



DEPARTMENT OF THE NAVY
UNITED STATES NAVAL ACADEMY
ANNAPOLIS, MARYLAND 21402

USNAINST 5370.6
4/SJA
22 March 1985

Ch-1

CH-1 (3-10-86)

USNA INSTRUCTION 5370.6

From: Superintendent

Subj: STANDARDS OF CONDUCT AND GOVERNMENT ETHICS

Ref: (a) SECNAVINST 5370.2H
(b) ACDEANINST 5370.4A

Encl: (1) Bedrock Standards of Conduct for Department of the Navy Personnel

1. Purpose. To publish enclosure (1), to provide information and procedures about financial disclosure reporting requirements and procedures applicable to certain personnel, and to make sure all Naval Academy personnel follow the provisions of references (a) and (b).

2. Cancellation. USNAINST 5370.4

3. Definitions

a. Naval Academy personnel - All military and civilian personnel on duty at or employed by the Naval Academy including faculty members and personnel of nonappropriated fund instrumentalities.

b. Gratuity - Any tangible item or any intangible benefit given or extended to or on behalf of Naval Academy personnel or their spouses, minor children, or members of their households for which fair market value is not paid by the recipient or the U.S. Government.

c. Conflict of Interest - An affiliation or financial interest acquired by Naval Academy personnel, their spouses, minor children, or household members which could influence or reasonably be interpreted as influencing such personnel's ability to act impartially in the performance of his/her duties.

4. Ethics Counselor. The Staff Judge Advocate of the U.S. Naval Academy has been designated by reference (a) as an Ethics Counselor and as such will be responsible for providing advice and assistance on matters relating to conduct and conflicts of interests, and for providing legal review of Financial Disclosure Reports (SF-278) and Confidential Statements of Affiliations and Financial Interests (DD Form 1555).

5. Background. Reference (a) issues the required standards of ethical conduct governing all personnel of the Department of the Navy; clarifies policies for the guidance of personnel in interpreting and executing the Standards of Conduct and related requirements; sets forth the responsibilities and procedures for monitoring and enforcing compliance with the Standards of Conduct and related requirements within the Department of the Navy; and outlines the financial disclosure/interests reporting requirements incumbent on specified personnel.

6. General Policy. Naval Academy personnel are to follow strictly the provisions of reference (a). In particular, they will not allow themselves or members of their immediate household to be placed in a position where a conflict of interest or other violation of the Standards of Conduct might arise or might reasonably be suspected.

7. Action

a. Heads of Cost Centers will make sure enclosure (1) is given annually to all Naval Academy personnel.

b. Initial Briefing

- R) (1) Midshipmen. The Commandant of Midshipmen will make sure that all first class midshipmen receive, as part of their pre-commissioning training, an oral briefing on the provisions of reference (a). All midshipmen will attest in writing that they have attended the required briefing, that they have read reference (a), and that they understand the requirements imposed thereby. Documentation noting each midshipman's compliance will be maintained on file in the Office of the Commandant.
- R) (2) Civilian Personnel. The Civilian Personnel Director will make sure that all civilian personnel receive an oral briefing on the provisions of reference (a) preceding employment or upon assumption of duties. Each such person will attest in writing that they have attended the required briefing, that they have read reference (a), and that they understand the requirements imposed thereby. Documentation noting compliance by all such civilian personnel will be maintained on file in the Office of the Civilian Personnel Director.

c. Annual Dissemination of Information

(1) All Naval Academy personnel will be informed at least once a year of the pertinent provisions of reference (a) in a manner which will ensure familiarity and compliance. The individual responsible for coordinating the annual dissemination of information will be as follows:

- (a) Civilian Personnel - Civilian Personnel Director
- (b) Midshipmen - Commandant of Midshipmen
- (c) Military Personnel - Heads of Cost Centers

d. Reporting of Disqualifying Interest, Receipt of Gratuities, and Suspected Violations

(1) Disqualifying Interests. Naval Academy personnel who have or acquire an affiliation or a financial interest which creates a conflict or appearance of a conflict with their official duties will report the possible disqualifying interest to his or her immediate supervisor in the chain of command who, with the assistance and advice of the Ethics Counselor, will resolve the matter per reference (a).

(2) Receipt of Gratuities. Naval Academy personnel who receive gratuities in circumstances not in conformance with reference (a) will promptly report the circumstances to his or her immediate supervisor for a determination as to the proper disposition. Prior to reaching such determination, the supervisor will consult with the Ethics Counselor.

(3) Suspected Violations. Naval Academy personnel suspecting another DOD employee, whether or not attached to the Naval Academy, of violating a statute or standard of conduct imposed by reference (a) should bring this matter to the attention of the Ethics Counselor.

e. Submission and Processing of Financial Disclosure Reports (SF-278)

(1) The following Naval Academy personnel are required to submit new entrant, annual, and termination SF-278's:

(a) Regular Navy and Marine Corps Officers who have been appointed (with dates of rank) to grade O-7 or above.

(b) Reserve Navy and Marine Corps Officers serving on voluntary extended active duty in excess of 130 days who have been appointed (with dates of rank) to grade O-7 or above.

(c) Civilian employees, including Special Government employees, whose positions are classified at GS-16 or above of the General Schedule, or whose rate of basic pay is fixed other than under the General Schedule at a rate equal to or greater than the uncapped rate of basic pay fixed for GS-16.

(2) From time to time as required for new entrant and termination reports and by 10 January of every year for annual reports, the Civilian Personnel Director will provide to the Deputy for Operations a list of the names and addresses of all civilian personnel who are required to file a SF-278.

(3) Deputy for Operations will provide timely, written notification and a SF-278, individually, to all civilian personnel required to file a new entrant, annual, or termination Financial Disclosure Report and will make sure that all such reports are completed and timely filed as follows:

(a) New Entrant - Within 30 days of assuming a qualifying grade or position, the newly reporting individual must file a SF-278.

(b) Annual - At any time after 1 January, but no later than 30 March, qualifying civilian personnel who served as such for more than 60 days during the preceding calendar year will submit an annual Financial Disclosure Report. Even though no changes have occurred since the last filing of a SF-278, a complete report is required for each calendar year.

(c) Termination Reports - Within 30 days after termination of employment from a qualifying civilian position, the departing individual will submit a SF-278, covering the preceding calendar year, if a report was not filed for that year, and that portion of the present calendar year up to the date of termination.

(4) Financial Disclosure Reports (SF-278) will be forwarded, via the immediate supervisor of the reporting individual, who will attach thereto an unclassified copy of the reporting individual's official position description, to the Ethics Counselor for review and disposition.

(5) In addition to sanctions otherwise provided by law or regulations, the Ethics in Government Act of 1978 provides for a fine of up to \$5,000 for anyone who knowingly falsifies or willfully fails to file a SF-278.

f. Submission and Processing of Confidential Statements of Affiliations and Financial Interests (DD Form 1555)

(1) The following Naval Academy personnel, except those required to file a SF-278, are required to submit initial and annual DD Form 1555's:

(a) Regular Navy and Marine Corps Officers frocked to O-7, and Reserve Navy and Marine Corps Officers frocked to O-7 serving on voluntary extended duty in excess of 130 days.

(b) Commanding officers or heads of, and executive officers or deputy heads of Navy shore installations with 500 or more military and civilian personnel (including foreign nationals and indirect-hire personnel regularly attached but excluding personnel attached for duty under instruction).

(c) Civilian personnel classified at GS-13 or above, or whose positions are classified at a comparable rate of pay under other authority, and military personnel in grades O-5 and O-6, when it is determined by the Deputy for Operations that the responsibilities of such personnel require the exercise of judgment in making a Government decision or in taking Government actions 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. Included, among others, are persons who, as a part of their basic duties, sign, negotiate, recommend, or approve contracts, or other procurement actions and those who, as part of their basic duties, are engaged in auditing activities, including supervising others who are engaged in auditing activities or participating in the development of policies and procedures for performing audits.

(d) Other civilian and military personnel of lesser rank or grade, if the Deputy for Operations determines that their responsibilities are comparable to those set forth in subparagraph 7f1(c).

(e) Special Government employees as defined in reference (a), except those in the following categories (who may, in any case, be required to submit statements when specifically requested to do so by their appropriate supervisor):

1 Special Government employees, other than members of advisory committees, who are not a "consultant" or "expert" as those terms are defined in Chapter 304 of the Federal Personnel Manual.

2 Physicians, dentists, and allied medical specialists engaged only in providing service to patients.

3 Veterinarians providing only veterinary service.

4 Lecturers participating only in educational activities.

5 Chaplains performing only religious services.

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

7 Members of selection panels for NROTC candidates.

8 Reserve officers on active duty solely for training.

(2) From time to time as required for initial statements and by 10 September of every year for annual statements, the Civilian Personnel Director will provide to the Deputy for Operations a list of the names and addresses of all civilian personnel who are required to file a DD Form 1555.

(3) The Deputy for Operations will provide timely, written notification to all Naval Academy personnel required to file initial and annual Confidential Statements of Affiliations and Financial Interests of their obligation to file and will furnish to them a DD Form 1555 and ensure that all statements have been completed and returned in a timely fashion as follows:

(a) Initial. Affected Naval Academy personnel will submit a DD Form 1555, current as of the filing date, to their immediate supervisor within 30 days of assuming duties requiring the submission of such statement.

(b) Annual. Affected Naval Academy personnel will submit a DD Form 1555 to their immediate supervisor by 31 October of each year, with information current as of 30 September of that year. Even though no changes have occurred since the last filing, a complete statement is required.

(4) Upon receipt of a completed DD Form 1555, the immediate supervisor will review the statement, record his or her evaluation in the appropriate block on the form, and forward it to the Ethics Counselor for final review. After review by the Ethics Counselor, the DD Form 1555 and a complete record of all action taken thereon will be forwarded to the Deputy for Operations for retention for a period of six years, after which time they may be destroyed.

8. Standards for Review of SF-278 and DD Form 1555. Each reviewing official will review each report or statement submitted to determine that:

a. All items are completed.

b. No interest or position is disclosed that violates or appears to violate any applicable provision of law, reference (a), or this instruction.

9. Review of Positions. The Civilian Personnel Director will ensure where appropriate that position descriptions for affected positions contain a statement that the incumbent must file a Financial Disclosure Report (SF-278) or Confidential Statement of Affiliations and Financial

Interests (DD Form 1555), as required by reference (a) and this instruction. All new or revised position descriptions will be reviewed to determine those requiring such statements.

10. Reservists Detailed to Perform Active Duty for Training. The Personnel and Administrative Officer and the immediate supervisor will ensure that all Reservists detailed to perform active duty for training at the Naval Academy are assigned duties which will minimize the possibility that they may obtain information that could be used by them or their civilian employers to gain an unfair advantage over civilian competitors.

11. Faculty Members' Outside Employment and Professional Activities. All civilian and officer faculty members planning to engage in professional activity or employment with or without remuneration outside the Naval Academy will first comply with reference (b).

12. Violations. The italicized segments of the regulations prescribed in paragraph 6 of reference (a) are a general order upon which disciplinary or punitive proceedings may be based in appropriate cases. Noncompliance with other provisions of reference (a) and this instruction are expected to be corrected by timely and appropriate administrative measures.



C. R. LARSON

Distribution:
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BEDROCK STANDARDS OF CONDUCT
FOR DEPARTMENT OF THE NAVY PERSONNEL

To maintain public confidence in the integrity of the Department of the Navy which is essential to the performance of its mission, all naval personnel shall comply with the following standards of conduct:

1. Avoid any action, whether or not specifically prohibited, which might result in or reasonably be expected to create the appearance of:
 - a. Using public office for private gain,
 - b. Giving preferential treatment to any person or entity,
 - c. Impeding Government efficiency or economy,
 - d. Losing complete independence or impartiality,
 - e. Making a Government decision outside official channels, or
 - f. Adversely affecting the confidence of the public in the integrity of the Government.
2. Do not engage in any activity or acquire or retain any financial interest which results in a conflict between your private interest and the public interest of the United States related to your duties.
3. Do not engage in any activity that might result in or reasonably be expected to create the appearance of a conflict of interest.
4. Do not accept gratuities from defense contractors.*
5. Do not use your official position to influence any person to provide any private benefit.
6. Do not use inside information to further a private gain.
7. Do not use your rank, title, or position for commercial purposes.
8. Avoid outside employment or activity that is incompatible with your duties or may bring discredit to the Navy.
9. Never take or use Government property or services for other than officially approved purposes.
10. Do not give gifts to your superiors or accept them from your subordinates.*
11. Conduct no official business with persons whose participation in the transaction would be in violation of law.
12. Seek ways to promote efficiency and economy in Government operation and public confidence in its integrity.

*Consult paragraph 6 of SECNAVINST 5370.2H, dtd 24 Oct 84 for situations considered to fall outside this rule.



C O R R E C T E D C O P Y

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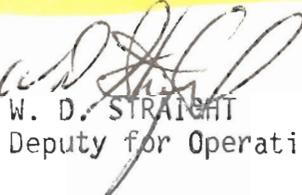
USNA INSTRUCTION 5370.6 CHANGE TRANSMITTAL 1

From: Superintendent

Subj: STANDARDS OF CONDUCT AND GOVERNMENT ETHICS

Encl: (1) Reprinted page 1 and new page 2

1. Purpose. To publish change 1 to subject instruction.
2. Action. Delete page 1 and 2 and add enclosure (1). ✓
3. Cancellation. When the required action has been taken.


W. D. STRAIGHT
Deputy for Operations

Distribution:
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