

660 Conduct

661 Code of Ethical Conduct

661.1 Purpose and Applicability

- 661.11 This Code of Ethical Conduct is designed to instruct and guide employees entering the Postal Service, and to remind all employees of the conduct expected and required of them in performing their official duties and in their general conduct.
- 661.12 Each employee, including each special Postal Service employee, should read and become familiar with this Code. A violation of this Code may be cause for remedial or disciplinary action, including discharge. An employee who needs guidance concerning this Code, including any statute or regulation mentioned herein, should request guidance from the appropriate postal official as designated in 661.812.
- 661.13 Although this Code is not applicable to members of a uniformed service or to employees of another government agency who are serving with the Postal Service, these persons are not relieved from their responsibilities under the regulations of the service or agency from which they are assigned or detailed to the Postal Service.
- 661.14 The provisions of this Code will be broadly construed and strictly enforced in order to prevent postal employees from securing any pecuniary advantage, however indirect, from their public employment, other than their compensation provided by the Postal Service.

661.2 Congressional Code of Ethics for Government Service

- 661.21 The standards of conduct for all employees of the United States have been stated by Congress in the Code of Ethics for Government Service. All postal employees are expected to follow the standards quoted in Exhibit 661.21.

661.3 Standards of Conduct

Employees must avoid any action, whether or not specifically prohibited by this Code, which might result in or create the appearance of:

- a. Using Postal Service office for private gain.
- b. Giving preferential treatment to any person.
- c. Impeding Postal Service efficiency or economy.
- d. Losing complete independence or impartiality.
- e. Making a Postal Service decision outside official channels.
- f. Affecting adversely the confidence of the public in the integrity of the Postal Service.

Exhibit 661.21

Congressional Code of Ethics for Government Service

Any person in government service should:

1. Put loyalty to the highest moral principles and to country above loyalty to persons, party, or government department.
2. Uphold the Constitution, laws, and legal regulations of the United States and of all governments therein and never be a party to their evasion.
3. Give a full day's labor for a full day's pay; giving to the performance of duties earnest effort and best thought.
4. Seek to find and employ more efficient and economical ways of getting tasks accomplished.
5. Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not, and never accept, for self or family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of governmental duties.
6. Make no private promises of any kind binding upon the duties of office, since a government employee has no private word which can be binding on public duty.
7. Engage in no business with the government, either directly or indirectly, which is inconsistent with the conscientious performance of governmental duties.
8. Never use any information coming to employee confidentially in the performance of governmental duties as a means for making private profit.
9. Expose corruption wherever discovered.
10. Uphold these principles, ever conscious that public office is a public trust.

661.4 **Conflicts of Interest**

661.41 **Conflicts of Interest — Financial**

- 661.411 An employee may own property and engage in financial transactions, except to the extent limited by statute, executive order, or regulations, including this Code. Because of USPS employment, however, no employee may have a financial interest, direct or indirect, that conflicts substantially, or appears to conflict substantially, with an employee's duties and responsibilities to the Postal Service.
- 661.412 Whether a financial conflict of interest exists often depends on the particular facts of each instance. Detailed rules cannot practically be prescribed that will cover every situation. The following rules, however, provide guidance for

specific situations and illustrate the manner in which the general principles should be applied.

- a. No employee will enter into any contract with the Postal Service, or otherwise have an interest (including the ownership of stock or debt securities in a corporation which has an interest) in any contract with the Postal Service, except as may be authorized by law or regulation. For example, see section 1.7.2 of Publication 41, *USPS Procurement Manual*. Section 661.412a, however, does not prohibit the ownership of an interest: (1) if the interest is so minor that no realistic possibility of a conflict of interest exists; or (2) if the employee advises the Associate Ethical Conduct Officer of the interest, makes full disclosure of all relevant facts, and receives a written decision by the Associate Ethical Conduct Officer that the possibility of a conflict is too remote or too inconsequential to be likely to affect the integrity of the employee's services.
- b. No employee will solicit or accept any part of any fee or other compensation paid by any person in connection with any business dealings with, or proceedings before, the Postal Service or other agency of the government.
- c. No employee will act as agent or broker in procuring any bond required by the Postal Service.
- d. No employee with authority to contract for the transportation of mail, to review or give legal advice concerning these contracts, or to recommend or make decisions concerning the transportation of mail will have any financial interest in any entity which carries, or may reasonably be expected to carry, mail.
- e. No employee with authority to recommend, make decisions, or give legal advice concerning the acquisition, leasing, or disposal of real property will have any interest in any entity which deals with real estate in which the Postal Service has, or may reasonably be expected to have, an interest.
- f. No employee will lease real property to the Postal Service except for an area less than 3,000 square feet of net interior space. An existing lease of a greater amount of space may be renewed or extended if: (1) the contracting officer determines that it would be in the best interests of the Postal Service; and (2) the Associate Ethical Conduct Officer for the organizational unit to which the employee is assigned is furnished a full statement of all known possible conflicts of interest and after review thereof, concurs in the proposed extension or renewal.
- g. No employee will participate in an official capacity in any decision or other matter in which, to the employee's knowledge, the employee or any entity by which the employee is, or may become employed, has a financial interest unless: (1) the employee advises the Associate Ethical Conduct Officer of the possible conflict, makes full disclosure of all relevant facts, and receives in advance a written determination by the Associate Ethical Conduct Officer that the interest is too remote or too inconsequential to be likely to affect the integrity of service; or (2) a general regulation published in the *Federal Register* has exempted the

interest from the prohibition of this rule as being too remote or too inconsequential to affect the integrity of the employee's services.

- 661.413 No employee will solicit or accept, directly or indirectly, any compensation from any source other than the Postal Service for any act or omission as an employee. No employee will accept any salary, any contribution to salary, or supplementation of salary as compensation for services as an employee from any source other than the Postal Service. This section does not prohibit:
- a. Acceptance of a lawful contribution to salary out of the treasury of a state, county, or municipality.
 - b. Acceptance of contributions, awards, or other expenses under the terms of *Chapter 41 of Title 5, United States Code*, relating to training of employees of the United States Government.
 - c. Continued participation of a bona fide pension, retirement, group life, health or accident insurance, profit sharing, stock bonus, or other employee welfare or benefit plan maintained by a former employer.
- 661.414 No employee, whether acting for personal benefit or not, will use, or appear to use, either official position or recorded or unrecorded information obtained as a result of employment, to further any private interest for self or any other person.
- 661.415 Unless required by official duties to do so, no employee will recommend or suggest the employment of any private person offering services as a consultant, agent, attorney, expeditor, or the like for the purpose of assisting in any negotiations, transactions, or other business with the Postal Service.

661.42 **Conflicts of Interest — Employment**

An employee may engage in outside employment and other outside activity with or without compensation, except as limited by statute, executive order, or regulations, including this Code. An employee may not engage in outside employment or other outside activity that is not compatible with the full and proper discharge of the duties and responsibilities of Postal Service employment. Detailed rules cannot practically be prescribed that will cover every situation of incompatible employment or activity. The following rules, however, provide guidance for specific situations and illustrate the manner in which the general principles should be applied:

- a. No employee will accept employment, compensation, payment of expense, or any other thing of monetary value under circumstances in which acceptance may result in, or create the appearance of, a conflict of interest. To this end, each employee should **avoid** the following:
 - (1) Manufacturing or representing a manufacturer of any product produced for exclusive use by the Postal Service or required by the Postal Service for use by its customers.
 - (2) Working for any person with whom the employee has official dealings on behalf of the Postal Service.
 - (3) Engaging in or working in any capacity for a person engaged in the business of delivering mailable matter to or from postal installations, if this employment requires the employee to conduct

- business with postal employees performing postal duties of the same nature as the employee's own postal duties at a postal installation or within the delivery area of a post office in which the employee works.
- (4) Acting as consultant to any person who has a contract with the Postal Service or whom the employee has reason to believe intends to obtain, or seek to obtain, such a contract.
 - (5) Engaging in any sales activity, including the solicitation of business or the receipt of orders, for self or any other person while on duty, in uniform, or in the office where stationed.
 - (6) Engaging in outside employment or professional practice, whether or not for pay, with or for a person whose business interests are: (a) substantially dependent upon, or may be significantly affected by, postal rates, fees, or classifications, or (b) substantially dependent on providing goods or services to or for use in connection with the Postal Service.
- b. This section does not prohibit outside employment in which no realistic possibility of a conflict of interest or the appearance of a conflict of interest exists.
 - c. No employee will engage in outside employment which impairs mental or physical ability to perform Postal Service duties and responsibilities acceptably.
 - d. No employee will engage in any activity for compensation, accept any outside employment, or receive any salary or other thing of monetary value which is, directly or indirectly, a form of compensation from a private source for employee services to the Postal Service.
 - e. No employee will engage in any outside business or activity which reflects discredit upon the Postal Service.
 - f. No employee will use official title, position, uniform, equipment, vehicle, or authority in the endorsement or advertisement of a commercial product or service.
 - g. No employee will engage in or work in any capacity for any person engaged in a private business of delivering any type of mailable matter, including parcels and advertising circulars.
 - h. No employee will engage in any business or activity in which postal employment could give the employee an advantage over others not in the Postal Service who are engaged in a similar business or activity.
 - i. *Section 205 of Title 18, United States Code*, generally prohibits any officer or employee of the Postal Service from acting as agent or attorney for the prosecution of a claim against the United States or the representation of any person other than self or a member of the employee's immediate family in any proceeding before any court or agency of the United States, other than in the performance of official duties. For example, an employee may engage in tax work involving federal income or other federal taxes if this work consists of no more than preparation of tax returns or furnishing the Internal Revenue Service with information obtained solely from the records of the

taxpayer. The employee may not, in general, represent the position of a taxpayer before the Internal Revenue Service or in the courts.

- j. Within the limitations imposed by this section, employees are encouraged to engage in teaching, lecturing, and writing. An employee, however, will not engage, either on a paid or unpaid basis, in teaching, lecturing, or writing for the purpose of the special preparation of a person or class of persons for an examination of the Office of Personnel Management, the Board of Examiners for the Foreign Service, or for appointment in the U.S. Postal Service when these activities are dependent on information obtained as a result of employment with the Postal Service, unless that information has been made available to the general public or will be made available on request, or when the Postmaster General gives written authorization that the use of nonpublic information is in the public interest. In addition, an employee will not receive compensation or anything of monetary value for any consultation, lecture, discussion, writing, or appearance whose subject matter is devoted substantially to the responsibilities, programs, or operations of the Postal Service, or which draws substantially on official data or ideas that have not become part of the body of public information.
- k. No employee will take sick leave to engage in outside work.

661.43 **Conflicts of Interest — Gifts, Entertainment, and Favors**

- 661.431 An employee will not solicit or accept any gift, gratuity, favor, entertainment, meal, loan, or other thing of value from any person who:
- a. Has, or is seeking to obtain, contractual or other business or financial relations with the Postal Service.
 - b. Conducts operations or activities that are regulated by the Postal Service.
 - c. Has interests that may be substantially affected by the performance or nonperformance of the employee's official duties.
- 661.432 These provisions are intended to prevent a conflict of interest or the appearance of such a conflict on the part of the Postal Service employee. The conduct described in the following paragraphs is permitted because it is considered that it will not create a conflict of interest and that its prohibition would unduly and unnecessarily restrict Postal Service employees in legitimate activities and relationships. Upon this basis, an employee may:
- a. Accept a gift, favor, entertainment, travel or accommodation expense, loan, or other thing of value from a parent, spouse, child, brother, sister, or other member of the immediate family when the circumstances make it clear that the family relationships are the motivating factors.
 - b. Accept unsolicited advertising and promotional items such as a pen, pencil, note pad, or calendar of nominal value.
 - c. Accept loans from banks or other financial institutions on terms generally available to the public in order to finance proper and usual activities of an employee, such as a home mortgage loan.

- d. Accept and use courtesy discount cards from department stores or other organizations if these discount cards are generally offered to the public.
- e. Participate as an authorized representative of the Postal Service in a public event such as a convention or conference and accept without payment transportation or meals that are an integral part of the event or commemorative items of reasonable value which are publicly presented in the course of the event.
- f. Accept food and refreshment of nominal value on infrequent occasions in connection with inspection tours that the employee is authorized to make.
- g. Accept food and refreshments offered free in the course of a group function at which attendance has been approved in advance by an authorized executive and will assist the employee in performing her or his official duties. When approving an employee's attendance at such functions, executives must consider whether attendance could result in, or create the appearance of, partiality or improper influence, and whether on balance the interests of the Postal Service will be served by the employee's attendance at the function. Approval is not authorized for functions that are sponsored by a private company that has business connections with the Postal Service or in cases where the benefits are, under prudent standards, extravagant or excessive in nature. Office and regional directors, Field Division General Managers/Postmasters and other executives at comparable or higher levels are authorized to approve attendance for themselves and their subordinates. Persons approving their own attendance must notify their Associate Ethical Conduct Officer of each invitation which they accept. Associate Ethical Conduct Officers must notify the Ethical Conduct Officer of each invitation they accept.

Example 1: A trade association of major mail users invites a number of managers to a reception and dinner honoring the retiring president of the association. A postal marketing manager who has received an invitation concludes that by not attending, it may appear discourteous to the retiring president and that by attending there will be opportunities to discuss mailing problems informally with several customers. The manager may properly determine that accepting the invitation will assist her or him in performing her or his duties. Because the manager is the Associate Ethical Conduct Officer for a Headquarters group, she or he should notify the General Counsel (who is the Ethical Conduct Officer) of the decision to accept. If, however, the association were at that time a party to a rate case pending decision before the Governors of the Postal Service, the manager should not attend.

Example 2: A contracting officer is negotiating a modification of a contract with a supplier. The supplier's representative invites the contracting officer to have dinner with him or her at the supplier's expense. The contracting officer's manager may not authorize him or her to accept because (1) the dinner is a "one-on-one" occasion and not a group function, (2) because — whether or not having dinner with his or her opposite member in the negotiations will assist the contracting officer in performing his or her duties

relating to those negotiations — there is no reason why the contracting officer cannot pay for his or her own dinner and, finally, (3) because the dinner is too closely related in time and circumstances to a matter involving the interests of the supplier, which may be affected by the performance of the contracting officer's duties. Any one of these reasons would prevent approval of acceptance of the invitation.

Example 3: If it had been proper for the manager in Example (2) to authorize acceptance of an invitation by the contracting officer, the manager would not have needed to notify her Associate Ethical Conduct Officer, who is the Senior Assistant Postmaster General, Facilities and Supply Group, because she was not accepting on her own behalf.

- 661.433 When an employee travels on official business, commercial transportation should be used at government expense. With respect to inter-city travel, if there is no commercial transportation which will enable the employee to arrive at the destination in time for the performance of duties, private transportation may be accepted provided the private party is reimbursed at the standard commercial rate.
- 661.434 No employee will solicit contributions from another employee for a gift to an employee in a superior official position, make a donation as a gift to an official superior, or accept a gift from another employee receiving less pay. An employee who violates this prohibition is to be removed from the Postal Service as provided by section 7351 of Title 5, United States Code. However, this paragraph does not prohibit voluntary gifts of nominal value or donations of nominal amount toward the purchase of a gift on a special occasion, such as marriage, illness, or retirement.
- 661.435 An employee who believes that the limitations on the acceptance of gifts, entertainment, and favors imposed by this section will interfere with the proper performance of duties or will cause hardship or unnecessary embarrassment to self or another person must, if possible, make full disclosure of all relevant facts to the Associate Ethical Conduct Officer before the event. The employee will then act in accordance with the written decision of that Officer. If it is not possible to obtain an advance decision of the Associate Ethical Conduct Officer, the employee exercises good judgment as to the course of action which best serves the public interest and will as soon as possible thereafter make full disclosure of circumstances and actions to the Associate Ethical Conduct Officer.
- 661.436 No employee will accept a gift, present, decoration, or any other thing from a foreign government unless authorized in accordance with section 7342 of Title 5, United States Code. See USPS Headquarters Circular 80-11 for instructions on the implementation of this statute.
- 661.437 A gift, the receipt of which is prohibited by this Code, will be returned to the donor with a written explanation of the reason for return. If the return of the gift is not feasible, the gift will be given to the Associate Ethical Conduct Officer with a written explanation of why the return is not feasible. The Associate Ethical Conduct Officer will turn the gift over to a public or private charity or charitable institution and make a record of its disposition.

661.5 **Other Prohibited Conduct**

661.51 **Discrimination**

No employee while acting in an official capacity will directly or indirectly authorize, permit, or participate in any action, event, or course of conduct which subjects any person to discrimination, or results in any person being discriminated against, on the basis of race, color, religion, sex, national origin, age (40+), or physical or mental handicap, or any other nonmerit factor.

661.52 **Unofficial Use of Government Property or Services**

No employee will use, directly or indirectly, or allow the use of Postal Service or government property or services, including property leased to the Postal Service or government agency, for other than officially approved activities. Employees have a positive duty to protect and conserve Postal Service property, including equipment, supplies, and other property entrusted or issued to them.

661.53 **Unacceptable Conduct**

No employee will engage in criminal, dishonest, notoriously disgraceful or immoral conduct, or other conduct prejudicial to the Postal Service. Conviction of a violation of any criminal statute may be grounds for disciplinary action by the Postal Service, in addition to any other penalty by or pursuant to statute.

661.54 **Use of Intoxicating Beverages**

No employee will habitually use intoxicating beverages in excess. No employee will drink beer, wine, or other intoxicating beverages while on duty. No employee will begin work or return to duty while intoxicated. No employee will drink intoxicating beverages in a public place while in uniform. Unless the Postmaster General specifically authorizes an exception (as in the case, for example, of an official reception) no employee will have or bring any container of beer, wine, or other intoxicating beverage on premises occupied by a postal facility, whether or not the container has been opened.

661.55 **Illegal Drug Use**

Illegal use of drugs may be grounds for removal from the Postal Service.

661.56 **Gambling**

No employee while on property owned or leased by the Postal Service or the United States or while on duty will participate in any gambling activity. This includes the operation of a gambling device, conducting or acting as an agent for a lottery or pool, conducting a game for money or property, or selling or purchasing a numbers slip or ticket.

Note: This section does not prohibit participation in activities specified here if participation is necessitated by an employee's law enforcement duties, or if participation is in accordance with section 3 of Executive Order No. 10927, of March 18, 1961 relating to agency-approved solicitations.

661.6 **Indebtedness**

661.61 **Financial Obligations**

An employee must pay each just financial obligation in a proper and timely manner, especially one imposed by law, such as federal, state, or local taxes. For the purpose of this section, a “just financial obligation” means one acknowledged by the employee or reduced to judgment by a court; “in a proper and timely manner” means in a manner the Postal Service determines does not, under the circumstances, reflect adversely on the Postal Service as the employer.

661.62 **Disputes With Creditors**

If a dispute arises between an employee and an alleged creditor, the Postal Service is not required to determine the validity or amount of the disputed debt.

661.7 **Provisions Concerning Special Postal Service Employees**

661.71 **Private Gain**

A special employee will not use employment with the Postal Service for a purpose that is, or appears to be, motivated by the desire for private gain for self or another person, particularly one with whom the employee has family, business, or financial ties.

661.72 **Financial Benefit**

A special employee will not use employment with the Postal Service to coerce, or appear to coerce, a person to provide financial benefit to self or another person, particularly one with whom the employee has family, business, or financial ties.

661.73 **Use of Information**

A special employee will not use inside information obtained as a result of Postal Service employment for private gain for self or another person, either by direct action or by counsel, recommendation, or suggestion to another person, particularly one with whom the employee has family, business, or financial ties. For the purpose of this section, *inside information* means information obtained under Postal Service or other government authority which has not become part of the body of public information.

661.74 **Teaching, Lecturing, Writing Activities**

A special employee may teach, lecture, or write in a manner consistent with 661.42d as it applies to employees.

661.75 **Acceptance of Gifts**

A special employee, while so employed or in connection with that employment, will not receive or solicit from a person having business with the Postal Service anything of value such as a gift, gratuity, loan, entertainment, or favor for self or another person, particularly one with whom the employee has family, business, or financial ties. The employee is not prohibited,

however, from accepting or receiving gifts, loans, reimbursement of expenses, or other things of value under circumstances permissible for an employee in accordance with 661.43.

661.8 **Ethical Conduct Advisory Service and Remedial Action**

661.81 **Advisory Service**

661.811 **Ethical Conduct Officer**

The Ethical Conduct Officer is responsible for the administration of this Code. In exercising that responsibility, the Ethical Conduct Officer will coordinate the advisory service provided by this subpart, ensure that authoritative interpretations of this Code are available to the Associate Ethical Conduct Officers, and render final rulings on behalf of the Postal Service in appeals by employees from interpretations of this Code made by Associate Ethical Conduct Officers. The Ethical Conduct Officer will provide advice and guidance for the Postmaster General and all Associate Ethical Conduct Officers concerning questions arising under this Code, and may delegate to an Assistant Ethical Conduct Officer authority to perform any duty or function vested in the Ethical Conduct Officer by this Code. The General Counsel is the Ethical Conduct Officer of the Postal Service and is the Postal Service's designee to the Office of Personnel Management on matters relating to this Code.

661.812 **Associate Ethical Conduct Officers**

The following individuals are designated as Associate Ethical Conduct Officers:

- a. The Associate Postmaster General (or, in the event of a vacancy in the office of the Associate Postmaster General, the Executive Assistant to the Postmaster General) is the Associate Ethical Conduct Officer for all employees in the Offices of the Postmaster General, the Deputy Postmaster General, and the Associate Postmaster General.
- b. The Senior Assistant Postmasters General, Regional Postmasters General, heads of those departments which report directly to the Postmaster General or Deputy Postmaster General, Regional Chief Inspectors, and the Directors of Postal Data Centers are Associate Ethical Conduct Officers for their respective organizational elements.
- c. An Associate Ethical Conduct Officer may, with prior approval of the Ethical Conduct Officer, designate suitable employees to assist or act for the Associate Ethical Conduct Officer.

661.813 **Advice and Guidance**

An employee or special employee may obtain advice and guidance on questions of conflicts of interest covered by this Code from the Associate Ethical Conduct Officer having appropriate jurisdiction. To avoid undue interference with established grievance and disciplinary procedures, advisory service under this subpart will not normally be available in those cases where a grievance is pending or disciplinary action has been initiated.

661.814 **Appeals**

An employee may appeal to the Ethical Conduct Officer on a ruling made by an Associate Ethical Conduct Officer concerning questions of conflicts of interest covered by this Code within 30 days from the date of the ruling. The appeal must be in writing and contain a full statement of the relevant facts. It should be addressed to the

ETHICAL CONDUCT OFFICER
US POSTAL SERVICE
475 L'ENFANT PLZ SW
WASHINGTON DC 20260-1100,

and a copy sent to the official whose ruling is being appealed.

661.815 **Employee Notification**

All employees and special employees will be informed of this Code and their rights and responsibilities under it. In particular, they will be informed of the availability of advisory services and of how and where these services are available. This information will be provided within 90 days after approval and publication of this Code in the *Federal Register* and periodically thereafter. This information will be provided to a new employee by the appointing officer at the time of the employee's entrance on duty.

661.82 **Remedial Action**

661.821 **Procedures**

Whenever a possible conflict of interest, or appearance of a conflict of interest, on the part of an employee or special employee comes to the attention of the Ethical Conduct Officer, an Associate Ethical Conduct Officer, or a person designated to assist or act for an Associate Ethical Conduct Officer, that officer ascertains whether a conflict or appearance of conflict of interest exists. The employee or special employee concerned will be provided an opportunity to explain the conflict or appearance of conflict. After considering the explanation, the officer determines whether action is required. If so, and the employee or special employee is not under the officer's general supervision, the officer will recommend to the employee's installation head that action be taken to end the conflict or appearance of conflict of interest.

661.822 **Types of Remedial Actions**

Remedial action may include, but is not limited to, disqualification for a particular assignment; changes in assigned duties; divestment by the employee or special employee of the conflicting interest; or disciplinary action.

661.823 **Compliance**

Remedial or disciplinary action will be taken in accordance with any applicable laws, executive orders, regulations, and collective-bargaining agreements.

661.824 **Postemployment Activities**

See Exhibit 661.824 for procedures pertaining to postemployment activities.

Exhibit 661.824 (p. 1)

Postemployment Activities

Title 39, Code of Federal Regulations, Sections 447.33, 447.34

Section 447.33 Postemployment activities.

- (a) Restrictions on the postemployment activities of persons who have been employed by the Postal Service are imposed by section 207 of Title 18, United States Code. In general, the restrictions contained in 207(a) permanently prohibit appearance as an agent or attorney before federal agencies or courts in behalf of a private party in any particular matter in which the employee participated in some substantial way while a postal employee. Section 207(b) generally prohibits for two years after leaving postal employment the representation of a private party before federal agencies or courts in any particular matter that was under the employee's official responsibility within one year prior to leaving postal employment. Section 207(c), which applies only to the Officers of the Postal Service, designated as Senior Employees, generally prohibits any appearance before or communication with the Postal Service, with an intent to influence any Postal Service action, for one year after leaving the Postal Service.
- (b) Criminal sanctions of imprisonment and fines are provided for violations of section 207. The Attorney General of the United States is responsible for initiating criminal prosecution of persons believed to have violated that statute. To this end, on receipt of information regarding a possible violation of section 207, and after having determined that such information appears substantial, the Ethical Conduct Officer shall expeditiously furnish this information to the Chief Inspector who shall bring it to the attention of the Criminal Division, Department of Justice, and to the Director, Office of Government Ethics. Any investigation or administrative action conducted thereafter by the Postal Service should be coordinated with the Department of Justice to avoid prejudice to any criminal prosecution, unless the Department has determined that it does not intend to initiate such prosecution.
- (c) The Postal Service may impose administrative sanctions in the case of a violation of section 207, even though criminal prosecution is not sought. Regulations governing the imposition of these sanctions, which may include prohibiting the former employee for up to five years from appearing before or communicating with the Postal Service, are contained in 447.34 below. Rules of practice before the Judicial Officer Department in proceedings arising under these regulations are found in Part 956 of Title 39, Code of Federal Regulations.
- (d) Notwithstanding the prohibitions described above, section 207 permits certain types of communications. Any former postal employee may:
 - (1) Give testimony under oath and make statements required to be made under penalty of perjury (section 207(h));
 - (2) Appear before or communicate with a federal agency or court on a matter of a personal and individual nature, such as personal income taxes or retired pay (section 207(i)); or
 - (3) If he or she receives no compensation other than established witness fees, make a statement based on his or her special knowledge (section 207(i)).

Exhibit 661.824 (p. 2)

Postemployment Activities

(e) In accordance with section 207(f), the prohibitions of section 207(a)-(c) do not apply to the making of communications by former employees solely for the purpose of furnishing scientific or technological information to the Postal Service under either of the following circumstances:

- (1) The former employee shall submit to the Ethical Conduct Officer a notice in writing stating the nature of the restriction that is applicable to him or her and describing his or her participation in behalf of the Postal Service which gives rise to the restriction. He or she shall summarize briefly the information he or she wishes to communicate and shall describe the circumstances under which he or she intends to communicate the information. The Ethical Conduct Officer may approve the proposed communication, either as submitted by the former employee or with such modification as he or she deems necessary to protect the public interest.
- (2) A former employee having outstanding qualifications in a scientific, technological or other technical discipline may be exempted from the restrictions of section 207(a)-(c) if the Postmaster General, after consultation with the Director, Office of Government Ethics, makes a certification which is published in the *Federal Register*. The certification shall state that the former postal employee has outstanding qualifications in a scientific, technological or other technical discipline; that she or he is acting with respect to a particular matter which requires such qualifications; and that the national interest would be served by the former employee's participation.

(39 U.S.C. 401, 18 U.S.C. 207(j))
(49 FR 40768, Oct. 17, 1984)

Section 447.34 Administrative Enforcement Procedures.

- (a) Whenever the Ethical Conduct Officer determines that there is reasonable cause to believe that a former employee has violated section 207(a), (b) or (c) of Title 18, United States Code, in any matter affecting the Postal Service, she or he may initiate an administrative disciplinary action as provided in this part.
- (b) The notice shall inform the respondent of the subsection that she or he is alleged to have violated and of the basis for the allegation in sufficient detail to enable her or him to prepare an adequate defense. It shall also inform her or him of the disciplinary action which is proposed, of her or his right to a public hearing on the allegation, and of the method of requesting a hearing.
- (c) A respondent may, within 20 days following the receipt of the notice of proposed disciplinary action, file an answer with the Recorder in the Postal Service's Judicial Officer Department. The answer shall be in writing and shall comply with the Rules of Practice provided in Part 956 of Title 39, Code of Federal Regulations, which shall govern all subsequent proceedings in the Judicial Officer Department.

Exhibit 661.824 (p. 3)

Postemployment Activities

- (d) If no answer is filed, the allegations of the notice shall be taken as admitted and the proposed disciplinary action shall become effective as the final agency decision. The Ethical Conduct Officer may, however, at the expiration of the period for filing an answer or any time thereafter, for good cause, mitigate or remit all or any part of a proposed disciplinary action or a sanction imposed by a final agency decision following default. If an answer is filed, the final agency decision shall be rendered pursuant to Part 956 of Title 39, Code of Federal Regulations.
- (e) Disciplinary action taken in accordance with a final agency decision may consist of:
 - (1) Prohibiting the respondent from making on behalf of any other person (except the United States) any formal or informal appearance before or, with the intent to influence, any oral or written communication to the Postal Service on any matter of business for a period not to exceed five years;
 - (2) Excluding the respondent from entering into any contract, lease, permit or other business arrangement with, or any other subcontract involving the Postal Service for a reasonable, specified period of time, not to exceed three years; or
 - (3) Such other action as may be appropriate to the violation upon which it is based.
- (f) In the event that the proposed disciplinary action is that authorized by paragraph (e)(2) of this section, relating to exclusion from entering into contracts, the provisions of this section and of Part 956, Title 39, Code of Federal Regulations shall govern to the exclusion of the provisions of, and of any rights or procedures which might otherwise be available to the respondent pursuant to, section 1, Part 6 of the Postal Contracting Manual and Part 957 of Title 39, Code of Federal Regulations.
- (g) A final agency decision imposing disciplinary action is subject to judicial review, as provided in 18 U.S.C. 207(j), as enacted by Pub. L. 95-521.

(39 U.S.C. 401, 18 U.S.C. 207(j))
(49 FR 40769, Oct. 17, 1984)

662 **Statements of Employment and Financial Interests**

662.1 **Employees Required to File Statements**

662.11 **Categories of Employees**

Each employee who is in one or more of the following categories (other than a special employee or one required by 662.8 to file a SF 278, *Financial Disclosure Report for Executive Branch Personnel*) must file a Form 2417, *Confidential Statement of Employment and Financial Interests (for Use by Postal Service Employees)*.

- a. Members of the Postal Career Executive Service.
- b. Employees in pay grade EAS-24 or a comparable or higher pay grade whose basic duties and responsibilities require them to make or recommend a decision, or take or recommend official action, in regard to:
 - (1) Contracting or procurement. For the purpose of this section, contracting or procurement includes all functions that pertain to the authorization, award, or administration of contracts with non-Postal Service entities.
 - (2) Auditing enterprises other than the Postal Service, including the supervision of auditors engaged in audit activities, or the participation in the development of policies and procedures for performing such audits.
 - (3) Activities in which the decision may have an economic impact on the interests of any enterprise other than the Postal Service, including the design and maintenance of the Postal Service rate structure, the selection of carriers for the transportation of mail, the selection of sites for postal facilities, and the recommendation or approval of claims of any person against the Postal Service or any such claim by the Postal Service against any person.

662.12 **Employee in Position Temporarily**

An employee temporarily performing the duties of a position which meets the criteria in 662.11 is also subject to the filing requirement in this section, if the employee performs those duties for more than 60 calendar days.

662.13 **Determination of Categories**

The employee's Associate Ethical Conduct Officer, in consultation with the Ethical Conduct Officer, determines whether an employee is in one or more of the categories listed in 662.11 and 662.12 and is, therefore, required to submit a Form 2417.

662.14 **Special Employee**

Each special employee, regardless of the rate of compensation received, if any, will submit a Form 2418, *Confidential Statement of Employment and Financial Interests (for Special Postal Service Employees)*.

662.15 **Waivers**

The Ethical Conduct Officer may waive the requirement for the submission of a statement by a special employee, other than a consultant or an expert, when either by general regulation or in a specific instance, the duties of the position held by the special employee are of a nature and are at such a level of responsibility that the submission of the statement is not necessary to protect the integrity of the Postal Service.

662.16 **Employees Below EAS-24 Who Must File**

With the prior approval of the Office of Government Ethics, an employee in pay grade EAS-23 or lower who is in a position which otherwise meets the criteria of 662.11 must submit a statement when it is essential to protect the integrity of the Postal Service and to avoid employee involvement in possible conflict of interest situations. Associate Ethical Conduct Officers may recommend to the Ethical Conduct Officer, with full justification in writing, that the approval of the Office of Government Ethics be sought with respect to specific positions.

662.17 **Employees Improperly Included**

Employees who believe that their positions have been improperly included as ones required to submit statements in accordance with this subsection may obtain complaint reviews to that effect through the grievance procedure provided by the collective-bargaining agreement or Postal Service regulations, as applicable.

662.2 **Persons to Whom Statements Will Be Submitted**

662.21 **To the Ethical Conduct Officer**

Associate Ethical Conduct Officers required to submit confidential statements submit their statements to the Ethical Conduct Officer.

662.22 **To the Division General Manager**

Employees within the jurisdiction of a division general manager who are required to submit statements submit their statements to the division general manager. Division general managers will review the statements and then forward them directly to their Associate Ethical Conduct Officer with any recommendations for action in accordance with 662.7.

662.23 **To Associate Ethical Conduct Officer**

All other employees submit their statements directly to their Associate Ethical Conduct Officers.

662.3 **Submission of Statements**

662.31 **Time for Submission**

An employee required to file a statement submits that statement within 30 days after first becoming subject to the reporting requirements.

662.32 **Changes**

Changes in or additions to the information contained in an employee's statement will be reported in a supplementary statement, following the format prescribed by the Ethical Conduct Officer, as of June 30 each year. If no changes or additions occur, a report to that effect is required.

662.33 **Disclosure of Amounts**

A statement and supplementary statements do not require that amounts be shown. An authorized reviewer, however, may require disclosure if it is essential to making a determination as to whether a conflict of interest, or appearance of a conflict, exists.

662.34 **Avoidance of Conflicts of Interest**

In addition to filing the statement required by this subsection each employee will, at all times, avoid acquiring a financial interest or taking any action that could result in a violation of the conflicts of interest provisions of 18 U.S.C. 208 or of this part.

662.4 **Confidentiality and Retention of Statements**

662.41 **Restrictions Regarding Disclosure of Statements**

Statements and supplementary statements will be held in confidence and not disclosed to anyone other than the Postmaster General, the Ethical Conduct Officer, the employee's Associate Ethical Conduct Officer, or their designees, without express written approval of the Ethical Conduct Officer. The statements and supplementary statements will be retained under appropriate security by the Associate Ethical Conduct Officer except as may be otherwise directed by the Ethical Conduct Officer.

662.42 **Procedures for Transmittal Statements**

When statements are transmitted, they will be enclosed in opaque inner and outer envelopes. The inner envelope will be sealed and plainly marked RESTRICTED INFORMATION — TO BE OPENED ONLY BY AUTHORIZED REVIEWER and addressed to the authorized reviewer. The outer envelope will also be sealed and addressed, but will bear no legend indicating the contents. Employees, when transmitting their statements and supplementary statements, should, and are authorized to, use this double envelope procedure.

662.43 **Time of Retention**

The statement and any supplementary statements submitted by an employee or special employee will be destroyed 2 years after the employee leaves the Postal Service, or 2 years after the employee ceases to occupy a position for which the submission of a statement is required, whichever is earlier.

662.5 **Information Not Known by Employees**

662.51 **Requests for Information From Others**

If any information required to be included in a statement or supplementary statement, including holdings placed in trust, is not known to the employee but is known to another person, the employee will request that other person to submit the information in the employee's behalf, except when the trust is a blind, no-control trust, in which case a copy of the trust will be submitted for review.

662.52 **Failure to Obtain Information**

Failure by the other person or trustee to furnish the needed information will not constitute a violation by the employee of this provision if the employee certifies that a bona fide effort was made to have the information submitted and it was refused.

662.6 **Information Not Required**

662.61 **Organizations Excluded From Information Requirements**

This section does not require an employee to submit any information relating to personal connection with, or interest in, a professional society or a charitable, religious, social, fraternal, recreational, public service, civic, or political organization, or a similar organization not conducted as a business enterprise. Savings accounts in credit unions, loan associations or banks, savings certificates, and interests in mutual funds are not interests in business enterprises.

662.62 **Organizations Included in Information Requirements**

For the purpose of this section, educational and other institutions doing research and development or related work involving grants of money from or contracts with the Postal Service are business enterprises and are required to be included in an employee's statement.

662.63 **Employees Excluded**

An employee who is otherwise required to file a statement under 662.11 or 662.12, may be relieved of the reporting requirement when the Ethical Conduct Officer determines that:

- a. The duties are such that the likelihood of involvement in a conflict of interest situation is remote, or
- b. The duties of the position are at such a level of responsibility that the submission of a statement is not necessary because of the degree of supervision and review over the incumbent or the inconsequential effect of the position on the integrity of the government.

662.7 **Reviewing Statements and Remedial Action**

Associate Ethical Conduct Officers will review all statements received by them whether submitted to them directly or forwarded by division general managers. Whenever the employee's statement reveals a possible conflict of

interest, or appearance of a conflict of interest, appropriate action will be taken pursuant to 661.82.

662.8 **Public Financial Disclosure Reports**

See Exhibit 662.8 for procedures concerning public financial disclosure reports.

663 **Participation in Political and Community Activities**

663.1 **Political Activities**

663.11 **General**

663.111 **Employees Included**

Postal Service employees, except those mentioned in 663.112, are subject at all times to restrictions on their participation in political activity (5 U.S.C. Subchapter III of Chapter 73, and 18 U.S.C. 602, 603, and 607) and to the related regulations.

663.112 **Employees Excluded**

Those Postal Service employees who are employed on an irregular or occasional basis (e.g., experts and consultants, substitute rural carriers, or those on a per diem basis) and those employees who are employed without compensation or on a when-actually-employed basis are subject to the restrictions mentioned in 663.111 only while in an active duty status and only for the entire 24 hours of any day of actual employment. Notwithstanding this paragraph, full-time employees in a leave status and part-time employees are fully subject to the restrictions of 663.111.

663.12 **Additional Prohibited Political Activities**

In addition to the restrictions on political activities mentioned in 663.11, an employee may not:

- a. Display a political picture or sticker on property owned or leased by the Postal Service. The employee is not forbidden, however, from displaying a picture, including a personally autographed picture of a political figure, in an office or place of work if it has no language in the nature of political campaigning.
- b. Wear a political badge or button while in uniform or while on duty when that duty requires the employee to deal with the public or be in the view of the public.
- c. Display a political picture or sticker on a private vehicle while that vehicle is being used for official postal purposes.

663.13 **Investigation and Enforcement**

By agreement with the Postal Service, the Office of Special Counsel, Merit Systems Protection Board, investigates and adjudicates allegations of political activity in violation of the regulations by Postal Service employees. For jurisdiction and procedures in such cases, see 5 CFR Parts 1250-1254.

Exhibit 662.8 (p. 1)

Public Financial Disclosure Reports

Title 39, Code of Federal Regulations, Section 447.42

Section 447.42 Public financial disclosure reports

- (a) Employees required to submit reports. Each employee who is in one or more of the following categories shall submit a financial disclosure report as prescribed by the Director, Office of Government Ethics, (hereinafter, The Director), currently on Standard Form 278, in accordance with this section.
- (1) The Postmaster General;
 - (2) The Deputy Postmaster General;
 - (3) The Ethical Conduct Officer;
 - (4) Each Administrative Law Judge;
 - (5) Each employee who occupies a position that is compensated at or above level 2 of PCES I; and
 - (6) Each employee not in (1) through (5) of this subsection, whose basic rate is equal to or greater than the rate of basic pay for the first step of GS-16.
- (b) Person with whom reports should be filed and time for filing.
- (1) Financial disclosure reports required under this section shall be filed with the Ethical Conduct Officer. Reports are due as follows:
 - (i) Within 30 days of assuming a position described in paragraph (a)(1) through (5) of this section, unless the employee has, within 30 days prior to assuming that position, left another position in which he or she has filed a current report;
 - (ii) Within 30 days of the effective date of an increase in the rate of basic pay to the level described in paragraph (a)(6) or of an initial appointment at such a rate;
 - (iii) Within 30 days of the termination of employment with the Postal Service, by retirement or otherwise, unless the employee enters a similarly covered position with another agency in the Executive Branch of the Government;
 - (iv) On or before May 15 of each year when he or she has been in one of the categories in paragraph (a) for more than 60 days during the previous calendar year.
 - (2) The Ethical Conduct Officer may, for good cause shown, grant to an employee or class of employees an extension of up to 45 days. An additional extension of up to 45 days may be granted by the Director for good cause shown. An employee requesting such an additional extension shall submit in writing a statement of specific reasons for the extension to the Ethical Conduct Officer who shall transmit the request with her or his comments to the Director.

Exhibit 662.8 (p. 2)

Public Financial Disclosure Reports

(c) Information required to be reported — reporting forms.

- (1) Instructions as to the extent of the information to be provided in the report are included with the report form. More detailed instructions may be found in title 5, Code of Federal Regulations, Part 734.
- (2) Each report submitted to the Ethical Conduct Officer shall be a full and complete statement, on the form prescribed by the Director and in accordance with instructions issued by him. The form currently in use is Standard Form 278.
- (3) The basic categories of information to be included in the report are: Income from sources other than the Postal Service; interests in property; purchases, sales and exchanges of property; gifts and reimbursements; liabilities; positions held; and relations with other employees.

(d) Reviewing reports and remedial action.

- (1) Financial disclosure reports filed in accordance with the provisions of this section shall, within 60 days after the date of filing, be reviewed by the Ethical Conduct Officer, who shall either approve the report, or make an initial determination that a conflict or appearance thereof exists. In conducting this review, the Ethical Conduct Officer may utilize the assistance of the reporting employee's Associate Ethical Conduct Officer or his or her designee.
- (2) If the reviewing official considers that additional information is needed to complete the report or to allow an adequate review to be conducted, the official shall request the reporting employee to furnish that information by a specified date. The reporting employee shall promptly comply with that request.
- (3) If the reviewing official determines initially that a conflict or the appearance of a conflict exists, he or she shall proceed as provided in 661.82 relating to remedial action.
- (4) The Ethical Conduct Officer shall refer to the Postmaster General the name of any employee he or she has reasonable cause to believe has wrongfully failed to file a report or has falsified or wrongfully failed to report required information.
- (5) The Postmaster General may take any appropriate personnel or other action in accordance with applicable law or regulations against any employee whose name is so referred. She or he shall cause the Chief Inspector to refer to the Attorney General the name of any employee she or he has reasonable cause to believe has willfully failed to file a report or has willfully falsified or failed to report required information.

(e) Custody of and public access to reports

- (1) Retention of reports. Each report filed with the Ethical Conduct Officer shall be retained by him or her for a period of six years. After the six-year period, the report shall be destroyed unless needed in connection with an investigation then pending.

Exhibit 662.8 (p. 3)

Public Financial Disclosure Reports

(2) Availability for public inspection. Each report shall, within 15 days after it is received, be available for inspection by, or a copy of it shall be furnished to, any person who makes a written application stating:

- (i) The person's name, occupation and address;
- (ii) The name and address of any other person or organization on whose behalf the inspection or copy is requested; and
- (iii) That the person is aware of the prohibitions on the obtaining or use of the report, as set forth in section 205(c)(1) of Pub. L. 95-521, the Ethics in Government Act.

The application shall be available to the public throughout the remainder of the period during which the report itself is available to the public. A reproduction fee of 10 cents per page shall be charged if the aggregate number of pages furnished to or for the benefit of a person or related persons exceeds 30 pages.

(3) Official position description. A copy of the official position description of the position held by the reporting employee shall, if available, be attached by the Ethical Conduct Officer to each report. If an official position description is not available, but another form of position description is, the latter shall be attached. A copy of the position description shall be available or furnished to the public together with the report to which it pertains.

- (f) Waiver regarding certain personal gifts. An individual seeking an exemption pursuant to subsection 202(a)(2)(D) of Pub. L. 95-521, the Ethics in Government Act (to exempt one or more gifts from aggregation under the provisions of said subsection) shall file a request with the Director which sets forth the identity and occupation of the donor; a statement that the relationship between the donor and the reporting individual is purely personal in nature; and a statement that neither donor nor any person or organization for whom the donor actually works or serves as a representative conducts business with, or is subject to regulation by, or is directly affected by action taken by the agency by which the reporting individual is employed. In the event that the immediately preceding statement cannot be made without qualification, the reporting individual may indicate such qualifications along with a statement demonstrating that he or she plays no role in any official action which might directly affect the donor or any organization for which such donor works or serves as a representative. Such a request will be made publicly available if, and at the time, it is granted.

663.2 **Community Affairs**

663.21 **General**

An employee is permitted to participate in community affairs to the extent consistent with the proper performance of postal duties and with applicable laws and regulations. Nothing in this section will prevent an employee from serving as an official of a religious, fraternal, or civil nonpolitical organization which is supported by dues or contributions from its own members.

663.22 **Holding of State or Local Office by Postal Service Employees**

- 663.221 An employee may seek, accept, or hold a nonpartisan state or local office subject to the provisions of this Code and, in particular, this section. A nonpartisan office is one filled as a result of a nonpartisan election. A nonpartisan election is an election at which none of the candidates to be nominated or elected represent a political party whose candidates for presidential elector received votes in the last preceding election held to select presidential electors.
- 663.222 An employee who wishes to seek, accept, or hold a nonpartisan state or local office is responsible for ascertaining:
- a. Whether the office is nonpartisan within the definition in 663.221.
 - b. Whether state or local law permits a Postal Service employee to seek, accept, or hold the particular office.
 - c. Whether the duties of the office would result in a conflict with Postal Service employment.
 - d. Whether the discharge of the duties of the office would interfere with the acceptable performance of Postal Service duties or would interfere with the acceptable performance by other Postal Service employees of their respective duties.
- 663.223 An employee is encouraged to seek advice from the Associate Ethical Conduct Officer before taking any action to seek, accept, or hold a state or local office. If the employee assumes the duties of this nonpostal office and they interfere with the proper discharge of postal duties, either by that individual or by other postal employees, then the employee holding the nonpostal office will be advised by a superior to eliminate the interference. This can be accomplished either by resignation from the nonpostal office or some other appropriate manner. If the employee fails, refuses, or neglects to comply with this advice and the interference continues, that individual will be subject to disciplinary proceedings.
- 663.224 Employees, other than postmasters or acting postmasters in a salary level of EAS-25 or higher, may be granted permission to campaign for a full-time state or local nonpartisan office while on annual leave or on authorized leave without pay during the campaign when:
- a. The criteria in 663.222 a. and b. are met.
 - b. The Regional Postmaster General determines that the employee's postal responsibilities are being conducted in a satisfactory manner and

that the absence of the employee during the campaign period will not disrupt the operation of the facility where the person is employed.

Note: Requests will be submitted through the postmaster or other installation head to the Regional Postmaster General. An employee who is elected and takes such a full-time office may either be separated from the Postal Service or granted leave without pay.

- 663.225 A postmaster, sectional center manager, or acting postmaster in salary level EAS-25 or higher will not be authorized to take annual leave or leave without pay for the purpose of campaigning for a full-time state or local nonpartisan office.

663.3 **Nonparticipation in Segregated Meetings**

- 663.31 Postal officials may not participate in conferences or speak before audiences where any racial or ethnic group, or members of either sex, have been purposely segregated or excluded from the meeting, from any of the facilities or the conferences, or from membership in the group. When requests to speak or participate are received under circumstances where discrimination may be practiced, inquire as to the practices of the group before acceptance.
- 663.32 The USPS may not sponsor, support, or financially assist, directly or indirectly, any conference, convention or meeting held where participants are segregated or are treated unequally on the basis of prohibited discrimination.
- 663.33 If the U.S. Postal Service civil rights program will be better served by permitting an exception to this policy in a particular case, the APMG, Employee Relations Department, must be advised prior to making any commitments for confirmation of a waiver of the policy in 663.31.

664 **Bribery, Undue Influence, or Coercion**

An employee must report immediately to the

GENERAL COUNSEL
US POSTAL SERVICE
475 L'ENFANT PLZ SW
WASHINGTON DC 20260-2100:

- a. Any instance in which a person either within or outside the Postal Service uses or attempts to use bribery, undue influence, or coercion to induce or attempt to induce the employee to act or neglect to act in regard to official responsibilities.
- b. Any information that causes the employee to believe that there has been a violation of a federal criminal statute or any law or regulation directly or indirectly related to the responsibilities of the Postal Service. The employee also must send a copy of a report made under this paragraph to the
CHIEF POSTAL INSPECTOR
US POSTAL SERVICE
475 L'ENFANT PLZ SW
WASHINGTON DC 20260-2100.

This report must be sent in a sealed envelope clearly marked
RESTRICTED INFORMATION — TO BE OPENED BY ADDRESSEE
ONLY.

665 Statutory Provisions

665.1 Laws Referenced in This Code

- 665.11 The laws mentioned in this Code are listed for information only. Nothing in this Code constitutes an interpretation or construction of these laws which would bind the United States Postal Service or the United States.
- 665.12 Failure to mention a statute does not excuse any person from complying with it.

665.2 Application to Postal Employees

The following statutes and regulations are applicable to all employees in the Postal Service. In addition to these statutes, Executive Order No. 11222 of May 8, 1965, as made applicable to the Postal Service by Executive Order No. 11590 of April 23, 1971, prescribes standards of ethical conduct for officers and employees of the government.

- a. House Concurrent Resolution 175, 85th Congress, 2nd Session, 72 Stat. B12, the Code of Ethics for Government Service. (Quoted above at 661.21.)
- b. Prohibition against proscribed political activities (5 U.S.C. Subchapter 111 of Chapter 73 and 18 U.S.C. 602, 603, 607, and 608).
- c. Prohibition against appointing or promoting a relative, or advocating such an appointment or promotion (5 U.S.C. 3110).
- d. Prohibitions against disloyalty and striking (5 U.S.C. 7311; 18 U.S.C. 1918).
- e. Chapter 11 of the Title 18, United States Code, relating to bribery, graft, and conflicts of interest.
- f. Prohibition against acting as the agent for a foreign principal registered under the Foreign Agents Registration Act (18 U.S.C. 219).
- g. Prohibition against unauthorized taking or use of documents relating to claims against or by the government (18 U.S.C. 285).
- h. Prohibition against postal employees becoming interested in any contract for carrying the mail (18 U.S.C. 440).
- i. Prohibition against counterfeiting and forging transportation requests (18 U.S.C. 508).
- j. Prohibition against deprivation of employment or other benefit for political activity (18 U.S.C. 601).
- k. Prohibition against:
 - (1) Embezzlement of government money or property (18 U.S.C. 641).
 - (2) Failing to account for public money (18 U.S.C. 643).

- (3) Embezzlement of the money or property of another person in the possession of an employee by reason of her or his employment (18 U.S.C. 654).
- I. Prohibition against:
 - (1) Disclosure of classified information (18 U.S.C. 798).
 - (2) Disclosure of confidential information (18 U.S.C. 1905).
- m. Prohibition against fraud or false statements in a government matter (18 U.S.C. 1001).
- n. Prohibition against participation in lottery enterprises (18 U.S.C. 1303).
- o. Prohibition against carriage of mail contrary to law (18 U.S.C. 1693).
- p. Prohibition against desertion of mail (18 U.S.C. 1700).
- q. Prohibition against obstruction of correspondence (18 U.S.C. 1702).
- r. Prohibition against delay or destruction of mail or newspapers (18 U.S.C. 1703).
- s. Prohibition against theft of property (18 U.S.C. 1707).
- t. Prohibition against theft of mail (18 U.S.C. 1709).
- u. Prohibition against theft of newspapers (18 U.S.C. 1710).
- v. Prohibition against misappropriation of Postal Service funds (18 U.S.C. 1711).
- w. Prohibition against falsification of postal returns (18 U.S.C. 1712).
- x. Prohibitions against improper issuance of money orders (18 U.S.C. 1713).
- y. Prohibition against misuse of the franking privilege (18 U.S.C. 1719).
- z. Prohibition against sale or pledge of stamps (18 U.S.C. 1721).
- aa. Prohibition against unlawful collection of postage (18 U.S.C. 1726).
- bb. Prohibition against failure to account for postage (18 U.S.C. 1727).
- cc. Prohibition against improper approval of bond or sureties (18 U.S.C. 1732).
- dd. Prohibition against lobbying with appropriated funds (18 U.S.C. 1913).
- ee. Prohibition against the use of deceit in an examination or personnel action in connection with government employment (18 U.S.C. 1917).
- ff. Prohibition against mutilating or destroying a public record (18 U.S.C. 2071).
- gg. Prohibition against disclosure of lists of names and addresses (39 U.S.C. 412).
- hh. Prohibition against making or receiving political recommendation for appointment or promotion (39 U.S.C. 1002).
- ii. Prohibition against receipt of unauthorized fees (39 U.S.C. 1009).
- jj. Oath of office required for all postal employees (39 U.S.C. 1011).
- kk. Prohibition against opening First-Class Mail (39 U.S.C. 3623).
- II. Privacy Act of 1974 (5 U.S.C. 552a).

666 **USPS Standards of Conduct**

666.1 **Discharge of Duties**

Employees are expected to discharge their assigned duties conscientiously and effectively.

666.2 **Behavior and Personal Habits**

Employees are expected to conduct themselves during and outside of working hours in a manner which reflects favorably upon the Postal Service. Although it is not the policy of the Postal Service to interfere with the private lives of employees, it does require that postal personnel be honest, reliable, trustworthy, courteous, and of good character and reputation. Employees are expected to maintain satisfactory personal habits so as not to be obnoxious or offensive to other persons or to create unpleasant working conditions.

666.3 **Loyalty**

Employees are expected to be loyal to the government and uphold the policies of the Postal Service.

666.4 **Performance of Public Duties**

Employees are expected, when called upon, to serve on juries or to act as witnesses.

666.5 **Obedience to Orders**

666.51 **Protests**

Employees must obey the instructions of their supervisors. If an employee has reason to question the propriety of a supervisor's order, the individual will nevertheless carry out the order and immediately file a protest in writing to the official in charge of the installation, or appeal through official channels.

666.52 **Reporting of Violations**

Violations of postal laws, including irregular practices involving the handling of stamps, funds, accounts, or property will be reported immediately to the postal inspector in charge.

666.6 **Cooperation in Investigations**

Employees will cooperate in any postal investigation.

666.7 **Furnishing Address**

Employees must keep the installation head informed of their current mailing addresses. Any changes in mailing addresses will be reported on Form 1216, *Employee's Current Mailing Address*, to the installation head who will forward copy No. 1 to the Postal Data Center.

666.8 **Attendance**

666.81 **Requirement for Attendance**

Employees are required to be regular in attendance.

666.82 **Absence Without Permission**

Employees failing to report for duty on scheduled days, including Saturdays, Sundays, and holidays, will be considered absent without leave except in actual emergencies which prevent obtaining permission in advance. In emergencies, the supervisor or proper official will be notified as soon as the inability to report for duty becomes apparent. Satisfactory evidence of the emergency must be furnished later. An employee who is absent without permission or fails to provide satisfactory evidence that an emergency existed will be placed in a nonpay status for the period of such absence. The absence will be reported to the appropriate authority.

666.83 **Tardiness**

Any employee failing to report by the scheduled time when time recorders are not used is considered tardy. Tardiness in units or installations equipped with time recorders is defined as being any deviation from schedule.

666.84 **Falsification in Recording Time**

Recording the time for another employee constitutes falsification of a report. Any employee knowingly involved in such a procedure is subject to removal or other discipline. Failure of a supervisor to report known late arrivals is regarded as condoning falsification.

666.85 **Incomplete Mail Disposition**

It is a criminal act for anyone who has taken charge of any mail to quit voluntarily or desert the mail before making proper disposition.

666.86 **Disciplinary Action**

Postal officials will take appropriate disciplinary measures to correct violations of these requirements.

667 **Legal Assistance Provided by the Postal Service**

667.1 **Defense of Civil Suits Against Postal Service Employees Arising Out of Their Operation of Motor Vehicles**

667.11 **Coverage**

This section contains the procedure to be followed by Postal Service employees (hereby defined to include present and former employees or their estates) against whom a civil action for damage to property or for personal injury or death is brought, arising out of the employee's operation of a motor vehicle in the scope of that person's employment. Under the Federal Drivers Act (28 U.S.C. 2679(b)-(d)), employees who are found to have acted in the

scope of their employment while operating a motor vehicle are absolutely immune from personal liability.

667.12 Employee Responsibilities

The employee, immediately upon being served, will promptly deliver all process and pleadings received to the employee's immediate supervisor for routing to the installation head.

667.13 Installation Head Responsibilities

The installation head or designee will promptly forward all process and pleadings to the Postal Inspection Service office for the district where the proceeding is brought, together with all available information concerning the accident, for referral to the United States Attorney.

667.2 Representation of USPS Employees by the Department of Justice In Non-Motor Vehicle Cases

667.21 General

The procedures in this section pertain to all cases not covered in 667.1. Under the procedures explained below, an employee (hereby defined to include present and former employees or their estates) may be provided representation in civil proceedings and in state criminal proceedings in which they are sued, subpoenaed, or charged in their official capacity, when the actions for which representation is requested reasonably appear to have been performed within the scope of their employment, and providing representation would be in the interest of the United States. See 667.1 if the proceeding involves a motor vehicle accident.

667.22 Procedure for Requesting Legal Representation by the Department of Justice

667.221 Employee Responsibilities

An employee who believes he or she is entitled to representation by the Department of Justice in a proceeding, he or she must promptly submit a written request for that representation, together with all process and pleadings served, to the employee's installation head. Failure to submit a request promptly may prevent the processing necessary to obtain approval of the employee's request. In order to give a request proper consideration, it must contain a detailed statement from the employee of his or her knowledge of the subject matter of the proceeding and be accompanied by all pertinent documents. The Department of Justice asks that the letter requesting representation be addressed to the

ASST ATTORNEY GENERAL CIVIL DIVISION
DEPT OF JUSTICE
CONSTITUTION AVE & 10TH ST NW
WASHINGTON DC 20530-0001,

but that the request letter not be sent directly to the Assistant General. The request is to be sent directly to the employee's installation head who will, in

turn, forward the request in accordance with 667.222. The Department of Justice requires that the request contain:

- a. The date the employee was served.
- b. The date on which the employee must respond or appear at a proceeding.
- c. A statement that the employee has read the complaint; that all conduct related to the allegations in the complaint occurred within the scope of the employee's official duties; and that such conduct was done in the good faith belief that it was proper.
- d. A statement describing in detail the employee's knowledge of the subject matter of the complaint. Failure to provide a detailed statement of the facts may prevent the processing necessary to obtain approval of the request.

667.222 Installation Head or Higher Level Official Responsibilities

- a. The installation head or next higher level official or other designated official should forward the request without delay to the Chief Field Counsel for the region in which the proceeding arose.
- b. The installation head or designee must submit a covering transmittal memorandum to the Chief Field Counsel containing a recommendation as to whether providing the employee representation would be in the best interest of the United States Postal Service and a statement detailing the installation head's or designee's knowledge of the subject matter of the case.

667.223 Postal Inspection Service

Postal Inspection Service personnel should follow procedures established by the Chief Postal Inspector to request representation by the Department of Justice rather than the procedures set forth in this section.

667.23 Criteria for Granting Representation

The Department of Justice provides representation at its discretion and only after it determines that the employee acted within the scope of her or his authority and that such representation would be in the best interest of the United States.

667.3 Department of Justice Representation

Upon determination by the Department of Justice that an attorney will represent an employee, the employee will be so notified and will be provided information about the nature of Department of Justice representation.

667.4 Reimbursement of Employees for Legal Fees, Judgments, and Settlements

667.41 Legal Fees

An employee whose request under 667.22 has been denied for any reason may request, through the appropriate Chief Field Counsel, reimbursement for legal fees incurred by the use of private counsel.

667.42 **Judgment**

An employee who has filed a request for representation under 667.22 may file with the appropriate Chief Field Counsel a request for payment of any adverse judgment or settlement.

667.43 **Criteria for Reimbursement**

Each request for reimbursement for legal fees, judgments, or settlements will be considered by the Chief Field Counsel on its individual merits after the case is concluded. Generally, reimbursement will be made if:

- a. It is equitable and fair to do so.
- b. The employee acted reasonably, within the scope of his or her authority, and not recklessly, in bad faith, or with obvious indifference to instructions.
- c. The amount requested is reasonable and reimbursement is deemed to be in the best interest of the Postal Service.

667.5 **USPS Governors, Officers, PCES Employees, and Headquarters Employees**

667.51 **Request for Legal Representation**

The provisions of 667 apply also to the Governors of the Postal Service, the officers of the Postal Service, employees in the Postal Career Executive Service, and Postal Service Headquarters employees. If such persons are named as defendants and desire to be represented by the Department of Justice, they must submit their requests in accordance with 667.22 to the General Counsel.

667.52 **Legal Fees**

A person covered by 667.5 who is represented by private counsel may apply to the General Counsel for payment or reimbursement for legal fees. The General Counsel will exercise discretion according to the criteria in 667.43.

667.53 **Judgments**

A person covered by 667.5 may apply to the General Counsel for payment or reimbursement for any adverse judgment or settlement. The General Counsel will exercise discretion according to the criteria in 667.43.

668 **Restrictions**

668.1 **Prohibited Personnel Practices**

668.11 **Restrictions**

668.111 **General**

The following restrictions apply to any USPS employee who has authority to take, direct others to take, recommend, or approve any personnel action with respect to any employee, eligible, or applicant.

668.112 **Prohibited Discrimination**

- a. *Political Affiliation.* No discrimination may be exercised, threatened, or promised by any person or in favor of any employee, eligible, or applicant because of political affiliation except as may be authorized or required by law.
- b. *Marital Status.* No person may be discriminated against because of marital status in connection with examination, appointment, reappointment, reinstatement, reemployment, promotion, transfer, demotion, removal, or retirement.
- c. *Race, Color, Religion, Sex, Age (40+), National Origin, or Physical or Mental Handicap.* See subchapter 670.
- d. *Conduct Which Does Not Adversely Affect Performance.* No person may be discriminated for or against on the basis of conduct which does not adversely affect that person's performance or the performance of others; except that in determining suitability or fitness of that person, any conviction for any crime under the laws of any state, of the District of Columbia, or of the United States may be taken into account.

668.113 **Nepotism**

See 312.3 of Handbook EL-311, *Personnel Operations*.

Note: EL-311 is the new identifier for chapters 1-4 of P-11; chapter 5 becomes EL-301, *Processing Personnel Actions*, which will be published in the next 6 months.

668.114 **Improper Employment and Placement Practices**

Deceitfully or willfully obstructing or improving the prospects of any person competing for a position by granting a preference or advantage not authorized by law, rule, or regulation (including defining the scope or manner of competition or the requirements for a position), or by influencing anyone to withdraw from competition for a position is prohibited.

668.115 **Improper Recommendations**

Soliciting or considering any recommendation or statement, oral or written, with respect to any individual who requests, or is under consideration for any personnel action, is prohibited unless such recommendation or statement is based on the personal knowledge or records of the person furnishing it and consists of:

- a. An evaluation of the work performance, ability, aptitude, or general qualifications of such individual; or
- b. An evaluation of the character, loyalty, or suitability of such individual.

668.116 **Coercion of Political Activity**

Coercion of the political activity of any person (including the providing of any political contribution or service), or the taking of any action as a reprisal for the refusal of any person to engage in such political activity, is prohibited.

668.117 **Reprisal for Exercising Appeal Rights**

Taking or failing to take any personnel action as a reprisal for the exercise of any appeal right granted by a law, rule, or regulation is prohibited.

668.118 **Reprisal for Release of Information**

No one may take or fail to take a personnel action as a reprisal for a disclosure of information by an employee or applicant which the employee or applicant reasonably believes evidences:

- a. A violation of any law, rule, or regulation; or
- b. Mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, if such disclosure is not specifically prohibited by law or if such information is not specifically required by Executive Order to be kept secret in the interest of national defense or the conduct of foreign affairs.

668.12 **Remedies**

668.121 **General**

Complaints that one or more of the restrictions in 668.11 have been violated may, depending on the status of the employee complaining and the action taken against the complainant, be brought through the following appeal procedures.

668.122 **Equal Employment Opportunity Complaint Procedures**

Any employee or applicant may file a complaint alleging discrimination based on race, color, religion, sex, age (40+), national origin, or handicapping condition, within 30 days. For complete details see subchapter 670, Section 675.

668.123 **Grievance Procedure**

Employees covered by a collective-bargaining agreement may file grievances regarding wages, hours, and working conditions in accordance with the provisions of the applicable agreement. Nonbargaining unit employees at EAS-16 and below may use the grievance procedure in ELM 652.3 to grieve matters other than suspensions or adverse actions. Nonbargaining unit employees at EAS-17 and above may use these procedures to appeal letters of warning and emergency placement in a nonduty status.

668.124 **Adverse Action Appeals to Merit Systems Protection Board**

All veteran preference eligible employees and certain other nonbargaining unit entitled employees with 1 year of current continuous service in the same or similar positions may appeal removals, reductions in grade or pay, suspensions of more than 14 days, or furloughs of 30 days or less. The appeal must be made to the Merit Systems Protection Board within 20 days of the effective date of the action.

668.125 **Nonbargaining Unit Appeals Procedure**

Employees not subject to the provisions of a collective-bargaining agreement who have 6 months of current continuous postal service may, under the provisions of ELM 650, appeal removals, reductions in grade or pay, suspensions, or furloughs of 30 days or less.

668.126 **Prohibited Personnel Practices**

Allegations of violations of the provisions of 668.11, *Restrictions*, which cannot be brought through any other procedure may be sent to the

EXEC ASST TO POSTMASTER GENERAL
US POSTAL SERVICE
475 L'ENFANT PLZ SW
WASHINGTON DC 20260-0011.

Complaints filed with the Executive Assistant must be in writing with as much specific information on the alleged violation as possible. Allegations of violations of law will be referred to the Inspection Service. The complainant will be informed in writing of the disposition of the complaint.

668.2 **Service Matters**

668.21 **Compiling Directories**

Employees will not compile, furnish restricted information for, or otherwise assist publishers in compiling city directories for public use; nor request publishers to send free copies to them; nor accept any money or gratuity arising from publication of directories.

668.22 **Engaging in Campaigns for Changes in Mail Service**

Employees in active status will not engage in campaigns for or against changes in mail service. This regulation will not be construed to infringe on the rights to participate in labor organizations.

668.23 **Paying for Exchange of Positions**

It is unlawful for employees to give or receive payment, directly or indirectly, to effect an exchange of positions in the same or different postal units, or any place in the public service. This offense is punishable by fine and imprisonment and disqualification from holding any office in the federal government.

668.24 **Manufacture of Rural Mailboxes**

Employees are prohibited from manufacturing or acting as the agent for a manufacturer of rural mailboxes.

668.25 **Loitering**

Carriers will not loiter or stop for unnecessary conversation on their routes. Employees will not linger about cases or racks after their tours of duty have ended, nor report at cases or racks before their tours are scheduled to begin.

668.26 **Controversies With Public**

Employees will not engage in controversies with customers, railway employees, airline employees, or other members of the public while on duty or on federal property.

668.27 Obstructing the Mail

The United States Code, Title 18, Section 1701, provides penalties for persons who knowingly and willfully obstruct or retard the mail. The statute does not afford employees immunity from arrest for violations of law.

668.28 Giving Testimony or Campaigning for Additional Transportation Services

Postmasters and other field officials will not furnish postal information or testimonial statements or letters which purport to reflect postal needs to civic bodies or rail or air common carriers to be used in support of applications for new or additional common carrier service at a given community. Refer such requests for postal information to Headquarters. When there are justifiable reasons for recommending changes in transportation services, furnish a complete report to the proper official at Headquarters; then await specific instructions before engaging in any local activity or hearing relative to such changes.

668.29 Interception of Oral or Wire Communications by Postal Employees

668.291 During the course of activities related to postal employment, no postal employee will record, monitor, or otherwise intercept the oral or wire communications of any other person through the use of any electronic, mechanical, or other device, nor listen in on a telephone conversation, nor direct another to do so, unless all parties involved in the communication consent to such interception.

668.292 This section does not apply to Postal Inspectors while acting in the course of their official duties. The conduct of Postal Inspectors in this area will be in accord with applicable federal statutes governing the interception of wire or oral communications by law enforcement officers.

668.293 For the purposes of this section, the terms oral communication, wire communication, intercept, and electronic, mechanical, or other device have the meaning used in Chapter 119, Title 18, United States Code.

668.3 Records, Information, and Associated Processing Systems and Equipment**668.31 Purpose**

Federal law and sound business practice require compliance with certain rules over the uses and protection of information and information processing resources owned by the Postal Service. These rules apply specifically to those types of Postal Service property emphasized in the definition at 669.j. They are provided here for current and former employees' knowledge and also for management's use as a basis for ensuring compliance and taking disciplinary action, when appropriate. They supplement sections 661.414, 661.42j, 661.52, 661.73, 668.118 and 668.21 above.

668.32 **Prohibited Disclosures**

- 668.321 Employees may not furnish to members of the public Postal Service records or copies of, or information taken from, Postal Service records, including information contained in a computer system, unless it is a part of the duties of their position to do so. As decisions to withhold or disclose records and information must be consistent with applicable laws, Executive Orders, and Postal Service regulations and directives, the responsible official must consult with the Records Officer, Regional Counsel, or the Law Department if there is any question as to the appropriate course of action.
- 668.322 Disclosing nonpublic information about an individual to another person or organization not entitled by USPS regulations to know it, without the signed authorization from that individual, is prohibited under penalty of law. See ASM 353.
- 668.323 Disclosing mailing lists, trade secrets, classified, or other information described under ASM 352.45 to any person or organization not authorized to know it is prohibited under penalty of law.
- 668.324 Disclosing one's assigned unique computer system password to any person, including the employee's own supervisor, without the direct approval of either the appropriate Security Control Officer, Computer Systems Security Officer, or records custodian is prohibited.

668.33 **Prohibited Uses**

- 668.331 Use of USPS property as defined in 669.j for personal enjoyment, private gain, or other unauthorized activity is prohibited.
- 668.332 Damage to such property through negligence or intentional and destructive acts is prohibited.
- 668.333 Bypassing or attempting to bypass established security controls in order to gain access to records, information, or information equipment without the approval of either the appropriate Security Control Officer, Computer System Security Officer, Information System Executive, or records custodian is prohibited.

668.34 **Protection Responsibilities**

Employees must protect all information about individuals, all other Restricted Information, and all National Security Information against unauthorized use and disclosure.

668.35 **Reporting Violations**

See 666.52 of this Code.

669 **Definitions**

Definitions of terms used in this Code are:

- a. *Postal Service.* The United States Postal Service as established by *Section 201 of Title 39, United States Code.*

- b. *Employee.* An individual appointed to a position, temporary or permanent, within the Postal Service, or hired as an executive under the employment contract, including a substitute. The term employee does not include the Governors of the Postal Service nor, unless the context requires, a special Postal Service employee.
- c. *Associate Ethical Conduct Officers.* The persons designated in 661.812 and any other persons specifically designated by the Postmaster General to assist the Ethical Conduct Officer in administering this Code.
- d. *Person.* An individual, a corporation, a company, an association, a firm, a partnership, a society, a joint stock company, or any other organization, institution, or entity.
- e. *Special Postal Service Employee or Special Employee.* An individual retained, designated, appointed, or employed in the Postal Service to perform, with or without compensation, temporary duties either on a full-time or intermittent basis not to exceed 130 days during a period of 365 consecutive days.
- f. *Official Responsibility.* Direct administrative or operating authority, whether intermediate or final, and either exercisable alone or with others, and either personally or through subordinates, to approve, disapprove, or otherwise direct Postal Service action.
- g. *Employee's Interests.* The interests of an employee, spouse, and, in addition, the interest of minor child or children and other individuals related to the employee by blood who are residents of the employee's household.
- h. *Business Dealings With the Postal Service.* Any contract, work, or business, or the performance thereof, or any litigation arising out of or involving any contract, work, or business, or the sale or acquisition of any real or personal property, or any interest in property, whose expense, price, or consideration is payable by or to the Postal Service.
- i. *This Code.* The Code of Ethical Conduct for Postal Employees which consists of the regulations of the Postal Service which are published in 39 CFR 447.11 through 447.91 inclusive.
- j. *Property.* Includes records and recorded information regardless of their storage medium (i.e., paper, magnetic surfaces, film, etc.); information processing equipment such as computers and word processors, along with their peripheral and terminal devices; filmers, duplicators, and copiers; and information systems software.
- k. *Information System Executive.* A Postal Service official who prescribes the existence of, and the policies for, an information system.