



# ETHICS TRAINING

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# MAJOR LAWS AND REGULATIONS

- EXECUTIVE ORDER 12674
- STANDARDS OF CONDUCT (5 CFR 2635)
- NRC SUPPLEMENTAL REGULATIONS  
(5 CFR 5801)
- CRIMINAL STATUTES (18 USC 201 – 209)

# **FINANCIAL DISCLOSURE**

## **(Ethics in Government Act, 5 CFR Part 2634)**

### **Public Financial Disclosure Reports (SF 278)**

- All Employees Above GG-15 and Commissioner Assistants (and Certain Special Government Employees)
- Upon Entrance and Termination
- Annually by May 15

# **FINANCIAL DISCLOSURE**

## **(Management Directive 7.6)**

### **Confidential Financial Disclosure Reports (SF 450)**

- Designated Employees at GG-15 or Below With Responsibilities Requiring Personal and Substantial Participation in:
  - Contracting and Procurement,
  - Administering or Monitoring Grants, Subsidies, Licenses, or Other Federal Benefits,
  - Regulating or Auditing a Non-Federal Entity, or
  - Activities Where the Final Decision or Action Will Have a Direct and Substantial Economic Effect on a Non-Federal Entity's Interest.
- All Special Government Employees Who Do Not File a Public Report
- Annually by October 31

# **OGE REGULATIONS COVER**

## **(5 CFR Part 2635)**

- General Provisions (Subpart A)
- Gifts from Outside Sources (Subpart B)
- Gifts Between Employees (Subpart C)
- Conflicting Financial Interest (Subpart D)
- Impartiality in Performing Official Duties (Subpart E)
- Seeking Other Employment (Subpart F)
- Misuse of Position (Subpart G)
- Outside Activities (Subpart H)
- References to Related Statutes (Subpart I)

# **PRIMARY OBLIGATION**

## **(5 CFR 2635.101)**

### **Public Service Is a Public Trust**

- **Each Employee Has a Responsibility to The United States Government and Its Citizens to Place Loyalty to The Constitution and Ethical Principles Above Private Gain**

# **APPEARANCE OF CONFLICT**

## **(5 CFR 2635.101 (b)(14))**

Employees Shall Endeavor To Avoid Any Actions  
Creating the Appearance That They are Violating The  
Law or The Ethical Standards Set Forth in This Part

# **DISCIPLINARY/CORRECTIVE ACTION**

## **(5 CFR 2635.106)**

- Violation of OGE/Agency Supplemental Regulations May Result in Disciplinary or Corrective Action
- Discipline Is Responsibility of Employing Agency
- OGE May Recommend Disciplinary or Order Corrective Action

# **GIFTS FROM OUTSIDE SOURCES**

## **(5 CFR 2635.202) (18 USC 201 (C))**

General Rule:

An Employee Shall not Directly or Indirectly Solicit or  
Accept a Gift:

- From a Prohibited Source, or
- Given Because of an Employee's Position

Unless the Item:

- Not a Gift, or
- Falls Within One of the Exceptions

# **PROHIBITED SOURCE**

## **(5 CFR 2635.203(d))**

Any Person:

- Seeking Action by Employee's Agency
- Doing or Seeking to Do Business with Agency
- Whose Activities Are Regulated by Agency
- Having Interests Substantially Affected by Employee's Official Duties (Performance or Nonperformance)

An Organization with a:

- Majority of Members Described Above

# OTHER CONSIDERATIONS

Gift Considered as Directly Solicited or Accepted by Virtue of Position if It Wouldn't Have Happened Absent the Federal Job (5 CFR 2635.203 (e))

Gift Considered as Indirectly Solicited or Accepted if:

- Given with Employee's Knowledge/Acquiescence to Spouse, Child, Parent, Sibling or Dependent Relative Because of Relationship with Employee, or
- Given to any Other Person on Designation, Recommendation or Otherwise by Employee (Includes Charities) (5 CFR 2635.203(f))

# **GIFTS**

## **(5 CFR 2635.203 (b))**

- Gratuity
- Favor
- Discount
- Entertainment
- Hospitality
- Forbearance
- Other Item Having Monetary Value
- Training
- Transportation
- Local Travel
- Lodgings
- Meals
- Loan

## **GIFTS WHICH MAY BE ACCEPTED**

- Modest Food/Refreshments Item Not Part of a Meal
- Greeting Cards
- Items of Little Intrinsic Value (Plaques, Certificates, etc.)  
Intended Solely for Presentation
- Bank and Other Loans if Generally Available to Public
- Prizes in Public Contest or Event, Unless Entry is Part of  
Official Duties
- Benefits Earned with Former Employer (e.g. Pension)
- Anything Paid for by Government or Secured Under  
Government Contract
- Gifts to Government Authorized by Law (e.g. Travel, Meals,  
etc.)
- Anything for Which Employee Pays Market Value

# **GIFTS WHICH MAY BE ACCEPTED**

- Unsolicited Gifts of \$20 or Less, (Not Over \$50 in a Calendar Year) from Any Prohibited Source -- (No Cash, Stocks, Bonds, CDs, etc.)
- Gifts Not Motivated by Position from Family or Friends
- Discounts and Like Offered to Federal Employees as Group
- Awards/Honorary Degrees for Meritorious Public Service.
- Gifts from Outside Business or Employment Relationships

# OTHER GIFT EXCEPTIONS

Food, Refreshments, and Waiver of Conference Fee for:

- Official Speech or Service on a Panel
- Widely Attended Gatherings (i.e., Large and Diverse),  
With Approval

Meals in Foreign Areas:

Official Travel Expenses (Including Food and Lodging) from:

- Foreign Governments
- State Governments
- Certain Non-Profit Organizations

Gifts from Foreign Governments Under \$285 (Foreign Gifts Act)

# **GIFTS TO SUPERVISORS**

## **(5 CFR 2635 Subpart C)**

Employees May Not:

- Give, Donate, or Solicit a Gift For An Official Supervisor
- Accept a Gift from a Lesser Paid Employee Unless:
  - No Employee - Employer Relationship and
  - Personal Relationship Justifying the Gift

# PERMISSIBLE GIFTS TO SUPERVISORS

Employees May Give:

- Gifts of \$10 or Less (No Cash), Occasionally at Traditional Gift Giving Times
- Food, Refreshments Shared in the Office
- Personal Hospitality in Home of Type and Value Customarily Provided to Friends
- Leave Transferred Under 5 CFR 630

# **GIFTS TO SUPERVISORS ON SPECIAL EVENTS**

On Special Infrequent Occasions, Such As:

Marriage

Birth/Adoption

Retirement

Reassignment/Transfer

- Made Freely Without Pressure or Coercion
- In Amount Decided by Contributor (not limited to \$10), or,
- Proportionate Share of Luncheon, Reception, etc

# CONFLICTING FINANCIAL INTERESTS (18 USC 208) (a))

Prohibits Federal Employees from Personal and Substantial Participation:

- In Any Particular Government Matter That They Know
- Has Direct and Predictable Affect on Financial Interest of
  - Themselves
  - Their Spouse or Minor Child
  - Organizations They Serve as Officer, Director, Trustee, General Partner, or Employee
  - Person They are Negotiating With or Have Arrangement for Prospective Employment

Possible Waiver From Appointing Official Available

# **EXEMPTED MINIMAL FINANCIAL INTERESTS**

## **(5 CFR PART 2640)**

Financial Interests Exempted by OGE Regulations:

- Stocks or Bonds--
  - Particular Matters Involving Parties if Value Not More Than \$15,000
  - Generic Matters if Value Not More Than \$25,000
- Mutual Funds--
  - Holdings of a Diversified Mutual Fund
  - Holdings of a Sector Mutual Fund if Value Not More Than \$25,000
- Pension Plans--
  - Holdings of Federal, State, or Local Government Pension Plan
  - Holdings of Diversified, Independently Managed Private Pension Plan

# IMPARTIALITY IN PERFORMING OFFICIAL DUTIES (5 CFR 2635.501 - 502)

Principle:

Employees Must Try to Avoid Any Appearance of a Loss of  
Impartiality in Performing Official Duties

Restriction:

- Unless an Employee Receives Prior Authorization, the Employee Should Not Participate in Any Matter Involving Specific Parties which He/She:
  - Knows is Likely to Have Direct and Predictable Effect on Financial Interest of a Member of Employee's Household, or
  - Knows that a Person With Whom Covered Relationship Exists is or Represents a Party in the Matter

# **SEEKING EMPLOYMENT**

## **(18 USC 208 (a))**

Prohibits Participation in Particular Matters Affecting Financial Interests of Anyone That The Employee:

- Is Negotiating for Prospective Employment
- Has Arrangement for Prospective Employment
- Requires Disqualification
- Written Waiver Allowed

# MISUSE OF POSITION

Employees May Not Use NRC Position, Title, or Authority for:

- Their Own Private Gain
- Endorsement of Any Product, Service, or Enterprise
- Private Gain of Relative or Friends
- Gain of Persons Affiliated with Employees in Non-Government Capacity
- Benefit of Non-Profit if Employee is Officer or Member
- Benefit of Person With Whom Employee is Seeking Employment or Business Relationship
- Coercing or Inducing Others Including Subordinates to Benefit Friends, Relatives, etc.

Permissible for Certain Letters of Recommendation

# **NRC PROPERTY**

## **(5 CFR 2635 Subpart G)**

No Unauthorized Use or Disclosure of Non-Public Information

No Unauthorized Use of NRC Property (Including Vehicles and Credit Cards)

No Long-Distance Phone Calls, Unless Personally Paid For  
Infrequent Local Telephone Calls on Official Time for Specified Purposes (MD 2.3)

# **NRC INFORMATION TECHNOLOGY**

## **(Management Directive 2.7)**

Limited Personal Use of Information Technology

Includes Computers, Printers, Software, Phones, Faxes,  
Copiers, E-mail, Internet

- Only on Non-Work Time
- Minimal Expense to NRC

Prohibited Uses Include:

- Commercial Purposes, Including Private Business
- Fund-raising
- Sexual Materials
- Gambling
- Uses Causing Congestion, Delay, or Disruption of Service

# **PROHIBITED SECURITIES**

## **(5 CFR 5801.102 & MD 7.7)**

Restriction Applies to:

- All Presidential Appointees, SES Members, and Senior Level Employees
- Employees at GG-15 and Below with Regulatory Responsibilities (Positions Listed in MD 7.7)
- Spouse and Minor Children of Covered Employees

Prohibits Ownership of Any Securities Issued by Entities on OGC List:

- Nuclear Utilities
- Reactor Manufacturers/Vendors
- Architectural Engineering Companies
- Fuel Cycle Applicants & Licensees
- Energy/Utility Mutual Funds (More Than 25 percent of Assets in Prohibited Securities)

# **OUTSIDE EMPLOYMENT**

## **(5 CFR 5801.103 & MD 7.8)**

Prior Written Approval For Employment With:

- Licensee
- Applicant for License
- Organization in Commercial Nuclear Field
- Contractor
- Supplier of Goods or Services to NRC
- Agreement State Licensee or Applicant
- Trade Association Representing Clients on Nuclear Matters
- Law Firm in NRC Proceeding or Represents Clients Before NRC

# HATCH ACT

## (5 USC 7321-7326)

- Prescribes Rules on Political Activities of Federal Employees
- Major Permitted and Prohibited Political Activities as of Feb. 3, 1994)\*

### PERMITTED

- Register & Vote
- Run for Office in Nonpartisan Elections
- Assist in Voter Registration Drives
- Campaign For or Against Candidates in Partisan or Nonpartisan Elections
- Contribute Money to Political Organizations
- Attend & Be Active at Political Rallies or Meetings
- Join & Hold Office In Political Clubs or Parties
- Attend Political Fundraisers

### PROHIBITED

- Run for Office in Partisan Elections
- Wear Political Buttons on Duty
- Solicit Political Contributions From General Public
- Use Official Authority or Influence to Interfere with an Election
- Solicit or Discourage Political Activity of Persons Having Business Before the Agency
- Engage in Political Activity While on Duty, In Government Office, While Using Government Vehicle, or While Wearing Government Uniform

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Career SES employees and Atomic Safety & Licensing Board Panel Judges Still Subject to Hatch Act restrictions in effect prior to Feb. 3, 1994

**Ethics Requires Us to Give Up The Idea  
That An Act is Proper Simply Because It  
Is Permissible or That Something is  
Ethical So Long As It Is Legal**

