



CHAIRMAN OF THE JOINT CHIEFS OF STAFF GUIDE

OCJCS/PROT
DISTRIBUTION: A, B, C, JEL, S

CJCS Guide 7210
21 November 2014

JOINT STAFF AND COMBATANT COMMAND GUIDE: OFFICIAL REPRESENTATION FUNDS, GIFT LOCKERS, AND INCOMING GIFTS

Reference(s):

- a. DoDD 1005.13, "Gifts and Decorations from Foreign Governments" 6 Dec 2002
- b. Code of Federal Regulation (CFR)
- c. Joint Ethics Regulation (JER)
- d. DoDI 7250.13, "Use of Appropriated Funds for Official Representation Purposes," 30 June 2009
- b. CJCSI 7201.01 series, "Combatant Commanders' Official Representation Funds"
- c. JSI 7201.01 series, "Official Representation Funds"

1. Purpose. This guide provides guidance on regulations, policies, and best practices to assist in the consistent management of Official Representation Funds, Gift Locker and Incoming Gift programs across the Joint Staff and the Combatant Commands.


2. Superseded/Cancellation. None.

3. Applicability. This instruction applies to the Joint Staff, all Combatant Commands, United States Cyber Command and United States Forces Korea.

4. Releasability. UNRESTRICTED. This directive is approved for public release; distribution is unlimited on NIPRNET. DOD Components (to include the combatant commands), other Federal agencies, and the public, may obtain copies of this directive through the Internet from the CJCS Directives Electronic Library at http://www.dtic.mil/cjcs_directives JS activities may also obtain access via the SIPR directives Electronic Library websites.

5. Effective Date. This GUIDE is effective upon receipt.

For the Chairman of the Joint Chiefs of Staff:


FREDERICK S. RUDESHEIM
Major General, USA
Vice Director, Joint Staff

Enclosures

- A - Appropriated Funds for Official Representation Purposes (ORF)
- B - Gift Locker Management
- C - Incoming Gift Management

ENCLOSURE A

APPROPRIATED FUNDS FOR OFFICIAL REPRESENTATION PURPOSES (ORF)

1. Use of Official Representation Funding (ORF)

a. Department of Defense Instruction (DoDI) 7250.13, Use of Appropriated Funds for Official Representation Purposes; Chairman of the Joint Chiefs of Staff Instruction (CJCSI) 7201.01B, Combatant Commanders' Official Representation Funds; and Joint Staff Instruction (JSI) 7201.01C, Official Representation Funds provide guidance and policy for the management of the Official Representation Funds (ORF) program for the Chairman of the Joint Chiefs of Staff, Vice Chairman of the Joint Chiefs of Staff, Combatant Commanders, and the Joint Staff.

b. ORF may be used to host official receptions, dinners, and similar events, and to otherwise extend official courtesies to guests of the United States and the Department of Defense for the purpose of maintaining standing and prestige.

c. Authorized recipients of ORF include:

- (1) Civilian or military dignitaries, and officials of foreign governments.
- (2) Senior U.S. Government officials (Assistant Secretary equivalent or above).
- (3) Dignitaries and senior officials of State and local governments.
- (4) Other distinguished and prominent citizens (may include retired or former civilian or military officials of the Department) who have made a substantial contribution to the United States or the Department of Defense.
- (5) DoD personnel eligible for courtesies while on official visits to the field may be covered by ORF. Only those officials listed in DoDI 7250.13 (Enclosure A of this Guide) may be covered. Members of their official party may not be covered unless they also qualify based on their own position/title.

d. Event Hosts

- (1) ORF is available only for official activities hosted and attended by a General Officer/Flag Officer/Senior Executive Service member (GO/FO/SES).
- (2) If the GO/FO/SES is not attending the substantive portion of the event, ORF is not available. On occasion, authorized host may delegate other

officials within the command the authority to host official events. In lieu of a GO/FO/SES, when the situation warrants, authority can be delegated to a GS15/NSPS equivalent or O-6 level of leadership.

e. Prohibitions

(1) The use of ORF should be closely monitored to ensure expenditures for official hosted functions in connection with official events comply with socially acceptable morals of American society, the policy objectives of the United States and the interests of the U.S. taxpayer are jointly served.

(2) ORF shall not be used to pay for the cost of:

(a) Meals or refreshments for U.S. Government employees in connection with routine interagency or intra-agency working meetings.

(b) Purely social events intended primarily for the entertainment or benefit of DoD officials and employees, their families, or personal guests.

(c) Receptions and similar expenses in connection with retirement ceremonies for DoD personnel and change-of-command ceremonies, except for those specifically approved in advance by the Secretary of Defense, the Deputy Secretary of Defense, the Director of Administration and Management, the Secretary of the Military Department concerned, the Inspector General of the Department of Defense, the Chairman or the Vice Chairman of the Joint Chiefs of Staff.

f. Spouses.

(1) Normally, DoD spouses shall not be included as members of the official party for ORF-funded events. DoD spouses may, however, be included in the official party at such events when spouses of authorized guests are invited and expected to attend, and the authorized host determines that attendance of DoD spouses is appropriate and desirable under the circumstances.

(2) If included, they will follow the status of their spouse (i.e., foreign spouses are counted as authorized and DoD spouses will be counted as DoD).

g. Required Ratios. To ensure official entertainment costs are kept to a minimum, the following ratios of DoD personnel to authorized guests must be observed:

(1) In parties of fewer than 30 persons, a minimum of 20 percent of invitees expected to attend should be honored or distinguished guests and members of their party.

(2) In parties of 30 or more persons, a minimum of 50 percent of invitees expected to attend should be honored or distinguished guests and members of their party.

(3) When the nature of an ORF-funded event makes the attendance of a large number of DoD personnel appropriate or desirable, only those DoD personnel actively participating in the event or otherwise required to attend by virtue of their position or duties (but not in excess of the required ratios) shall be considered part of the official party. Other DoD personnel in attendance shall pay a pro rata share of the event expenses.

2. Roles and Responsibilities

a. Chairman of the Joint Chiefs of Staff

(1) Establishes overall policy for the administration and approval of expenditures for ORF within the combatant commands.

(2) Forwards ORF requests exceeding \$50,000 per event to the Deputy Secretary of Defense for approval.

b. Combatant Commander

(1) Controls the use of ORF in accordance with the Joint Staff approved financial plan fiscal year allocation.

(2) May delegate the authority to host official events to the appropriate GO/FO/SEs or other officials under their command and other responsibilities as appropriate except the approval authority in subparagraph b(3) below.

(3) Approve in advance all combatant command ORF expenditures that exceed \$10,000 but do not exceed \$50,000.

(4) Forwards ORF requests exceeding \$50,000 per event to the Deputy Secretary of Defense for approval through the Chairman of the Joint Chiefs of Staff.

(5) Forwards ORF requests for retirement and required change of command ceremonies to the Chairman of the Joint Chiefs of Staff for approval not later than 21 calendar days before the event.

c. Joint Staff and Combatant Command Comptroller

(1) Monitor ORF requests for compliance with guidance and processes requests as required.

(2) Review each request for ORF against the approved annual plan, validate the appropriateness of expense for ORF use, and notify the requestor of approval/disapproval before the scheduled event.

d. Legal Advisor

(1) Review requests for use of ORF and provide guidance to host on meeting requirements.

(2) Provide a review of close-out documents to ensure all expenses were appropriate.

3. Approval Process

a. Use of ORF must be approved in advance of each event by the Chairman, Vice Chairman, Combatant Commander, or individual delegated authority to approve use of ORF.

b. A formal pre-approval process should be established within the organization. Each request for use of ORF should include a description of the event, date of the event, list of invitees including full name and title, and estimated amount required. One request may include multiple connected events that could require different guest lists (i.e., visit that includes refreshments, lunch and dinner). Requests to use ORF shall also be coordinated with Legal Counsel and the Comptroller before approval. Requests should be approved by the appropriate authority approximately 20 days in advance of the event and/or prior to extending invitations, entering into contracts, or shopping for items to support the event. This will ensure events have been validated as an appropriate use of ORF before obligating the Government.

c. After events have been approved, planning and execution of the event must be within approved budget limits. If additional funding is required, a request should be amended and must be approved before the execution of the event.

4. Close-out Process

a. A formal process should be established within the organization at the conclusion of the event to pay bills and document attendees/expenses. The event close-out should be initiated within 5 working days after the event has concluded.

b. Close-out documents should include description of the event, date, final cost, final attendee list (which may be different than the invitee list submitted

during the pre-approval process), and receipts. Close-out packets should also include a final review by Legal and Comptroller to ensure all expenses were an appropriate use of ORF.

5. Records Management. The organization must maintain all records/files on a function-by-function basis for a minimum of 6 years IAW National Archives and Records Administration (NARA) The General Records Schedule (GRS), Transmittal 23, September 2014; JSI 7201.01C; and CJCSI 7201.01B.

6. Annual Events

a. Care should be taken when planning annual or recurring events (i.e., Holiday Receptions) utilizing ORF. Guest lists from previous years should be analyzed to determine if the numbers of actual authorized guests and DoD personnel in attendance have been significantly more or less than expected.

b. Based on this analysis, lists should be adjusted to include alternate invitees to ensure event attendance will be in compliance with regulations. This will prevent the appearance of authorized guests being invited each year only to meet required ORF ratios to obtain funding but not expected to attend.

7. Standard Operating Procedures (SOP). SOPs should be established to document the ORF approval process within each organization. Although regulations provide guidance on how funding may be used, the Standard Operating Procedures will provide a step-by-step guide for “how” the process works within the organization. This will provide a common understanding of the process by all parties, ensure process is in accordance with policy and regulations, and assist during transition with new employees.

8. Best Practices

a. Managing requests to utilize ORF with an automated system will improve efficiency by allowing the requests to electronically flow through the coordination and approval process. An automated system will also improve record keeping and documentation of each event as documents would be uploaded and maintained in the system during the pre-approval and close-out phases. The organization’s current automated document management system may be utilized or a new system may be developed.

b. Establishing per-person targets for hosted events will ensure standard expenditures for all breakfasts, luncheons, dinners, and receptions within the organization. Tracking actual per-person cost for each hosted event during the close-out process will provide trend analysis for the organization’s use of ORF.

(INTENTIONALLY BLANK)

APPENDIX A TO ENCLOSURE A

DoD PERSONNEL ELIGIBLE FOR OFFICIAL COURTESIES
ON OFFICIAL VISITS TO THE FIELD

(Source: DoDI 7250.13, June 30, 2009)

1. Secretary of Defense and Deputy Secretary of Defense
2. Secretaries, Under Secretaries, Assistant Secretaries, and General Counsels of the Military Departments
3. Chairman of the Joint Chiefs of Staff
4. Under Secretaries of Defense
5. Vice Chairman of the Joint Chiefs of Staff
6. Director of the Joint Staff
7. Chiefs and Vice Chiefs of Staff of the Army and Air Force
8. Chief and Vice Chief of Naval Operations
9. Commandant and Assistant Commandant of the Marine Corps
10. Combatant Commanders
11. Deputy Commander, United States European Command
12. Director, Defense Research and Engineering
13. Assistant Secretaries of Defense
14. General Counsel of the Department of Defense
15. Director, Operational Test and Evaluation
16. Inspector General of the Department of Defense
17. Chief Judge and Associate Judges of the U.S. Court of Appeals for the Armed Forces
18. Assistants to the Secretary of Defense
19. DA&M
20. Director, Program Analysis and Evaluation
21. Director of Net Assessment
22. Secretary of Defense Representative to Europe
23. Directors of the Defense Agencies
24. Directors of DoD Field Activities (including President, USUHS)

(INTENTIONALLY BLANK)

APPENDIX B TO ENCLOSURE A

ORF REQUEST SAMPLE
(Source: CJCSI 7201.01B, 20 December 2010)

SAMPLE "REQUEST FOR PROGRAMMED ORF"

Below is a sample request format showing the required detail for programmed requirements.

COMBATANT COMMANDER ORF ACTION PROCESSING FORM					
TO: COMPTROLLER		CLASSIFICATION UNCLASSIFIED		ACTION NUMBER	
THRU:			ORIG SUSPENSE		
SUBJECT: Request for Programmed Official Representation Funds		ACTION		J SUSPENSE	
		<input checked="" type="checkbox"/>	APPROVAL	DIV SUSPENSE	
			SIGNATURE		
		INFORMATION			
<p>ACTION SUMMARY</p> <p>1. <u>Purpose.</u> To request approval for official representation funds.</p> <p>2. <u>Discussion.</u> Request approval to expend representation funds for luncheon and dinner for . . .</p> <p>a. <u>Event(s):</u> List dates, places, attendees (include # of persons and titles), and cost estimates for all expenditures as a separate tab. Include the name of the designated host.</p> <p>b. <u>Official gifts:</u> List item(s) and cost estimates.</p> <p>c. <u>Total costs (a+b).</u></p> <p>d. This is a programmed event for FY 20xx Official Representation Funds.</p> <p>e. <u>Paying Agent:</u> Name, Rank, (if app.) and SSN.</p> <p>3. <u>Justification.</u> Describe why this is a necessary expenditure, such as: To reciprocate for similar activities hosted by the official guests of the above nation.</p> <p>4. <u>Recommendation.</u> Combatant command comptroller approve the expenditure of representation funds for the purpose stated.</p>					
COORDINATION/APPROVAL					
OFFICE	NAME & DATE	EXT	OFFICE	NAME & DATE	EXT
PAYING AGENT/DIV/PHONE					
DATE PREPARED		CLASSIFICATION UNCLASSIFIED		Classified by Declassify on	

(INTENTIONALLY BLANK)

ENCLOSURE B

GIFT LOCKER MANAGEMENT

1. Use of Official Representation Funding (ORF) to support a Gift Locker Program

a. DoDI 7250.13, CJCSI 7201.01B, and JSI 7201.01C provide guidance and policy for the management of ORF to support Gift Locker programs for the Chairman of the Joint Chiefs of Staff, Vice Chairman of the Joint Chiefs of Staff, Combatant Commanders, and the Joint Staff.

b. Gifts are an integral part of official courtesies in a variety of situations and are often exchanged between host and visitors. Only DoD Officials designated in DoDI 7250.13, CJCSI 7201.01B, JSI 7201.01C and those officials delegated authority to present gifts and mementos shall present gifts purchased with ORF. ORF shall not be used to purchase, present, or otherwise give gifts to DoD members. Items in the gift locker may not be sold for other purposes. The Gift Locker program will be managed in accordance with Department of Defense policy and regulations as well as organizational policy and Standard Operating Procedures.

2. Gift Exchanges

a. Only appropriate gift exchanges will take place. Gifts purchased with ORF, including the presentation of coins acquired with ORF, are used only for ORF-related events and to extend official courtesies.

b. Absent extraordinary circumstances, presentation of gifts and mementos should be limited to the senior visiting GO/FO/SES (or equivalent).

3. Gift Limits

a. The aggregate cost of gifts presented by any one DoD official to any one authorized guest at a DoD-sponsored event may not exceed \$375, except in the case of mementos presented to authorized DoD officials while on visits to the field which should cost less than \$50.

b. A gift presented by a principal spouse to an authorized recipient of ORF must be considered as a gift presented by the principal. In the event gifts are presented by the principal and spouse at the same event, the total of both gifts may not exceed \$375.

4. Personalized Gifts

a. When deemed appropriate by an authorized host and approved by proper authority, gifts may be personalized with the organization, title, and the name of the presenter.

b. Some gift items may be personalized by name and position, others by position only, and still others will be “generic.” Personalized gifts may only be ordered in very limited quantities to ensure that they are only used during the principal’s tenure.

5. Hostess Gifts

a. Senior officials attend many official social functions during the year. Many of these events, while official, are held in private residences and hostess gifts are appropriate if host/hostess qualify for use of ORF.

b. As a general rule, hostess gifts are not appropriate for receptions, ceremonies, or events held at a restaurant or similar establishment.

6. Gift History Log

a. All presentations of ORF gifts will be documented to ensure they are presented in accordance with applicable Instruction, and to avoid presenting duplicate gifts to the same distinguished visitor. To ensure the organization effectively manages all gift data, a historical gift log will be maintained by the Gift Locker Manager.

b. This log should include name of presenter, full name of gift recipient (visitor), title and organization, country of visitor, date of presentation, and gift presented.

7. Management Internal Control Program (MIC) Assessment. The Gift Locker Program should provide input to the organization’s Management Internal Control Program. This will ensure internal controls established are efficient and effective management of government resources.

8. Gift Purchase Approval Process

a. Use of ORF must be approved by the Chairman, Vice Chairman, or Combatant Commander in advance of each purchase IAW CJCSI 7201.01B and JSI 7201.01C.

b. Authority to approve ORF purchases may be delegated in writing in accordance with regulations.

c. A formal pre-approval process should be established within the organization. Each request for use of ORF should include a description of gift items required and estimated amount of funding required. All costs, including shipping and gift wrapping are to be considered in the total price of each gift. Requests to use ORF should be coordinated with Legal and Comptroller and must be approved by the appropriate authority prior to ordering or purchasing the gift items. This will ensure the purchase has been approved and validated as an appropriate use of ORF before obligating government resources.

9. Ordering Gift Process

a. After funding has been approved, gift may be ordered/purchased from vendors. The purchase must be within approved budget limits.

b. If additional funding is required, request should be amended and forwarded for approval as soon as possible.

10. Receipt of Gift Items

a. When shipment is received, the order should be verified to ensure all items ordered were received in good condition before payment is initiated. Items should be reviewed against invoice/packing list with personnel not involved in the ordering or payment of gift items.

b. After review of items, invoice should be signed by person reviewing the receipt of gifts, gifts added to gift locker and inventory numbers updated.

11. Close-Out Process

a. A formal process should be established within the organization to finalize payment to vendors and fully document the purchase. Payment and close-out should be initiated within 5 working days after the receipt of gift items.

b. Close-out documents should include final costs, receipts, and a final review by Legal and Comptroller to ensure all expenses were an appropriate use of ORF.

12. Records Management. The organization must maintain all records/files for a minimum of 6 years IAW National Archives and Records Administration (NARA) The General Records Schedule (GRS), Transmittal 23, September 2014; JSI 7201.01C; and CJCSI 7201.01B.

13. Standard Operating Procedure (SOP). Standard Operating Procedures should be developed to document gift locker management within each organization. Although regulations provide guidance on how funding may be

used, the Standard Operating Procedures will provide a step-by-step guide for “how” the process works within the organization. This will provide a common understanding of the process by all parties, ensure process is in accordance with policy and regulations, and assist during transition with new employees.

14. Use of Previously Purchased Gift Stock Process

a. Use of gift stock to support official events should be coordinated with legal to ensure the presentation of the gift item is an appropriate use of ORF funding.

b. Principals within the organization other than the Chairman, Vice Chairman and Combatant Commanders may utilize gift stock if the event is approved in advance by the designated authority and is supported by the local organizational standard operating procedures.

c. A formal process should be established within the organization to coordinate use of gift stock to support ORF events. Below are recommended processes for consideration:

(1) Requests for use of gift stock items for the Chairman, Vice Chairman, and Combatant Commanders should be managed directly between the Gift Locker Manager and Principals office.

(a) Gift requirements are identified by the Principals office. Gift Locker Manager reviews gift history log and develops recommendations, coordinates with Legal to confirm recipients are authorized recipients of ORF, and forwards recommendations to the Principals office for approval.

(b) Upon approval of recommendations, Gift Locker Manager pulls gift from stock, updates inventory numbers, prepares gifts, and provides items to the Principals Office. Prior to turning over gifts, the aide must inventory gifts provided and sign for receipt of gifts. Standard practice is to provide additional gifts for trips to ensure items are available for any unanticipated gift exchanges that may occur. Care should be taken to ensure aides understand who may receive gifts purchased with ORF so presentations to unauthorized personnel do not occur.

(c) During visit/trip, the aide will manage gifts presented ensuring gifts are presented as approved and documenting any unanticipated gift exchanges. If gifts are not presented as expected, the aide must return gifts to the Gift Locker Manager. Prior to returning gifts, the Gift Locker Manager and aides should inventory gifts and sign for their return. Upon return of gifts, items should be returned to gift stock and inventory numbers adjusted.

(d) After gifts are presented, the Gift Locker Manager will update the gift history log to ensure duplicate gifts are not presented to the same official on future visits.

(2) Requests for use of gift stock items by other principals within the organization require approval in advance by the local designated authority. After approval, recommended process would follow procedures outlined in paragraph 1 above.

15. Inventory Levels

a. Gift and memento inventories are governed by the bona fide need rule and will be held to a minimum. Actual inventory levels may also be determined by the organization. Bona fide need is determined by when the agency actually requires (will be able to use or consume to fulfill a requirement) the items and funds must be obligated from the fiscal year in which the items will be used.

b. There are two exceptions:

(1) Production lead time. For things that are not standard (commercial items readily available from other sources) an agency may contract in one FY for delivery in the second FY if the items cannot be obtained at the time needed for use because of necessary production time. This could apply to hand-crafted gift locker items that are not kept in stock by the vendor.

(2) Stock level exception. Agencies may purchase sufficient items to maintain adequate and normal (reasonable) stock levels. The government may use current year funds to replace stock consumed in the current fiscal year, even though the government will not use the replacement stock until the following fiscal year. However:

(a) Agencies cannot stockpile items (i.e., in excess of normal usage requirements) at the end of the fiscal year.

(b) If an agency is creating a new stock of items, one not needed in the current FY, the agency may not obligate funds when it is apparent from the outset that there will be no requirement until the next FY.

16. Physical Security

a. Care should be taken to account for all items purchased with ORF. Gifts must be stored in a separate area, not comingled with other items, which can only be accessed by limited personnel.

b. Items should be organized and labeled to ensure ease of locating items for presentation and/or inventory.

17. Inventory Management

a. Inventories of Gift Lockers and ORF Liquor Stock at Quarters should be conducted with a disinterested party, at a minimum semiannually and/or with a change of Gift Locker/Liquor Inventory Managers to ensure accountability of items.

b. Items will be inventoried and reconciled with inventory records. All inventories will be signed by those conducting the inventory and maintained for a minimum of 6 years IAW National Archives and Records Administration (NARA) The General Records Schedule (GRS), Transmittal 23, September 2014; JSI 7201.01C; and CJCSI 7201.01B.

18. Disposal of Gifts

a. Disposal of items from ORF inventories because of damage or extenuating circumstances should be in accordance with local supply procedures to ensure proper turn-in to Defense Reutilization and Marketing Office (DRMO) or other authorized disposal activity.

b. Items may also be transferred from one Gift Locker to another COCOM or Service ORF Gift Locker to prevent destroying gifts that may be utilized by another DoD organization.

19. Best Practices:

a. Managing the Gift Locker by utilizing a web-based automated Gift Locker Program will improve efficiency of inventory management, documentation, and internal controls of inventory and historical gift log.

b. To ensure Gift Locker Manager maintains appropriate control of inventory stock, recommend the addition of a 10% inventory check monthly or quarterly in addition to the semiannual requirement.

ENCLOSURE C

INCOMING GIFT MANAGEMENT

1. Management of Gifts Received by Principal Officials.

a. Gifts are an integral part of official courtesies in a variety of situations. Gifts are normally exchanged during official counterpart visits and during self-invited visits.

b. DoDD 1005.13, the Code of Federal Regulation (CFR) and the Joint Ethics Regulation (JER) provide guidance and policy for the acceptance and disposition of gifts received by DoD Principal Officials. A formal process should be established within the organization to manage gifts received by Principal Officials.

2. Incoming Gift Process

a. Upon receipt of a gift by a principal official, the gift should be documented and processed using local organizational standard operating procedures.

b. Care should be taken to account for all gifts received while being processed and items should be stored in a separate locked area which can only be accessed by limited personnel. Process should include:

(1) Logging each gift into a gift log. Log should include date of receipt of gift, presenter (full name, rank, and country), and the event the gift was received (i.e., office call, dinner etc.).

(2) Value of gift, in US currency, should be determined by independent appraisal, research (search of web), or requesting value of gift by the presenting official.

(3) Gift and valuation should be reviewed by legal counsel to determine disposition options available.

(4) Principal official will make final determination on disposition which should be noted on the gift log.

3. Gifts to Spouses

a. Gifts presented to spouses of principal officials are considered gifts to the principal official. If the spouse and principal official receive gifts at the same event, the aggregate value of both gifts may not exceed limits as outlined in the disposition options in paragraph 8 below.

b. If the spouse received the gift at a separate event from the gift presented to the principal official, it may be considered separately.

4. Historical Gift Logs. The Command should maintain gift logs of current and previous Commanders and Deputy Commanders. A copy of the log of gifts received by the Commander and Deputy Commander should be provided upon their departure from the command.

5. Public Financial Disclosure Program

a. Senior leaders must report retained gifts received from one source during a calendar year which total \$375 or more on their OGE 278 report. Gifts given to spouse and dependent children because of their connection to the member must also be reported and included in the aggregate value of gifts from that one source on the member's OGE 278.

b. Gifts with a value of less than \$140 are not required to be reported even if when aggregated with other gifts from one source for the calendar year total \$375 or more. Also, gifts with an aggregate of less than \$375 from one source for the calendar year do not have to be reported.

6. Records Management

a. Records of gifts received must be maintained but there are no regulations that provide the required file maintenance. Recommend all records/files be maintained by the organization for the tenure of the Commander and Deputy Commander.

b. It may also be prudent to maintain copies for a period of time after the Commander and Deputy Commander's tenure in the event of an audit.

7. Standard Operating Procedure (SOP). Standard Operating Procedures should be developed to document the incoming gift process within each organization. Although regulations provide guidance concerning receipt of gifts, the Standard Operating Procedures will provide a step-by-step guide for "how" the gifts should be processed within the organization. This will provide a common understanding of the process by all parties, ensure the process is in accordance with policy and regulations, and assist during transition with new employees.

8. Disposition Options

a. Recipient can keep the gift if:

(1) The gift is from a foreign government and valued at or under \$375. If multiple gifts are presented by the same source at a single event, the combined value of all gifts is subject to the \$375 limit.

(2) The gift is from a domestic source and valued at or under \$20 or otherwise qualifies for an exception under the ethics regulations. If multiple gifts are presented by the same source at a single event, the combined value of all gifts is subject to the \$20 limit.

b. Recipients can purchase foreign gifts valued over \$375 or domestic gifts valued over \$20. Principal must pay the full fair market value of the gift.

c. Recipient can display a gift from foreign governments or domestic sources in official spaces. Over value gifts on display at the end of tenure may be disposed of or remain on display permanently as property of the organization. Foreign gifts will be disposed of using the General Services Administration (GSA) process and domestic gifts will be disposed of using the Defense Logistics Agency (DLA) process.

d. Recipient can return domestic gift to the presenter. However, gifts from foreign officials should be accepted and disposed of using the GSA process to prevent embarrassing or insulting foreign officials.

e. Recipient can dispose of gifts they do not wish to keep or display by transferring them to GSA or DLA. If the value of the gift is under the minimum value and accepted by the recipient then they may dispose of it as they deem fit and within the bounds of the JER, to include giving it to another member of the organization.

f. Gifts that are perishable (i.e., food baskets) should be documented and managed in accordance with the CFR. Although receipt of such a gift is subject to the standard gift rules, the disposition may differ. If the gift is over value but determined perishable, it may be accepted and shared in accordance with the CFR.

EXAMPLE: A holiday basket of cookies/chocolates is mailed to the Commander from a domestic source. The value of the gift is determined to be valued at \$75. Because it is perishable, the Commander can choose to accept the gift and share it with his/her office.

APPENDIX A TO ENCLOSURE C

INCOMING FOREIGN GIFT MEMORANDUM

Incoming Foreign Gift Memorandum

Recipient:																			
Donor:																			
Country:																			
Gift:																			
Received:	Location:	Value:																	
Foreign Gift Number																			
Legal Review:																			
<p>Note 1: If multiple gifts are presented by the same source at a single meeting, the combined value of all gifts is subject to the \$375 limit.</p> <p>Note 2: You may <u>keep</u> gifts from foreign governments valued at, or less than, \$375 (fair market value).</p> <p>Note 3: You may <u>keep</u> items of little intrinsic value such as plaques, certificates and trophies, which are intended solely for presentation.</p> <p>Note 4: You may <u>purchase</u> gifts from foreign governments valued over \$375 (fair market value).</p> <p>Note 5: You may <u>display</u> gifts from foreign governments in official spaces regardless of value. Gifts over value may be accepted as DOD Property.</p> <p>Note 6: You may <u>dispose</u> of gifts from foreign governments you do not wish to keep or display by transferring them to GSA.</p> <p>Note 7: If the gift from a foreign government is valued at, or less than, \$375 (fair market value), and you do not wish to keep, items may be given within your organization.</p>			<p align="center">Decision:</p> <p align="center">Gifts Under \$375:</p> <table border="1"> <tr> <td>Send Home/Retain</td> <td></td> </tr> <tr> <td>Display in Office</td> <td></td> </tr> <tr> <td>Display in Reception Room</td> <td></td> </tr> <tr> <td>Transfer to Authority for Disposal</td> <td></td> </tr> <tr> <td>Donate to:</td> <td></td> </tr> </table> <p align="center">Gifts over \$375:</p> <table border="1"> <tr> <td>Office - Official Display <i>Label as DoD Property</i></td> <td></td> </tr> <tr> <td>Request to Purchase</td> <td></td> </tr> <tr> <td>Transfer to Authority for Disposal</td> <td></td> </tr> </table>	Send Home/Retain		Display in Office		Display in Reception Room		Transfer to Authority for Disposal		Donate to:		Office - Official Display <i>Label as DoD Property</i>		Request to Purchase		Transfer to Authority for Disposal	
Send Home/Retain																			
Display in Office																			
Display in Reception Room																			
Transfer to Authority for Disposal																			
Donate to:																			
Office - Official Display <i>Label as DoD Property</i>																			
Request to Purchase																			
Transfer to Authority for Disposal																			
Delivered to: _____	Date: _____	Delivered by: _____	Date: _____																
Returned to: _____	Date: _____	Returned by: _____	Date: _____																
Delivered to: _____	Date: _____	Delivered by: _____	Date: _____																

(INTENTIONALLY BLANK)

APPENDIX B TO ENCLOSURE C

INCOMING DOMESTIC GIFT MEMORANDUM

Incoming Domestic Gift Memorandum

Recipient:				
Donor:				
Country:				
Gift:				
Received:	Location:	Value:		
Domestic Gift Number:				
Legal Review:				
<p>Note 1: If multiple gifts are presented by the same source at a single meeting, the combined value of all gifts is subject to the \$20 limit.</p> <p>Note 2: You may <u>keep</u> gifts from domestic source, valued at, or less than, \$20 (fair market value). You may retain from the same source up to an aggregate of \$50 in a calendar year</p> <p>Note 3: You may <u>keep</u> gifts and mementos, which were purchased with representational funds (ORF) not exceeding the maximum value of \$50 as limited by DoD Directives.</p> <p>Note 4: You may <u>keep</u> items of little intrinsic value such as plaques, certificates and trophies, which are intended solely for presentation.</p> <p>Note 5: You may <u>purchase</u> gifts from a domestic source valued over \$20 (fair market value).</p> <p>Note 6: You may <u>display</u> gifts from domestic sources in official spaces regardless of value. Gifts over value may be accepted as DOD Property.</p> <p>Note 7: You may <u>dispose</u> of gifts from domestic sources you do not wish to keep or display by transferring them to DLA.</p> <p>Note 8: You may <u>return</u> the gift to the presenter.</p> <p>Note 9: If the gift from a domestic source is valued at, or less than, \$20 (fair market value), and you do not wish to keep, items may be given within your organization.</p>		Decision:		
		Gifts Under \$20:		
		Send Home/Retain		
		Display in Office		
		Display in Reception Room		
		Transfer to Authority for Disposal		
		Donate to:		
		Gifts over \$20:		
		Office - Official Display <i>Label as DoD Property</i>		
		Request to Purchase		
Transfer to Authority for Disposal				
Delivered to: _____	Date: _____	Delivered by: _____	Date: _____	
Returned to: _____	Date: _____	Returned by: _____	Date: _____	
Delivered to: _____	Date: _____	Delivered by: _____	Date: _____	

(INTENTIONALLY BLANK)

APPENDIX C TO ENCLOSURE C
SAMPLE INCOMING GIFT LOG

SAMPLE INCOMING GIFT LOG

<u>DATE RECEIVED</u>	<u>RECIPIENT</u>	<u>GIFT DISCRIPTION</u>	<u>GIVEN BY</u>	<u>LEGAL REVIEW</u>	<u>FOREIGN OR DOMESTIC VALUE</u>	<u>DISPOSITION:</u>
18-Jun-14 Event: Dinner, Counterpart Visit	GEN Tim Smith	Gold Box	ADM Jim Schmidt CHOD, Australia	18-Jun-14	Foreign Amount: \$200	Retain
18-Jun-14 Event: Dinner, Counterpart Visit	Mrs. Mary Smith	Silk Scarf	Mrs. Ellie Schmidt Spouse, CHOD Australia	18-Jun-14	Foreign Amount: \$150	Retain
12-Jun-14 Event: Office Call	GEN Tim Smith	Book "The Book"	TJ Kelly, Author (autographed)	12-Jun-14	Domestic Amount: \$130	Transfer to Authority for Disposition
30-May-14 Event: Dinner, Counterpart Visit	GEN Tim Smith	Sword	LTG Bill Shell CHOD United Kingdom	01-Jun-14	Foreign Amount: \$300	Official Display
30-May-14 Event: Office Call	Mrs. Mary Smith	Gold Charm Bracelet	Mrs. Sue Shell Spouse, CHOD Australia	01-Jun-14	Foreign Amount: \$200	Official Display
16-May-14 Event: Luncheon	Mrs. Mary Smith	Crystal Vase	Chamber of Commerce	16-May-14	Domestic Amount: \$50.00	Transfer to Authority for Disposition
14-May-17 Event: Office Call	GEN Tim Smith	Silver Case Spouse Gift: N/A	GEN James Bell, CHOD Germany	14-May-14	Foreign Amount: \$65.00	Donate

(INTENTIONALLY BLANK)

APPENDIX D TO ENCLOSURE C

GSA PROCESS FOR DISPOSITION OF FOREIGN GIFTS

1. GSA receives and documents items. The items are then made available for display purposes only to other Federal agencies (i.e., Smithsonian, NARA, White House, Congress, Library of Congress, etc.). Gifts are available for screening on <<https://gsaccess.gov/>> for 21 days.

NOTE: Items are provided with information identifying them as a foreign gift.

2. If there is no interest within the Federal Government; items are made available for transfer to State Agencies for donation to eligible public agencies and certain non-profit tax-exempt activities. These organizations may request permission to publicly display items through their State Agency for Surplus Property. Items are available for screening for an additional 5 days following the 21 day screening period for Federal agencies. If approved, the gifts will be made available for display indefinitely.

NOTE: Items are provided with information identifying them as foreign gift.

3. If there is no interest from State Agencies, items may then be sold by GSA with the approval of the Department of State. Traditionally, approval for public sale of foreign gifts has only been obtained after change of Presidential Administration due to the diplomatic sensitivities of sale of official gifts presented by foreign governments. Items are auctioned on <www.gsaauctions.gov>. Length of auctions varies depending on the type of item, but generally run for 7 days.

NOTE: Items are sold without any information identifying them as foreign gift.

4. Gifts not sold will be destroyed.

(INTENTIONALLY BLANK)

APPENDIX E TO ENCLOSURE C

DLA PROCESS FOR DISPOSITION OF DOMESTIC GIFTS

1. DLA receives and documents the items and removes all personal information (i.e., engraved plates). If the personal information cannot be removed, the item is immediately designated for destruction.
2. The items are then made available for reutilization to DoD agencies for 14 days on the DLA Disposition Services Website www.dispositionservices.dla.mil.> If there is no interest from DoD agencies, they are made available to other Federal agencies for an additional 21 days.
3. If there is no interest from DoD or Federal agencies, gifts are made available to State Agencies for 5 days for donation to eligible public agencies and certain non-profit tax-exempt activities.
4. If there is no interest from DoD, Federal, or State agencies, items are made available for a final 2 days to all DoD, Federal or State agencies. If there is still no interest, they are sold to Government Liquidations, a government contractor, who lists the items for sale on their website www.govliquidation.com.> The length of time for the sale varies depending on the type of item, and can range from 7-14 days.
5. Items that cannot be sold will be returned to DLA Disposition Services to be destroyed.
6. Best Practices
 - a. Managing incoming gifts by utilizing a standard form to process gifts will improve efficiency of coordination and better document the disposition of each gift.
 - b. Utilizing a form, in conjunction with the gift log, that includes a photo of the item, legal review, source of gift valuation, and principal official's initialed decision on the disposition will ensure gifts are appropriately processed and final disposition documented.

(INTENTIONALLY BLANK)