



COMDTINST 5760.12B
07 DEC 2020

COMMANDANT INSTRUCTION 5760.12B

Subj: RELATIONS WITH THE COAST GUARD FOUNDATION

1. PURPOSE. This Instruction provides guidance regarding acceptance of Coast Guard Foundation (CGF) gifts offered to the Coast Guard and guidance to Coast Guard personnel who participate in CGF meetings or activities in either their official or private capacities.
2. ACTION. Unit commanders, commanding officers, officers-in-charge, deputy/assistant commandants, and chiefs of headquarters staff elements shall comply with the provisions of this Instruction. Internet release is authorized.
3. DIRECTIVES AFFECTED. Relations with the Coast Guard Foundation, COMDTINST 5760.12A is cancelled.
4. DISCUSSION.
 - a. CGF is a non-profit organization that seeks to enhance the quality of life of Coast Guard people and their families. Its generous support makes possible many programs that contribute to the morale and well-being of the Coast Guard Family. Accordingly, an appropriate and productive relationship with the CGF is in the Coast Guard's best interest. Careful attention to that relationship, however, is important.
 - b. Unlike the other branches of the armed forces, the Coast Guard is also a federal law enforcement agency and federal regulatory agency. The Coast Guard may take actions or make decisions that could impact maritime companies and officials. Additionally, major procurement decisions affecting maritime industry companies may be pending with the Coast Guard. Although, in the public's eye, CGF is a private, non-profit organization, it is closely affiliated with the Coast Guard. Some maritime companies donate gifts to CGF and some maritime officials participate in the management of CGF. This uniqueness requires all Coast Guard personnel to be sensitive to potential adverse perception and

DISTRIBUTION – SDL No. 170

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	
A																											
B		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X							
C																											
D																											
E																											
F																											
G																											
H																											

NON-STANDARD DISTRIBUTION: ALL FLAG-OFFICERS AND SENIOR EXECUTIVE SERVICE PERSONNEL

publicity that could result from the Coast Guard accepting gifts from CGF that originated with donors who do business with the Coast Guard, who are regulated by the Coast Guard, or who have interests that could be substantially affected by Coast Guard decisions.

- c. CGF conducts business meetings and also sponsors activities, including, but not limited to, dinners and award ceremonies. Some of the activities may be fundraising events. All Coast Guard personnel must be aware that federal ethics rules regulate their participation in CGF meetings or activities even if their participation is in a personal, private capacity.
 - d. CGF has a program throughout the United States where representatives of CGF are responsible for a specific geographic area and will request to meet with local commands to better understand how CGF can support Coast Guard people. Where a CGF representative has requested to meet, Commands are authorized to meet with CGF representatives to describe the entertainment, recreational, and family needs of the unit. All gift acceptances, other than those described below that may be accepted in a Coast Guard person's personal capacity, will be accepted by Commandant (CG-8) in accordance with this Instruction.
5. DISCLAIMER. This guidance is not a substitute for applicable legal requirements, nor is it itself a rule. It is intended to provide operational guidance for Coast Guard personnel and is not intended to nor does it impose legally-binding requirements on any party outside the Coast Guard.
 6. MAJOR CHANGES.
 7. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS.
 - a. Commandant (CG-81) reviewed the development of this Instruction, and the general policies contained within it, and determined that this policy falls under the Department of Homeland Security (DHS) categorical exclusion A3. No further environmental analysis is necessary in accordance with the U.S. Coast Guard Environmental Planning Policy, COMDTINST 5090.1 (series).
 - b. This Instruction will not result in any substantial change to existing environmental conditions or violation of any applicable federal, state, or local laws relating to the protection of the environment. It is the responsibility of the action proponent to evaluate all future specific actions resulting from this policy for compliance with the National Environmental Policy Act (NEPA), other applicable environmental mandates, and the U.S. Coast Guard Environmental Planning Policy, COMDTINST 5090.1 (series).
 8. DISTRIBUTION. No paper distribution will be made of this Instruction. An electronic version will be located on the Office of Directives and Publications (CG-612) web sites. Internet: <http://dcms.uscg.mil/directives>; and CGPortal: <https://cg.portal.uscg.mil/library/directives/SitePages/Home.aspx>.

9. RECORDS MANAGEMENT CONSIDERATIONS. This Instruction has been thoroughly reviewed during the directives clearance process, and it has been determined that there are no records scheduling requirements, in accordance with Federal Records Act, 44 U.S.C. 3101 et seq., National Archives and Records Administration (NARA) requirements, and Information and Life Cycle Management Manual, COMDTINST M5212.12 (series).
10. DEFINITIONS.
- a. Coast Guard Personnel. The term "Coast Guard personnel" or "Coast Guard person" includes: all members of the Regular Component; all members of the Reserve Component while performing inactive duty training and while on voluntary or involuntary active duty; all retired uniformed members recalled to active duty; all appropriated and non-appropriated fund civilian employees; all Special Government Employees; all Public Health Service (PHS) and Department of Defense (DOD) personnel while assigned to the Coast Guard for more than 30 days; and all Coast Guard Academy (Academy) cadets. The term does not include Coast Guard Auxiliary members, support contractor employees, volunteers, or interns.
 - b. Gift. The term "gift" includes, but is not limited to: cash, checks, securities or other negotiable instruments; services; transportation, lodging, berthing, meals, refreshments; meeting facilities; art work; personal property; and real property. A gift transaction ordinarily envisions the voluntary transfer of ownership of a gift-item without charge or consideration, or the voluntary provision of a service without consideration, compensation, or reimbursement. However, the short-term or long-term complimentary loan of personal property constitutes a gift transaction if the Coast Guard would ordinarily be required to use its funds to obtain the loaned item. A gift is essentially anything that is voluntarily provided by a person or non-federal entity to the Coast Guard or a Coast Guard element, that has some value, and that the Coast Guard does not purchase or otherwise pay for or obtain using appropriated or non-appropriated funds. A gift transaction can occur by operation of the terms of a will or trust.
 - 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 who offers or makes a gift to the Coast Guard through CGF.
 - d. Unrestricted Gift. Any gift that is not a restricted gift.
 - e. Prohibited Source.
 - (1) General Rule. For purposes of this Instruction, the term "prohibited source" means any person or non-federal 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; is involved in any significant issue that is pending with the U.S. that is Coast Guard-related (e.g., a company that is under federal investigation or that is being prosecuted by the U.S. for a Coast Guard-related matter); 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 who meet one or more of the above prohibited source criteria.

- (2) Special Exclusion Rule for Recreational Boaters. All recreational boaters, as a class, although technically regulated by the Coast Guard, are excluded from the definition of the term “prohibited source.”
- (3) Special Exclusion Rule for Maritime Industry Attorneys. All attorneys who devote less than a majority of their professional time to representing the maritime industry, and who also derive less than a majority of their professional income from representing the maritime industry are also excluded, as a class, from the definition of the term “prohibited source.”
- (4) If the salaried Chief Executive Officer or volunteer Chief Executive Officer, or equivalent, in CGF is a prohibited source, or is an officer, employee, or representative of a prohibited source, CGF is a prohibited source. Moreover, if a majority of the CGF’s Board of Directors or Board of Trustees are officers, employees, or representatives of prohibited sources, CGF is a prohibited source.

11. POLICY AND PROCEDURES.

- a. Delegation of Gift Acceptance Authority. The Assistant Commandant for Resources (CG-8) is hereby delegated the authority to accept all gifts offered to the Coast Guard by CGF, regardless of value. Except for gifts of official foreign travel, the Coast Guard Academy Superintendent (Superintendent) is hereby delegated the authority to accept all CGF gifts offered to the Academy that have a value of \$100,000 or less. Accordingly, every CGF gift offered to the Academy having a value exceeding \$100,000 must be forwarded to Commandant (CG-8) for an acceptance decision. This delegated gift acceptance authority cannot be re-delegated without the express, written approval of the Commandant. All gift acceptance decisions must be in writing and personally signed by Commandant (CG-8) or the Superintendent.
- b. Coast Guard Needs Lists. Each year, the Vice-Commandant (VCG) will approve general Coast Guard needs lists. These lists (such as the one generated by the Coast Guard Foundation Shipmate Fund program) will identify items and projects that will benefit the Coast Guard. Although all Coast Guard personnel are prohibited from soliciting gifts from CGF, if CGF makes a written or verbal offer to provide gift support to the Coast Guard, or if CGF asks for needs lists information, the VCG or VCG’s designees are authorized to respond to CGF by providing the needs lists, or needs list information. The Superintendent (or designees) will provide Academy needs list information directly to VCG for consideration and inclusion on general Coast Guard needs lists.
- c. Annual CGF Gift Offers. CGF may make an annual, written, omnibus gift offer to VCG or Commandant (CG-8). Such annual gift offers may contain items listed on a general Coast Guard needs list and other individual gift items, and may include construction projects. Such gift offers may be conditioned on CGF’s financial capabilities and accordingly, some specific gift offer items may be funded in subsequent calendar years.

- d. Separate CGF Gift Offers. CGF may also offer gifts throughout the calendar year to the Coast Guard or Academy that are separate from and in addition to the gift items listed on CGF's annual omnibus gift offer or approved annual Shipmate Fund list. Such gift offers may arise as a result of the activities of CGF's regional representatives, who identify and communicate with potential donors..
- e. CGF Education Grant Program (CGFEG). The CGFEG assists eligible Coast Guard personnel in their academic or technical development by providing funds for tuition, fees, and miscellaneous expenses incurred in completing off-duty voluntary education. CGFEG is a reimbursement program, requiring members to expend personal funds prior to applying for a CGFEG. The maximum payable reimbursement is currently \$500.00 per person. CGFEG is administered by CG FORCECOM, which establishes eligibility requirements and processes for requesting and receiving the grants.
- f. CGF Fallen Heroes Fund. CGF has established its Fallen Heroes Fund to provide material and moral support to the families and shipmates of active duty Coast Guard personnel who perish or are injured in the line of duty. Examples of this support are expenses incident to the deceased member's funeral and memorial service, travel expenses for family members and shipmates to attend these events, and other related expenses for which appropriated funds are not authorized or available. The CGF Fallen Heroes College Scholarship is available to any surviving children of active duty Coast Guard personnel who perish in the line of duty.
- g. CGF Support to Coast Guard Members Affected by Disasters. In the aftermath of major hurricanes and other disasters the CGF may provide direct support to affected USCG members or make gifts available to the Coast Guard in support of affected Coast Guard members and their families. CGF may also make monetary gifts to non-profit service organizations such as the Coast Guard Mutual Assistance (CGMA) and the Coast Guard Chief Petty Officers Association (CPOA), which in turn provide direct relief and support to Coast Guard members who have suffered damages and losses.
- h. CGF Scholarships for Coast Guard Dependents. Children of active duty, retired, or active reserve Coast Guard members are eligible to apply for CGF College scholarship awards of \$1,000 to \$5,000. Non-military spouses of enlisted Coast Guard members in pay grades of E-3 to E-6 who are pursuing a degree or certification related to oral health and wellness may also apply for CGF scholarships of \$2,000 per calendar year.
- i. Special Scrutiny of Certain Restricted Gifts. CGF has agreed to provide Commandant (CG-8) or the Superintendent, where appropriate, with the identity of any donor who contributes more than \$100,000 to CGF in any one restricted gift transaction, or who donates a total of more than \$100,000 to CGF for multiple restricted gifts during CGF's calendar year. Commandant (CG-8) 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 CGF may offer a gift item to the Coast Guard but may not be able to identify a donor or donors at that time, because CGF intends to solicit donations for the gift item later during the gift year. In such cases, Commandant (CG-8), or the Superintendent where appropriate, may accept a CGF gift item subject to later scrutiny of the donor or donors as necessary. Additionally, it is understood that CGF, in identifying a donor or donors willing to make donations in excess of \$100,000 for restricted gifts, would want assurances prior to soliciting donations that such gifts would be accepted by the Coast Guard. In these cases, CGF may request that Commandant (CG-8) or the Superintendent, where appropriate, conduct a prohibited source review. Such review can be conducted and results provided to CGF, with the understanding that the donor will be subject to later review if and when an actual gift offer is made.

- j. Prohibited Source Review. Commandant (CG-8) or the Superintendent can 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 restricted gift may be accepted without the 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 (CG-8) and the Superintendent must obtain and consider an opinion and recommendation from their servicing Coast Guard legal office before accepting the gift.
- k. Processing of CGF Gifts.
 - (1) Gifts of Cash, Checks, Securities and Negotiable Instruments. The gift acceptance statutes (10 U.S.C. 2601) require that all gifts of monies to the Coast Guard be deposited in the Coast Guard General Gift Fund (Gift Fund) held in the U.S. Treasury. Procedures for transmittal of monies to the Coast Guard Finance Center (FINCEN) are contained in the FINCEN SOP (FINCENSTFINST M7000.1). When funds are transmitted to FINCEN for deposit in the Gift Fund, the following documentation and information must be provided: a copy of the gift offer letter, a copy of the written gift acceptance (a thank-you letter meets this requirement if the letter is from the gift acceptance authority); and disposition instructions (e.g., disbursement of funds to a unit MWR account, budget entry to a Gift Fund program element).
 - (2) Cash Gifts for Construction Projects. CGF gifts for projects that will involve contractor services for construction and/or improvements at Coast Guard units require additional attention and review. Prior to acceptance of any such gift offers the unit's servicing civil engineering unit (CEU) or facilities engineering staff will review the proposed project for cost and technical accuracy and completeness.

Commandant (CG-8) will promptly notify CGF if the value of the proposed gift is insufficient, or if other factors exist that may adversely affect project execution and completion. Coast Guard will not accept any gift offers for construction projects unless the CGF provides the agreed-to funding in full prior to project commencement. CGF gift monies may be used together with appropriated funds on approved projects. Construction projects funded with CGF gift monies will be executed in the same manner as appropriated fund projects and in accordance with the Federal Acquisition Regulation (FAR).

- (3) Gifts Other than Cash. Under the authority of 5 C.F.R. 2635(c)(2)(iii), CGF gifts such as vendor gift cards and personal use items can be distributed to and used by individual Coast Guard members without regard to rank or position. CGF gifts of admission tickets to sporting events and other widely attended gatherings can be distributed to Coast Guard members and authorized patrons of unit morale, well-being and recreation (MWR) programs.
- (4) Fallen Heroes Fund Support. In the instance of a death or serious injury of an active duty Coast Guard member in the line of duty, the Office of the Vice Commandant (VCG) may notify the CGF of the event. If the CGF offers to provide support to the surviving family members and shipmates of the deceased member, VCG will provide CGF with a point of contact at the deceased member's unit who will assist in coordinating the support.
- (5) CGFEG Program Grants. The CGF will make a gift offer of grants monies either as part of its annual omnibus gift offer or as a separate gift offer, which will be accepted by the Coast Guard under the authority of 10 U.S.C. 2601. Coast Guard members that apply for and meet the CGFEG eligibility requirements will receive the grant payments directly from CGF.
- (6) CGF Scholarships for Coast Guard Dependents. These are not treated as gifts to the Coast Guard. Dependents and other eligible recipients can apply to CGF directly to compete for these scholarships at <http://www.cgfdn.org>.
- (7) Gifts of Personal Property. Personal property is defined as all tangible property, including vessels, aircraft, small boats, small arms, vehicles, electronic equipment, artwork, models and artifacts. These items are accepted as in-kind gifts from CGF under authority of 10 U.S.C. 2601 and must be immediately recorded in applicable property records in accordance with the Property Management Manual, COMDTINST M4500.5 (series).
- (8) Gifts of Real Property. In accepting a gift of real property from CGF, USCG will follow the same procedures as when purchasing real property using appropriated funds. The policies and procedures for acquiring and recording real property in applicable property records are contained in the Real Property Management Manual, COMDTINST M11011.9 (series). Additionally, the gift acceptance authority shall consult with Coast Guard legal counsel to determine whether or not

USCG acceptance of the proposed gift is a federal action that triggers requirements of applicable laws or regulations, such as the National Environmental Policy Act (NEPA) and/or the National Historic Preservation Act (NHPA). If the gift offer meets the requirements for compliance, USCG is responsible for accomplishing these prior to acceptance of the gift.

12. PARTICIPATION IN CGF MEETINGS AND ACTIVITIES. Coast Guard personnel participate in CGF 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 CGF. No other Coast Guard personnel are designated as liaisons to CGF. VCG is the senior Foundation liaison and shall make or approve policy regarding the Coast Guard's and the Academy's relations with CGF. As liaisons, when it is in the best interest of the Coast Guard, flag officers and SES employees can, as described below, participate in CGF meetings and activities. Such participation is official, shall be in uniform, unless it would be inappropriate for the event, and is at government expense. Liaisons should contact their servicing legal office for ethics advice prior to participating in any Foundation meeting or activity especially if the activity is a Foundation fundraising event. Liaisons are permitted to use Coast Guard time, assets and funds to prepare for or participate in CGF meetings and activities. CGF liaisons represent only the Coast Guard's interests - never CGF's interests. Liaisons are prohibited from participating in the management of CGF, sitting as an honorary or official Foundation Board member, or exercising a vote during CGF meetings or activities. Liaisons are prohibited from soliciting gifts from CGF for the Coast Guard, Academy, or themselves. If CGF offers to pay some or all of the expenses associated with a liaison participating in a Foundation meeting or activity, or if CGF offers any gift to a liaison, the liaison shall contact his or her servicing legal office for advice.
 - (2) It may be in the Coast Guard's interest that other Coast Guard personnel attend Foundation 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 CGF 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 CGF meetings or activities in a private, personal capacity. Prior to participating in a CGF 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 CGF for the Coast Guard, Academy, or themselves. If CGF offers to pay some or all of the expenses associated with participation in a CGF meeting or activity in a private, personal capacity, or offers any gift, Coast Guard personnel must contact their servicing legal

office for advice.

13. PROGRAM MANAGEMENT.

- a. VCG is CGF Program Director with overall program authority and responsibility.
- b. Commandant (CG-8) is CGF Program Manager with the responsibility for day-to-day management of the program. Commandant (CG-8) shall:
 - (1) On an annual basis, after the CGF has made its board membership assignments following October member elections, determine whether CGF is deemed to be a prohibited source as defined in Paragraph 5.e. (4) above.
 - (2) Serve as primary point of contact for acceptance of CGF gifts for the Coast Guard in general and maintain records for all gifts accepted by Headquarters.
 - (3) Prepare and submit to VCG an annual report of all CGF gifts accepted by the Coast Guard during the gift year.
 - (4) Establish mechanisms and protocols for documentation and recordkeeping in accordance with Information and Life Cycle Management Manual, COMDTINST M5212.12 (series) guidance.
- c. The Academy shall provide Commandant (CG-8) with a detailed list of all CGF gifts accepted by the Superintendent during the gift year for inclusion in the annual report to VCG.

14. FORMS/REPORTS. None.

15. REQUEST FOR CHANGES.

/CHARLES W. RAY/
Admiral, U.S. Coast Guard
Vice-Commandant (VCG)