USAF.Ethics@mail.mil](mailto:USAF.Ethics@mail.mil).

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<sup>3</sup> Outside sources include individuals outside of your organization unit. It also includes, for example, companies/organizations on base, contractors, or other non-Federal entities.