

## Definitions

**Gifts** - Any gratuity, favor, discount, entertainment, hospitality, loan, forbearance or other item having monetary value. It includes services as well, such as gifts of training, transportation, local travel, lodging and meals, whether provided in-kind, by purchase of a ticket, payment in advance or reimbursement after the expense has been incurred.

**Prohibited Source** - Any person who is seeking official action by the USG employee's agency, or does business or seeks to do business with the employee's agency.

**Lobbying** - Any person influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with any USG action, including the award, extension, renewal, amendment or modification of any USG contract, grant, loan or cooperative agreement.

## Topic: Compliance

### *Gifts to and Lobbying USG Employees*

#### **Q. May I send my AOTR/COTR flowers?**

**A.** Although your Agreement Officer's Technical Representative/ Contracting Officer's Technical Representative (AOTR/COTR)—formerly referred to as the Cognizant Technical Officer or CTO—oversees your project and is your advisor, advocate and colleague, no matter how much she or he may deserve a big bouquet of flowers, this U.S. Government (USG) employee probably will not be able to accept it.

As a grantee of the USG, there are important ethical considerations that govern the relationship between the employees of your organization and employees of the U.S. Government, including your AOTR/COTR and any other USG employees with whom you interact. You are also prohibited from using your USG funds in order to attempt to win or renew USG funding (see following page, Never Use USG Funds for Lobbying).

U.S. Government employees are expected to execute their work in an independent and impartial manner that maintains the public's confidence and the Government's integrity. To ensure that there is not even the appearance of inappropriate conduct, USG employees must abide by a very strict set of ethics rules, including specific regulations against accepting gifts, favors, entertainment or any other thing of monetary value from any prohibited source, including any person who has or is seeking to obtain contractual or other business or financial relations with the employee's agency, or has any other interests with the employee's agency. As a USG-funded organization, you fall under the category of "prohibited source."

There are a few exceptions to these rules and even some variations among USG agencies. However, a simple guideline to follow is to make sure that your interactions with USG employees do not give the appearance of trying to inappropriately influence their actions with gifts or favors.

#### **Exceptions to the Gift Rule**

- Promotional or advertising items of nominal value, such as pens or note pads;
- Certain travel expenses, when provided as a service to the USG, while the employee is executing his/her official duties. For example, if your AOTR/COTR is visiting your project site, it would be permissible to use your organization's vehicle to drive her/him to the site;
- Plaques or awards of nominal intrinsic value, meant primarily for display purposes;

## References

OMB Circular A-122  
[http://www.whitehouse.gov/omb/circulars\\_a122\\_2004/](http://www.whitehouse.gov/omb/circulars_a122_2004/)

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### For More information

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Funding for this publication was provided by the U.S. Agency for International Development, under the Capable Partners Program (CAP). Its contents, managed by CAP, and do not necessarily reflect the views of USAID or the U.S. Government.

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- Items of nominal value (less than US\$20), such as a greeting card;
- Snack foods or beverages when given as part of a widely attended event. For example, if you have a project site opening ceremony where you invite the press, local officials, employees of other NGOs, your staff and USG in-country staff and you serve refreshments to all attendees, including the USG staff; and
- A gift given because of a close family or personal relationship when the circumstances are clear that it is the relationship, rather than business, that is the motivating factor.

### Examples of Prohibited Gifts

- Any items that otherwise may be allowed, but are more than US\$20 in value. For example, an expensive promotional clock would not be allowed;
- Multiple, recurring items that might individually be allowed. For example, if a USG employee is working with you on site for a period of time, and you provide her/him with meals and refreshments throughout her stay. Though each meal may be less than US\$20, the recurring nature of the gift is considered inappropriate; and
- Gifts, favors or services provided to a USG employee's family, when it is given because of his/her relationship to the employee. For example, it would be inappropriate to hire a USG employee's family member who is not qualified for the position, if the only reason for hiring her/him is the relationship to the USG employee.

### Never Use USG Funds for Lobbying

Your organization is prohibited by law from using any of your USG funds to pay for any efforts to influence USG employees or Members of Congress to award, extend, renew, amend or modify any USG contract, grant, loan or cooperative agreement. Any activities that may be considered lobbying may not be paid for with USG funds under any circumstances.

For example, you cannot use your USG funds to pay for members of your board of directors to travel to Washington, DC to meet with USG officials and Members of Congress to discuss your programs in an effort to try to improve your chances of securing follow-on funding after your award expires. You may, however, use private funds for these activities.

### Conclusion

In the end, it is the USG employee's responsibility to make sure she or he complies with agency and USG ethical standards. But it helps if your organization's staff do not put their USG colleagues in the uncomfortable position of having to refuse a gift or meal—especially when your intention is simply to let them know you appreciate the help they have given your organization. A personal note or simple token, such as a photo of your staff, will mean more to them and will not be mistaken for an inappropriate gesture.