



GET ADVICE
OR
PAY THE PRICE

**ANNUAL ETHICS TRAINING
FOR USAID EMPLOYEES
2008**

Introduction

Why are we here?

Required

Your protection

Agency's protection

US Foreign Policy and

Development mission



If you forget everything else. . .

REMEMBER

Contact your ethics counselor
before you act.



Topics

- Principles of Ethical Conduct
- Conflicts of Interest
- Gifts
- Official Endorsements
- Using Government Resources
- Post-Government Employment
- Political Activities

Employees' Responsibilities under EO 12674

DO

- Place Loyalty in the Constitution, the Laws, and Ethical Principles above Private Gain
- Act Impartially to all Groups, Persons, and Organizations
- Give an Honest Effort in the Performance of your Duties
- Protect and Conserve Federal Property
- Disclose Fraud, Waste, Abuse, and Corruption
- Fulfill Obligations as Citizens and Pay your Taxes
- Comply with Equal Opportunity Laws

Employees' Responsibilities under EO 12674

DO NOT

- Use Nonpublic Information to Benefit Yourself or Associates
- Solicit or Accept Gifts from Parties Doing Business With or Seeking Official Action from USAID
- Make Unauthorized Commitments or Promises
- Use Federal Property for Unauthorized Purposes
- Take Jobs or Hold Financial Interests that Conflict with our Government Responsibilities.
- Take Actions that even Appear to be Illegal or Unethical

Conflicting Financial Interests

- You May NOT Participate in an official capacity
- In a “Particular Matter”
- That Could Affect “Your Financial Interests”
- If You Have a Conflict, Contact your Ethics Counselor



“Particular Matter”

- Something that involves deliberation, decision, or action, and
- that is focused on the interests of specific persons, or a discrete and identifiable class of persons
 - Examples:
 - contract
 - claim
 - application



Basic Conflicts Rule

“Your Financial Interests” Includes:

- Your spouse and minor children
- Your general partner
- Organization - if you are serving, with or without compensation, as officer, director, trustee, general partner, or employee
- Any individual or organization with whom you are negotiating or have an arrangement for future employment



Question - Spouse's Salary

Question:

Your spouse is Vice Pres for Personnel at Assistance Associates, an applicant for a USAID education grant. You have been asked to analyze the bids.

Do you have a conflict of interest?

Rule:

- You may not work for the Government
- on a particular matter
- that will affect
- your
- financial interest



Considering Appearances

- **An employee should not participate in a particular matter when**
 - **The matter is likely to have a direct and predictable effect on the financial interest of a member of his/her household or a person with whom the employee has a covered relationship, and**
 - **The employee determines that a reasonable person would question the employee's impartiality in the matter**
- **UNLESS GC or the RLA has given authorization for the employee to participate.**



Impartiality Rule: Summary

- You may not work on a particular matter if:
- members of your household, relatives, or friends
- people you do or seek to do business with
- organizations in which you actively participate
- organizations that employ your family, or
- organizations you worked for in the last year
- are a party or represent a party to the matter, or
- have financial interests affected by the matter
- And a reasonable person with knowledge of the relevant facts would question your impartiality

What About Your Past Employment?

Question:

You recently came to USAID from Assistance Associates. Your new duties include supervising the performance of grants awarded to AA.

Do you have any concerns?



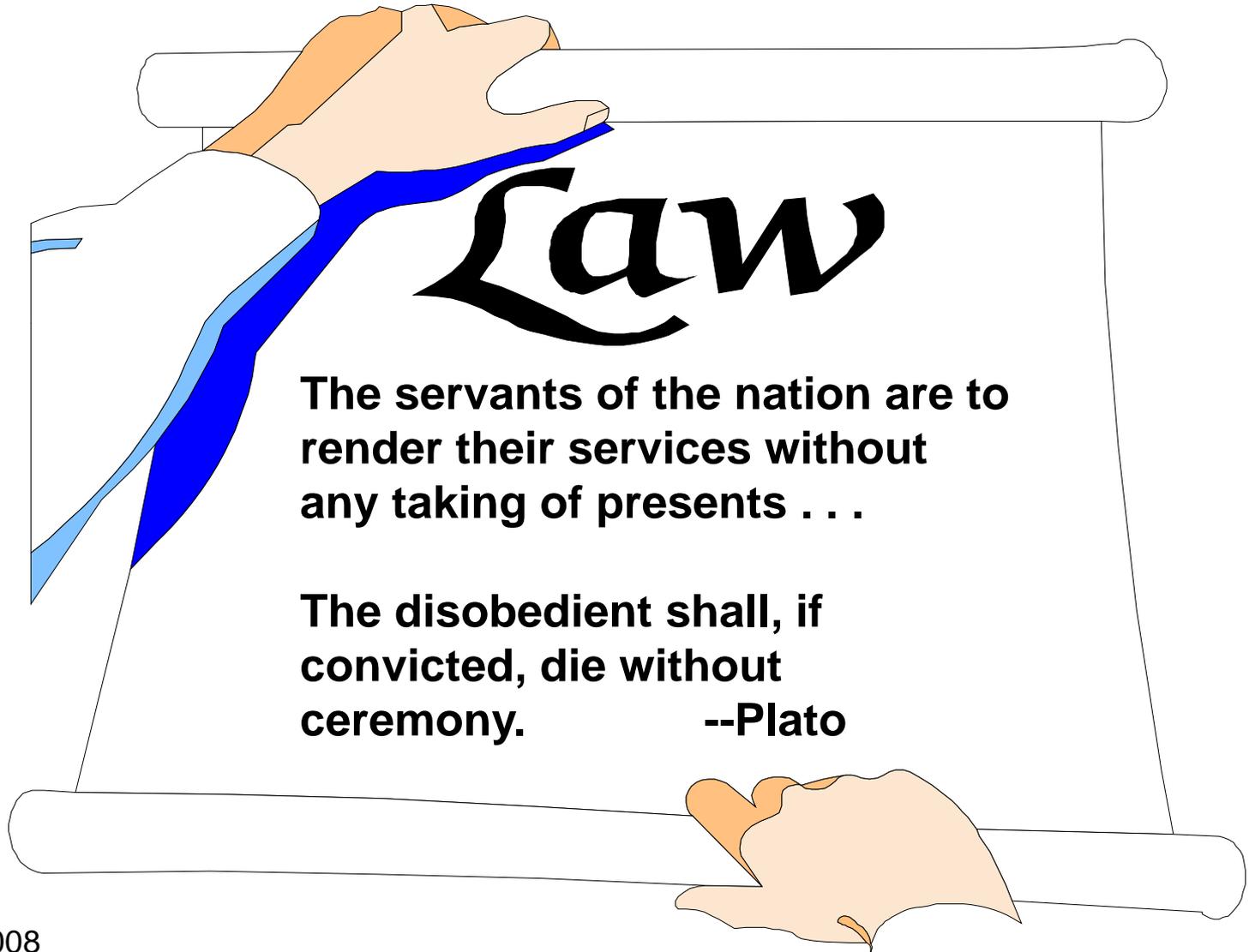
- A reasonable person
- questions impartiality
- in a particular matter
- when certain persons whom you know
 - have financial interests, or
 - are a party
- to that matter

Bribery and Graft

- You may not seek or accept anything of value, other than your government pay, for being influenced in your official duties.



Gifts

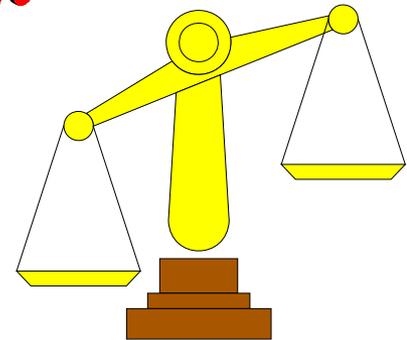


General Gift Rule

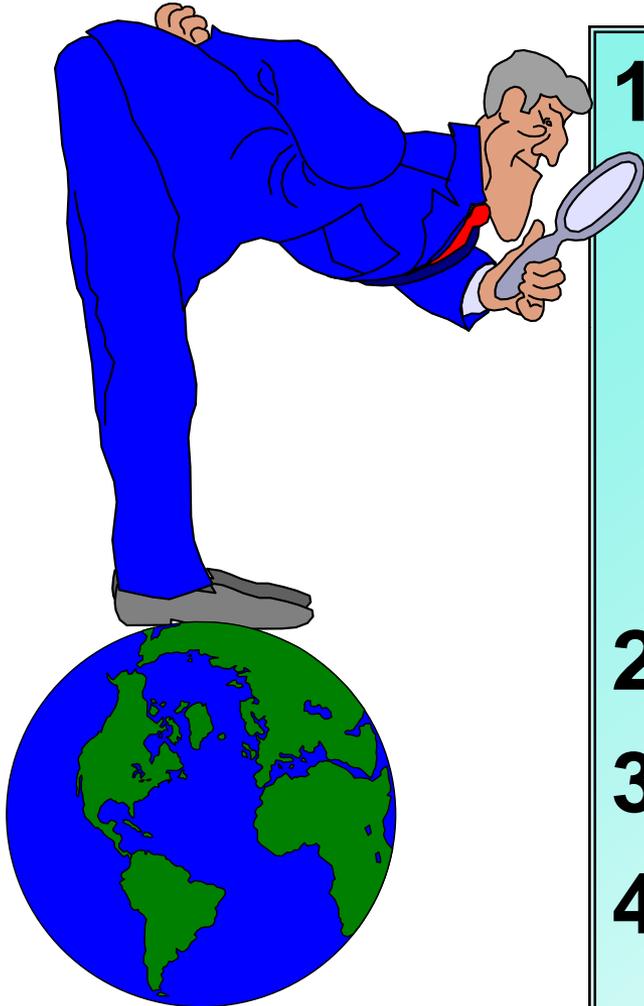
An employee shall not solicit or accept any gift or other item of monetary value

- 1. From a prohibited source; or**
- 2. Given because of the employee's official position**

**Title 5
United States Code
Section 7353**



Gift Acceptance Analysis



- 1) Is it**
 - (a) from a prohibited source, or**
 - (b) offered because of your official position?**
- 2) Is it defined as a “gift”?**
- 3) Is there an exception?**
- 4) Is there a limitation on using the exception?**

This is the analysis we can each use to determine whether or not we can accept a gift.

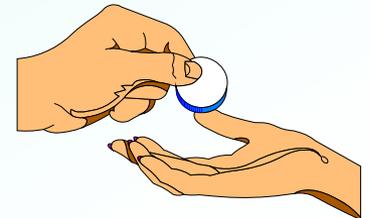
When you use the analysis, remember that you will be deemed to have accepted a gift if it is given with your knowledge to a parent, sibling, spouse, child, or dependent relative, and given because of that person's relationship to you.

Also, you will be deemed to have accepted a gift if you designate a charity to which the gift is given.

We will discuss each of the four steps individually, beginning with the general gift rule.

Not “Gifts”

- Modest items of food and refreshment
- Greeting cards and items with little intrinsic value, such as plaques, certificates, and trophies
- Loans from financial institutions
- Opportunities and benefits available to the public or a class of employees
- Rewards and prizes to competitors
- Pensions and other benefits from a former employer
- Anything paid for by the Government or by the employee
- Gifts accepted under specific statute



Gifts

- **SCENARIO:** You will give an official speech in Singapore at a conference with representatives of Asian nations and companies. Fun Cruises, a corporation that does business with your agency, offers to pay your travel expenses, about \$1,900.

- **QUESTION:** May you accept the offer from Fun Cruises?



Possible Answers

1. No, because the gift exceeds \$20.
2. Yes, because the Foreign Gifts and Decorations Act permits you to accept gifts such as travel expenses from foreign companies when you travel abroad.
3. Yes, because there is a statute that permits your agency to accept payment of expenses for official travel.

Correct Answer

#3. A statute, 31 U.S.C. § 1353, permits your agency to accept a gift of payment of travel expenses from a source outside the Government for your official travel to a meeting or similar function. GC needs to review first!

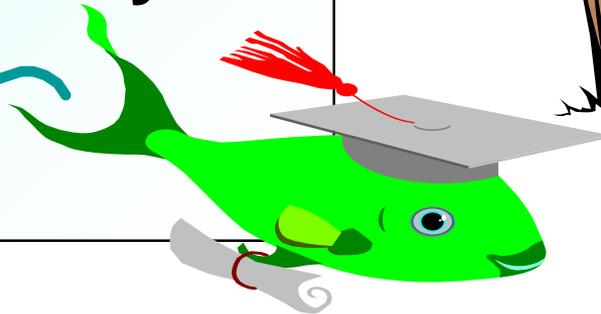


Gift Exceptions

- **Gifts of up to \$20, up to \$50 per year from the same source**
- **Discounts and similar benefits**

Gift Exceptions, cont.

- Gifts based on personal relationships
- Gifts based on outside employment
- Awards and honorary degrees



Gifts from Foreign Governments (5 USC 7342)



- Gifts from foreign governments may be accepted to avoid embarrassing or giving offense to the donor**
- Gifts of minimal value (currently not more than \$335) may be retained**
 - Gifts of more than minimal value become the property of the U.S. Government**

Gift Exceptions, cont.

- **Speaking and similar occasions as part of official duty;**
- **Widely attended gatherings;**
- **Gifts of meals and entertainment in foreign areas**

Notwithstanding any exception, you shall not:

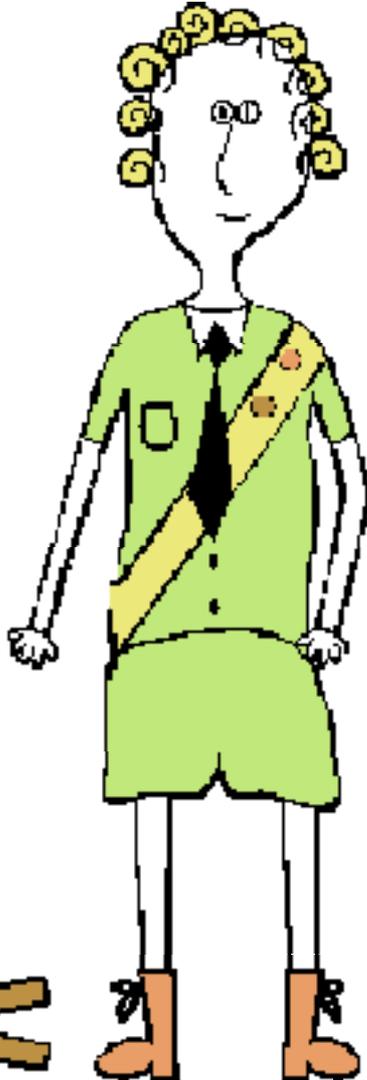
- 1) accept a gift in return for being influenced in the performance of an official act.**
- 2) solicit or coerce the offering of a gift.**
- 3) accept from the same or different sources on a basis so frequent that a reasonable person would be led to believe you are using your office for private gain.**
- 4) accept a gift in violation of any statute (such as accepting a supplementation of your federal salary from a nonfederal source for performing your official duties).**
- 5) accept vendor promotional training contrary to applicable regulations.**

Official Endorsements: General Rule

- May not use authority of your government office to support private activities
- May not solicit other Federal personnel on the job



Official Endorsements



- **SCENARIO:** Your neighbor, Anita Hand, asks you to write a recommendation for her son, Learned, for his college applications. You only know Learned through your mutual scouting activities.
- **QUESTION:** May you write a recommendation on Government letterhead?

Possible Answers

1. Yes, because you have known Anita and her son while you are working for the Government.
2. No, there is not enough of an official connection to the Government.
3. Yes, because you work in the office, you may use official letterhead.



Correct Answer

#2. Is correct.

Does the answer change if Learned worked for you as an intern before applying for college?

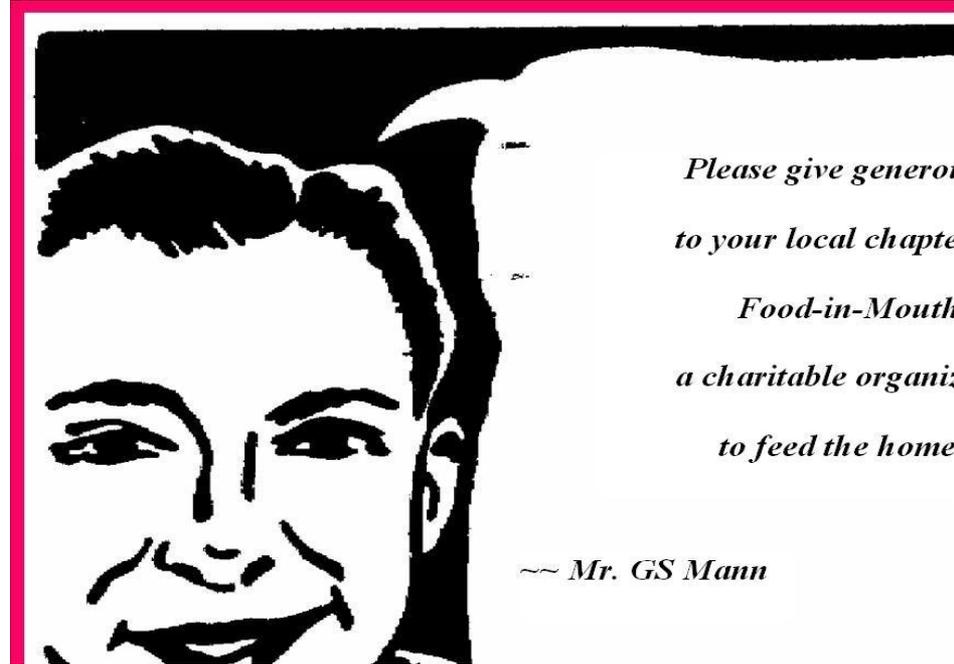
Does the answer change if the recommendation is for government employment instead of for a college application?

Does the answer change if Learned worked for you as a contractor and now wants a recommendation for his company's work?



Official Endorsements

- SCENARIO: You volunteer your free time to Food-in-Mouth, a charity that feeds the homeless, and serve as an officer on the board in your personal capacity. The charity wants to identify you by your Government position on its website.



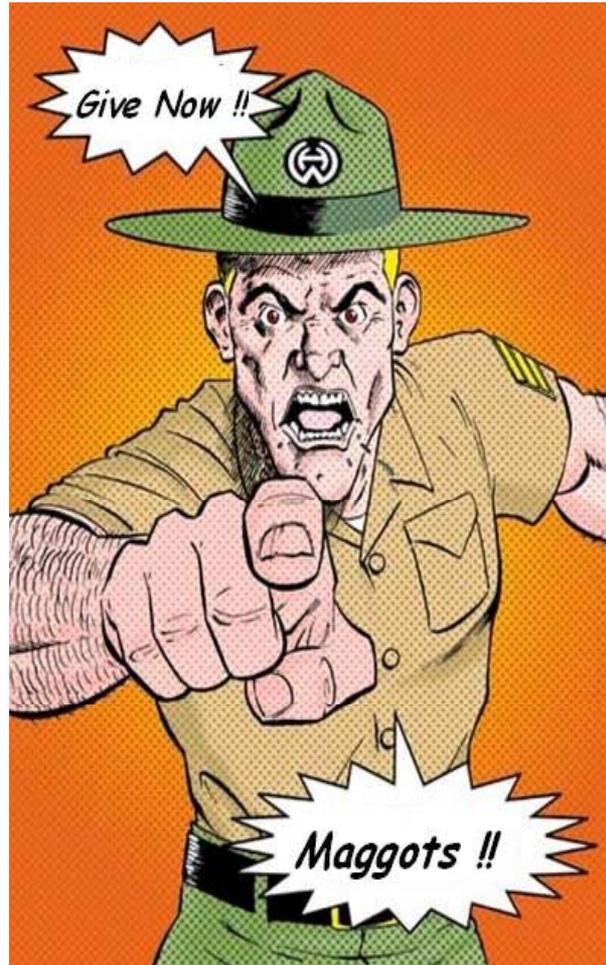
- QUESTION: May you permit Food-in-Mouth to identify you by your Government position on the website?

Possible Answers

1. Yes. While you may not use your official position to endorse private commercial activities, you may use your official position to endorse worthwhile charities.
2. Yes, because you are a volunteer acting in your personal capacity.
3. No. You generally may not use your official position to endorse any nonfederal activity, including your personal ones.

Correct Answer

#3. Generally, you may not use your official position to endorse any non-Federal activity. Can include gov't position as part of a larger biography, though!

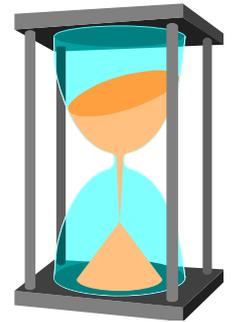


Exceptions:

1. Combined Federal Campaign
2. Emergency and disaster appeals approved by Office of Personnel Management.
3. Organizations composed primarily of agency employees or their dependents, under certain circumstances

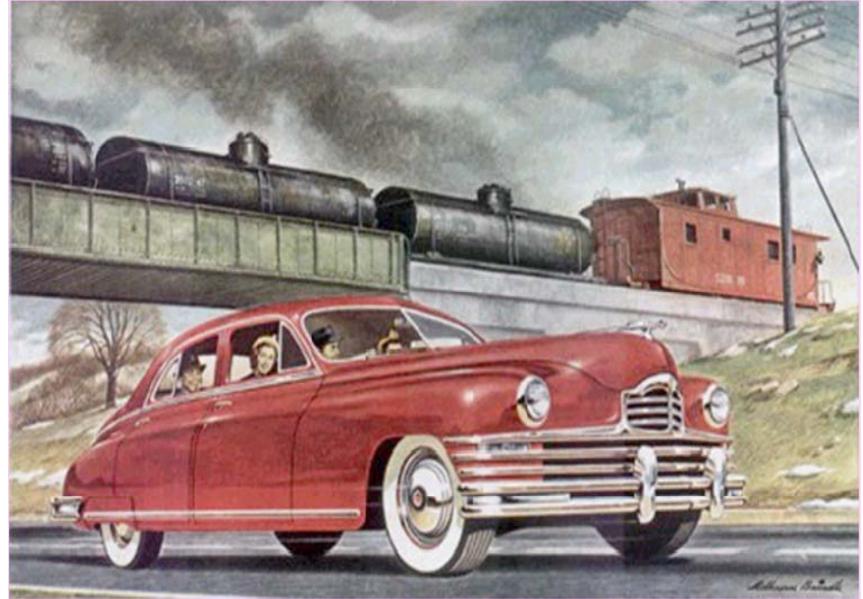
USE OF GOVERNMENT RESOURCES

- **Equipment**
- **Communications**
- **Time**
- **Personnel**
- **Vehicles**
- **Government Position**
- **IRM Systems – ADS 541**



Government Resources

- SCENARIO: While you are driving home from work your tire blows out. A gas station a block away replaces the tire right away. You are so thrilled that the problem is solved so easily that you inadvertently use your Government travel card to pay. Later, when you get the bill for the card you immediately pay in full.



•**QUESTION: Is there a problem here?**

Possible Answers

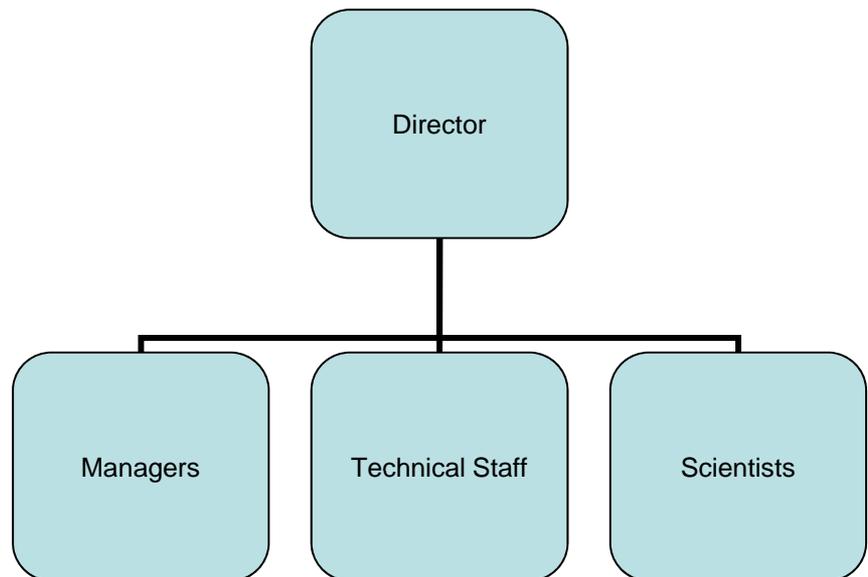
1. No, because you were commuting from work, you may use your Government travel card.
2. No, because you paid the bill for the travel card right away.
3. Yes, because you were not authorized to use the Government travel card except for expenses incurred when on official travel.



Correct Answer

- #3. Misuse of Government travel cards and purchase cards has received considerable congressional and media scrutiny in recent years.

Even when employees have paid off their charges, agencies have taken administrative or disciplinary action.



Post-Government Service Employment Restrictions

- **Before you seek any employment outside the Government, contact your ethics counselor for personal advice.**



Post-Government Service Employment Restrictions

- SCENARIO: *Bilkem International*, is a contractor for a USAID Economic Growth program. You interact with the *Lunny Mondering* division of *Bilkem* on technical matters and evaluate their work. Right before a meeting to discuss their work, a *Lunny* employee unexpectedly mentions that *Bilkem* is looking for a manager in a new division, *Rank Bobbery*, completely separate from *Lunny*. You tell him you're going to talk to your ethics counselor ASAP and then get back to him with your decision. You then proceed with the meeting.
- QUESTION: **Did you do the right thing?**



Possible Answers

1. No. Even though you were going to talk to your ethics counselor immediately, you did not reject the offer, and you continued to participate in the meeting involving *Bilkem*.
2. Yes. You didn't make any commitment, and you put the *Bilkem* employee on notice that you needed to consult with your ethics counselor.
3. Yes. The *Lunny Mondering* division is separate from the *Rank Bobbery* division, so any discussions you had regarding *Rank Bobbery* were irrelevant to your work on *Lunny Mondering* matters.



Correct Answer

#1. Once you have engaged in a conversation such as just described, you are considered to be seeking employment with the company.

The lesson: Talk to your ethics counselor now, not later.



Post-Government Employment Restrictions

All Officers and Employees

Representation Restrictions

- Lifetime Ban – Personal and Substantial Participation
- Two-Year Ban - Official Responsibility
- One-Year Ban - Trade or Treaty Negotiations
- Nonpublic Government Information

Post-Government Employment Restrictions Procurement Integrity Ban

- No Compensation for One Year
If You Held a Certain Position
In a \$10 Million Procurement Matter



May 2008

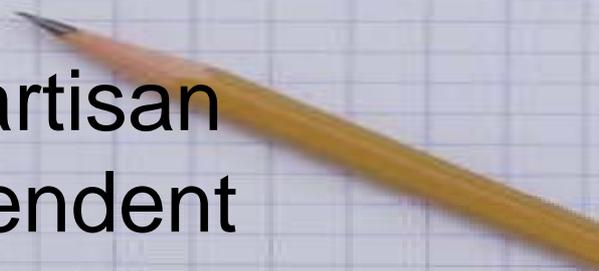
Post-Government Employment Restrictions Senior Officials

- Employees Whose Basic Pay is \$148,953+ (in 2008)
- For One Year
 - May Not Represent Back To Their Agency
 - May Not Aid, Advise, or Represent a Foreign Government or Foreign Political Party



Restrictions on Political Activity – The Hatch Act (5 USC 7321-7326)

Government Employees (except career SES and law enforcement) **MAY:**

- engage in partisan political campaigning
 - register and vote
 - express opinions on issues
 - sign petitions
 - be candidates in non-partisan elections or as an independent in local elections (DC area)
- 

Restrictions on Political Activity

Government Employees MAY NOT:

- engage in political activity while on duty, in uniform, using a government vehicle or in a government office**
- use official position or authority to influence an election**
- solicit or discourage political activity of anyone with business before the agency**
- solicit or receive political contributions**

Restrictions on Political Activity

- My close friend is running for Congress. She asks me to host a fund-raiser at my home to support her campaign. Can I do this?
- A) Yes, so long as I do not use government time or supplies for the event
- B) No, I am soliciting funds for a political campaign



Restrictions on Political Activity

Answer:

B: Hosting the fundraiser is the equivalent of soliciting funds, even if there is no mention of government position or use of government resources

Final Advice

If have any questions, check with an Ethics Counselor or Regional Legal Advisor before you make a decision or take action!