

# MS 721 Gifts and Fundraising

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*MS 721 Gifts and Fundraising Procedures*

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## **Attachments**

Attachment A - Due Diligence Procedures for Gifts to the Peace Corps

Attachment B - Memorial Giving Guidance

Attachment C - Donor Report Template

Attachment D - Gift Acknowledgement Letter Template

Attachment E - Agreement for the Donation of Voluntary Services Template

Attachment F - In-Kind Donation Agreement Template

Attachment G - Donor Criteria Checklist

Attachment H - Quarterly Report of Noncash Donations Template

Attachment I – Report of Payment of Travel Expenses by Non-Federal Sources

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## **1.0 Purpose**

The purpose of this Manual Section is to ensure the integrity and appropriateness of Peace Corps activities relating to gifts and fundraising. This Manual Section sets out the Peace Corps policy on:

- (a) solicitation of gifts;
- (b) acceptance of gifts;
- (c) due diligence;
- (d) use of gifts to the Peace Corps; and
- (e) other fundraising activities.

## **2.0 Applicability**

This Manual Section applies to the solicitation of gifts by the Peace Corps; acceptance of gifts made to the Peace Corps from non-federal sources; and fundraising activities by the Peace Corps.

This Manual Section does not apply to:

- (a) Host country contributions (see MS 722 *Host Country Contributions*).
- (b) Strategic partnership agreements (see MS 103 *Strategic Partnerships*).
- (c) Gifts to individual employees that are separately governed by the Government-wide Standards of Ethical Conduct at 5 CFR Part 2635 (see MS 641 *Employee Standards of Conduct*).
- (d) Gifts to Peace Corps Volunteers (See MS 720 *Small Grants Program*, and MS 204 *Volunteer Conduct*).
- (e) Acceptance of funds received through an independent statutory authority, other than the Peace Corps gift acceptance authority, e.g., the Economy Act, the Intergovernmental Cooperation Act, and the Intergovernmental Personnel Act.

### **3.0 Authorities**

Under section 10(a)(4) of the Peace Corps Act, the Peace Corps may solicit and accept gifts in furtherance of the purposes of the Peace Corps Act.

### **4.0 Policy**

**4.1** The Peace Corps prudently exercises its authority to solicit and accept gifts for the Peace Corps from individuals, families, Returned Volunteer groups and other non-profit organizations, foundations, corporations, businesses, and other entities purely as expressions of support, as a result of a donor's awareness of needs, or in response to an organized fundraising campaign by others. The Peace Corps appreciates the generosity of those who donate directly, and those who work and donate indirectly through organizations that raise funds for the benefit of the Peace Corps. In this Manual Section, these individuals and entities are collectively referred to as "donors."

**4.2** In connection with the solicitation and acceptance of gifts, there is a broad range of activities that the Peace Corps may undertake in responding to inquiries from the public, collaborating and working with donors on authorized fundraising and, in accordance with this Manual Section, the Peace Corps has the authority to:

- (a) Identify projects, programs, or objectives that are appropriate for private sector support and describe Peace Corps needs or how donations will be used, to potential donors and the public;
- (b) Provide information on the ability of the Peace Corps to accept donations for Peace Corps projects and programs;
- (c) Work or collaborate with strategic partners who are fundraising to benefit the Peace Corps subject to any specific limitations in this Manual Section;

- (d) Authorize the use of the Peace Corps name and logo by strategic partners and Fundraising Partners;
- (e) Recognize donors pursuant to an established donor recognition program; and
- (f) Support or encourage the efforts of third parties to create Peace Corps support groups whose purposes include raising funds for the benefit of the Peace Corps, such as Returned Peace Corps Volunteer groups.

## 5.0 Definitions

For purposes of this Manual Section:

**5.1 Accept or Acceptance** means the authority to accept or reject a gift.

**5.2 Authorized Official** means a Peace Corps employee authorized under Section 6.0 to approve a solicitation or acceptance of a gift.

**5.3 Cause Marketing** means a type of strategic marketing that pairs a company or its brand with the Peace Corps for mutual benefit. Businesses generally offer two primary forms of gifts - philanthropic gifts or cause marketing gifts tied to advertising. The primary difference between the two is that cause marketing gifts involve the use of advertising and marketing to promote a donation and a relationship between the business and the Peace Corps.

**5.4 Co-branding** means when the Peace Corps Mark is on a product with the Fundraising Partner's name, logo, or other marks or on a product with unique characteristics such that the product itself is likely to be identified with the Fundraising Partner.

**5.5 Conditional Gift** means a gift with limitations on its ownership, use, or disposition by the Peace Corps.

**5.6 Covered Relationship** means a relationship that an employee has with:

- (a) A person with whom the employee has or seeks a business, contractual or other financial relationship that involves other than a routine consumer transaction;
- (b) A person who is a member of the employee's household, or who is a relative with whom the employee has a close personal relationship;
- (c) A person for whom the employee's spouse, parent or dependent child is, to the employee's knowledge, serving or seeking to serve as an officer, director, trustee, general partner, agent, attorney, consultant, contractor or employee;
- (d) Any person for whom the employee has, within the last year, served as officer, director, trustee, general partner, agent, attorney, consultant, contractor or employee; or

- (e) An organization, other than a political party, in which the employee is an active participant.

**5.7 Donor** means a non-federal source of a gift. Also see non-Federal source definition.

**5.8 Fundraising Agreement** means an agreement between a donor and the Peace Corps in connection with a gift to the Peace Corps.

**5.9 Fundraising Partner** means a donor with whom the Peace Corps enters into a Fundraising Agreement or otherwise collaborates to raise funds for the Peace Corps.

**5.10 Gift** means a thing given willingly to the Peace Corps without payment or expectation of payment. A gift can be voluntary services, money, and property (real, personal, tangible or intangible).

**5.11 In-Kind Gift** means a gift of real or personal property, or voluntary services.

**5.12 Intangible Personal Property** means property having no intrinsic value but representing value, such as certificates of securities or stock, notes, or bonds.

**5.13 Memorial Fund** refers to a fund established by Office of Gifts and Grants Management to accept gifts made to the Peace Corps “in memory of” a Volunteer who has passed away while in service, or with the Peace Corps Director’s authorization, “in memory of” a returned Peace Corps Volunteer or former Peace Corps staff (See MS 721 Procedures).

**5.14 Non-Federal Source** means any person or entity other than the United States Government. It includes, but is not limited to an individual, private or commercial entity, corporation, nonprofit organization or association, foundation, international or multinational organization, and foreign, state or local government.

**5.15 Peace Corps Marks** refers to and may include the Peace Corps name, logos, particular Peace Corps programs or funds, and any other Peace Corps brand, identity, mark, slogan or tagline.

**5.16 Real Property** means land and anything permanently attached to the land (e.g., buildings) or grown on the land.

**5.17 Special Fund** refers to a fund established by the Office of Gifts and Grants Management under the Peace Corps Partnership Program to accept gifts made to specific sectors.

**5.18 Solicitation** means a request by an Authorized Official to a non-federal source for a donation to the Peace Corps.

**5.20 Tangible Personal Property** means property which has intrinsic value, such as books, subscriptions, supplies, materials, equipment, and similar items.

**5.21 Voluntary Services** means a gift of services from individuals or other non-federal sources.

**5.22 Unconditional Gift** means a gift with no limitations on its ownership, use, or disposition by the Peace Corps.

## 6.0 Roles and Responsibilities

### 6.1 The Office of Gifts and Grants Management

The Office of Gifts and Grants Management (GGM) in the Office of External Affairs (EA) is responsible for the general direction and overall management of the Peace Corps gift solicitation, gift acceptance, and fundraising programs, including:

- (a) Establishing Memorial and Special Funds;
- (b) Approving and tracking redelegations to fundraise by Authorized Officials;
- (c) Administering and overseeing small grants programs (see MS 720); and
- (d) Administering and overseeing the Peace Corps Fund and other funds authorized by the Director.

### 6.2 Authorized Officials

**6.2.1** The Director and Deputy Director have the authority to solicit and accept gifts without limitation to the amount. The following Authorized Officials have authority to solicit and accept, and to approve a solicitation or an acceptance of a gift as follows:

Authorized Official	Authority to Solicit	Authority to Accept
Associate Director of EA	Unlimited	Not to exceed \$100,000 per gift
Director of the Office of GGM	Unlimited	Not to exceed \$50,000 per gift
“A” Delegates	None	Limited to travel and voluntary services
Inspector General	Solicitation and acceptance limited to voluntary services donated to the Office of Inspector General	
Country Directors	Solicitation and acceptance limited to use in country for gifts not to exceed \$10,000 per gift	
Director of the Office of Communications	Solicitation and acceptance limited to donated media, including public service announcements, and other media-related resources and public artifacts, such as Volunteer memorabilia.	
Director of Office of Overseas Training and Program Support	Solicitation and acceptance limited to books, films, and other archival materials for agency use.	
Director of the Office of Human Resource Management	Solicitation and acceptance limited to voluntary services of individuals.	

Dollar limitations on the authority to solicit and accept gifts apply to the cumulative value of all gifts from any single donor within a year.

**6.2.2** Authorized Officials have the following responsibilities:

- (a) Gather sufficient information about a prospective donor and the proffered donation to facilitate evaluation of the donation.
- (b) Evaluate the totality of the circumstances, including the value and purposes of the donation and the nature and interests of the donor, to determine whether to accept the donation. See Section 7.0 for additional information.
- (c) Seek guidance from OSP, Office of the Chief Financial Officer (OCFO) and Office of the General Counsel (OGC), as appropriate, whenever the circumstances are unclear or questionable, to resolve issues associated with particular gifts.
- (d) Record monetary gifts in the financial management system and in-kind gifts into the Property Management Software System (PMSS). See MS 511 *Personal Property Management*.

**6.3 Restrictions**

**6.3.1 Employees**

- (a) An employee who has a “covered relationship” with a donor may not be involved in the solicitation or acceptance of a gift from such donor.
- (b) An employee may not solicit:
  - (1) Gifts from Volunteer applicants, invitees, or Trainees, Volunteers, or other Peace Corps employees.
  - (2) Gifts of travel expenses for meetings or similar functions. See Section 7.2 for gifts of travel.

**6.3.2 Volunteers**

- (a) Volunteers are prohibited from using the Peace Corps name, logo or using their association with the agency for any personal purposes.
- (b) Volunteers are not authorized to solicit or accept gifts on behalf of the Peace Corps. Volunteers may, however, promote approved Peace Corps Partnership Program (PCPP) projects among their family and friends. Volunteers should refer any other potential donor to the Country Director. See MS 720 *Peace Corps Small Grants* and the Small Grants Program Staff Handbook and Small Grants Program Volunteer Handbook for additional information.

**6.4 Redelegation**

AD/EA must approve any redelegation by an Authorized Official, other than the Inspector General, to solicit and accept, and to approve a solicitation or an acceptance of a gift. Further redelegation is prohibited.

## **7.0 Solicitation, Acceptance, and Due Diligence**

### **7.1 Relevant Factors**

Authorized Officials must consider a number of relevant factors in connection with the solicitation or acceptance of a gift.

#### **7.1.1 All solicitations and acceptances of gifts:**

- (a) Must be in a legally and ethically appropriate manner;
- (b) Maintain the integrity of Peace Corps programs and operations;
- (c) Maintain the impartiality, and appearance of impartiality of the Peace Corps and its employees; and
- (d) Maintain public confidence in the Peace Corps and its programs and employees.

Authorized Officials must consider all relevant factors when determining whether to accept a donation, including the value and purposes of the gift, and the nature and interests of the donor. The Authorized Official should weigh the totality of the circumstances from the perspective of a reasonable person with knowledge of the relevant facts.

#### **7.1.2 Examples of relevant factors to be considered are:**

- (a) Any conditions that are inconsistent with Peace Corps mission, programs or statutory authorities;
- (b) The gift or solicitation will not require the expenditure of appropriated funds that are not available to the Peace Corps;
- (c) The Peace Corps is not required to provide the donor with some privilege, concession or other present or future benefit in return for the gift;
- (d) The gift or solicitation does not require the Peace Corps to undertake activities that are not related to the Peace Corps mission, programs or statutory authorities; or
- (e) The solicitation or acceptance would not reflect unfavorably upon the ability of the Peace Corps, or any of its employees, to carry out its responsibilities or official duties in a fair and objective manner, and would not compromise the integrity of its programs or any official involved in those programs.

This list is neither intended to be exclusive nor to imply that any one of these factors absolutely requires approval or acceptance or disapproval, but rather to illustrate what should be considered when evaluating the totality of circumstances and making donation-related decisions.

The Peace Corps retains the discretion to decline or return any particular gift. GGM, in consultation with OGC, and other appropriate offices, may reconsider a solicitation or acceptance of a gift at any time and take appropriate action including, halting the solicitation or returning a gift.

## **7.2 Gifts of Travel**

The acceptance of gifts of travel from a non-federal source for official duty travel should be the exception and not the rule. Peace Corps will not use this gift authority to shift the cost of normal travel programs to a non-federal source. Further, gifts of travel may never be solicited. Authorized officials may accept gifts of travel from a non-federal source for travel, subsistence, and related travel expenses in connection with “meetings or similar functions” relating to the official duties of the employee when the benefit received outweighs the conflict of interest concern under 31 U.S.C. 1353. Approval is required from the Designated Agency Ethics Official (DAEO), Alternate DAEO, or Peace Corps Deputy Ethics Official. Please refer to the “Procedures for Gifts and Fundraising” in MS 721 Procedures to request approval for gifts of travel.

**7.2.1 Other gifts of travel.** Authorized officials may accept gifts of travel, i.e., not for travel to meetings or similar functions, in the same way as other gifts under this Manual Section. Authorized officials should consult with the DAEO if there is a question as to the purpose of the travel. An authorized official may not approve a gift of travel where the authorized official is the traveler.

## **7.3 Due Diligence**

Due diligence is a formal process for certain solicitations or acceptances in which GGM must consider the solicitation and acceptance factors in 7.0 with attention to the reputational integrity of the donor. See “Due Diligence Guidelines for Gifts and Contributions to the Peace Corps” in MS 721 Procedures.

## **7.4 Due Diligence Exceptions**

Unless GGM determines that due diligence is required, due diligence is generally not required for the solicitation or acceptance of:

- (a) Gifts at or under \$10,000;
- (b) Gifts from U.S. state and local governments;
- (c) Gifts from foreign governments where the Peace Corps has an active program;
- (d) Gifts from public international organizations, e.g. the World Bank; and



- (e) Gifts from entities, including public colleges and universities, which have a strategic partnership or agreement under another Peace Corps program such as the Paul D. Coverdell Fellows Program or Master's International Program.

Due diligence is not required prior to inquiring if a potential donor is interested in making a gift to the Peace Corps.

## **7.5 Responsibility for Due Diligence**

GGM is responsible for conducting and updating any due diligence. A due diligence request form must be completed by the requesting offices and submitted to GGM in order to initiate this process. See MS 721 Procedures.

## **8.0 Fundraising Activities**

### **8.1 General Fundraising Activities**

The Peace Corps has authority to:

- (a) solicit gifts that may be made to the Peace Corps; and
- (b) undertake a broad range of permitted activities as set forth in Section 4 hereof in connection with the solicitation of gifts.

The permitted activities that the Peace Corps may undertake to solicit and fundraise are further described in the MS 721 Procedures.

### **8.2 Endorsement**

Peace Corps does not endorse or imply endorsement of an entity or an entity's commercial efforts, officers, employees, products or services.

### **8.3 Website Links**

The Director of the Office of Communications, with the concurrence of the Office of the General Counsel, has the authority to approve the use of links for fundraising purposes (1) from a Peace Corps website to a third party's website and (2) from a third party's website to a Peace Corps website.

### **8.4 Peace Corps Logo**

Donors may use the Peace Corp logo in fundraising activities only with the prior approval of the Peace Corps. The Director of the Office of Communications and OGC, in consultation with OSP, have the authority to approve a third-party's use of the Peace Corps logo in a third party's fundraising campaign or other activity.

### **8.5 Cause Marketing Campaigns and Fundraising Agreements**

**8.5.1** The Peace Corps may participate in cause marketing campaigns and may accept and recognize gifts raised from cause marketing campaigns. The solicitation and acceptance factors in 7.0 apply to cause marketing gifts.

**8.5.2** To ensure that cause marketing campaigns and gifts are consistent with the mission, goals and policies of the Peace Corps, the Peace Corps will only accept a cause marketing gift over \$10,000 where the cause marketing campaign has been conducted under a signed Fundraising Agreement between the Fundraising Partner and the Peace Corps. The Fundraising Agreement must be executed prior to the start of the campaign. Only AD/EA is authorized to enter into a Fundraising Agreement. OGC must approve any Fundraising Agreement.

**8.5.3** In instances where a Fundraising Agreement has not been executed, AD/EA, with the concurrence of OGC, has the authority to accept the cause marketing gift.

**8.5.4** A Fundraising Agreement must contain appropriate provisions that identify or establish the following conditions, unless modified by AD/EA and approved by OGC:

- (a) Campaign advertising materials may not state or imply an endorsement by the Peace Corps of the Fundraising Partner, its commercial efforts, officers, employees, products or services. In addition, when appropriate or necessary, the Peace Corps may require that campaign advertising materials include specific disclaimer language provided by the Peace Corps that the Peace Corps is not endorsing the Fundraising Partner, its commercial efforts, officers, employees, products or services to make it clear that there is no Peace Corps endorsement.
- (b) The Peace Corps must review and approve all campaign advertising materials prior to distribution or communication by the Fundraising Partner to the public.
- (c) The Peace Corps must have the right to terminate the Fundraising Agreement at its discretion and without cost. Alternatively, the Peace Corps may permit termination of a fundraising agreement for cause, i.e., breach of the agreement by either party. The terms of termination must be decided on a case-by-case basis.
- (d) The Fundraising Partner is responsible for all costs associated with a fundraising effort and must track these separately from its other costs.
- (e) The Fundraising Partner's fundraising costs may not exceed 20 percent of the monies raised.
- (f) The Peace Corps must receive 100 percent of the profits from the fundraising effort whenever there is co-branding of Peace Corps Marks with a Fundraising Partner's Marks on a commercial product. This condition does not apply to generic apparel or other products branded only with a Peace Corps Mark.
- (g) When there is product co-branding, the Peace Corps should consider including on the product or packaging a message to indicate that there is a Peace Corps message separate from the product in addition to the Peace Corps' name and logo. For example, the

Peace Corps URL, the name of a Peace Corps program, or a Peace Corps slogan or tagline. The Peace Corps “message” further eliminates any appearance that the Peace Corps is endorsing the product.

- (h) AD/EA must vet any donation to or purchases from the fundraising effort attributable to a single source of \$10,000 or more.

## **8.6 Donor Recognition**

- (a) The Peace Corps may recognize contributions that aid in the accomplishment of its mission and will thank all donors in an appropriate fashion. Corporate donors should receive recognition from the Peace Corps on the same basis as other donors. Since most donors view their donation to a third-party fundraising for the benefit of the Peace Corps as tantamount to a donation to the Peace Corps, the Peace Corps should express its appreciation to such donors.
- (b) No recognition may be made in a form that implies endorsement by the Peace Corps of the donor, its officers, employees, products, services, or activities. Decisions about recognition, other than thank you letters, must include consideration of the appearances associated with the particular donation and whether the cost of any donor recognition item is a proper expenditure of appropriations.
- (c) Any expense associated with donor recognition items should be paid from gift funds allocated to the program, if possible, or to another appropriate account.
- (d) The AD/EA, with concurrence by the Office of Communications, and in consultation with the Chief of Staff, OGC, and OCFO, has the authority to establish and approve all donor recognition programs. GGM is responsible for managing all approved donor recognition actions.

## **9.0 Implementing Procedures**

The MS 721 Procedures, describe more fully the factors for consideration in soliciting and accepting gifts, general guidance on working with donors, fundraising partners, and potential donors, the types of plans and agreements relating to philanthropic activities that should be used, and other relevant guidance for Peace Corps staff. The Office of External Affairs is responsible for issuing the procedures. The procedures must be approved by the Office of Global Operations, OGC and OCFO.

## **10.0 Effective Date**

The effective date of the Manual Section is the date of issuance.