



NASA Ethics Training

2011

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ETHICS OFFICIALS AT NASA

DESIGNATED AGENCY ETHICS OFFICIAL (DAEO)

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KSC Ethics Official

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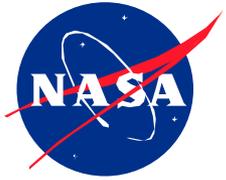
Routine Ethics Questions

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KSC Ethics Advisory Line: 867-9223

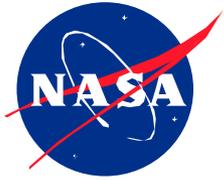
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NASA CORE VALUES

- Safety
- Teamwork
- Integrity
- Mission Success

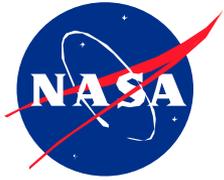




INTEGRITY

- NASA is committed to an environment of trust, built upon honesty, ethical behavior, respect, and candor. Building trust through ethical conduct as individuals and as an organization is a necessary component of mission success.



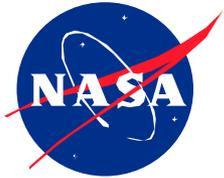


WHY ETHICS?

- “When a man assumes a public trust, he should consider himself as public property.”

- Thomas Jefferson





SOURCES OF ETHICS RULES

- Statutes, Regulations, etc.
- Executive Order 12674
 - **14 general principles that broadly define the obligations of public service. Underlying these 14 principles are two core concepts - -**
 - don't use public office for private gain, and
 - act impartially and don't give preferential treatment to any private organization or individual.



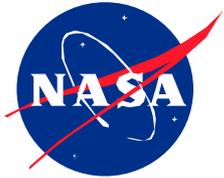


GENERAL PRINCIPLES OF PUBLIC SERVICE

DO:

- Place loyalty to the Constitution, the laws, and ethical principles above private gain. **Public Service is a public trust.**
- Act impartially to all groups, persons, and organizations.
- Give an honest effort in the performance of your duties.
- Protect and conserve Federal property.
- Disclose fraud, waste, and abuse, and corruption to appropriate authorities.
- Fulfill in good faith your obligations as citizens, and pay your Federal, State, and local taxes.
- Comply with all laws providing equal opportunity to all persons, regardless of their race, color, religion, sex, national origin, age, or disability.





GENERAL PRINCIPLES OF PUBLIC SERVICE

DO NOT:

- Use your public office for private gain.
- Use nonpublic information to benefit yourself or anyone else.
- Solicit or accept gifts from persons or parties that do business with or seek official action from NASA (unless permitted by an exception).
- Make unauthorized commitments or promises that bind the government.
- Use Federal property for unauthorized purposes.
- Take jobs or hold financial interests that conflict with your Government responsibilities.
- Take actions that give the appearance that they are illegal or unethical.





EXECUTIVE ORDER 12674

- Although the focus of the Federal ethics program is on the rules, mere technical compliance is not enough to maintain the confidence of the public.
- The Executive Order also requires that Federal employees avoid even the appearance of impropriety.





5 C.F.R. PART 2635

- Standards of Ethical Conduct for Employees of the Executive Branch
- American citizens have a right to complete confidence in the integrity of their government. The way to ensure that integrity is for all employees to place loyalty to the Constitution, laws and ethical principles above private gain. Because ours is a rules-based system of ethics, public employees fulfill the trust placed in them by adhering to general principles of ethical conduct as well as specific ethical standards--that is, by obeying the rules.

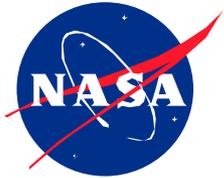




ETHICS ENIGMA #1

Michael works in External Relations. As part of his duties, Michael provides a VIP tour of KSC to the CEO of Dunder Mifflin. To express his thanks for the tour, the CEO sends Michael a thank you letter and a ticket to the Tampa Bay Rays versus New York Yankees playoff game (face value of \$95). Michael would like to attend the game. What may Michael do?





ETHICS ENIGMA #1

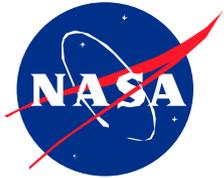
Gifts from Outside Sources

Employees may not accept gifts given:

- a. By a prohibited source (such as a NASA contractor)
or
- b. Due to the employee's official position

This general rule is subject to some **exceptions.**



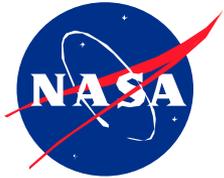


ETHICS ENIGMA #1

- Prohibited source includes anyone
 - Seeking official action by NASA
 - Doing or seeking to do business with NASA
 - Regulated by NASA
 - Who has interests that may be substantially affected by the performance or nonperformance of your official duties

Note: If a corporation is a prohibited source, employees of the corporation are a prohibited source. This includes friends and neighbors working for prohibited sources.

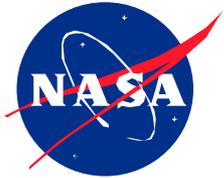




IS THE TICKET A GIFT?

- A “GIFT” may be any item of value:
(cash, entertainment, travel, loan, discount, training)

 - NOT GIFTS:
 - Snacks (coffee/donuts)
 - Anything for which you paid fair market value
 - Anything paid for by the government
 - Anything accepted by NASA under statutory authority
 - Any benefits or prizes open to the public or to all Government employees
- 



IS THERE A GIFT EXCEPTION?

- Gifts valued at \$20 or under with annual max of \$50 from each prohibited source
- Gifts based on a personal or outside business or employment relationship
- Awards and honorary degrees
- Widely attended gatherings - need advance written determination by Agency Designee (Chief Counsel)
- Social invitations (if not from prohibited source and no fee is charged to any in attendance)
- NOTE: Foreign Gifts and Decorations Act permits acceptance of gift worth up to \$350 if it is from a foreign government





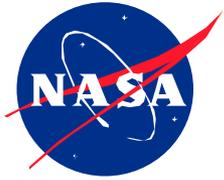
MAY MICHAEL ACCEPT THE TICKET?

Michael received the ticket because of his official position.

So, Michael can accept the ticket only if he reimburses Dunder Mifflin in the amount of \$95 (face value of the ticket).

The gift exceeds the \$20 de minimis exception and no other exception applies. If Michael chooses to accept the ticket, he must reimburse Dunder Mifflin the entire face value of the ticket.





REMEMBER...

- It is never inappropriate, and is frequently prudent, to decline a gift – even if it properly falls under one of the gift exceptions.
- An ethical person ought often to do more than is required and less than is allowed.





ETHICS ENIGMA #2

Rick and Ilsa work in the Human Resources Office. Rick is Ilsa's direct supervisor. Ilsa invites Rick and his new bride to use her family's spacious and well-appointed cabin in the Blue Ridge mountains for their ten day honeymoon. May Rick accept?

In addition, Ilsa has heard Rick mention on countless occasions that his favorite TV show ever was Hee Haw. May Ilsa ask her co-workers to contribute \$10 toward the purchase of a DVD/Blu-Ray Combo Pack Special Edition Box Set of Digitally-Remastered Hee Haw episodes as a wedding gift?





GIFTS BETWEEN EMPLOYEES

Employees may not:

Give a gift to their official supervisors or solicit others for the same.

Accept gifts from an employee receiving less pay, unless there is no superior-subordinate relationship and a personal relationship exists that would justify the gift.





GIFTS BETWEEN EMPLOYEES

Exceptions:

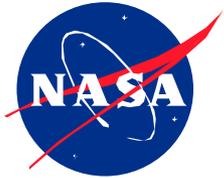
On an occasional basis, employees may give or receive:

- Gifts less than **\$10**
- Items such as food to be shared in the office
- Personal hospitality

Also, employees may give gifts appropriate to the occasion:

- In recognition of infrequent, significant events (such as birth, marriage, illness)
- Upon occasions that terminate a superior-subordinate relationship (such as retirement)



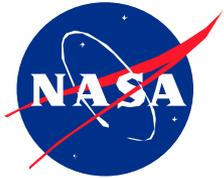


WHAT MAY ILSA DO?

Ilsa may suggest a \$10 contribution for the group gift, but ***must*** make it clear the contribution is voluntary and the contributors may decide how much they wish to contribute or nothing at all.

Rick should decline the offer of the cabin. Although it would be a gift in recognition of a special, infrequent event, its fair market value would likely exceed \$500. A gift given and accepted under this exception must be reasonably appropriate to the occasion.

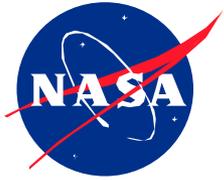




THE FLIPSIDE

As it happens, Ilsa misses the wedding to have her first child. Rick would like to send Ilsa a \$100 gift certificate for the services of a diaper service. Will Rick violate the Standards of Conduct if he makes this gift?

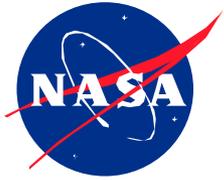




THE FLIPSIDE

No. There are no ethical limitations on supervisors giving gifts to subordinates.

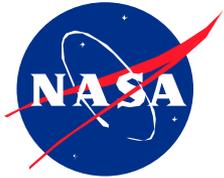




ETHICS ENIGMA #3

Chuck works in the KSC Procurement Office and has been assigned the task of reviewing proposals for an upcoming office supply contract. One of the proposals was submitted by Buy More, Inc. Chuck realizes his wife owns \$25,000 in Buy More stock in her 401(k). What should he do?





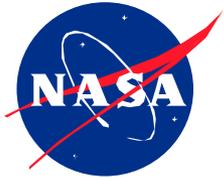
CONFLICTS OF INTEREST

The general rule is located in a criminal statute, 18 U.S.C. § 208, and states:

An employee may not participate

- Personally and substantially
- In a particular matter
- In which they have an interest or an imputed interest
- If the particular matter will have a direct and predictable effect on the interest



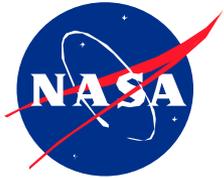


IMPUTED INTERESTS

Interests imputed to the employee (i.e., considered to be the employee's own interests) include those of a:

- Spouse
- Minor child
- General partner
- Organization or entity for which the employee serves as officer, director, trustee, general partner or employee
- A person with whom the employee is seeking employment





PERSONAL AND SUBSTANTIAL PARTICIPATION

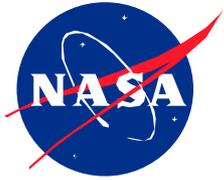
○ What is it?

- Direct and active participation in a particular matter

Examples include:

- Helping to define contract requirements
- Monitoring a task order
- Evaluating a proposal
- Participating in mishap investigations
- Serving on a Source Evaluation Board or Performance Evaluation Board
- Reviewing and concurring in contractual documents or grant proposals



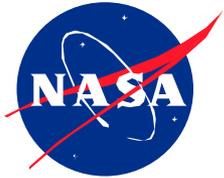


PERSONAL AND SUBSTANTIAL PARTICIPATION

Participating personally and substantially in a federal agency procurement means active and significant involvement of the individual in:

- Drafting, reviewing, or approving the specification or statement of work for the procurement,
- Preparing or developing the solicitation,
- Evaluating bids or proposals, or selecting a source,
- Negotiating price or terms and conditions of the contract, or
- Reviewing and approving award of the contract.

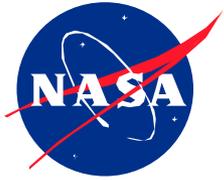




WHAT IS A PARTICULAR MATTER?

- It involves the Government and a specific third party or parties. For NASA, a particular matter typically involves
 - A contract
 - A grant
 - A Space Act Agreement
 - A Cooperative Agreement

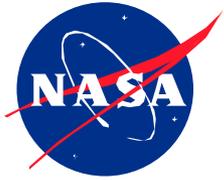




WHAT IS A DIRECT AND PREDICTABLE EFFECT?

- Occurs when there is a connection between a decision/action to be taken in a particular matter and any expected effect that matter has on your financial interest.





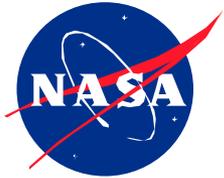
EXEMPTIONS AND WAIVERS

Exemption - An exemption exists in the Federal regulations for aggregate interests in securities (i.e., stocks) with a total value of less than \$15,000. However, NASA policy prohibits employees from participating in NASA procurements if they own any securities in bidding companies.

Waivers - Waivers may be available in some cases if the Agency determines that an interest is not so substantial as to be likely to affect the integrity of services that the Government may expect from the officer or employee.

Waivers must be signed by the Administrator.





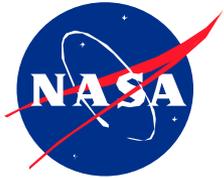
DOES CHUCK HAVE A CONFLICT?

Yes. Chuck has direct responsibility to review the proposals.

- o His wife's financial interest in Buy More, Inc. through her stock ownership in her 401(k) is imputed to Chuck.

Chuck should consult with his supervisor and an Ethics Official.



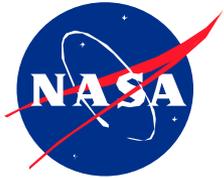


WHAT ARE HIS OPTIONS?

He may be able to:

- Disqualify himself from participating in this procurement;
- Divest the conflicting interest in Buy More, Inc.; or
- Obtain a waiver to allow him to continue to work on this project.





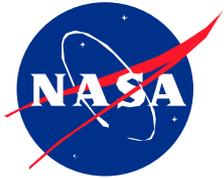
WHAT DO YOU DO?

- If you think you may have a conflicting financial interest:
 - Talk to your supervisor and/or contact the Chief Counsel's Office immediately
 - Do not take any action that might affect the matter until a determination is made

Penalties:

1 year imprisonment, 5 years if conduct is willful
50K – 220K in fines

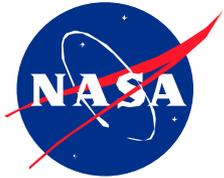




COURTNEY STADD

- Former NASA Chief of Staff was involved in directing earmarked funds to a client while serving as a special government employee.
- Stadd's consulting company's clients included the GeoResources Research Institute (GRI) at Mississippi State University (MSU).
- He said he would work only on non-NASA matters for his company while working for NASA and agreed to recuse himself from any NASA-related matters involving GRI or MSU in the course of his official duties.
- However, Stadd directed that \$12 million of a \$15 million earmark be set aside for MSU. NASA officials did not know that Stadd had a consulting arrangement with MSU. MSU ultimately received \$9.6 million of earmark.

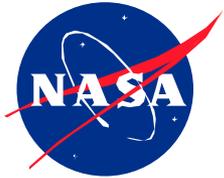




EVIDENCE AND OUTCOME

- Email to MSU used as evidence that Stadd had steered funds to his client.
- Stadd also billed MSU GRI for \$27,450 for work relating to the earmark and proposed additional fees of \$60,000 for future work, citing example of earmark “recovery.”
- Charged with a criminal conflict of interest and two counts of lying to ethics officials.
- Jury trial returned guilty verdict on all counts.
- Received 36 months probation on each count, fines of \$2800, and 100 hours of community service. Lost on appeal in March 2011.
- Stadd and his company placed on Excluded Parties List.

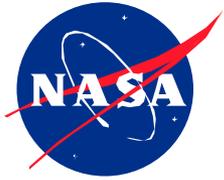




STADD – TAKE 2

- Courtney Stadd indicted a second time in the Southern District of Mississippi.
- Worked with NASA official to direct \$600,000 contract to MSU, which then subcontracted \$450,000 to Stadd's company.
- Billed university for work not performed.
- Charged with nine counts, including conspiracy, false statements, false claims, obstruction of a grand jury proceeding, and major fraud.
- Pled guilty to one count of conspiracy in August 2010.
- Sentenced to 41 months in prison in November 2010. Also ordered to pay \$7,500 fine and \$287,000 in restitution.
- Began serving sentence in prison in February 2011.

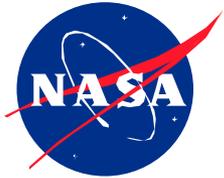




LIAM SARSFIELD

- Former NASA Deputy Chief Engineer
- Access to \$1.5 million discretionary fund
- Used authority to initiate a number of studies
- Directed the sole-source award of \$600,000 for a remote-sensing study to MSU via a contract with the Mississippi Research Consortium
- Sarsfield received money from Stadd's consulting firm after he left NASA in January 2005
- Pled guilty to 18 USC 208 (Conflict of Interest) in September 2010.
- Sentenced to three years probation, \$5,100 in fines, and restitution of \$87,752.55 to NASA.

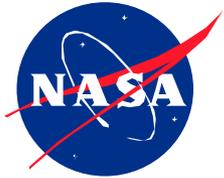




IMPARTIALITY RULES

- You may not work for the Government on a particular matter that you know is likely to affect the financial interests of:
 - A member of your household, OR
 - A person with whom you have a “covered relationship”
- if you think that a person with knowledge of the relevant facts would question your impartiality in the matter.



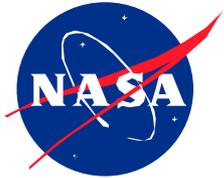


COVERED RELATIONSHIP

- A covered relationship includes:
 - Anyone with whom you, OR your spouse, parent, or dependant child have or seek a financial, business or contractual relationship,
 - Any member of your household,
 - Anyone with whom you have had a business relationship within the last year
 - Considered a business relationship if you served as an officer, director, trustee, general partner, agent, attorney, consultant, contractor or employee,
 - Any organization in which you are an active participant.

Depending on the circumstances, a waiver of this restriction may be granted.



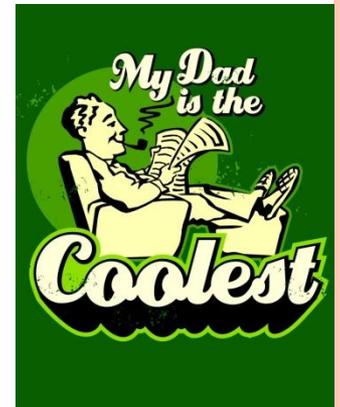


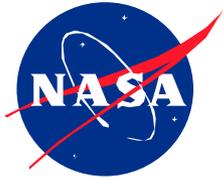
ETHICS ENIGMA #4

Jack is a budget analyst on KSC's payload processing contract. His daughter is planning to attend an expensive private college in the fall. In addition to the tuition, she has asked for a new BMW so she will fit in at the college. To finance his daughter's dreams, Jack would like to earn additional income by taking a part-time job with Donaghy Corporation. Donaghy Corporation has contracts with NASA, but none in which Jack is involved.



May he take the job?





OUTSIDE ACTIVITIES

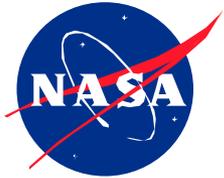
Employees may not engage in outside activities that conflict with their official duties. A conflict exists if

- a. the activity is prohibited by law, or
- b. the employee's ability to perform his or her duties would be materially impaired.

NASA regulations prohibit outside employment:

- With a NASA contractor, subcontractor, grantee on work performed by that entity for NASA.
- With a party to a Space Act agreement in connection with the work performed under that agreement.



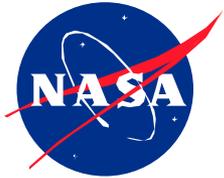


OUTSIDE ACTIVITIES

NASA regulations do not prohibit, but require prior approval for:

- Teaching, speaking, writing, or editing, unless on a topic of private interest
- Practice of a profession or rendering professional consulting services
- Management or conduct of a business in which the employee or his/her spouse has an ownership interest
- Holding a state or local public office
- Work with a NASA contractor, subcontractor, grantee, or party to a Space Act agreement
- Serving as an officer, trustee, member of a board, directorate, or similar body for a for profit organization or for a nonprofit that is a prohibited source
- Employment that involves the practice of a NASA-owned invention



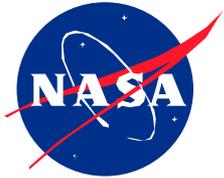


CAN JACK TAKE THE JOB?

NASA's supplemental ethics regulations require that Jack seek and obtain prior administrative approval before engaging in outside employment with a NASA contractor, subcontractor, or grantee.

If approved, Jack will be able to work part-time for Donaghy provided that Jack's part time job is not connected with any work that Donaghy performs for NASA.

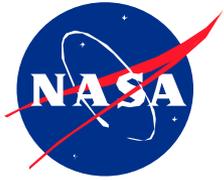




MICHAEL PETERS

- Michael Peters worked for NASA as a Senior Analyst in the Office of the Administrator from 2002-2003. Peters' job was to evaluate and recommend financial software. He recommended NASA purchase a software product from Open System Sciences (OSS). At the same time, OSS was paying Peters, through intermediaries, \$25,500 to develop and market the product.
- In addition, Peters intentionally omitted information about the payments on his Financial Disclosure Report. He also failed to list his outside employment (OSS or intermediaries), as required.
- Sentenced to 2 years probation, \$25,500 fine and 500 hours of community service.

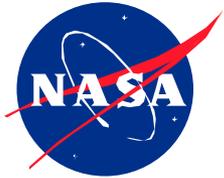




MORE LESSONS...

- An employee at Langley was responsible for reviewing and approving work done on a project to install new “telecommunications closets.” The employee recommended that the prime contractor hire a certain subcontractor, which was wholly owned and operated by the employee’s friend. The prime contractor agreed. The subcontractor completed the work, and bid on another contract. Upon receiving the second contract, the subcontractor covertly hired another company to complete the work...this company was wholly owned and operated by the NASA employee himself.
- Sentenced to 5 years of probation and a \$5,000 fine.

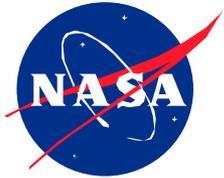




ETHICS ENIGMA #5

Many of Woodhouse College's graduates obtain employment with NASA. The College has invited Emma, a Senior Human Resources Specialist, to accept a seat on its Board of Directors. The College believes her experience and knowledge of what NASA considers when hiring new employees will prove beneficial to the school in improving its curriculum and developing strategic programs. In particular, the College would like NASA's input on a new engineering degree program it intends to implement. May she accept?



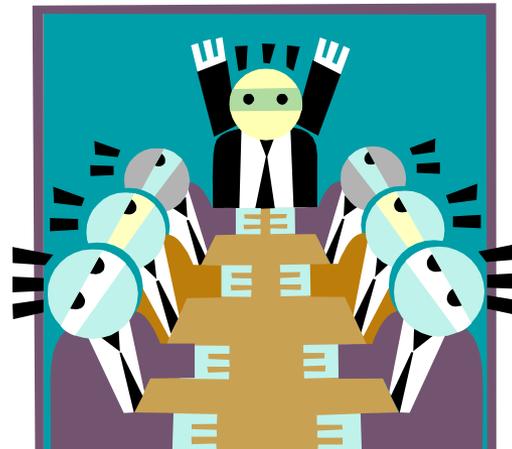


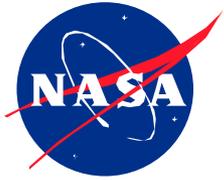
BOARD PARTICIPATION (OFFICIAL CAPACITY)

Official Board Membership is generally not permitted.

However, an employee *may* serve as:

- *Official Liaison to the Board*
- *Honorary or Advisory Board Member*





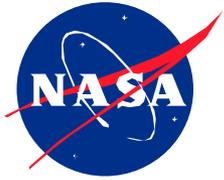
BOARD PARTICIPATION (PERSONAL CAPACITY)

Non-Official Board Membership in Personal Capacity if –

- Offer not based on employee's official position
- Must act outside scope of their official positions
- Do not allow use of official title or position

Employees should seek official approval for service on a Board in a personal capacity under NASA's regulation (5 C.F.R. 6901) for outside activities.





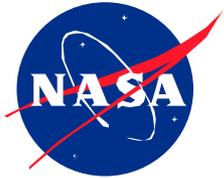
CAN EMMA SERVE ON THE BOARD?

Not in an official capacity.

However, she may be able to serve as a NASA liaison to the Board.

Emma needs to seek advice from an Agency ethics official.



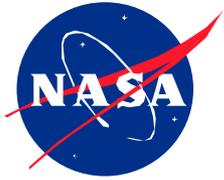


ETHICS ENIGMA #6

UCF has invited Jorge, an aerospace engineer for NASA, to teach a course in aerospace engineering. Jorge will be duly compensated by the school for this activity. May he accept?

While waiting on his ethics advice, Jorge realizes what a great opportunity this could be for him, the students, and NASA. He has several engineering problems awaiting resolution on his To-Do list. What better way to get some innovative ideas than pairing a workshop with his lecture class in which the students would each be assigned one of his problems to solve. The students would get real world problems to work, the extra class would increase the amount of compensation he gets from the university and Jorge figures he can knock out a year's worth of engineering work in one semester – a win for everyone. Any problems with Jorge's new plan?

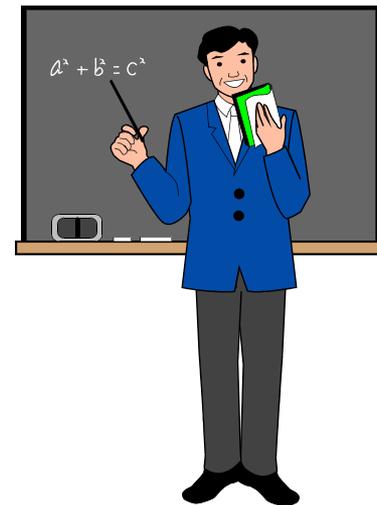


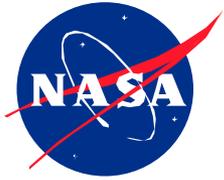


COMPENSATION FOR ACTIVITIES THAT RELATE TO OFFICIAL DUTIES

Employees may not accept compensation from a source outside the Government for teaching, speaking, or writing that relates to their official duties.

Relating to official duties includes writings that deal with an ongoing or announced policy, program, or operation of the agency.

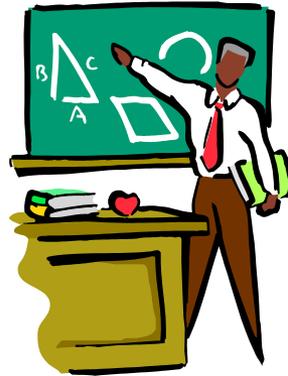


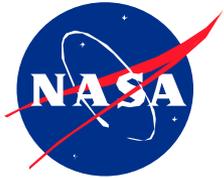


EXCEPTIONS

Exception for:

- matters within employee's discipline or area of expertise
- teaching, speaking or writing based on his/her educational background or experience.





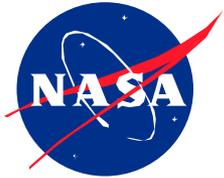
CAN HE TAKE THE DOUGH?

Yes – for teaching the aerospace engineering lecture course (general subject within his discipline or area of expertise)

Must seek outside employment approval.

No – no compensation for the workshop because the subject matter involves ongoing Agency programs and operations.





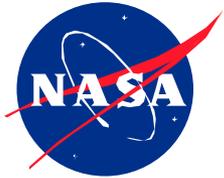
ETHICS ENIGMA #7



Petie Politician is a good friend of Ellie Engineer (GS-11) who works at GSFC. Petie has invited Ellie to attend a fundraising dinner for his campaign for State senate. Ellie has known Petie a long time and is more than happy to pay the \$500 a plate fee to support him. Recognizing a good opportunity, Petie has also given Ellie a few bumper stickers for her car and an extra hundred or so to hand out at work. What can Ellie do?

As a member of the Millennial Generation, Ellie is both politically active and socially aware. She, of course, also makes extensive use of social networking sites. On her lunch hour, she goes down to the newly minted Cyber Café and sends out the following Tweet from her personal Twitter account: "Whattup, peeps! It's election season. So, give up the dough, give up the dough, give up the dough for Obama, yo! Cheers, Ellie87." Problem?

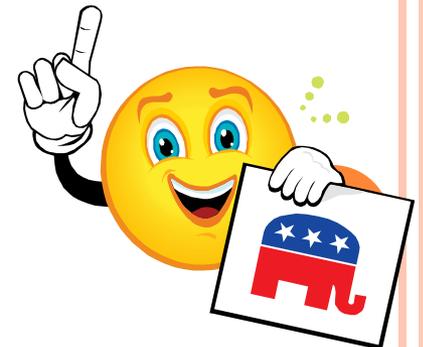
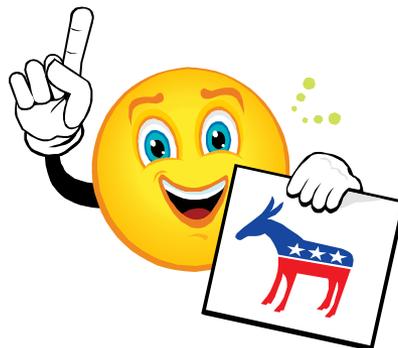


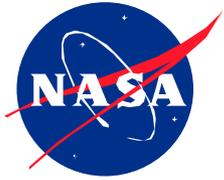


HATCH ACT

Prohibits Federal employees from engaging in partisan political activity

- While on official duty
- In any room or building in which Federal employees or officers perform official work.
- While wearing a uniform or official insignia
- Using any vehicle owned or leased by the Government

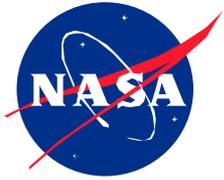




WHAT IS POLITICAL ACTIVITY?

- Any activity directed toward the success or failure of a political party, candidate for partisan political office, or partisan political group.





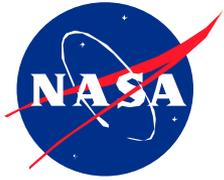
HATCH ACT



In addition, employees may not:

- Use official authority or influence to interfere with an election
- Solicit, accept, or receive political contributions
- Knowingly solicit or discourage the political activity of someone who has business before the Agency
- Be a candidate for public office in partisan election.

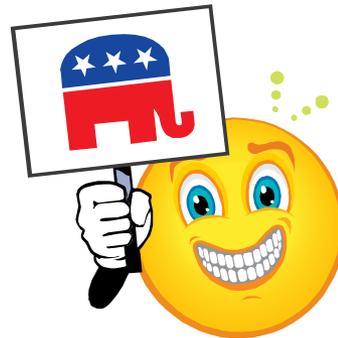


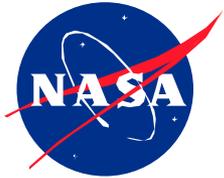


HATCH ACT AND SES

Career SES employees also may not work on campaigns where any of the candidates are running as representatives of a political party.

For example, a Career SES employee may not campaign for or against a candidate in a partisan election.





CAN ELLIE GET POLITICAL?

Yes – may attend fundraising event with friend

Yes – bumper stickers on personal vehicle are generally permissible, but there may be an issue if the vehicle is used extensively in the performance of official duties

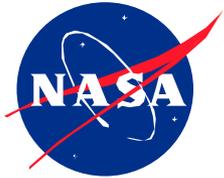
No – may not hand out bumper stickers at work

No – may not participate in any political activity while in the federal workplace – even on own time.

No – may never solicit political contributions.

Key point: Don't participate in partisan political activities while on duty or while in the federal workplace. Also, NEVER solicit contributions for a partisan candidate, group, or party

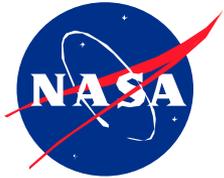




LESSONS LEARNED THE HARD WAY...

- Engaging in political activity while on duty in a federal building led to suspension without pay:
 - JSC blogger received 180 day suspension for using his NASA email account to send partisan political emails. He also made partisan political postings to his blog and solicited political contributions.
 - Phillip Mark received 120 day suspension for forwarding one email to co-workers.
 - More recent cases involving sending emails while at work resulted in the employees' removal.

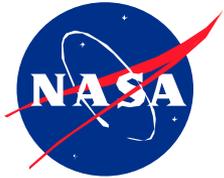




ETHICS ENIGMA #8

Ted is the Contracting Officer's Technical Representative (COTR) for a 2 million dollar logistics services contract awarded to Lots of Change Orders, Inc. (LOCO). As COTR, he is responsible for monitoring the contractor's performance. The contract will expire in 6 weeks. A headhunter representing LOCO calls him at work and tells him that they want to interview him for a well-paying management position with the company. Ted is ready for something different and wishes to interview. **What should he do?**





SEEKING EMPLOYMENT

Once you have engaged in a conversation with a contractor about potential employment after you leave the government, you are considered to be negotiating for employment with that company, and you are considered to have a financial interest in the company. For conflict of interest purposes, this is the same as if you had just purchased stock in the company.



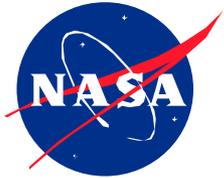


SEEKING EMPLOYMENT

Negotiations for employment

- ANY DISCUSSION where the goal is to get an offer, even if tentative
- “Negotiation” means:
 - Discussion or communication with another person, or such person’s agent or intermediary, mutually conducted with a view toward reaching an agreement regarding possible employment with that person. The term is not limited to discussions of specific terms and conditions of employment in a specific position.





SEEKING EMPLOYMENT

○ Includes:

- Negotiations: positive, two-way communication between you and a prospective employer, either direct or through an intermediary (e.g., “headhunter”) regarding prospective employment
- Voluntarily contacting a prospective employer to inquire into employment (other than requesting an application)
- A prospective employer voluntarily contacting you about employment

It need not reach the level of negotiations or salary discussions, nor must it occur at an office or worksite.



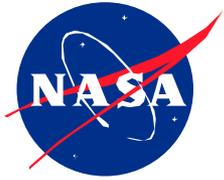


NEGOTIATION FOR EMPLOYMENT

- An employee is no longer seeking employment when:
 - The employee or the prospective employer unequivocally rejects the possibility of employment and terminates all discussions of possible employment; or
 - Two months have transpired after the employee's dispatch of an unsolicited resume or employment proposal, provided the employee has received no indication of interest in employment discussions from the prospective employer

NOTE: A response that defers discussions until the foreseeable future does not constitute a rejection.





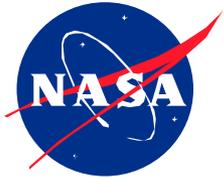
SEEKING EMPLOYMENT

Two approaches:

1. **Disqualify** yourself and stop working on NASA matters that might affect the company. (Recusal)
2. **Clearly reject** the employment opportunity.
(Can't tell company you might be interested later.)

Once you reject, you may continue to participate in official matters at NASA.



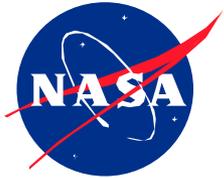


SEEKING EMPLOYMENT

You **MUST** disqualify yourself from participating in any particular matter that will have a direct and predictable effect on the financial interests of a person with whom you are negotiating or have any arrangement concerning prospective employment.

This prohibition **DOES NOT** bar you from seeking non-Federal employment. It **DOES**, however, bar you from performing official duties involving persons/companies with whom you are actively seeking non-Federal employment.





IS TED GOING TO JAIL?

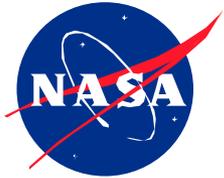
Once the headhunter tells Ted that LOCO is interested in talking to him, he has entered into employment discussions.



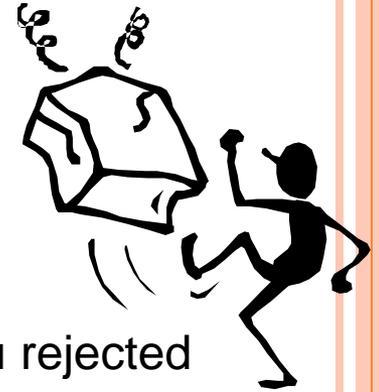
He must make a choice:

- completely **reject** the possibility of employment or
- **disqualify** himself from dealing with all official matters, including the logistics contract, that could affect LOCO.





ENDNOTE ON SEEKING/NEGOTIATING FOR EMPLOYMENT



What is a “clear rejection”?

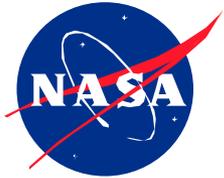
If you want to avoid any and all argument as to whether you rejected the employment offer, say exactly the following:

“I am very happy with my job at NASA and am not interested in another job.”

If you choose to seek employment, you **MUST**:

- (1) immediately cease all official involvement with that prospective employer, AND
- (2) notify the person who assigned the official duties to you AND notify coworkers and subordinates involved in the same particular matter.

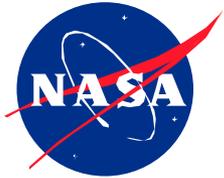




ETHICS ENIGMA #9

Dagny retired from NASA as a GS-15. While with NASA, she drafted one provision of an agency contract to procure new software awarded to Galt, Inc. She now works for Galt. A dispute has arisen under the same contract concerning a provision that she did not draft. Dagny would like to meet with a few of her former colleagues to discuss a tentative list of options developed by Galt for resolving the dispute and obtain preliminary feedback. May she do so?



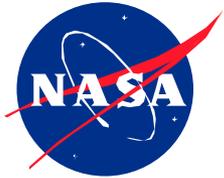


POST-GOVERNMENT EMPLOYMENT

Two categories of restrictions:

- criminal representational restrictions and
- procurement integrity restrictions.





POST-GOVERNMENT EMPLOYMENT

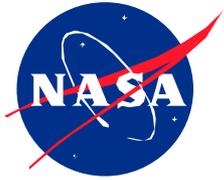
Representational Restrictions (18 U.S.C. 207)

Prohibits former Government employees from making, with intent to influence, any communication to or appearance before any Federal Government employee on behalf of any person (e.g., contractor) in connection with a particular matter (e.g., contract) in which the former employee participated personally and substantially while employed by the Government.

Lifetime Ban (Personal and Substantial Participation): no communications/appearances for the lifetime of the matter

Two Year Ban (Official Responsibility): no communications/appearances for two years on matters knew or should have known were pending under official responsibility during last year

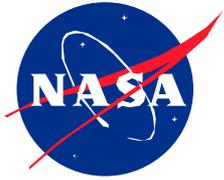




POST-GOVERNMENT EMPLOYMENT

- One Year "Cooling Off" period for Senior Employees
- Rate of basic pay greater than \$155,440.50 in 2011.

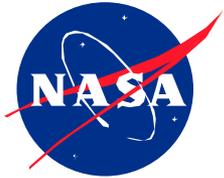




PROCUREMENT INTEGRITY

- Government business shall be conducted in a manner above reproach and, except as authorized by statute or regulation, with complete impartiality and with preferential treatment for none.
- The general rule is to avoid ANY conflict of interest or appearance of conflict of interest in government-contractor relationships.
- In addition to the various federal laws and regulations which place restrictions on the actions of government employees, government employees' official conduct must be such that they would have no reluctance in making full public disclosure of their actions.





POST-GOVERNMENT EMPLOYMENT

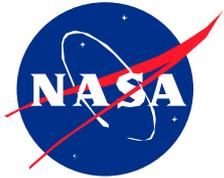
Procurement Integrity Restrictions

Cannot work for a company for one year from the time you served as:

- Procuring contracting officer (CO)
- Source Selection Authority or member of SEB
- Chief of financial or technical evaluation team
- Program manager (PM), Deputy PM, or administrative CO

For contract in excess of \$10,000,000.





PROCUREMENT INTEGRITY

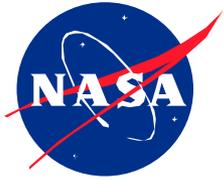
Cannot work for a company for one year from the time you personally made for a Federal agency a decision to:

- Award a contract, subcontract, modification of a contract or subcontract, or a task or delivery order to that company,
- Approve issuance of a contract payment or payments to that contractor,
- Pay or settle a claim with that contractor, or
- Establish overhead or other rates applicable to a contract or contracts for that company that are valued

In excess of \$10,000,000.

NOTE: Compensation prohibitions include work as consultants, employees, officers, and directors.



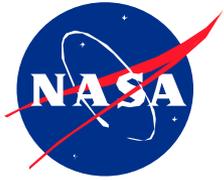


CAN DAGNY CONTACT HER FORMER COLLEAGUES?

No, she may not conduct these discussions.

- She may work “behind the scenes” on contract if:
 - No interaction with Government employees
 - No improper use of nonpublic information

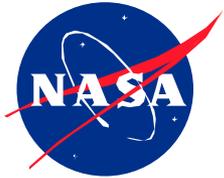




ETHICS ENIGMA #10

Percy's neighbor Marguerite has two sons whom Percy has known for years. The older son has recently graduated from college and is applying for a position with the U.S. Small Business Administration. The younger son, still in high school, is applying for a lucrative summer clerk position at a local law firm, Blakeney, Chauvelin, and Associates. Marguerite believes letters of recommendation on NASA letterhead will greatly help both boys obtain their desired employment. She has asked Percy if he could provide these letters. May he do so?

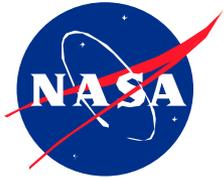




MISUSE OF POSITION

- Misuse of Position contains four standards
 - Use of Nonpublic Information
 - Use of Government Property
 - Use of Official Time
 - Use of Public Office for Private Gain





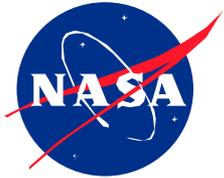
USE OF NONPUBLIC INFORMATION

Nonpublic information includes information that is:

- Exempt from disclosure under the Freedom of Information Act;
- Protected by statute, Executive Order, or regulation;
- Designated by the Agency as confidential; or
- Not yet made available to the public or authorized to be made available.

You CANNOT engage in a financial transaction using nonpublic information or allow the improper use of nonpublic information to further your own private interests or those of another.





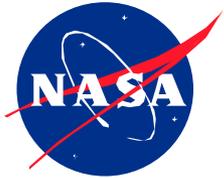
USE OF GOVERNMENT PROPERTY

It is your duty to protect and conserve Government property. DO NOT use it or allow it to be used for unauthorized purposes.

Government property includes:

- Any form of property owned or leased by the Government,
- Any right or tangible interest purchased with Government funds, including the services of contractor personnel,
- Office supplies,
- Telephones and other telecommunications equipment and services,
- Government mails,
- Computers,
- Printing and reproduction facilities,
- Government records, and
- Government vehicles.





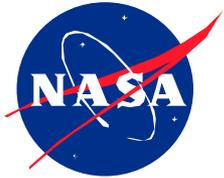
IMPERMISSIBLE PERSONAL USES

Impermissible personal use of Government office equipment includes use for:

- Viewing or producing sexually explicit materials;
- Conducting a business, earning outside income or otherwise obtaining financial gain;
- Making remarks or materials ridiculing others on the basis of race, creed, religion, color, sex, disability, national origin, or sexual orientation;
- Doing anything that interferes with Government work;
- Doing anything that results in more than minimal expense to the Government.

NOTE: Travel credit cards may be used ONLY for official Government purposes – NOT for personal purchases.





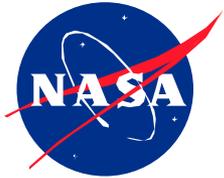
USE OF OFFICIAL TIME

You are required to honestly use official time to perform official duties UNLESS a law/regulation authorizes the use of such time for other purposes.

Some examples of misuse of official time include:

- Making extended personal phone calls during work time;
- Making phone calls regarding an outside activity (e.g., calls pertaining to an outside business venture);
- Running personal errands during duty hours;
- Taking unauthorized extended lunches or breaks from work; and
- Encouraging, directing, coercing, or requesting a subordinate to use official time to perform activities other than those required in the performance of official duties.

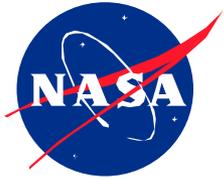




USE OF PUBLIC OFFICE FOR PRIVATE GAIN

- Inducement or Coercion of Benefits
 - You may not use or permit the use of your Government position/title/authority to coerce or induce another person to offer any benefit, financial or otherwise, to yourself or others.
- Appearance of Governmental Sanction
 - You may not use your official title or position to imply that NASA or the Government sanctions or endorses your personal activities or those of another
- Endorsements
 - You may not use or permit the use of your Government position/title/authority to endorse any product, service or enterprise



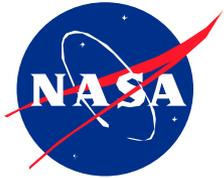


APPEARANCE OF GOVERNMENTAL SANCTION

May sign letter of recommendation with official title IF:

- personal knowledge of person's ability and character and dealt with individual in course of Federal employment, or
- recommending person for Federal employment.





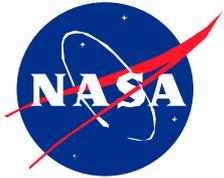
CAN PERCY HELP?

Can Percy write a letter of recommendation on letterhead and using his official title for

- Marguerite's older son?
 - Yes, because he is applying for Federal employment.

- Marguerite's younger son?
 - No.





MISUSE OF POSITION

- Patricia M. Biondolillo, an HR Specialist and Co-op Program Coordinator at Langley Research Center was convicted of using her official position to secure and advance her husband's employment. As part of her job, she screened USAJobs and inquired for possible employment for her husband. She used non-public information concerning a job opening to introduce her husband's resume to the selecting official for that position. She didn't disclose her relationship and pressured university officials to expedite her husband's admission and therefore, employment at LRC. After being directed not to involve herself in the employment process, she continued to be involved, specifically regarding the issue of his pay grade.
- Sentenced to 1 year probation, \$5,000 fine, \$25 special assessment

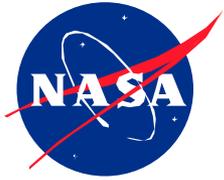




PUBLIC SERVICE IS A PUBLIC TRUST

- American citizens have a right to complete confidence in the integrity of their government. The way to ensure that integrity is for all employees to place loyalty to the Constitution, laws and ethical principles above private gain. Because ours is a rules-based system of ethics, public employees fulfill the trust placed in them by adhering to general principles of ethical conduct as well as specific ethical standards--that is, by obeying the rules.

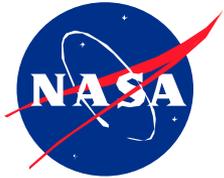




ETHICS AND INTEGRITY

- “Relativity applies to physics, not ethics.”
- Albert Einstein
- “There is no such thing as a minor lapse of integrity.”
- Tom Peters

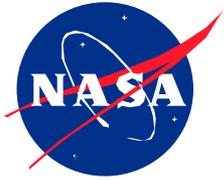




NASA'S CULTURE OF ETHICS

- Washington Post Test
- Always act in such a way that you would have no problem fully disclosing all actions to everyone.

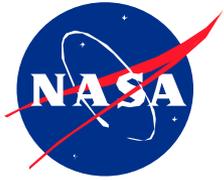




WISDOM FROM DUMBLEDORE

- “It is not our abilities that show what we truly are. It is our choices.”
- “Dark and difficult times lie ahead. Soon we must all face the choice between what is right and what is easy.”
- “It takes a great deal of courage to stand up to your enemies, but a great deal more to stand up to your friends.”





Congratulations!

**You Have
Completed Ethics
Training!**

