



# C-JTSCC Ethics Training

CENTCOM  
Joint Theater Support  
Contracting Command

COL James A. Lewis  
Office of the  
Command Judge Advocate



# GOALS

## Training Goals:

- To look at the ethics of the Government as an organization
- To view what it means to be a public servant
- To be able to identify potential ethical issues, and
- To know where to receive guidance



# OVERVIEW

- Ethics Rules
- Conflicts of Interest
- Travel Benefits
- Contractors in the Workplace
- Use of Government Resources
- Gifts
- Crimes and Punishments



# Ethics Rules



# What Principles Should Guide Us As Government Employees?





**Public service is a public trust,  
requiring employees to place loyalty  
to the Constitution, the laws and  
ethical principles above private gain.**

*- 5 C.F.R. § 2635.101(b)(1)*





Barely a quarter of Americans (25 percent) say **they can trust the government** in Washington "to do the right thing most or almost all of the time" (CNN/Opinion Research Corporation Poll. Sept. 1-2, 2010).

Among federal workers, **over 44 percent** either disagree or are not sure that their "organization's leaders maintain high standards of honesty and integrity" (Federal Employee Viewpoint Survey, 2010).

*Terry Newell, "Needed: A New Approach to Ethics in Government" [http://www.huffingtonpost.com/terry-newell/needed-a-new-approach-to-\\_b\\_844070.html](http://www.huffingtonpost.com/terry-newell/needed-a-new-approach-to-_b_844070.html)*



- National Government Ethics Survey shows employee misconduct is high
- More than one-third of government employees believe government does not demonstrate its values through socially responsible decision-making





### FACTOIDS:

- **Six in 10 government employees saw at least one form of on-duty misconduct in the last 12 months**
- One in 4 employees work in an environment conducive to misconduct
- Strong pressure to compromise standards, a presence of situations which invite wrongdoing and a culture where employees' personal values conflict with their values at work
- **Overall strength of ethical cultures is declining**
- Almost 1/3 of employees do not report workplace misconduct



# Applicable Laws and Regulations

**All federal employees should be familiar with statutory and regulatory prohibitions:**

- Code of Ethics – 14 Principles
- Standards of Ethical Conduct for Executive Branch Employees 5 C.F.R. Part 2635
- The Joint Ethics Regulation (JER), DoD 5500.7-R.
- 18 United States Code Sections 201, 203, 205, 207, 208, 209.





# Applicable Law and Regulations Ethics Overview

- Which ethics rules apply to contracting?
    - **All** the regular rules concerning:  
Bribery, Conflicts of Interest, Conferences, Contests, Disclosure of Info, Endorsements, Federal Advisory Committee Act, Fundraising, Gambling, Gifts, Gov't Property, Honoraria, Letters of Recommendation, Lobbying, Misuse of Position, Non-Federal Entities, Off-Duty Employment, Official Representation Funds, Official Time, etc.)
- PLUS:** Procurement Integrity Act



# Applicable Law and Regulations

## The Procurement Integrity Act\*

- Ban on disclosing or obtaining procurement information
- Requirement to report employment contacts
- One-year ban on accepting compensation from contractors

\* The **PIA** is codified in 41 USC 2101-2107 and implemented in FAR 3.104



# Conflicts of Interest

*Mission First, Stewardship Always*





# Conflicts of Interest





# Basic Principles

- Avoid conflicts between personal interests and your official duties
  - This includes interests **imputed** to you
- Don't misuse public office for private gain
- No preferential treatment
- Government resources only for authorized purposes





# 18 U.S.C. § 208

MANAGING CONFLICT OF INTEREST





# Basic Conflicts of Interest Rule

- You may not work for the Government on a particular matter that will affect your financial interests and those imputed to you
- Imputed Interests:
  - Spouse / Minor Child
  - General Partner
  - Organization in which you serve as officer, director, trustee, general partner or employee
  - Any person or org. with whom you are negotiating or have any arrangement concerning prospective employment



# “Particular Matter”

5 C.F.R. 2640.103(a)(1)

- Something that involves deliberation, decision, or action, and matters in controversy
- That is focused on the interests of specific persons, or a discrete and identifiable class of persons
- Examples:
  - Contract
  - Claim
  - Application
  - Something in controversy
  - Regulations pertaining to a Particular industry







**An Organization with Whom the Employee is “Negotiating”**



# What Not To Do



- An Army Brigadier General participated personally and substantially as an advocate and approval authority in effort to increase funding on a task order with a Government contractor even while actively seeking employment with that company.
- Also extended official travel time and claimed unauthorized travel expenses in order to go to job interviews and participate in other job seeking activities to the point of actually excusing himself from official meetings.
- Charged unauthorized personal phone calls to the Government and ordered subordinates to run personal errands for him, including picking up his dry cleaning, driving him to the barber shop, and putting the license plates on his personal car (also directing them to use an official Government vehicle for these purposes).
- The General's behavior violated the Joint Ethics Regulation because he used Federal personnel, equipment, and duty time to conduct personal business. His official participation in a particular matter on behalf of a company with which he was seeking employment violated conflict of interest laws. His other activities amounted to misuse of Government resources (his subordinates' time and the Government car) and improper gift acceptance (due to a failure to reimburse subordinates for expenditures such as mileage used when performing his personal services).



# What Not To Do

- Deputy Undersecretary of AF for Acquisitions
- Negotiated \$26B K with Boeing for \$15B worth of 767 Tankers while negotiating her own employment with Boeing
- Druyun pleaded guilty to inflating K price to favor her future employer Boeing, and to passing information on the competing Airbus A330 MRTT bid. In October 2004, sentenced to 9 months in jail for corruption, fined \$5,000, given 3 years of supervised release and 150 hours of community service



Darleen Druyun



## Impartiality Rule in Performing Official Duties 5 C.F.R. 2635.502(a)

- In addition to § 208, there is a regulation requiring that you go to your supervisor if certain personal relationships would cause a reasonable person to question your impartiality
- Inform your Ethics Counselor, and we will evaluate





## Impartiality Rule Relationships

- Personal Relationships
  - Members of household, relatives, friends
- Businesses /Organizations
  - Anyone with whom you have or seek a business, contractual, or other financial relationship
  - Organizations in which you are an active participant
- Employers
  - Any person for whom you have, within the last year, served as officer, director, trustee, general partner, agent, attorney, consultant, contractor or employee







# Do NOT Misuse Public Office For Private Gain



- Not limited to *your* private gain
- You may not use your DoD position for personal gain or for the benefit of others (this includes family, friends, neighbors and individuals that you are affiliated with outside the government, to include non-profit organizations in which you are an officer or member)
- You may not solicit other Federal personnel for a personal activity while on duty



# Employment Contact Reporting Rule (41 USC 2103)

- If an employee (officer, enlisted or civilian) is --
  - Participating personally & substantially in a procurement, and
  - Contacts, or is contacted by, a bidder or offeror regarding possible employment,
- Then the employee must --
  - Give written report to supervisor & Designated Agency Ethics Official or designee, and
  - Either (1) reject the possibility of employment, or (2) be disqualified from working on procurement until job discussions end & there is no employment arrangement



# Employment Contact Reporting Rule

- Rule applies only to contracts in excess of the simplified acquisition threshold (41 USC 2103)
- “Simplified acquisition threshold” generally means \$150,000 (FAR 2.101)
- The rule applies only between the date when bids or proposals are received and the contract award date
  - This is because the rule applies to contracts with “bidders” & “offerors”, and a company is not a “bidder” or “offeror” until it submits a bid or offer

**NOTE:** Other criminal laws may apply, such as the conflict of interest provisions in 18 USC 208



## One-Year Compensation Ban

- Those serving in one of seven positions, or who make one of seven types of decisions, on a K over \$10 million, may not accept compensation from the contractor for one year (41 USC 2104)
- The one-year ban is on accepting compensation from the contractor as an employee, consultant, officer or director (41 USC 2104)
- The ban can apply to officers, enlisted members, and Federal civilian employees (FAR 3.104-1)



# One-Year Compensation Ban

## ■ Positions Covered by the Ban:

- Procuring Contracting Officer
- Source Selection Authority
- Member of Source Selection Evaluation Board
- Chief of financial or technical evaluation team
- Program Manager
- Deputy Program Manager
- Administrative Contracting Officer





# One-Year Compensation Ban

## ■ Decisions Covered by the Ban:

- Award of a contract over \$10M
- Award of a subcontract over \$10M
- Award of a contract or subcontract modification over \$10M
- Award of a task order or delivery order over \$10M
- Decision to establish overhead or other rates applicable to a K or Ks valued over \$10M
- Decision to approve issuance of a contract payment or payments over \$10M
- Decision to pay or settle a claim over \$10M



# One-Year Compensation Ban

## When does ban begin to run?

- For PCO's, SSA's, SSEB members, & evaluation team chiefs, ban starts on date of contract award
  - Exception: If individual was serving in position on date of contractor selection, but not on date of K award, ban begins to run on date of contractor selection
- For PMs, DPMs & ACOs, ban starts to run on last day of service in the position
- For decision makers, ban starts on date of decision

(FAR 3.104-3(d)(2))



# One-Year Compensation Ban

- **Other divisions:** Ban does not apply to accepting compensation from any division or affiliate of a contractor that does not produce the “same or similar products or services” as the entity of the contractor with the contract on which the person worked (41 USC 2104)
  - If the one-year ban applies, it applies to both the individual and the contractor: The individual may not *accept* compensation and the contractor may not provide compensation



# One-Year Compensation Ban Legal Opinions

- Individuals can request a legal opinion on whether the one-year ban applies to them (41 USC 2104; FAR 3.104-6)
- The legal opinion must be issued within 30 days after receipt of written request (or as soon thereafter as practicable) (FAR 3.104-6(c))
  - The opinion is sometimes called a “30-day letter”
- Servicing legal counsel can provide a post-Government employment handout which includes instructions on how to prepare a 30-day letter request



## One Year Compensation Ban: Reliance on Legal Opinions

“If the requester is advised in a written opinion by the agency ethics official that the requester may accept compensation from a particular contractor, and accepts such compensation in good faith reliance on that advisory opinion, then neither the requester nor the contractor will be found to have knowingly violated subsection 27(d) of the Act. If the requester or the contractor has actual knowledge or reason to believe that the opinion is based upon fraudulent, misleading, or otherwise incorrect information, their reliance upon the opinion will not be deemed to be in good faith.”



# Penalties



- **Criminal**
  - 5 Years for disclosing/obtaining source selection information for compensation or a competitive advantage
- **Civil**
  - Individual: \$50,000 for each violation plus 2x value
  - Organization: \$500,000 for each violation plus 2x value
- **Administrative**
  - Cancellation of Solicitation or Contract
  - Suspension or Debarment
  - Adverse Personnel Action for Government Employees





# Resolution of a Conflict of Interest

- DO NOT Participate
  - Disqualification Memo/ Recusal
- Reassignment
- Change of Duties
- Divestiture of the Financial Interest
- Regulatory Exemptions





# Commercial Dealings Involving DOD Employees

YOUR COMPANY					
123 Anytown					
Your City, ST 12345					
Phone 123-456-7899					
Fax 456-789-1023					
SOLD BY		DATE			
NAME					
ADDRESS					
CASH	CHEQUE	C.O.D.	ON ACCT	ESTIMATED	
RECEIVED BY					
<i>Thank You</i>					

## General Rule:

- A DOD employee shall not knowingly solicit or make solicited sales to DOD personnel who are junior in rank, grade or position, or to the family members of such personnel, on or off duty
- Both the act of soliciting and the act of selling as a result of soliciting are prohibited



## Commercial Dealings Involving DOD Employees (Cont'd)

- Prohibition includes, but is not limited to, the solicited sale of:
  - Insurance
  - Household supplies
  - Cosmetics
  - Girl Scout cookies
  - Other goods or services (gift wrapping paper, magazines, candy bars, etc.)





# Misuse of Public Office

- *Appearance of governmental sanction*
  - You may not use or permit the use of your Government **position** or **title** or any **authority** associated with your public office in a manner that could reasonably be construed to imply that the Army or the Government sanctions or endorses your personal activities or those of another



# Misuse of Public Office

- *Endorsements*
  - You may not use or permit the use of your Government position or title or any authority associated with your public office to endorse any product, service or enterprise



# Watch Out for Endorsements

- 5 C.F.R. § 2635.702(b) prohibits a Federal employee or officer from creating the appearance of Governmental sanction or endorsement of his or another's personal activities
  - Misuse of position/title
  - Misuse of official stationery

This is the  
BEST thing  
EVER!





# Watch Out for Letters Sent to Companies



Dear Mr. [X]:

“As a serving Army General Officer and career Cavalryman, I have been wearing Dehner boots for nearly 20 years and they are comfortable, durable, and frankly, they’re just great!

The quality of Dehner boots and the high level of service that backs up each pair are consistent with the professionalism that we are so proud of in the United States Army. Keep up the great work!”



# Beware!



**[Name, M.D.], Brigade Surgeon/ U.S. Army Major General Medical Officer**

“As an *Army physician* on deployment in Iraq, I have found your software invaluable at keeping my edge in the area of Advanced Cardiac Life Support. Currently I am also working on the Bioterrorism medical program, and plan to move on to the Neonatal Resuscitation, Critical Care, and Anesthesia programs as well.

Your software is both mentally stimulating and motivating. It instills confidence in core emergency medical skills applicable to military physicians. It is the best reality-based software that I could find, and well worth the investment.

The extra CME credit is really just a side benefit compared to the reality-based training that you provide. Great work on providing an invaluable, high speed product.”



# Beware!



What's wrong with this picture?



Hint

Hint



# Preferential Treatment

DoD employees in their official capacities and titles, positions, or organization names may not be used to suggest preferential treatment of any non-Federal entity except those listed in the Joint Ethics Regulation



# Official Support to and Endorsement of...

- Combined Federal Campaign
- Service-Specific Emergency Relief funds
- By our own, For our own
  - Family Readiness Groups
  - Wounded Soldiers
  - Cup and Flower or Sunshine Funds







# Financial Disclosure Forms

- Public Financial Disclosure Report (SF 278)
  - GO/FO/SES
  - Initial due w/in 30 days of becoming GO/FO/SES
  - Annual due 15 May
- Confidential Financial Disclosure Report (OGE 450)
  - All others whose duties/responsibilities require filing
  - Initial: 30 days of appointment to position requiring disclosure
  - Annual due 15 Feb







# Travel Benefits

*Mission First, Stewardship at all  
Times*



# Travel Benefits

## General Rule:

- Cannot accept free travel benefits given because of official position (ex: hotel room or airline seat upgrades)
- OK to accept if offered to everyone (ex: frequent flier miles)



# Travel Benefits

**Q:** Can I accept payment & payment-in-kind from airlines given because I was bumped from an overbooked flight?

**A: It Depends!**

- **Voluntary Bump** – **YES**, so long as supervisor has authorized time away because mission will not be negatively affected
  - Cannot claim delay expenses on travel voucher
- **Involuntary Bump** – **NO**. Government will reimburse for authorized travel delay
  - Never OK to double dip when Government is one of the parties reimbursing



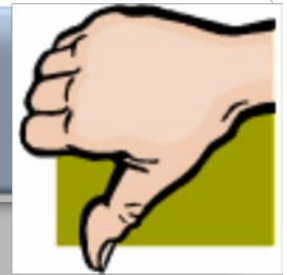
# Contractors in the Workplace



*Mission First, Stewardship at all Times*



## *No-No's*



- May not accept a gift from a contractor unless an exception applies
- May not give a contractor a letter of recommendation in one's official capacity – impermissible endorsement
- Government may not give a contractor an award

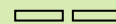


# Office of Government Ethic's Perspective on Contractors

“Statements commending the performance of a contractor or a contractor's products generally are not permissible. . . The rule, however, permits a Government employee, who has authority over the contract, to make a simple factual statement that the contractor's work satisfied the Government's requirements.”



Met All  
Bench-  
marks.







## Rule on Contractor Performance



- The general rule is that DoD officials may respond to a request for information from another Federal agency about a DoD contractor's employee
  - On past performance
  - But, this means to another Federal agency, **not** to the contractor



# Awards



- Persons or organizations having a commercial or profit-making relationship with DoD shall not be granted recognition (DoD 1400.25-M, Subchapter 451)
- DA policy prohibits giving coins purchased with appropriated funds to contractor personnel (DA Memo 600-70, para. 5d(2))
- AR 672-20 (*Incentive Awards*) prohibits awards to contractors, to include Certificates of Appreciation



DA Form 7013



# Use of Government Resources

*Mission First, Stewardship at all Times*



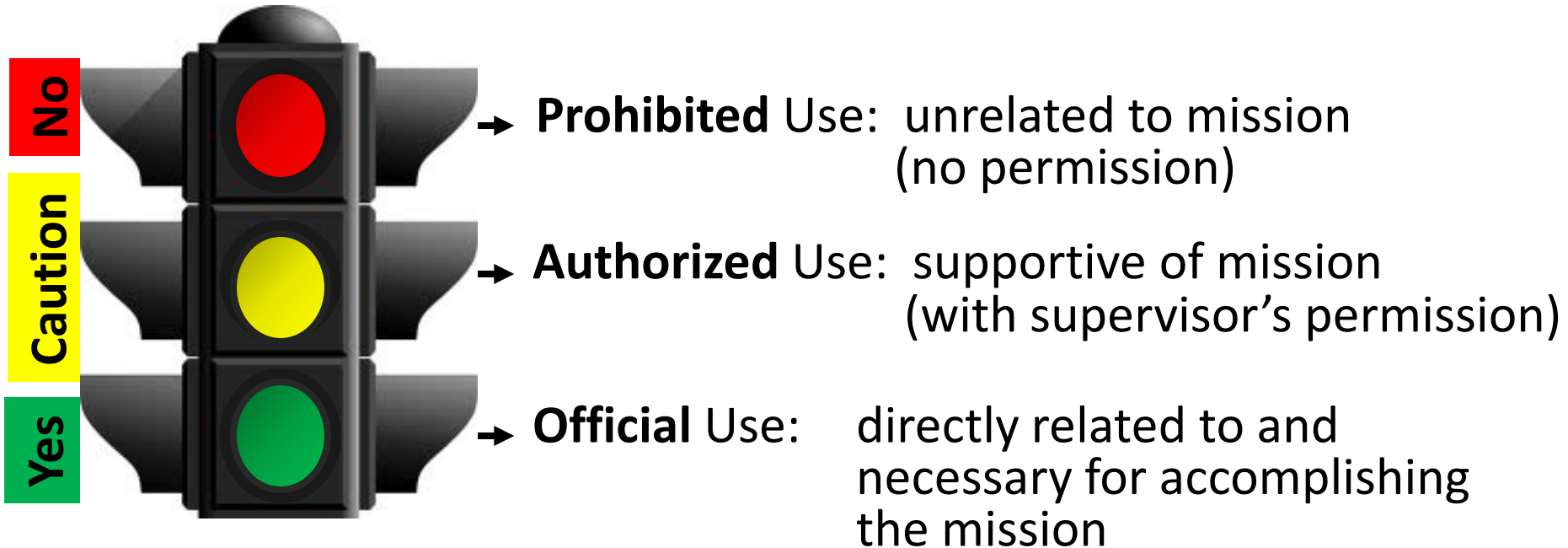
# What Are Government Resources?

- Government title or position
- Government personnel or contractors
- Supplies
- Equipment
- Computer Systems
- Government time
- Non-public information





# Types of Use: Telecommunications





# Authorized Uses

**May** permit personal use of government communications systems\* when all of the following apply –

- No adverse effect on official duties
- Reasonable duration and frequency
- On personal time (whenever possible)
- Serves legitimate public interest
- No adverse reflection on Government
- Does not overburden communications
- No significant additional cost to DoD
- No long distance charge to Government



Remember the Hatch Act: may never use for partisan political activity

\* Cell phone use is specifically addressed in a later slide





## Authorized Uses of Government Communications Equipment\*

- Necessary to Government's best interest
- Personal communications in emergencies
- Approved personal communications when deployed
- Notify family of schedule change when on official travel



\* Cell phone use specifically addressed in later slide



# Use of Mobile Communication Devices

*AR 25-1, 6-1e. Authorized uses of communication systems.*

Authorized use includes **brief** communications made by DOD employees while they are traveling on Government business to notify family members of transportation or schedule changes. They also include personal communications from the DOD employee's usual workplace that are most reasonably made while at the work place (such as checking in with spouse or minor children; scheduling doctor, auto, or home repair appointments; brief Internet searches; e-mailing directions to visiting relatives).





# Use of Government Resources

Use of government resources in support of your outside commercial activities is **ALWAYS** prohibited.

(5 CFR 2635.704, 5 CFR 2635.705, JER 3-305 & 2-301)





# Prohibited Uses

JER, § 2-301a/AR 27-1

- Pornography
- Chain letters
- Unofficial advertising
- Solicitation or sales
- Conducting outside commercial activities
- Gambling
- Other inappropriate uses





# Gifts

*Mission First, Stewardship Always*



# Gifts Among DoD Employees

**Subordinates to Superiors – General Rule: NO GIFTS**

Exceptions:

- De Minimus Value
  - » \$10 (total value)
  - » Shared food
  - » Hospitality
- Personal relationship justifies gift (If no supervisory relationship)





# Special Infrequent Gifts

- Infrequent occasion / personal significance to recipient
- People can give whatever they want voluntarily
  - Cannot **solicit** more than \$10 per person
  - Never compel contributions
- Termination of supervisor/subordinate relationship
- Cannot exceed \$300
  - Perry exception – Now disallowed



# Gifts from Superiors

Gifts from superiors to subordinates are technically OK, **BUT**

- Watch for:
  - Appearance of impropriety/unprofessional relationship
  - Appearance of favoritism
  - Prejudice to good order and discipline



# More Gift Rules

- General Rule: Cannot accept a gift based on your official position or from a “prohibited source”
- Prohibited Source: Any **person** who is, or any **organization**, a majority of whose members are:
  - Doing or seeking to do business with DoD
  - Regulated by DoD, or
  - Substantially affected by the performance of your official duties





# More Gift Rules

- Exceptions\* to the general gift rule:
  - \$20/\$50 rule
  - Widely attended gatherings
  - If no exception: **No gift**



\***NOTE:** Even if an exception applies, remember your obligation to avoid even the *appearance* of Impropriety



## Final foot-stomp on **Appearance of Impropriety**:

- Concern is as much with reasonable *appearance* as with actual impropriety
- Need to maintain both public and internal confidence

**NOTE:** When it comes to ethical behavior, often, perception truly is reality!





# CRIMES & PUNISHMENTS







## “TOP 10” OFFENSES

- Bribery
- Making or Using a False Statement
- Falsely Making/Altering a Document
- Making or Presenting a False Claim/Duplication of Invoices
- Falsely Making, Altering, or Forging Public Record
- Conflicts of Interest
- Conspiracy and Conspiracy to Defraud
- Accepting Illegal Gratuities
- Disclosure of Confidential Information
- Insufficient Delivery of Contracted Items



# REMEDIES

- **Felony Indictment & Conviction**
- **Imprisonment**
- **Criminal Fines**
- **Civil Fine**
- **Restitution**
- **Suspension/Debarment**
- **Base Bar Letters**



# C-JTSCC Office of the CJA



**MAJOR JOHN COCKERHAM**  
CRIME: ACCEPTING BRIBES  
STATUS: 17.5 YEARS IN JAIL AND \$9.6 MILLION IN RESTITUTION



**CIVILIAN RICHARD STEIN**  
CRIME: BID RIGGING, STOLEN CURRENCY, ACCEPTING BRIBES, FELONY POSSESSION OF FIREARMS  
LOCATION: AL-HILLAH, IRAQ  
STATUS: 9 YEARS IN JAIL, FORFEIT \$3.6 MILLION, AND \$3.5 MILLION RESTITUTION



**MAJOR GLORIA DAVIS**  
CRIME: ACCEPTING BRIBES  
STATUS: COMMITTED SUICIDE WHEN CONFRONTED



**LT COL DEBRA HARRISON**  
CONVICTED OF HONEST SERVICES WIRE FRAUD \$300,000  
AL-HILLAH, IRAQ  
STATUS: 30 MONTHS IN JAIL



**COL CURTIS WHITEFORD**  
CRIME: CONSPIRACY TO COMMIT BRIBERY  
LOCATION: AL-HILLAH, IRAQ  
STATUS: 5 YEARS IN JAIL AND RESTITUTION



**MAJOR THERESA BAKER**  
CRIME: ACCEPTING BRIBES  
STATUS: 70 MONTHS IN JAIL AND \$825,000 IN RESTITUTION

Department of Justice  
FOR IMMEDIATE RELEASE  
Tuesday, October 7, 2008  
www.usdoj.gov  
Former Department of Defense Contractor Pleads Guilty to Stealing \$39.6 Million Worth of Fuel  
A former Department of Defense (DoD) contractor pleaded guilty today to stealing \$39.6 million from the U.S. Army in Iraq. The contractor, Matthew F. Redick, was sentenced to 70 months in prison and \$825,000 in restitution. (202) 514-2007  
TDD (202) 514-1888





# MAJ JOHN COCKERHAM

- Contracting Officer for bottled water and other subsistence items at Camp Arifjan, Kuwait
  - Accepted \$9.6 million in bribes from vendors; solicited an additional \$5.4 million
  - Arrested in July 2007 with wife and sister on bribery and money laundering charges
- **Cockerham:** 210 months, \$9.6 million in restitution
  - **Wife:** 41 months, \$1.4 million in restitution
  - **Sister:** 70 months, \$3.1 million in restitution
  - **Niece:** 1 year and a day, \$5 million in restitution





## FAMILY GREED

### MAJ Eddie Pressley\* (Sentenced 5 Jan 12)

- 144 months in prison
- 3 years supervised release
- \$21 million forfeit as well as real estate and several autos, jointly with his spouse

### Mrs. Eurica Pressley (Sentenced 23 Feb 12)

- 72 months in prison
- 3 years supervised release
- \$21 million forfeit

\* 2004/2005 - Contract specialist in Kuwait. Amassed \$2.8 million in bribes by directing Army contracts to certain contractors; set up foreign bank accounts & shell company to hide money source



## AFGHANISTAN TRUCKING CONTRACT\*

### SGM Gary CANTEEN (Sentenced Jan 2012)

- 31 months in prison
- 3 years supervised release
- \$50,000 in restitution

### SGT Charles O. FINCH (Sentenced Jan 2012)

- 51 months in prison
- 3 years supervised release
- \$200,000 in restitution

\* In 2004 in Bagram, Afghanistan, accepted a \$50,000 bribe to recommend award of a DOD trucking services contract. Also, money laundering scheme employed to conceal source of money.





## CPT SIDARTH HANDA

- Liaison officer to local governor and engineers on the Kunar Provincial Reconstruction Team (PRT)
- Conspired with Afghan contractors to receive bribes in return for influencing contract awards
- Admitted to accepting \$315,000 in bribes
- On 23 Sep 11, CPT Handa sentenced to:
  - **10 years** in a Federal prison
  - **\$315,000** in restitution





## MSGT PATRICK BOYD\*

- Contracting Officer, Bagram Airfield, Afghanistan
  - Conspired with 17 others & 3 Afghan Companies to receive bribes in return for awarding multiple contracts
  - Plead guilty in 2008 to receiving a \$30,000 bribe from each contractor, which he split amongst his co-conspirators
  - On 8 Dec 11, sentenced to:
    - **40 months** in Federal prison and **\$130,000** in restitution
- \* MSgt Boyd is the 8<sup>th</sup> defendant sentenced, with 10 defendants remaining





# SUMMARY of SUBJECTS/SUSPECTS

<u>EMPLOYEE TYPE</u>	<u>Reserve</u>	<u>NG</u>	<u>Active Duty</u>
<b>Officers:</b> 144 (11 are 0-6)	15	14	115
<b>Enlisted:</b> 148 (28 are E8/9s)	11	16	121
<b>DA Civilians:</b> 56			

**Total: 348**



# SUMMARY of SUBJECTS/SUSPECTS

## BY GOVERNMENT POSITION:

- **Contracting Officers = 50**
- **Contracting Officers Reps = 28**
- **Other = 270 (Mayors, Comptrollers, Quality Assurance, Engineers, Military leaders, Technical Advisors & Finance Officers)**



## CASE RESOLUTION / STATISTICS

- Government Employees Charged/Indicted: 96      **Sentenced: 70**
- Non-Government Civilians Charged/Indicted: 71      **Sentenced: 36**

**Fines, Forfeitures & Restitutions**

**\$231.1 Million**



# Conflicts of Interest Statutes

STATUTE	BRIEF SUMMARY
<p><b>18 U.S.C. 201 Bribery</b></p>	<p><b>Prohibits public officials from seeking, receiving or agreeing to accept anything of value for themselves or others in return for being influenced in an official act; being influenced to aid in the commission of a fraud on the United State; or being induced to do or omit any act in violation of official duty.</b></p>
<p><b>18 U.S.C. 203 Representation</b></p>	<p><b>Bars employees from seeking or accepting compensation for representing another before a Federal department, agency or court in matters where the U.S. is a party or has a substantial interest; or receiving money from anyone else's representation.</b></p>





# Conflicts of Interest Statutes

STATUTE	BRIEF SUMMARY
<p><b>18 U.S.C. 205</b> Representation</p>	<p><b>Forbids employees from prosecuting or assisting in the prosecution of claims against the U.S.; or representing another before a Federal department, agency or court in matters where the U.S. is a party or has a substantial interest.</b></p>
<p><b>18 U.S.C. 207</b> Post-Gov Employment</p>	<p><b>Places certain restrictions on contacting the Federal government after leaving its employment.</b></p>



# Conflicts of Interest Statutes

STATUTE	BRIEF SUMMARY
<p><b>18 U.S.C. 208</b>  <b>Financial</b>  <b>Conflict of</b>  <b>Interest</b></p>	<p><b>Bars an employee from participating personally and substantially in an official capacity in any particular Government matter that would have a direct and predictable effect on his own or his imputed financial interests.</b></p>
<p><b>18 U.S.C. 209</b>  <b>Dual</b>  <b>Compensation</b></p>	<p><b>Prohibits employees from receiving any salary or contribution to or supplementation of salary from any source other than the United States as compensation for services as a Government Employee.</b></p>



## 14 General Principles of Ethical Conduct

### 5 C.F.R. § 2635.101(b) -Principles of Ethical Conduct

The following general principles apply to every employee and may form the basis for the standards contained in this part. Where a situation is not covered by the standards set forth in this part, employees shall apply the principles set forth in this section in determining whether their conduct is proper.

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 non public Government information or allow the improper use of such information to further any private interest.
4. An employee shall not, except as permitted by subpart B of this part, 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 nonperformance 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.



## 14 General Principles of Ethical Conduct, Continued:

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 this part. Whether particular circumstances 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.

The principles of ethical conduct were issued by George H.W. Bush, in Executive Order 12677, as amended by Executive Order 12731. The principles were subsequently issued in the *Standards of Ethical Conduct for Employees of the Executive Branch* at 5 C.F.R. § 2635.101 (b). Each executive branch agency has a Designated Agency Ethics Officer responsible for oversight of the agency's ethics program.

U.S. Office of Government Ethics - [www.usoge.gov](http://www.usoge.gov)



# QUESTIONS?



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Times*





# Consult Your Attorney!

- **COL James Lewis**, Command Judge Advocate
  - james.a.lewis@ccc.centcom.mil
  - DSN 432-6557
- **Capt Matthew Karas**, Deputy CJA (C-JTSCC HQ)
  - matthew.g.karas@ccc.centcom.mil
  - DSN 432-6543
- **Maj Matthew Lund**, Deputy CJA (C-JTSCC (FWD))
  - matthew.t.lund@afghan.swa.army.mil
  - DSN 237-6575

