



DEPARTMENT OF THE NAVY
VICE CHIEF OF NAVAL OPERATIONS
2000 NAVY PENTAGON
WASHINGTON DC 20350-2000

IN REPLY REFER TO:

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MEMORANDUM FOR ALL FLAG OFFICERS

Subj: STANDARDS OF CONDUCT GUIDANCE

Encl: (1) Principles of Ethical Conduct
(2) Flag Aides Point Paper
(3) Enlisted Aides Point Paper
(4) Use of Government Vehicles Point Paper
(5) Commercial Air Travel Point Paper
(6) Military Air Travel Point Paper
(7) Command Coin Point Paper
(8) Gifts Point Paper
(9) Spouse and Dependent Travel Point Paper
(10) Communications with Industry Point Paper
(11) USD(P&R) Memorandum of 30 Nov 12
(12) Annual Ethics Audit Checklist

1. The vast majority of Flag and General Officers act in accordance with the highest ethical standards. This guidance is intended to assist you and your staffs as you exercise your stewardship of government resources and set the example for personal behavior.

2. Enclosure (1) contains the fourteen principles of ethical conduct demanded of all public servants. In addition to the more specific guidance contained in enclosures (2) through (10) and other applicable references, these overarching principles should always serve to guide our decisions. Perhaps the most important principle is to avoid any action which creates the appearance of a violation of law or ethical standards. Even when actions fall within the guidance of applicable regulations, the perception of your actions must always be taken into account.

3. Enclosures (2) through (10) address many frequently encountered standards of conduct topics. While it is impossible to provide examples addressing every situation, these enclosures seek to offer practical examples of more common issues.

4. On 30 November 2012 the Under Secretary of Defense (Personnel and Readiness) issued a memorandum (enclosure 11)

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expanding restrictions for service on boards of directors. All regular component Flag Officers and reserve component Flag Officers who serve more than 179 days on active-duty in the preceding 365 days are prohibited from any service on the boards of directors of companies or other entities that do business with the Department of Defense or focus their business on military personnel. If you currently serve on any board, or are requested to serve on a board in the future consult your legal counsel to ensure compliance with this new requirement.

5. As you navigate the ethical decision-making process it is critical that you use all available resources to assist you in making sound decisions. All members of your personal staff must understand applicable rules and regulations and you must foster a command climate which ensures they are empowered to raise concerns when they arise.

6. Legal counsel are critical resources and are an integral part of any ethics decision-making process, including your planning process, to assist you in making sensible, legal and informed ethical decisions.

7. Annual ethics training remains a requirement for all Flag Officers. In order to ensure you are provided the best support for ethical decision-making, all Navy personnel assigned to a Flag Officer's personal staff will now be required to receive in-person annual ethics training. Consult your assigned ethics counselor or seek the assistance of your immediate superior in command (ISIC)'s staff judge advocate or office of general counsel attorney to ensure tailored training for your staff. I strongly encourage spouses to participate, particularly if you are assigned Enlisted Aides.

8. A documented legal review is required prior to executing all routine official travel. Flag Officers without a designated ethics counselor on their staff should seek the assistance of their ISIC's staff judge advocate or office of general counsel attorney. Any concerns raised during this review should be addressed with your ISIC prior to proceeding on travel. Emergent travel directed by your ISIC may be executed without this review.

9. I am also directing that all Navy Flag staffs conduct an annual internal ethics audit. Enclosure (12) provides areas that should be reviewed during this audit. Use this list as a

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guide and tailor it to your staff's responsibilities. The purpose of this audit is to assist you in identifying and correcting any deficiencies in your staff processes. The ethics counselor should provide a report to the Flag Officer concerned regarding this audit which details any issues identified and makes recommendations for improvement.

10. As senior military leaders we are expected to uphold the highest standards of ethical conduct. We must exemplify sound, ethical judgment in every instance. The American people we serve and the Sailors we lead deserve nothing less.



M. E. FERGUSON III

Principles of Ethical Conduct

Key References: Executive Order 12731; 5 C.F.R. Part 2635; 5 C.F.R. 3601

Principles:

1. Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws and ethical principles above private gain.
2. Employees shall not hold financial interests that conflict with the conscientious performance of duty.
3. Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.
4. An employee shall not, except as provided for by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.
5. Employees shall put forth honest effort in the performance of their duties.
6. Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the Government.
7. Employees shall not use public office for private gain.
8. Employees shall act impartially and not give preferential treatment to any private organization or individual.
9. Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.
10. Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.
11. Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.
12. Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those—such as Federal, State, or local taxes—that are imposed by law.
13. Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.
14. Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in this part. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

Flag Aides

Key References: 5 C.F.R., part 2635; DoD 5500.07-R (Joint Ethics Regulation [JER]); The Joint Federal Travel Regulations (JFTR)

Key Concepts:

- Flag Aides can be used for official or authorized government purposes only. "Flag Aides" refers to personnel who work in direct support of Flag Officers such as Executive Assistants, Flag Lieutenants, Flag Secretaries, Protocol Officers, Flag Writers, and other enlisted personnel assigned to a Flag Officer's personal staff, with the exception of Enlisted Aides.
- Flag Aides are assigned to enable Flag Officers to perform their official duties more effectively. A Flag Aide may perform duties on behalf of a Flag Officer that the Flag Officer would otherwise be required to perform in the execution of his or her official duties. As a general rule, Flag Aides may not plan or coordinate unofficial personal events, or perform unofficial personal tasks, even if doing so would give the Flag Officer more time to focus on official business.
- The standard for use of Flag Aides is based on principles contained in the DoD Joint Ethics Regulation that federal employees may not use their public offices for private gain, may not accept gifts (including gifts of time or services) from subordinates except in limited circumstances, and may not misuse government resources.
- The standard for use of Flag Aides is more stringent than the standard governing use of Enlisted Aides. Use of Enlisted Aides, formerly referred to as Personal Quarters Culinary Specialists, is governed by OPNAVINST 1306.3 series, which states that Enlisted Aides may perform duties "reasonably connected" to the Flag Officer's official duties. (See enclosure (3) for a detailed discussion on Enlisted Aides)

Examples: The following examples illustrate some permissible and impermissible Flag Aide duties. This list is not all-inclusive. Flag Officers and their Aides should seek advice from their Staff Judge Advocate or General Counsel in cases of uncertainty. Ultimately, Flag Officers are responsible for the proper employment of their Flag Aides.

- **Examples of permissible duties:**
 - Schedule official appointments.
 - Schedule unofficial appointments if necessary to ensure coordination with, and execution of, the official schedule.
 - Coordinate with family members to obtain information necessary to avoid conflicts between personal and official travel of Flag Officer.
 - Schedule medical appointments for Flag Officer.

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- o Act as escort for spouse or family member when that spouse or family member accompanies Flag Officer in an official representational capacity or performs official duties.
- o Assist guests as necessary to facilitate their attendance at official ceremonies honoring the Flag Officer (e.g., retirement or promotion ceremonies). Assistance may include escorting to provide access to military facilities.
- o Maintain and write checks from a checking account, funded by the Flag Officer, for expenses incurred by the Flag Officer that arise from official duties (e.g., paying a restaurant bill while on official travel or purchasing mementos for official presentations). Aides may not deposit their own money in such accounts even if subsequently reimbursed by the Flag Officer.
- o Supervise Enlisted Aides in performance of their duties.
- o Pick up meals from an official mess.
- o If it is determined to be an appropriate use of a Government Vehicle (GOV), Flag Aide may pick up Flag Officer in GOV at airport upon return from official travel for transportation to official place of duty or residence. Note: Special rules apply to use of GOVs at public airports in the National Capitol Region.
- o While on temporary duty outside the area of the permanent duty station, a Flag Aide may perform certain tasks that would not be permissible at the permanent duty station. Such tasks should relate to the duties, health, or subsistence of the Flag Officer, and take into account the Flag Officer's schedule. For example, the Aide may drive the Flag Officer from quarters to work, or to a gym, laundry facility, or restaurant. The Aide may also assist the Flag Officer with emergent needs such as going to the exchange to purchase uniform items needed by the Flag Officer prior to an official event. All assigned tasks must also comply with applicable regulations governing the use of GOVs and rental cars (See enclosure (4) for a detailed discussion on the use of government vehicles and rental cars).
- **Examples of impermissible duties:** Flag Aides may not provide personal services to Flag Officers or their families, except as provided below under the paragraph "Minor Voluntary Services," which identifies limited occasions when performance of such services is acceptable. Generally, personal services are unofficial and therefore beyond the scope of the Flag Aide's duties. Examples of impermissible personal services include:
 - o Pick up or drop off Flag Officer at home while Flag Officer's car is being repaired.
 - o Provide local transportation for Flag Officer in Aide's POV (e.g., drive Flag Officer home from office at end of workday).
 - o Repair Flag Officer's POV or other personal property.
 - o Pick Flag Officer up at airport upon return from unofficial travel.
 - o Draft Flag Officer's personal correspondence.
 - o Prepare Flag Officer's income taxes (Note: May assist in

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- o preparing required financial disclosure forms).
- o Run personal errands for the Flag Officer while in area of permanent duty station, such as picking up dry cleaning, taking car to service station, bringing his or her lunch from a commercial establishment to the office.
- o Participate in packing or unpacking the Flag Officer's personal property, moving furniture, or supervising movers, pursuant to the Flag Officer's PCS move (Enlisted Aide may permissibly perform some of these functions.)
- o Schedule and/or coordinate personal events for family members, including medical appointments. Assist Flag Officer's family members with personal business (e.g., pet care, private lessons, childcare, etc.).
- o Plan an unofficial/personal party for or on behalf of spouse or family member.
- o Transport Flag Officer's unofficial visitors.
- o Do personal shopping for Flag Officer or family.

Minor Voluntary Services: Flag Aides may perform personal services for the Flag Officer if such services are:

- Rare - provided on a one-time-only or **very** infrequent basis;
- Minor - of short duration and minimal value. (Note: With limited exceptions, the Joint Ethics Regulation forbids seniors from accepting any gift from a subordinate with a fair market value over \$10.00. If an Aide voluntarily performs a service that could reasonably be said to have a fair market value greater than \$10.00, the Aide may perform the service if compensated at fair market value by the Flag Officer. An Aide may not be compensated for voluntary service that takes place during normal duty hours.); and
- Truly voluntary - whether a service is "truly voluntary" depends on the surrounding facts and circumstances. Factors include, but are not limited to: originator of the idea for the service (Flag Officer or Aide); extent to which the service causes Aide to modify ordinary routine or plans; whether the service is provided incidental to an activity the Aide will perform anyway; and the Aide's perception and description of the service as well as freedom to decline to perform the service.

Acceptable examples of uncompensated services could include, but are not limited to: Flag Officer's car is in the shop, and Aide offers Flag Officer a ride home, which is on the way to, or very near, the Aide's home or Aide goes to the store for herself and offers to get an item for the Flag Officer. To be permissible, each of these examples, and all other similar services, must satisfy the three-part test of rare, minor, and truly voluntary.

Caution: While an offer may meet the criteria of rare, minor, and voluntary, often it is in the Flag Officer's best interest to reject the offer as the criteria are difficult to show after the fact and because the assistance may create the appearance of favoritism or

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fraternization or may create the appearance of using public office for private gain. For Flag Officers with Enlisted Aides for assigned quarters, cross-reference the Enlisted Aides guidance.

Enlisted Aides

(formerly known as Personal Quarters Culinary Specialists [PQCS])

Key References: DoDI 1315.09; SECNAVINST 1306.2D; OPNAVINST 1306.3B; 5 C.F.R. part 2635; 10 U.S.C. 7579

Key Concepts:

- Enlisted Aides are authorized for the purpose of relieving Flag Officers of those minor tasks and details that, if performed by the officers, would be at the expense of their primary military and official duties. The duties of these enlisted personnel shall relate to the military and official responsibilities of the officers, to include assisting Flag Officers in discharging their official DoD social responsibilities in their assigned positions. They should not be used for duties that contribute only to the officer's personal benefit and have no reasonable connection with official responsibilities.
- Enlisted Aides are not to be confused with other types of Flag Aides (Executive Assistant, Flag Writer, Flag Secretary, etc.).
- Flag Officer alone is responsible for determining whether duties assigned to Enlisted Aides are reasonably connected to the officer's military official duties. This is non-delegable.
- Enlisted Aides with questions about relations with dependents or others in public quarters should seek guidance directly from assigned officer, who will resolve such questions within a strict interpretation of SECNAVINST 1306.2D.
- Responsibility for the supervision, direction, and performance of duties of Enlisted Aides lies solely with the officer authorized the Enlisted Aide. This may only be delegated to a member within the officer's immediate command.

Voluntary Paid Services: Flag Officers may employ Enlisted Aides during their off-duty hours on a voluntary, paid basis to perform duties that are not authorized to be performed by the Enlisted Aides in a duty status. Pay should be "reasonable and commensurate" with services rendered. It should be based on the prevailing wage for the job to be performed and not based upon the Aide's pay grade. The wage should take into account payment for similar services in that location. Any payment should be mutually acceptable to the Aide and the Flag Officer and a written agreement or Memo for the Record is recommended.

Social Functions: A Flag Officer may use Enlisted Aides to support social functions that are **reasonably connected** to the Flag Officer's military and official duties and responsibilities even if these functions are not otherwise eligible for support with appropriated funds or government resources. (Note - this same rule does not apply to personal/office staff). Factors to be considered in determining when Enlisted Aides may be used to support a social function, include:

- The primary focus of the event is the transaction of official business or hosting a foreign dignitary or prominent official.
- The event is intended to improve morale, promote esprit de corps, and develop inter-personal relationships among command members and their families.

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- Dignitaries, civic/community leaders, or senior military personnel attend as official invitees.
- Personnel attend in uniform.
- Flag Officer considers it part of his/her duties to host the social function.
- The event is held at the Flag Officer's public quarters or other government location.
- No fee is charged for attendance.

** Not all of the factors need be present, nor should any single factor alone be conclusive.*

** These factors only apply to support by Enlisted Aides and are not to be used in determining use of other government resources, funds or military personnel.*

Role of the Spouse: While a Flag Officer retains sole responsibility for use, supervision, direction, and performance of Enlisted Aides, it is appropriate for a Flag Officer's spouse to collaborate closely with Enlisted Aides during planning and execution of official social functions authorized by Flag Officer, should the spouse so desire. In most cases, a Flag Officer must be present at a function to justify use of Enlisted Aides. A rare exception to this rule is when the Flag Officer's spouse hosts a function in the absence of the Flag Officer, and the Flag Officer determines that the spouse's role in executing the function has a reasonable connection to the Flag Officer's official duties and responsibilities. Ethics Counselors shall offer to Flag Officer spouses annual ethics training specific to Enlisted Aides.

In connection with military and official functions and duties, Enlisted Aides may be utilized to assist with the care, cleanliness and order of assigned quarters. Specific duties may include:

- Clean and maintain assigned quarters, to include vacuuming, dusting, and minor repairs.
- Minor grounds keeping, mowing, raking, watering, and yard policing.
- Minor tasks/errands such as picking up Flag Officer's dry cleaning, prescription drugs, etc. - task or errand must not be prohibited by DoD or DON regulations.
- Plan, prepare, arrange and conduct official or command-related social functions (e.g., change of command dinners, command parties, and receptions for official guests).
- When Flag Officer is present, may purchase, prepare, and serve food & beverages in quarters for flag and family (three meals, snacks, and cleanup).
- Clean/press Flag's uniform.
- Answer phone, take messages, and receive official visitors.
- Provide security for quarters.

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No officer may utilize an Enlisted Aide for duties which have no reasonable connection with the officer's official duties or which contribute solely to the personal benefit of the officer and their families. Examples of impermissible duties include:

- Making beds, organizing personal property, or other tasks solely for personal benefit.
- Grounds keeping other than mowing, watering and general yard policing.
- Assisting in planning or conducting personal social events (e.g., spouse's birthday party, family reunion).
- Packing for a family trip and shopping for a personal gift.
- Operation, care, maintenance or cleaning of any privately-owned vehicle.
- Personal services solely for the benefit of or at the direction of dependents or unofficial guests, including any driving, shopping, private errands, or laundry services.
- Infant, child, or special needs family member care.
- Any form of pet care.

Minor Voluntary Services: Enlisted Aides may perform personal services for the Flag Officer if such services are:

- Rare - provided on a one-time-only or **very** infrequent basis;
- Minor - of short duration and minimal value. (Note: With limited exceptions, the Joint Ethics Regulation forbids seniors from accepting any gift from a subordinate with a fair market value over \$10.00. If an Aide voluntarily performs a service that could reasonably be said to have a fair market value greater than \$10.00, the Aide may perform the service if compensated at fair market value by the Flag Officer. An Aide may not be compensated for voluntary service that takes place during normal duty hours.); and
- Truly voluntary - whether a service is "truly voluntary" depends on the surrounding facts and circumstances. Factors include, but are not limited to: originator of the idea for the service (Flag Officer or Aide), extent to which the service causes Aide to modify ordinary routine or plans, whether the service is provided incidental to an activity the Aide will perform anyway, and the Aide's perception and description of the service as well as freedom to decline to perform the service.

Caution: While an offer may meet the criteria of rare, minor, and voluntary, often it is in the Flag Officer's best interest to reject the offer as the criteria are difficult to show after the fact and because the assistance may create the appearance of favoritism or fraternization or may create the appearance of using public office for private gain.

Use of Government Passenger Motor Vehicles

Key References: 31 U.S.C. 1344; 10 U.S.C. 2637; 41 C.F.R. part 102-5; 41 C.F.R. part 102-34, subpart D; DoDD 4500.36; DoD 4500.36-R; JFTR U3400/JTR C3400; JFTR U3320

Key Concepts:

- Government passenger motor vehicles (GOVs) are for official use only. Whether a particular use is "official" is a matter of administrative discretion. All factors must be considered including whether the use is essential to the successful completion of a DoD function, activity, or operation, as well as consistent with the purpose for which the motor vehicle was acquired.
- When questions arise about the official use of a motor vehicle, the questions shall be resolved in favor of strict compliance with statutory and regulatory provisions.
- A guest of an employee authorized use of a GOV may accompany the employee on a space-available, no-increased-cost basis (Note: special rules apply to contractors).
- TDY: GOVs may be used between lodging and duty sites if public/commercial transportation is inadequate. Additionally, if public transportation is not available or impractical, GOVs may be used for subsistence, comfort, and health. This authority does not include entertainment or recreation.
- Rental vehicles are considered "special conveyances" under the JFTR. As such, the current rules allow use only for official purposes, to include those for subsistence, comfort, and health while TDY.
- Home-to-Work (HTW): Use of a GOV for HTW travel is prohibited unless specifically authorized. Within DON, SECNAV, CNO, and CMC are authorized HTW. Additionally, SECNAV¹ may authorize employees HTW when (1) essential due to highly unusual circumstances presenting a clear and present danger; (2) an emergency exists; (3) other compelling operational considerations make HTW essential to conduct business; (4) essential for safe/efficient performance of intelligence, protective services, or law enforcement; or (5) required to perform field work. Authorization must be in writing.
- Home-to-Airport: When in a TAD status, use of GOV from home to airport to home may be authorized. The activity or installation head must make the determination that it would be impractical or more costly to have the member obtain the vehicle from the normal duty station before leaving on the directed TDY., pursuant to DoD 4500.36-R, Chapter 2. Note: In the National Capital Region, authority is further restricted.
- Overseas: Outside the United States, unified combatant commanders may provide Government transportation, including HTW, for employees and their dependents when public/private transportation is unsafe or is unavailable.

¹ This authority is not delegable and is limited to an initial period of 15 days, renewable for up to 90-day increments for as long as required by the circumstances.

Use of Government Passenger Motor Vehicles

- Examples of Permissible Uses:

- Official business (e.g., making rounds of area work sites, attending a meeting, officially speaking or participating in a ceremony or event).
- Traveling from place of duty to after-hours official functions. GOV must return to place of duty.
- Transporting the employee's guest with the employee, at no increased cost, to an official function.
- Going to the dry cleaners, barber, drugstore, local restaurant, exercise activity (gym or run), or other places required for the traveler's subsistence, health or comfort while TDY.

- Examples of Impermissible Uses:

- Going to a private social function (e.g., unofficial birthday ball, hail and farewell, private dinner party).
- Attending a widely attended gathering, which one does in a personal capacity.
- Transporting employees not authorized HTW from home to an official function, or from the official function to home (impermissible even when the travel distance is less than from work to the official function).
- Doing personal errands/business (such as, going to the bank).
- Going to entertainment/recreational facilities (other than gyms and other exercise facilities) is prohibited while on TDY. Examples of such prohibited facilities include movie theaters, sporting events, and other similar facilities.

- When in doubt regarding a permissible/impermissible use of government vehicles, to include government provided rental cars, consult counsel.

Commercial Air Travel

Key References: 41 C.F.R. part 301-10; DODD 4500.09E; Defense Transportation Regulation (DTR) 4500.9-R; JFTR U3500/JTR C3500; JFTR U1300/JTR C1300; OPNAVINST 4650.15B

Key Concepts:

- For official travel, members generally must travel in coach class accommodations on commercial airlines.
- Contract city-pair airfares and other airfares limited to official government business may not be used for personal travel.
- Use of premium class accommodations (business/first class) is authorized only as noted below and, absent extenuating circumstances or emergency situations, should be approved in advance.
 - o Business class:
 - Only business class is offered between origin/destination (traveler must certify this in travel voucher).
 - The travel is so urgent it may not be postponed, and there is no space in coach on a flight in time to accomplish the mission.
 - A doctor validates medical necessity of premium class travel to accommodate member's disability/physical impairment.
 - Upgrade necessary for exceptional security circumstances making it essential to successful performance of the mission.
 - Accommodations on foreign carriers do not provide adequate sanitation/health standards and use of foreign flag air carrier service is approved.
 - Overall Government savings (avoiding extra subsistence costs, overtime, lost productive time, etc.).
 - Frequent flyer miles used to obtain flight.
 - Non-Federal entity funds as official gift of travel; or
 - Lengthy Flight. This **does not** automatically qualify for premium class travel; the following factors must be present:
 - Travel is direct between authorized origin and destination points separated by several time zones;
 - Either the origin or destination point is OCONUS;
 - TDY purpose/mission is so urgent it cannot be delayed or postponed; and
 - The scheduled flight time (including stopovers) is in excess of 14 hours.
 - Passenger is not afforded an adequate rest period before commencing duties.¹
 - Scheduled flight time is the time between the scheduled airline departure from the PDS/TDY point until the scheduled airline arrival at the TDY point/PDS.
 - o First class:
 - Lower class accommodations are not reasonably available;
 - Exceptional security requirements exist;
 - A doctor validates medical necessity of first class travel;

¹ The traveler must make every effort to schedule his/her travel so he/she has a rest period prior to starting work. Premium class travel should be the exception, not the rule, for flights over 14 hours.

Commercial Air Travel

- First class is the only accommodation provided between origin and destination (traveler must certify this in travel voucher); or,
 - Frequent flyer miles used to obtain flight.
- Given the public appearance to the taxpayer, officers using premium class generally should not travel in uniform.

Military Air Travel (MILAIR)

Key References: DoD 4515.13-R; DoDD 4500.56; OMB Circular A-126;
SECNAV memo of 3 Sep 09

Key Concepts:

- **Required Use Travel:**

- **Tier 1:** Required use travelers for official and unofficial travel: SECDEF; DEPSECDEF; Chairman of the Joint Chiefs of Staff (CJCS); Vice CJCS, when acting as CJCS.
- **Tier 2:** Required use travelers for official use only:
 - Includes Secretaries of the Military Departments; Chiefs of the Military Services; Vice Chiefs of the Military Services (when acting as Service Chief); Commander, International Security Assistance Force Afghanistan (U.S. Only); Commander, United States Forces Korea; Commanders of the Combatant Commands; Deputy Commanders of Combatant Commands, when designated in writing as Combatant Commander by SECDEF.
- **Tiers 3 and 4:** Officials are not "required use" travelers, but they may use MILAIR for official travel only, and only when the exigencies of their travel needs prevent the use of commercial aircraft.
 - Exigencies may include the need to maintain secure communications and the need to maintain a specific schedule.
 - Tier 3 and 4 travelers include Commander, Fleet Forces Command; Commander, U.S. Naval Forces Europe/Africa; Commander, U.S. Pacific Fleet; Director, Naval Nuclear Propulsion; Vice Chiefs of the Military Services; Deputy Commanders of Combatant Commands.
 - Travelers must sign their own requests.
 - Must submit requests to VCNO or the appropriate Combatant Commander.

- **Other Official Travel:**

- Individuals outside Tiers 1-4 may only use MILAIR for official travel when:
 - Neither COMAIR nor airlift service offers reasonably available flights. Reasonably available means the flight effectively fulfills mission requirements and meets the traveler's departure and arrival requirements within 24 hours.
 - Highly unusual circumstances present a clear and present danger.
 - An emergency exists.
 - MILAIR is more cost-effective than COMAIR or chartered air.
 - Other compelling operational considerations make COMAIR unacceptable.
- Requesters must document:
 - Whether commercial service is reasonably available.
 - The valid official reason for use of MILAIR, other than personal convenience.

Enclosure (6)

Military Air Travel (MILAIR)

- Other appropriate factors, i.e.:
 - Specific scheduling requirements and why schedule cannot be changed.
 - Whether secure communications are required.
- If cost effectiveness is the rationale, the traveler must provide a cost comparison between MILAIR and COMAIR. The cost of rental cars, lodging, and per diem required may be factored in the cost comparison.
- The senior traveler must sign the request for use of MILAIR, and signature authority may not be delegated.
- Requests must be submitted to VCNO; Commander, U.S. Fleet Forces Command; Commander, U.S. Pacific Fleet; Commander, U.S. Naval Forces Europe/Africa; or Director, Navy Staff.
- **Unofficial Travel:**
 - All unofficial travel requires full reimbursement of full coach fare.
 - Includes travel by a family member, non-DOD civilian, or non-Federal traveler accompanying a senior officer traveler on official business on an aircraft already scheduled for an official purpose.
 - Unofficial travel must occur on a non-interference basis with only negligible additional costs to the Government.
 - Unofficial travelers must have an invitational travel authorization (ITA) and must reimburse the Government full coach fare for the flight. The ITA must be approved in writing by the senior officer traveler.

Command Coins

Key References: 31 U.S.C. 1301; 10 U.S.C. 1125; DoDI 7250.13; SECNAVINST 3590.4A; SECNAVINST 7042.7K; 5 U.S.C. 4503; 5 C.F.R. part 2635.203 (b) (2).

Key Concepts:

- Appropriated funds (APF) may only be used for authorized purposes. Absent specific authority, an expenditure using APF is prohibited. Consequently, a command may expend APF to purchase command coins only as a means to recognize outstanding performance and as an extension of the command's provision of official courtesies.
- **Awards:** Expenditure of APF to purchase command coins to award meritorious service is permissible. 10 U.S.C. 1125 and 5 U.S.C. 4503 authorize DoD to award medals, trophies, badges, and similar devices for excellence in accomplishments. Presentation of a coin qualifies as an award when given for outstanding performance, specific achievement, or a unique achievement that contributes to command effectiveness (SECNAVINST 3590.4A). Command coins provided in this context should bear the characteristics of other command awards and must be properly accounted for in a written record.
- **Personalization:** Command coins otherwise purchased with APF should not be personalized due to potential for government waste.¹
- **Official Representation Funds (ORF):** SECNAVINST 7042.7K (ORF Guidelines) provides that ORF may be used to purchase mementos that have a command or official theme. Coins having a command or official theme qualify as appropriate mementos. Generally, a command may offer mementos not exceeding \$350 to foreign dignitaries or other prominent citizens (non-DoD personnel).² A command also may offer mementos not exceeding \$40 to prominent visiting DoD officials.³ All Flag Officers on official visits to a foreign country are authorized to present command coins to non-DoD individuals who would not normally qualify for ORF courtesies, and yet provide essential support such as interpreters, drivers, or hotel staff.
- **Private Funds:** Coins given as gifts, tokens of appreciation, recognition of routine performance of duty, or to instill unit pride are not awards. Coins used this way cannot be purchased with APF, but rather should be purchased using private funds. Coins purchased with private funds may be personalized with the donor's name and there are no restrictions on the use of such coins. In using these funds, a commander is not bound by the restrictions discussed above (other than that of good taste).

¹ SECNAV, CNO, UNSECNAV, VCNO and MCPON are authorized to personalize command coins purchased with appropriated funds.

² See paragraph 8b, SECNAVINST 7042.7K. See paragraph 6 and enclosure (1) for a description of foreign dignitaries and other prominent citizens authorized to receive official courtesies under the instruction.

³ See paragraph 8b(7), SECNAVINST 7042.7K. See paragraph 6a(5) and enclosure (1) for a list of prominent DoD officials authorized to receive official courtesies under the instruction.

Gifts

Key References: 5 U.S.C. 7342, 7351 & 7353; 10 U.S.C. 2601 & 2608; 31 U.S.C. 1353; 5 C.F.R. part 2635; DoD 5500.07-R; DoDD 1005.13; SECNAVINST 1650.1H; SECNAVINST 4001.2J; OPNAVINST 4001.1F

Key Concepts:

- The basic rule: An employee shall not solicit or accept, directly or indirectly, a gift from a prohibited source or given because of the employee's official position.
- Prohibited source: Any person or entity that: is seeking official action by the employee's agency; does or seeks to do business with the employee's agency; is regulated by the employee's agency; has interests that may be substantially affected by the employee's official duties; or is an organization a majority of whose members fit into one or more of these categories.
- Official position: The test is whether the gift would have been given had the employee not held the status, authority, or duties.
- Indirect gifts: Includes gifts to a spouse, child, parent, sibling or dependent relative or any other person including a charity on the basis of designation, recommendation, or other specification by the employee.

Gift Definition:

The term "gift" is broadly defined and includes any gratuity, service, discount, entertainment, hospitality, or other item having monetary value. It includes meals, lodging, transportation, and training. The term "gift" does not include:

- Coffee, donuts, or other refreshments not intended to be a meal.
- A "presento" of little intrinsic value (card, plaque, certificate).
- Commercial benefits available to the general public or class of all Government employees/military personnel.
- Anything for which the employee pays fair market value.
- Anything accepted by the Government in accordance with agency gift acceptance statutes (e.g., acceptance of steaks for deployed forces, gifts of travel).
- Anything paid for by the Government or secured by the Government under Government contract.

Common Exceptions to Prohibition against Accepting Gifts from Outside Sources:

- Gifts of \$20 or less: Unsolicited gifts (NOT cash) with a market value of \$20 or less per source and per occasion are permissible so long as the total value of all gifts received from a single source during a calendar year does not exceed \$50.
- Gifts based on a personal relationship: Factors that are considered include: history of the relationship; whether the family member or friend pays for the gift from personal funds (not paid for by their employer/business); occasion for gift - holiday, birthday, family event or when official action is pending that might impact donor.
- Gifts from foreign governments: Employees may accept a gift (or combination of gifts) of "minimal value" (retail value in the US of

Gifts

\$350) if given and received as a courtesy from a foreign government. Gifts exceeding \$350 may be accepted on behalf of the US, but special rules and procedures apply. Ethics counselors should review all foreign gifts.

- Awards: Employees may accept gifts that are a bona fide award (or incident to such an award) from a person who does not have interests that may be substantially affected by the performance (or non-performance) of the employee's official duties. An ethics counselor must approve cash/gifts in excess of \$200.
- Discounts: Employees may accept discounts offered by a non-prohibited source to any group or class that is not defined in a manner that specifically discriminates among Government employees on the basis of type of official responsibilities or on a basis that favors those of higher rank or rate of pay.
- Widely Attended Gatherings: Employees may accept a gift of "free attendance" from the sponsor of a "widely attended" gathering if the employee's agency determines that employee's attendance is in the interest of the agency (i.e., attendance will further agency mission). A gathering is "widely attended" if it is expected that a large number of persons will attend and that persons with a diversity of views or interests will be present. Other special rules and procedures apply to this exception.

Gifts between Employees:

- General Rule: Employees cannot accept a gift from a lower paid employee, unless they have a personal relationship and they are not in a superior-subordinate relationship. Employees cannot give a gift to an official superior.
- Exceptions: On occasional basis, including traditional gift-giving occasions, such as birthdays and holidays, the following may be given by a subordinate and accepted by a superior:
 - Items (NOT cash) with value of \$10.00 or less per occasion (e.g., card).
 - Food and refreshments consumed at office.
 - Personal hospitality at subordinate's home of a type and value customarily given by the subordinate to personal friends.
 - Item given by a subordinate in connection with the receipt of personal hospitality from a superior if of a type and value customarily given on such occasions (e.g., a hostess gift of a \$15 bottle of wine).
- Special, Infrequent Occasions:
 - Subordinate may give a gift or donate toward a group gift for superior, and superior may accept gift on special, infrequent occasions such as marriage, illness, birth of child, or upon termination of superior-subordinate relationship, such as transfer, resignation, or retirement. Promotion does not qualify for this exception.

Gifts

- o Solicitations for group gifts may not exceed \$10 per person, but the employee is free to donate more. All donations must be voluntary. Group gift(s) given on special, infrequent occasions generally are limited to \$300.

*Gifts present many ethical and legal issues. It is critical to seek the advice of a Staff Judge Advocate or General Counsel on these issues.

Spouse and Dependent Travel

Key References: JFTR Appendix E; DEPSECDEF Memo of 15 Mar 02

Key Concepts:

- Invitational travel is the term applied to travel when the person is acting in a capacity that is related directly to official DoD activities.
- There are several different scenarios contained within the JFTR when invitational travel is permissible. This guidance is focused only on spouse and dependent travel approved under 2.m of Appendix E to the JFTR. In addition to this guidance, spouse or dependent travel may be justifiable on other grounds contained in Appendix E.
- Invitational Travel Authorizations (ITAs) for dependents may be issued by an authorizing official when either (1) the spouse or dependent participates in an official capacity at an "unquestionably official function" or (2) travel is in the national interest because of a diplomatic or public relations benefit to the U.S. which requires the spouse's presence in a non-participatory role. Note: ITAs are usually approved for spouse travel only, but may be approved for other dependent travel in rare circumstances.
- Ordinarily the ITA should authorize reimbursement of only transportation costs. Per diem may be authorized if the spouse or dependent travel is unquestionably mission essential and there is a benefit to DoD beyond fulfilling a representational role.

Participation in an Official Capacity at an Unquestionably Official Function:

- ITA requests must detail both the nature of the official function to be attended and the nature of the spouse's participation in an official capacity.
- Unquestionably Official Function: While no formal definition has been established for an "unquestionably official function" as it relates to spouse ITA determinations, the standard is fact-dependent and must be reviewed on a case-by-case basis. A function may be classified as "unquestionably official" when it is in furtherance of the mission of the Navy.
- Specific examples of unquestionably official functions may include: briefs of importance to military families (e.g. Fleet and Family Service Center, Wounded Warrior Programs, DoD Schools, Military Medicine briefs/updates); briefs that assist spouses in understanding how to successfully coordinate efforts to benefit military families (e.g. ethics, fundraising, and Family Readiness Groups); and tours of on-base and off-base facilities (e.g. day care and medical facilities).
- Participation in an Official Capacity: This basis for spouse travel is contingent upon the spouse participating in an official capacity, not mere attendance at an official event. The authorization request must explain how the participation relates to the spouse's role/work with the Navy or DoD.

Spouse and Dependent Travel

Diplomatic/Public Relations Benefit to the U.S.:

- ITAs for spouses may also be approved where their travel is in the U.S. interest. Their attendance must result in a diplomatic or public relations benefit to the U.S.
- Examples of spouse travel that would fall under this basis include: diplomatic engagements with foreign military and/or government officials OCONUS; Flag officer spouse attendance at area CONUS Fleet Week events; and other events that traditionally involve spouse participation when a public relations/diplomatic benefit is present. Consultation with PAO and legal counsel prior to making determinations regarding spouse participation in a representational capacity at such events is required.
- Representation is the key to this basis for spouse travel. This basis applies when it is customary for spouses to attend diplomatic and other events to represent the U.S. if there is also a benefit to the U.S. because of this representation.
- Because they do not confer a diplomatic or public relations benefit to the U.S., spouse attendance at events with exclusively DoD attendance (even events where a spouse may "represent" his or her flag officer spouse to subordinate military members and spouses) do not qualify for this exception. Additionally, even if the ITA is approved based upon a diplomatic event, it is prudent to have an itinerary that is populated with other official events (e.g. visiting the Navy-Marine Corps Relief Society, Fleet and Family Service Center, or military hospital) to best support the use of government funds for travel.

Per Diem:

- The approving official may authorize per diem and/or other actual expense allowances beyond transportation costs if the dependent's travel is "unquestionably mission essential" and there is a benefit for DoD beyond fulfilling a representational role.
- "Unquestionably mission essential" is a fact-dependent standard that requires a heavy burden to satisfy. While no formal definition exists for "unquestionably mission essential", as it pertains to spouse per diem ITA determinations, it generally can be described as a situation where the spouse's presence is truly necessary to meet mission requirements.
- Examples of unquestionably mission essential travel include, but are not limited to:
 - Where a spouse's unique expertise in the subject matter under discussion serves a mission critical function that would otherwise go unfilled absent the spouse's attendance.
 - Where a spouse's unique relationship with a member or members of a group to be influenced or engaged upon during the trip will significantly increase the likelihood of mission success (typically applicable only to foreign diplomatic/military trips where the commander is attempting to win support for his or her position on behalf of the U.S.).

Spouse and Dependent Travel

- o Where the spouse's presence is required to ensure future readiness as the husband or wife of a senior official (e.g. Navy Flag Officer Spouse Training, NFLEX, NFOSES).
- o Where a spouse is explicitly invited to a gender specific event that would exclude his or her spouse from attending, but has great importance to the United States or the Navy (e.g. a female only event hosted by royal families or by spouses of other high level dignitaries in the Middle East, including, but not limited to, wedding side-events and women's majalis meetings).
- **Approval Authority:**
 - o CNO has delegated approval authority for ITAs for spouses to Vice Chief of Naval Operations; Commander, U.S. Fleet Forces Command; Commander, U.S. Pacific Fleet; Commander, U.S. Naval Forces Europe/Africa; and Director, Navy Staff.
 - o The authority to approve ITAs for spouses of DoD senior officials may not be delegated below the Chief of Staff or equivalent level.

Communications with Industry

Key References: DoD 5500.07-R (JER); DEPSECDEF Memo of 21 Jun 10;
UNSECNAV Memo of 4 May 11

Key Concepts:

- The Navy's ability to meet the challenges of the future is enhanced by frequent, fair, even, and transparent communication with members of the industrial base.
- There is no *per se* legal or ethical prohibition on Navy officials communicating with industry members. Nevertheless, such communication must be done in a manner that gives no preferential treatment and protects sensitive or non-public information from unauthorized release.
- Navy officials are encouraged to communicate with industry on matters of mutual interest, as necessary to conduct official business.
- It is important to consult legal counsel early when planning to communicate with industry. Counsel can help ensure the fairness and integrity of current or future acquisitions are protected and to avoid unfair competitive advantage.

General Rules:

- Impartiality. DoD officials must act impartially and not give preferential treatment to any private organization. Exercise caution to ensure that your actions do not give a competitive advantage to a particular company.
- Information. Do not release or discuss any non-public information.
- Commitments. Do not make any commitments or promises that could bind the government. Only a warranted contracting officer or real estate contracting officer is authorized to bind the government by entering into, or changing, a contractual agreement or real property interest. Although you may ask informational and clarifying questions during a meeting, or ask contractors to send follow-up information, you must always preface these requests with a specific disclaimer that you are not authorizing award of any new contract or agreement, or authorizing changes to an existing contract/agreement scope of work.

"Best Practices" for Communicating with Industry:

- Group Setting. The applicable ethical and legal rules require fair and even treatment of industry representatives. Although large industry forums that are open to the public are preferable settings to inform industry of Navy needs and priorities, smaller groups and even one-on-one sessions may be appropriate in particular cases. If you engage in smaller group or one-on-one sessions, fairness requires that you must be able and willing to grant similar requests that you receive from other industry members.
 - One-on-one meetings concerning emerging capabilities requirements not currently under contract should generally be avoided if not preceded by a broader announcement to industry that Navy is seeking information in this area.

Communications with Industry

- Process. Route industry schedule requests through your legal counsel for review and advice. In addition, your PAO, and other senior staff members may also advise on particular factors that should be considered in your decision-making process.
 - Contracts. Prior to agreeing to a meeting or commencing communications, request participants to identify all current DON contracts and proposals pending with DON. This is to ensure that you do not inadvertently jeopardize the integrity of an ongoing procurement. It is also advisable to contact your supporting contracting office to ensure there is no on-going procurement action which might be impacted by your discussions with a member of industry. Consider having your contracting officer attend meetings that may touch on contract issues or action.
 - Read-Aheads. If the meeting or communication is at the request of industry, request that the industry member provide a copy of any read-ahead that may be available. This provides you additional advance details or information to assist you and your senior staff, or subject matter experts in preparing for the meeting.
 - Agenda. Determine an agenda in advance that will clearly identify the topics/issues that are open for discussion and those that are off-limits for discussion.
 - Subject Matter Experts. Include appropriate subject matter experts in the discussion. They will prepare you beforehand and respond to inquiries after the meeting. Their participation enhances their ability to assist in communicating Navy positions.
 - Meeting Logs. Maintaining a log or other organized written record of all meetings with industry representatives. This can be helpful documentation of minimum details if there are any later questions about fairness or propriety of the meeting.
- Appearance Concerns. Do not participate in a matter that presents an actual or apparent conflict between your official duties and your personal interests. Counsel, PAO, and senior staff will assist you in identifying conflict of interest issues or appearance concerns that should be considered in your decision-making process.
- Personal Conduct. Be sure to follow the applicable gift rules and post government employment rules. For example, a member of industry coming for a meeting may bring a small gift that they wish to give you. Be sure to consult with your counsel prior to accepting any gifts from members of industry. Additionally, post government employment rules are very specific regarding when someone is "seeking employment." Consult with counsel to ensure you know and understand these rules and their impact on your official duties.
- Engagement Strategy. Develop a comprehensive industry engagement strategy that aligns your mission responsibilities with DoN and DoD strategy and position. Leverage the knowledge and expertise on your staffs in creating strategy and utilize it in your decision-making process.
- Seek Guidance. When in doubt, discuss the matter with counsel and/or your chain of command.



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PERSONNEL AND
READINESS

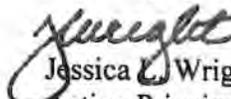
MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND
RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE NAVY (MANPOWER AND
RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE AIR FORCE (MANPOWER
AND RESERVE AFFAIRS)

SUBJECT: Change to Policy Regarding Officers Serving on Boards of Directors

The attached policy restricts certain military members from serving on the boards of directors of certain companies that do business with the Department of Defense or focus their business principally on military personnel. This is a reissuance of the Under Secretary of Defense for Personnel and Readiness memorandum of September 28, 2011, which expanded preexisting policy limiting such service by officers in the grades of O-9 and O-10, to a broader class of personnel.

While there have been no reported incidents of military personnel being adversely affected by the service of certain military members on company boards, the Department is seeking to avoid any suggestion of impropriety that a military leader's participation in the management of certain outside businesses suggests Governmental endorsement or sanction of those businesses. I ask that you incorporate the prescribed limitations into your appropriate ethics training and education programs.

This is an area of acute interest to the Senate Armed Services Committee and as such you can expect nominees to general and flag ranks will be scrutinized on this aspect of their extracurricular service. Several individuals have already been asked to resign their positions on boards prior to confirmation. Your support in this matter is greatly appreciated.


Jessica L. Wright
Acting Principal Deputy

Attachment:
As stated



LIMITATION TO SERVICE ON BOARDS OF DIRECTORS

As a prerequisite for confirmation, the Senate Armed Services Committee (SASC) currently requires that officers nominated for appointment to the grade of O-10 or O-9, including members of the Reserve components, must resign from service, paid or unpaid, on the boards of directors of companies or other entities that do business with the Department of Defense or focus their business principally on military personnel. After careful study and in consultation with the Military Departments, the Department of Defense is expanding the SASC O-10 and O-9 policy to a broader class of military personnel, to avoid any suggestion of impropriety that a military leader's participation in the management of certain outside businesses suggests Governmental endorsement or sanction of those businesses.

As set forth in detail below, this policy applies in various manners to: (i) Regular component and Reserve component officers at the O-10 and O-9 levels; (ii) Regular component officers at the O-8 and O-7 levels; (iii) Reserve component officers at the O-8 and O-7 levels; and (iv) certain Regular component officers at the O-6 level and below and certain Regular component enlisted personnel at the E-9 level. This policy has no application to Reserve component officers below the O-7 level, or to any Reserve component enlisted personnel. It covers compensated and uncompensated board service on certain for-profit and non-profit entities, including charitable organizations. This policy, however, does not cover board service that is otherwise authorized by law or regulation (*e.g.*, title 10, U. S. C., § 1033).

For questions concerning this policy, personnel are encouraged to consult a local judge advocate or ethics counselor within their respective Service or other organization within the Department of Defense.

Definitions:

1. Companies that "do business" with the Department are those listed on the Department of Defense \$25K list, which is published annually and posted on the Department of Defense Standards of Conduct website. In addition to traditional defense contractors, this list includes a number of other entities such as colleges, universities, think tanks, and non-profits that receive grants or contracts from Department of Defense.
[Http://www.dod.mil/dodge/defense_ethics/resource_library/contractor_list.pdf](http://www.dod.mil/dodge/defense_ethics/resource_library/contractor_list.pdf)
2. Companies and other entities that "focus their business principally on military personnel" include, but are not limited to, life, health, auto, and property insurance companies whose clientele is predominately military members and their families, financial planning consulting firms whose clients are predominately military members and their families, and military-focused credit unions or banks.

Regular Component and Reserve Component Officers at the O-10 and O-9 levels

Consistent with current Senate policy, officers in the grades of O-10 and O-9, including members of the Reserve components, may not serve on the boards of directors of companies or other entities that do business with the Department of Defense or focus their business principally on military personnel.

Regular Component Officers at the O-8 and O-7 levels

Regular component officers in the grades of O-8 and O-7 may not serve on the boards of directors of companies or other entities that do business with the Department of Defense or focus their business principally on military personnel.

Reserve Component Officers at the O-8 and O-7 levels

Reserve component officers in the grades of O-8 and O-7 who serve more than 179 days (need not be consecutive) during the immediately preceding period of 365 consecutive days on active-duty, and who serve on the board of a company or other entity that focuses its business principally on military personnel, must resign from such a board.

Reserve component officers in the grades of O-8 and O-7 who serve more than 179 days (need not be consecutive) during the immediately preceding period of 365 consecutive days on active-duty, and who serve on the boards of directors of companies or other entities that do business with the Department of Defense, may be permitted to continue service on such a board, but must seek an ethics determination by the appropriate ethics official of his or her organization of assignment. The ethics determination shall evaluate whether there is an appearance of implied Governmental endorsement or sanction of the commercial entity of the member's board service. If board service does not create the appearance of Governmental endorsement, the Reserve O-8 or O-7 officer may be permitted to serve.

Regular Component Officers (O-6 and below) and Regular Component Enlisted Personnel (E-9) Restrictions

Regular component officers in the grade of O-6 and below and Regular component enlisted personnel in the grade of E-9 who serve in a leadership position that spans an entire installation (e.g., base commander, base command sergeant major) may not serve on the boards of directors of companies or other entities that do business with the Department of Defense or focus their business principally on military personnel unless they receive an ethics determination by the appropriate ethics official for the Service member's organization of assignment. The ethics determination shall evaluate whether there is an appearance of implied Governmental endorsement or sanction of the commercial entity by the member's board service. This must be done prior to serving on the boards of the aforementioned organizations.

Effective Date

This policy is effective immediately and applies to military members who currently serve on boards of directors.

Waiver provision

This policy may be waived in writing by the Under Secretary or Principal Deputy Under Secretary of Defense for Personnel and Readiness based on extraordinary circumstances. This authority may not be delegated and must be exercised in coordination with the Department of Defense Standards of Conduct Office.

Flag Officer Ethics Review Checklist

The following items should be reviewed on an annual basis. Following the review, the ethics counselor should provide a memorandum to the Flag Officer detailing the results of the review.

- Official Representation Funds (ORF):
 - Review of all ORF Events for compliance with applicable instructions
 - Legal review of the ORF event conducted prior to execution
 - Event held to honor an ORF eligible individual(s)
 - Appropriate ratios for the event
 - Records maintained of exception to policy requests and approvals
 - Review of gifts given utilizing ORF
 - Gifts given were under \$350.00 for non-DoD ORF eligible individuals
 - Gifts given to DoD individuals identified in SECNAVINST 7042.7K were under \$40.00
 - Review of command coins purchased and presented using ORF

- Official Travel
 - Travel is for an official purpose
 - Routine travel itinerary reviewed by an Ethics Counselor prior to execution
 - Appropriate reimbursement for unique travel situations such as multiple location TDY trips or actual expense allowance authorized
 - MILAIR properly requested/approved, if applicable
 - Spouse travel properly requested and approved, if applicable
 - Travel is no longer than required to accomplish the purpose of the official travel
 - If leave taken in conjunction with official travel, properly recorded and proper reimbursement
 - Checks written to the U.S. Treasury for unofficial travelers have cleared with file copies maintained. Similarly, documentation supporting the full-coach fare on the dates of travel is retained on file.

- Leave
 - Leave properly requested and charged following the leave period

- Use of Government Vehicles
 - Review use of government vehicles to ensure use only for official purpose

- Use of Personnel (does not include enlisted aides)
 - Review use of personal staff to ensure use only for official purposes

- Use of Enlisted Aides
 - Review use of Enlisted Aides to ensure use is consistent with law and policy
 - Legal review of the use of the Enlisted Aide to support an event done prior to the event
 - Enlisted Aides only provide support that is official in nature or has a reasonable connection to the Flag Officer's official duties
 - Enlisted Aide has clear line of communication to the Flag Officer for any issues or concerns

- Command Coins
 - Properly maintained command coin log
 - Log provides line items for the category of coin (O&M, ORF, Personal); information regarding who it was presented to; reason for presentation; and the date of presentation.

- Gifts
 - All gifts received, regardless of type and source, maintained in a log that provides the source, fair market value and disposition. Retain the documentation of fair market value on file.
 - All gifts received reviewed by the ethics counselor
 - Gifts that cannot be accepted in a personal capacity or on behalf of the Navy returned to the source expeditiously
 - Foreign gifts received that exceed the minimal value routed to Director, Navy Staff (DNS 35) or other appropriate office in accordance with existing guidance
 - Ensure checks are cashed by the U.S. Government for foreign gifts that exceed the minimal value and are purchased by the Flag Officer

- Training
 - Flag Officer completed annual ethics training
 - Personal staff received in-person training with the ethics counselor in the last year
 - If an Enlisted Aide is assigned, spouse received an annual brief specific to the Enlisted Aide

- Financial Disclosure
 - Required financial disclosure forms filed on time to include STOCK Act transaction reports
 - Conflict letters issued, if necessary

- Speaking Engagements/Support to Non-Federal Entities (NFE)
 - Requests for Flag Officer to speak or participate at NFE events reviewed prior to participation