



# Raising Funds to Assist Co-Workers & Charitable Fundraising in the Workplace

## Frequently Asked Questions

April 2017

### Employees Raising Funds to Assist Co-workers

**1. Are you allowed to “pass the hat” among your Service colleagues to collect money for a co-worker or supervisor who has experienced a personal tragedy or event? (e.g. a fire, flood, illness or death.)**

**A:** Yes. According to the Office of Government Ethics (OGE), the ethics rules do not prohibit the collection of cash among employees for the benefit of an individual employee. These funds must be donated freely by co-workers without pressure or coercion. The donor determines the amount of the contribution. The collected donations may be given directly to the affected employee, or used to purchase items or gift cards. Even though it is permissible to provide an individual donation of cash directly to an affected employee, OGE recommends that individual gifts are bundled, so that the affected employee is not aware of the amount donated by each employee.

The collection of funds given directly to a co-worker is not considered “fundraising” under the ethics rules. “Fundraising” is defined as the raising of funds for a nonprofit organization. “Fundraising” for a charity is allowed only as part of the Consolidated Federal Campaign (CFC).

(Note: Generally, the ethics rules prohibit you from giving a gift over \$10 to a co-worker who is in a more senior position. However, an exception to this rule allows you to contribute money to a more senior employee for a “special, infrequent occasion.” “Special, infrequent occasions” include both joyous events like weddings, and personal tragedies like fires, floods, illnesses and deaths.)

*Example 1: A Service employee dies leaving a young child. Her co-workers may collect cash donations from Service employees, and provide the funds to the family to assist with the child’s needs.*

*Example 2: A Service employee’s house burns down. The Red Cross provides immediate assistance to the employee and his family. A Service co-worker wants to raise funds for the Red Cross to be directed to the affected employee’s family. The Service employee is prohibited from fundraising for a charity on government property and/or using government resources, except through the CFC campaign. Therefore, he may not conduct a Red Cross fundraising activity for the Service employee’s family in the workplace.*

**2. Are you allowed to collect money from co-workers to send flowers to a funeral?**

**A:** Yes. The contribution must be voluntary, and given freely without pressure or coercion. The donor must determine the amount of the contribution.

*Example of email text: “Many employees have asked for information about John’s memorial service. It is scheduled for this Saturday at (provide time, location, etc.) If you are interested in contributing funds for a flower arrangement to be displayed at the service, please contact (name of employee contact.)”*



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**3. Are you allowed to send out an e-mail notifying employees about a bank account that has been set up for an employee who has suffered a personal tragedy or event?**

**A:** Yes. An email may be sent to the employee's co-workers. The donations must be voluntary and the donor must determine the amount of the contribution.

*Example of email text: "Employees have asked how they can help. A joint account at the Wells Fargo Bank is accepting donations. Those who are interested may contact any banking branch of a Wells Fargo Bank. The account is called the "Susan and John Smith Donation Account."*

**4. Are you allowed to conduct food/clothing/kitchen/toy drives to provide assistance to a Service employee or a charity in the community?**

**A:** Yes. Collections-in-kind of items are permitted in the workplace at any time of year with management approval. The collection for a Service employee also may include the donation of funds. The collection for a charitable organization may NOT include the donation of funds.

**5. Are you allowed to ask a contract employee for a donation to assist a Federal employee?**

**A:** No, contract employees are not Federal employees. They are "prohibited sources" under the Federal ethics rules. You may not solicit funds or gifts from a prohibited source. (A "prohibited source" includes any person, company, or organization that does business with the Service, is seeking to do business with the Service, conducts operations that are regulated by the Service, or has any interests that might be affected by the performance or non-performance of your official duties, or is an organization a majority of whose members are described above.)

### Employee Association Raising Funds

**6. May an employee association help raise funds to assist Service employees?**

**A:** Yes, employees who are part of an employee association may collect funds for their co-workers. These funds must be given freely without pressure or coercion. The donor must determine the amount of the contribution.

**7. Is an employee association allowed to conduct a bake sale, taco lunch, or sell other items (coffee mugs, hats, t-shirts) at a profit to raise funds to be used for the benefit of other employees?**

**A:** No. A Department of the Interior (DOI) regulation, [43 CFR 20.504](#), prohibits the sale of items for a profit on DOI property. However, there are a couple of ways that an employee association could conduct the event without violating this rule:

- The employee association could provide donated baked goods or other items as an incentive for employees to donate to the employee association for a Service employee in need. Individuals may select a baked good or other item and donate an amount of their choosing (or no amount) to the employee in need.
- The taco lunch sale takes place in a common area (e.g., a lobby or outdoor patio) that is not owned or leased by the DOI.

**8. Is the Service allowed to conduct a raffle on Federal property where tickets are sold and a prize given away to raise money for an employee or for the employee association?**

**A:** No. Gambling is prohibited on Federal property. The legal definition of gambling requires three elements:

*For ethics questions, contact your Ethics Counselor. See contact list on the [Service Ethics Page](#).*



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- A game of chance: A game of chance includes, but is not limited to, a raffle, lottery, sports pool, game of cards, or any game for money or property.
- Consideration for the opportunity to play the game: Consideration includes a participation fee, a wager of money, or something of value in return for the possibility of winning a reward or prize.
- An offering of a prize: A prize would include a monetary award, or a tangible or intangible item. Examples include meals, drinks, gift certificates, tickets to events, or cash.

If an event meets all of these elements then it is prohibited.

*Example 1: Employees are given a free raffle ticket when they enter a CFC kick-off event. The winner receives lunch with the Director. This activity does not meet all three elements of the “gambling” definition because employees are not providing “consideration” (fee, money, etc.) to receive a raffle ticket. Therefore it is not a prohibited gambling activity.*

*Example 2: An employee association wants to raise money for their activities by raffling off a new iPad. The association plans to charge employees \$5.00 a ticket. This activity meets all three of the elements of the “gambling” definition and, therefore is prohibited on Federal property.*

### Charitable Donations in the Workplace

#### **9. Are you allowed to start a fundraising drive in the workplace for the Red Cross or another charity to support the victims of a natural disaster?**

**A:** The fundraising drive is allowed only if the Director of the Office of Personnel Management (OPM) specifically authorizes it. Generally, OPM forbids charitable fundraising in the Federal workplace, except for the Combined Federal Campaign (CFC). The CFC is conducted during a specific time period, typically September 1 through December 15. The only charitable fundraising allowed in the workplace, outside this time period, must be authorized by the Director of OPM to victims in cases of emergencies and disasters. Outside of the workplace, employees may donate to a charity of their choosing.

#### **10. May an office display a tree with tags identifying gifts for employees to purchase for a charitable organization or for a family in need?**

**A:** Yes. This event is similar to a clothing or toy drive. In-kind donations of items or goods are allowed at any time of year. However, no cash may be donated to the charity. General-use prepaid gift cards (e.g., those with a Visa/Mastercard/American Express logo) are considered cash equivalents and cannot be contributed. Store gift cards are not considered cash equivalents and may be contributed.

*Example: The Regional Office sets up a Salvation Army holiday giving tree in the lobby of the building. The tree is decorated with gift tags. Each tag contains the description of an individual person and a specific item that the individual needs. Service employees may choose a tag and purchase the gift or a store gift card to put under the tree.*

#### **11. Are you allowed to send an email note to Service employees identifying charities for donations on behalf of a deceased colleague?**

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## Raising Funds to Assist Co-Workers & Charitable Fundraising in the Workplace

**A:** No. You may not use your official position/title/status to endorse any organization or to give the impression that the agency sanctions such activities. However, you may send to employees a link to an obituary notice in the newspaper or the funeral home. Often those notices contain information from the family regarding charitable donations.

Example of allowed email text: Tragically, Service employee Sally Smith died Monday, August 28, in an auto accident near her home in Alexandria, Virginia. The funeral for Ms. Smith is scheduled for Monday, September 3. If you would like to contribute funds for a floral arrangement please contact Bob Johnson at (phone number and email address.) For information about the funeral services, please visit [http://www.funeral\\_home/obituary](http://www.funeral_home/obituary).

Example of prohibited email text: Tragically, Service employee Sally Smith died Monday, August 28 in an auto accident near her home in Alexandria, Virginia. The funeral for Ms. Smith is scheduled for Monday, September 3. As many of you know, Ms. Smith was a leader in the Girls Club of America organization. Her family has indicated they would appreciate donations in Ms. Smith's name to be sent to the Virginia Girls Club chapter.