

# **CHAPTER 1**

## **ETHICS**

NOTE: This chapter should be read in conjunction with local activity instructions and with any negotiated agreements between your activity and an exclusively recognized labor organization. Contract language will take precedence over conflicting provisions in this manual. Areas of uncertainty should be discussed with the Human Resources Advisor.

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## ETHICS

### I. CODE OF ETHICS FOR GOVERNMENT SERVICE

- A. DoD employees should carefully consider [ethical values when making decisions](#) as part of official duties and must conduct themselves in a manner that promotes public confidence in the integrity of the Federal government.
- B. The DoD Standards of Conduct Office has the full text of the [Joint Ethics Regulation \(JER\) 5500.7-R](#) and their web site contains an on-line Ethics Resource Library. ([DoD Standards of Conduct Office Website](#))
- C. This section outlines standards of conduct expected of all DoD employees.

### II. MERIT PRINCIPLES

[\(5 USC 2301\(b\)\)](#), [DoD Directive Number 5500.7 Standards of Conduct](#)

- A. There are nine merit principles that guide all actions of Federal managers. These principles will not be discussed in detail in this manual, but can be found [here](#).
- B. The nine merit principles are:
  - 1. Recruit, select and advance on merit after fair and open competition.
  - 2. Provide equal pay for equal work and reward excellent performance.
  - 3. Treat employees and applicants fairly and equitably.
  - 4. Maintain high standards of integrity, conduct, and concern for the public interest.
  - 5. Manage employees efficiently and effectively.
  - 6. Retain and separate employees on the basis of their performance.
  - 7. Educate and train employees if it will result in better organizational or individual performance.
  - 8. Protect employees against arbitrary action, personal favoritism, or coercion for partisan political purposes.
  - 9. Protect employees against reprisal for the lawful disclosure of information, e.g., “whistle blowing” situations.

### III. PROPER CONDUCT OF OFFICIAL ACTIVITIES

- A. Employees shall become familiar with the scope and limitations of the authority afforded by their position.
- B. Employees may not make or recommend any expenditure of funds, or take or recommend any action known to be in violation of statute, Executive Order, or regulation. Any doubt as to the propriety of a proposed action or decision shall be directed to the activity Legal Officer or Ethics Officer.

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### IV. PROHIBITED PERSONNEL PRACTICES

- A. Twelve prohibited personnel practices, including reprisal for whistle blowing, are defined by [5 USC 2302\(b\)](#).
- B. A personnel action (such as an appointment, promotion, reassignment, or suspension) is generally involved for a prohibited personnel practice to occur. A Federal employee authorized to take, direct others to take, recommend or approve any personnel action may *not*:
1. Discriminate against an employee or applicant based on race, color, religion, sex, national origin, age, handicapping condition, marital status, or political affiliation;
  2. Solicit or consider employment recommendations based on factors other than personal knowledge or records of job-related abilities or characteristics;
  3. Coerce the political activity of any person;
  4. Deceive or willfully obstruct anyone from competing for employment;
  5. Influence anyone to withdraw from competition for any position so as to improve or injure the employment prospects of any other person;
  6. Give an unauthorized preference or advantage to anyone so as to improve or injure the employment prospects of any particular employee or applicant;
  7. Engage in nepotism (*i.e.*, hire, promote, or advocate the hiring or promotion of relatives);
  8. Engage in reprisal for whistle blowing (*i.e.*, take, fail to take, or threaten to take or fail to take a personnel action against an employee or applicant for disclosing to the Special Counsel, or to an Inspector General or comparable agency official or others, except when disclosure is barred by law, or by Executive Order to avoid harm to the national defense or foreign affairs; information which the employee or applicant reasonably believes evidences a violation of any law, rule or regulation; gross mismanagement; a gross waste of funds; an abuse of authority; or a substantial and specific danger to public health or safety);
  9. Take, threaten to take or fail to take a personnel action against an employee or applicant for exercising an appeal, complaint, or grievance right; testifying for or assisting another in exercising such a right; cooperating with or disclosing information to the Special Counsel or to an Inspector General; or refusing to obey an order that would require the individual to violate a law;
  10. Discriminate based on personal conduct which is not adverse to the on-the-job performance of an employee, applicant, or others;
  11. Take or fail to take, recommend, or approve a personnel action if taking or failing to take such an action would violate a veterans' preference requirement;
  12. Take or fail to take a personnel action, if taking or failing to take action would violate any law, rule or regulation implementing or directly concerning merit system principles at [5 USC 2301](#).

### V. CONFLICT OF INTEREST

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- A. **Affiliations and Financial Interests.** An employee may not have direct or indirect financial interests that conflict, or appear to conflict, with her/his duties and responsibilities as a Federal employee.
- B. **Disclosure of Information.** There is a general prohibition against an employee using official information that has not been made available to the general public to further a private interest. In addition, an employee may not disclose information that is specifically protected by law (e.g., protected by the Privacy Act) or information that could compromise national security. Further, an employee may not release any information concerning proposed acquisitions or purchases by any defense contracting activity.
- C. **Using Government Position.** An employee is prohibited from using her/his position to induce, coerce, or in any manner influence any person, including subordinates, to provide any benefit to his/herself or others.
- D. **Membership in Associations.** An employee who is a member or officer of a non-government association or organization must avoid actions on behalf of the association or organization that are incompatible with her/his official government positions.

### VI. SOLICITATION AND FUND-RAISING ACTIVITIES

- A. **Official Time.** Activities conducted on official time are restricted to those officially sanctioned by the government or the Department of the Navy (DON). Other fund-raising or solicitation efforts during official time are prohibited.
- B. **Endorsements.** An employee shall not officially endorse or appear to endorse membership drives or fundraising for any non-federal entity except the following organizations, which are not subject to the provisions of subsection [3-209 of DoD 5500 7-R](#):
  1. The Combined Federal Campaign (CFC)
  2. Emergency and disaster appeals approved by the Office of Personnel Management (OPM)
  3. Army Emergency Relief
  4. Navy-Marine Corps Relief Society
  5. Air Force Assistance Fund
  6. Other organizations composed primarily of DoD employees or their dependents when fundraising among their own members for the benefit of welfare funds for their own members or their dependents when approved by the head of the DoD component command or organization after consultation with the Designated Agency Ethics Officials (DEAO) or designee. (This includes most morale, welfare and recreation programs, regardless of funding sources.)

### VII. GRATUITIES AND GIFTS

- A. **Prohibited Activities.** Generally, an employee is prohibited from receiving or soliciting anything of value (gifts, gratuities, loans, entertainment or favors) for his/herself or members of her/his family from or on behalf of a defense contractor,

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foreign government, or other entity having business or a financial relationship with the DoD or its components.

- B. **Acceptable Activities.** A supervisor shall under no circumstances solicit gifts or donations from subordinates. Voluntary gifts or contributions of nominal value to mark a personal occasion (e.g., marriage, transfer, or death of a family member) may be accepted.
1. **Voluntary Contribution.** The nominal amount of a voluntary contribution that a DoD employee may solicit from another DoD employee for a group gift to the contributing DoD employee's superior for any special, infrequent occasion shall not exceed \$10. A voluntary contribution of a nominal amount for food, refreshments and entertainment for the superior, the personal guests of the superior and other attendees at an event to mark the occasion for which a group gift is given may be solicited as a separate, voluntary contribution not subject to the \$10 limit.
  2. **Gifts From a Group That Includes a Subordinate.** Regardless of the number of DoD employees contributing to a gift or gifts on a special, infrequent occasion as permitted by [5 CFR 2635.304\(c\)\(1\)](#) in subsection [2-100 of DoD 5500 7-R JER](#), a DoD employee may not accept a gift or gifts from a donating group if the market value exceeds an aggregate of \$300 and if the DoD employee knows or has reason to know that any member of the donating group is his/her subordinate.

### VIII. USE OF GOVERNMENT FACILITIES, PROPERTY, AND MANPOWER

- A. Government facilities, property, and manpower (such as government-owned telephones, facsimile machines, electronic mail, internet systems and communications systems, stationery, stenographic and typing assistance) shall be used for official use and authorized purposes only.
- B. **Official Use**
1. Includes emergency communications and communications that DON determines are necessary in the interest of the Federal Government.
  2. In the interest of morale and welfare may include communications by employees who are deployed for extended periods away from home on official DoD business when authorized by theater commanders.
- C. **Authorized Purposes**
1. Brief communications by employees while they are traveling on government business to notify family members of official transportation and schedule changes.
  2. Personal communication from the employee's usual workplace that are most reasonably made while at the workplace, such as the following:
    - a. Checking with spouse or minor children.
    - b. Scheduling appointments such as doctor or auto and home repair appointments.

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- c. Brief internet searches, provided they do not adversely impact performance of official duties by the employee or the employee's organization and are of reasonable duration and frequency and whenever possible made during the employees personal time such as after work hours and on lunch periods.

### IX. OUTSIDE EMPLOYMENT

- A. An employee shall not engage in outside employment or activity, with or without compensation, that interferes with or is incompatible with the performance of her/his government duties or that may reasonably bring discredit upon the government or the DON.
- B. A DoD employee, other than a special government employee, who is required to file a financial disclosure report, [SF 450](#) or [SF 278](#), shall obtain written approval from the Agency Designee before engaging in a business activity or being compensated for outside employment with a prohibited source, unless general approval has been given in accordance with subsection [3-306b of DoD 5500.7-R](#). Approval shall be granted unless a determination is made that the business activity or compensated outside employment is expected to involve conduct prohibited by statute or regulation.

### X. GAMBLING, BETTING, AND LOTTERIES

- A. **Prohibited Participation.** While on government-owned, leased, or controlled property, or otherwise while on duty for the government, employees **shall not** participate in any gambling activity prohibited by [5 CFR 735.201](#), including a lottery, pool, or game for money or property.
- B. **Exceptions**
  - 1. Activities necessitated by a DoD employee's law enforcement duties.
  - 2. Activities by organizations composed primarily of DoD employees or their dependents for the benefit of welfare funds for their own members or for the benefit of other DoD employees or their dependents, subject to the limitations of local law and subsections [3-210 and 3-211 of DoD Instruction 5500 7-R](#), below, when approved by the head of the DoD Component or designee.
  - 3. Private wagers among DoD employees if based on a personal relationship and transacted entirely within assigned Federal Government living quarters and within the limitations of local laws.
  - 4. Purchases of lottery tickets authorized by any State from blind vendors licensed to operate vending facilities in accordance with [20 USC 107](#).

### XI. TEACHING, SPEAKING AND WRITING

[\(5 CFR 2635.807\(b\)\(1\)\)](#)

- A. **Disclaimer Requirement.** A DoD employee who uses his/her military grade or his/her title or position as one of several biographical details given to identify him/herself in connection with teaching, speaking or writing.
- B. **Representation of Speaker's Views.** The required disclaimer shall expressly state that the views presented are those of the speaker or author and do not necessarily represent the views of DoD or its components.

### XII. TRAVEL BENEFITS

[\(Click here for more information\)](#)

- A. **Promotional Items.** Federal employees, military personnel, members of the Foreign Service, and family members may retain promotional items, such as frequent flyer miles, for their personal use.
- B. **Acceptance of Travel Benefits from non-federal sources.** Travelers must comply with federal and departmental ethics rules when accepting travel benefits (i.e., goods, services or payment) from non-federal sources. See Joint Ethics Regulation, [DoD 5500.7-R, Chapter 4](#).
- C. **Items of Nominal Value.** Travelers may keep items of nominal value (as defined in applicable ethics regulations).
- D. **Retaining Promotional Items**
  - 1. A traveler on official business traveling at government expense on the funds of an agency may keep promotional material (including frequent traveler benefits such as points or miles, upgrades, or access to carrier clubs or facilities) for personal use. This applies to promotional items received before, on, or after 31 December 2001.
  - 2. The promotional material must be obtained under the same terms as those offered to the general public and must be at no additional government cost.
- E. **Examples of Benefits Treated as Gifts to an Individual**
  - 1. **Travel Upgrades.** Travel upgrades are commonly offered for such travel accommodations as airline seats, rental cars, and hotel rooms. Some travel upgrades are given on the spot without any prearranged entitlement. Others are provided pursuant to some prearranged entitlement, such as a coupon. A DoD employee on official travel may accept benefits such as an airline seat upgrade to first class, a luxury rental car in place of a compact, or a hotel room with a view instead of an interior room, for official use as long as there is no extra charge to the Federal Government to obtain the upgrade. [5 CFR 2635.204\(c\), 2-100 of DoD 5500 7-R](#).
  - 2. **On-the-Spot Upgrades.** A DoD employee may accept an upgrade offered on the spot under circumstances in which such upgrades are generally available to the public or at least to all Federal Government employees or all military members. For example, a travel company may provide upgrades to remedy overbooking or overcrowding, due to a shortage of smaller cars, or simply for customer relation purposes; or upgrades may be offered to all military members in uniform. No upgrade may be accepted, however, if it is provided on the basis of the DoD employee's grade or position. Upgrades resulting from involuntary "bumping" while on official travel may not be used for personal travel.
  - 3. **Use of Upgrade Certificates (Other Than Those Obtained for Frequent Flyer Miles).** Some travel companies distribute coupons for free travel upgrades as a promotional offer. A DoD employee may accept and use such coupons if they are realistically available to the general public (e.g., widely available coupons usable by bearer) or to all Federal Government employees or all military members (e.g., coupons available to any Federal Government employee for official travel). A DoD employee may not use coupons provided on the basis of her/his grade or position.

4. **"Gold Card" and Similar Memberships.** Certain airlines offer special benefits, including free upgrades, to members of their traveler incentive programs (e.g., Gold card, Key Club, etc.). Membership in these programs ordinarily is earned by accumulating a large number of travel miles during the current calendar year, or in some cases, memberships may be purchased. A DoD employee who obtains eligibility under these circumstances (i.e., by purchasing a membership with their personal funds or by accumulating the necessary miles, even by official travel) may accept the membership and resulting benefits, including travel upgrades. If membership in the program is offered to a DoD employee who has not met the usual requirements for membership, but, primarily because of the DoD employee's grade or position, neither the membership nor its benefits may be accepted.
5. **Prizes in "Open" and "Closed" Contests.** When travel companies and related organizations offer prizes in a competition that is open to the general public, so that no one must perform official travel to win, a DoD employee may keep any prize he/she wins, even if she/he happened to enter the contest only because of official travel (e.g., a DoD employee flying on official business receives the winning entry blank in an airline's contest while on the flight, but individuals not using the airline will be given the entry blank on request).
6. **Incentives for Voluntary Surrender of Flight Reservations.** A DoD employee may keep payments or free tickets received from a carrier for voluntarily giving up a seat on an overbooked flight. A DoD employee on official travel may not voluntarily surrender their seats if the resulting delay would interfere with the performance of duties. The delay may not increase the cost to the Federal Government. Therefore, travel vouchers should disclose the voluntary surrender and resulting delays and leave must be taken as appropriate.

### XIII. BRIBERY AND GRAFT

- A. **Accepting Offers of Value.** All DoD employees are prohibited from, directly or indirectly, giving, offering, promising, demanding, seeking, receiving, accepting, or agreeing to receive anything of value to influence any official act, to influence commission of fraud on the United States, to induce committing or omitting any act in violation of a lawful duty, or to influence testimony given before an individual or non-Federal entity authorized to hear evidence or take testimony.
- B. **Giving Offers of Value.** DoD employees are also prohibited, except as provided by law for the proper discharge of official duties, from, directly or indirectly, giving, offering, promising, demanding, seeking, receiving, accepting, or agreeing to accept anything of value for or because of any official act performed or to be performed, or for or because of any testimony given or to be given before an individual or non-Federal entity authorized to hear evidence or take testimony.

### XIV. POLITICAL ACTIVITY

- A. The law on prohibited political activity, commonly called the Hatch Act, regulates political association and participation by federal employees.
- B. Employees are subject to the restrictions of the Hatch Act. Coverage by the [Hatch Act](#) continues while an employee is in a leave or furlough status.
  1. **Permissible Activities.** Subject to subsections [6-202](#) and [6-203 of DoD 5500 7-R](#), a DoD employee may, in her/his personal capacities, perform the following:

- a. Be a candidate for public office in nonpartisan elections.
- b. Register and vote as she/he choose.
- c. Assist in voter registration drives.
- d. Express opinions about candidates and issues.
- e. Contribute money to political organizations.
- f. Attend political fundraising functions.
- g. Attend and be active at political rallies and meetings.
- h. Join and be an active member of a political party or club.
- i. Sign nominating petitions.
- j. Campaign for or against referendum questions, constitutional amendments, or municipal ordinances.
- k. Campaign for or against candidates in partisan elections.
- l. Make campaign speeches for candidates in partisan elections.
- m. Distribute campaign literature in partisan elections.
- n. Hold office in political clubs or parties.

2. **Prohibited Activities.** A DoD employee may not:

- a. Use official authority or influence for the purpose of interfering with or affecting the result of an election.
- b. Collect political contributions unless both the collector and the donor are members of the same Federal labor organization or employee organization and the donor is not a subordinate.
- c. Knowingly solicit or discourage the political activity of any person who has business with DoD.
- d. Engage in political activity while on duty.
- e. Engage in political activity while in any Federal workplace.
- f. Engage in political activity while wearing an official uniform or displaying official insignia identifying the office or position of the DoD employee.
- g. Engage in political activity while using a government owned or leased vehicle.
- h. Solicit political contributions from the general public.

- i. Be a candidate for public office in partisan elections.
  - j. Wear political buttons on duty.
  - k. Contribute to the political campaign of another federal government employee who is in the DoD employee's chain of command or supervision or who is the employing authority.
3. **Violations.** An employee who violates the Hatch Act may be removed from federal service. Questions concerning the Hatch Act may be directed to an HRO Advisor or the Legal Officer.

### XV. EMPLOYEE INDEBTEDNESS

- A. **Policy.** An employee is responsible for satisfying, in good faith, her/his obligations as citizens, including all just financial obligations, especially those imposed by law, such as federal, state, or local taxes. A debt is primarily viewed as a personal matter between the debtor and the creditor, unless it is established that the employee's non-payment of the debt has or will have a deleterious effect on the employee's job performance or on the ability of the activity to perform its mission.
- B. **Debts Subject to Garnishment.** An employee's salary may be offset only to enforce alimony or child support obligations, collect debts owed to the United States, and collect court-ordered monies. The Legal Officer must review any documents requesting a garnishment of employee wages for a determination of whether the documents support the requested garnishment. If legally sufficient, the documents will be forwarded to the servicing payroll office via the HRO for action. A copy of the documents will also be forwarded to the employee's supervisor. The supervisor will advise the employee that wages will be subject to garnishment. The employee through the Civilian Employee Assistance Program (CEAP) may obtain financial counseling. [See Chapter 16 Civilian Employee Assistance Program](#) to find out more about CEAP.
- C. **Debts Not Subject to Garnishment.** No action will be taken on oral complaints of indebtedness. If a letter is received from a private business or individual alleging indebtedness, the immediate supervisor should notify the employee about it and the importance of honoring all just debts. The supervisor should also give the employee a copy of the letter that was received from the creditor and advise the employee to contact the creditor to resolve the problem. The employee, through the Civilian EAP, may obtain financial counseling. See [Chapter 16](#), Civilian Employee Assistance Program, to find out more about the CEAP.

## APPENDIX 1A CODE OF ETHICS FOR GOVERNMENT SERVICE

### **Any person in Government service should:**

1. Put loyalty to the highest moral principles and to country above loyalty to persons, party, or Government department.
2. Uphold the Constitution, laws, and regulations of the United States and of all governments therein and never be a party to their evasion.
3. Give a full day's labor for a full day's pay; giving earnest effort and best thought to the performance of duties.
4. Seek to find and employ more efficient and economical ways of getting tasks accomplished.
5. Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not; and never accept, for himself or herself or for family members, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of governmental duties.
6. Make no private promises of any kind binding upon the duties of office, since a Government employee has no private word that can be binding on public duty.
7. Engage in no business with the Government, either directly or indirectly, which is inconsistent with the conscientious performance of governmental duties
8. Never use any information gained confidentially in the performance of governmental duties as a means of making private profit.
9. Expose corruption wherever discovered.
10. Uphold these principles, ever conscious that public office is a public trust.