

ATJA  
1 February 2001

Point Paper

**SUBJECT:** Privatization/Transformation and Gratuities from Army Contractors

1. **Purpose:** To outline the ethical rules related to Army Contractors providing gratuities to TRADOC employees during the privatization/transformation initiatives.

2. **Discussion Points:**

- **General.** Army privatization and transformation initiatives encourage greater partnering between TRADOC and private industry. Often contractors offer gifts and gratuities to TRADOC employees during meetings, training conferences, and negotiations. It is important to understand the strict ethical rules related to such situations.
- **Rule.** Never directly or indirectly solicit a gift or gratuity from a contractor. However, you may accept unsolicited items if an exception/exemption applies.
- **Acceptable Items.** There are numerous exceptions/exemptions to the gift prohibition. The following are common types of items which may be offered by and accepted from contractors.
- Any item valued at \$20 or less per occasion (up to \$50 maximum per year from a single contractor);
- Coffee, donuts and other modest food items not offered as part of a meal;
- Greeting cards, plaques and similar presentation items with little intrinsic value.
- Transportation and lodging to officially attend a meeting or similar function if accepted in advance by TRADOC under certain very limited circumstances (see, TRADOC Reg. 37-2 and call the TRADOC ethics counselors prior to acceptance).
- **Cash.** Never accept currency in any form from a contractor.

3. **Advice.** If any contractor offers you a gift or gratuity that causes concern, contact the TRADOC ethics counselors at the Office of the Staff Judge Advocate at 788-2302.