

643); and (3) embezzlement of the money or property of another person in the possession of an employee by reason of his or her employment (18 U.S.C. 654).

(n) The prohibition against unauthorized use of documents relating to claims from or by the Government (18 U.S.C. 285).

(o) The prohibitions against political activities in subchapter III of chapter 73 of title 5, United States Code, and 18 U.S.C. 602, 603, and 607.

(p) The prohibition against gifts to employees' superiors and the acceptance thereof (5 U.S.C. 7351).

(q) Chapter 11 of title 18, United States Code, relating to bribery, graft, and conflicts of interest, which is specifically applicable to special Government employees as well as to regular employees.

(r) The prohibition against accepting gifts from foreign governments (5 U.S.C. 7342).

(s) The prohibition against an employee acting as the agent of a foreign principal registered under the Foreign Agents Registration Act (18 U.S.C. 219).

(t) The prohibition against appointing or advocating the appointment of a relative to a position within the Agency (5 U.S.C. 3110).

(u) The prohibition against postemployment conflicts of interest (18 U.S.C. 207).

Subpart D—Procedures for Submission by Employees and Review of Statements of Employment and Financial Interests

§ 307.735-401 Submission of statements.

(a) Officials and employees occupying positions classified at the FE-3 level and above are required by title II of the Ethics in Government Act of 1978, as amended, title II of Pub. L. 95-521, to file annual Executive Personnel Financial Disclosure Reports. They need not also file the statement of employment and financial interests required by the following provisions.

(b)(1) Regulations of the Office of Personnel Policy and Operations (5 CFR part 735) require Peace Corps to adopt regulations providing for the

submission of statements of employment and financial interests from certain regular employees and all special employees.

(2) All special employees and those regular employees occupying positions described in paragraph (c) of this section shall complete statements of employment and financial interests and submit them to the DAEO not later than 5 days prior to entrance on duty. The Director of Personnel Policy and Operations shall be responsible for supplying all new employees with the necessary forms prior to their initial employment, extensions, or reappointments.

(3) The initial statement of employment and financial interests shall include information on organizations with which the employee was associated during the 2 years prior to his or her employment by Peace Corps, as well as information about current associations. Special employees shall also indicate to the best of their knowledge which organizations listed currently on their forms have contracts with or are applying for contracts with the Peace Corps. If any information required to be included on the statement, including holdings placed in trust, is not known to an employee but is known to another person, he or she is required to request that other person to submit information on his or her behalf.

(4) Current employees shall file a statement on or before June 30 each year. The Director of Personnel Policy and Operations shall be responsible for insuring that statements are distributed to all affected employees. Notwithstanding the filing of the annual report required by this paragraph each employee shall at all times avoid acquiring a financial interest that could result, or taking an action that would result, in a conflict of interest and a violation of the conflict-of-interest provisions of section 208 of title 18, United States Code, or the conflict-of-interest provisions of this part.

(5) In the case of temporary summer employees hired at FP-7 or equivalent and below to perform duties other than those of an expert or consultant, the reporting requirement will be waived. It may also be waived by the Director of Personnel Policy and Operations

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with respect to other appointments, except as experts or consultants, upon a finding that the duties of the position held by the special Government employee are of a nature and at such a level of responsibility that the reporting of employment and financial interests is not necessary to protect the integrity of the Government.

(6) Regular or special employees are not required to submit in a statement of employment and financial interests any information about their connection with or interest in a professional society or a charitable, religious, social, fraternal, recreational, public service, civic, or political organization not conducted as a business enterprise. For this purpose, any organizations doing work involving or potentially involving contracts with the Government are considered business enterprises and are required to be included in a regular or special employee's statement of employment and financial interests.

(7) The statements of employment and financial interests required are in addition, and not in substitution for or in derogation of, any similar requirement imposed by law, order, or regulation. The submission of a statement by an employee does not permit him or her or any other person to participate in a matter in which his or her or other persons' participation is prohibited by law, order, or regulations.

(8) A regular employee who believes that his or her position has been improperly included under Peace Corps regulations as one requiring the submission of a statement of employment and financial interests shall be given an opportunity for review through Peace Corps' grievance procedures to determine whether the position has been improperly included.

(c) Statements shall be submitted by employees who are engaged in any aspect of Government contracting or procurement activities including, but not limited to, the planning, design, award, monitoring, and evaluation of Peace Corps procurement of goods and services; and by all special employees (expert and consultants).

§ 307.735-402 Review of statements.

(a) The DAEO shall review all statements and forward the names of all

listed organizations to the Director of Contracts. In addition, if the information provided in the statement indicates on its face a real, apparent, or potential conflict of interest under §§ 307.735-301 through 307.735-305 of these standards, the DAEO will review the situation with the particular employee. If the DAEO and the employee are unable to resolve the conflict to the DAEO's satisfaction, or if the employee wishes to request an exception to any of the above enumerated rules, the case will be referred to the Committee on Conflict of Interest. The Committee is authorized to recommend appropriate remedial action to the Director, who is authorized to take such action as may include, but is not limited to, changing assigned duties, requiring the employee or special employee to divest himself of a conflicting interest, taking disciplinary action, or disqualifying or accepting the self-disqualification of the employee or special employee for a particular assignment.

(b) The Contracts Division shall maintain a list of all the organizations with which employees are or have been associated, as well as a list of all current contractors with the Agency. The list of organizations shall include the names of all employees associated with the identified organizations. When names of organizations with which new employees are or have been associated are submitted to the Contracts Office, they shall be checked against the list of current contractors. Similarly, before any new contracts are awarded, the names of the potential contractors will be checked against the master list of organizations with which employees are or have been associated. Any real, apparent, or potential conflicts which come to light as a result of these cross checks will be referred to the DAEO for review. The DAEO will proceed as in paragraph (a) of this section, referring the matter to the Committee on Conflict of Interest if necessary.

(c) Whenever an organization submits a proposal or application or otherwise indicates in writing its intent to apply for or seek a specific contract, the Peace Corps Contracts Division shall