

agency head may waive the requirement of this section for the submission of a statement of employment and financial interest in the case of a special Government employee who is not a consultant or an expert when the agency finds that the duties of the position held by that special Government employee are of a nature and at such a level of responsibility that the submission of the statement by the incumbent is not necessary to protect the integrity of the Government. For the purpose of this paragraph, “consultant” and “expert” have the meanings given those terms by chapter 304 of the Federal Personnel Manual, but do not include a physician, dentist, or allied medical specialist whose services are procured to provide care and service to patients.

**§ 10.735-403 Employee’s complaint on filing requirement.**

Each employee shall have the opportunity for review through agency grievance procedure of the employee’s complaint that the employee’s position has been improperly included within § 10.735-401 as one requiring the submission of a statement of employment and financial interests. Employees are reminded that they may obtain counseling pursuant to § 10.735-103 prior to filing a complaint.

**§ 10.735-404 Time and place of submission, and forms.**

(a) An employee or special Government employee shall submit a statement to the Counselor (in the case of a State employee, through the employee’s Bureau) no later than:

(1) Ninety days after the effective date of this part if the employee has entered on duty on or before that effective date; or

(2) At least 10 days prior to entrance on duty, if the employee enters on duty after that effective date; except that an employee or special Government employee who enters on duty within 90 days of the effective date of this part may submit such statement within 90 days after entrance on duty.

(b) Only the original of the statement or supplement thereto required by this part shall be submitted. The individual

submitting a statement should retain a copy for the individual’s own records.

**§ 10.735-405 Information required.**

(a) *Employees.* Employees’ statement of employment and financial interests required by the regulations in this part shall be submitted on the form, “Confidential Statement of Employment and Financial Interests (for use by Government Employees)”, Form OF-106, and shall contain all the information therein required.

(b) *Special Government employees.* All special Government employees shall submit statements of employment and financial interest on the form, “Confidential Statement of Employment and Financial Interests (for use by Special Government Employees)”, Form OF-107 for State and ICA, Form AID 4-450 for AID, and shall contain all the information therein required.

(c) *Interests of employee’s relatives.* The interest of a member of an employee’s family is considered to be an interest of the employee. The term “member of an employee’s family” is defined in § 10.735-102(f).

(d) *Information not known by employees.* If any information required to be included on a statement of employment and financial interests or supplementary statement, including holdings placed in trust, is not known to the employee but is known to another person, the employee shall request that other person to submit information in the employee’s behalf.

(e) *Interests not required to be reported.* An employee need not disclose those financial interests described in § 10.735-205(c) as being too remote or too inconsequential to affect the integrity of employees’ services.

(f) *Information not required.* The regulations in this part do not require an employee to submit on a statement of employment and financial interests or supplementary statement any information relating to the employee’s 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. For the purpose of this section, educational and other institutions doing research

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and development or related work involving grants or money from or contracts with the Government are deemed "business enterprises" and are required to be included in an employee's statement of employment and financial interests.

### § 10.735-406 Submission of position description.

Each Statement of Employment and Financial Interests or annual supplement thereto must be accompanied by a full description of the employee's principal governmental duties. The description should be particularly detailed in regard to those duties which might possibly be an element in a conflict of interest. If the statement indicates that the employee has no outside employment or financial interests, the employee need not submit a description of duties. For a special Government employee, the employing office shall submit the description.

### § 10.735-407 Supplementary statements.

(a) Employees, as defined in paragraphs (b) and (c) of §10.735-401, shall report changes in, or additions to, the information contained in their statements of employment and financial interests in supplementary statements as of June 30 each year. If no changes or additions occur, a negative report is required.

(b) All special Government employees, as defined in paragraph (a) of §10.735-401, shall submit a current statement at the time their appointments are extended. A supplementary report indicating any changes in, or additions to the information already submitted will be accepted in lieu of a full submission. If there are no changes or additions, a negative report is required. For AID, no action to extend an appointment will be taken unless such supplementary report is submitted not later than 10 days prior to the expiration of said appointment.

(c) Notwithstanding the filing of reports required by this section, each employee shall at all times avoid acquiring a financial interest that could result, or taking an action that would result, in a violation of the conflicts-of-interest provisions of section 208 of

title 18, United States Code, or subpart B of this part.

(d) An employee is also to keep current the employee's description of principal duties as to changes or additions which might possibly be an element in a conflict of interest. The employing office shall submit descriptions of changes in the principal duties of a special Government employee as they occur.

### § 10.735-408 Review of statements and determination as to conflicts of interest.

(a) On the basis of the Statement of Employment and Financial Interests submitted by each employee or special Government employee, or on the basis of information received from other sources, the Counselor shall determine, in the light of the duties which that employee or special Government employee is or will be performing, whether any conflicts of interest, real or apparent, are indicated. The Counselor shall make this determination based on the applicable statutes, the Executive order, and the applicable regulations of the Civil Service Commission, and of the agency.

(b) Where the Counselor's determination in a particular case is that a conflict of interest, real or apparent, is indicated, the Counselor shall initiate informal discussions with the employee or special Government employee concerned. These discussions shall have as their objectives:

(1) Providing the individual with a full opportunity to explain the conflict or appearance of conflict; and

(2) Arriving at an agreement (acceptable to the Counselor, the individual and the individual's immediate superior) whereby the conflict of interest may be removed or avoided. Such an agreement may include, but is not limited to: (i) Changes in assigned duties; (ii) divestiture of the financial or employment interest creating the conflict or apparent conflict; or (iii) disqualification for a particular assignment.

(c) Where an acceptable agreement cannot be obtained pursuant to paragraph (b) of this section, the Counselor shall present findings and recommendations to the officer designated by the agency head, who shall