

**TREASURY DIRECTIVE:** 61-04

**DATE:** October 23, 2007

**SUBJECT:** Foreign Gifts and Decorations

1. **PURPOSE.**

This directive provides procedures and guidance for employees of the Department, their spouses, and their dependents concerning the acceptance, retention, and disposition of gifts and decorations from foreign governments, pursuant to the Foreign Gifts and Decorations Act (FGDA) at 5 U.S.C. § 7342 and regulations at 41 C.F.R. § 102-42.5 *et seq.*

2. **SCOPE.**

This directive applies to the Departmental Offices (DO), all Treasury bureaus, the Treasury Inspector General for Tax Administration (TIGTA), and the Office of the Inspector General (OIG). The authority of the Inspector(s) General is set forth in Section 3 of the Inspector General Act and the Internal Revenue Service Restructuring and Reform Act, and defined in Treasury Order 114-01(OIG) and Treasury Order 115-01 (TIGTA), or successor orders. The provisions of this directive shall not be construed to interfere with that authority.

3. **DEFINITIONS.**

- a. Bureau shall include the Office of the Inspector General (OIG) and Treasury Inspector General for Tax Administration (TIGTA), for the purposes of this Directive.
- b. Decoration means an order, device, medal, badge, insignia, emblem, or award tendered by, or received from, a foreign government.
- c. Designated Official refers to the individual(s) assigned within DO or within each bureau to receive, evaluate, and dispose of foreign gifts tendered to employees of DO or that bureau.
- d. Employee includes the employee's spouse and the employee's dependents, as defined in 26 U.S.C. § 152.
- e. Ethics Official includes the Treasury Designated Agency Ethics Official (DAEO), the Treasury Alternate Designated Agency Ethics Official (ADAEO), a deputy ethics official, the Chief Counsel, Legal Counsel, or Counsel, and/or designee.

- f. Foreign Government means: (1) any unit of foreign governmental authority, including any foreign national, State, local, and municipal government; (2) any international or multinational organization whose membership is composed of any unit of foreign government described in (1); and (3) any agent or representative of any such unit or such organization, while acting as such.
- g. Gift means a tangible or intangible (monetary or non-monetary) present (other than a decoration) tendered by, or received from, a foreign government. A monetary gift includes anything that may commonly be used in a financial transaction, such as cash or currency, checks, money orders, bonds, shares of stock, and other securities and negotiable financial instruments. Where more than one tangible item is included in a single presentation from the same foreign government, the entire presentation shall be considered as one gift.
- h. Minimal Value means a retail value in the United States at the time of acceptance of a foreign gift, as defined by the General Services Administration (GSA) in regulations found at 41 C.F.R. § 102-42.10. As of the date of this Directive, minimal value is currently defined as \$305.00. The definition (amount) is amended every three years by GSA.

#### 4. **STATUTORY REQUIREMENTS.**

Pursuant to the FGDA, an employee is prohibited from requesting or otherwise encouraging the tender of a gift or a decoration from a foreign government or from accepting or retaining a gift or decoration, except as provided for below.

- a. An employee may accept and retain a gift of “minimal value” tendered and received as a souvenir or mark of courtesy.
- b. An employee may accept a gift of more than minimal value if the gift is in the nature of an educational scholarship or medical treatment, or when it appears that to refuse the gift would likely cause offense or embarrassment or otherwise adversely affect the foreign relations of the United States. A tangible gift of more than minimal value is deemed to have been accepted on behalf of the United States and upon acceptance shall become the property of the United States.
- c. An employee may accept a gift of travel or expenses for travel taking place entirely outside of the United States of more than minimal value if such acceptance is appropriate, consistent with the interest of the United States, and permitted by DO or a bureau, and any regulations prescribed by the Department, and otherwise in accordance with travel regulations. (Note, however, that in most circumstances, Treasury policy requires that receipt be approved by an ethics official in advance of the travel.)

#### 5. **DESIGNATIONS.**

- a. The Deputy Assistant Secretary for Headquarters Operations, heads of bureaus, the Treasury Inspector General for Tax Administration, and the Inspector General, as it relates to their respective bureaus and offices, may designate one or more officials to receive, evaluate, and dispose of foreign gifts tendered to their employees.
- b. The Gift Unit and Tour Coordinator, Office of the Curator, shall serve as the designated official for DO and for any Treasury bureau that has not designated its own official.

6. **EMPLOYEE PROCEDURES FOR REPORTING FOREIGN GIFTS.**

- a. An employee who receives a gift (tangible or monetary) shall, within 60 days after receipt, deliver the gift to the Gift Unit or to his or her bureau's designated official and provide that official with, at a minimum, the following information for each gift:
  - (1) His or her name and position;
  - (2) A brief description of the gift and the circumstances of its presentation and justifying its acceptance;
  - (3) The identity of the foreign government and the name and position of the individual who presented the gift; and
  - (4) The date of receipt of the gift.
  - (5) The estimated value in the United States of the gift at the time of acceptance (if known); and
  - (6) The disposition or current location of the gift. The employee should indicate whether he or she wishes to retain, purchase, or donate the gift.
- b. An employee who receives a gift of travel (within 30 days after accepting travel or travel expenses, unless the acceptance was in accordance with specific instructions pursuant to TD 12-24), shall file a statement with the Gift Unit or to his or her bureau's designated official and provide that official with the applicable information in 6a. above for each travel gift.
- c. Gifts received by an employee's spouse or a dependent child who is an executive branch employee (including members of the armed forces serving on active duty) need not be reported to Treasury because the spouse or dependent child must report such gifts to his or her employing agency.
- d. A DO employee receiving the gift(s) shall complete a Departmental Offices "Gift Register Form," (DO F 261.9) and submit it along with the gift(s) to the Gift Unit and Tour Coordinator, Office of the Curator. The form is available at <http://intranet.treas.gov/ethics/forms/dof261.9.pdf>

- e. An employee of a bureau that does not have a designated official shall also complete a gift register form and submit it along with the gift(s) to the Gift Unit and Tour Coordinator, Office of the Curator.
- f. An employee of a bureau that does have a designated official shall submit the gift(s) to that designated official, pursuant to any procedures established for employees of that bureau. (See paragraph 7a.)

7. **RESPONSIBILITIES FOR RECEIVING AND EVALUATING FOREIGN GIFTS.**

- a. The Deputy Assistant Secretary for Headquarters Operations, heads of bureaus, the Treasury Inspector General for Tax Administration, and the Inspector General, as it relates to their respective bureaus and offices, may issue any internal procedures or guidelines necessary to implement this directive within their respective organizations, including procedures for accounting for foreign gifts.
- b. The designated official for DO shall, on a monthly basis, or more frequently as needed, provide a list of foreign gifts and their valuations, including gift registers, received by Treasury employees to an ethics official in the Office of the General Counsel (General Law and Ethics (GLE)). The ethics official will determine whether an employee may accept a foreign gift of minimal value. For organizations with a designated official (other than DO), this determination may be made by an ethics official, as determined under the procedures issued pursuant to paragraph 7a.
- c. An ethics official will make the following determinations regarding each foreign gift (tangible or monetary):
  - (1) Whether the gift is of minimal value (including whether a commercial appraisal is necessary).
  - (2) For a gift that has been determined not to exceed minimal value, whether the employee's acceptance of the gift is permitted by the FGDA and, if not, whether the gift's acceptance is otherwise permitted by an exception to the Standards of Conduct for Employees of the Executive Branch (Standards).
  - (3) For a gift that has been determined to exceed minimal value, whether the gift's acceptance is otherwise permitted by an exception to the Standards.
  - (4) For a gift that an employee does not wish to retain, or for any gift the acceptance of which is inconsistent with the FGDA and the Standards, whether to recommend to the Assistant Secretary for Management (ASM) by written memorandum that the gift may be retained, or may not be retained, by the Department of the Treasury for official use, pursuant to the Department's

gift acceptance authority. (See 31 U.S.C. § 321(d) and Treasury Order 102-16.)

- d. The ASM will decide to approve the use of Treasury's gift acceptance authority.
- e. The ethics official will annotate the gift register form to reflect the determination made pursuant to paragraph c or d, and will otherwise advise the designated official regarding such determination, and will instruct the designated official, as appropriate, to:
  - (1) return the gift to the employee;
  - (2) dispose of the gift in accordance with the procedures established in paragraph 8; or
  - (3) write a memorandum to the Assistant Secretary for Management requesting approval to accept the gift in accordance with Treasury Order 102-16.

#### 8. **DISPOSAL OF GIFTS.**

- a. An employee may indicate on the gift register form an interest in purchasing a foreign gift that is not acceptable under the FGDA. If the Secretary of State determines that the sale of the item deposited for disposal will not adversely affect the foreign relations of the United States, the purchase will be approved.
- b. If a tangible gift is neither retained by the employee nor accepted on behalf of the United States, the designated official may either return it to the donor or keep it in safe storage pending appropriate disposition in accordance with procedures established by the Department of State and/or GSA under the provision of the Federal Property and Administrative Services Act of 1949, 40 U.S.C. § 121(c)(2), (formerly codified at 40 U.S.C. § 486(c)), implementing regulations at 41 C.F.R. Part 102-42. For firearms and hazardous material, see 41 C.F.R. Part 102-42.
- c. Monetary gifts above the minimal value with possible historic or numismatic (i.e., collectible) value must be reported to GSA; those of no historic or numismatic value must be deposited with the Department.

#### 9. **RECORD-KEEPING RESPONSIBILITIES FOR REPORTING FOREIGN GIFTS.**

- a. The designated official shall maintain a gift log that contains the information provided under section 7c, including the determined value of each gift and whether the gift was:
  - (1) retained by the employee;
  - (2) returned to the donor;
  - (3) retained by Treasury for official use; or

- (4) kept in safe storage pending appropriate disposition instruction from the GSA;
  - (5) a monetary gift and whether it has possible historic or numismatic (i.e., collectible) value.
  - (6) accepted under circumstances indicating a reason to believe that the employee has violated the FGDA (which must be reported to the Department of Justice).
- b. The designated officials shall submit to the Director, Office of Asset Management, no later than January 15 of each year, a list of all gifts in excess of minimal value for the preceding calendar year received by the Department of the Treasury.
  - c. In accordance with the FGDA, the Director, Office of Asset Management, DO, shall prepare the Foreign Gifts Received Report on an annual basis, as required (by January 31 of each year) for submission to the United States Department of State. The Foreign Gifts Received Report includes foreign gifts of more than minimal value that employees have disclosed to Treasury as having personally received.

#### 10. **DECORATIONS.**

Decorations tendered in recognition of active field service in time of combat operations or awarded for other outstanding or unusually meritorious performance may be accepted, retained, and worn by an employee subject to approval by the Secretary of the Treasury. Absent this approval, the decoration is deemed to have been accepted on behalf of the United States, shall become the property of the United States, and shall be deposited by the employee within 60 days after acceptance with a designated official for official use. At the designated official's direction, the decoration may be forwarded to the Administrator of General Services for disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, 40 U.S.C. § 121(c)(2) (formerly codified at 40 U.S.C. § 486(c)), implementing regulations at 41 C.F.R. Part 102-42.

#### 11. **CANCELLATION.**

Treasury Directive 61-04, "Foreign Gifts and Decorations," dated October 18, 1999, is superseded.

#### 12. **REFERENCES.**

- a. Treasury Directive 73-01, "Personal Property Management."
- b. Treasury Order 102-16, "Delegation of Authority to the Assistant Secretary (Management) to Accept Gifts and Bequests to the Department of the Treasury."

13. **AUTHORITIES.**

- a. Foreign Gifts and Decorations Act of 1966, as amended (5 U.S.C. § 7342).
- b. Federal Property and Administrative Services Act of 1949, 40 U.S.C. § 121(c)(2)(formerly codified at 40 U.S.C. § 486(c)), implementing regulations at 41 C.F.R Part 102-42.
- c. “Standards of Ethical Conduct for Employees of the Executive Branch” (5 C.F.R. Part 2635).
- d. Payment of Travel Expenses from a Non-Federal Source (41 C.F.R. § 304-1).

14. **OFFICES OF PRIMARY INTEREST.** Office of Asset Management, Gift Unit, Office of the Curator, Office of the General Counsel (General Law and Ethics), and the Office of the Assistant Secretary for Management and Chief Financial Officer

/S/

Peter B. McCarthy  
Assistant Secretary for Management  
and Chief Financial Officer