

**NATIONAL INSTITUTES OF HEALTH
NIH Ethics Program**

**Procedure for Completing and Reviewing the Request for Approval to Accept
Gifts Associated With An Award from an Outside Organization
(Form NIH-2854)**

Congratulations! You received notification that you are the chosen recipient for an award from an outside organization. Your colleagues and NIH management commend you for your achievement.

Now what happens? Many awards give more than the honor of the award, they also confer gifts incident to that award, e.g., plaque or trophy, travel, free meals, cash or equivalent. Acceptance of the gifts requires advance approval, and the approval mechanisms depend on the gifts associated with the award. If you wish to accept the award, inform the award sponsor that you must obtain official permission, and that you will notify them as soon as approval is complete.

The time line for review depends on the type and value of the gift(s) associated with the award. If the gifts associated with your award meet either or both of the following situations, please ensure that you submit all of the required information as quickly as possible to permit timely decision.

1. Awards which confer a gift of cash or equivalent require review by an external advisory committee to confirm that the award is bona fide and made as part of an established program of recognition, as defined by the regulation. Awards which are not already confirmed and listed on the web site require additional time to complete this step. For details on required documentation, see "Requirements for Acceptance of Cash and Other Items Associated with Awards" in the appendix to this procedure document.
2. Awards which confer gifts you will personally accept with an **aggregate value of \$2500 or more** (either cash or tangible gifts) must also be reviewed by the NIH Ethics Advisory Committee (NEAC) before the Deputy Ethics Counselor can approve. If travel expenses are accepted personally, the value must be aggregated with the other gifts to determine NEAC jurisdiction. Only travel expenses accepted via the sponsored travel mechanism, which are a gift to the NIH and not to the employee, may be excluded from the aggregate value. Initiate the approval process immediately to permit adequate review time.

EMPLOYEE

Gather the information about the award, including donor, official duties which involve or could affect the donor, and the gifts associated with the award. Obtain a copy of the form NIH-2854 *Request for Approval of An Award from an Outside Organization*, available on the NIH Ethics Program web site, Forms page: <http://ethics.od.nih.gov/forms.htm#giftexcept>

With the information you have obtained, determine which paragraph below best fits the award you have been offered and follow the instructions for that example. Before submission, confirm with your Ethics Office regarding what to submit.

- The award consists of a plaque, trophy, certificate, or other gift of **little intrinsic value**, or a tangible gift valued at \$20 or less. If this is true, see section **A.** below.
- The award consists of a **tangible gift valued at more than \$20**. If this is true, see section **B.** below.
- The award consists of **cash or cash equivalent**. If this is true, see section **C.** below.

A. Awards With Gifts of Little Intrinsic Value: Use this section when the award consists of a plaque, trophy, certificate, or other gift of **little intrinsic value** or a tangible gift valued at \$20 or less, or other gifts that can be accepted under other authorities (e.g., gift of travel may be accepted under the sponsored travel mechanism). This award does not need confirmation that it is a *bona fide* award, but advance approval is required to permit you to accept the honor and the gifts associated with the award.

1. No award request form is required. Use the other mechanisms noted to obtain permission to accept the gift(s) associated with the award.

Submit a sponsored travel (HHS-348) request to obtain approval of the travel expenses offered by the award donor, if applicable.

Submit the Request to Accept Free Attendance Under the Widely Attended Gathering (WAG) Exception, to request approval for the free meal/reception, if applicable.

Guest included? Be sure to fully answer WAG questions regarding guest.

Note: If neither the HHS-348 nor a WAG is required, there is no package to submit. Confirm this with your IC Ethics Office before attending and accepting the award and associated gifts.

2. Compile the request package in the following order, including only those forms which are applicable to this request:

- The Request to Accept Free Attendance Under the Widely Attended Gathering (WAG) Exception. Complete all questions and sign where indicated.
- The notification letter or electronic mail.
- The request for sponsored travel and travel order, if applicable.

3. Make a copy for yourself and submit the original request package to your supervisor for confirmation and permission. After your supervisor signs, forward the WAG request and copy of the notification to your IC Ethics Office. Names and office addresses are available on the [NIH Ethics Program web site: http://ethics.od.nih.gov/coord.pdf](http://ethics.od.nih.gov/coord.pdf)

Forward the sponsored travel request to your Administrative Officer, or whomever in your IC normally handles sponsored travel.

4. Once the final determination is made regarding permissibility to accept the free attendance, a copy of the signed WAG request will be returned to you. You may at that time inform the award donors that you can accept the award and the dinner/reception associated with the award.

Recusal requirement: In this scenario there is no recusal requirement, which means that you can continue to participate in any official matters which affect or involve the award donor.

B. Awards With Tangible Gifts Which Have Intrinsic Value and Which Are Valued at More than \$20: Use this section when the award consists of **tangible gift(s) which have intrinsic value and which are valued at more than \$20**. If this is true, the award must be confirmed as bona fide by your Deputy Ethics Counselor (DEC). If the aggregate value of the gifts is in excess of \$200, your DEC must also determine whether the award is given as part of an established program of recognition. This requires additional time for review. For awards with gifts valued at less than \$2500, once your DEC has made the required confirmations, s/he has authority to approve the award. If the aggregate value of the gifts associated with the award is \$2500 or greater (excluding gifts accepted by the NIH under the sponsored travel mechanism), it must be reviewed by the NIH Ethics Advisory Committee (NEAC), and final determination made by the NIH DEC. For details on required

documentation, see “Requirements for Acceptance of Cash and Other Items Associated with Awards” in the appendix to this procedure document.

1. Complete the form NIH-2854 ***Request for Approval to Accept Gifts Associated With An Award from an Outside Organization***, following the instructions for what to submit, as indicated below. This form provides permission to accept the gifts associated with the award. The form is available on the NIH Ethics Program web site, on the forms page:

[Http://ethics.od.nih.gov/forms.htm#giftexcept](http://ethics.od.nih.gov/forms.htm#giftexcept)

If you need assistance, contact staff in your IC Ethics Office. Names are available on the NIH Ethics Program web site at: [Http://ethics.od.nih.gov/coord.pdf](http://ethics.od.nih.gov/coord.pdf)

4. Compile the request package in the following order:
 - NIH-2854 Request for Approval of an Award from an Outside Organization
 - The notification letter or electronic mail.
 - If you are requesting a travel order and sponsored travel, also submit those requests.
5. Make a copy of the package for your files and submit the original completed package to your supervisor.
6. You may be asked for additional information by staff in your IC Ethics Office. Respond as quickly as possible. Once the final determination is made regarding permissibility, a copy of the signed NIH-2854 will be returned to you. You may at that time inform the award donors that you can accept the award.

Recusal requirement: Immediately through 1 year following date of receipt of award and gifts. This means that you may not participate in any official matters that affect or involve the award donor.

C. Awards With Gift of Cash or Cash Equivalent: Use this section when the award consists of **cash or cash equivalent**. In this case, the award must be pre-screened and confirmed as *bona fide* and given as part of an established program of recognition, by an external review committee. A subcommittee of the Advisory Committee to the Director, NIH, (ACD) serves as the external review committee. If the aggregate value of the gifts associated with the award is \$2500 or greater (excluding gifts accepted by the NIH under the sponsored travel mechanism), the award also requires review by the NIH Ethics Advisory Committee. For details on required documentation, see “Requirements for Acceptance of Cash and Other Items Associated with Awards” in the appendix to this procedure document.

1. Complete the form NIH-2854 ***Request for Approval to Accept Gifts Associated With An Award from an Outside Organization***, following instructions for what to submit This form provides permission to accept the gifts associated with the award. The form is available on the NIH Ethics Program web site, on the forms page:

[Http://ethics.od.nih.gov/forms.htm#giftexcept](http://ethics.od.nih.gov/forms.htm#giftexcept)

If you need assistance, contact staff in your IC Ethics Office. Names are available on the NIH Ethics Program web site at: [Http://ethics.od.nih.gov/coord.pdf](http://ethics.od.nih.gov/coord.pdf)

2. Compile the request package in the following order:
 - NIH-2854 Request for Approval of an Award from an Outside Organization
 - The notification letter or electronic mail.
 - If you are requesting a travel order and sponsored travel, also submit those requests.

3. Make a copy of the package for your files and submit the original completed package to your supervisor.
4. You may be asked for additional information by staff in your IC Ethics Office. Respond as quickly as possible. Once the final determination is made regarding permissibility, a copy of the signed NIH-2854 will be returned to you. You may at that time inform the award donors that you can accept the award and associated gifts.

Recusal requirement: Immediately through 1 year following date of receipt of award and gifts. This means that you may not participate in any official matters that affect or involve the award donor.

SUPERVISOR (Omit for IC Directors)

Review the request package and process as follows:

- A. For awards with gifts of little intrinsic value, or tangible gifts valued at \$20 or less:** If you agree that the award can be accepted, so inform the employee and:
- Forward the sponsored travel to the appropriate individuals.
 - Forward the Request to Accept Free Attendance Under the Widely Attended Gathering (WAG) Exception to the IC Ethics Office, if applicable.
- B. For other awards:**
- Confirm that the NIH-2854, Request for Approval of an Award from an Outside Organization, is complete, and that all answers are appropriate.
 - Confirm whether the award has already been determined to be bona fide and given as part of an established program of recognition. If not, review information submitted by the employee and confirm that it is complete.
 - Confirm that the employee is not currently engaged in official duties which involve or affect the award donor.
 - On the NIH-2854, read the Supervisor's Statement, mark the box to indicate your acceptance and recommendation, and sign and date.
 - Forward the complete package to the IC Ethics Office.

IC ETHICS OFFICE

- A. IC DEC, Ethics Coordinator, Ethics Specialist, or Designee:**
- Add "Date Received" to the NIH-2854, Request for Approval of an Award from an Outside Organization, and **add data to EMIS**.
 - Confirm the package is complete, i.e., NIH-2854, Notification of award, and information to support that the award is *bona fide* and given as part of an established program of recognition, if applicable.
 - Confirm that employee and supervisor signatures are present in appropriate places.
 - Confirm whether award is already determined to be *bona fide* and given as part of an established program of recognition. If not:
 - Contact the award donor to obtain the necessary information. CC the employee and supervisor on the message to the award donor.
 - Prepare package for review and determination by the NIH Deputy Ethics Counselor.
 - Forward request package to the NIH Ethics Office with recommendation.

- When the determination is returned, finish processing the package.

The NIH Ethics Program maintains a page on the web site listing awards with cash or cash equivalent which have already been determined to be *bona fide* and given as part of an established program of recognition. Check that page first, to ascertain whether the determination is already made for the award:

<http://ethics.od.nih.gov/topics/Awards-List.htm>

If the award is listed on this page, answer that question 'yes' on the award request form. If the award is not listed, submit the information to support that it is *bona fide* and given as part of an established program of recognition, i.e., written selection criteria for choosing recipients and proof that it is given on a regular basis or funded to ensure continuity. Note that where gifts are not cash, the award will not appear on this list.

Note that you must submit **selection criteria**, those criteria used to make the final decision of the recipients. This is not the same as the more general nomination criteria. If you need assistance in working with the organization to obtain the proper information, contact your IC's ethics office.

Note: If the package requires determination that the award is *bona fide* and given as part of an established program of recognition, AND is under NEAC jurisdiction, complete the *bona fide* determination first.

Generally, an action on the request for approval to accept gifts associated with an award should be taken within 4 weeks of receipt by the ethics office (IC for non NIH-Senior, NEO for NIH Senior). An action may be either:

- request more information from the awarding organization because not enough information is available to make the determination that the award meets the criteria for acceptance;
 - forward award request to NEO for external advisory committee clearance for all cash prizes; or
 - forward to NEO for NEAC recommendation (for 5 CFR 5501.111 conflict of interest analysis) for all requests from senior employees and for awards with gifts valued at or more than \$2500 (excluding travel accepted by the IC under sponsored travel); or
 - conduct the 5501.111 conflict of interest analysis.
- Confirm NEAC jurisdiction.
- **YES:** Either situation requires NEAC review:
 - » Aggregate value of gifts associated with the award is greater than or equal to \$2500, excluding all items accepted by the agency under sponsored travel, or
 - » The award request is for a senior NIH employee (as defined in the regulation). Continue processing at NIH DEC Jurisdiction, below.
 - **NO:** Aggregate value of gifts associated with the award is less than \$2500, excluding all items accepted by the agency under sponsored travel. Continue processing at IC DEC Jurisdiction, below.

Note: If travel expenses are accepted personally, that value must be aggregated with the other gifts to determine NEAC jurisdiction.

- Following submission of materials to NEO for determination of bona fide and other status, keep track of outstanding requests, and keep employee informed of status. No more than 4 weeks after submission, provide an update to the employee on the status of the request.

B. IC DEC Jurisdiction

1. At this step, it has been determined that the award is *bona fide* and, if necessary, given as part of an established program of recognition, and does NOT fall under the jurisdiction of NEAC. After checking all steps above, forward to the IC DEC.
2. The IC DEC will perform the conflict of interest analysis.
3. The IC DEC will sign the NIH-2854, Request for Approval of an Award from an Outside Organization, in the block 20. Return the package to the IC Ethics Specialist or designee.
4. The IC Ethics Specialist or designee will:
 - Scan the final signed NIH-2854; save file with descriptive name, e.g.,: LastName-Award-Donor-Year.pdf. Use hyphens; do not use blank spaces in the name.
 - Send a copy to employee, either electronic or hard copy.
 - Enter the data into EMIS, including upload the electronic file; and
 - File the original request package in the employee's ethics file.This package is done.

C. NIH DEC Jurisdiction

1. At this step, it has been determined that the award is *bona fide* and, if necessary, that it is given as part of an established program of recognition, and that the aggregate value of all gifts is \$2500 or more, excluding gifts accepted by the agency under the sponsored travel mechanism, OR that the award request is from an NIH senior employee. After checking all steps above, forward to the IC DEC.
2. The IC DEC will review the package for completeness, signatures, possible conflict, and indicate recommendation and sign the NIH-2854 in block 19, as Intermediate Reviewer.
3. Forward entire original package to the NIH Ethics Office (NEO).
4. When the original signed package is returned from NEO, make a copy for the employee and file the original in the employee's ethics file in the IC Ethics Office.

NIH ETHICS OFFICE (NEO)

NEO staff, also see the NIH Ethics Office Internal Procedure regarding processing awards.

1. NEO Assistant

- Date stamp the incoming request, and.
- Add NEO Receipt Date to the EMIS record. If no printed page of the EMIS record is in the package, print the EMIS page. If the page is there, note the NEO receipt date on the page in the space marked NEO Receipt.
- Enter information in NEO ACCESS tracking system.
- Prepare the NEO internal route slip, and order package per NEO procedure.
- Forward package to NEO specialist handling the employee's IC.

2. NEO Specialist:

- Confirm the package is complete, i.e., award form, Notification of award to the employee, and information to support that the award is *bona fide* and given as part of an established program of recognition, if applicable.

- Confirm that employee and supervisor signatures and initials are present in appropriate places.
- Confirm whether award is already determined to be *bona fide* and given as part of an established program of recognition (gifts of cash or equivalent). If not, contact the IC Ethics Specialist and request that information. This must be completed before the request is further processed. If information is complete, prepare the package for clearance by the external advisory committee, and forward to the NEO Awards Coordinator. See Appendix for details of requirements for this review.
- Confirm NEAC jurisdiction.
 - **YES:** Either situation requires NEAC review:
 - » Aggregate value of gifts associated with the award is greater than or equal to \$2500, excluding all items accepted by the agency under sponsored travel, or
 - » The award request is for a senior NIH employee.
 Continue processing at the next step.
 - **NO:** Aggregate value of gifts associated with the award is less than \$2500, excluding all items accepted by the agency under sponsored travel. If this is the case, return to the IC Ethics Office. (Annotate EMIS record that NEO review not required.)
- When all clearances and determinations are complete (i.e., bona fide and/or pre-screened), forward to the NEO Deputy Director.

3. **The NEO Deputy Director** will review the package, initial the route slip, and forward to the NEO NEAC Coordinator.

4. **The NEAC Coordinator** will review the package for accuracy and completeness, and schedule its review at a future NEAC meeting.

Following review, the NEAC Coordinator will obtain signature from the NIH Deputy Ethics Counselor.

5. **The NIH Deputy Ethics Counselor** will review the request package and make the final determination whether the employee may accept the award and gifts associated with the award. Sign the NIH-2854 in block 20, and return the signed original package to the NEO.

6. **NEO Specialist:**

- Review the NIH DEC's final decision.
- Initial the NEO internal route slip to return the package to the NEO Assistant, indicating decision and note to send to employee and/or IC Ethics Office.

7. **NEO Assistant:**

- Scan the final signed request. Save file with descriptive name, e.g., LastName-Award-Donor-Year.pdf. Use hyphens; avoid using blank spaces in the name. See more details in the NEO internal awards processing procedure.
- Enter DEC decision and signature date, and date returned to IC into the EMIS record.
- Enter final information into the NEO ACCESS tracking system.
- Determine if employee is/is not senior, and follow relevant procedure.

- For Senior employees:
 - » Per NEO internal procedure, send email to the employee with cc to NEO Specialist and IC Ethics Office. Attach an electronic copy of the final signed request form.
 - » Print a copy of the sent email and attach it to the back of the request package.
 - » File the original package in the employee's NEO ethics file.

- For Non-Senior employees;
 - » Per NEO internal procedure, send email to the employee's IC Ethics Office with cc to NEO Specialist. Attach an electronic copy of the final signed request form.
 - » Print a copy of the sent email and attach it to the back of the request package.
 - » Make a copy of the entire package for the NEAC file.
 - » Return the original package to the IC Ethics Office.

Appendix: Requirements for Acceptance of Cash and Other Items Associated with Awards

The purpose of this document is to assist the NIH employees and awarding organizations to understand and meet the Government-wide and NIH-specific regulations regarding awards, and the associated gifts, tendered to NIH employees.

NIH Rule

NIH staff cannot accept cash or other items of value associated with an award if the organization or person giving the award could be affected by decisions made by the employee or those under his/her responsibility.

Government-Wide Rule

Before NIH staff can be permitted to accept any amount of cash or other item of value associated with an award from an outside organization, NIH must determine the award:

1. is intended to recognize meritorious public service or achievement and is not, for instance, motivated primarily by the business or financial interest of the award donor or to compensate the employee for services as a speaker; AND
2. is made as part of an *established program of recognition* as defined by Government-wide regulatory standards.

Documenting that the Award is Part of an Established Program of Recognition

1. Provide information showing the continuity of the award or award program. For example:
 - a list of prior recipients for this specific award; OR
 - in the case of a first time award,
 - » information showing that the new award is being established as part of a pre-existing program under which awards have been given on a regular basis; or
 - » a statement that the award program is funded to ensure its continuation on a regular basis by, for example, an unrestricted grant or a contract.

Note: A pre-existing award program may consist of one or more awards.
2. Provide the criteria or rationale used to select the award recipient from the pool of eligible candidates. For example:
 - Has consistently produced high impact research spanning his/her field;
 - Research made significant contributions to medical knowledge and public health;
 - Published articles reflect excellence and appear in high quality publications;
 - Recognized among peers for research capabilities, membership on review panels and editorial boards, special lectureships, and other institutional/national awards;
 - Maintains a position as a leader his/her field.

Poster Awards

In the case of poster awards, some examples of acceptable criteria are:

- Organization;
- Graphics;
- Oral presentation;
- Originality;
- Significance of research;
- Future plans;
- Rationale and logic of presentation.

Awards with Lectures

For an award that involves a lecture, NIH staff may accept cash and other gifts associated with the award only if the award meets the requirements of the Government-wide rule above, and an ethics official determines that cash and other gifts associated with the award are intended as prizes for meritorious public service or achievement, and not as compensation for services as a speaker. The following questions will need to be addressed:

- What is the nature or content of the lecture? Explain whether the lecture involves only a brief speech ordinarily given as acceptance remarks or whether the lecture covers new or ongoing research. Also, include a description of the material or subject matter that may be covered in the lecture.
- How is the lecture or award program characterized? Provide information that shows how you or the award sponsor has traditionally referred to the program i.e., as a lecture series or an award program. Also, provide the reasons the award recipient has been invited to give the lecture, as well as any information that has been used to promote the lecture.
- Is it a policy to make the delivery of the lecture a condition of receiving the award? For example, explain whether one can accept the full award, without making the lecture.

Awards with Travel Payments

Document whether the travel award will be provided in-kind (the organization pays for plane ticket), through reimbursement to the NIH (the NIH pays the travel expenses and reimbursed by the organization later), or through a cash stipend to cover travel or other expenses.

Determination

In addition to the above requirements, no real or apparent conflict of interest may exist between the award recipient and the awarding organization. For example, there may be a conflict if the employee's official duties involve decisions that will directly, or through the work of a subordinate, effect the organization offering the award. Employees are encouraged to provide documentation as early as possible as there may be several levels of clearance.

Note: Awards from foreign organizations require additional documentation to show whether the awarding organization is a foreign governmental agency, i.e., part of a foreign government, as that term is defined in the law.

NEO (TM/FP); 11/19/07
3/25/08 Revised per Awards Working Group
4/19/08 Revised, congruent with NEO internal procedure.
5/13/08 & 5/27/08, Revised, per OGC; 7/12/08 links revised

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