

ARMY REGULATION
No. 600-50

S/S 15/AUG/82
WLD

HEADQUARTERS
DEPARTMENT OF THE ARMY
WASHINGTON, DC, 20 October 1977

PERSONNEL—GENERAL
STANDARDS OF CONDUCT FOR DEPARTMENT OF THE ARMY
PERSONNEL

Effective 30 September 1977

This is a complete revision of AR 600-50. It implements conflict of interest provisions of DOD Directive 5500.7, 15 January 1977. It prescribes new filing requirements for DD Forms 1357 and 1555; requires Installation Commander and Deputy Installation Commander to submit DD Form 1555; requires annual submission of DD Form 1555; adds requirement for procurement and contracting officers in grade LTC/GS-13 and above to submit DD Form 1555; eliminates DD Form 1555-1; prescribes procedures for the annual review and report of DD Form 1555 submission; expands explanation of terms; changes filing dates to correspond to new fiscal year; reinstates revised exceptions to prohibitions on acceptance of gratuities, to include the customary exchange of amenities of small monetary value when motivated by familial or long-standing relationships; adds requirements for general officers who are promotable BG's and above to forward a copy of their DD Form 1555 to HQDA; and lists procedures related to submission of DD Form 1787. Local supplementation of this regulation is permitted, but not required. If supplements are issued, Army Staff agencies and major Army commands will furnish one copy of each to HQDA (DAPE-HRL), WASH DC 20310; other commands will furnish one copy of each to the next higher headquarters.

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*This regulation supersedes AR 600-50, 6 Mar 72, including all changes.

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CHAPTER 1

STANDARDS OF CONDUCT FOR DEPARTMENT OF THE ARMY PERSONNEL

1-1. Purpose and scope. *a.* This regulation prescribes standards of conduct required of all Department of the Army (DA) personnel, regardless of assignment, to avoid conflict between private interests and official duties. Government service or employment, as a public trust, requires that DA personnel place loyalty to country, ethical principles, and law above private gain and other interests. All military and civilian personnel will familiarize themselves thoroughly with the provisions of this regulation.

b. This regulation implements Executive Order 11222 of 8 May 1965, prescribing standards of ethical conduct for Government officers and employees, Department of Defense Directive 5500.7, 15 Jan 77, and Chapter 735, Federal Personnel Manual (FPM), Employee Responsibility and Conduct, Nov 1965, supplemented by Civilian Personnel Regulation (CPR) 700 (735.1, 735.2, and 735.3).

c. This regulation includes standards of conduct based on the revisions of the conflict of interest laws enacted in 1962. A summary of these laws is listed at appendix A.

d. Penalties for violations of these standards include the full range of statutory and regulatory sanctions for military and civilian personnel.

e. DD Form 1387 and DD Form 1555 are prescribed in this regulation. DD Form 1387 (Statement of Employment (Regular Retired Officers)) is stocked and issued by the US Army Finance and Accounting Center, Indianapolis, IN 46249. DD Form 1555 (Confidential Statement of Affiliations and Financial Interests) is available through normal publications supply channels.

1-2. Applicability. *a.* This regulation applies to all Department of the Army Personnel, military, and civilian (including those employed by non-appropriated fund instrumentalities).

b. Chapters 1 and 2 of this regulation are also applicable to all officers of the US Army Reserve and of the Army National Guard of the United States when they are performing Federal duties

or engaging in any activity directly related to the performance of a Federal duty or function.

1-3. General policy on proper conduct of official activities. *a.* DA personnel will become familiar with the scope of, authority for, and the limitations concerning, the activities for which they have responsibilities. Further, DA personnel are directed to gain a working knowledge of appropriate statutory prohibitions regarding standards of conduct. A digest of these provisions is at appendix A.

b. DA personnel will not make or recommend any expenditure of funds or take or recommend any action known or believed to be in violation of US laws, Executive Orders, or applicable directives, instructions, or regulations.

c. In cases of doubt as to the propriety of a proposed action or decision in terms of the regulation or law, DA personnel will consult legal counsel or, if appropriate, the Standards of Conduct Counselor or Deputy Standards of Conduct Counselor to ensure the proper and lawful conduct of DA programs.

d. DA personnel will scrupulously adhere to the DA program of equal opportunity regardless of race, color, religion, sex, age, or national origin, in accordance with AR 600-21.

e. DA personnel will avoid any action, whether or not specifically prohibited by this regulation, which might result in or reasonably be expected to create the appearance of:

- (1) Using public office for private gain.
- (2) Giving preferential treatment to any person or entity.
- (3) Impeding Government efficiency or economy.
- (4) Losing independence or impartiality.
- (5) Making a Government decision outside official channels.
- (6) Affecting adversely the confidence of the public in the integrity of the Government.

1-4. Explanation of terms. *a.* "DOD personnel" as used in this regulation, unless the context indicates otherwise, means all civilian officials and em-

ployees, including special Government employees, of all the offices, agencies, and departments in the Department of Defense (including nonappropriated fund instrumentalities) and all active duty officers (commissioned and warrant) and enlisted members of the Army, Navy, Air Force, and Marine Corps.

b. "DA personnel" as used in this regulation, unless the context indicates otherwise, means all civilian officials and employees, including special Government employees, of the Department of the Army (including nonappropriated fund instrumentalities) and all active duty officers (commissioned and warrant) and enlisted members of the Army. In chapters 1 and 2, the term also includes all officers of the Army Reserve and of the Army National Guard of the United States when they are performing Federal duties or engaging in any activity directly related to the performance of a Federal duty or function.

c. "Military personnel" as used in this regulation, unless the context indicates otherwise, means all officers (commissioned and warrant) and enlisted personnel of the Army on active duty.

d. "Gratuity" is any gift, favor, entertainment, hospitality, transportation, loan, any other tangible item, and any intangible benefits (for example discounts, passes, and promotional vendor training) given or extended to or on behalf of DOD personnel, their immediate families, or households for which fair market value is not paid by the recipient or the US Government.

e. "Special Government employee" is a person who is retained, designated, appointed, or employed to perform, with or without compensation, not to exceed 130 days during any period of 365 consecutive days, temporary duties either on a full-time or intermittent basis. The term also includes a Reserve officer while on active duty

solely for training for any length of time, one who is serving on active duty involuntarily for any length of time, and one who is serving voluntarily on extended active duty for 130 days or less. It does not include enlisted personnel.

f. "Inside information" as used in this regulation means that information not generally available to the public and obtained by reason of a DA position.

g. "Reserve officer" includes both officers of the Army National Guard of the United States and the Army Reserve.

h. "Standards of Conduct Counselor or Deputy Counselor" means those personnel designated as described in paragraph 2-9.

i. "MACOM commanders" and "major commanders" as used in this regulation, mean those commanders listed in AR 10-5 and Commanding General, US Army Recruiting Command.

1-5. Information to personnel. All DA personnel, except enlisted personnel not required to file Confidential Statements of Affiliations and Financial Interests (DD Form 1555), will be given a copy of this regulation and an oral standards of conduct briefing not later than 7 days after initial employment, assumption of duties, or entry on active duty. Each individual receiving such briefing will attest in writing to his or her attendance at the briefing, the fact that he or she has read the standards of conduct, and his or her comprehension of the requirements imposed. Enlisted personnel not required to file the statement will be given standards of conduct briefings and attest in writing to their attendance at such briefings. This may be accomplished contemporaneous with the explanations required by 10 U.S.C. 937. All DA personnel will be reminded at least semiannually of their duty to comply with required standards of conduct.

CHAPTER 2

CONFLICTS OF INTEREST AND GENERAL PROHIBITIONS

2-1. Conflicts of interest. *a. General.* DA personnel should place loyalty to country, ethical principles, and law above private gain and other interests. The performance of their duties should be in keeping with the highest tradition of the military service and civilian service to the United States Government.

b. Affiliations and financial interests. In the performance of their duties, DA personnel must avoid engaging in any personal business or professional activity, or from having or retaining any direct or indirect financial interest, which places them in a position where there is a conflict between their private interests and the public interests of the United States as it relates to their duties and responsibilities as DA personnel. For the purpose of this paragraph, the private interests of a spouse, minor child, and any household members are treated as private interests of DA personnel.

c. Using inside information. DA personnel will not engage in any personal business or professional activity, or enter into any financial transaction, which involves the direct or indirect use of "inside information" to further a private gain for themselves or others.

d. Using official positions. DA personnel are prohibited from using their official positions to induce, coerce, or in any manner influence any person, including subordinates, to provide any benefits, financial or otherwise, to themselves or others.

e. Unauthorized release of procurement information. It is the individual responsibility of all personnel, military and civilian, of the Department of the Army to refrain from releasing to any individual or any individual business concern or its representatives any knowledge such personnel may possess or have acquired in any way concerning proposed procurements or purchases by any procuring activity of the Department of the Army. Military personnel are governed by the similar prohibition contained in paragraph 5-2a(3). Such information will be released to all potential contractors as nearly simultaneously as possible and only through duly designated agencies, so that one potential source of supply may not be given an

advantage over another. All dissemination of such information will be in accordance with existing authorized procedures and only in connection with the necessary and proper discharge of official duties.

f. Unauthorized statements or commitments with respect to award of contracts. Only contracting officers and their duly authorized representatives acting within their authority are authorized to commit the Government with respect to award of contracts. Unauthorized discussion and commitments may place the Department of the Army in the position of not acting in good faith. Unauthorized personnel will refrain from making any commitment or promise relating to award of contracts and will make no representation which would be construed as such a commitment. Army personnel will not under any circumstances advise a business representative that an attempt will be made to influence another person or agency to give preferential treatment to his concern in the award of future contracts. Any person requesting preferential treatment will be informed by official letter that Department of Army contracts are awarded only in accordance with established contracting procedures.

g. Disqualification procedures.

(1) Unless otherwise expressly authorized by action taken under 18 U.S.C. 207 or 208, all DA personnel who have affiliations or financial interests which create conflicts or appearances of conflicts of interest with their official duties must disqualify themselves from any official activities that are related to those affiliations or interests or the entities involved. A formal disqualification must be sent to an individual's superior and immediate subordinates whenever it appears reasonably possible that his or her official functions will affect those affiliations, interests, or entities. If the individuals cannot adequately perform their official duties after such disqualification, they must divest themselves of such involvement or be removed from their positions.

(2) For the purpose of this paragraph, the "Government official responsible for appointment to his position," under 18 U.S.C. 208b(1), for pur-

poses of granting exemptions, will be a supervisor of the individual concerned. This supervisor must be serving in the grade of colonel or above or GS-15 or above or be an installation commander. All cases involving determinations under 18 U.S.C. 208b(1) shall be coordinated with the Standards of Conduct Counselor or appropriate Deputy Counselor.

(3) In addition, where a superior thinks a subordinate may have a disqualifying interest, he or she will discuss the matter with that person and, if he or she finds such an interest does exist, he or she will disqualify the person for duty and responsibility in that particular matter.

(4) In cases of disqualification under this paragraph, the matter will be reassigned for decision and action to someone else who is not subordinate to the disqualified person.

h. Nondisqualifying financial interest. DA personnel need not disqualify themselves under *g* above for holding shares of a widely-held, diversified mutual fund or regulated investment company. In accordance with the provisions of 18 U.S.C. 208b(2), such holdings are hereby exempted as being too remote or inconsequential to affect the integrity of the services of Government personnel.

i. Membership in associations. All DA personnel who are members or officers of nongovernmental associations or organizations must avoid activities on behalf of the association or organization that are incompatible with their official Government positions. (See AR 1-210 and AR 1-211.)

j. Commercial and other solicitation by DA personnel. To eliminate the appearance of coercion, intimidation, or pressure from rank, grade, or position, DA personnel, except special Government employees, will not make personal commercial solicitations or sales to DOD personnel who are junior in rank or grade, at any time, on or off duty. As used in this subparagraph, "personal commercial solicitation" refers to those situations where DA personnel are employed as a sales agent on commission or salary, or conduct business, and contact prospective purchasers suggesting they buy the commodity, real or intangible, that is being offered for sale.

(1) This limitation includes, but is not limited to, the solicitation and sale of insurance, stocks, mutual funds, real estate, and any other com-

modities, goods, or services. (See also AR 210-7 and AR 210-10.)

(2) This prohibition is not applicable to the one-time sale by an individual of personal property or a privately owned dwelling or to the off-duty employment of DA personnel as employees in retail stores or other situations not including solicited sales.

(3) For civilian personnel this limitation applies only with regard to personnel under their supervision.

k. Assignment of Reserves for training. DA personnel who are responsible for assigning Reserves for training will not assign them to duties in which they will obtain information that could be used by them or their private sector employers to gain unfair advantage over civilian competitors.

l. Prohibited selling by retired regular military officers. There are legal limitations on sales by retired Regular military officers to any component of the DOD, Coast Guard, National Oceanic and Atmospheric Administration, or Public Health Service. (See app A.)

m. Dealing with present or former military and civilian personnel. DA personnel will not knowingly deal on behalf of the Government with present or former military or civilian personnel of the Government whose participation in the transaction is in violation of a statute, regulation, or policy set forth in this regulation.

2-2. Gratuities. *a. General.* The acceptance of gratuities by DA personnel or members of their families, from those who have or seek business with the Department of Defense and from those whose business interests are affected by Department functions, cannot be condoned. Such acceptance, no matter how innocently tendered or received may be a source of embarrassment to the Department; may affect the objective judgment of the DOD personnel involved; and may impair public confidence in the integrity of the Government.

b. General prohibition. Except as provided in *c* below, DA personnel and their families will not solicit, accept, or agree to accept any gratuity for themselves, members of their families, or others, either directly or indirectly from, or on behalf of, any source that:

(1) Is engaged in or seeks business or financial relations of any sort with any DOD component;

(2) Conducts operations or activities that are either regulated by a DOD component or significantly affected by DOD decisions, or

(3) Has interests that may be substantially affected by the performance or nonperformance of the official duties of DOD personnel.

c. Limited exceptions. The general prohibition in *b* above does not apply to the following:

(1) The continued participation in employee welfare or benefit plans of a former employer when permitted by law and approved by the appropriate supervisor with the advice of the Standards of Conduct Counselor or appropriate Deputy Counselor.

(2) The acceptance of unsolicited advertising or promotional items that are less than \$5 in retail value.

(3) Trophies, entertainment, prizes, or awards for public service or achievement in an individual unofficial capacity, or given in games or contests which do not relate to official duties and are clearly open to the public generally or which are officially approved for DOD personnel participation.

(4) Things available to the public (such as university scholarships covered by AR 621-7) and free exhibitions by Defense contractors at public trade fairs.

(5) Discounts or concessions extended Army-wide and realistically available to all DA personnel.

(6) Participation by DA personnel in civic and community activities when any relationship with Defense contractors is remote; for example, participation in a little league or Combined Federal Campaign luncheon which is subsidized by a Defense contractor.

(7) Social activities engaged in by officials of the Army and officers in command, or their representatives, with local civic and/or military leaders as part of authorized Army community relations programs in the US and overseas.

(8) The participation of DA personnel in widely attended gatherings of mutual interest to Government and industry, sponsored or hosted by industrial, technical, and professional associations (not by individual contractors) provided that they have been approved in accordance with DOD Instruction 5410.20.

(9) Situations in which participation by DA personnel at public ceremonial activities of mutual interest to industry, local communities, and the

Army serves the interests of the Government; and acceptance of the invitation is approved by the head of the DA Staff agency, MACOM commander, division commander, or installation commander with the advice of the Standards of Conduct Counselor or appropriate Deputy Standards of Conduct Counselor. (See para 2-9.)

(10) Contractor-provided transportation, meals, or overnight accommodations in connection with official business when arrangements for Government or commercial transportation, meals, or accommodations are clearly impracticable. In any such case, the individual will report in writing the circumstances to his or her superior as soon as possible.

(11) Attendance at promotional vendor training sessions when the vendor's products or systems are provided under contract to DOD and the training is to facilitate the utilization of those products or systems by DOD personnel.

(12) Attendance or participation of DA personnel in gatherings, including social events such as receptions, which are hosted by foreign governments or international organizations, provided that the acceptance of the invitation is approved by the head of the DA Staff agency, MACOM commander, division commander or installation commander. This approval is not required if attendance or participation is authorized by other exceptions, such as subparagraph (7) or (13) or if the social event involves a routine or customary social exchange with officials of foreign governments (including military forces), in pursuance of official duties.

(13) Situations in which, in the sound judgment of the individual concerned or his superior, the Government's interest will be served by DA personnel participating in activities otherwise prohibited. In any such case, an individual should consult with his or her superior, deputy counselor in advance, or, when an advance consultation is not possible, within 48 hours, provide a memorandum for record to the superior with a copy to the appropriate Standards of Conduct Counselor (or designated deputy counselor). The memorandum for record will identify the gratuity; when, where, and from whom received, and state the justification for acceptance.

(14) Customary exchanges of gratuities between DA personnel and their friends and relatives and the friends and relatives of their spouse,

minor children and members of their household, where the circumstances make it clear that it is that relationship, rather than the business of the person concerned, which is the motivating factor for the gratuity and where it is clear that the gratuity is not paid for by any source described in *b* above.

d. Reimbursements.

(1) The acceptance of accommodations, subsistence, or services furnished in kind, in connection with official travel from sources other than those enumerated in *b* above is prohibited unless the individual is to be a speaker, panelist, project officer, or other bona fide participant in the activity attended and providing that such attendance is authorized by the order-issuing authority as being in the best interest of the Government. In instances where acceptance by DA personnel is authorized, members of their families are not authorized acceptance of accommodations, subsistence, or services furnished in kind, except when traveling pursuant to an authorized invitational travel order (see Vol 2, Chap. 6, JTR).

(2) Except as indicated in (1) above, DA personnel or members of their family may not accept personal reimbursement from any source for expenses incident to official travel, unless authorized by their or their sponsor's superior consistent with guidance provided by the appropriate Standards of Conduct Counselor or Deputy Standards of Conduct Counselor, pursuant to 5 U.S.C. 4111 or other statutory authority. Rather, reimbursement must be made to the Government by check payable to the Treasurer of the United States. Personnel will be reimbursed by the Government in accordance with regulations relating to reimbursement.

(3) In no case will DA personnel or members of their families accept, either in kind or for cash reimbursement, benefits which are extravagant or excessive in nature.

(4) When accommodations, subsistence, or services in kind are furnished to DA personnel or members of their families by non-US Government sources, consistent with this paragraph, appropriate deductions will be reported and made in the travel, per diem, or other allowances payable.

e. Procedures with respect to gifts from foreign governments are set forth in AR 672-5-1.

f. Procedures with respect to ROTC staff members receiving payments or other benefits

offered by educational institutions are set forth in AR 145-1 and AR 145-2.

g. DA personnel who receive gratuities, or have gratuities received for them, in circumstances not in conformance with the standards of this paragraph will promptly report the circumstances to their immediate superior for review and to the appropriate counselor for a disposition determination.

2-3. Prohibition of contributions or presents to superiors. DA personnel will not solicit a contribution from other DOD personnel for a gift to an official superior, make a donation as a gift to an official superior, or accept a gift from other DOD personnel subordinate to themselves. (Civilian employees are also governed by 5 U.S.C. 7351.) However, this regulation does not prohibit voluntary gifts or contributions of nominal value on special occasions such as marriage, transfer, illness or retirement, provided any gifts acquired with such contributions shall not exceed a nominal value.

2-4. Use of Government facilities, property, and manpower. Government facilities, property, and manpower (such as stationery, stenographic and typing assistance, mimeograph and chauffeur services) will be used only for official Government business. DA personnel will not directly or indirectly use, or allow the use of, Government property of any kind, including property leased to the Government, for other than officially approved purposes. These provisions are not intended to preclude the use of Government facilities for approved activities in furtherance of authorized DOD community relations, provided they do not interfere with military missions or Government business.

2-5. Use of civilian and military titles in connection with commercial enterprise. *a.* All civilian personnel are prohibited from using their civilian title or position in connection with any commercial enterprise or in endorsing any commercial product. For the purpose of this paragraph, the term "commercial enterprise" includes any organization other than a nonprofit or charitable organization which is exempt from Federal income taxation because it comes within subsection (1), (3), (4), (6), (7), (8), (9), (10), (11), (13), or (14) of section 501(c) of the Internal Revenue Code of 1954, as amended (26 U.S.C. 501). The foregoing will not be deemed to preclude publication by such personnel of books or articles which identify them as authors by reference to their military or civilian

title or position, provided that publication of such material has been cleared under existing DOD procedures prescribed in AR 360-5. Military personnel are governed by the similar prohibitions contained in paragraph 5-2a(5).

b. Retired military personnel and members of Reserve Components, not on active duty, are permitted to use their military titles in connection with commercial enterprises provided that they indicate their Reserve or retired status. However, if such use of military titles in any way casts discredit on the Army or the Department of Defense or gives the appearance of sponsorship, sanction, endorsement, or approval by the Army or the Department of Defense, it is prohibited. In addition, oversea commanders may further restrict the use of titles, including use by retired military personnel and members of Reserve Components not on active duty, in an oversea area.

2-6. Outside employment and other activities of DA personnel. a. DA personnel will not engage in outside employment or other outside activity, with or without compensation, that:

(1) Interferes with, or is not compatible with the performance of their Government duties.

(2) May reasonably be expected to bring discredit upon the Government or the Department of the Army.

(3) Is otherwise inconsistent with the requirements of this regulation including the requirements to avoid actions which reasonably can be expected to create a conflict or the appearance of conflicts of interest.

b. No enlisted members of the armed forces on active duty may be ordered or permitted to leave their post to engage in a civilian pursuit or business, or a professional activity in civil life, for emolument, hire, or otherwise if the pursuit, business, or professional activity interferes with the customary or regular employment of local civilians in their art, trade, or profession. (See 10 U.S.C. 974).

c. Off duty employment of military personnel by an entity involved in a strike is permissible if the person was on the payroll of the entity prior to the commencement of the strike and if the employment is otherwise in conformance with the provisions of this regulation. After a strike begins and while it continues, no military personnel may

accept employment by that involved entity at the strike location.

d. DA personnel are encouraged to engage in teaching, lecturing, and writing. However, DA personnel will not, either for or without compensation, engage in activities that are dependent on information obtained as a result of their Government employment, except when, the information has been published or is generally available to the public or it will be made generally available to the public and the Assistant Secretaries of the Army, heads of DA Staff agencies, or MACOM commanders give written authorization for the use of nonpublic information on the basis that the use is in the public interest.

e. Civilian Presidential appointees will not receive compensation or anything of monetary value for any consultation, lecture, discussion, writing, or appearance, the subject matter of which is devoted substantially to DA responsibilities, programs, or operations or which draws substantially on official material which has not become part of the body of public information.

2-7. Gambling, betting, and lotteries. DA personnel will not participate, while on Government-owned, controlled, or leased property or otherwise while on duty for the Government, in any gambling activity, including a lottery or pool, a game for money or property, or the sale or purchase of a number slip or ticket. However, this paragraph does not preclude activities—

a. Necessitated by an employee's law enforcement duties; or

b. Approved by Headquarters DA (see AR 600-29, AR 28-1, AR 210-1 and AR 230-60).

2-8. Indebtedness. DA personnel will pay their just financial obligations in a proper and timely manner, particularly those imposed by law (such as Federal, State, or local taxes) so that their indebtedness does not adversely affect the Government as their employer. In the event of dispute between DA personnel and alleged creditors, provisions of AR 600-15 and chapter 735, CPR 700, as appropriate, apply.

2-9. Standards of conduct counselors. All DA personnel will be advised on how to obtain additional clarification of the standards of conduct and conflicts of interest set forth in this regulation and related statutes. For this purpose, the General Counsel, Office of the Secretary of the Army, is designated as the Standards of Conduct Counselor

for the Department of the Army. He or she is responsible for proper coordination and final disposition of all matters relating to standards of conduct, conflicts of interest covered by this regulation and Statements of Affiliations and Financial Interests. Heads of DA Staff agencies and MACOM commanders will provide for the designation in each DA agency, command, or installation one or more officers (not necessarily lawyers) in writing to be Deputy Standards of Conduct Counselors for the agency, command or installation. Deputy Standards of Conduct Counselors will seek appropriate information, advice, and counsel from other Deputy Standards of Conduct Counselors or the Standards of Conduct Counselor, as needed in the performance of their duties. Responsibilities of the Deputy Counselors include: Advice and assistance to the entity concerned and to the personnel thereof; proper review, including audits, regarding all standards of conduct problems; and review of DD Forms 1555, Confidential Statements of Affiliations and Financial Interests.

2-10. Reporting suspected violations. DA personnel who have information which causes them to believe that other DOD personnel have violated a statute or standard of conduct imposed by this regulation should first bring the matter to the attention of those persons. If those persons are one's supervisors or the communication is not expected to remedy or does not appear to have remedied the problem, a report will be made to the immediate supervisor of those persons and to the Standards of Conduct Counselor or Deputy Counselor.

2-11. Resolving violations. The resolution of standards of conduct violations will be accomplished promptly by one or more measures, such as divestiture of conflicting interests, disqualification for particular assignments, changes in assigned duties, termination, or other appropriate action, as provided by statute or administrative procedures. Disciplinary actions will be in accordance with established personnel procedures.

CHAPTER 3

STATEMENTS OF AFFILIATIONS AND FINANCIAL INTERESTS
(DD FORM 1555)

3-1. DA personnel required to file statements. The following DA personnel are required to submit initial and annual Confidential Statements of Affiliations and Financial Interests (DD Form 1555) (app B) unless they are expressly exempted:

a. All DA civilian personnel who are paid at a rate equal to or in excess of the minimum rate prescribed for employees holding the grade of GS-16, including the executive schedule.

b. All general officers.

c. Commanders and deputy commanders of major installations and activities. For this purpose, major installations and activities are those authorized a commander in the grade of colonel or higher.

d. DA personnel who are members of the Armed Service Board of Contract Appeals.

e. DA personnel classified at GS-13 or above under section 5332, title 5, United States Code, or at a comparable pay level under other authority, and members of the military in the grade of lieutenant colonel or above, when the responsibilities of such personnel require the incumbent to exercise judgment in making a Government decision or in taking Government action in regard to activities in which the final decision or action may have a significant economic impact on the interests of any non-Federal entity.

f. Special Government employees (as defined in para 1-4), except as stated in paragraph 3-5 below.

g. Approval of the Civil Service Commission must be obtained to require other DA civilian personnel to file such statements.

3-2. Review of positions. *a.* All positions in the categories indicated in paragraph 3-1 *c* through *g*, both military and civilian, will be reviewed annually by the appropriate supervisor. If, as a result of this review, a determination is made that the incumbent of the position must file a Statement of Affiliations and Financial Interests, he or she will be so informed and the requirement for such filing included in the appropriate document describing the duties and responsibilities of the

position. The review may be accomplished at the time that performance, efficiency, or effectiveness ratings are given, or incident to other currently prescribed annual reviews. Any individual who believes that he or she has been improperly required to file may request a review of the decision through established grievance procedures of the Army. Grievances initiated by civilian employees will be processed under the procedures prescribed by FPM and CPR 771.

b. Exclusion of positions. The Secretary of the Army or his designee, may determine that the submission of statements is not necessary for certain positions because of the remoteness of any impairment of the integrity of the Government and the degree of supervision and review of the incumbent's work. For purposes of this paragraph, the Secretary of the Army delegates authority for such determination (except para 3-1 *a* through *d*) to MACOM commanders and heads of DA Staff agencies. Authority may not be further delegated.

3-3. Manner of submission. *a.* The Secretary of the Army, the Under Secretary of the Army, and the General Counsel, OSA, will submit Statements of Affiliations and Financial Interests to the General Counsel of the Department of Defense.

b. The Assistant Secretaries of the Army, the Chief of Staff, Vice Chief of Staff, and Director, Army Staff, will submit Statements to the Secretary of the Army (ATTN: Army General Counsel).

c. MACOM commanders and heads of DA Staff agencies will submit their statements to HQDA (DACS-GO), WASH, DC 20310. In addition, a copy of the DD Form 1555 submitted by all officers in the grade of major general (promotable BG's included) and above will be furnished HQDA (DACS-GO) after review by the supervisor and the Deputy Counselor of the DA Staff agency, command or installation. All other personnel in MACOM's or DA Staff agencies required to file will submit their statements in accordance with instructions issued by the agency or command to which assigned.

d. Statements required pursuant to review by MACOM commanders or heads of DA Staff agencies under paragraph 3-2a, will be submitted to and filed with the appropriate Deputy Counselor of the major command or staff agency.

e. Army personnel assigned to the Office of the Secretary of Defense or Office of the Joint Chiefs of Staff will submit their statements in accordance with instructions issued by the agency to which assigned.

f. Army general officers who command unified commands will submit their statements directly to the Office of the Secretary of Defense Standards of Conduct Counselor. Other personnel of the unified commands will submit their statements through their supervisors to the Deputy Counselor of the unified command. Commanders who have a dual responsibility as commanders of both joint commands and components will submit their statements through service channels.

g. Army officers assigned to United States Army elements (excluding Army components listed in chap. 3, AR 10-5) of joint commands or activities outside primary staff agencies of the Department of the Army will submit their statements in accordance with instructions issued by the agency or command to which assigned.

h. Army general officers assigned to agencies outside of the Department of Defense will submit their statements to HQDA (DACS-GO), WASH, DC 20310.

i. All statements will be reviewed and approved by the Standards of Conduct Counselor or appropriate Deputy Counselor and the immediate superior prior to the commencement of service or assumption of duties and annually thereafter as prescribed in paragraph 3-7. Designees to positions requiring the approval of the Secretary of the Army will execute the statement in advance of nomination so that it may be thoroughly reviewed prior to appointment.

j. Agreements with other DOD components and Government agencies involving the loan of DA personnel will contain a requirement that the other DOD component or Government agency will, within 60 days, forward to the General Counsel, Office of the Secretary of the Army, WASH, DC 20310, a copy of the loaned individual's statement, if required. Included will be a statement concerning the disposition of any conflict or apparent conflict of interests indicated.

3-4. Excusable delay. When required by reason of duty assignment or infirmity, a superior may grant an extension of time with the concurrence of the Standards of Conduct Counselor or Deputy Counselor. Any extension in excess of 30 days requires the concurrence of the General Counsel of the Army. Any late statement will include appropriate notation of any extension of time granted hereunder.

3-5. Special Government employees—Statement of Affiliations and Financial Interests (DD Form 1555). a. For the purpose of this paragraph, "Special Government employee" has the meaning given that term by paragraph 1-4c.

b. Each special Government employee will, prior to appointment, file a statement with the officer designated under paragraph 2-9.

c. The following are exempted categories of Special Government employees who are not required to file statements unless specifically requested to do so.

(1) Physicians, dentists, and allied medical specialists engaged only in providing service to patients.

(2) Veterinarians providing only veterinary service.

(3) Lecturers participating in educational activities.

(4) Chaplains, clergymen performing only religious service.

(5) Individuals in the motion picture and television fields who are utilized only as narrators or actors in DOD productions.

(6) A special Government employee who is not a "consultant" or "expert" as those terms are defined in chapter 304 of the Federal Personnel Manual.

3-6. Exemptions to specific appointees. The Secretary of the Army may grant an exemption to an appointee from the requirement of filing a statement upon a determination that such information is not relevant in the light of the duties the appointee is to perform.

3-7. Annual statements. DD Forms 1555 will be filed by October 31st of each year for all affiliations and financial interests as of September 30th of that year. Even though no changes occur, a complete statement is required. The Army General Counsel will notify the Office of the Secretary of Defense Standards of Conduct Counselor no later than December 31st of each year that all required state-

ments have been filed, reviewed, and any problems appropriately resolved or explain the details of the outstanding cases. Notwithstanding the filing of annual statements, DA personnel will at all times avoid acquiring a financial interest or taking action that could result in a violation or apparent violation of the conflicts of interest provisions of 18 U.S.C. 208 or this regulation.

3-8. Annual report to DA. MACOM commanders and heads of DA Staff agencies will submit an annual report, subject: Review of DD Forms 1555 (Confidential Statement of Affiliations and Financial Interests—DOD Personnel) (RCS: CSGPA-1480) to IIQDA, DAPE-HRL, not later than 30 November of each year. The required report format is contained at appendix C.

3-9. Interests of relatives of DA personnel. The interest of a spouse or minor child, or any member of one's household is to be reported in the same manner as an interest of the individual.

3-10. Information not known by DA personnel. DA personnel will request submission on their behalf of required information known only to other persons. The submission may be made with a request for confidentiality that will be honored even if it includes a limitation on disclosure to the DA personnel concerned.

3-11. Information not required to be submitted. DA personnel are not required to submit on a statement any information relating to the employee's connection with, or interest in, a professional society or a charitable, religious, social, fraternal, recreational, public service, civic, or political organization or a similar organization not conducted as a business for profit. For the purpose of this regulation, educational and other institutions doing research and development or related work involving grants of money from or contracts with the Government are to be included in a person's statement.

3-12. Confidentiality of statements of DA personnel. Each Statement of Affiliation and Financial Interests will be held in confidence. The Department of the Army may not disclose information from a statement except as the Secretary of the Army or the Civil Service Commission may determine for good cause. "Good cause" includes a determination that the record or any part of the record must be released under the Freedom of Information Act. Persons designated to review the statements are responsible for main-

taining the statements in confidence and will not allow access to or disclosure from the statements except to carry out the purpose of this regulation.

3-13. Disqualification. See paragraph 2-1g for requirements concerning disqualification.

3-14. Effect of statements on other requirements. The statements required of DA personnel are in addition to, and not in substitution for, any similar requirement imposed by law, order, or regulation. Submission of statements does not permit DA personnel to participate in matters in which their participation is prohibited by law, order, or regulation.

3-15. Processing of DD Forms 1555. *a.* Each individual required to file DD Form 1555 will forward the completed statement to his or her immediate superior for review and approval. Statements will then be forwarded to the Standards of Conduct Counselor or Deputy Counselor for review and approval and if no appearance of a conflict of interest is present, it will be filed at that level.

b. The statement will be treated as confidential within the meaning of paragraph 3-12.

3-16. Resolution of a conflict or appearance of conflict of interest. *a.* In any case where a real or apparent conflict of interest arises, the superior, in consultation with the Standards of Conduct Counselor or Deputy Counselor, will discuss the conflict or appearance of conflict of interest with the individual concerned. If the conflict or appearance of conflict of interest persists and is not resolved as a result of discussion, the superior, in consultation with the Standards of Conduct Counselor or Deputy Counselor, will prepare and give to the individual concerned written notice that there is a conflict or apparent conflict of interest, pointing out the reasons therefor. The notice will also inform the individual concerned that he or she is entitled to submit to the superior a written indorsement explaining the conflict or appearance of conflict.

b. On receiving the individual's indorsement, the superior will forward the entire file to the Standards of Conduct Counselor or Deputy Counselor with his or her indorsement, if it is concluded that the conflict or appearance of conflict is resolved. The Counselor or appropriate Deputy Counselor will file the entire correspondence if he agrees with the superior's conclusion.

c. If either the superior, the Counselor, or Deputy Counselor, after review of the explanation made by the employee, concludes that the conflict or appearance of conflict is not resolved, the commander will review the entire matter. If it is concluded that a conflict or appearance of conflict does exist, he or she will attempt to resolve it.

d. In any case arising at any echelon below HQDA level in which there is a conflict or appearance of conflict of interest which is not resolved, the commander will forward the entire file, with detailed information and recommendations through command channels and The Judge Advocate General, HQDA, to the General Counsel, Office of the Secretary of the Army, WASH, DC 20310, for resolution. Intermediate commands will attempt to resolve each case without forwarding it to HQDA. In any case arising at HQDA, the head of the staff agency will take the necessary action to resolve the conflict or appearance of conflict of interest. Unresolved cases will be forwarded through The Judge Advocate General to the General Counsel, Office of the Secretary of the Army, for resolution.

e. The Judge Advocate General, HQDA, will forward to the General Counsel, Office of the Secretary of the Army, any case involving a conflict or appearance of a conflict which is not resolved by him or her or at a lower echelon. If the General Counsel is unable to resolve any case, he or she will refer the matter, with his or her recommendations, to the Under Secretary of the Army for decision.

f. The resolution of a conflict or apparent conflict of interest, either on review at the local level or after referral to HQDA, will be effected promptly so that the conflict or appearance of conflict is ended. The resolution of the conflict or appearance of conflict may be accomplished by one or more means, such as changes in assigned duties, divestment of the conflicting interest, disqualification for a particular assignment, termination, or disciplinary or administrative action. The resolution, whether by disciplinary action or otherwise, will be effected in accordance with applicable laws, Executive Orders, and regulations. See paragraph 2-1g of this regulation for procedures pertaining to disqualification.

CHAPTER 4

LAWS GOVERNING FORMER GOVERNMENT EMPLOYEES

4-1. Former officers or employees. *a.* The term "former officer or employee" includes those full-time civilian officers or employees who have left Government service, special Government employees who have left Government service, retired Regular officers, and Reserve officers released from active duty. It does not include enlisted personnel.

b. Appendix A contains a digest of laws relating to conflicts of interest. Some of these apply to a former officer or employee, that is—

(1) He or she may not, at anytime after his or her Government service or employment has ended, represent anyone other than the United States in connection with a matter in which the United States is a party or has an interest and in which he or she participated personally and substantially for the Government (18 U.S.C. 207(a)).

(2) He or she may not, for 1 year after his or her Government employment has ended, represent anyone other than the United States in connection with a matter in which the United States is a party or has an interest and which was within the boundaries of his or her official responsibility during the last year of his Government service (18 U.S.C. 202(b), 207(b)). This temporary restraint gives way to the permanent restriction described in (1) above if the matter is one in which he or she participated personally and substantially.

4-2. Retired Regular officers. *a. Prohibitions.* Appendix A contains a digest of laws relating to conflicts of interest. Many of these are applicable to retired Regular officers, e.g.:

(1) As an officer whose "employment has ceased," he or she may not engage in the prohibited activities listed in paragraph 4-1 (18 U.S.C. 207).

(2) He or she may not, at anytime, assist in prosecuting a claim against the United States if he or she worked on that claim while on active duty (18 U.S.C. 283).

(3) He or she may not, within 2 years after retirement, assist in prosecuting a claim which

involves the Department in whose service he or she holds a retired status (18 U.S.C. 283).

(4) He or she may not, at any time, sell anything to the Department in whose service he or she holds a retired status (18 U.S.C. 281).

(5) He or she may not, within 3 years after retirement, sell supplies or war materials to any agency of the DOD, the Coast Guard, National Oceanic and Atmospheric Administration, or the Public Health Service. (See 37 U.S.C. 801(c), as amended 9 October 1962; Public Law 87-777.) (See also definition of "selling" in app A.)

(6) He or she may not accept any office, title, or employment from any foreign government without the consent of the Congress. (See Article 1, section 9, clause 8 of the Constitution of the United States.) The penalty for violation is loss of retired pay. This prohibition is not applicable to employment by international agencies such as the United Nations.

b. Required statement of employment. Each retired Regular Army officer will file a Statement of Employment (DD Form 1357) (app D) within 30 days after retirement and thereafter within 30 days after the information in the previous statement has ceased to be accurate. Statements of Employment (DD Form 1357) or inquiry relative thereto will be forwarded to: Commander, US Army Finance and Accounting Center, FIN-CM, Indianapolis, IN 46249. These statements will be reviewed by the Deputy Counselor to assure compliance with applicable statutes and regulations. Unresolved cases will be forwarded through Comptroller of the Army and The Judge Advocate General, HQDA, to the General Counsel, Office of the Secretary of the Army, WASH, DC 20310, for resolution.

4-3. Report of DOD and defense related employment. Requirements for reporting DOD defense and related employment (required by Public Law 91-121, section 410, 19 November 1969, and by DOD Directive 7700.15, 30 October 1970) are specified in AR 600-47. The report (DD Form 1787, Report of DOD and Defense Related Employment as Required by Public Law 91-121)

is required by certain former and retired military officers and former civilian officers and employees of DOD presently employed by defense contractors, and former civilian officers and employees of Defense contractors presently employed by the DOD. These reporting requirements are in addition to the reports required from retired

Regular officers (see para 4-2b as to DD Form 1357) and the Confidential Statement of Affiliations and Financial Interests (DD Form 1555) required of certain DA personnel by chapter 3 of this regulation. Failure to file DD Form 1787 is punishable by a maximum of 6 months imprisonment, or a fine of not more than \$1,000 or both.

CHAPTER 5

OTHER SPECIFIC ACTIVITIES PROHIBITED TO MILITARY PERSONNEL

5-1. Purpose. This chapter lists several specific activities prohibited to military personnel, including activities in connection with nonappropriated funds. Violation of the provisions of this chapter provides a basis for disciplinary action under the Uniform Code of Military Justice (UCMJ) for personnel subject to its provisions. The enumeration in this chapter is not intended to preclude prosecution of military personnel under the UCMJ for violations of other chapters of this regulation when such prosecution is appropriate.

5-2. Prohibited acts. a. Military personnel. The acts listed below are prohibited to all military personnel. Each act contrary to this paragraph will be considered a separate offense.

(1) Military personnel will not ask, demand, exact, solicit, seek, accept, receive, or agree to receive anything of value for themselves or for any other person or entity in return for:

(a) Being influenced in the performance of any official act;

(b) Being influenced to commit or aid in committing, or to collude in, or allow, any fraud, or make opportunity for the commission of any fraud, on the United States, including nonappropriated funds;

(c) Being induced to do or omit to do any act in violation of their official duty.

(2) Military personnel will not make personal commercial solicitation or sales to DOD personnel junior in rank or grade at anytime, on or off duty. (See para 2-1j).

(3) Except as otherwise provided by law or regulation, and in the necessary discharge of official duties, military personnel will not release or divulge to any individual or any individual business concern or its representatives information concerning proposed procurements or purchases by a procuring activity of the United States Government or a nonappropriated fund instrumentality.

(4) Military personnel will not use, or allow the use of, Government property of any kind, including property leased to the Government, for

other than officially approved activities (see para 2-4).

(5) Except as authorized by law or regulation, military personnel will not use their military title or position in connection with any commercial enterprises or in endorsing any commercial product. For the purpose of this subparagraph, "commercial enterprise" includes any organization other than a nonprofit or charitable organization which is exempt from Federal income taxation because it comes within the provisions of subsections (1), (3), (4), (6), (7), (8), (9), (10), (11), (13), or (14) of section 501(c) of the Internal Revenue Code of 1954, as amended (26 U.S.C. 501). (See para 2-5.)

(6) All retired military personnel and all members of Reserve Components, not on active duty, are permitted to use their military titles in connection with commercial enterprises. Such use of military titles will in no way cast discredit on the military services or the Department of Defense. Such use is prohibited in connection with commercial enterprises when such use, with or without the intent to mislead, gives rise to any appearance of sponsorship, sanction, endorsement, or approval by the Department of Defense. The Department of the Army may restrict retired personnel and members of Reserve Components, not on active duty, from using their military titles in connection with public appearances in oversea areas.

(7) Dangerous drugs.

(a) Except as authorized by regulations or other competent authority, military personnel will not use, possess, sell, transfer or introduce into any military unit, base, station, post, ship, or aircraft any dangerous drug. The term "dangerous drug" means a nonnarcotic drug which is habit-forming or has a potential for abuse because of its stimulant, depressant, or hallucinogenic effect as determined by the Attorney General of the United States as defined in 21 U.S.C. 801 *et. seq.*, and includes but is not limited to: Amphetamines, barbiturates, lysergic acid diethyl-

amide (LSD), mescaline, 4-methyl-2-demethoxy-amphetamine (STP), psilocybin, psilocyn, phen-cyclidine (PCP) and diethyl-triptamine (DMT).

(b) As a matter of policy, a military person who violates (a) above will be charged only under Article 92, Uniform Code of Military Justice, and not under any other provision of the Uniform Code of Military Justice.

(c) As a matter of policy, the unauthorized use, possession, sale, transfer, or introduction into a military unit, base, station, post, ship, or aircraft of marijuana or any narcotic drug by military personnel is chargeable only as a violation of Article 134, Uniform Code of Military Justice. The term "marijuana" used in this paragraph is defined in 21 U.S.C. 802(15) (1970). The term "narcotic drug" as used in this section is defined in 21 U.S.C. 802(16) (1970) and includes but is not limited to: Heroin, cocaine, codeine, methadone, morphine, and opium.

b. Enlisted personnel.

(1) An enlisted member occupying a position of trust and responsibility, as designated below, will not—

(a) Except as otherwise authorized by law, act as attorney or agent for anyone, with or without compensation, before any court, Government agency or officer in connection with any contract, claim, controversy, or any matter

in which the United States is a party or has an interest.

(b) Participate in his or her official capacity through decision, approval, disapproval, recommendation, advice, or otherwise in any contract, claim, controversy, or any other matter in which he, his or her spouse, minor child, partner, organization in which he or she is serving as officer, director, trustee, partner or employee, or any person or organization with whom he or she is negotiating or has an arrangement concerning prospective employment, has a financial interest.

(c) Receive any salary, or supplementation of his or her Government salary, from a private source as a compensation for his or her services to the Government.

(2) The following positions are designated as positions of trust and responsibility for the purposes of this paragraph: Contracting officers, contracting officers' representatives, ordering officers, purchasing agents, and persons otherwise involved in procurement and related functions for appropriated and nonappropriated fund activities.

c. Officer personnel. In addition to the acts enumerated in *a* above, officer personnel are subject to the provisions of chapter 11 of Title 18, United States Code. Violation of any of the provisions may be a violation of Article 133 or 134, Uniform Code of Military Justice.

APPENDIX A
DIGEST OF CONFLICT OF INTEREST LAWS

Conflict of Interest Laws

I. 18 U.S.C. 203

Subsection (a) prohibitions are encompassed by prohibitions in 18 U.S.C. 205 below. Subsection (b) makes it unlawful to offer or pay compensation, the solicitation or receipt of which is barred by subsection (a).

II. 18 U.S.C. 205

A. This section prohibits Government personnel from acting as agent or attorney for anyone else before a department, agency, or court in connection with any particular matter in which the United States is a party or has a direct and substantial interest.

B. The following exemptions are allowed:

1. Section 205 does not prevent Government personnel from giving testimony under oath or making statements required to be made under penalty of perjury or contempt or from representing another person, without compensation, in a disciplinary, loyalty, or other personnel matter.
2. Section 205 also authorizes a limited waiver of its restrictions and those of section 203 for the benefit of an officer or employee, including a special Government employee, who represents his or her own parents, spouse, or child, or a person or estate he or she serves as a fiduciary. The waiver is available only if approved by the official making appointments to the position. In no event does the waiver extend to his or her representation of any such person in matters in which he or she has participated personally and substantially or which, even in the absence of such participation, are the subject of his or her official responsibility.
3. Finally, section 205 gives the head of a department or agency the authority to allow a special Government employee to represent his or her regular employer or other outside organization in the performance of work under a Government grant or contract, if the department or agency head certifies and publishes in the Federal Register, that the national interest requires such representation.

III. 18 U.S.C. 208

A. Subsection (a) requires executive branch personnel to refrain from participating as Government personnel in any matter in which they, their spouses, minor children, or partners have financial interests or in which businesses or nonprofit organizations with which such personnel are connected or are seeking employment have financial interests. A "particular matter" may be less concrete

than an actual contract, but is something more specific than rule making or abstract scientific principles. The test is whether the individual might reasonably anticipate that his or her Government action, or the decision in which he or she participates or with respect to which he or she advises, will have a direct and predictable effect upon such financial interests.

- B. Subsection (b) permits agencies to grant an ad hoc exemption from subsection (a) if the outside financial interest is deemed not substantial enough to affect the integrity of Government services. Categories of financial interests may also be made nondisqualifying by a general regulation published in the Federal Register.

IV. 18 U.S.C. 209

Subsection (a) prevents executive branch personnel from receiving, and anyone from paying them, any salary or supplementation of salary from a private source as compensation for their Government service. Subsection (b) permits participation in a bona fide pension plan or other employee welfare or benefit plan maintained by a former employer. Subsection (c) exempts special Government employees and anyone serving the Government without compensation. Subsection (d) exempts contributions, awards, or other expenses under the Government Employees Training Act (5 U.S.C. 2301-2319).

V. 37 U.S.C. 801(a), 10 U.S.C. 6112(a), APPLICABLE TO REGULAR NAVY AND MARINE CORPS OFFICERS

A Regular Navy or Regular Marine Corps officer on active duty may not be employed by anyone furnishing Naval supplies or war materials to the United States. If such an officer is so employed he or she is not entitled to any payment from the United States during that employment.

VI. 18 U.S.C. 207, APPLICABLE TO FORMER DOD PERSONNEL

- A. Subsection (a) permanently prohibits former DOD personnel from acting as agent or attorney for anyone other than the United States in connection with matters involving a specific party or parties in which (1) The United States has a direct and substantial interest, and (2) the former personnel participated personally and substantially while holding a Government position.
- B. For 1 year after having had related official responsibilities, former DOD personnel are prohibited from personal appearances before a court, department, or agency of the Government as agent or attorney for anyone other than the United States Government (subsection (b)).
- C. Past participation in or official responsibility for general rule making, the formulation of general policy or standards, or other similar matters does not disqualify former personnel. Similarly, in the scientific field past participation in discussions of scientific or engineering concepts, the feasibility of scientific or technical accomplishments, or proposed Government programs in the early

stages prior to the formulation of a contract or a contract proposal where specific parties become involved in a matter, does not disqualify the former personnel from representation with respect to a contract entered into at a later time even though the same general scientific matters may be involved in such a contract.

- D. Neither subsection precludes postemployment activities which are no more than aiding or assisting another. A person who leaves the department to accept private employment may, for example, immediately perform technical work on a contract for which he or she had official responsibility. On the other hand, he or she is forbidden for a year to appear personally before the department as the agent or attorney of his or her company in connection with a dispute over the terms of the contract. He or she may at no time appear personally before the department or otherwise act as agent or attorney for his or her company in such dispute if he or she helped negotiate the contract.

VII. SUMMARY OF LAWS PARTICULARLY APPLICABLE TO RETIRED REGULAR OFFICERS

A. Prohibited Activities

1. Claims. A retired Regular officer of the Armed Forces may not, within 2 years of his or her retirement, act as agent or attorney for prosecuting any claim against the Government, or assist in the prosecution of such a claim, or receive any gratuity or any share of or interest in such a claim in consideration for having assisted in the prosecution of such a claim, if such claim involves the Military Department in whose service he or she holds a retired status. Nor may a Regular retired officer at any time act as an agent or attorney for prosecuting any claim against the Government or assist in prosecution of such claim, or receive any gratuity or any share of or interest in such claim in consideration for having assisted in the prosecution of such claim, if such claim involves any subject matter with which he or she was directly connected while on active duty (see 18 U.S.C. 293).
2. Selling
 - a. A retired Regular officer is prohibited, at all times, from representing any person in the sale of anything to the Government through the Military Department in whose service he or she holds a retired status (see 18 U.S.C. 281).
 - b. Payment may not be made from any appropriation, for a period of three years after his name is placed on that list, to an officer on a retired list of the Regular Army, the Regular Navy, the Regular Air Force, the Regular Marine Corps, the Regular Coast Guard, the Environmental Science Services Administration, or the Public Health Service, who is engaged for himself or others in selling, or contracting or negotiating to sell, supplies or war materials to an agency

of the Department of Defense, the Coast Guard, the Environmental Science Services Administration, or the Public Health Service." (Sec. 37 U.S.C. 801(c) as amended October 9, 1962, P.L. 87-777, formerly 5 U.S.C. 59(c)). (Note: The Environmental Science Services Administration was abolished on October 3, 1970, and its functions were transferred to the National Oceanic and Atmospheric Administration.)

- c. For the purpose of this statute, "selling" means:
- (1) Signing a bid, proposal, or contract;
 - (2) Negotiating a contract;
 - (3) Contacting an officer or employee of any of the foregoing departments or agencies for the purpose of:
 - (a) Obtaining or negotiating contracts.
 - (b) Negotiating or discussing changes in specifications, price, cost allowances, or other terms of a contract, or
 - (c) Settling disputes concerning performance of a contract; or
 - (4) Any other liaison activity with a view toward the ultimate consummation of a sale although the actual contract therefor is subsequently negotiated by another person.
3. Neither these statutes nor this Directive preclude a retired Regular officer from accepting employment with private industry solely because his or her employer is a contractor with the Government.

B. Exemptions From Law Applying to Officers on Active Duty

A retired Regular officer continues to be an "officer" of the United States for purposes of many statutes. However, the laws applying to DOD personnel listed above do not normally apply to retired officers not on active duty who are not otherwise officers or employees of the United States.

Laws Applicable to DOD Personnel

There are legal prohibitions concerning the following activities which may subject present and former DOD personnel to criminal or other penalties:

- A. Aiding, abetting, counseling, commanding, inducing, or procuring another to commit a crime under any criminal statute (see 18 U.S.C. 201).
- B. Concealing or failing to report to proper authorities the commission of a felony under any criminal statute if such personnel know of the actual commission of the crime (see 18 U.S.C. 4).
- C. Conspiring with one or more persons to commit a crime under any criminal statute or to defraud the United States, if any party to the conspiracy does any act to effect the object of the conspiracy (see 18 U.S.C. 371).

- D. Lobbying with appropriated funds (see 18 U.S.C. 1913).
- E. Disloyalty and striking (see 5 U.S.C. 7311, 18 U.S.C. 1918).
- F. Disclosure of classified information (see 18 U.S.C. 798, 50 U.S.C. 783); and disclosure of confidential information (see 18 U.S.C. 1905).
- G. Habitual use of intoxicants to excess (see 5 U.S.C. 7352).
- H. Misuse of a Government vehicle (see 31 U.S.C. 638a(c)(2)).
- I. Misuse of the franking privilege (see 18 U.S.C. 1719).
- J. Deceit in an examination or personnel action in connection with Government employment (see 18 U.S.C. 1917).
- K. Committing fraud or making false statements in a Government matter (see 18 U.S.C. 1001).
- L. Mutilating or destroying a public record (see 18 U.S.C. 2071).
- M. Counterfeiting and forging transportation requests (see 18 U.S.C. 508).
- N. Embezzlement of Government money or property (see 18 U.S.C. 641); failing to account for public money (see 18 U.S.C. 643); and embezzlement of the money or property of another person in the possession of an employee by reason of his or her Government employment (see 18 U.S.C. 654).
- O. Unauthorized use of documents relating to claims from or by the Government (see 18 U.S.C. 285).
- P. Certain political activities (see 5 U.S.C. 7321-7327 and 18 U.S.C. 602, 603, 607, and 608). These statutes apply to civilian employees; regulations govern military personnel.
- Q. Any person who is required to register under the Foreign Agents Registration Act of 1938 (see 18 U.S.C. 219) may not serve the Government as an officer or employee. The section does not apply to (1) reserves who are not on active duty or who are on active duty for training, or (2) a special Government employee in any case in which the department head certifies to the Attorney General that his or her employment by the United States Government is in the national interest.
- R. Soliciting contributions for gifts or giving gifts to superiors, or accepting gifts from subordinates (see 5 U.S.C. 7351). (Applies to civilian employees.)
- S. Acceptance of excessive honorariums (see 2 U.S.C. 441 (i)).
- T. Acceptance, without statutory authority of any office or title, of any kind whatever, from any king, prince, or foreign state by any person holding any office of profit in or trust of the Federal Government, including all retired military personnel.
(US Constitution, Art. I, Sec. 9., Cl 8)

APPENDIX B

DD FORM 1555—CONFIDENTIAL STATEMENT OF AFFILIATIONS AND FINANCIAL INTERESTS—DEPARTMENT OF DEFENSE PERSONNEL

IF ADDITIONAL SPACE IS REQUIRED, USE SEPARATE SHEET AND INDICATE ITEM NUMBER

CONFIDENTIAL STATEMENT OF AFFILIATIONS AND FINANCIAL INTERESTS DEPARTMENT OF DEFENSE PERSONNEL (INCLUDING SPECIAL GOVERNMENT EMPLOYEES)			
DATA REQUIRED BY THE PRIVACY ACT OF 1974			
AUTHORITY:		Information is solicited in this Statement under the authority of Executive Order 11222.	
PRINCIPAL PURPOSE:		Information is required from categories of DoD personnel specified in DoD Directive 5500.7, Section XIX or implementing regulation to enable supervisors and other responsible DoD officials to determine whether there are actual or apparent conflicts of interest between the individual's present and prospective official duties and non-Federal affiliations or financial interests.	
ROUTINE USES:		This information shall be treated as confidential except as determined by the component head concerned or the Civil Service Commission.	
DISCLOSURE:		Filing is voluntary in the sense that no criminal penalties will follow from refusal to file. However, the refusal to provide requested information may result in such measures as suspension of consideration for appointment, reassignment of duties, disciplinary action, or termination of employment.	
1. NAME (Last, first, middle initial)		2. TITLE OR POSITION	
3. DATE OF APPOINTMENT TO PRESENT POSITION		4. DOD COMPONENT AND MAJOR ORGANIZATIONAL SEGMENT	
PART I. TO BE COMPLETED BY THOSE DOD PERSONNEL INDICATED IN SECTION XIX OF DOD DIRECTIVE 5500.7 OR IMPLEMENTING REGULATION			
<p>5. NON-FEDERAL AFFILIATIONS AND FINANCIAL INTERESTS. The interest of a spouse, minor child, and any member of your household shall be reported in the same manner as your interests. List the names of all corporations, firms, partnerships, and other business enterprises, nonprofit organizations, and educational, or other institutions: (a) with which you are (or since last filing were) affiliated as an employee, officer, owner, director, member, trustee, partner, adviser, agent, representative, or consultant, or as a person on leave from or having any understanding or plans for future affiliation; (b) in which you have any continuing financial interests, such as through a pension or retirement plan, shared income, continuing termination payments, or other arrangement as a result of any current or prior employment or business or professional association; or (c) in which you have any financial interest through the legal or beneficial ownership of stock, stock options, bonds, securities, or other arrangements including trusts. Identify any financial</p>		<p>interests in commodities which you have had since last filing. If none, write "None."</p> <p>Associations with, or interests in, a professional, charitable, religious, social, fraternal recreational, public service, civic, or political organization not conducted for profit and which is not engaged in ownership or conduct of a business for profit is not required. Educational and other institutions doing research and development or related work involving grants from or contracts with the Government are to be included in this report.</p> <p>Amounts of financial interests need not be reported unless specifically requested by the Standards of Conduct Counselor or Deputy Counselor. For required information not known to you but known to another person, you are required to request its submission on your behalf.</p>	
NAME AND KIND OF ORGANIZATION	ADDRESS	POSITION OR AFFILIATION (Present or intended)	NATURE OF FINANCIAL INTEREST (Stock, prior business income, pension, etc.)
SAMPLE			
6. CREDITORS. List all creditors other than those providing arms-length, conventional loans on customary commercial terms. If none, write "NONE."			
NAME AND ADDRESS OF CREDITOR		NATURE OF DEBT (Personal loan, etc.)	

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REPLACES DD FORMS 1555 AND 1555-1, 1 MAR 66; DD FORMS 1555(PAS) AND 1555-1(PAS), 26 SEP 76, WHICH ARE OBSOLETE.

7. INTERESTS IN REAL PROPERTY. List your interests in real property other than personal residence you occupy. Note any DoD contractor relationship, present or prospective, regarding acquisition or present status. If none, write "NONE."

NATURE OF INTEREST <i>(Ownership, mortgage, lease, investment, trust, etc.)</i>	TYPE OF PROPERTY <i>(Residence, hotel, apartments, farm, undeveloped land, etc.)</i>	ADDRESS

8. INFORMATION REQUESTED FROM OTHER PERSONS. If any information is to be supplied by other persons (e.g. trustee, attorney, accountant, relative), indicate name and address of such person, date on which you requested information, and subject matter involved. If none, write "NONE."

NAME AND ADDRESS	DATE OF REQUEST	SUBJECT MATTER

SAMPLE

PART II - ADDITIONAL INFORMATION TO BE FURNISHED ONLY BY "SPECIAL GOVERNMENT EMPLOYEES"
(Temporary or part-time "advisers or consultants" as prescribed in Section III C. of DoD Dir 5500.7 or implementing regulation)

9. ESTIMATE THE NUMBER OF DAYS ON WHICH SERVICES ARE EXPECTED TO BE PERFORMED.

a. WITH EMPLOYING DOD COMPONENT	b. WITH OTHER FEDERAL AGENCIES	c. SUM OF a. AND b.

9. NUMBER OF DAYS WORKED FOR DOD DURING THE 365 DAYS PRECEDING DATE OF CURRENT APPOINTMENT

a. NUMBER OF DAYS WORKED FOR DOD DURING THE 365 DAYS PRECEDING DATE OF CURRENT APPOINTMENT	b. NUMBER OF DAYS WORKED FOR EMPLOYING DOD COMPONENT DURING THE 365 DAYS PRECEDING DATE OF CURRENT APPOINTMENT

10. FEDERAL GOVERNMENT EMPLOYMENT. List all other DoD Components and Federal agencies in which you are presently employed. If none write "NONE."

COMPONENT OR AGENCY AND LOCATION	TITLE OR KIND OF POSITION	APPOINTMENT PERIOD		ESTIMATED NUMBER OF DAYS
		From	To	

I certify that the statements I have made are true, complete, and correct to the best of my knowledge and belief, and that I have read and understand the contents of DoD Directive 5500.7 as implemented by my employing DoD Component's regulation.

SIGNATURE _____ DATE _____

SUPERVISOR'S EVALUATION
(See enclosure 3 of DoD Dir 5500.7 or implementing regulation)

I have reviewed the above statement in light of the present and prospective duties of the individual to ensure that both actual and apparent conflicts of interest are avoided. My evaluation is:

- No affiliation/financial interests reported.
- Reported affiliation/financial interests are unrelated to assigned or prospective duties, and no conflicts appear to exist.
- Assigned duties require participation in matters involving or which may involve the following reported affiliation/financial interests. This conflict or apparent conflict will be resolved by: Change in assigned duties; Divestiture of the interests and relief of incumbent from all related duties pending divestiture; Disqualification; Other (explain). A copy of my advice is attached. Notice of completed corrective action will follow.
- The following reported affiliation/financial interests are related to assigned or prospective duties, but have been determined by the appropriate appointing official to be not so substantial as to affect the integrity of the individual's services:
A copy of that formal determination and rationale is attached.
- The prospective employee's duties will require participation in matters involving the following reported affiliation/financial interests, and the appointment cannot be consummated until divestiture of these interests is completed.

SIGNATURE OF SUPERVISOR _____ PRINT OR TYPE NAME AND TITLE _____ DATE _____

STANDARDS OF CONDUCT COUNSELLOR/DEPUTY COUNSELLOR REVIEW *(See enclosure 3 of DoD Dir 5500.7 or implementing regulation)*

As a duly designated counsellor (or Deputy Counsellor), I have examined the foregoing Statement and Evaluation.

- I concur with the supervisor's evaluation.
- I do not concur with the supervisor's evaluation and recommend the following action:

SIGNATURE _____ DATE _____

APPENDIX C

**REPORT FORMAT—ANNUAL REPORT TO HQDA
REVIEW OF DD FORMS 1555 (CONFIDENTIAL
STATEMENTS OF AFFILIATIONS AND FINANCIAL
INTERESTS—DOD PERSONNEL) (RCS CSGPA-1480)**

C-1. Major commanders and heads of DA Staff agencies will submit an annual report (subject and RCS as above) reflecting the extent of compliance as of 31 October of each year. Report will contain the following:

- a. Number of personnel required to submit statements.
- b. Number of statements which have been received for review.
- c. Number of statements which have been reviewed, indicating separate figures for determination of:
 - (1) No conflict.
 - (2) Apparent or potential conflict, to include an indication of the nature of action taken by the reviewing official.
- d. Number of statements which are in process of review, indicating separate figures for the following categories:
 - (1) Additional information being obtained.
 - (2) Determination of apparent or potential conflict underway.
 - (3) Other (explain).
- e. Names and positions of individuals required to submit DD Form 1555 but have not done so. Give reason and date when DD Form 1555 is expected in each case.

C-2. For clarity and completeness, figures reported pursuant to preceding paragraph should correlate as follows:

- a. Number of names listed (e) should equal difference between number of personnel required to submit statements (a) and number of statements which have been received for review (b).
- b. Number of statements which are in process of review (d) should equal the difference between the number of statements which have been received for review (b) and the number of statements which have been reviewed (c)

APPENDIX D
DD FORM 1357—STATEMENT OF EMPLOYMENT
(REGULAR RETIRED OFFICERS)

STATEMENT OF EMPLOYMENT (Regular Retired Officers)	
DATA REQUIRED BY THE PRIVACY ACT	
AUTHORITY:	37 U.S.C. 801 (c) and 5 U.S.C. 5532
PRINCIPAL PURPOSES:	Information is required from retired regular officers to enable Department of Defense personnel to determine whether such officers are engaged in activities prohibited by law or regulation, including those that could result in the loss of retired pay or a reduction in retired pay due to other Federal employment.
ROUTINE USES:	The information supplied on this form is forwarded to the Military Department in which the individual holds a retired status and is appropriately reviewed to assure compliance with applicable statutes and regulations.
DISCLOSURE:	Disclosure of the requested information is voluntary in the sense that no criminal penalties will follow from failure to file. However, the information requested by this form is required to enable the Department of Defense to implement 37 U.S.C. 801 (c) and 5 U.S.C. 5532. If the information is not provided, further investigation will ensue which may lead to the withholding of retired pay and the referral of the matter to the Comptroller General of the United States or other Federal agencies.
1. I am a regular retired officer of the _____, and was retired on _____	
	<small>(Department) (Date)</small>
2. I <input type="checkbox"/> am <input type="checkbox"/> am not employed. (If employed, or self employed, complete the rest of this item; if more than one employer, list complete information for each employer on a separate sheet)	
a. My employer's name and address is	
b. My employer sells, or offers for sale, to agencies (including nonappropriated fund activities) of the Department of Defense, the Coast Guard, the National Oceanic and Atmospheric Administration, or the Public Health Service, the following types of products or services:	
3. If item 2.b is answered in the affirmative, complete this item:	
a. My position title is	
b. My duties are, briefly (a complete description of your job, a copy of your employment contract, or any other pertinent information, may be attached):	
c. My duties include one or more of the following activities in regard to an agency specified in item 2.b:	
(1) signing a bid, proposal, or contract, (2) negotiating a contract, (3) contacting an officer or employee of the agency for the purpose of (i) obtaining or negotiating contracts, (ii) negotiating or discussing changes in specifications, price, cost allowances, or other terms of a contract; or (iii) settling disputes concerning performance of a contract, or (4) any other liaison activity with a view toward the ultimate consummation of a sale even though the actual contract therefor is subsequently negotiated by another person.	
<input type="checkbox"/> No <input type="checkbox"/> Yes (If answered in the affirmative, attach explanatory details)	
4. I have received a copy of DoD Directive 5500.7 or the regulation issued by my department implementing that Directive.	
5. I will file a new Statement of Employment within 30 days after the information in this Statement has ceased to be accurate. I understand that if I have been retired for less than three years and have been employed by a defense contractor, I might also be subject to the requirement to file a Report of DoD and Defense Related Employment (DD Form 1787) pursuant to 50 USC 1436 and DoD Directive 7700.15.	
SIGNATURE	DATE
NAME (Typed or printed)	FILE/SSN

SAMPLE

DD FORM 1357
FORM 1 JAN 77

REPLACES DD FORM 1357, 1 MAY 63 AND DD FORM 1357(PAS), 26 SEP 75, WHICH ARE OBSOLETE.

The proponent agency of this regulation is the Office of the Deputy Chief of Staff for Personnel. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) direct to HQDA (DAPE-HRL), WASH, DC 20310.

By Order of the Secretary of the Army:

BERNARD W. ROGERS
General, United States Army
Chief of Staff

Official:

J. C. PENNINGTON
Brigadier General, United States Army
The Adjutant General

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