



U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

**ORDER
3750.7B**

National Policy

Effective Date:
10/31/19

SUBJ: Ethical Conduct and Financial Disclosure

1. Purpose of This Order. This order provides guidance to employees at all levels of the FAA on the procedures and responsibilities of ethical conduct and financial disclosure. This order establishes policy and assigns responsibility for ensuring compliance with the Ethics in Government Act of 1978, as amended, Title 5 United States Code, App. 6, and Part 2638 of Title 5 of the Code of Federal Regulations, Office of Government Ethics and Executive Agency Ethics Program Responsibilities, 5 CFR Part 2638, and the Acquisition Management System.

2. Audience. This order is intended for all FAA employees and for those employees assigned duties related to the administration of the ethics program (including bargaining unit employees).

3. Where Can I Find This Order? This order is located in electronic format on the Internet and the FAA's Intranet website at the following links:

https://www.faa.gov/regulations_policies/orders_notices/index.cfm/go/document.information/documentID/1036809 and

https://employees.faa.gov/tools_resources/orders_notices/index.cfm/go/document.information/documentID/1036809

4. What This Order Cancels. Order 3750.7A, Ethical Conduct and Financial Disclosure, issued October 24, 2011, is canceled.

5. Background. The Office of Government Ethics (OGE) has promulgated regulations in Title 5 of the Code of Federal Regulations covering all areas of ethical conduct. [Part 2634](#) contains the regulations on financial disclosure requirements; [Part 2635](#) contains the regulations on standards of ethical conduct; [Part 2636](#) contains the regulations on honoraria; [Part 2638](#) contains the regulations on executive agency ethics program responsibilities and [Part 2641](#) contains the regulations on post employment conflicts of interest. The Acquisition Management System establishes certain requirements applicable to the conduct of employees involved in procurements.

6. Explanation of Changes. This revision incorporates changes to the Financial Disclosure Program; establishes new roles and responsibilities within the Office of the Chief Counsel (AGC) and Office of Human Resources (AHR); and incorporates new positions and titles within AGC.

This revision includes the following changes:

- a. Adds FDOOnline Program Administrator responsibilities.
- b. Adds responsibilities of the Ethics Program Coordinator (EPC).

- c. Defines FDOOnline and its components.
- d. Includes required ethics training administered through AHR for all new hire employees.
- e. Removes manager's responsibility to forward completed AHR onboarding checklist to AGC-900.
- f. Changes FAPM Letter 2635 to HRPm ER-4.2, which currently governs.
- g. Removes manager's responsibility to schedule initial standards of ethical conduct training as it is provided by AHR in Ethics Basic Training, eLMS course FAA 30200431.
- h. Adds responsibility of managers to verify required Ethics Basic Training, eLMS course FAA 30200431, is completed by employees within 90 days of onboarding.
- i. Changes title of "Deputy Chief Counsel" to "Deputy Chief Counsel for Policy", FAA Order GC 1100.170A, effective 3/25/2019.
- j. Adds title and duties of Executive/Acting Executive, FAA Order GC 1100.170A, effective 3/25/2019.
- k. Adds title of Assistant Chief Counsel for Ethics, FAA Order GC 1100.170A, effective 3/25/2019.
- l. Changes title of "SMAE" to "Deputy Assistant Chief Counsel for Ethics", FAA Order GC 1100.170A, effective 3/25/2019.
- m. Removes Appendices A-I and substitutes hyperlinks to referenced content.

7. Definitions.

- a. Designated Agency Ethics Official. The Designated Agency Ethics Official (DAEO) is the person designated by the Secretary of Transportation to be the Department's principal ethics official, as required by OGE regulations on executive agency ethics program responsibilities, [5 CFR Part 2638](#). The DAEO is responsible for the Department's ethics program. The current designee is the Deputy General Counsel, C-2. The alternate DAEO is the Assistant General Counsel for General Law, C-10.
- b. Deputy Ethics Official. The Deputy Ethics Official (DEO) is the person designated by the DAEO to coordinate and manage the FAA's ethics program, as provided for in [5 CFR 2638.204](#). The Chief Counsel, AGC-1, is the DEO for FAA. The Chief Counsel has delegated the DEO duties to the Deputy Chief Counsel for Policy (AGC-2).
- c. Executive/Acting Executive. The Executive/Acting Executive provides executive direction and oversight of AGC activities and functions related to the Ethics Division (AGC-900).

d. Assistant Chief Counsel for Ethics. The Assistant Chief Counsel for Ethics oversees the ethics program.

e. Deputy Assistant Chief Counsel for Ethics. The Deputy Assistant Chief Counsel for Ethics carries out the day-to-day functions required for the operation for the program, under the direction of the Assistant Chief Counsel for Ethics. The Deputy Assistant Chief Counsel for Ethics also manages the Ethics staff.

f. Designated Ethics Counselor. A Designated Ethics Counselor (DEC) is a person designated by the DEO to carry out program responsibilities by assisting in the day-to-day operations of the program.

g. Ethics Program Coordinator. An Ethics Program Coordinator (EPC) is a person designated by management to serve as an organization's liaison with Ethical Conduct and Financial Disclosure Program officials and to administer the program details within the organization.

h. FDOonline Program Administrator. The FDOonline Program Administrator maintains day-to-day operations in FDOonline.

i. FDOonline. FDOonline is an OGE approved online application that allows designated employees to accurately prepare and electronically submit financial disclosure reports in compliance with the [Ethics in Government Act of 1978](#), as amended. The application also organizes the financial disclosure reports for review by ethics officials and produces a record for employee and agency use. FDOonline collects and maintains the following financial disclosure reports: OGE-278e, OGE-450, and OGE-278-T.

j. Days. Days as used throughout this Order refers to calendar days.

8. Program Elements. The Ethical Conduct and Financial Disclosure Program consists of:

a. Managing the FAA Ethical Conduct and Financial Disclosure Program under the oversight and direction of the DAEO.

b. Attending meetings and participating in DOT-wide ethics initiatives with the DAEO and other department ethics officials.

c. Identification and notification of those who must file financial disclosure reports.

d. Collection, filing, and review of financial disclosure reports.

e. Ethics education and training programs.

f. Prompt and effective action, including administrative action, to:

(1) Remedy conflicts and apparent conflicts of interest;

(2) Remedy potential or actual violations of applicable laws, regulations, executive orders, and agency policies; and

(3) Enforce financial disclosure reporting requirements.

g. Counseling of employees, and former employees, as appropriate, on all standards of ethical conduct matters including procurement and post-government employment matters.

h. Establishing agency-wide precedent for consistent application of ethical principles and the standards of ethical conduct.

i. Reviewing and evaluating the Ethical Conduct and Financial Disclosure Program to assess its effectiveness, including compiling and publishing within the agency a list of those circumstances or situations which have resulted or may result in noncompliance with ethics laws and regulations.

j. Referring matters to appropriate authorities for investigation as necessary.

k. Reviewing and assessing reports and audits from investigative sources, including the Department's Inspector General.

l. Taking all necessary and appropriate actions in response to those reports and audits, including corrective actions to remedy or prevent conflicts and apparent conflicts of interest and violations of the standards of ethical conduct and related agency policies.

9. Responsibilities.

a. The Deputy Chief Counsel for Policy is designated by the Chief Counsel (the DEO) to carry out the duties of the DEO, which consist of serving as senior-level management for the FAA's Ethical Conduct and Financial Disclosure Program. The DEO works under the supervision of the DAEO in carrying out those duties. The DEO also rules on requests for reconsideration and appeals from ethics determinations and orders issued by a DEC for Washington headquarters.

b. The Assistant Chief Counsel for Ethics is responsible for the oversight and operation of the FAA's Ethical Conduct and Financial Disclosure Program and for providing direction to AGC-900 staff.

c. The Deputy Assistant Chief Counsel for Ethics is designated by the Assistant Chief Counsel for Ethics to carry out the following:

(1) Managing AGC-900 staff.

(2) Training those assigned to be DECs and EPCs, and those designated to act for them, as well as anyone designated to act for the Deputy Assistant Chief Counsel for Ethics, to carry out the duties and responsibilities assigned to them by this Order and the regulations it implements.

- (3) Overall managing of the agency's financial disclosure program to assure that all reporting and reviewing requirements are completed in a timely manner.
- (4) Identifying certain positions that require public financial disclosure reports to be filed by new entrants and incumbents under [5 CFR 2634.202](#).
- (5) Reviewing the Public Financial Disclosure Reports (OGE 278e) in accordance with [5 CFR 2634.605](#) –except for the Administrator, Deputy Administrator, Chief Counsel, Deputy Chief Counsel for Policy, and certain employees in other positions of a confidential or policymaking character, whose reports are reviewed by the DAEO.
- (6) Conducting legal assistance reviews of confidential financial disclosure forms reviewed and/or certified by Region/Center DEC's and Ethics Counselors to ensure compliance with applicable laws and regulations in accordance with [5 CFR 2634.605](#), and agency procedures.
- (7) Issuing appropriate orders to remedy conflicts and apparent conflicts of interest and violations of agency policy on financial interests.
- (8) Establishing and disseminating authoritative interpretations of agency policies, conflict of interest laws, and standards of ethical conduct for application throughout the FAA.
- (9) Acting on requests for reconsideration of determinations, decisions, and orders issued by Regional/Center DEC's.
- (10) Advising management officials with regard to requests for waivers of disqualification based on conflicting financial interests.
- (11) Recommending administrative or disciplinary actions for violations of the conflict of interest laws, the standards of ethical conduct, and FAA policies on financial interests and outside aviation employment when appropriate.
- (12) Providing information in response to requests from the DAEO or their designee.
- (13) Ensuring that any orders to divest, including appropriate timeframes and procedures, will be distributed to all employees when a newly prohibited financial interest is received from AGC.
- (14) Maintaining an updated and accurate copy of the list of prohibited investments that the agency utilizes in making its divestiture determinations. This list shall be made available to all employees through a link on the agency's website and shall be provided to new employees during new employee orientation.
- (15) Ensuring employees are aware of the timeframes established by AGC relating to the issuing of a Certificate of Divestiture.

(16) Reviewing any complaint by an individual that his or her position has been improperly determined by the agency to be one which requires the submission of a confidential financial disclosure report, when delegated by the Assistant Chief Counsel for Ethics. A decision by the agency head or designee regarding the complaint shall be final.

(17) Creating and maintaining course content for Ethics-Basic Training, eLMS Course FAA30200431, and Annual Ethics Training, eLMS Course FAA30200432.

d. Designated Ethics Counselor. DEC's may act through appointed subordinates who are qualified as Ethics Counselors by experience or training. DEC's are responsible for the following:

(1) Counseling and advising employees in regard to all matters of ethical conduct and conflicts of interest, as provided for in [5 CFR 2635.107](#), and to the extent permitted by law, counseling and advising former employees within the DEC's jurisdiction in regard to such matters.

(2) Making determinations of agency interest in attendance of employees and, as appropriate, employees' accompanying spouses, at widely attended gatherings, as provided for in [5 CFR 2635.204\(g\)](#).

(3) Making determinations of substantial conflict in regard to financial interests as provided for in [5 CFR 2635.403\(b\)](#), and advising management officials with regard to requests for waivers of disqualification based on conflicting financial interests.

(4) Making determinations regarding whether an employee's impartiality is likely to be questioned in a particular matter and, if so, whether the employee's participation in the matter is authorized, as provided for in [5 CFR 2635.502](#).

(5) Deciding whether an employee may participate in a particular matter that may have a direct and predictable effect on a financial interest of a party with whom the employee is seeking employment, as provided for in [5 CFR 2635.605](#), or has been seeking employment, as provided for in [5 CFR 2635.606](#).

(6) Providing advice to managers and supervisors regarding their decisions that certain positions require confidential financial disclosure reports to be filed by new entrants and incumbents under [5 CFR 2634.904](#), and [5 CFR 2634.906](#). The DEC is also responsible for resolving disputes arising from managers' and supervisors' decisions to require employees to file financial disclosure reports. The DEC decision in such disputes is final.

(7) Reviewing confidential financial disclosure statements filed by employees, in accordance with [5 CFR 2634.605](#).

(8) Requesting additional information from filers of confidential or public financial disclosure reports when reports are incomplete, ambiguous, or raise conflict of interest issues, and establishing the time within which the filers must provide the additional information, in accordance with [5 CFR 2634.605](#).

(9) Determining compliance of financial disclosure reports with applicable laws and regulations in accordance with [5 CFR 2634.605](#), and agency procedures.

(10) Directing remedial actions to resolve conflicts or apparent conflicts of interest or potential violations of law, regulation, executive order, or agency policy indicated by review of financial disclosure reports or coming to the DEC's attention through other means, in accordance with [5 CFR 2634.605](#).

(11) Referring instances of failure to comply with recommended remedial actions within the time limits of [5 CFR 2634.605](#) for appropriate remedial action by the employee's supervisor and/or manager in accordance with standard agency procedures.

(12) Providing assistance to financial disclosure report filers in completing their reports.

(13) Conducting training in the application of the standards of ethical conduct, as required by [Subpart C of 5 CFR Part 2638](#), and as requested by management, or as determined to be necessary by the Deputy Assistant Chief Counsel for Ethics.

(14) Taking initial action on requests for extensions of the time for filing financial disclosure reports, and requests for exclusions from filing requirements.

(15) Notifying employees of the right to request reconsideration, by the Deputy Assistant Chief Counsel for Ethics, of an adverse determination or order made by a DEC. Any such request or appeal, if filed within 10 days of the determination or order, will stay the effectiveness of the determination or order, except an order requiring disqualification under section [5 CFR 2635.402](#) or [5 CFR 2635.502](#).

NOTE: Reconsideration or appeal of a determination or order initially issued by the Deputy Assistant Chief Counsel for Ethics acting in the capacity of the Washington headquarters DEC will be decided by the Deputy Chief Counsel for Policy.

(16) Referring violations of the standards of ethical conduct, violations of law, regulation, executive order, or agency policy to the appropriate management officials for administrative or disciplinary action as necessary.

e. Managers and supervisors are responsible for the following:

(1) Deciding which positions in their organizations are required to file financial disclosure reports under the criteria set forth in [5 CFR 2634.904](#) and [5 CFR 2634.905](#), or as interpreted in policy memo, [Confidential Financial Disclosure Report \(OGE-450\) Filers](#), issued by AGC-900.

(a) Completing AHR's Manager's New Employee "Onboarding" [Checklist](#).

(2) Appointing a sufficient number of EPCs in their organizations to be responsible for administering the program details in an efficient manner within the organization and for serving as the

organization's official point of contact with Ethical Conduct and Financial Disclosure Program officials.

(3) Continually working with designated EPC throughout the year to update a list of employees, including reemployed annuitants, (by name, position, email address, grade, and pay band/level) under their supervision who are required to file confidential financial disclosure reports.

(4) Notifying employees of the right to request exclusion from filing requirements under [5 CFR 2634.906](#).

(5) Notifying the assigned Human Resource Services Division to include notice of financial disclosure requirements, as applicable, in vacancy announcements when filling established positions.

(6) Notifying the assigned Human Resource Services Division to include financial disclosure requirements, as applicable, when submitting position descriptions for classification.

(7) Requiring newly hired employees, including reemployed annuitants entering positions that require the filing of a financial disclosure report, to file that report within 30 days of entering into a covered position.

(8) Supporting the filing of required financial disclosure reports from employees under their supervision before the filing deadline.

NOTE: Annual confidential reports must be filed by February 15, and public reports must be filed by May 15.

(9) Initiating a follow-up action in connection with delinquent reports.

(10) Taking appropriate disciplinary action against individuals: who fail to file, file a required public or confidential financial disclosure report late, falsify information in any such report, or fail to take timely remedial action directed by a DEC.

(11) Taking appropriate disciplinary actions against individuals who violate the [Standards of Ethical Conduct](#), consistent with the guidelines established in [Human Resources Policy Manual \(HRPM\) Volume 4: Employee Relations ER-4.2](#).

(12) Taking appropriate remedial measures, when practical to do so, to relieve employees of conflicts and apparent conflicts of interest created by financial interests or other circumstances, after coordination with the appropriate DEC.

(13) Confirming employee has completed Ethics-Basic Training in eLMS (Course FAA30200431) within 90 days of duty entry.

(14) Ensuring OGE-450 and OGE-278e filers complete required Annual Ethics Training (eLMS Course FAA30200432) within the allotted timeframe.

f. Employees are responsible for the following:

(1) Timely, complete, and accurate filing of financial disclosure reports as directed by regulation or when required to file by their manager or supervisor, unless a request for exclusion from filing requirements has been made in accordance with [5 CFR 2634.906](#), within 10 days of being notified to file.

(2) Conforming their conduct to the requirements and intent of Executive Order 12674, as modified by [Executive Order 12731](#); the [Standards of Ethical Conduct](#); the Department of Transportation Supplemental Regulation on Prohibited Financial Interests, [5 CFR 6001.104](#); and related FAA policies including [Outside Aviation Employment Policy](#), and [Use of Flight Privileges by FAA Employees](#).

(3) Fully disclosing all relevant facts and circumstances when seeking advice from the appropriate DEC concerning the requirements and intent of the standards of ethical conduct, the financial disclosure filing requirements, and FAA policies.

(4) Responding promptly to requests from DEC's for additional information in regard to financial disclosure reports, and for making timely requests for advice and counseling in matters related to the ethics program.

(5) Supporting any requests for extension of the time to file a financial disclosure report or for exclusion from the filing requirements with full disclosure of information and argument.

(6) Taking timely remedial action directed by a DEC to resolve conflicts or apparent conflicts of interest or violations of law, regulation, executive order, or agency policy.

(7) Filing requests for reconsideration of an adverse determination or order within 10 days of receiving the determination or order, and supporting such requests with appropriate information and argument. Timely requests for reconsideration will stay the effectiveness of an order or determination, except an order requiring disqualification under [5 CFR 2635.402](#) or [5 CFR 2635.502](#).

g. EPCs are responsible for the following:

(1) Carrying out the administrative functions of the program within their organizations.

(2) Adding newly hired employees and employees entering positions (to include details for 61 or more days) that require the filing of a financial disclosure report to FDOonline within 30 days of entering into a covered position.

(3) Not later than November 15th of each year, reviewing and updating employee filer's status into FDOonline for employees in the EPC's organization.

(4) Initiating follow-up action in connection with delinquent reports.

(5) Adding Alternate Job Code to eLMS to all employees who are required to file a financial disclosure report in FDOOnline.

(6) Providing assistance to the Program Administrator for FDOOnline by maintaining current and accurate information on employees in FDOOnline.

h. FDOOnline Program Administrator is responsible for the following:

(1) Managing the FAA's financial disclosure program to assure that all reporting and reviewing requirements are completed in a timely manner.

(2) Training EPCs to carry out the duties and responsibilities assigned to them by this order and the regulations it implements.

(3) Providing assistance to financial disclosure report filers in completing their reports.

(4) Supporting ethics attorneys with day-to-day operations pertaining to FDOOnline.

(5) Providing guidance to EPCs in the carrying out of administrative responsibilities relating to FDOOnline.

(6) Maintaining the OGE-450, OGE-278e, Ethics Training, and 9-FAA-AGC-Ethics office electronic mailboxes.

(7) Assisting the Deputy Assistant Chief Counsel for Ethics in maintaining eLMS Course FAA30200431 and eLMS Course FAA30200432 training courses. Monitoring the completion rate of the annual ethics training for required filers.

(8) Providing updated information to the FAA webmaster to keep the Ethics Program Website up to date with the most current information possible.

i. Human Resource Services Division (AHF) is responsible for the following:

(1) Including in position vacancy announcements agency ethics policies and provisions of this order that include prohibited financial interests, outside aviation activities, flight privileges, and financial disclosure requirements, as applicable.

(2) Providing access to "Hiring Manager Pre-Arrival Checklist".

(3) Including notification of filing requirements in position descriptions, JATs, and vacancy announcements to which they apply.

(4) Providing information concerning the financial disclosure reporting status of positions for inclusion in the Federal Personnel and Payroll System (FPPS).

10. Financial Disclosure.

a. The confidential financial disclosure element of the program consists of the following:

(1) Ethics division maintains a current master list of employees who are required to file confidential financial disclosure forms.

(2) New entrant confidential financial disclosure reports are required to be filed within 30 days after entering a designated covered position. The annual confidential disclosure will be filed annually thereafter by February 15th of each year, reflecting the reporting employee's financial interests as of December 31st of the previous calendar year.

(3) Not later than November 15th of each year, each EPC will review and update employee filer's status in the electronic program for employees in the EPC's organization.

(4) Employees designated to file annual confidential financial disclosures are sent an invitation with access to file electronic reports no later than the first week in January.

(5) Within thirty (30) days of receiving the completed electronic reports, the DEC will complete initial screening of the reports for completeness and correct form, and will notify any filers whose forms are ambiguous, incomplete, or not in the correct form, advise how the form should be corrected, and set a date by which the filer must reply.

(6) Within sixty (60) days of receiving a completed electronic report, the DEC will review the report for indications of possible conflicts or apparent conflicts of interest, and for compliance with the [Standards of Ethical Conduct](#); the Department of Transportation Supplemental Regulation on Prohibited Financial Interests, [5 CFR 6001.104](#); and related FAA policies including [Outside Aviation Employment Policy](#), and [Use of Flight Privileges by FAA Employees](#)..

(7) When a disclosure report raises a question of possible or apparent conflict of interest, or of violation of law, regulation, or executive order, or of inconsistency with agency policy, the DEC will notify the employee promptly in writing. The DEC will offer the employee an opportunity to explain or to identify what remedial action the employee plans to take to rectify the situation, and will specify the time within which the employee must respond.

(8) When the employee's response does not resolve the issue raised in the notification under Paragraph 10(a)(7) of this Order, the DEC will notify the employee promptly of the required remedial action. This notification will set a date by which such action must be completed unless an appeal is made to the Deputy Assistant Chief Counsel for Ethics, or, with regard to reports for which the Deputy Assistant Chief Counsel for Ethics has initial review responsibility, to the Deputy Chief Counsel for Policy.

(9) Employees who appeal remedial actions must set out in writing all the reasons and arguments relied upon for relief.

(10) In cases where it appears that the employee may have participated in official actions from which he or she should have been disqualified by reason of a financial interest or other relationship, the DEC should, as necessary, consult with the FAA Office of Investigations and with management of the organization to which the employee is assigned to ascertain the proper procedures for determining the facts. If the facts warrant, appropriate disciplinary action should be taken. In appropriate cases, the DEC should refer the matter to the Deputy Assistant Chief Counsel for Ethics for consideration of possible referral for criminal investigation.

(11) When satisfied that a report does not raise any unresolved issue of completeness, ambiguity, real or apparent conflict of interest, violations of law, regulation, or executive order, or inconsistency with agency policy, the DEC will sign the report as the final reviewer.

NOTE: DEC may designate an ethics official to sign/date confidential financial disclosure report, OGE-450 with no reportable interests.

(12) Confidential financial disclosure reports and related documents are retained in electronic files in FDOonline, or when applicable, secured filing cabinets until they are destroyed in accordance with OGE regulations, [5 CFR 2634.603](#) (OGE-278e) and [5 CFR 2634.604](#) (OGE-450).

(13) Any modifications and/or extensions to the above process must be approved by the Deputy Assistant Chief Counsel for Ethics.

b. The public financial disclosure element of the program consists of the following:

(1) Public financial disclosure reports are required to be filed within thirty (30) days after entering a position described in this paragraph, annually thereafter by May 15th each year, and within 30 days after leaving such a position. Employees who must report are:

(a) Federal Aviation Administration Executive System Employees.

(b) Other employees whose rate of basic pay is fixed at a rate equal to or greater than 120 percent of the minimum rate of basic pay for GS-15 of the General Schedule.

(c) Employees in positions of a confidential or policymaking character, unless excluded by OGE under [5 CFR 2634.203](#).

NOTE: The Administrator, Deputy Administrator, Chief Counsel, Deputy Chief Counsel for Policy, and certain employees in other positions of a confidential or policymaking character, unless excluded by OGE under [5 CFR 2634.203](#), file their reports with the DAEO.

(2) Not later than April 15th of each year, each employee who is required to file a public financial disclosure form will be notified of the requirement to file a public financial disclosure form and provided access to the FDOonline.

(3) Within thirty (30) days of receiving the reports, the Deputy Assistant Chief Counsel for Ethics or DEC will complete initial screening of the reports for completeness and correct form and

will notify any filers whose forms are ambiguous, incomplete, or not in the correct form. In that same notice the DEC will advise how the form should be corrected, and set a date by which the filer must reply.

(4) Within sixty (60) days of receiving a completed report, the Deputy Assistant Chief Counsel for Ethics or DEC will review the report for indications of possible conflicts or apparent conflicts of interest, and for compliance with the [Standards of Ethical Conduct](#); the Department of Transportation Supplemental Regulation on Prohibited Financial Interests, [5 CFR 6001.104](#); and related FAA policies including [Outside Aviation Employment Policy](#), and [Use of Flight Privileges by FAA Employees](#).

(5) When a disclosure report raises a question of possible conflict or apparent conflict of interest, or of violation of law, regulation, or executive order, or of inconsistency with agency policy, the Deputy Assistant Chief Counsel for Ethics or DEC will notify the employee promptly, in writing. The Deputy Assistant Chief Counsel for Ethics or DEC will offer an opportunity to explain or to identify what remedial action the employee plans to rectify the situation, and will specify the time within which the employee must respond.

(6) When the employee's response does not resolve the issue raised in the notification under Paragraph 10(b)(5), the Deputy Assistant Chief Counsel for Ethics or DEC will notify the employee promptly of the required remedial action. This notification will set a date by which such action must be completed unless an appeal is made to the Deputy Chief Counsel for Policy, acting on behalf of the DEO.

(7) Employees who appeal remedial actions must set out in writing all the reasons and arguments relied upon for relief.

(8) In cases where it appears that the employee may have participated in official actions from which he or she should have been disqualified by reason of a financial interest or other relationship, the Deputy Assistant Chief Counsel for Ethics or DEC should, as necessary, consult with the appropriate security element and with management of the organization to which the employee is assigned to ascertain the proper procedures for determining the facts. If the facts warrant, appropriate disciplinary action should be taken. In appropriate cases, the Deputy Assistant Chief Counsel for Ethics should refer the matter for criminal investigation.

(9) When satisfied that a report does not raise any unresolved issue of completeness, ambiguity, real or apparent conflict of interest, violations of law, regulation, or executive order, or inconsistency with agency policy, the Deputy Assistant Chief Counsel for Ethics or DEC should, as necessary, certify the report as the final reviewer.

c. Confidential and public financial disclosure reports and associated information are retained in electronic files in FDOonline, or when applicable, secured filing cabinets until they are destroyed in accordance with OGE regulations, [5 CFR 2634.603](#) (OGE-278e) and [5 CFR 2634.604](#) (OGE-450).

11. Ethical Conduct. The Standards of Ethical Conduct for Employees of the Executive Branch set forth in [Title 5 Part 2635](#) of the Code of Federal Regulations are based on the principles of ethical conduct for all government employees set forth in Executive Order 12674, as modified by [Executive](#)

[Order 12731](#). The standards are established “to ensure that every citizen can have complete confidence in the integrity of the Federal Government.”

a. The fourteen principles of ethical conduct established by the executive orders are set forth here, *verbatim*, to remind employees of their obligations to the public trust, as follows:

(1) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws, and ethical principles above private gain.

(2) Employees shall not hold financial interests that conflict with the conscientious performance of duty.

(3) Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.

(4) An employee shall not, except pursuant to such reasonable exceptions as are provided by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee’s agency, or whose interests may be substantially affected by the performance or nonperformance of the employee’s duties.

(5) Employees shall put forth honest effort in the performance of their duties.

(6) Employees shall make no unauthorized commitments or promises of any kind purporting to bind the Government.

(7) Employees shall not use public office for private gain.

(8) Employees shall act impartially and not give preferential treatment to any private organization or individual.

(9) Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.

(10) Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.

(11) Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.

(12) Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those--such as Federal, State, or local taxes--that are imposed by law.

(13) Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.

(14) Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards promulgated pursuant to the executive order.

b. Whether an employee's participation in a particular matter creates an appearance of a violation is to be determined from the perspective of a reasonable person with knowledge of the relevant facts. The DEC shall issue the final determination as to whether the interest of the Government in the employee's participation outweighs the concern that a reasonable person may question the integrity of the agency's programs and operations.

c. Employees are expected to conduct themselves in a manner that avoids violations and appearances of violations of the standards of ethical conduct and other applicable laws, regulations, Executive orders, and agency policies. To assist in accomplishing that objective, employees should seek advice concerning the standards of ethical conduct and other applicable laws, regulations, executive orders, and agency policies from the DEC's. When an employee in good faith relies on a DEC's advice that is based on full disclosure by the employee of all relevant facts and circumstances, the employee will not be subjected to disciplinary action for any resulting violation. Where the employee's conduct violates a criminal statute, however, the employee's reliance on a DEC's advice cannot ensure that the employee will not be prosecuted. Employees are cautioned that disclosures to DEC's are not protected by the attorney-client privilege. DEC's, like all employees, are required by [28 U.S.C. § 535](#) to report any information they receive relating to a violation of the criminal code, Title 18 U.S.C., that may have occurred.

12. Authority to Change this Order. Only the Administrator or Deputy Administrator may approve substantive changes to this Order. The Office of the Chief Counsel has the authority to make minor modifications or updates to this Order.



Steve Dickson
Administrator