BUREAU OF ECONOMIC ANALYSIS

SUMMARY OF ETHICS RULES 2016

ETHICS LAW AND PROGRAMS DIVISION
OFFICE OF THE GENERAL COUNSEL
UNITED STATES DEPARTMENT OF COMMERCE
202-482-5384 – ethicsdivision@doc.gov – www.commerce.gov/ethics

Ethics

PUBLIC SERVICE IS A PUBLIC TRUST

As an employee of the Bureau of Economic Analysis (BEA), you have been placed in a position of trust and are held to a high standard of ethical conduct. You not only have an obligation to perform your duties to the best of your abilities but also to familiarize yourself with Government ethics rules and policies and to comply with applicable restrictions, both when performing your Government duties and, in some cases, when engaging in personal activities when off duty and after leaving Federal service.

This handout contains a summary of ethics rules based on Federal conflict of interest statutes, regulations set forth in the Standards of Ethical Conduct for Employees of the Executive Branch, and other ethics laws and Department of Commerce policies. Additional information is available from the website of the Ethics Law and Programs Division at www.commerce.gov/ethics. However, it is always best to seek specific advice from an ethics official about the rules or their application to a specific situation.

Ethics Law and Programs Division: To obtain advice about ethics laws, you can contact a Commerce ethics official at: ethicsdivision@doc.gov or **202-482-5384**.

Designated Agency Ethics Official for the U.S. Department of Commerce:

Alternate Agency Ethics Official:
David Maggi – Chief, Ethics Law and Programs Division

Office of Inspector General – Employees have an **obligation to report waste, fraud, abuse, or other violations of the law**. You may contact the Office of Inspector General Hotline at 800-424-5197 or 202-482-2495 or email hotline@oig.doc.gov to report waste, fraud, abuse, or other violations of law, or to request an investigation. (The Ethics Law and Programs Division does not investigate allegations of violations of law.)

GENERAL ETHICAL PRINCIPLES

1. *Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws and ethical principles above private gain.*
2. *Employees shall not hold financial interests that conflict with the conscientious performance of duty.*
3. *Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.*
4. *An employee shall not, except as permitted in ethics regulations, 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 non-performance of the employee's duties.*
5. *Employees shall put forth honest effort in the performance of their duties.*
6. *Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the Government.*
7. *Employees shall not use public office for private gain.*
8. *Employees shall act impartially and not give preferential treatment to any private organization or individual.*
9. *Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.*
10. *Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.*
11. *Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.*
12. *Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those–such as Federal, State, or local taxes–that are imposed by law.*
13. *Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.*
14. *Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in ethics regulations. Whether particular situations 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.*

MISUSE OF GOVERNMENT RESOURCES

Basic Principle: Do Not Steal

As a BEA employee you have access to equipment, services, supplies, and other resources that are paid for by the Government to promote public programs. Even the authority of your position, nonpublic information, and your Government title are considered public property. You must be careful to use such resources only for Government purposes or, in a few cases, personal purposes that are specifically authorized, as listed below.

PERMITTED USES

You can use:

- access to the Internet and a personal email account for personal research or to send a personal email;*
- Government printers and copiers for personal purposes* if such use does not consume excessive resources;
- your Government title for personal purposes if not likely to appear as acting in an official capacity, as part of general biographical information (such as a biographical sketch in a book or on Facebook®), or when writing for a scientific or technical publication (if the publication includes a disclaimer that the views are your own and not the Department's); and
- frequent flier miles or other travel benefits earned from Government travel for personal purposes, including vacation travel.

** unless it is for a business purpose, a political purpose, a lobbying activity, will result in additional charges to the Government, is discriminatory, concerns sexually explicit materials, would violate a law, or would bring discredit to the Government*

PROHIBITED USES

You cannot use:

- a Government credit card for personal purchases (except those specifically authorized);
- access to the internet or an email account from a Government computer or mobile device:
  - to view sexually explicit material;
  - for for-profit activities or to run a business;
  - for political purposes, including by sending email to support or oppose a candidate or political party;
  - for prohibited discriminatory conduct;
  - for lobbying activities;
  - for any unlawful purpose or any activity that would bring discredit on the Department.
- nonpublic information for any personal purpose, such as to make investments;
- your Government title for personal purposes (except in connection with a publication in a scientific or technical journal (with a disclaimer) or as part of a general biographical description);
- Government time for personal activities; or
- your Government authority to help yourself or others on personal matters.

GIFTS AND BRIBES

Basic Principle: Avoid Undue Influence

There are three types of gifts you may encounter as a Government employee: personal gifts offered to you from someone outside the Government, personal gifts offered to you from another Federal employee, and a gift or donation offered to you for use by your agency for agency programs or operations, including for your official travel. Each of these types of gifts is covered by different rules. In addition, criminal statutes bar you from accepting a bribe, which is an offer of anything of value to take action (or fail to take action) as a Government employee, or a "salary supplementation," which is a payment by anyone other than the U.S. Government to do your job.

PERSONAL GIFTS FROM NON-GOVERNMENT SOURCES

PERMITTED GIFTS

You can accept a gift or invitation if it is:

- offered by someone with no business before Commerce and not offered because of your Government position;*
- from a relative or friend;
- $20 or less in value (and you received $50 or less in gifts from the same source during the year);*
- an invitation to a widely-attended gathering and your supervisor has approved your attendance;*
- a meal at which you are speaking in an official capacity;
- a discount available to the public as a whole or to all Federal employees;
- offered because of your spouse's employment;
- a card, plaque, or other item of little intrinsic value;
- an award for which you received approval from an ethics official;*
- a business meal overseas with non-U.S. citizens present if the cost is less than the local *per diem*;*
- a meal, lodging, or travel related to an outside business relationship;* or
- from a foreign government and valued at $375 or less.

PROHIBITED GIFTS

You cannot accept a gift or invitation if it is:

- offered by someone that is regulated by Commerce, has or seeks business with Commerce, or can be affected by performance of your Government duties (unless it is listed as permitted in the column on the left);
- offered because of your Government position (unless it is listed as permitted in the column on the left); or
- specifically to take action (or fail to take action) as a Government employee.

** This provision does not apply if you are a political appointee and donor of the gift or the host of the event is a registered lobbying organization (unless it is a 501(c)(3) organization or a media company) or if the invitation was extended by a registered lobbyist.*

GIFTS (continued)

PERSONAL GIFTS FROM OTHER FEDERAL EMPLOYEES

PERMITTED GIFTS

You can accept a gift or invitation from another Federal employee if it is:

- not from a subordinate;
- $10 or less in value;
- for a special, major non-recurring event (such as the birth or adoption of a child, retirement, serious illness, or wedding);
- food shared in the office;
- a gift of personal hospitality at the employee's home; or
- a gift to you as a host or hostess (such as wine or flowers).

You can also offer a gift to a supervisor if it is listed above as the type of gift that is permitted.

PROHIBITED GIFTS

You cannot accept a gift or invitation from another Federal employee if it is offered by a subordinate, unless it is

- $10 or less,
- for a major life event,
- food shared in the office, or
- a host or hostess gift.

You also cannot offer a gift to a supervisor unless it is listed as a gift that is permitted (see the column to the left).

GIFTS TO THE BUREAU OF ECONOMIC ANALYSIS

PERMITTED AGENCY GIFTS

You can accept a gift or donation of property or travel for your agency or Secretarial Office if:

- it will further a Government program,
- it is approved by the appropriate agency official, and
- acceptance will not create an appearance of loss of impartiality regarding agency programs or operations (which generally means that the donor is not an agency contractor, grantee, or licensee or someone regulated by your agency).

PROHIBITED AGENCY GIFTS

You cannot accept a gift or donation for your agency if:

- it is a gift of services (other than for travel);
- it will not further an agency mission;
- acceptance will create an appearance of undue influenc on agency activities, which in most cases bars acceptance of a gift from:
  - an agency contractor (or bidder),
  - an agency licensee (or applicant), or
  - someone with an interest in a controversial matter before Commerce; or
- it is for Government travel and it:
  - was solicited or
  - is for first-class travel.

CONFLICTS OF INTEREST AND DISQUALIFICATIONS

Basic Principle: No Self-Dealing and No Special Favors

You have a conflict of interest when your personal interests—or the interests of those close to you (your spouse, minor child, household member, or partner)—might differ from the interests of the Government and, therefore, raise questions about actions you take as a Government employee. Ethics laws address this problem by requiring employees to disqualify themselves from working on matters creating such conflicts. Conflicts of interest can be created by your financial interests, your non-Government positions, or your personal relationships.

FINANCIAL CONFLICTS OF INTEREST

PERMITTED ACTIONS
No Conflict – No Disqualification

You can work on matters affecting a financial interest:

- in a stock* or bond*of $15,000 or less;
- in a broadly-diversified mutual fund;*
- in a sector-specific fund* (a fund that invests in a specific industry sector or state or foreign country) of $50,000 or less;
- held by an adult child (if not living in your household); or
- covered by a conflict of interest waiver.

ACTIONS PERMITTED IN PART
Limited Disqualification – Disqualification Required for Some Issues

You can participate in general policy matters, but not in matters involving specific parties, that will affect:

- a company in which you hold† stock* valued at $15,001-$25,000,
- financial interests of a member of your household who is not a spouse or minor child, or
- financial interests covered by a conflict of interest waiver.

PROHIBITED ACTIONS
Conflict of Interest – Disqualification Required

You cannot work on a matter if agency action will affect:

- a company in which you hold:†
  - stock* of greater than $15,000,
  - stock* of greater than $25,000 regarding a policy matter affecting the company as a member of an industry sector,
  - stock* totaling greater than $50,000 in companies that will be affected by the matter at issue, or
  - interests in a sector-specific mutual fund* greater than $50,000; or
- financial interests you hold† that are not securities traded on a U.S. exchange, such as real estate, partnership holdings, securities traded only on a foreign exchange, stock options, patent rights, etc.; or
- a company, organization, or other entity with which you:
  - are employed;
  - serve as an officer; or
  - serve on a governing board.

** if traded on a U.S. exchange*

† or your spouse, minor child, household member, or general partner holds

CONFLICTS OF INTEREST AND DISQUALIFICATIONS
(continued)

CONFLICTS OF INTEREST BASED ON PERSONAL RELATIONSHIPS

PERMITTED ACTIONS
No Conflict – No Disqualification

You can work on a matter in which one of the parties is (or is represented by) someone with whom you have a personal relationship if:

- the relationship concerns:
  - a close friend,
  - a former employer or client you worked for more than one year ago (career employees) or more than two years before your appointment (political appointees),
  - an organization in which you are a member but not active (other than by attending meetings and paying dues), or
  - someone with whom your business dealings are limited to routine consumer transactions or
- you have received special authorization to work on the matter notwithstanding the involvement of someone with whom you have a close personal or business relationship (which is obtained through the Ethics Law and Programs Division).

PROHIBITED ACTIONS
Conflict of Interest
– Disqualification Required

You cannot work on a matter in which one of the parties is (or is represented by):

- someone with whom you have a business or financial relationship;
- a close relative;
- an organization in which you are active;
- the employer or client (or prospective employer or client) of your parents, spouse, or dependent child;
- someone with whom you were employed or served as an agent, attorney, consultant, contractor, director, general partner, or trustee during the past year; or
- if you are a political appointee, for a period of two years after your appointment, someone with whom you were employed or served as an agent, attorney, consultant, contractor, director, general partner, or trustee during the two years before your appointment.

RESTRICTIONS ON INVESTMENTS AND ACTIVITIES

If a disqualification as described above will prevent you from performing important Government duties, you should not make the investment or engage in the activity. In addition, you cannot:

- use nonpublic information from Federal employment for an investment decision or
- if you file a public financial disclosure report (OGE Form 278) (such as if you are a political appointee or SES member), invest in an Initial Public Offering (IPO) except in the same manner as available to members of the public generally.

NON-FEDERAL EMPLOYMENT AND ACTIVITIES

Basic Principle: Avoid Divided Loyalties

Work outside the Government or engaging in other personal activities is permitted if it will not impair your ability to perform your Government duties, will not create the perception that you are using your public office for private gain, and is not expressly prohibited by law.

PERMITTED ACTIVITIES

- You can work for anyone who does not have matters before your office (unless otherwise prohibited (see the column to the right)).
- You can teach and write for pay if the subject is not related to the programs, policies, or operations of Commerce.
- You can teach and write about Commerce programs, operations, and policies if you do not disclose nonpublic information and are not paid (but prior agency review is required in some cases and prior approval is required for noncareer SES members).
- You can contact a Federal agency on behalf of:
  - your spouse, child, or parent; an estate or trust you administer; or someone for whom you have a power of attorney <u>but only if you receive prior approval</u>;
  - another Federal employee in a personnel matter if you do not receive payment; or
  - a Federal employee organization unless it concerns Government financial benefits, a claim against the Government, or is in the context of an administrative proceeding.
- You can practice law as a personal activity if you do not represent clients before a Federal agency or a Federal court and do not advise on matters in which the U.S. Government has an interest.

PROHIBITED ACTIVITIES

- You <u>cannot</u> be employed by, or hold a position with, a foreign government.
- You <u>cannot</u> contact a Federal agency or Federal court on behalf of someone else (but see the permitted activities in the column on the left for exceptions).
- You cannot be employed by someone whose financial interests can be affected by performance of your Federal duties (unless such duties can be easily reassigned).
- You <u>cannot</u> hold a position as an officer or board member of an organization whose financial interests can be affected by performance of your Federal duties (unless such duties can be easily reassigned).
- You <u>cannot</u> be paid for teaching, speaking, or writing about programs, policies, and operations of Commerce, unless it is teaching a course that is part of the regular curriculum of a school.
- If you are a noncareer SES member, you <u>cannot</u> be paid (or receive travel expenses) for teaching, speaking, or writing about a Commerce subject matter area, unless it is teaching a course that is part of the regular curriculum of an school <u>and prior approval is given</u>.
- If you are a noncareer SES member or Presidential appointee, there are limits on outside earned income and work or affiliation with organizations that create a fiduciary relationship.

POLITICAL ACTIVITIES

Basic Principle: Do Not Mix Politics and Public Service

It is important that the public have confidence that Government employees will conscientiously implement the policies of the President and senior Administration officials without regard to the employees' own political affiliations and that Government resources will not be used to try to influence elections. At the same time, Federal employees have a right to participate in elections as private citizens. To insulate Government employees from undue political influence, to ensure the objectivity of Government operations, and to protect employees' rights as citizens, Federal law imposes restrictions on some political activities of employees while ensuring the right to engage in other political activities, as summarized below.

PERMITTED ACTIVITIES

All Employees: You can:

- give funds to a candidate or party;
- attend a political fund-raiser, rally, or other campaign event;
- vote;
- sign a political petition;
- display a political bumper sticker on your car, wear a political button (when not on duty and not on Federal premises), and put a political sign on your lawn; and
- run for office in a non-partisan election.

Employees who are not career SES members: You can also:

- assist in the management of a campaign;
- serve as an officer in a political group;
- make telephone calls and otherwise solicit votes (but not funds) for a candidate;
- stuff envelopes for a campaign; and
- speak at a political event.

PROHIBITED ACTIVITIES

All Employees: You cannot:

- engage in political activities while on Government premises;*
- engage in political activities while on duty;*
- use Government resources for political activities, including your agency title, or access to email or the internet;
- ask for or accept political contributions (even during non-duty hours) (except that if you are a Government union member you can seek contributions from a non-subordinate union member for a union multi-candidate fund);
- host a political fund-raiser;
- use the authority of your Government position to support or oppose a partisan candidate or political party;
- run as a candidate in a partisan election (except as an independent candidate in local elections in Washington, D.C., its suburbs, and other designated areas); or
- ask for or accept volunteer services from a subordinate.

Career SES members: You also cannot:

- assist a campaign (even during non-duty hours) or
- hold office in a political organization.

* *unless you are a Presidential appointee in a Senate-confirmed position*

SEEKING EMPLOYMENT AND POST-EMPLOYMENT ACTIVITIES

Basic Principle: Avoid Divided Loyalties

SEEKING EMPLOYMENT OUTSIDE THE GOVERNMENT

You are free to look for career opportunities outside the Federal Government but cannot work as a Federal employee on any matter that would affect anyone you have contacted about possible future employment or who has contacted you about such employment, until you or the other party indicate the end of discussions.

Notice Requirements: If you are a member of the SES, a political appointee, an SL/ST employee, or someone otherwise required to file a public financial disclosure report (OGE Form 278), you must notify an ethics official within three days of an employment contact that you will not participate in matters affecting the financial interests of the prospective employeer. If you are a procurement official for a procurement valued at $150,000 or more, you must notify your supervisor and an ethics official about employment contacts.

POST-EMPLOYMENT RESTRICTIONS ON ALL EMPLOYEES

PERMITTED ACTIVITIES

You can engage in an activity after leaving Federal service that:

- does not entail representing others before the Federal Government;
- entails representing others before the Federal Government regarding a matter on which you did not participate and was not under your official responsibility during your last year of Federal service (unless you are a senior employee and the activity is listed as prohibited);
- entails representing others before the Federal Government on a matter that does not involve specific parties (unless you are a senior employee and the activity is listed as prohibited below); or
- entails representing the District of Columbia or, as an elected official, a state or local government before the Federal Government.

PROHIBITED ACTIVITIES

After leaving Federal service you cannot:

- represent others before a Federal agency or Federal court regarding a specific-party matter on which you worked personally;
- represent others before a Federal agency or Federal court within two years of leaving Commerce regarding a specific-party matter that was under your official responsibility during your last year of Federal service;
- disclose or use nonpublic information, such as personal privacy information, information on treaty negotiations, national security information, and trade secrets; or
- receive compensation for the representational activities of others (such as partners) before the Federal Government during a period you worked for the Government.

(Also see the additional restrictions below if you are a senior employee or procurement official.)

POST-EMPLOYMENT RESTRICTIONS (continued)

ADDITIONAL POST-EMPLOYMENT RESTRICTIONS ON ALL SENIOR EMPLOYEES (employees with a base pay of $160,111.50 or more)

PERMITTED ACTIVITIES

In addition to the activities listed above as permitted for all employees, you can:

- represent an institution of higher education, a hospital, or a medical research organization before the Office of the Secretary or ESA (excluding Census) within one year of leaving Federal service concerning a matter that is not a specific-party matter on which you worked or which was under your official responsibility.

PROHIBITED ACTIVITIES

In addition to the restrictions listed above that apply to all employees, if you are a senior employee you cannot, for one year after leaving Federal service:

- represent others before the Office of the Secretary or ESA (excluding Census);
- represent a foreign government before any branch of the U.S. Government (including Congress); or
- assist or advise a foreign government regarding its dealings with the United States Government.

(Also see the restrictions below if you are a procurement official.)

ADDITIONAL POST-EMPLOYMENT RESTRICTIONS ON PROCUREMENT OFFICIALS

PERMITTED ACTIVITIES

See the list above for what is allowed for all employees.

PROHIBITED ACTIVITIES

If you are a procurement official or program manager, you cannot accept compensation from the contractor of a procurement of $10,000,000 or more within one year of working on the procurement.

FINANCIAL DISCLOSURE AND ETHICS TRAINING

Basic Principle: Tell the Whole Truth and Keep Informed

Employees holding certain positions are required to disclose certain financial and employment interests, positions held outside the Government, the acceptance of gifts and travel reimbursements, and agreements regarding past or future employment. Disclosure reports are used by Department ethics officials to advise employees regarding conflicts of interest and means to avoid or resolve conflicts. The financial disclosure reports of the most senior officials are available to members of the public. It is important that information provided on financial disclosure reports be accurate. Employees who file such reports, as well as other employees, are required to attend ethics briefings, either annually or every three years.

PROCUREMENT OFFICIALS AND OTHER EMPLOYEES WITH DUTIES THAT AFFECT THE PUBLIC
- OGE Form 450 Filers -

REPORTS: If you are a procurement official or have duties that could affect members of the public, you may be designated as required to file a confidential financial disclosure report (OGE Form 450); if so, you must:

- file a new entrant OGE Form 450 within 30 days of entering into your position and
- file an annual OGE Form 450 every year by February 15.

This form is available on the website of the Ethics Law and Programs Division – www.commerce.gov/ethics. Your human resources office can advise you on whether you are required to file an OGE Form 450.

ETHICS TRAINING: You are required to receive ethics training:

- by attending an ethics briefing once every three years and
- by reviewing ethics materials (which are provided by the Ethics Law and Programs Division) during years in which you do not attend an ethics briefing.

SENIOR EXECUTIVE SERVICE MEMBERS, POLITICAL APPOINTEES, AND SL/ST EMPLOYEES
- OGE Form 278 Filers -

REPORTS: If you are a political appointee or serve in the Senior Executive Service or in an SL/ST or Senior Foreign Service or other position at a similar level, you are required to file a public financial disclosure report (OGE Form 278); if so, you must:

- file a new entrant OGE Form 278 within 30 days of appointment;
- file an annual OGE Form 278 every year by May 15;
- file a termination OGE Form 278 within 30 days after leaving Federal service;
- file a Transaction Report (OGE Form 278-T) within 30 days of a transaction regarding a security of greater than $1,000 in value; and
- file a Notice of Employment Negotiation within 3 business days of an employment contact.

These forms are available on the web page of the Ethics Law and Programs Division (www.commerce.gov/ethics).

ETHICS TRAINING: You are required to receive ethics training every year.

CITATIONS TO APPLICABLE LAW

Misuse of Government Resources

18 United States Code (U.S.C.) § 641
5 Code of Federal Regulations (C.F.R.) §§ 2635.701–2635.705
Department of Commerce Internet Use Policy

Gifts and Bribes

5 U.S.C. §§ 7342, 7351, and 7353; 15 U.S.C. § 1522; 18 U.S.C. §§ 201 and 209
5 C.F.R. §§ 2635.201–2635.205 and 2635.301–2635.304; 41 C.F.R. Part 304-1

Conflicts of Interest and Disqualifications

15 U.S.C. § 78u-1; 18 U.S.C. § 208
5 C.F.R. §§ 2635.401–2635.403, 2635.501-2635.503, and 2640.201–2640.202
Ethics Pledge, Executive Order No. 13490, 74 Fed. Reg. 4673 (1/21/2009)

Non-Federal Employment and Activities

18 U.S.C. §§ 203, 205, and 208
5 C.F.R. §§ 2635.801–2635.809

Political Activities

5 U.S.C. §§ 7321–7326
5 C.F.R. §§ 734.201–734.702

Seeking Employment and Post-Employment Activities

5 U.S.C. app. 4 § 101 note [Pub. L. No. 112-105, § 17(a), 126 Stat. 291, 303] 18 U.S.C. §§ 207 and 208; 41 U.S.C. §§ 423 and 2103
5 C.F.R. Parts 2635 and 2641; 15 C.F.R. §§ 15.11–15.18

Financial Disclosure and Ethics Training

5 U.S.C. App. 4 §§ 101-111
5 C.F.R. Part 2634 and §§ 2638.701–2638.705

Prepared by the Ethics Law and Programs Division, Office of the General Counsel, United States Department of Commerce – 202-482-5384 – ethicsdivision@doc.gov – January 11, 2016