

CRIMINAL CONFLICT  
OF

# INTEREST



LAWS

SUMMARY FOR  
EXECUTIVE  
BRANCH EMPLOYEES

This booklet contains summaries of the Criminal Conflict of Interest Laws, 18 U.S.C. sections 201-209. These summaries are not a substitute for legal advice. You should consult U. S. Postal Service ethics officials for specific guidance about the application of these laws to your situation.

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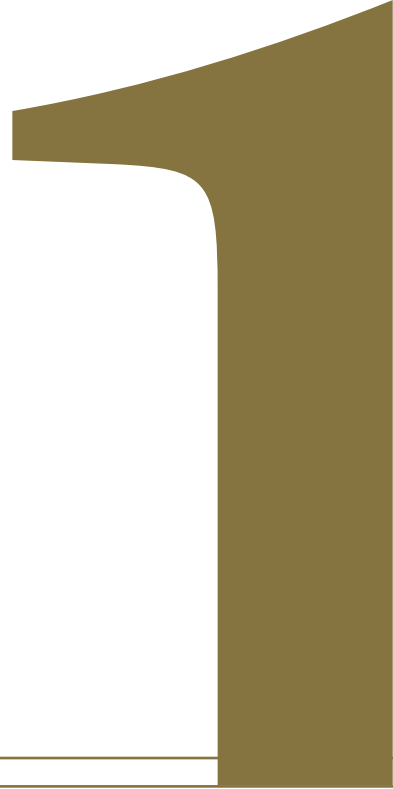
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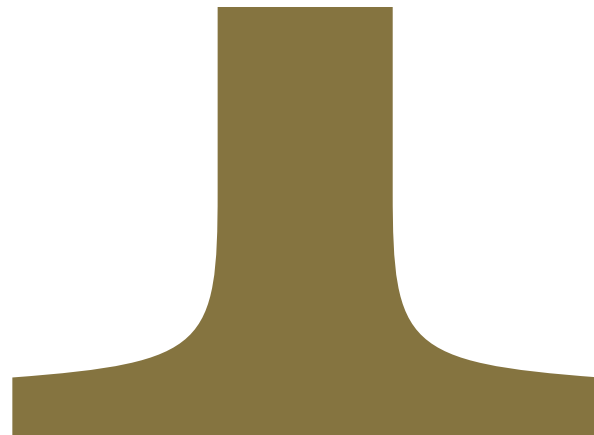
# *18 U.S.C. 208*

You are prohibited from working on Government matters in which you, your spouse or minor child, or certain others have a financial interest.



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CONFLICTING FINANCIAL INTEREST



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# CONFLICTING FINANCIAL INTEREST

## 18 U.S.C. 208

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18 U.S.C. section 208 prohibits you from working on Postal Service matters that will affect your own personal financial interest, or the financial interests of certain other people, including:

- **your spouse or minor child;**
- **your general partner;**
- **any organization in which you are serving as an officer, director, trustee, general partner or employee; and**
- **any person or organization with whom you are negotiating or have an arrangement for future employment.**

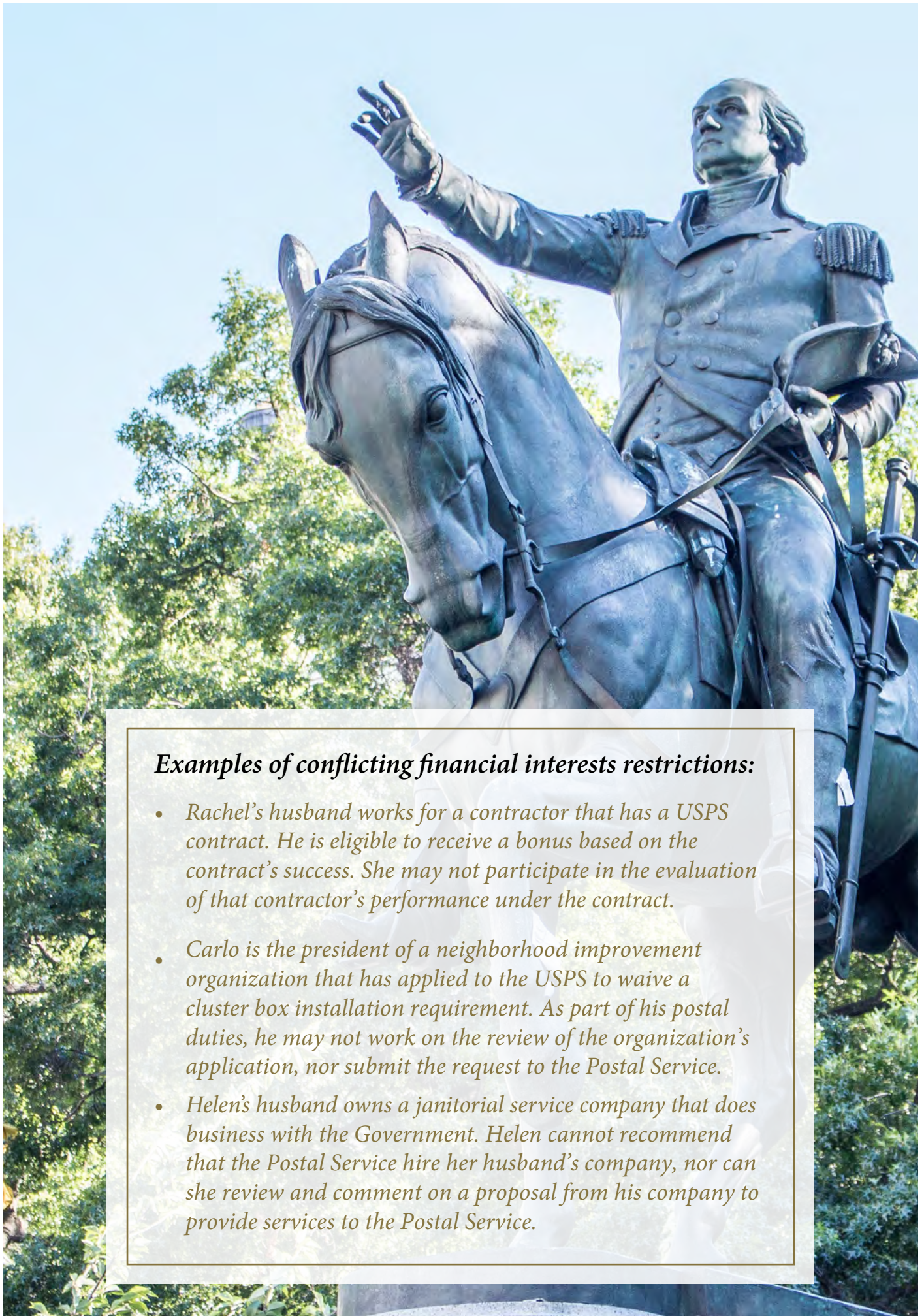
There are various ways you could experience a conflict of interest between the work you perform and a financial interest you or others hold. Stock ownership is one example. If you or your spouse or minor child owned \$30,000 of stock in a company that would be affected by your job duties, you would not be able to perform those duties until certain measures are taken to resolve the conflict. This would be true even if the extent of the gain or loss is small or isn't known.

Keep in mind, however, that conflicts can arise from interests other than stock. For example, if you are on the board of directors of an organization, you could not act on a contract that would benefit or affect that organization.

In some cases, the law recognizes that your financial interest may be so remote or inconsequential that the interest shouldn't prevent you from working on a particular assignment.

If you think you might have a conflicting financial interest, you should discuss it with your supervisor and a Postal Service ethics official. They can provide you with guidance to address the conflict. For example, this might include not working on the specific postal matter, selling stocks, or resigning from an outside position. An ethics official will be able to provide guidance specific to your particular circumstances.





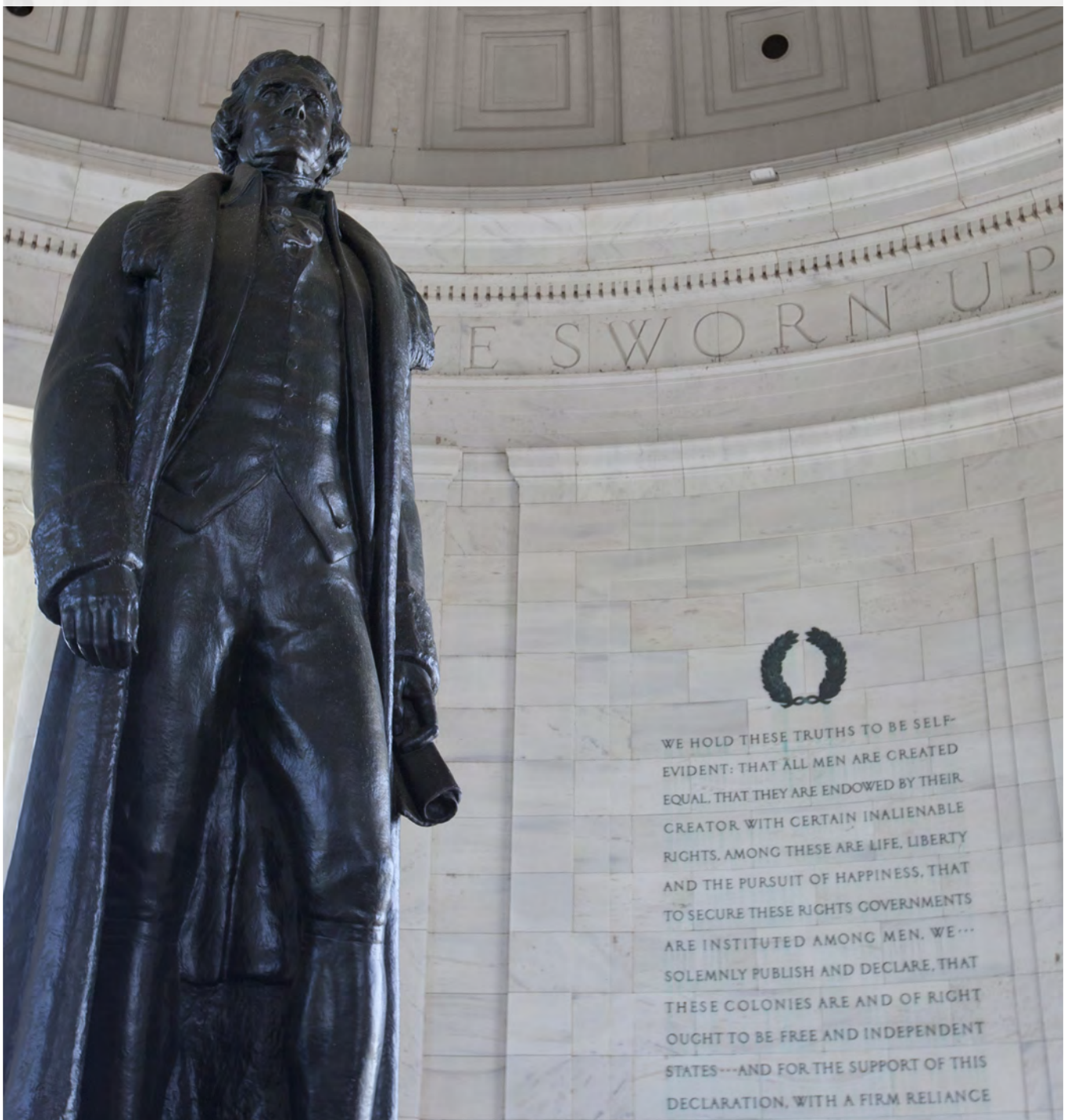
***Examples of conflicting financial interests restrictions:***

- *Rachel's husband works for a contractor that has a USPS contract. He is eligible to receive a bonus based on the contract's success. She may not participate in the evaluation of that contractor's performance under the contract.*
- *Carlo is the president of a neighborhood improvement organization that has applied to the USPS to waive a cluster box installation requirement. As part of his postal duties, he may not work on the review of the organization's application, nor submit the request to the Postal Service.*
- *Helen's husband owns a janitorial service company that does business with the Government. Helen cannot recommend that the Postal Service hire her husband's company, nor can she review and comment on a proposal from his company to provide services to the Postal Service.*



# 18 U.S.C. 209

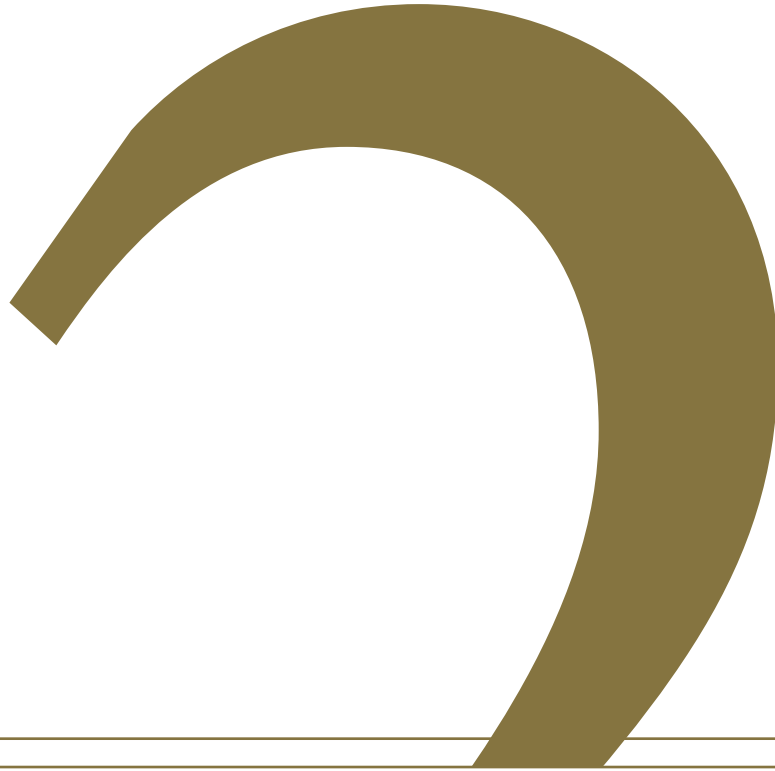
You may not be paid by someone other than the United States for doing your Postal Service duties.



WE HOLD THESE TRUTHS TO BE SELF-EVIDENT: THAT ALL MEN ARE CREATED EQUAL, THAT THEY ARE ENDOWED BY THEIR CREATOR WITH CERTAIN INALIENABLE RIGHTS, AMONG THESE ARE LIFE, LIBERTY AND THE PURSUIT OF HAPPINESS, THAT TO SECURE THESE RIGHTS GOVERNMENTS ARE INSTITUTED AMONG MEN, WE... SOLEMNLY PUBLISH AND DECLARE, THAT THESE COLONIES ARE AND OF RIGHT OUGHT TO BE FREE AND INDEPENDENT STATES---AND FOR THE SUPPORT OF THIS DECLARATION, WITH A FIRM RELIANCE

PROVIDENCE, WE MUTUALLY PLEDGE OUR LIVES, OUR FORTUNES AND OUR





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SUPPLEMENTATION OF SALARY



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## SUPPLEMENTATION OF SALARY

### 18 U.S.C. 209

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With some limitations, 18 U.S.C. section 209 prohibits you from receiving any salary or contribution to or supplementation of your postal salary from anyone but the Postal Service as compensation for your services as a postal employee. In other words, no one other than the Postal Service can pay you for doing your official postal duties.

Section 209 is intended to prevent divided loyalty and even the appearance of wrongdoing. Consequently, the prohibition applies even if the person paying you has no dealings or relations with the Postal Service, and even if the Postal Service experiences no injury as a result of the supplementation.

The prohibition does not apply to:

- **special Government employees (in the Postal Service, only the Postal Governors appointed to the USPS Board of Governors are in this employee category);**
- **payments made by the treasury of any State, county, or municipality;**
- **continued participation in a former employer's bona fide employee welfare or benefit plan (such as a pension, retirement, group life, health or accident insurance, profit-sharing, or stock bonus plan);**





***Examples of supplementation of salary restrictions:***

- *Janice was a highly paid executive of a private corporation. After joining the Postal Service, she could not accept an offer from her former employer to pay her the difference between her postal salary and the compensation she would have received in her former position in the corporation.*
- *Neil is a professor at a university. In order to accept a position with the Postal Service, he is granted an unpaid leave of absence from the university. The unpaid leave status alone is not a supplementation to his salary because it does not have an ascertainable monetary value.*
- *Ciara is an attorney in a Postal Service Area Law Office. She is assigned by her supervisor to deliver a speech at a conference sponsored by a private organization. Her speech will address her office's processes for handling postal litigation. The conference organizers offer to pay her \$500 for her time. If Ciara accepts, she has received a prohibited supplementation to her postal salary.*





# 18 U.S.C. 201

You are prohibited from accepting bribes or gratuities to influence your postal actions.







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BRIBERY AND ILLEGAL GRATUITIES



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# BRIBERY & ILLEGAL GRATUITIES

## 18 U.S.C. 201

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You are prohibited from demanding, seeking, receiving, accepting or agreeing to receive or accept anything of value as a bribe to influence your official postal actions or as a gratuity for or because of your postal actions.

18 U.S.C. section 201 contains two separate prohibitions: the first deals with bribery, the second with illegal gratuities. What is the distinction? An aphorism the Department of Justice has used to sum up the distinction between a bribe and a gratuity is this-- a bribe says “please” and a gratuity says “thank you.”



Bribery requires an intent “to be influenced” in an official act. In other words, for bribery to occur there must be a quid pro quo— an agreement that you will be influenced in the performance of any official act and will seek or accept something of value in exchange.

An illegal gratuity is more like a tip. You accept, or agree to accept, something of value for an official act that has already taken place or may take place sometime in the future.





*Examples of bribery and gratuity restrictions:*

- *Jonathan, a vehicle maintenance supervisor, assigns work to various auto repair shops in the area. He made an agreement with one of the shops to charge and receive a “business fee” in exchange for assigning business to its shop. This arrangement constitutes bribery.*
- *Sybil is a supply management employee responsible for an equipment program at the Postal Service. As part of her duties, she negotiates, reviews, and recommends approval of a large postal contract to buy \$2 million worth of equipment from Company A. After Company A is awarded the contract, Sybil accepts Company A’s offer for herself and her family to join the company’s executives and salespersons on a Caribbean cruise, free of charge. Sybil has accepted an illegal gratuity.*



A close-up photograph of the Lincoln Memorial statue in Washington, D.C. The image focuses on the upper portion of the statue, showing the head and shoulders. The statue is made of white marble and is shown in a three-quarter view, looking slightly to the right. The background is a plain, light-colored wall. The lighting is soft, highlighting the texture of the marble and the details of the facial features and the folds of the coat.

# *18 U.S.C. 205*

You are generally prohibited from certain involvement in claims against the United States, or from representing another before the Government in matters in which the United States is a party or has a direct and substantial interest.



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REPRESENTING OTHERS IN CLAIMS & OTHER  
MATTERS AFFECTING THE GOVERNMENT

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# REPRESENTING OTHERS IN CLAIMS & OTHER MATTERS AFFECTING THE GOVERNMENT

## 18 U.S.C. 205

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With some exceptions, 18 U.S.C. section 205 prohibits you from representing anyone other than yourself in claims and other matters before any department, agency, or court (and certain other Government entities) if the United States is a party or has an interest. This representation is prohibited even if it is uncompensated, and regardless of whether it relates to the Postal Service or the work you perform for the Postal Service.

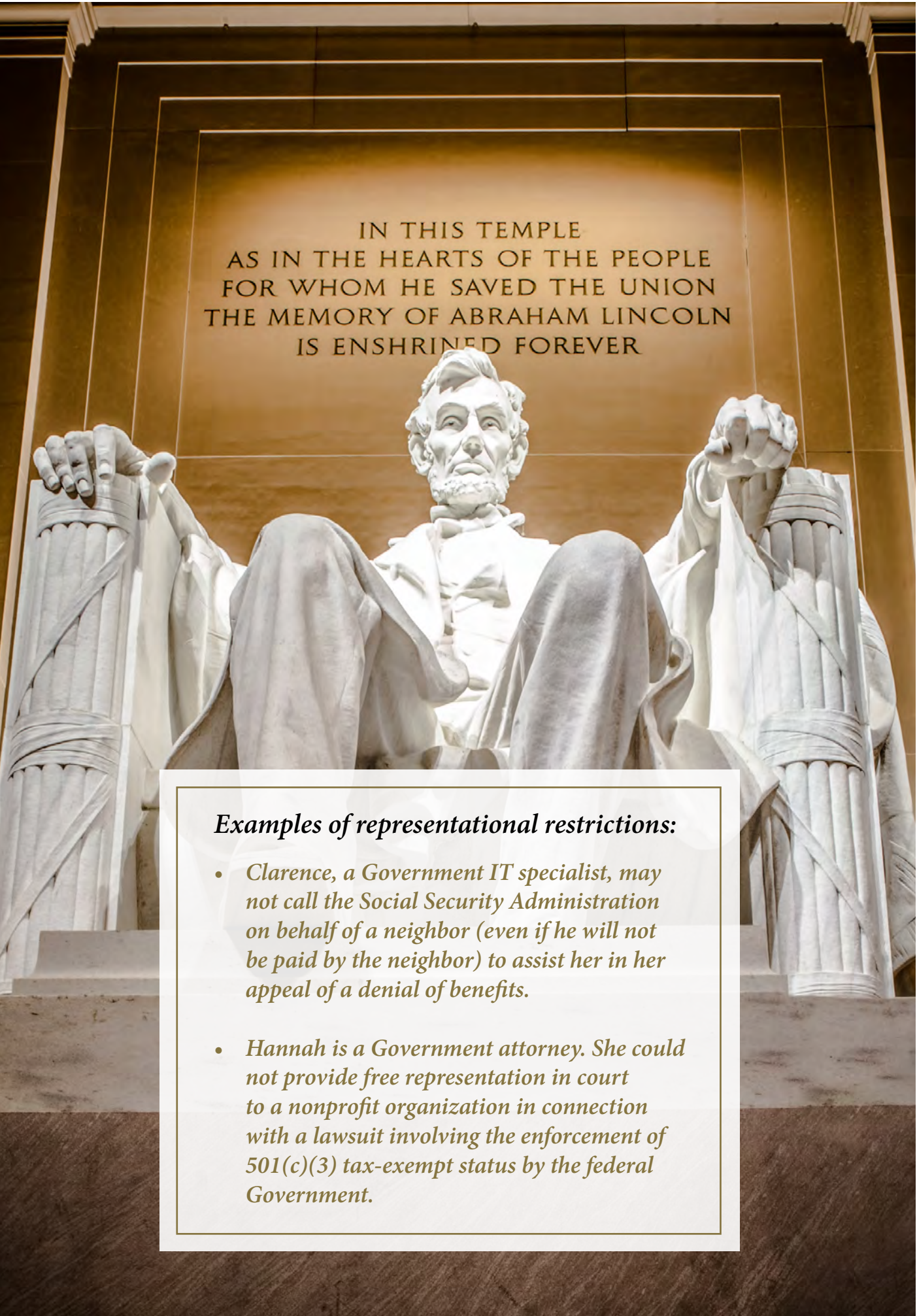
In addition, 18 U.S.C. section 205 prohibits you from:

- **acting as an agent or attorney for anyone else in bringing a claim against the United States: or**
- **receiving compensation for assisting someone else in bringing a claim against the United States.**

It's important to note that you can always represent yourself. Additionally, there are some exceptions that may apply to your situation. For example, one notable exception would allow you, under certain circumstances and with agency approval, to represent your parents, spouse, children, and certain others with whom you have a fiduciary

relationship (such as serving as a guardian, trustee or executor).

If you are thinking about engaging in any activity that may implicate 18 U.S.C. section 205, talk with an ethics official. He or she can advise you about the application of the law and any relevant exceptions.



IN THIS TEMPLE  
AS IN THE HEARTS OF THE PEOPLE  
FOR WHOM HE SAVED THE UNION  
THE MEMORY OF ABRAHAM LINCOLN  
IS ENSHRINED FOREVER

***Examples of representational restrictions:***

- *Clarence, a postal IT specialist, may not call the Social Security Administration on behalf of a neighbor (even if he will not be paid by the neighbor) to assist her in her appeal of a denial of benefits.*
- *Hannah is a postal attorney. She may not provide free representation in court to a nonprofit organization in connection with a lawsuit involving the enforcement of 501(c)(3) tax-exempt status by the federal Government.*





# *18 U.S.C. 203*

You are prohibited from receiving compensation for representational activities involving certain matters in which the United States is a party or has a direct and substantial interest.



RECEIVING COMPENSATION IN CONNECTION  
WITH MATTERS AFFECTING THE GOVERNMENT

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# RECEIVING COMPENSATION IN CONNECTION WITH MATTERS AFFECTING THE GOVERNMENT

## 18 U.S.C. 203

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18 U.S.C. section 203 prohibits you from receiving or seeking to receive any compensation (including legal fees, partnership share, bonuses, or other payments) for representational services to others, before any department, agency, or court (and certain other Government entities), in matters where the United States is a party or has an interest.

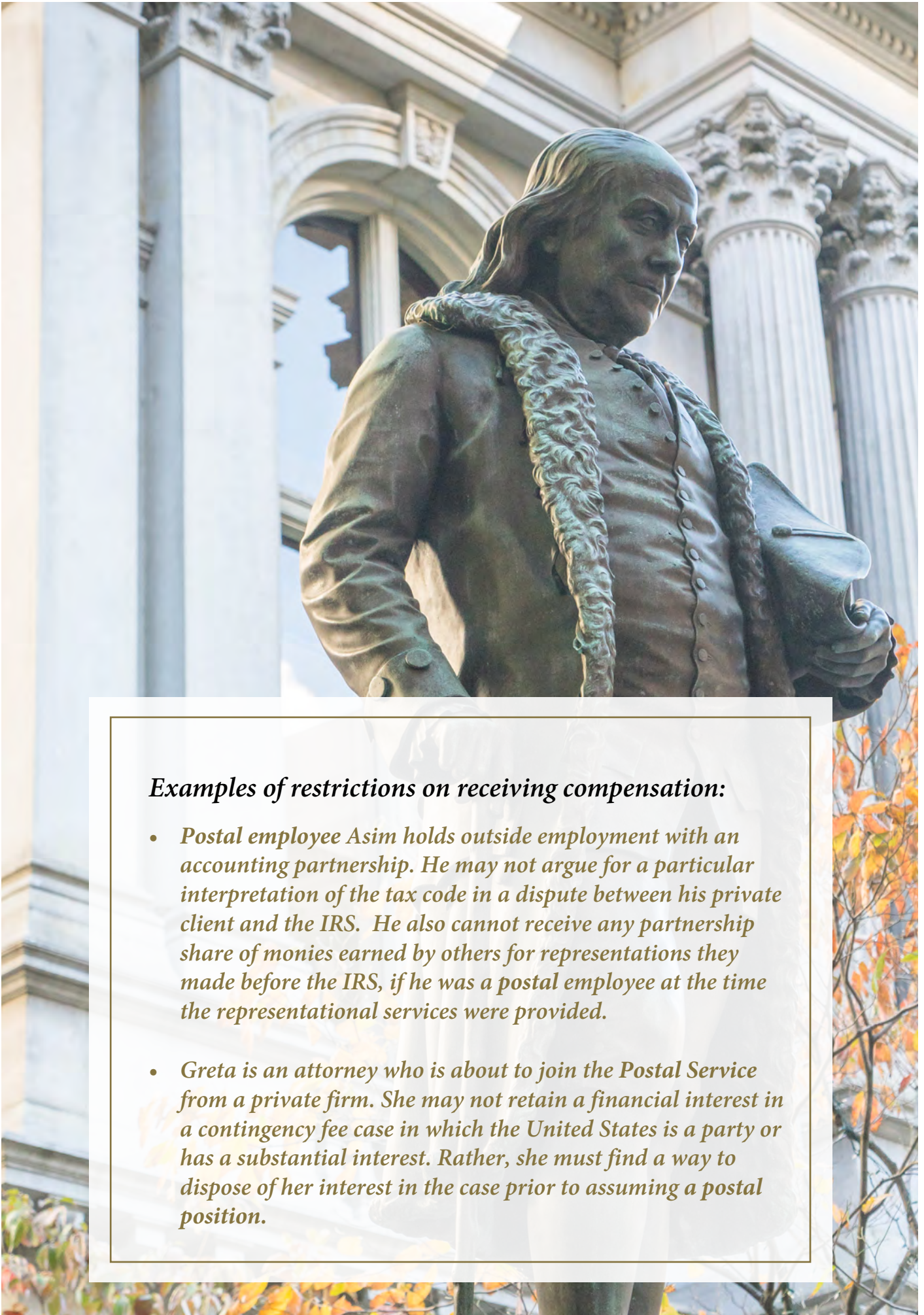
There are two important things to remember about this prohibition:

- It applies if the representational services are provided during the time that you are an executive branch (including postal) employee, regardless of whether you receive the payment during or after Government service.
- It applies whether you provide the representational services yourself or someone else provides them.

Keep in mind that there are some exceptions that might apply, depending on your circumstances. One notable exception would generally allow you, with the Postal Service's approval, to represent – with or without compensation – your parents, spouse, children, and certain others with whom you have a fiduciary relationship (such as serving as a guardian, trustee or executor).

If you foresee receiving compensation for representational services provided by you or someone else, talk with an ethics official. He or she can advise you about the application of the law and any relevant exceptions.





***Examples of restrictions on receiving compensation:***

- *Postal employee Asim holds outside employment with an accounting partnership. He may not argue for a particular interpretation of the tax code in a dispute between his private client and the IRS. He also cannot receive any partnership share of monies earned by others for representations they made before the IRS, if he was a postal employee at the time the representational services were provided.*
- *Greta is an attorney who is about to join the Postal Service from a private firm. She may not retain a financial interest in a contingency fee case in which the United States is a party or has a substantial interest. Rather, she must find a way to dispose of her interest in the case prior to assuming a postal position.*



A low-angle, close-up photograph of the Statue of Liberty, showing the crown, the face, and the arm holding the torch. The image is tinted with a teal/cyan color. The text is overlaid on a semi-transparent white banner.

# *18 U.S.C. 207*

After you leave Government (including postal) service,  
you may be subject to limitations on your post  
employment activities.



A large, stylized number '6' is centered on the page. The top half of the '6' is above a horizontal line, and the bottom half is below it. The number is rendered in a dark olive green color. The top curve of the '6' is a thick, solid line that curves from the left towards the right. The middle part of the '6' is a smaller, curved line that connects the top and bottom curves. The bottom curve of the '6' is a thick, solid line that curves from the right towards the left.

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RESTRICTIONS ON FORMER EMPLOYEES

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# RESTRICTIONS ON FORMER EMPLOYEES

## 18 U.S.C. 207

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18 U.S.C. section 207 is the primary source of post Government employment restrictions that may prohibit you from engaging in certain activities after you leave the Postal Service service. None of the statute's restrictions bar you from accepting employment with any private or public employer. Instead, they prohibit you from engaging in certain communications and appearances before the Postal Service and federal Government on behalf of other people or organizations.

Two of the post employment restrictions are essentially "switching sides" restrictions. These may apply to any former Government and postal employee regardless of rate of pay. A "cooling off" restriction applies only to former postal officials earning at or above a certain rate of pay. The remaining restrictions apply to individuals who performed certain duties for the Government.

### ***Examples of post Government employment restrictions:***

- *Terence was the leader of an evaluation team for an information technology software contract during his postal employment. After he left the Postal Service, he was hired by the same software company he recommended for the contract. For the "lifetime" of that contract, Terence may not contact the Postal Service, or any other agency or department, on behalf of his new employer to discuss the software contract with the Postal Service.*
- *In the prior example, if Terence had not participated in the contract award, but merely supervised others who worked on the evaluation team during his last year of Government service, he would still be prohibited from discussing the matter with the Postal Service, or any other agency or department, for two years from the date he terminated his postal employment.*
- *Chandra was a vice president (officer) with the Postal Service earning a high salary. After leaving the Postal Service, she became an unpaid consultant with People for Change, an advocacy group. People for Change asks her to contact the Postmaster General and request a meeting to discuss the group's ideas on regulatory reform. Because of her rate of pay at the time she left the Postal Service, for one year after her departure, Chandra may not contact the Postal Service on behalf of People for Change to seek any official action, including requesting a meeting with the Postmaster General (or any other current postal employee).*



**“Switching sides”** restrictions—These restrictions bar you from making a communication or appearance before the Postal Service, a Federal department, agency, or court to seek action on behalf of anyone else. These restrictions apply only to certain types of matters you were involved in while serving the Postal Service (e.g., specific party matters such as contracts, grants or similar matters).

- **If you participated in the postal matter directly (e.g. personally and substantially), the restriction lasts for the lifetime of the matter.**
- **If the matter was merely pending under your official responsibility during your last year of postal service, then you are restricted for two years after you leave postal employment.**

**“Cooling-off”** restrictions—These restrictions apply to certain former high-level officials earning at or above a specific salary level that changes annually.

- **If you are covered by the one-year cooling off restriction, for one year after you leave the Postal Service, you may not represent another person or entity by making a communication to or appearing before the Postal Service to seek official action on any matter.**

