



COMDTINST 5760.13 21 MAR 2002

COMMANDANT INSTRUCTION 5760.13

Subj: RELATIONS WITH THE COAST GUARD ACADEMY ALUMNI ASSOCIATION (CGAAA) AND THE COAST GUARD ACADEMY PARENTS ASSOCIATION (CGAPA)

- 1. PURPOSE. This Instruction provides guidance regarding acceptance of CGAAA and CGAPA (Associations) gifts offered to the Coast Guard Academy (Academy) and guidance to Coast Guard personnel who participate in Association meetings or activities in either their official or private capacities.
2. ACTION. The Vice Commandant (G-CV), Director of Finance and Procurement (G-CFP) and the Academy Superintendent (Superintendent) shall ensure compliance with the provisions of this Instruction.
3. DIRECTIVES AFFECTED. Relations with the Coast Guard Academy Alumni Association (CGAAA), the Coast Guard Foundation (CGF) and the Coast Guard Academy Parents Association (CGAPA), COMDTINST 5760.11A is hereby cancelled.
4. DISCUSSION. The Associations are private, non-profit organizations that provide support to the Academy through donations of gifts. Given the Coast Guard's nature as a regulatory and law enforcement agency, appropriate acceptance and accounting procedures and controls must be implemented to avoid any negative perception of the Coast Guard.
5. DEFINITIONS.
a. Gift. A gift is the gratuitous, voluntary transfer of ownership in property or the gratuitous provision of a service without consideration or compensation. Said another way, a gift is anything not paid for by the recipient that has a monetary value, including, but not limited to, such items as cash, negotiable instruments, securities, endowments, scholarships, personal property, real property, and services.

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b. Prohibited Source.

- (1) As a general rule, a prohibited source is any person, company, organization or non-federal governmental entity that: is doing business with the Coast Guard; is seeking business with the Coast Guard; is conducting activities that are regulated by the Coast Guard; has interests that might be substantially affected by Coast Guard personnel performing or not performing their duty; or, is an organization or association having a majority of members that meet one or more of the above criteria. However, recreational boaters, although technically regulated by the Coast Guard, are exempted as a class from prohibited source rules for purposes of this instruction. Additionally, attorneys who devote less than a majority of their time to representing (or lobbying for) the maritime industry and who also derive less than a majority of their personal income from representing (or lobbying for) the maritime industry (either directly or through members of the firm) are also exempted as a class from prohibited source rules for purposes of this instruction.
- (2) If the salaried Chief Executive Officer or volunteer Chief Executive Officer, or equivalent, in an Association is a prohibited source or is an officer, employee, or representative of a prohibited source, then that Association is deemed to be a prohibited source.
- (3) If the majority of an Association's board members are officers, employees, or representatives of prohibited sources, then that Association is deemed to be a prohibited source.

c. Restricted Gift. Any gift that the original donor explicitly specifies must go to the Coast Guard. An original donor is the person or entity that offers or makes a gift to the Coast Guard through the Foundation.

d. Unrestricted Gift. Any gift that is not a restricted gift.

6. POLICY AND PROCEDURES.

a. Association Gifts

- (1) Delegation Of Gift Acceptance Authority. Except for gifts of official foreign travel, the Vice Commandant (G-CV) and the Director, Finance and Procurement (G-CFP) are hereby delegated the authority to accept all gifts offered to the Coast Guard Academy by the Associations, regardless of value. Except for gifts of official foreign travel, the Coast Guard Academy Superintendent is hereby delegated the authority to accept gifts from the Associations that have a value of \$50,000 or less. All other gifts exceeding the \$50,000 limit shall be forwarded to Commandant (G-CFP) for an acceptance decision. These delegated gift acceptance authorities cannot be re-delegated without the express, written approval of the Commandant.

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Gift acceptance decisions must be in writing and personally signed by Commandant (G-CV), Commandant (G-CFP) or the Superintendent.

- (2) Academy Needs Lists. Each year, the Superintendent shall approve an Academy needs list. The needs list will identify items and projects that will enhance the programs of or benefit the Academy. Although all Coast Guard personnel are prohibited from soliciting gifts, if an Association makes a written or verbal offer to provide gift support to the Academy, or if an Association asks for needs list information, the Vice-Commandant and Superintendent, or their designees, are authorized to respond to the Association by providing the needs list, or needs list information.
 - (3) Association Gift Offers. The Associations may provide an annual, written, omnibus gift offer to the Superintendent. Such annual gift offers may contain a list of individual gift items that the Associations are prepared to donate to the Academy. The Associations may also offer gifts throughout its gift-year to the Academy that are separate from the gift items listed on Association's annual omnibus gift offer.
- b. Special Scrutiny of Certain Restricted Gifts. The Associations have agreed to provide Commandant (G-CFP), or the Superintendent where appropriate, with the identity of any donor that contributes more than \$25,000 to an Association in any one restricted gift transaction or who donates a total of more than \$100,000 to an Association for multiple restricted gifts during an Association's gift year. Commandant (G-CFP), or the Superintendent where appropriate, shall conduct a prohibited source review as discussed in paragraph 6. f. prior to accepting a restricted gift that exceeds those thresholds. A paragraph 6. f. review is not required, but can be applied at the acceptance authority's discretion, if the restricted gift value thresholds are not exceeded. It is understood that an Association may offer a gift item to the Coast Guard but may not be able to identify a donor or donors at that time because the Association intends to solicit donations for the gift item later during the gift year. In such cases, Commandant (G-CFP), or the Superintendent where appropriate, may accept the Association gift item subject to later scrutiny of the donor or donors as necessary.
- c. Prohibited Source Review. Commandant (G-CV), Commandant (G-CFP) or the Superintendent may accept a gift only after determining that it is in the Coast Guard's best interest to do so. If the original donor is not a prohibited source the gift may be accepted without special scrutiny described in this paragraph. If the donor is a prohibited source the following must be considered prior to accepting the gift: the positive impact on the Coast Guard in accepting the gift; the business or regulatory relationship between the prohibited source donor and the Coast Guard; the nature and sensitivity of any matter pending between the prohibited source donor and the Coast Guard; the likelihood of adverse publicity should the gift be accepted; and whether a reasonable person, knowing all the facts, would lose confidence in Coast Guard programs or operations by concluding that there is an impropriety in accepting the gift. Whenever special scrutiny of a restricted gift is required, Commandant (G-CV), Commandant (G-CFP), and the Superintendent must obtain and

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consider an opinion and recommendation from their servicing Coast Guard legal office before accepting the gift from the prohibited source.

7. **PARTICIPATION IN ASSOCIATION MEETINGS AND ACTIVITIES.** Coast Guard personnel participate in Association meetings and activities in either an official (Coast Guard) or personal (private citizen) capacity.

a. **Participation in an Official Capacity.**

- (1) All flag officers and SES employees are hereby designated as official Coast Guard liaisons to the Associations. No other Coast Guard personnel are designated as liaisons to the Associations. The Vice-Commandant is the senior Association liaison and shall make or approve policy regarding the Coast Guard's and the Academy's relations with the Associations. As liaisons, when it is in the best interest of the Coast Guard, flag officers and SES employees can, as described below, participate in Association meetings and activities. Such participation is official, shall be in uniform and is at government expense. Liaisons should contact their servicing legal office for ethics advice prior to participating in any Association meeting or activity especially if the activity is an Association fundraising event. Liaisons are permitted to use Coast Guard time, assets and funds to prepare for or participate in the Association meetings and activities. The Association liaisons represent only the Coast Guard's interests, never the Association's interests. Liaisons are prohibited from participating in the management of the Associations, sitting as an honorary or official Association board member, or exercising a vote during Association meetings or activities. Liaisons are prohibited from soliciting gifts from the Associations for the Coast Guard, Academy, or themselves. If the Association offers to pay some or all of the expenses associated with a liaison participating in an Association meeting or activity, or if the Association offers any gift to a liaison, the liaison shall contact their servicing legal office for advice.
- (2) It may be in the Coast Guard's interest that other Coast Guard personnel attend Association meetings and activities in an official capacity. Such personnel must first contact their servicing legal office for guidance.

b. **Participation in a Private Capacity.** Within certain restrictions, Coast Guard personnel can participate in Association meetings and activities in their private, personal capacities. In so doing, they are acting as private citizens. They do not represent the Coast Guard and cannot wear the uniform. Coast Guard time, assets, or funds cannot be used to prepare for or participate in an Association meeting or activity in a private, personal capacity. Prior to participating in an Association meeting or activity in a private, personal capacity, Coast Guard personnel should contact their servicing legal office for ethics advice. Even when acting in a private, personal capacity, Coast Guard personnel cannot solicit gifts from the Associations for the Coast Guard, Academy, or themselves. If an Association offers to pay some or all of the expenses associated with participating in an Association meeting or activity in a private, personal capacity, or offers any gift, Coast Guard personnel must contact their servicing legal office for advice.

8. **PROGRAM MANAGEMENT.**

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- a. With respect to relations with the Associations, the Vice-Commandant is the Program Director with overall program authority and responsibility.
 - b. With respect to relations with the Associations, the Director of Finance and Procurement is the Program Manager with the responsibility for day to day management of the program and is the primary gift acceptance authority for all Association gifts accepted at Coast Guard Headquarters.
9. **RESPONSIBILITIES FOR ASSOCIATION GIFTS.** All Association gifts accepted by Commandant (G-CV), Commandant (G-CFP) and the Coast Guard Academy Superintendent must be properly accounted for. The following responsibilities are assigned.
- a. Superintendent of the Academy
 - (1) All cash/check gifts and all negotiable instruments and securities accepted by the Superintendent shall be directed to the Academy Comptroller for recording and forwarding to the Coast Guard Finance Center in accordance with The Standard Operating Procedures (SOP), FINCENSTFINST M7000 and deposited in the Coast Guard Gift Fund. Where appropriate, funds deposited in the Gift Fund will be distributed to local accounts to facilitate use.
 - (2) For gifts of real and personal property accepted by the Superintendent, the Academy will make all appropriate entries in the Coast Guard Property System.
 - (3) The Superintendent shall submit an annual gift acceptance report to Commandant (G-CFP).
 - b. Commandant (G-CFP)
 - (1) On an annual basis, Commandant (G-CFP) shall determine whether the Associations are deemed to be a prohibited sources.
 - (2) Commandant (G-CFP) shall perform audits of gift accounts to ensure adherence to established policy and procedures.
 - (3) For gifts of real or personal property accepted at Headquarters, appropriate entries will be made in the Coast Guard Property System.
 - (4) Commandant (G-CFP) shall be the primary point of contact for acceptance of Association gifts for the Coast Guard in general and will maintain all records for all gifts accepted by Headquarters.
 - (5) Commandant (G-CFP) shall prepare and submit to Commandant (G-CV) an annual report of all Association gifts accepted by the Coast Guard during the gift year.
 - (6) All cash/check gifts and all negotiable instruments and securities accepted at Headquarters shall be directed to Commandant (G-CFM-3) for recording and forwarding to the Coast Guard Finance Center in accordance with the Standard Operating Procedures (SOP), FINCENSTFINST M7000 and deposited in the Coast

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Guard Gift Fund. Where appropriate, funds deposited in the Gift Fund will be distributed to local accounts to facilitate use.

c. Commandant (G-CV)

- (1) Commandant (G-CV) shall provide copies of all gift related and special project approval correspondence to Commandant (G-CFP) for permanent record keeping.

/s/

James M. Loy
Commandant