GIFTS WHICH ARE PERMITTED
The following items are not included in the definition of gift or are exceptions to the basic rule and may be accepted by an employee, spouse, or a dependent child:

✓ A campaign contribution to an employee’s own campaign if in compliance with the campaign finance laws.
✓ A gift from a family member.
✓ The waiver of a registration fee for a presenter at a conference or training described in KRS 45A.097(5).
✓ Door prizes, available to the public.
✓ Activities involving sponsorships, naming rights, or similar honoraria granted under KRS 45A.097.
✓ Individuals traveling on their own while involved in activities related to KRS 45A.097.
✓ A gift or gratuity received by an employee working directly on an economic incentive package or seeking to bring tourism to the state that was not solicited by the employee and was accepted in the performance of the employee’s official duty.
✓ A ticket for admission to a sporting event if the ticket or admission is paid for by the public servant at face value.

DEFINITIONS
“Does business with” or “doing business with” means contracting, entering into an agreement, leasing, or otherwise exchanging services or goods with a state agency in return for payment by the state, including accepting a grant, but not including accepting a state entitlement fund disbursement. Source: KRS 11A.010(14)

“Gift” means a payment, loan, subscription, advance, deposit of money, services, or anything of value, unless consideration of equal or greater value is received; “gift” does not include gifts from family members, campaign contributions, the waiver of a registration fee for a presenter at a conference or training described in KRS 45A.097(5), or door prizes available to the public. Source: KRS 11A.010(5).

“Prohibited Source” means any person, company, or organization that:
(a) Has a current contractual relationship with a governmental body,
(b) Conducts operations that are regulated by a governmental body,
(c) May be lobbying or attempting to influence matters of that governmental body,
(d) Has any interests that might be affected by the performance or nonperformance of official duties of the governmental body or the governmental body’s employees, or
(e) Is a person, company, or organization currently bidding on or proposing a contractual project with the governmental body under one (1) of the methods established in KRS 45A.075 or 45A.077. KRS 45A.096(9).

The Commission may authorize other exceptions where an appearance of impropriety will not be created.
ACCEPTANCE OF GIFTS

THE BASIC RULE
An employee and his/her spouse and dependent children are prohibited from accepting gifts, including travel expenses, meals, alcoholic beverages, and honoraria, totaling a value of more than $25 in a single calendar year from any person or business that does business with, is regulated by, is seeking grants from, is involved in litigation against, or is lobbying or attempting to influence the actions of the state agency for which the employee works.

GIFTS TO AN AGENCY
A governmental body may accept donations and gifts from persons or businesses to further the governmental body’s mission or to benefit the Commonwealth. Donations and gifts shall not be from a prohibited source. KRS 45A.097(1).

IN-HOUSE GIFT POLICIES
Some agencies may have in-house policies regarding the acceptance of gifts. Such agencies must, at a minimum, comply with the gifts law in KRS 11A.045, but are not prohibited from implementing more restrictive policies in addition to the gifts law or from accepting gifts pursuant to KRS 45A.097.

WHAT TO DO WITH GIFTS YOU CANNOT ACCEPT
An employee who has received a gift for personal use that cannot be accepted shall return the item to the gift-giver or pay the gift-giver the market value of the gift. When it is not practical to return an item (something perishable), the item may be donated to charity or destroyed, and the disposal should be documented in writing and included in the employee’s personnel file.

COMPLYING WITH THE GIFT RULE
When a gift is offered for use by your agency, review the policies established by KRS Chapter 45A, contact the Finance and Administration Cabinet. When you are offered or receive a gift for your personal use, take the following steps to determine whether you may accept the gift:

1. Is the person or business offering the gift in a business or regulatory relationship with, seeking grants from, involved in litigation against, lobbying or trying to influence the actions of the state agency for which you work?
   - NO
   - YES

2. Does the gift have a value of greater than $25?
   - NO
   - YES

3. Is the gift listed as an exception?
   - NO
   - YES

   YOU MAY NOT ACCEPT THE GIFT.

   You may accept the gift.