

A WORD ABOUT ETHICS

DISQUALIFICATIONS AND RECUSALS

What is disqualification or recusal?

○ Disqualification or recusal is when an employee does not work on a matter because of a conflict of interest.

When does a Federal employee need to disqualify himself or herself from working on a matter?

○ Disqualification is necessary whenever an employee's financial interests or personal relationships will create a conflict between the employee's personal interests or relationships and Government duties.

What financial interests require disqualification?

○ An employee may not work on any matter affecting his or her own financial interests or those of the employee's spouse, minor children, household members, or general partners or of organizations in which the employee is an officer, director, trustee, or employee or is seeking employment. However, exceptions allow participation in matters affecting holdings in broadly-diversified mutual funds or in stocks or bonds of \$15,000 or less traded on a U.S. exchange.

What personal relationships require disqualification?

○ An employee may not participate in a matter if one of the parties is (or is represented by):

- someone with whom the employee has or seeks a financial relationship;
- a close relative;
- household members;
- an employer or clients of the employee's parents, spouse, or dependant children (or their prospective employers or organizations in which they serve as officers or directors);
- a former employer or client for a period of one, or two years if the employee is a political appointee or has received an extraordinary severance payment; and
- an organization in which the employee is an active participant. However, special authorization to participate may be available if in the agency's interest.

Must a disqualification or recusal be in writing?

○ No, unless it concerns a prospective employer from whom the employee has received travel payments (i.e., for attending an interview) or is a bidder on a procurement of \$100,000 or more.

UNITED STATES DEPARTMENT OF COMMERCE

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