

DON Initial and Annual Ethics Training

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Introduction and Course Logistics (*Running Time 4:13*)

PAGE 1

Audio: Welcome to **this year's** DON Initial and Annual Ethics Training course.

On screen:

DON Initial and Annual Ethics Training

PAGE 2

Audio: If you would like to follow along with a written transcript of this training, you can download a copy by clicking on the Transcript icon located in the lower left corner of the screen, marked by the "T" symbol. You can also download the transcript from the Resources page of this training site. You can access the Resources page by clicking on the Resources icon at the top of the screen.

Closed captioning is available for this course and can be activated by clicking on the Closed Captioning icon located in the lower left corner of the screen, marked by the "CC" symbol.

On screen:

(Image of course transcript.)

PAGE 3

Audio: Users can access this course via screen reader software. When screen reader mode is enabled, this training course will automatically pause at the end of each screen, allowing time to review all on-screen information before continuing. Detailed instructions on how to take this course with assistive software can be found at the link provided here. You can also access these instructions from the Resources page of this training site.

If you are currently using screen reader software, use the Up and Down arrow keys to activate screen reader mode. Otherwise, click on the "RESUME" button to continue without activating these features.

On screen:

If you do not require assistive software, click here to skip this page.

Users requiring additional assistance can access this course utilizing their screen reader software. This feature is only intended for users who currently have assistive software on their computer.

(Image of "View Screen Reader Instructions" button.)

Note: Activating screen reader mode without assistive software will prevent the training from running properly.

(Image of "RESUME" button.)

PAGE 4

Audio: As you know, many employees are required to have ethics training. For example, employees who are new to the Department of the Navy and/or who file a Financial Disclosure Report have an ethics training requirement. This training satisfies the requirement for interactive ethics training.

On screen:

Course Objective

Increase employee awareness of and compliance with the federal ethics laws and regulations.

PAGE 5

Audio: During the course of this instruction, individual training modules will be presented. We will begin with an overview of ethical conduct and policy. We will then discuss gifts, financial conflicts of interest, impartiality, and misuse of position. Finally, we will provide, as additional resources, the applicable statutes and regulations governing ethical conduct.

On screen:

Course Structure

- Overview
- Gifts
- Financial Conflicts of Interest
- Impartiality
- Misuse of Position
- Additional Resources

PAGE 6

Audio: Before we begin the training modules, let's discuss the logistics involved in this web-based training.

To accommodate your work schedule, this training provides the ability for you to log out at any time. Your progress will be saved after each page you view. If you log out in the middle of the training, you will resume the training where you left off the next time you log in.

On screen:

Course Logistics

- You may log out at any time during the training.
- When you log back in, you will resume training where you left off.

PAGE 7

Audio: You must complete each training module in the sequence in which it is presented. However, you will be able to review any previously completed training modules by clicking on the "Menu" icon, highlighted here, and then on the training topic.

During the presentation of each training module, you will have the ability to pause the presentation, skip back and replay the training module again. If you review a module that has already been completed, you will also have the ability to skip ahead.

On screen:

Course Logistics

- Each training module must be completed in the sequence in which it is presented.
- You can review previously completed training modules.
- During each training module, you may pause, go back and start again.

PAGE 8

Audio: Before completing a module of instruction, you may be presented with a knowledge check to ensure you understand the information presented to you during that module.

At the end of the module of instruction and knowledge check, click on the "NEXT" button to proceed to the next module.

On screen:

Course Logistics

- At the end of each training module, you may be presented with a knowledge check to ensure you understand the information presented to you.
- Upon completion of the knowledge check, click on the "NEXT" button to proceed to the next training module.

PAGE 9

Audio: After you have completed all the training modules, you will be presented with a final knowledge check to test your overall understanding of the information presented during this course. You will be given three opportunities to pass the knowledge check. If you do not pass after three attempts, you will be required to view the course again from the beginning.

On screen:

Course Logistics

- At the end of the training, you will be presented with a final knowledge check.
- You must pass the knowledge check to complete the training.
- You will have three opportunities to pass the knowledge check.
- If you do not pass after three attempts, you will be required to view the entire course again.

PAGE 10

Audio: Upon successfully completing the final knowledge check, a Certificate of Completion will be provided for you to print out.

On screen:

(Image of sample course completion certificate.)

PAGE 11

Audio: As previously mentioned, a Resources page has been created for this web-based training. In addition to a written transcript of the training, this page contains links to references used throughout the training that you can access at any time for more information regarding the topics being discussed.

On screen:

(Image of course Resources page.)

PAGE 12

Audio: Now that you know how to navigate through this web-based training, let's begin.

Click on the "NEXT" button to start the presentation of the first training module, an overview of ethical conduct and policy.

On screen:

Coming up next:

Overview

(Image of "NEXT" button.)

Overview (Running Time 4:12)

PAGE 1

Audio: In this module, we will provide you with an overview of ethical conduct and the related policy and guidance.

On screen:

Overview

PAGE 2

Audio: Ethical behavior cannot be turned on and off; instead, ethical behavior is lived every moment of every day. We must start with a foundation of ethical behavior in order to be successful. Today's world is so interconnected, our lives can quickly become public with one click of a button or snapshot of a camera, even when we thought we were in a private setting. We must remain conscious that our actions at all times can have unintended and profound consequences.

On screen:

Start with a foundation of ethical behavior!

Government employees should evaluate the Big Picture by asking several questions when taking an action:

- Is it legally sound?
- *Can I do it?*
- *Should I do it?*
- Is it *right for the government?*
- How will it be perceived?



(Image of a compass pointing to the word ETHICS.)

PAGE 3

Audio: The Office of Government Ethics (or OGE) is the federal agency responsible for issuing regulations regarding how government employees conduct themselves.

The Department of Defense Joint Ethics Regulation (or DoD JER) provides additional rules that are specific to the DoD. In addition, while OGE regulations are applicable to officers and civilian employees, the JER is applicable to officers, enlisted military personnel, and civilians. The rules in the JER are in addition to the OGE regulations, and not “instead of”.

Ethics Counselors at your activities are another source for guidance. This training is not designed to make employees subject matter experts. Rather, this training is designed to help employees recognize ethics issues so that they may seek assistance. In most cases, a government employee can be protected from future discipline where he or she sought advance advice from an ethics counselor and relied upon the provided advice. Thus, don't try and solve issues on your own! Remember, Seek Early Advice and Consult Your Attorney.

On screen:

Standard for Guidance

Sources for Guidance

- Office of Government Ethics (OGE) 5 C.F.R. Part 2635
- Department of Defense Joint Ethics Regulation (DoD JER) DoD Directive 5500.7-R
- Ethics Counselors

Seek Early Advice: Consult Your Attorney



(Images of Office of Government Ethics, Department of Defense, and Office of the General Counsel logos.)

PAGE 4

Audio: There are 14 principles of Federal service. The first seven principles specify ethical conduct expected of government employees.

- Place loyalty to 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 to appropriate authorities.
- Fulfill, in good faith, your obligations as citizens, and pay your Federal, State, and local taxes.
- And comply with all laws providing equal opportunity to all persons, regardless of their race, color, religion, sex, national origin, age, or handicap.

On screen:

Principles of Ethical Conduct

Do... Place loyalty to the Constitution, the laws, and ethical principles above private gain.

Do... Act impartially to all groups, persons, and organizations.

Do... Give an honest effort in the performance of your duties.

Do... Protect and conserve Federal property.

Do... Disclose fraud, waste, abuse, and corruption to appropriate authorities.

Do... Fulfill, in good faith, your obligations as citizens, and pay your Federal, State, and local taxes.

Do... Comply with all laws providing equal opportunity to all persons, regardless of their race, color, religion, sex, national origin, age, or handicap.



(Image of a hand giving a thumbs-up.)

PAGE 5

Audio: The next 7 principles address conduct that is prohibited.

- Do NOT use nonpublic information to benefit yourself or anyone else.
- Do NOT solicit or accept gifts from persons or parties that do business with, or seek official action from, DoD (unless permitted by an exception).
- Do NOT make unauthorized commitments or promises that bind the government.
- Do NOT use Federal property for unauthorized purposes.
- Do NOT take jobs or hold financial interests that conflict with your government responsibilities.

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- Do NOT take actions that give the appearance that they are illegal or unethical.
- And do NOT use public office for private gain.

On screen:

Principles of Ethical Conduct

Do NOT... Use nonpublic information to benefit yourself or anyone else.

Do NOT... Solicit or accept gifts from persons or parties that do business with, or seek official action from, DoD (unless permitted by an exception).

Do NOT... Make unauthorized commitments or promises that bind the government.

Do NOT... Use Federal property for unauthorized purposes.

Do NOT... Take jobs or hold financial interests that conflict with your government responsibilities.

Do NOT... Take actions that give the appearance that they are illegal or unethical.

Do NOT... Use public office for private gain.



(Image of a hand giving a thumbs-down.)

PAGE 6

Audio: In addition to requiring that certain employees receive initial or annual ethics training, the OGE regulations require that the training address the following subject areas:

- Gifts;
- Financial Conflicts of Interest;
- Impartiality; and

- Misuse of Position.

Each of these topics will be discussed in the next few modules.

On screen:

Top Four Topics



(Images representing gifts – gift being delivered; financial conflicts of interest – tug of war; impartiality – Justice statue; and misuse of position – dial labeled “trust”.)

PAGE 7

Audio: Before we move to our first substantive training module, please take a moment to listen to the following message from the Acting Secretary of the Navy, Honorable Thomas Harker. Click on the "NEXT" button to proceed.

On screen:

Coming up next:

A Message from Acting SECNAV, Thomas Harker

(Image of "NEXT" button.)

A Message from Acting SECNAV, Thomas Harker (Running Time 1:39)

PAGE 1

Audio: **Thomas Harker speaking** Hi shipmates, this is Acting Secretary of the Navy Tom Harker. Welcome to the Department of the Navy's Annual Ethics Training.

Each of us has taken on the responsibility of service to the people of the United States of America.

An important part of that service is adhering at all times to the ethics and standards that maintain the trust of the American people and our teammates.

These rules touch on every action that we take as Federal employees, and apply at all times, both at work and outside of work.

I ask you to give this training your full and complete attention, and that you live by these standards in every aspect of your service, whether anyone is looking or not.

As a reminder, these rules apply to all Federal employees, regardless of position or responsibilities.

As you go through this training, please think about situations in your work or personal life where these rules would apply and how you would handle those situations.

If you are a supervisor or manager, I encourage you to foster an environment where your team feels comfortable raising their ethical concerns.

I also challenge leaders at every level to incorporate ethics and standards of conduct into your daily operations.

For all of you, we must do more than just talk about ethics, we must be ethical in every decision and action that we take, in order to truly fulfill our sacred oath.

So thank you for your attention today, and thank you for all you do, every day, in support of the Department of the Navy and the United States of America.

On screen:



(Video of Thomas W. Harker, Acting Secretary of the Navy.)

PAGE 2

Audio: In the next training module, we will discuss Gifts.

Click on the "NEXT" button to proceed.

On screen:

Coming up next:

Gifts

(Image of "NEXT" button.)

Gifts (*Running Time 7:43*)

PAGE 1

Audio: In this module, we will discuss Gifts.

On screen:

Gifts

PAGE 2

Audio: The general rule regarding gifts from outside sources is that employees shall not solicit or accept a gift from a prohibited source or **given because of the employee's official position**.

What is a gift? A gift is almost anything of value (common examples are food, tickets, books, and clothing items). If the item – or service - **has some type of intrinsic value, it's likely** going to be considered a gift! Challenge coins, plaques, certificates, and other items intended primarily for presentation, are excluded from the definition of **"gift"** as they have little intrinsic value. Other exclusions include certain rewards and prizes, modest food items not intended to be a meal, as well as discounts and other benefits offered to all government personnel. If you have questions about whether you may accept a gift, please talk to your local ethics counselor.

On screen:

Gifts from an Outside Source

Unless permitted by exception, employees shall not solicit or accept a gift:

- From a prohibited source (e.g., Navy contractor)
- Given because of the employee's official position (e.g., local country club offers free membership to CO of an installation)

What is a gift?

- Almost anything of value
 - Examples: food, tickets, books, and clothing items
- Exclusions
 - Items intended primarily for presentation (e.g., challenge coins, plaques, certificates)
 - Certain rewards and prizes
 - Modest food items not intended to be part of a meal (e.g., coffee and donuts)
 - Discounts and other benefits offered to all government personnel



(Image of someone refusing a gift.)

PAGE 3

Audio: What is a prohibited source? A prohibited source is any person or entity that:

- Is seeking official action by the employee's agency;
- Does business or seeks to do business with the employee's agency;

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- Conducts activities regulated by the employee's agency; or
- Has interests that may be substantially affected by performance or nonperformance of the employee's official duties.

On screen:

Gifts from an Outside Source

A prohibited source is any person or entity that:

- Is seeking official action by the employee's agency
- Does business or seeks to do business with the employee's agency
- Conducts activities regulated by the employee's agency
- Has interests that may be substantially affected by performance or nonperformance of the employee's official duties

PAGE 4

Audio: As with many rules, there are exceptions to the general prohibition on gifts.

One exception is the "20/50" rule, which allows gifts from one source of \$20 or less per occasion and no more than \$50 per calendar year. The focus is **on the gift's fair market value or retail value**. What would a member of the public pay for the item? Should an employee choose to accept a gift under this exception, a log of the gifts received should be maintained. Keep in mind that the exception applies to the entity giving the gift, so if an employee has lunch on three different occasions with three different employees of Company A, the employee is still receiving three lunches from Company A.

Another exception is if the gift is based on an outside business or employment relationship. For example, this exception may allow a government employee to attend an event at a **former employer's place of business if other former employees are invited**.

A third exception is for gifts motivated by a personal relationship. This is known as the "Friends and Family Rule". Employees **MAY** accept a gift where circumstances make clear that the gift is motivated by a family relationship or personal friendship rather than the government **employee's** official position. There is no dollar limit to the value of the gift.

Employees may also accept unsolicited offers of informational materials, such as educational books, provided the fair market value of all materials received from one source does not exceed \$100 in a calendar year. Items intended for entertainment are not considered informational materials.

REMEMBER the 14 ethical principles and the obligation to not use one's public office for their private gain. Thus, while accepting a gift may be legally permissible, the repeated or continued acceptance of gifts may raise other concerns regarding one's proper use of their office.

On screen:

Gifts from an Outside Source...EXCEPTIONS

Gifts from one source of \$20 or less per occasion and no more than \$50 per calendar year. The focus is on the gift's fair market value or face value; what would a member of the public pay?

\$20 or less per occasion/\$50 per calendar year

Example: Three lunches on three different occasions with three different employees of Company A, are still three lunches received from Company A.

Gifts based on an outside business or employment relationship.

Example: A government employee may attend an event at a former employer's place of business if other former employees are invited.

Gifts motivated by a personal or family relationship ("Friends and Family Rule").

Example: Holiday gift from a sibling who works for a prohibited source.

Example: Invitation to attend spouse's holiday party at Company B. But consider, are other Company B employees allowed to bring their spouses?

Gifts of informational materials.

Example: Free subscription to a professional journal valued at \$50.



(Images of a company lunch, an invitation, and wrapped gifts.)

PAGE 5

Audio: Other exceptions to the prohibition on accepting gifts may include social invitations from a non-prohibited source. Be careful to consider the circumstances: while the entity offering the gift may not be a prohibited source, if it is given because of the employee's official position, there may still be a prohibition on accepting the gift.

The next exception is commonly referred to as a "WAG". Widely attended gatherings (or WAGs) typically involve professional associations inviting government personnel to attend an event for free. To qualify as a WAG, there must be a Navy interest in the employee's attendance. The invited employee's supervisor (with the advice of an ethics counselor) must consider several factors when making this determination.

Finally, there is an exception that allows an employee to accept a gift of meals, refreshments, and entertainment provided by a contractor when the employee is in a foreign area. Note that the dollar value may not exceed per diem, AND the next highest SES, Flag or General Officer in the employee's chain of command must approve the acceptance in advance – and after consulting with an ethics counselor.

On screen:

Gifts from an Outside Source...EXCEPTIONS

- Social invitations from a non-prohibited source
- Widely attended gatherings (WAGs)
- Meals, refreshments, and entertainment provided by a contractor in a foreign area (requires advance approval by SES, Flag or General Officer with input by ethics counselor)

PAGE 6

Audio: There is an additional regulation which focuses on whether legally acceptable gifts SHOULD be accepted. This rule emphasizes values-based decision-making in applying the gift exceptions and includes a standard to evaluate not only whether a gift may be accepted but also whether it should be accepted.

OGE has set forth relevant factors to consider in answering the "SHOULD you accept" question:

- Does the gift have a high market value?

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- Does the timing of the gift create the appearance that the donor is seeking to influence an official action?
- Is the gift provided by a prohibited source? Or
- Would acceptance provide the donor with significantly disproportionate access?

On screen:

Gifts from an Outside Source

Values-Based Decision-Making Rule: Even where an exception may exist, employees should consider declining an otherwise permissible gift if they believe that a reasonable person with knowledge of the relevant facts would question the employee's integrity or impartiality as a result of accepting the gift.

Values-based decision-making:

- What would a reasonable member of the public think of the action of accepting the gift?
- What kind of public scrutiny and concern may be raised by accepting the gift?
- What are the risks associated with the action as compared to the potential benefits?

Relevant factors to consider in answering the "SHOULD you accept" question:

- Does the gift have a high market value?
- Does the timing of the gift create the appearance that the donor is seeking to influence an official action?
- Is the gift provided by a prohibited source?
- Would acceptance provide the donor with significantly disproportionate access?



(Images of people in thought.)

PAGE 7

Audio: Government employees should remember that it is never inappropriate (and frequently prudent) to decline a gift offered by a prohibited source or offered because of the **employee's** official position.

In the event a government employee receives a prohibited gift, the gift must be properly disposed of.

On screen:

What should I do with a prohibited gift?

- If it is a tangible item, return it
- If it is a tangible or intangible item, pay fair market value
- If it is a tangible item valued at \$100 or less, destroy
- If perishable, and after consultation with supervisor or ethics counselor, the gift may be given to charity, shared among co-workers, or destroyed

Reciprocation is NOT allowed

PAGE 8

Audio: The general rule for gifts between Federal employees is that an employee shall not give, make a donation toward, or solicit from another a contribution for, a gift to an official superior. Conversely, an employee may not accept a gift from a subordinate.

There are two exceptions to the general rule.

On screen:

Gifts Between Employees

- General rule:
 - Employees shall not give, make a donation toward, or solicit from another a contribution for, a gift to an official superior
 - Employees may not accept a gift from a subordinate
- Two exceptions:
 - Occasional Basis
 - Special Infrequent Occasion



(Image of an employee accepting a gift.)

PAGE 9

Audio: The first exception is the occasional basis exception. This exception applies to certain traditional gift-giving situations. This allows employees to:

- Receive a birthday or holiday gift from a subordinate or give a birthday or holiday gift to their supervisor, so long as the value of the gift is no more than \$10 and is not cash;
- Share food in the office with their supervisor;
- Be a guest in their **subordinate's or supervisor's home** or invite their subordinate or supervisor to their home; and in that regard, OGE recognizes the rules of etiquette, allowing employees to accept or give a gift of hospitality without being limited to a value of \$10. However, the hospitality gift must be of a type and value customarily given on such occasions.

With the exception of food and refreshments shared in the office, no group gifts are permitted for this exception.

On screen:

Gifts Between Employees...EXCEPTIONS

Occasional Basis Exception

- Items, other than cash, with a value of \$10 or less (e.g., birthday, holiday)
- Food and refreshments shared in the office (e.g., vacation taffy, post-TAD macadamia nuts)
- Personal hospitality at residence
- Items given in connection with receipt of personal hospitality

NOTE: With the exception of food and refreshments shared in the office, no group gifts are permitted for this exception.

PAGE 10

Audio: The second exception permits subordinates to give, and superiors to accept, gifts on Special Infrequent Occasions. Additionally, employees are permitted to give group gifts under this exception. However, per the JER, gifts given by DoD employees may not exceed \$300.

And while government employees may give and accept a group gift for these occasions, contractor employees may not contribute to the group gift.

On screen:

Gifts Between Employees...EXCEPTIONS

Special Infrequent Occasions applies to situations:

- Of personal significance, such as marriage, illness, birth or adoption of child
- That terminate the superior-subordinate relationship, such as retirement, resignation or transfer

NOTE: While group gifts are permitted, they are limited to a value of \$300. Contractor employees may not contribute toward the group gift.



(Image of someone accepting a gift at a baby shower.)

PAGE 11

Audio: This concludes our discussion on Gifts. Let's take a moment to see what you've learned.

On screen:

Knowledge Check

Knowledge Check 1

On screen:

For the holidays, a contractor gives you a historical fiction novel with a U.S. Navy storyline. The book retails for \$24.95, but since his company bought it in bulk, it only cost them \$19.95. May you keep it?

- A. Yes, since the gift did not cost the contractor more than \$20.00, you may keep it.
- B. Yes, the novel qualifies as educational material because it is about the U.S. Navy and it is valued at less than \$100.
- C. No, unless you pay the contractor the fair market value of \$24.95.
- D. Yes, as long as you pay the contractor \$5.00, you may keep the gift.

Knowledge Check 2

On screen:

Rob and Margaret have been friends for over 10 years. For their birthdays, they each treat the other to a special steak dinner. Rob works for NAVSEA, and Margaret just got a job as a contractor employee supporting NAVSEA. May Margaret continue to treat Rob for a steak dinner on his birthday?

- A. Yes, because the gift is motivated by their personal friendship.
- B. Yes, since Rob also treats Margaret for dinner on her birthday.
- C. No, because the dinner will be worth more than \$20.00.
- D. No, because Rob may never accept a gift from a government contractor.

Knowledge Check 3

On screen:

The Command's Environmental Division has successfully completed a large project which marks the successful completion of a contract. To celebrate, the contractor that supported the Division on the project hosts a party at its headquarters during non-duty hours and invites Command Environmental Division personnel to attend. The contractor will provide food and drink but it will not offer giveaways, door prizes, or other items to the attendees. May government employees accept the invitation to the party?

- A. Yes, the contract is completed and, therefore, the contractor is no longer a prohibited source.
- B. No, the contractor is still a prohibited source and government employees are prohibited from accepting gifts from prohibited sources.
- C. Maybe, if an exemption or exception to the prohibition on accepting gifts from prohibited sources applies, such as the "20/50" rule.

Knowledge Check 4

On screen:

The program management office is hosting a summer picnic. The event will take place off base during non-duty time and contractors that support the office have been invited to attend. The per person cost is \$10; however, employee tickets are \$5 because the command used MWR funds to offset the ticket prices. As a fundraiser, the social committee decides to charge the contractors \$15. The extra \$5 will go to the command's social committee fund for the holiday party. May the social committee charge the contractors \$15 to attend the picnic?

- A. No, while contractors may be invited to attend a command social event, they can only be asked to pay for the actual per person cost (\$10).
- B. Yes, because the event is scheduled to occur during non-duty hours and off base.

Knowledge Check 5

On screen:

VADM (sel.) Jones is the commander of a NAVSYSCOM field activity. In a few weeks, she is going to put on her third star and assume command of NAVSYSCOM. Can the employees of the field activity solicit donations to purchase a gift to present to VADM Jones upon her departure from the command?

- A. Yes, provided they only solicit Federal employees and the gift is valued at \$300 or less.
- B. No, employees may never solicit for gifts to an official superior.
- C. No, there is no severance of the superior-subordinate relationship. VADM Jones is assuming a more senior position in the same chain of command.
- D. No, supervisors may never accept a gift from a subordinate.

PAGE 12

Audio: In the next training module, we will discuss Financial Conflicts of Interest.

Click on the "NEXT" button to proceed.

On screen:

Coming up next:

Financial Conflicts of Interest

(Image of "NEXT" button.)

Financial Conflicts of Interest (*Running Time 3:34*)

PAGE 1

Audio: In this module, we will discuss Financial Conflicts of Interest.

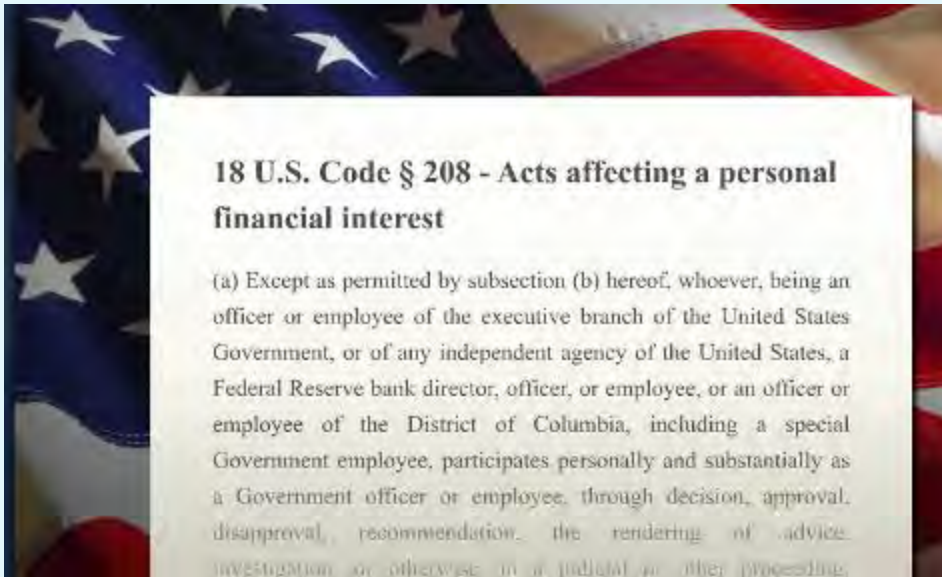
On screen:

Financial Conflicts of Interest

PAGE 2

Audio: A conflict of interest is a personal interest or relationship that conflicts with the faithful performance of official duty. Conflicts of interest are governed by law and regulation. In this module, we will focus on financial conflicts of interest.

On screen:



(Image of 18 U.S. Code Section 208, and the United States flag.)

PAGE 3

Audio: The general rule is: Do not work on matters in which you have a financial interest.

18 U.S.C. Section 208 is a criminal statute concerning financial conflicts of interest. Federal employees are prohibited from participating personally and substantially in any particular

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matter in which they have a financial interest if the particular matter will have a direct and predictable effect on that interest. Particular matters include matters that involve deliberation, decision, or action that is focused on the interest of a specific person or identifiable class of persons. Examples of particular matters include contracts, EEO complaints, MSPB appeals, and claims against the government.

There are regulatory exemptions to this rule, one of which is a \$15,000 *de minimis* exemption. This exemption authorizes an employee to participate in a particular matter involving specific parties in which the disqualifying financial interest arises from ownership of publicly traded, long-term Federal Government, or municipal securities issued by one or more of the entities affected by the matter (for example, publicly traded stock) and in which the aggregate market value of the securities does not exceed \$15,000.

Employees should consult their ethics counselor to determine whether their participation would be considered personal and substantial, whether the particular matter would have a direct and predictable effect on their financial interest, and whether they may avail themselves of any exemptions.

On screen:

18 U.S.C. SECTION 208 (Financial Conflicts)

- Prohibits government employees from participating personally and substantially in an official capacity with respect to a particular matter if:
 - They (or any person whose interests are imputed to them under statute) have a financial interest in the matter
 - The particular matter will have a direct and predictable effect on that interest

NOTE: There are exemptions to this prohibition, including a *de minimis* exemption authorizing continued participation in a particular matter involving specific parties where the aggregate value of the financial interest does not exceed \$15,000.

Seek Early Advice: Consult Your Attorney



(Image of "HANDLE WITH CARE" stamp.)

PAGE 4

Audio: Remember the GENERAL RULE: Do not work on matters in which YOU have a financial interest. Employees should keep in mind that the financial interests of others – including a spouse, minor child, and certain entities - are imputed to them. In addition, employees who may be considering negotiating for employment with an outside organization, should be aware that they have a financial interest in that organization during pre-employment negotiations.

On screen:

18 U.S.C. SECTION 208

- Financial interests of the following are imputed to the government employee:
 - Spouse
 - Minor child
 - General partner
 - Organization in which the employee serves as officer, director, general partner or employee
 - Organization with whom employee is negotiating for employment
- 18 U.S.C. SECTION 208 is a criminal statute and violators may be prosecuted



(Image of paper doll family.)

PAGE 5

Audio: There are several ways to resolve a conflict of interest. For example, the employee can take steps to avoid taking action on a matter in which they have a financial interest. In addition, the employee can divest himself or herself of the conflicting financial interest. Finally, the employee may be granted a waiver, allowing them to take action while retaining the financial interest.

On screen:

18 U.S.C. SECTION 208

- Remedial Action: 208 Conflict
 - Recusal/Disqualification
 - Reassignment
 - Change of Duties
 - Divestiture
 - Waiver



(Image of a hand stopping falling dominos.)

PAGE 6

Audio: Waivers are very rare, and for the individual making the request, they are extremely invasive. Approval can only be granted by the SES, Flag or General Officer in the **employee's chain of command**, after considering several factors, consulting with their ethics counselor, and receiving approval from the General Counsel of the Navy.

On screen:

18 U.S.C. SECTION 208

- Test for a waiver
 - The employee's financial interest in a matter is not so substantial so as to be deemed likely to affect the integrity of the services that the government may expect from the employee
- Factors to consider for a waiver
 - Value of conflict (e.g., stock) as compared to entire net worth
 - Value of "matter" as compared to net worth of the company
 - Levels of review in employee's chain of command
- Approval can only be granted by the SES, Flag or General Officer in the employee's chain, after consulting with ethics counselor and receiving approval by the General Counsel of the Navy.



(Image of hands exchanging a one hundred dollar bill.)

PAGE 7

Audio: This concludes our discussion on Financial Conflicts of Interest. Let's take a moment to see what you've learned.

On screen:

Knowledge Check

Knowledge Check 1

On screen:

You own stock in Big Money Co. that is worth \$10,000. Your supervisor asks you to serve on a technical evaluation board and Big Money Co. is one of the offerors. Do you have a conflict?

- A. Yes, you cannot work on a matter in which you have a financial interest.
- B. No, because you own less than \$15,000 of stock in Big Money Co.
- C. Maybe, it depends on whether you have a financial interest in any of the other offerors.

Knowledge Check 2

On screen:

You own \$20,000 of stock in Company X. Company X is a major subcontractor to the prime on one of your contracts. The prime is running behind schedule and the program manager discusses this with you. Are you allowed to participate in this discussion?

- A. Yes, because the discussion is with respect to the performance of the prime contract.
- B. No, because you have a financial interest in this matter because you own stock in a major subcontractor, Company X.

Knowledge Check 3

On screen:

Your spouse's **grandmother** died last year and left your spouse \$25,000 worth of Company Y stock in her will. Grandma disliked you greatly and included a caveat in her will mandating that your spouse not share the stock (or the value of its proceeds) with you. Would you have a conflict of interest if you worked on matters that involved Company Y?

- A. Yes, because the financial interests of your spouse are imputed to you.
- B. No, because Grandma specifically excluded you from receiving the gift in her will.
- C. Maybe, depending on whether you have other financial interests that could be affected by the matter.

PAGE 8

Audio: In the next training module, we will discuss Impartiality.

Click on the "NEXT" button to proceed.

On screen:

Coming up next:

Impartiality

(Image of "NEXT" button.)

Impartiality (*Running Time 2:27*)

PAGE 1

Audio: Audio: In this module, we will continue discussing conflicts of interest by focusing on the requirement for impartiality in the performance of official duties and the appearance of loss of impartiality.

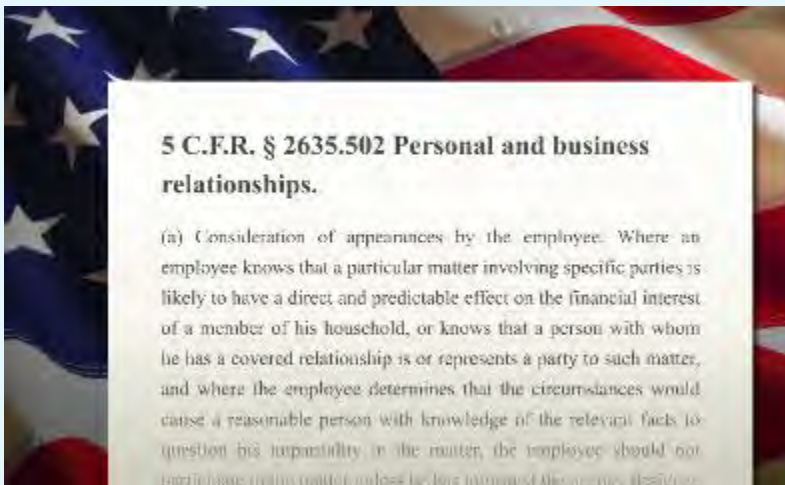
On screen:

Impartiality: Appearance of a Conflict of Interest

PAGE 2

Audio: Even where there is no actual conflict of interest under 18 U.S.C. 208, a government employee may still have an appearance problem under the Standards of Conduct. 5 C.F.R. Section 2635.502, is a regulation that addresses the appearance of a conflict of interest, or in other words, an appearance of a loss of impartiality. A violation of this regulation is not a criminal offense; however, violators may face adverse action or civil penalties.

On screen:



(Images of 5 C.F.R. Section 2635.502, and the United States flag.)

PAGE 3

Audio: The Standards of Conduct regulation considers whether a reasonable person with knowledge of all relevant facts would question the employee's **impartiality** in conducting official business. It states that employees should not participate in a matter, without written supervisory approval, if the matter is likely to affect the financial interests of a member of **the employee's household**. Furthermore, employees should not participate in a matter without supervisory approval, if he or she has a covered relationship with a person that is either involved in the matter or represents an organization or entity that is involved in the matter.

On screen:

5 C.F.R. SECTION 2635.502 (Impartiality)

Appearance of a loss of Impartiality

- Do not participate in a particular matter involving specific parties, without written supervisory approval, if:
 - The matter is likely to affect the financial interests of a member of the **employee's household**
 - A person with whom the employee has a "covered relationship" is involved in the matter

PAGE 4

Audio: The Standards of Conduct regulation regarding impartiality is much broader than the criminal statute governing actual conflicts of interest. Under the regulation, employees have covered relationships with many different individuals and entities. While the regulation identifies examples of particular covered relationships, there could be other examples not listed that could still present an appearance concern.

As a result, employees are encouraged to consider what they are working on and ask themselves, "Do I know someone who is related or connected to this work in some manner?" If the answer is yes, then the employee should seek the advice of their ethics counselor.

Please take a moment to review these examples of covered relationships. Then click on the "RESUME" button to continue.

On screen:

5 C.F.R. SECTION 2635.502 (Impartiality)

An employee has a covered relationship with:

- A member of the employee's household
- A relative with whom the employee has a close personal relationship
- A person for whom the employee's spouse, parent, or dependent child is an employee
- Any person or entity with whom the employee has been employed within the last year
- A person with whom the employee has a business or financial relationship
- An organization in which the employee is an active participant (e.g., committee chairperson)



(Image of family at a picnic.)

(Image of "RESUME" button.)

PAGE 5

Audio: This concludes our discussion on Impartiality. Let's take a moment to see what you've learned.

On screen:

Knowledge Check

Knowledge Check 1

On screen:

You are a member of a source selection board for a multi-million dollar contract. Company A, a large DoD contractor, submitted a bid proposal. Your spouse works for Company A but is a salaried employee who supports contracts for another Federal agency and was not involved in drafting Company A's bid. Furthermore, your spouse's 401k account with Company A only holds diversified mutual funds. Based on this information, your source selection board duties will likely not affect your spouse's employment or her 401K; therefore, your spouse's financial interest does not create an actual conflict of interest. Do you, however, have an appearance issue?

- A. Maybe, while there is not an actual conflict of interest, your spouse's employment could create an appearance issue. Your supervisor, in consultation with an ethics counselor, will need to review the regulations criteria to determine whether he should permit you to continue to serve on the source selection board.
- B. No, there cannot be an appearance issue because there is no actual conflict of interest.
- C. No, because your spouse was not involved in drafting Company A's proposal and will not work on the contract.

Knowledge Check 2

On screen:

You are the Contracting Officer's Representative (COR) on a contract with Company B. Your brother-in-law works for Company B and supports the same contract. You rarely interact with your brother-in-law and cannot remember the last time you saw him. Do you have a covered relationship with your brother-in-law that will prevent you from continuing your COR duties?

- A. No, while you both work on the same matter, you do not have a close personal relationship.
- B. Maybe, while the regulation uses the term "close personal" when describing family relationships, you should still raise the issue with your supervisor so that he can review the regulations criteria to determine whether you should continue your COR duties.

PAGE 6

Audio: In the next training module, we will discuss Misuse of Position.

Click on the "NEXT" button to proceed.

On screen:

Coming up next:

Misuse of Position

(Image of "NEXT" button.)

Misuse of Position (*Running Time 3:17*)

PAGE 1

Audio: In this module, we will discuss Misuse of Position.

On screen:

Misuse of Position

PAGE 2

Audio: Government employees are entrusted to serve the public. The general rule is that government employees may not use their official position for their private gain OR the private gain of others. As such, when on duty, the government employee is working for the public – and the public only.

On screen:

Misuse of Position

- Public service is a public trust!
- Employees may NOT:
 - Use public office for private gain.
 - Allow the improper use of non-public information.
 - Use Government property for other than official or authorized purposes.
 - Use official time to perform unofficial duties.



(Image of an employee staring at a compass.)

PAGE 3

Audio: Government employees may not use, or permit someone else to use, their official title, position, or command name to imply that the government endorses any non-Federal entity or its product, service, or enterprise. Additionally, with very limited exceptions, fundraising for a non-Federal entity must be done in a personal capacity.

Endorsement issues can be complex. If someone asks you to discuss the effectiveness of a product, write a letter of reference, or support a fundraising effort, you should seek the advice of your local Ethics Counselor.

On screen:

Endorsements

You may not use, or permit someone else to use, your official authority to imply the government endorses any personal activity.

- Be wary of interviews to discuss effectiveness of product
- Letters of reference may be acceptable in certain circumstances

Consult your local Ethics Counselor and Public Affairs Office for guidance!

PAGE 4

Audio: The general rule is that government employees cannot participate in fundraising activities in their official capacity. There are limited exceptions to this rule, including fundraising for the military relief societies and the Combined Federal Campaign.

Employees may be authorized to give an official speech at a fundraising event as long as the employee does not actively participate in the promotion, production or presentation of **the event, and the employee's participation does not suggest DON or DoD fundraising support or endorsement of the organization.**

Federal employees are authorized to participate in purely personal, unofficial volunteer efforts outside the Federal Government as long as their participation does not imply Federal Government endorsement. Employees must keep in mind that no personal fundraising is permitted in the Federal workplace. This includes Girl Scout cookies, Boy Scout popcorn, and school fundraisers.

On screen:

Endorsements

- Fundraising in your official capacity is a type of endorsement. While generally prohibited, limited exceptions exist for gifts-in-kind, military relief societies, the Combined Federal Campaign, and special solicitations during emergencies and disasters (when authorized by the Office of Personnel Management).
- Employees may be authorized to give an official speech at a non-Federal entity fundraising event as long as:
 - The employee does not actively participate in the promotion, production or presentation of the event.
 - The employee's participation does not suggest DON or DoD fundraising support or endorsement of the organization.
- Federal employees are authorized to participate in purely personal, unofficial volunteer efforts outside the Federal Government as long as their participation does not imply Federal Government endorsement.
 - There is no personal fundraising permitted in the Federal workplace (includes Girl Scout cookies, Boy Scout popcorn, and school fundraisers).



(Image of someone speaking at a fundraiser.)

PAGE 5

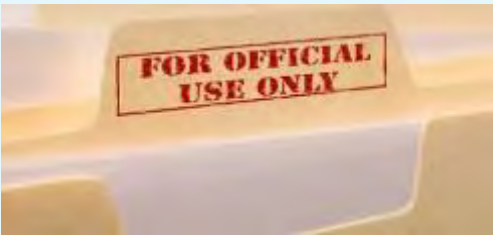
Audio: Government employees are prohibited from using or allowing the use of “non-public information” to further their private interest or the private interest of others. The definition of “non-public information” is shown here. Please take a moment to review and then click on the “RESUME” button to continue.

On screen:

Use of Non-Public Information

Non-public information is information that:

- Is not available to the public
- Is obtained in the course of one's official DoD duties or position
- Which would normally not be releasable under FOIA



(Image of a folder marked "FOR OFFICIAL USE ONLY".)

(Image of "RESUME" button.)

PAGE 6

Audio: Government employees may only use government property for official and authorized purposes. For example, employees may neither use a government computer to send emails about their outside activities, such as a personal business, nor may they work on matters related to their outside business on official time.

On screen:

Misuse of Government Property or Official Time

- You may only use government property for official and authorized purposes.
- You may not use official time to conduct your outside activities (e.g., operating a personal business).
- Reasonable use and other exceptions may be authorized by your supervisor.



(Image of an employee on social media at work.)

PAGE 7

Audio: Finally, government employees should be mindful of their professional communications. Always assume your emails will be read by the general public!

On screen:

Professional Communication

Assume your emails will be read by the general public!

They may be:

- Released through a FOIA request
- Stolen by a hacker
- Leaked (either intentionally or unintentionally)



(Image of emails being sent from a computer.)

PAGE 8

Audio: This concludes our discussion on Misuse of Position. Let's take a moment to see what you've learned.

On screen:

Knowledge Check

Knowledge Check 1

On screen:

In his personal capacity, Mark is a member of the Government Employees Organization (GEO). Mark was recently elected President of GEO. On its website, **GEO displays Mark's picture and lists his official title and command name.** Can Mark allow GEO to use his official information on its website?

- A. Yes, GEO supports government employees and the command name and position are listed as background information only.
- B. No, Mark may not use his official information in conjunction with his personal activities.
- C. Yes, provided he includes a disclaimer that his involvement in GEO is in a personal capacity and the DON does not endorse or sponsor GEO or its activities.

Knowledge Check 2

On screen:

Mary is an environmental engineer. The Green Organization (GO) is a non-Federal entity that supports environmentally friendly building methods. GO is hosting a banquet as a fundraiser and has asked Mary to be its keynote speaker. The event organizers have asked that Mary **discuss the DON's green building initiatives.** Can Mary attend the event and give an official speech?

- A. **Maybe, if Mary's supervisor approves the official speech and she does not participate in GO's fundraising efforts.**
- B. No, because the banquet is a non-Federal entity fundraising event.
- C. Yes, **this is an official speech that supports the DON's green building initiatives.**

Knowledge Check 3

On screen:

John, a Navy employee, is a personal trainer during his off-duty time. He often uses his official email account (john.doe@navy.mil) to notify clients when he needs to cancel a session due to official travel or work requirements. Before sending the email, he removes his signature block that includes his official title and contact information. May John use his Government email account for his personal business?

- A. Yes, but only if his official duties are the basis for the email communication. For example, John could use his official email to notify a client that a session is cancelled because of official travel.
- B. Yes, but only if John removes his signature block and any other information that may give the appearance that he is using his official position for private gain.
- C. No, John may not use his official email account to support his private business.

PAGE 9

Audio: In the next training module, we will provide you with the statutes and regulations governing ethical conduct.

Click on the "NEXT" button to proceed.

On screen:

Coming up next:

Additional Resources

(Image of "NEXT" button.)

Additional Resources (*Running Time 1:41*)

PAGE 1

Audio: In this module, we will provide you with the statutes and regulations governing ethical conduct.

On screen:

Additional Resources

PAGE 2

Audio: The statutes shown here apply to all Federal civilian employees and military officers and carry criminal penalties for noncompliance. Please take a moment to review and then click on the "RESUME" button to continue.

On screen:

Statutes

18 U.S.C. §201 – Bribery and Illegal Gratuities

- Prohibits giving or receiving something of value in exchange for an official act (bribery – “quid pro quo”) or as a reward for some future act that the public official will take/has taken (gratuities)

18 U.S.C. §203 – Paid Representation of Non-Federal Entity (Current Employee)

- Prohibits employee from receiving compensation derived from representational services of others in matters before the executive branch or the courts

18 U.S.C. §205 – Unpaid Representation of Non-Federal Entity (Current Employee)

- Prohibits employee from representing anyone other than themselves on any matter before the executive branch or any court, if the United States is a party or has an interest, even if not compensated

18 U.S.C. §207 – Post-Government Employment Restrictions

- Prohibits former employees from engaging in certain activities on behalf of persons or entities after they leave Government service

18 U.S.C. §208 – Conflicts of Interest

- Prohibits employee from participating in a particular Government matter that will affect his own financial interests or interests imputed to him

18 U.S.C. §209 – Supplementation of Salary

- Prohibits employees from being paid by someone other than the U.S. for doing their official Government duties

Note: These are criminal statutes!



(Image of interlocking gears.)

(Image of “RESUME” button.)

PAGE 3

Audio: 5 C.F.R. Section 2635 is issued by the Office of Government Ethics and applies to all executive branch employees. The parts of Section 2635 are listed here. Please take a moment to review and then click on the "RESUME" button to continue.

On screen:

Section 2635 – Standards of Ethical Conduct for Executive Branch Employees

Standards of Conduct – Issued by Office of Government Ethics and applies to all Executive Branch employees

- Part A: General Provisions
 - Establishes Framework
- Part B: Gifts from Outside Sources
 - Prohibits employees from soliciting/accepting gifts from prohibited sources or given because of official position
- Part C: Gifts Between Employees
 - Prohibition on gifts between supervisor/subordinate or from lower paid employee
- Part D: Conflicting Financial Interests
 - Prohibition on working on particular matters in which employee has a financial interest (includes imputed interests)
- Part E: Impartiality
 - Requires specific authorization to work on particular matters when impartiality questioned
- Part F: Seeking Other Employment
 - Prohibits employee from working on a particular matter that has a direct and predictable effect on the financial interest of a person with whom the employee is seeking employment
- Part G: Misuse of Position
 - Prohibits the use of public office for private gain of employee, friends, relatives, and other affiliates
- Part H: Outside Activities
 - Provisions governing employees' involvement in outside activities and employment



(Image of interlocking gears.)

(Image of "RESUME" button.)

PAGE 4

Audio: The Department of Defense has established additional rules regarding ethical conduct. Please take a moment to review and then click on the "RESUME" button to continue.

On screen:

Supplemental Rules

DoD Supplemental Ethics Rules (5 C.F.R. Part 3601)

- Limits group gift to supervisors for special infrequent occasions to \$300 with solicited voluntary nominal contributions limited to \$10
- Requires that when a conflict arises, DoD personnel complete a written disqualification
- Requires prior approval for outside employment for financial disclosure filers
- Requires disclaimer for speeches and writings devoted to agency matters
- Creates additional gift exceptions for free attendance at events sponsored by State or local governments and other designated entities



(Image of interlocking gears.)

(Image of "RESUME" button.)

PAGE 5

Audio: The Joint Ethics Regulation (JER) is issued by the Department of Defense and applies to all DoD civilian employees, military officers, and enlisted personnel. Shown here are the topics covered by the JER. Please take a moment to review and then click on the "RESUME" button to continue.

On screen:

Supplemental Rules

Joint Ethics Regulation (JER) – Issued by Department of Defense and applies to all DoD civilian employees, military officers, and enlisted personnel.

Ch. 1: General Information

Ch. 7: Financial and Employment Disclosures

Ch. 2: Standards of Ethical Conduct

Ch. 8: Seeking Other Employment

Ch. 3: Activities with NFEs

Ch. 9: Post-Government Service Employment

Ch. 4: Travel Benefits

Ch. 10: Enforcement

Ch. 5: Conflicts of Interest

Ch. 11: Training

Ch. 6: Political Activities

Ch. 12: Ethical Conduct



(Image of interlocking gears.)

(Image of "RESUME" button.)

PAGE 6

Audio: If you have any questions regarding what you have learned today, contact your local activity ethics counselor.

On screen:

Seek Early Advice: Consult Your Attorney

Call your local area ethics counselor for Questions!



(Image of interlocking gears.)

PAGE 7

Audio: Now you will be presented with a Final Knowledge Check to test your overall knowledge of the information presented to you in this training course. Click on the "NEXT" button to proceed to the Final Knowledge Check.

On screen:

Coming up next:

Final Knowledge Check

(Image of "NEXT" button.)

Final Knowledge Check

On screen:

1. To begin the Final Knowledge Check, click the button below.
2. Questions may be completed in any order. Use the icons on the left to jump to a different question.
3. You may return to previous questions to change your answer.
4. If you need to review course material, a link to jump to that part of the course will be provided.
5. Once all questions are answered, you will be able to proceed to final grading.
6. Failure to achieve a score of 60% or higher after three attempts will require you to restart this course.

(Image of "Start Knowledge Check" button.)

(Please note: The Final Knowledge Check questions on the training site will appear in random order.)

Final Knowledge Check Question 1

On screen:

For the holidays, a contractor gives you a historical fiction novel with a U.S. Navy storyline. The book retails for \$24.95, but since his company bought it in bulk, it only cost them \$19.95. May you keep it?

- A. Yes, since the gift did not cost the contractor more than \$20.00, you may keep it.
- B. Yes, the novel qualifies as educational material because it is about the U.S. Navy and it is valued at less than \$100.
- C. No, unless you pay the contractor the fair market value of \$24.95.
- D. Yes, as long as you pay the contractor \$5.00, you may keep the gift.

Reference: Gifts, Page 4

Final Knowledge Check Question 2

On screen:

Rob and Margaret have been friends for over 10 years. For their birthdays, they each treat the other to a special steak dinner. Rob works for NAVSEA, and Margaret just got a job as a contractor employee supporting NAVSEA. May Margaret continue to treat Rob for a steak dinner on his birthday?

- A. Yes, because the gift is motivated by their personal friendship.
- B. Yes, since Rob also treats Margaret for dinner on her birthday.
- C. No, because the dinner will be worth more than \$20.00.
- D. No, because Rob may never accept a gift from a government contractor.

Reference: Gifts, Page 4

Final Knowledge Check Question 3

On screen:

The Command's Environmental Division has successfully completed a large project which marks the successful completion of a contract. To celebrate, the contractor that supported the Division on the project hosts a party at its headquarters during non-duty hours and invites Command Environmental Division personnel to attend. The contractor will provide food and drink but it will not offer giveaways, door prizes, or other items to the attendees. May Government employees accept the invitation to the party?

- A. Yes, the contract is completed and, therefore, the contractor is no longer a prohibited source.
- B. No, the contractor is still a prohibited source and government employees are prohibited from accepting gifts from prohibited sources.
- C. Maybe, if an exemption or exception to the prohibition on accepting gifts from prohibited sources applies, such as the "20/50" rule.

Reference: Gifts, Page 4

Final Knowledge Check Question 4

On screen:

The program management office is hosting a summer picnic. The event will take place off base during non-duty time and contractors that support the office have been invited to attend. The per person cost is \$10; however, employee tickets are \$5 because the command used MWR funds to offset the ticket prices. As a fundraiser, the social committee decide to charge the contractors \$15. The extra \$5 will go to the command's social committee fund for the holiday party. May the social committee charge the contractors \$15 to attend the picnic?

- A. No, while contractors may be invited to attend a command social event, they can only be asked to pay for the actual per person cost (\$10).
- B. Yes, because the event is scheduled to occur during non-duty hours and off base.

Reference: Gifts, Page 2

Final Knowledge Check Question 5

On screen:

VADM (sel.) Jones is the commander of a NAVSYSCOM field activity. In a few weeks, she is going to put on her third star and assume command of NAVSYSCOM. Can the employees of the field activity solicit donations to purchase a gift to present to VADM Jones upon her departure from the command?

- A. Yes, provided they only solicit Federal employees and the gift is valued at \$300 or less.
- B. No, employees may never solicit for gifts to an official superior.
- C. No, there is no severance of the superior-subordinate relationship. VADM Jones is assuming a more senior position in the same chain of command.
- D. No, supervisors may never accept a gift from a subordinate.

Reference: Gifts, Page 10

Final Knowledge Check Question 6

On screen:

You own stock in Big Money Co. that is worth \$10,000. Your supervisor asks you to serve on a technical evaluation board and Big Money Co. is one of the offerors. Do you have a conflict?

- A. Yes, you cannot work on a matter in which you have a financial interest.
- B. No, because you own less than \$15,000 of stock in Big Money Co.
- C. Maybe, it depends on whether you have a financial interest in any of the other offerors.

Reference: Financial Conflicts of Interest, Page 3

Final Knowledge Check Question 7

On screen:

You own \$20,000 of stock in Company X. Company X is a major subcontractor to the prime on one of your contracts. The prime is running behind schedule and the program manager discusses this with you. Are you allowed to participate in this discussion?

- A. Yes, because the discussion is with respect to the performance of the prime contract.
- B. No, because you have a financial interest in this matter because you own stock in a major subcontractor, Company X.

Reference: Financial Conflicts of Interest, Page 3

Final Knowledge Check Question 8

On screen:

Your spouse's grandmother died last year and left your spouse \$25,000 worth of Company Y stock in her will. Grandma disliked you greatly and included a caveat in her will mandating that your spouse not share the stock (or the value of its proceeds) with you. Would you have a conflict of interest if you worked on matters that involved Company Y?

- A. Yes, because the financial interests of your spouse are imputed to you.
- B. No, because Grandma specifically excluded you from receiving the gift in her will.
- C. Maybe, depending on whether you have other financial interests that could be affected by the matter.

Reference: Financial Conflicts of Interest, Page 4

Final Knowledge Check Question 9

On screen:

You are a member of a source selection board for a multi-million dollar contract. Company A, a large DoD contractor, submitted a bid proposal. Your spouse works for Company A but is a salaried employee who supports contracts for another Federal agency and was not involved in drafting Company A's bid. Furthermore, your spouse's 401k account with Company A only holds diversified mutual funds. Based on this information, your source selection board duties will likely not affect your spouse's employment or her 401K; therefore, your spouse's financial interest does not create an actual conflict of interest. Do you, however, have an appearance issue?

- A. Maybe, while there is not an actual conflict of interest, your spouse's employment could create an appearance issue. Your supervisor, in consultation with an ethics counselor, will need to review the regulations criteria to determine whether he should permit you to continue to serve on the source selection board.
- B. No, there cannot be an appearance issue because there is no actual conflict of interest.
- C. No, because your spouse was not involved in drafting Company A's proposal and will not work on the contract.

Reference: Impartiality, Page 4

Final Knowledge Check Question 10

On screen:

You are the Contracting Officer's Representative (COR) on a contract with Company B. Your brother-in-law works for Company B and supports the same contract. You rarely interact with your brother-in-law and cannot remember the last time that you saw him. Do you have a covered relationship with your brother-in-law that will prevent you from continuing your COR duties?

- A. No, while you both work on the same matter, you do not have a close personal relationship.
- B. **Maybe**, while the regulation uses the term "close personal" when describing family relationships, you should still raise the issue with your supervisor so that he can review the regulations criteria to determine whether you should continue your COR duties.

Reference: Impartiality, Page 4

Final Knowledge Check Question 11

On screen:

In his personal capacity, Mark is a member of the Government Employees Organization (GEO). Mark was recently elected President of GEO. On its website, GEO displays Mark's picture and lists his official title and command name. Can Mark allow GEO to use his official information on its website?

- A. Yes, GEO supports Government employees and the command name and position are listed as background information only.
- B. No, Mark may not use his official information in conjunction with his personal activities.
- C. Yes, provided he includes a disclaimer that his involvement in GEO is in a personal capacity and the DON does not endorse or sponsor GEO or its activities.

Reference: Misuse of Position, Page 6

Final Knowledge Check Question 12

On screen:

Mary is an environmental engineer. The Green Organization (GO) is a non-Federal entity that supports environmentally friendly building methods. GO is hosting a banquet as a fundraiser and has asked Mary to be its keynote speaker. The event organizers have asked that Mary discuss the DON's green building initiatives. Can Mary attend the event and give an official speech?

- A. Maybe if Mary's supervisor approves the official speech and she does not participate in GO's fundraising efforts.
- B. No, because the banquet is a non-Federal entity fundraising event.
- C. Yes, this is an official speech that supports the DON's green building initiatives.

Reference: Misuse of Position, Page 6

Final Knowledge Check Question 13

On screen:

John, a Navy employee, is a personal trainer during his off-duty time. He often uses his official email account (john.doe@navy.mil) to notify clients when he needs to cancel a session due to official travel or work requirements. Before sending the email, he removes his signature block that includes his official title and contact information. May John use his Government email account for his personal business?

- A. Yes, but only if his official duties are the basis for the email communication. For example, John could use his official email to notify a client that a session is cancelled because of official travel.
- B. Yes, but only if John removes his signature block and any other information that may give the appearance that he is using his official position for private gain.
- C. No, John may not use his official email account to support his private business.

Reference: Misuse of Position, Page 6

Conclusion

Audio: This concludes this year's DON Initial and Annual Ethics Training.

DON Initial and Annual Ethics Training

Thank you for participating.

Please wait while your record is updated.

On screen:

Congratulations!

You have completed the Final Knowledge Check.

(Check mark displayed on screen.)

Thank you for participating!

Please wait while your record is updated.

To receive credit for this training, please contact your local training coordinator.