



Commandant
United States Coast Guard

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COMDTINST 5760.14
21 MAR 2002

COMMANDANT INSTRUCTION 5760.14

Subj: ACCEPTANCE AND ACCOUNTING FOR SPECIAL PROJECTS AND OTHER GIFTS TO THE COAST GUARD FROM NON-FEDERAL SOURCES

Ref: (a) Financial Resource Management Manual, COMDTINST M7100.3 (series)
(b) Relations with the Coast Guard Foundation, COMDTINST 5760.12 (series)
(c) Relations with the Coast Guard Academy Alumni Association (CGAAA) and the Coast Guard Academy Parents Association (CGAPA), COMDTINST 5760.13 (series)

1. **PURPOSE.** This Instruction amplifies reference (a) and provides guidance regarding acceptance and accounting for gifts, including travel, offered to the Coast Guard from non-federal sources. Additional information regarding acceptance and accounting for gifts from the Coast Guard Foundation, Coast Guard Academy Alumni Association and the Coast Guard Academy Parents Association can be found in references (b) and (c).
2. **ACTION.** Area and district commanders, commanders of maintenance and logistics commands, chiefs of offices and directors at Coast Guard Headquarters, the Academy Superintendent and commanding officers of headquarters units 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.** Coast Guard Personnel may encounter circumstances where gifts from non-federal sources are offered to them personally or to the Coast Guard. This instruction does not address personal gifts to individuals. Standards of Conduct, COMDTINST M5370.8 (series),

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governs gifts offered to individuals. Depending upon the nature of the gift and the purpose for which it is intended, gifts to the Coast Guard may be accepted where delegated authority exists. The rules for delegation of authority governing acceptance of gifts generally apply to donations through bequests and devises as well. Coast Guard personnel are prohibited from soliciting gifts.

5. DEFINITIONS.

- a. Coast Guard Personnel. For purposes of this Instruction, the term "Coast Guard personnel" includes all uniformed members of the Coast Guard Regular Component; all appropriated and non-appropriated fund civilian employees; all Special Government Employees; all uniformed members of the Coast Guard Reserve Component while on inactive or active duty training and while earning retirement points pursuant to Title 10, U.S.C.; all Auxiliary members when under orders; all uniformed members of the Public Health Service (PHS) and Department of Defense (DOD) Regular Component assigned or detailed to the Coast Guard for 30 days or more; Coast Guard Academy cadets; and any expert or consultant who is under contract with the Coast Guard pursuant to 5 U.S.C. 3109.
- b. 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.
- c. 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 the organization is a prohibited source or is an officer, employee, or representative of a prohibited source, the organization is deemed to be a prohibited source.

- (3) If the majority of the organization’s board members are officers, employees, or representatives of prohibited sources, the organization is deemed to be a prohibited source.

6. **POLICY AND PROCEDURES.**

a. **Gift Acceptance Authority.**

- (1) With the exception of offers by non-federal sources to pay for official foreign travel expenses, the Vice Commandant (G-CV) and the Director of Finance and Procurement (G-CFP) are hereby delegated the authority to accept all gifts, including real property, on behalf of the Coast Guard. Commandant (G-CFP) is the primary gift acceptance authority for the Coast Guard.
- (2) Pursuant to references (b) and (c), only Commandant (G-CV), Commandant (G-CFP) and Superintendent of the Coast Guard Academy are authorized to accept gifts from the Coast Guard Foundation, CG Academy Alumni Association and the CG Academy Parent’s Association.
- (3) Other gift acceptance authority is hereby delegated as described below:

<u>Types of Gifts</u>	<u>Gifts Acceptance Authority</u>
Personal property, cash, checks, securities and domestic travel valued at \$5000 or less.	Area Commander and Chief of Staff; MLC Commander and Deputy Commander; District Commander and District Chief of Staff; Superintendent and Assistant Superintendent of the Coast Guard Academy.
Payment of domestic travel expenses for Coast Guard bands, honor guards, drill teams, air show participants, and personnel handling static displays.	Gift acceptance authorities as listed above, Commandant (G-I), Commanding Officers of HQ and Maintenance and Logistics Commands with Legal Officers or Attorney Advisors permanently assigned.
Personal Property including cash, checks, and securities valued at \$2,000 or less.	Gift acceptance authorities as listed above plus Commanding Officers (O6 and above).
Cash or checks valued at \$200 or less.	Gift acceptance authorities as listed above plus COs/OINCs and O6/civilian equivalents.
Gifts from foreign governments	Gift acceptance authorities as listed above plus COs/OINCs and O6/civilian equivalents.
Other	As per individual letters of delegation.

b. **Policies for Processing Gift Offers.**

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- (1) All personnel authorized to accept gifts may accept or elect to refuse a gift offer to the Coast Guard. Carefully consider gift offers and exercise discretion in the acceptance of gifts. In some cases it may be in the best interest of the Coast Guard to decline a gift offer. Consider the following factors in determining whether acceptance of the gift is appropriate: does acceptance create a potential conflict of interest because of the source of the gift; can the Coast Guard reasonably comply with any requirements imposed by the donor; does acceptance of the gift serve a recognized need or objective of the Coast Guard; are the costs and the administrative efforts required to accept and use the gift so extensive that acceptance of the gift is not cost beneficial; and, are there specific considerations which suggest that acceptance of the gift would be inappropriate?
- (2) All offers, which are beyond the acceptance authority of the recipient, must be forwarded to the proper acceptance authority for resolution. If the offer is forwarded to the next level in the chain of command, provide amplifying information so as to enable a determination to be made as to whether the gift should be accepted; and include an appropriate recommendation. In addition, the recipient shall thank the offeror in writing, noting that the offer has been forwarded for disposition in accordance with agency policy.
- (3) Obtain pertinent information regarding the gift offer including: name/organization of offeror; description, value and condition of item; how the offeror wants the gift used and if the item must be returned to the offeror. All gift offers must be made in writing.
- (4) Gifts of official travel expenses must be approved in writing prior to the beginning of the actual travel. Gifts of official travel expenses must be processed in accordance with the procedures set forth in the GSA Travel Rule, 41 C.F.R. Part 304-1. Specifically, the acceptance request must include the following information: the name, address and description of the non-federal source; the nature of the event to which the travel is related; the justification for attendance by agency personnel at the event; and the justification for acceptance of travel expenses. Sample letter requests for accepting gifts of travel are found in enclosures (2) and (3).

c. Gift Acceptance Authority Action.

- (1) Ensure that the gift offer is reviewed by the appropriate personnel (e.g., the unit comptroller, legal counsel). Accept the gift if it is within the acceptance authority's limits and gift acceptance criteria are met. If the acceptance criteria are not met, decline acceptance of the gift. Coast Guard commands with gift acceptance authority shall provide gift acceptance services to their subordinate units. If the offeror is a prohibited source, accepting authorities shall contact their servicing legal office prior to accepting a gift.

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- (2) For gifts that are accepted or declined, the donor along with the unit that received the offer must be notified in writing.
 - (3) Sample approval letters, special instructions for preparing travel orders and other documentation requirements needed to approve travel related to performances by Coast Guard bands, honor guards, drill teams, air show participants, and exhibitory personnel handling static displays are available from the servicing legal office, MLC (f) or Commandant (G-CFM-3). Travel orders shall cite applicable unit accounting data; any cash payments accepted shall be deposited to the Coast Guard Gift Fund and subsequently credited to the account cited on the travel orders. In the case of a payment in kind, a pro rata reduction shall be made in any entitlement of the member. Gift acceptance of travel expenses does not eliminate the requirement under Foreign Travel, COMDTINST 5000.5 (series) to clearance from the American Embassy before traveling overseas. Prior approval is required for acceptance of all gifts/reimbursements of travel.
- d. Custody Before Acceptance. As a matter of policy, Coast Guard personnel are not permitted to accept physical custody of a gift from its donor until the gift has been formally accepted by the Coast Guard. In circumstances where this is impractical (for example, the donor insists on transferring custody or the gift arrives unannounced), refer the donor to the cognizant gift acceptance authority. Notify the cognizant gift acceptance authority by the most expeditious means via the chain of command and obtain disposition instructions.
 - e. Transfer of a Gift. Necessary fees, charges and expenses in connection with acceptance of gifts are properly chargeable to unit AFC-30 funds.
 - f. Bands, Honor Guards and Displays. The provisions of the Public Affairs Manual, COMDTINST M5728.3 (series) apply to private sponsorship of the Coast Guard Band and Coast Guard Honor Guard activities and displays of Coast Guard aircraft, including commercial air shows. The Coast Guard Air Operations Manual, COMDTINST M3710.1 (series) sets forth specific guidance regarding the participation of aircraft in flight and static displays.
 - g. Gifts From a Foreign Government. Special rules govern the acceptance of gifts and gifts of travel offered by foreign governments. For further information, refer to the Financial Resource Management Manual (FRMM), Commandant Instruction M7100.3 (series).
 - h. Property and Accounting Records.
 - (1) Gifts of personal property other than cash, checks, negotiable instruments or securities and real property must be recorded in applicable property records in accordance with the Property Management Manual, COMDTINST M4500.5 (series), or Real Property Management Manual, COMDTINST M11011.9 (series).

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- (2) Gifts of cash, checks, securities, or negotiable instruments shall be forwarded (FINCEN (ff)) and recorded in the official Coast Guard Gift Fund accounting records in accordance with the Finance Center SOP Manual, FINCENSTFINST M7000.1.
- i. Special Projects. Special projects relate to the acquisition, improvement, modification or renovation of real property shore facility asset(s). These are usually larger projects in cost, scope and complexity and may take more than 12 months to complete from planning through construction completion. Special projects stand to significantly improve the quality of life for Coast Guard members and families at Coast Guard facilities nationwide. While not the only source of funding, the Coast Guard Foundation is a major contributor to special projects. Projects previously funded by the Foundation include large play structures for Coast Guard dependents, pool facilities, gym facilities, tennis/basketball courts, rowing or sailing centers, etc. In order to exercise due diligence in accepting these types of gifts the procedures in enclosure (1) for special project approval shall be followed.
- j. Disposal of Gift Property. Contact Commandant (G-CFM-3) for information regarding disposal of gift property. In some cases, proceeds from sales of gift property may be deposited in the Gift Fund, if consistent with the terms of the gifts.
- k. Gift Fund Management.
 - (1) The Coast Guard Gift Fund is one of the funds subject to the internal control and financial statement/audit requirements imposed by the Chief Financial Officer Act. Unless prohibited by law, gifts of money are to be expended in accordance with the terms of the gift. In order to maximize the usefulness of the gift, the principal will normally be invested in Treasury bills. The Finance Center will maintain the gift fund accounting records (including the Yard and Inventory Control Points) and will invest available funds based on spend plan needs and in consultation with Commandant (G-CFM). Units will generally be provided with special gift fund Program Element Status reports.
 - (2) Units with gifts in the gift fund shall provide the following to Commandant (G-CFM):
 - (a) By 15 August: A spend plan for approval. The plan should contain an itemized list of planned expenditures and amounts. Approved plans shall be returned by 1 October. Commandant (G-CFM) will provide the Finance

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Center with a copy of approved spend plans each year so that investment decisions can be made and to insure liquid assets are available to meet planned expenditures.

- (b) By 15 October: Year end list of expenditures by gift for the fiscal year ending on 30 September. Commandant (G-CFM) will monitor gifts on the report to ensure that expenditures incurred are in compliance with the gift's purpose as specified by the donor.
- (3) Investment of funds is an interactive decision that depends upon the income stream needed to meet planned expenditures. Investment decisions commit the funds for six months to one year. Therefore, in order to assure the availability of funds, gift fund expenditures should not be made unless submitted and approved by Commandant (G-CFM) on the annual gift spend plan.

7. SEMIANNUAL REPORT.

- a. Area/MLC/district commanders, the Superintendent of the Academy and commanding officers of Headquarters units with permanently assigned legal officers shall make semiannual reports to Commandant (G-CFM) on gift activities. Gifts valued at less than \$2,000 and that do not involve foreign gifts, travel or real property need not be reported.
- b. These reports shall be for the periods: 1 October through 31 March and 1 April through 30 September and are due to Commandant (G-CFM) no later than 30 days after the close of the period.

/s/

James M. Loy
Commandant

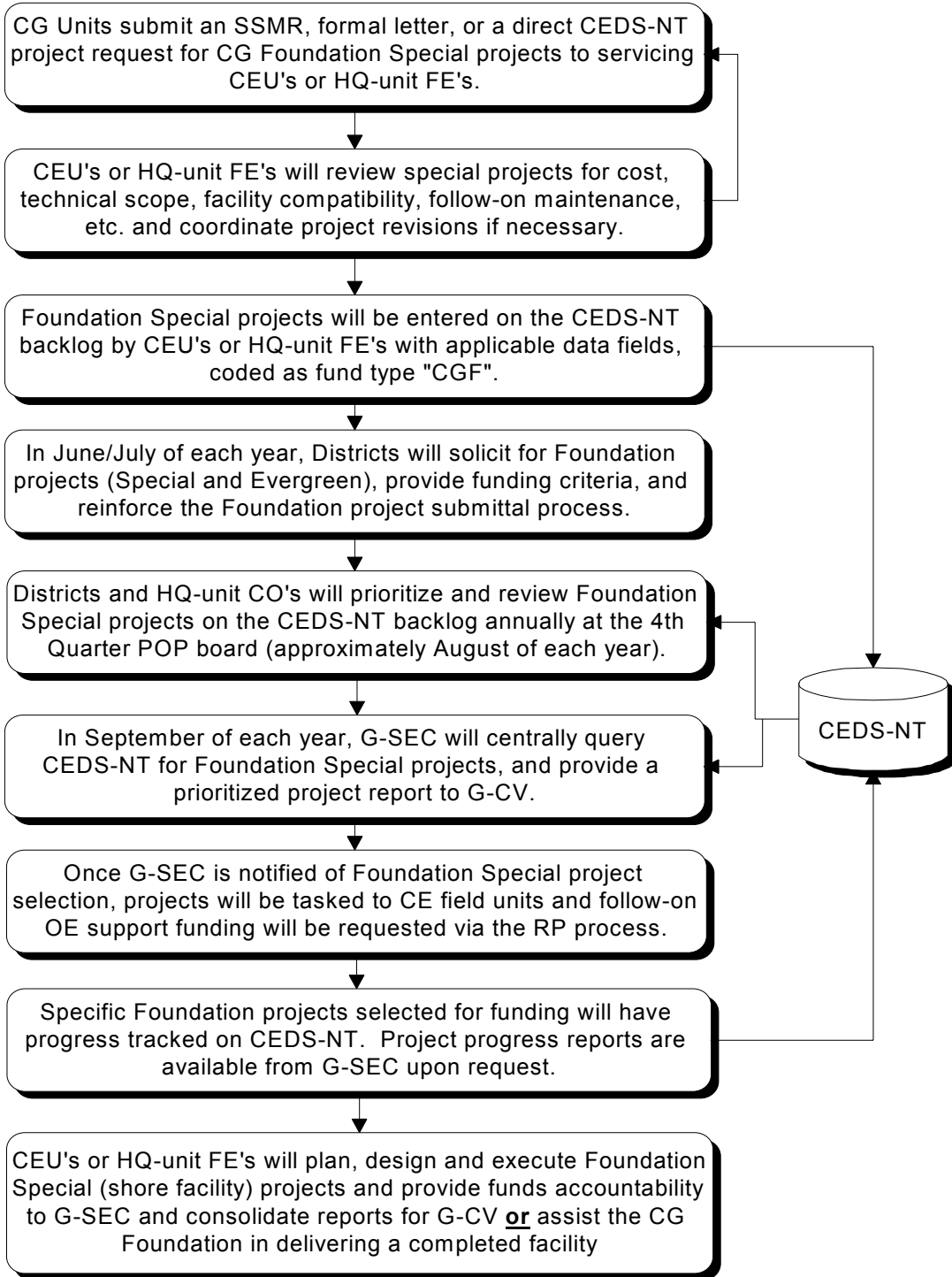
- Encl: (1) Policy and Procedures for Special Projects
(2) Sample Memorandum - Acceptance of Payment for Foreign Travel
(3) Sample Memorandum - Acceptance of Payment for Domestic Travel Under GSA Rule

POLICY AND PROCEDURES
FOR
SPECIAL PROJECTS

This guidance outlines the submission, review, tracking, prioritization, approval, execution, and reporting process of Special Projects using the Civil Engineering Data System (CEDDS).

- a. Submission: CG Units will submit a Shore Station Maintenance Report (SSMR), formal letter, or enter a direct CEDDS project request for special projects to their servicing Civil Engineering Units (CEU).
- b. Review: The CEU will review the project for technical scope, ensure improvements comply with CG standards, *validate the cost estimate*, and review for potential follow-on costs. The CEU will coordinate revisions with the requestor if necessary and will be responsible for maintaining project documentation.
- c. Tracking: Projects will be assigned a project number and entered on the CEDDS backlog by the CEU. Special projects will be coded as fund type “CGF”. Information will be maintained and updated by the servicing CEU as projects are worked through the process.
- d. Prioritization: Districts and HQ Unit COs will review and prioritize special projects via the servicing CEU at the Project Obligation Priority (POP) boards throughout the FY. In June the MLCs will finalize the prioritization of all projects for their AOR and assign priority numbers within CEDDS. Commandant (G-SEC) will query CEDDS and extract projects by Area on September 30th of each FY. Both MLC prioritized lists will be forward to Commandant (G-CV), via Commandant (G-S) and copy to Commandant (G-CCS). Projects remaining on the backlog more than 10 years will be purged from CEDDS and returned to originating unit for revalidation.
- e. Approval: Commandant (G-CV) shall notify Commandant (G-S) as to the projects selected for funding. Commandant (G-SEC) will notify the MLC/CEU of the approved project for coordination directly with the donor.
- f. Execution: Projects selected will be tasked to the appropriate CE field unit. Should funding be provided via the CG Gift Account, the responsible CEU or designated Facility Engineer will plan, design, and execute special projects and provide funds accountability. When applicable, any follow-on operating expense (OE) support funding requirements will be requested via the Resource Proposal (RP) process. Should the donor choose to contract and build the special project directly, the CEU or Facility Engineer (FE) will assist the donor in delivering a complete and usable facility.
- g. Reporting: Special Projects will be tracked using CEDDS. Project progress reports will be available from Commandant (G-SEC) upon request
- h. Funds Accountability: When funding is provided via the CG Gift account, CEUs will plan, design, and execute special projects and provide funds accountability to the donor.

Process to Capture, Review, Prioritize and Report CG Foundation Special Projects





Memorandum

Subject: ACCEPTANCE OF PAYMENT FOR FOREIGN TRAVEL

Date: 5370

Reply to
Attn. of:

From: (Flag-level supervisor of invitee)

To: Commandant

Ref: (a) Financial Resource Management Manual, COMDTINST M7100.3A, Article 5-W-3

1. Based upon the following information, your acceptance of a payment of travel expenses under 41 C.F.R. Part 304-1 is requested.

- a. Name and position of traveling employee:
- b. Name, address and description of the non-Federal source:
- c. Nature of meeting or similar function:

d. Justification for attendance of employee at meeting: (State that the travel is: 1) related to the employee's official duties; 2) it is beneficial to the Coast Guard; 3) it is for attendance at a "meeting or similar function"; 4) it takes place away from the employee's duty station and that the employee will be in a travel status.)

e. Justification for acceptance of travel expenses. There is no conflict of interest that would prevent acceptance of payment. In reaching this conclusion, I have considered:

(Discuss: 1) the identity of the non-Federal source; 2) the purpose of the meeting or similar function; 3) the identity of the expected participants; 4) the nature and sensitivity of any matter pending at the agency that could affect the interests of the non-Federal source) **(if there are pending matters, describe them)**; 5) the significance of the employee's role in any such matter (if the employee has a significant role, payment may not be accepted); and, 6) the monetary value and character of the travel benefits offered by the non-Federal source.)

Therefore, the GSA Travel Rule and the Joint Federal Travel Regulations authorize acceptance of the travel expenses.

Enclosure (2) to COMDTINST 5760.14

f. Time and place of meeting:

g. Nature of expenses covered:

(Lodging, meals, and round-trip transportation between the employee's duty station and the site of the meeting/conference. If the donor is a foreign government, add the following sentence: The gift of air travel may be accepted under the GSA Travel Rule. The gift of (ground transportation, meals and lodging) will be accepted under the Foreign Gifts Act: the donor is a foreign government; the gift is for travel-related expenses taking place entirely outside the United States; and, acceptance is consistent with the interests of the United States and not prohibited by agency policy. 5 U.S.C. 7342(c) (1)(B)(ii).)

h. Amount and method of payment. Payment will be made to the Coast Guard by check (or, in-kind) to cover the following expenses:

(Round-trip air) Transportation	\$ _____
Meals	\$ _____
Lodging	\$ _____
Total	\$ _____

(If any of the costs exceed the limitations allowed by the travel regulations, indicate whether the cost(s) will be paid in full by the non-Federal source and if the costs are comparable in value to that offered to, or purchased by, other individuals attending the meeting or conference. Also specify that air transportation, if applicable, is via coach class in accordance with Department of Transportation policy.)

2. Your acceptance is recommended. As indicated below, the (name of servicing legal office) concurs in this acceptance.

(signature of employee's flag-level supervisor)

- Encl: (1) Employee's Travel Orders
(2) Invitation to Meeting or Similar Function
(3) Background Information on Non-Federal Source

APPROVE: _____
Commandant

CONCUR: _____
Chief Counsel

DISAPPROVE: _____

NONCONCUR: _____

DATE: _____

DATE: _____



Memorandum

Subject: ACCEPTANCE OF PAYMENT FOR DOMESTIC
TRAVEL UNDER GSA RULE

Date:
5370

Reply to
Attn. of:

From: (Supervisor of invitee)

To: (Acceptance Authority)

Ref: (a) Financial Resource Management Manual, COMDTINST M7100.3A, Article 5-W-3

1. Based upon the following information, your acceptance of a payment of travel expenses under 41 C.F.R. Part 304-1 is requested.

- a. Name and position of traveling employee:
- b. Name, address and description of the non-Federal source:
- c. Nature of meeting or similar function:

d. Justification for attendance of employee at meeting: (State that the travel is: 1) related to the employee's official duties; 2) it is beneficial to the Coast Guard; 3) it is for attendance at a "meeting or similar function"; 4) it takes place away from the employee's duty station and that the employee will be in a travel status.)

e. Justification for acceptance of travel expenses. There is no conflict of interest that would prevent acceptance of payment. In reaching this conclusion, I have considered:

(Discuss: 1) the identity of the non-Federal source; 2) the purpose of the meeting or similar function; 3) the identity of the expected participants; 4) the nature and sensitivity of any matter pending at the agency that could affect the interests of the non-Federal source) **(if there are pending matters, describe them)**; 5) the significance of the employee's role in any such matter (if the employee has a significant role, payment may not be accepted); and, 6) the monetary value and character of the travel benefits offered by the non-Federal source.)

Enclosure (3) to COMDTINST 5760.14

Therefore, the GSA Travel Rule and the Joint Federal Travel Regulations authorize acceptance of the travel expenses.

f. Time and place of meeting:

g. Nature of expenses covered:

(Lodging, meals, and round-trip transportation between the employee's duty station and the site of the meeting/conference.)

h. Amount and method of payment. Payment will be made to the Coast Guard by check (or, in-kind) to cover the following expenses:

(Round-trip air) Transportation	\$ _____
Meals	\$ _____
Lodging	\$ _____
Total	\$ _____

(If any of the costs exceed the limitations allowed by the travel regulations, indicate whether the cost(s) will be paid in full by the non-Federal source and if the costs are comparable in value to that offered to, or purchased by, other individuals attending the meeting or conference. Also specify that air transportation, if applicable, is via coach class in accordance with Department of Transportation policy.)

2. Your acceptance is recommended. As indicated below, the (name of servicing legal office) concurs in this acceptance.

(signature of employee's supervisor)

- Encl: (1) Employee's Travel Orders
(2) Invitation to Meeting or Similar Function
(3) Background Information on Non-Federal Source

APPROVE: _____
(name of Acceptance Authority)

CONCUR: _____
(servicing legal office for acceptance authority)

DISAPPROVE: _____

NONCONCUR: _____

DATE: _____

DATE: _____