

WORKING WITH GOVERNMENT OFFICIALS

RULES FOR PRIVATE FOUNDATIONS

Summary of Congressional Ethics Rules

When working with government employees, in addition to considering the IRS tax rules, private foundations must also be aware of government ethics rules. Government employees at all levels – federal, state, and local – are subject to ethics rules that dictate the types of gifts they may accept from a non-governmental source, such as a private foundation. The rules that apply to any particular employee are determined by where they work, meaning the branch of government, the agency within the branch, and an employee's position within the agency. Ethics rules may also apply to employees of a foreign government.

Below is a summary of the types of gifts that a private foundation may provide Members of Congress and congressional employees under the congressional ethics rules.

Examples of permissible gifts:

- Gifts (other than cash), from non-lobbyists and organizations that do **not** employ or retain a federal lobbyist, valued at less than \$50 per occasion and less than \$100 per calendar year in total
- Non-meal food and refreshments of nominal value if offered as part of a business meeting, reception, or other similar event
 - Includes: modest hors d'oeuvres or appetizers, coffee, soft drinks, and other beverages, and continental breakfast
- Attendance at “widely attended events”
 - Widely attended events are events that meet all of the following criteria: (1) there is a reasonable expectation that at least 25 non-congressional individuals (and their guests) will attend the event; (2) attendance at the event will be open to individuals throughout a given industry or the attendees will represent a range of persons interested in a given matter; (3) Congressional Members and employees are invited to attend the event by the event organizer/sponsor; and (4) Congressional Members and employees participate in the event by speaking or performing a ceremonial function and/or their attendance relates to their official congressional duties

- Attendance includes: attendance fees, local transportation, food and refreshments taken in a group setting, entertainment during the event (excluding headliner entertainment), instructional materials, and unsolicited free attendance for a guest
- Attendance at charity fundraising events
 - To permissibly attend a charity event, the following conditions must be met: (1) Congressional Members and employees are invited to attend by the event sponsor/organizer; and (2) the primary purpose of the event is to raise money for a charitable organization (for example, more than half of the admission fee is tax deductible as a charitable donation)
 - Attendance includes: attendance fees, local transportation, food and refreshments taken in a group setting, entertainment during the event (excluding headliner entertainment), instructional materials, and unsolicited free attendance for a guest
 - Attendance includes travel – *i.e.*, transportation and lodging – if (1) the charity fundraising event is hosted by a 501(c)(3) organization; and (2) all of the event proceeds will benefit that 501(c)(3) organization (Note: Senate Members and employees may not accept travel to substantially recreational charity events.)
- Plaques, trophies, or other commemorative items intended for in-person presentation
 - Includes: plaque, trophy, certificate, and engraved commemorative item
- Items of little intrinsic/nominal value
 - Includes: greeting card, baseball cap, t-shirt, tangible items valued at less than \$10, non-meal food item, flowers, and perishables valued at less than \$10 and delivered or sent to the Congressional Member's or employee's office

Note: As with any agency of government, different rules may apply to different employees of the federal legislative branch. For example, the Senate and the House of Representatives have different rules on certain issues, especially with regard to travel. In addition, the rules distinguish between funding sources that employ federal lobbyists and those that do not. For more information, please consult your legal adviser.

In addition, you may find the following resources helpful:

- For a summary of House gift rules, see:
<http://ethics.house.gov/gifts/house-gift-rule - WholsSubjectTopic>
- For details on House gift rules, see Chapter 2 of the House Ethics Manual on Gifts, at:
http://ethics.house.gov/sites/ethics.house.gov/files/documents/2008_House_Ethics_Manual.pdf
- For a summary of Senate gift rules, see:
http://www.ethics.senate.gov/public/index.cfm/files/serve?File_id=b5ea8a39-c8ec-4ef0-9096-ff872752b77b
- For details on Senate gift rules, see section 2 of Gifts of the Senate Code of Official Conduct, at:
http://www.ethics.senate.gov/public/index.cfm/files/serve?File_id=efa7bf74-4a50-46a5-bb6f-b8d26b9755bf