



Department of Defense

Employees' Guide to the Standards of Conduct

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Who do I Contact?

The **DoD General Counsel** is the Designated Agency Ethics Official (DAEO) for DoD personnel, civilian and military, who serve in the Office of the Secretary of Defense (OSD), most DoD Field Activities, and the Joint Staff.

For ethics advice, consult with your local ethics official. For OSD personnel only, contact the Standards of Conduct Office (SOCO) at OSD.SOCO@MAIL.MIL or by phone at 703-695-3422.

Contact information for local ethics officials can be found on the SOCO website at: <https://dodsoco.ogc.osd.mil/>.

IMPORTANT ADVICE

If you are not positive that what you are about to do is appropriate, ask your ethics counselor. One mission of ethics counselors is to advise personnel on accomplishing their goals without violating the standards of conduct.

In fact, disciplinary action for violating the Standards of Conduct will **not** be taken against you if you act in good faith reliance upon the advice of your ethics counselor following a full disclosure of all relevant circumstances.

This Handbook provides a general summary of the rules. It does not include every rule, exception, requirement, or all the factors that must be considered in making certain ethics-related decisions. If you are unsure of your actions, call your ethics counselor before you act.

GENERAL PRINCIPLES OF PUBLIC SERVICE

THE 14 ETHICAL PRINCIPLES (EXEC. ORDER 12674; 5 C.F.R. § 2635.101)

AMONG THE 14 PRINCIPLES ARE:

- Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws and ethical principles above private gain.
- Employees shall not hold financial interests that conflict with the conscientious performance of duty.
- Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.
- An employee shall not, except as permitted by the Standards of Ethical Conduct, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.
- Employees shall put forth honest effort in the performance of their duties.
- Employees shall not use public office for private gain.
- Employees shall act impartially and not give preferential treatment to any private organization or individual.
- Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.
- Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.
- Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in the Standards of Ethical Conduct. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

REMINDER

Violating ethics principles may result in disciplinary or corrective action, including criminal prosecution. Protect yourself by seeking the advice of your ethics counselor before you act.

GIFTS

Gifts from Outside Sources

Rule: You may not accept a gift given:

- Because of your **official position**, or
- By a **prohibited source**

Regardless of any exceptions that allow accepting gifts, it is **never permissible** to:

- Accept a gift in return for being influenced in the performance of an official act. This is a bribe!
- Solicit or coerce the offering of a gift
- Accept gifts from the same or different sources so frequently that a reasonable person would question your integrity or impartiality
- Accept a gift in violation of a statute

What is a Prohibited Source?

A prohibited source is any person or organization a majority of whose members are:

- Seeking official action by DoD
- Doing or seeking to do business with DoD
- Regulated by DoD, or
- Substantially affected by the performance of your official duties

What is a Gift?

Anything of value.



Example:

Patty, a DoD employee, meets regularly with several defense contractors who customarily treat her to a small breakfast.

Although an exception might permit acceptance of these small breakfasts, *Patty's recurring practice of accepting them is improper.*

Example:

Joe, a Computer.Com representative, is seeking to do business with DoD. He invites several DoD employees to a golf tournament at his company's expense.

Computer.Com seeks to do business with DoD and is a prohibited source. *DoD personnel may not accept the gift of free golf unless an exception to the gift rule applies.*

What is NOT a Gift?

Here are examples of items that are not defined as “gifts”:

- Modest items of food and non-alcoholic refreshments (like coffee and donuts) when not served as part of a meal
- Prizes in contests open to the public
- Greeting cards and items with little intrinsic value, such as plaques, certificates, and trophies, intended only for presentation
- Commercial discounts available to the public or to all Government civilian or military personnel
- Free attendance (including a meal) to an event provided by the event sponsor on any day you are assigned to present information on behalf of DoD
- Anything which is paid for by the government
- Anything for which you pay market value

Gifts That You May Keep

Remember, you don’t have to accept a gift. It may be prudent, depending on the circumstances, to decline a gift, even when it is allowed by a gift **exception**:

- Gifts valued at \$20 or less, **but**
 - not cash or investment interests
 - not more than \$50 in total from one source in a year
- Gifts based on a personal relationship
- Certain discounts and similar benefits offered:
 - by professional organizations
 - to groups unrelated to Government employment
 - to groups in which membership is related to Government employment, if the same benefits are available to large segments of the public through similar organizations. (e.g., discounted loans to Gov’t. credit union members)
 - by a *non*-prohibited source to any group not determined on the basis of rank, responsibility, or pay

You *may accept* a cup of coffee offered by a contractor.

You *may keep a prize*, when you drop your business card, in a drawing sponsored by a DoD contractor, *if that drawing is open to the public*.

Example: On each of her quarterly visits to Overpriced Inc., a sales representative gave Bonnie, a DoD employee, a company T-shirt valued at \$10 (4 shirts at \$10). During that period, Bonnie’s brother Steve, who also works for Overpriced Inc., gave her a birthday present valued at \$60.

The T-shirts do not exceed the \$20 per occasion or \$50 annual limit from one source. While an exception permits acceptance of the T-shirts, Bonnie’s recurring practice of accepting them is improper. *Bonnie can accept the gift from her brother Steve* since it is the result of a personal, rather than a business relationship.

Example: A defense contractor gives Tom two tickets, valued at \$30 each, to a baseball game.

As the price of each ticket exceeds the \$20 limit, Tom may only accept the tickets if he pays the contractor \$60, the full market value of the tickets. *He may not “buy down” to the \$20 limit by paying the contractor the \$40 price differential.*

Gifts That You May Keep

- Free attendance provided by a state, local government, or tax exempt civic organization when there is a community relations interest
 - Gifts accepted under specific statutory authority, including certain gifts from a foreign government and gifts offered to wounded or injured DoD employees
 - Certain educational scholarships and grants
 - Free attendance, food, and entertainment (not travel) at a “widely attended gathering” (WAG) if:
 - a large number of persons with a diversity of views will attend, and
 - the setting and program will allow an opportunity to exchange ideas and views among attendees, and
 - your supervisor determines *in writing* that your attendance is in the agency’s interest, and
 - where the free attendance is provided by a person other than the sponsor of the event, the market value of free attendance is \$480 or less and more than 100 persons are expected to attend
 - Meals, lodging, transportation, and other benefits in connection with discussions about future employment
 - *Awards for meritorious public service or achievement and honorary degrees
 - Travel benefits and free attendance from political organizations in connection with certain political activities
 - Food and entertainment (not travel and lodging), at social events, if: (1) the invitation is not from a prohibited source, **and** (2) the event is free to all attendees
 - Informational materials related to your official duties
-

Example:

Jared, a DoD employee, is invited to an industry-wide, one-day seminar (\$200 value) sponsored by an arms trade association. He is also invited to join a few industry executives for dinner (\$100 value) after the seminar.

Jared may accept the seminar invitation provided that his supervisor determines, in writing, that his attendance furthers DoD interests and meets the WAG requirements.

Jared may not accept the invitation for dinner, which is not part of the seminar and is not widely attended.

Example:

An annual dinner held by a veterans’ service organization costs \$125 per person. Representatives of veterans’ groups, Congress, and the media will attend. Several DoD employees are given free tickets by a group that is not the host of the event.

While the dinner is a widely attended gathering, the offer is from a person other than the event sponsor. Consequently, DoD employees may only accept the free tickets if their supervisors determine that more than 100 persons will be attending and there is an agency interest in their attendance.

- Gifts of food and entertainment (not to exceed the per diem rate) at meetings or events attended in an official capacity in foreign areas, when (1) *not* provided by a foreign government **and** (2) non-U.S. citizens participate in the meeting or event.

Foreign Gifts

Rule: To avoid causing offense or embarrassment to representatives of foreign governments, DoD personnel may accept gifts offered by a foreign government. If the gift is valued at “minimal value” or below, the DoD employee or military member may keep the gift. Gifts valued at more than “minimal value” are considered accepted on behalf of the United States Government and become the property of the United States. **Minimal value is currently \$480.**

**Check with your ethics counselor about appraising the gift.

Disposition of Improper Gifts

Rule: If you are offered a gift that you cannot accept, you must do one of the following:

- Decline the gift
- Return the gift
- Pay the donor the gift’s market value, **or**
- Promptly destroy the gift if valued at less than \$100

**Under certain circumstances,
perishable items may be:**

- **donated to a charity**
- **destroyed**
- **shared within the office**

Gifts Between Employees

Rule: You may not accept a gift from an employee who receives less pay than you unless you have a personal relationship with the employee **and** you are not in the employee's chain of command. You may accept the gift if the employee giving the gift is the official superior of the employee receiving the gift.

Rule: You may not give, make a donation toward, or solicit a gift for someone superior to you in the chain of command.

Exceptions to the Rule:

1. On an occasional basis, such as holidays or birthdays, you may give to a superior or receive from a subordinate:

- Non-monetary gifts valued up to \$10
- Personal hospitality provided at a residence (or an appropriate host/hostess gift)
- Food or refreshments shared in the office

2. On special, infrequent occasions,

- of personal significance, such as marriage, illness, or birth or adoption of a child; or
- that terminate the chain of command, such as retirement, resignation, or transfer

you may:

- solicit voluntary contributions up to \$10/person for a group gift
- give an appropriate gift to a superior
- accept appropriate gifts from subordinates and group gifts that do not exceed \$480

Example:

Bill asks his four coworkers to each voluntarily contribute \$20 to purchase a \$100 golf putter for Doreen, their boss, for Christmas. Doreen invites the office to a New Year's party at her home serving meals valued at \$25. Bill brings a \$20 bottle of wine.

- Bill may not solicit for a gift and he and his coworkers may not give their boss a group gift or individual gifts that exceed \$10. Christmas is not a special, infrequent occasion.
- The dinner and the wine are both appropriate gifts.

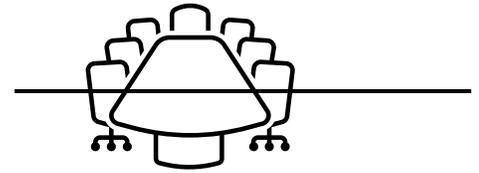
Example:

Doreen decides to retire. Bill, would like to solicit others to contribute to a retirement gift. He plans to buy a golf-related desk set that costs about \$50.

- Bill may solicit other DoD personnel for the group gift and contribute toward the gift.
- Bill may **NOT** solicit DoD contractors.

CONFLICTS OF INTEREST

Conflicting Financial Interests



Criminal Rule: You may not work on a particular matter that will affect the financial interest of:

- You
- Your spouse
- Your minor children
- Your general partner
- Organizations with which you're negotiating or have an arrangement for future employment, **or**
- Any organization for which you serve as an employee, officer, director, trustee, or general partner

If you think you may have a conflicting financial interest, consult your ethics counselor immediately to determine the appropriate remedy.

De minimis Exception

Rule: There are “de minimis” exceptions which permit participation in a particular matter involving specific parties, if your disqualifying financial interest is below a stated amount at the time you participate in the matter. Currently, the aggregate market value for stocks may not exceed \$15,000 and for sector funds may not exceed \$50,000.

When working on a particular matter involving specific parties, you must ensure that at no time during your participation does the value of your financial interest rise above the threshold amounts listed above.

Brokerage accounts are subject to the same rules. Because of the difficulty in monitoring the value of holdings in a brokerage account, many Federal employees choose to invest in diversified mutual funds, as these pose no conflicts issues, e.g., S&P 500 Index Funds, Capital Growth Funds, Lifecycle Funds.

Example:

Bryan, a DoD procurement officer, is about to award a contract for new office computers. His wife, Deanna, owns a computer sales business and bids on the contract.

Bryan may not participate in the decision to award the contract because the awarding of the contract could affect his wife's financial interest.

Example:

Brad holds stock in a DoD contractor and works on acquisition matters involving the same contractor. His stock in the DoD contractor is valued at \$11,500.

He may work on particular matters involving this DoD contractor but must make sure that his stock holdings do not exceed \$15,000.

Bribery and Graft

Rule: You may not seek or accept anything of value, other than your salary, for being influenced in the performance of your official duties.

Commercial Dealings Between Employees

Rule: You may not knowingly solicit or make solicited sales to personnel who are junior in rank, grade, or position (or their families). This includes, but is not limited to, insurance, stocks, real estate, and household supplies.

Representation of Others in Matters Affecting the Government

Rule: You generally may not represent a non-Federal entity before a Federal agency or court (whether or not compensated), or share in any compensation for such representations made by others, if the Government is involved in the particular matter.

- There are limited exceptions
- There are unique exceptions for “special government employees” such as experts or consultants

Supplementation of Federal Salary

Rule: You may not accept compensation from any source other than the U.S. Government for performing your Government duties.

This rule does not apply, if:

- you are a “special Government employee” or
- you serve without compensation, or
- The gift or other item of value can be accepted in conformity with the rules governing gifts from outside sources (such as public service award) or gifts between employees

Example:

Sue is a supervisor at DoD. After hours she operates a cosmetics sales business out of her home.

She may not make solicited sales to her DoD subordinates in or out of the office.

Example:

Zach, a DoD employee, was asked by his neighbor, June to contact the IRS on her behalf. She had recently received a letter from the IRS stating that she owed back taxes and has been assessed a large fine. June wants his help in trying to resolve this issue.

Zach may not contact the IRS on June’s behalf. Even though the tax dispute has nothing to do with his official duties, he is prohibited from representing anyone to a Federal agency, whether or not compensated.

IMPARTIALITY IN PERFORMING OFFICIAL DUTIES

Rule: Maintain your impartiality. Do not participate in any particular matter if:

- the matter is likely to affect the financial interest of a member of your household, or a person with whom you have a “covered relationship,” **and**
- a reasonable person with knowledge of the relevant facts could question your impartiality.

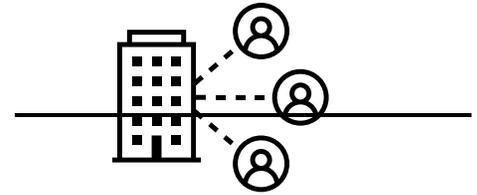
With whom do I have a “covered relationship”?

- A member of your household or a relative with whom you have a close relationship,
- Someone with whom you have or seek to have a business relationship other than a routine consumer transaction,
- An organization (other than a political party) in which you actively participate,
- Any person for whom you have served, within the last year, as an officer, director, employee, contractor, or partner
or
- Any 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, employee, contractor, or partner.

MISUSE OF POSITION

Rule: You may not use, or permit the use of, your Government position, title, or any authority associated with your office:

- To induce or coerce another person to provide any benefit to you or anyone with whom you are affiliated.



Example:

Joe, a senior VP from ABC Corporation recently resigned to take a senior position at DoD. Shortly after his arrival, his office is assigned to review a contract with ABC Corporation.

Because Joe was employed by ABC Corporation within the last year, he may not participate in the decision. Combined with another statutory restriction, Joe may not participate in any matters involving ABC Corporation for two years from his resignation date.

Example:

The Deputy General Counsel has been asked by her college to serve on the Alumni Association.

She may serve in her personal capacity but may not allow the college to use her position as Deputy General Counsel on the alumni association’s letterhead or other promotional literature.

- To imply that DoD or the Government endorses personal activities.
- To endorse any product, service, or enterprise, except as provided by statute or regulation.

USE OF GOVERNMENT RESOURCES

Rule: Use Federal Government equipment and property, including communications systems, only for official purposes or authorized purposes.

Rule: Use official time in an honest effort to perform official duties and don't ask subordinates to perform tasks outside their official duties.

FUNDRAISING

Rule: Generally, you may not engage in fundraising in the workplace. You may raise funds for organizations (other than political parties) in your personal capacity outside the workplace, however, you may not use your official title, position, or authority when doing so, nor may you solicit subordinates or prohibited sources.

TEACHING, SPEAKING, AND WRITING

Rule: You may accept payment for teaching, speaking, or writing that is unrelated to your official duties and that was not prepared on official time. If you are identified as a DoD official in connection with the teaching, speaking, writing activity, you must make a disclaimer that you are not speaking on behalf of DoD.

Example:

Stu, an ethics attorney at DoD, has been offered \$1,500 to teach a one-day course on Federal ethics to employees at Big Contractor, Inc.

Because the topic relates to his official duties, he may not accept the compensation.

OUTSIDE ACTIVITIES

Rule: If you file a financial disclosure report (OGE Form 278e or 450), you must obtain your supervisor’s written approval before you engage in a business activity or compensated employment with a “prohibited source” of DoD (defined above in the section on “Gifts”). Presidential appointees and certain non-career employees have additional restrictions.

Rule: You may not engage in outside employment or activities that would materially impair your ability to perform your official duties.

Example:

Jill, who tests new computers for the office, would like to work on weekends for the vendors of those computers.

Because her outside employment would cause a conflict of interest with her government duties, she may not

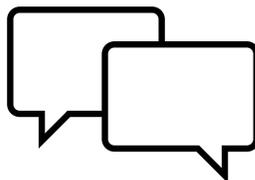
POLITICAL ACTIVITIES

Most Federal civilian employees may participate in political campaigns and other partisan political activities. Employees may not, however, engage in such activities while on duty, in any Federal workplace or vehicle, or while in uniform. Further, they may not use their official title, position or authority when engaging in partisan political activities and may not solicit, accept, or receive political contributions.

DoD Senior officials (political and career) and members of the Armed Forces are prohibited from engaging in political activities.

For purposes of the Hatch Act, political activity is defined as “an activity directed toward the success or failure of a political party, candidate for partisan political office or partisan political group.”

If you plan to engage in any partisan political activity, consult your ethics counselor.



EMPLOYMENT ISSUES

Former Employer Recusal (*This requirement only applies to DoD personnel.*)

Rule: For a period of **two years** from the date they last served in a covered position (officer /employee) with an organization, DoD personnel are prohibited from participating personally and substantially in a particular matter involving specific parties in which the former organization is a party.

Seeking Employment

Rule: If you are seeking non-Federal employment (e.g., sending resumes to select employers), you may not do Government work on a particular matter that will affect the financial interests of any of your prospective employers. You must give a written recusal to your supervisor.

Post-Government Employment

Rule: Always consult your ethics counselor before separating from the Government. The ethics counselor will advise you on the applicable post-Government employment restrictions.

Example:

Janelle, a procurement specialist, is working on a DoD contract with XYZ Corporation. She is asked to interview for a position with XYZ Corporation.

Janelle must recuse herself from working on any matters involving XYZ Corporation. Further, she must inform her supervisor and ethics counselor about the recusal.

OFFICIAL TRAVEL BENEFITS

You may keep promotional items such as frequent flyer miles that are awarded for official travel.

You may also keep promotional items given to compensate you for being voluntarily bumped from a flight. You may voluntarily surrender your seat **ONLY** if doing so does not adversely affect the performance of your official duties and does not result in additional cost to the Government.

You may not keep promotional items given to compensate you for being involuntarily bumped from a flight.



SOURCES OF FURTHER INFORMATION

If you have further questions, **consult your local ethics official in your military service or DoD organization.**

For Office of the Secretary of Defense (OSD) personnel only, contact the Standards of Conduct Office (SOCO) at OSD.SOCO@MAIL.MIL or by phone at 703-695-3422. Or visit the SOCO website at: <https://dodsoco.ogc.osd.mil/>

Additional Sources of Information

1. The U.S. Office of Government Ethics is the primary source of guidance on ethics and standards of conduct. Visit the Office of Government Ethics website: www.oge.gov for more information.
2. DoD Supplemental Standards of Conduct, found at 5 C.F.R. Part 3601 and the Joint Ethics Regulation (“JER”) contains additional rules for DoD personnel.