

January 24, 2019

MEMORANDUM

TO: Chapter Presidents

RE: Discounts and Gift Cards for Members in Need Because of the Shutdown

SUMMARY: Obtaining discounts and gift cards appears to be permissible under the Office of Government Ethics (OGE) rules.

Several chapters have inquired about whether they can obtain discounts and gift cards from local vendors to assist members as they continue to be financially impacted by the government shutdown. We have reviewed the OGE regulations and again called the OGE, but because they too are closed due to the shutdown, we did not receive a return call. There appears to be nothing in the relevant OGE regulations that prohibit chapters from soliciting vendors if they follow the same conditions identified in the “Go Fund Me” chapter presidents’ memo issued January 22, 2019. 5 CFR 2635.202. Those conditions are: the chapter should only identify itself as consisting of members who are federal employees without specifying the agency or members’ federal occupation, and the chapter should state that the solicitation will be used to help members in need because of the shutdown. The vendor would be offering to discount or give gift cards to “all” federal government employees.

Some specific points based on the regulations:

- Businesses could donate two \$20 gift cards per federal employee to satisfy the exception for gifts having an aggregate market value of less than \$20 without exceeding the \$50 limit per calendar year.
- Chapter Presidents who solicit such gifts and other businesses on behalf of other members of the union should not accept any gifts themselves. It would be proper for chapter members to accept such gifts, but likely not proper for a Chapter President to both solicit and accept such gifts.
- Businesses could offer favorable rates and commercial discounts to all federal employees so long as the favorable rates and commercial discounts are offered to all federal employees, irrespective of their type of official responsibility, their rank, or their rate of pay.
- Businesses, and individuals can offer modest items of food and non-alcoholic refreshments, such as coffee and donuts, offered other than as part of a meal because such items would be excluded from the regulation’s definition of gift.
- Any business or individual who offers a gift to a federal employee or their union may not do so because of the employee’s official position. In other words, no gifts may be accepted if the business expects to confer benefit from donating to the federal employee because of the employee’s official position.

To reiterate, the chapter representatives who are soliciting the discounts and gift cards from the local vendors must be clear they are representing their membership made up of federal employees and that they are not there on their own behalf. They must **not** identify the agency where they work, their occupation or their members' occupation or where they work.

I continue to be impressed with how committed you are to your members in need during these unconscionable times. Please contact your National Field Representative if you have additional questions or need further guidance.

Anthony M. Reardon
National President