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Ethics Newsgram

Guidance on Commercial Discounts

OGE recently issued a DAEOgram that provides guidance on employee acceptance of commercial discounts and benefits. See DAEOgram DO-99-001 (January 5, 1999). The memorandum discusses the treatment of discounts as gifts under the Standards of Ethical Conduct, as well as the circumstances under which particular exceptions to the gift prohibitions would permit acceptance of a discount. The memorandum sets forth a framework for analyzing discounts issues, addresses the relevant regulatory provisions, and discusses a number of the more vexing discounts questions that OGE has decided to date.

While there may be a presumption that a discount is a gift, the DAEOgram makes clear that a discount is not *necessarily* a gift. In this connection, certain exclusions from the definition of "gift" are addressed, including the exclusion for goods or services paid for by the Government or secured by the Government under Government contract (section 2635.203(b)(7)) and the exclusion for discounts available to the public or to all Government employees (section 2635.203(b)(4)). Furthermore, discounts that are offered in connection with goods or services for which the employee is paying "market value" or "fair value"

are not regarded as gifts (section 2635.203(b)(9)).

Even in the absence of an applicable exclusion, the gift rules do not prohibit employee acceptance of a discount if one of the gift exceptions applies. Any of the exceptions—the \$20 rule or the rule governing gifts based on a personal relationship, for example—may apply to discounts questions. The DAEOgram focuses particularly on the four distinct "group or class" exceptions set forth under the heading "Discounts and similar benefits (section 2635.204(c)). The most detailed discussion is reserved for the exception for certain discounts offered to a class "in which membership is unrelated to Government employment" (section 2635.204(c)(2)(i)). This exception or, more particularly, the phrase "unrelated to Government employment," has been the subject of considerable controversy.

For example, an employee who serves as the computer procurement official for his agency could *not* use the exception to accept a discount on computer equipment offered by a computer company to all computer procurement officials in large organizations. On the other hand, an employee probably *could* accept from a new store that is a prohibited source a discount offered to anyone working within the store's zip code.

The memorandum grew out of workshops on commercial discounts that were presented at annual ethics conferences. OGE expects to issue more DAEOgrams like this one, to show how to analyze some of the tougher issues (for example, prizes as gifts) that arise under the Standards of Conduct.

While there may be a presumption that a discount is a gift,... a discount is not necessarily a gift.

The DAEOgram describes a three-part test that interprets the phrase "unrelated to Government employment" to mean: (1) it is not necessary to be a Federal employee to be included in the group or class to which the discount is offered; (2) it does not appear that Federal employees are being targeted; and (3) the employee seeking to accept the discount is not in the group or class to which the discount or benefit is offered because of some actual or perceived power, influence, or status associated with his job or position within the Government. The fact that the employee would not be in the group or class if he were not a Federal employee is not in itself disqualifying.

1999 Annual Ethics Conference

The Ninth Annual Government Ethics Conference will be held **September 13-16, 1999** at the Williamsburg Marriott in Williamsburg, Virginia.

OGE's conference announcement with conference details will be mailed to all Designated Agency Ethics Officials (DAEOs) in the early spring. Once issued, the conference memorandum and registration form will be available on OGE's Web site, www.usoge.gov, under the heading "What's New in Ethics?"

For additional conference information, contact OGE's Event Coordinator, Sheila Powers on 202-208-8000, ext. 1104.

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Director's Column

Recently, I was pleased to serve as a moderator at a program sponsored by the Interagency Ethics Council (IEC). The IEC is an organization of ethics officials who meet regularly to discuss a wide range of topics that are of interest to the Federal ethics community. Over the years, their monthly meetings have provided a valuable forum for the exchange of ideas and information.

Cooperative efforts, such as those of the IEC, make an important contribution to the overall success of our executive branch ethics program. Our collective experience is a tremendous resource, and we should do everything we can to utilize it. We can do this, for example, by sharing "best practices," by exchanging training ideas and materials, and by being available to consult with ethics officials in other agencies on common ethics issues that may arise in connection with activities such as privatization or partnerships with the private sector.



The executive branch ethics program, of course, extends beyond the Beltway. More executive branch employees, by far, work

in cities and towns throughout the United States and the world than work in the Washington area. Through its regional development program, OGE has been assisting ethics counselors to establish regional ethics associations similar to the IEC.

OGE recently completed a series of quarterly ethics seminars in the Atlanta region and is working to set up an ethics association to continue those meetings. We have started quarterly ethics workshops in Denver, and we will be starting workshops in San Francisco later this year.

We hope that these efforts will further strengthen our ethics infrastructure by setting up grassroots regional groups. Regional ethics offices have their own particular needs and issues. They also are an excellent source of practical experience and leadership. By bringing regional ethics officials together, we hope to reap great benefits for our ethics program.

Government Ethics Newsgram

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We welcome any news and information related to Government ethics that you wish to bring to the attention of OGE and the executive agencies as well as your candid critiques and suggestions. Quoting or reprinting materials contained in this publication is strongly encouraged and may be done without seeking OGE permission.

The Director of the Office of Government Ethics has determined that the publication of this periodical is necessary to the transaction of the public business of OGE, as required by law.

Happy Birthday, Standards of Conduct!

February 3, 1999 marked the 6th anniversary of the effective date of the Standards of Ethical Conduct for Employees of the Executive Branch. While most of the ethics community (and the world at large) allowed the day to pass without notice and fanfare, one agency actually threw a party to mark the occasion. Ethics officials at the National Archives and Records Administration (NARA) served cake and doughnuts from their balloon-festooned offices, along with complimentary copies of the Standards (of course!)

The party was the brainchild of NARA Deputy Ethics Official, Suzanne L. Meyer. "It's a nice way to draw attention to the ethics program and have some fun," Suzanne noted. Suzanne got the idea for a party while perusing the Schedule of Ethics Events she received at the OGE conference. "I saw the anniversary announced in the calendar and I thought we should do something to celebrate it."

Suzanne took her idea to Gary Stern, NARA's General Counsel, and Chris Runkel, the DAEO. They thought the party was a nice idea and supported it. In addition to personally contributing cake

and doughnuts, Suzanne also penned a song, which one of her colleagues graciously performed. The song, entitled "These Regs Are Your Regs," is to be sung to the tune of "This Land Is Your Land." Suzanne fully expects this original work for voice and accordion to debut at the next annual ethics conference.

While this was the first year that NARA held such a party Suzanne believes it should be an annual affair. She hopes next year's party will be on an even grander scale. Suzanne plans to announce the party on a NARA-wide computer banner and to have more food and entertainment. NARA will rely on voluntary contributions for both refreshments and entertainment.

"Any way you can draw attention to the ethics program and feel good about what you do is a good thing," Suzanne believes. Events like this "inject more light-heartedness into people's exposure to the ethics rules." Providing employees with repeated exposure to the Standards is certainly a laudable goal. And as Suzanne so aptly notes, "There's nothing like free food to draw a crowd."



Be Our Guest: Alan Goodman

Be Our Guest appears as a periodic feature in the **Government Ethics Newsgram**. We invite you to be our guest and share with the ethics community your innovative ideas, anecdotes, helpful hints, perspectives on implementing ethics programs or on other ethics issues. Contact the editor of the **Government Ethics Newsgram** at 202-208-8000, ext. 1188, if you have ideas, articles, or other submissions that you wish to be considered for publication.

Our guest for this edition is Alan Z. Goodman, a retired NYPD executive who is currently a training consultant and seminar presenter. He is an affiliate of the Institute for Global Ethics (IGE). In September 1998, Mr. Goodman presented a panel at the Annual Government Ethics Conference on "Street Smart Ethics" which discussed how the Ethical Fitness Seminar can develop reflexive skills in ethical decision-making. This training uses a behaviorally based instructional design that is analogous to tactical and physical fitness training. Mr. Goodman may be reached by E-mail at ethicsgood@aol.com and by telephone at 718-264-2407. The IGE can be found on the Web at www.globalethics.org and can be reached by telephone at 800-729-2615.

The Trouble with "ETHICS"

Having grown up in Brooklyn during the '50s, I was finally going to get special license plates for my convertible that would brag to the world that I was part of that mythical time and place. I was going to get the old Brooklyn Dodger logo, a big blue "B" in a circle (yes, it is still available) along with the rest of the abbreviation "KLYN."

As my turn at the Motor Vehicle Bureau came up, something possessed me to ask if the license plate ETHICS was available. It was and now my car has ETHICS and a picture of the Statue of Liberty coming and going.

I figured that the ETHICS plates would accomplish two things. First, they would keep people thinking about ethics during a very important activity—driving. Second, they might get potential clients to ask me what the plates meant. I would then tell them about my training consulting and ethics seminars. What I did not figure on was a new and unforgiving driving modality. Never again could I allow myself any of the cathartic behaviors that occasionally transform some of us behind the wheel. In the past, I tried to drive

ethically because it was simply the right thing to do. Now I had saddled myself with the discipline of avoiding hypocrisy.

Many of us "city" motorists believe we can drive anonymously most of the time. When we stop at stop signs, keep a distance between cars, or yield to pedestrians, it is in large measure because we fear that the police are watching. Driving ethically is more challenging for me because, as a retired 27-year law enforcement veteran, even when someone is watching, I will probably get a warning for any nonserious violations.

Never again could I allow myself any of the cathartic behaviors that occasionally transform some of us behind the wheel.

It has been about a year now and it has not been easy. It is just a matter of time before stopping for pedestrians where no one has dared to before will get me rear-ended ("C'mon, they're interfering with traffic!"). I had to put a CD player in the car to play calming New Age music when I'm stuck in traffic jams (lest I join the others who are backing up the entrance ramp to escape). I can't double park, cover a parking meter (to pretend it doesn't work) or block the curb cuts for wheelchairs. It has gotten so bad that even when the law allows you to park at a fire hydrant if the driver is there, I cannot do it! I can feel the daggers from the disdainful looks. Luckily, everyone goes 10 miles over the limit so I can keep up with traffic and not feel guilty. Twenty miles over and I can see their lips in the rear view mirror, "ETHICS? Ha!"

In reality, I was a fairly courteous driver before the plate change and always hoped that my colleagues would nail the aggressive drivers. As a veteran police commander, I have long been aware of the relationship between our traffic anarchy and serious accidents. While many people carped at Mayor Giuliani for the recent zero tolerance campaign on illegal driving, the **New York Times** reported that traffic deaths were down 37% for the first half of 1998! Now, however, I am more likely to step on the brake than the gas pedal when the light turns yellow. Moreover, I no longer need the threat of a Traffic Department

hidden camera to stop me from running the red signal. Thank goodness, I can still use my wife's car when I really have to get somewhere on time.

Sanjour Update

OGE recently issued a DAEOgram that provides guidance on enforcement of the rule on outside teaching, speaking, and writing, 5 C.F.R. § 2635.807(a), in light of *Sanjour v. Environmental Protection Agency*. See DAEOgram DO-98-034 (November 25, 1998). Under the *Sanjour* decision, section 2635.807's prohibition on acceptance of travel expenses incurred in connection with teaching, speaking, or writing "related to duties" is no longer enforceable as to employees below the senior executive service level of employment. Pending amendment of section 2635.807(a) to bring it into conformity with *Sanjour*, OGE advises agencies to continue enforcement of the ban on travel expenses *only* against senior executive branch officials who are "covered noncareer employees" under 5 C.F.R. § 2636.303(a).

The term "covered noncareer employee" covers a variety of noncareer employees who are in positions "above GS-15" or whose rate of pay is at least equal to 120% of the minimum rate of pay for a GS-15, and who are Presidential appointees, noncareer members of the Senior Executive Service (SES) or other SES-type systems, and Schedule C or comparable appointees. The term excludes special Government employees, Presidential appointees to positions within the uniformed services, and Presidential appointees within the foreign service below the level of Assistant Secretary or Chief of Mission. See 5 C.F.R. § 2636.303(a) as recently amended at 64 Fed. Reg. 2421-2422 (Jan. 14, 1999).

Ethics officials should be aware that *Sanjour* affects only the travel expenses prohibition in section 2635.807(a). The ban on acceptance of other forms of compensation remains applicable to all employees to the extent the compensation is given for, or in connection with, teaching, speaking, or writing related to duties.

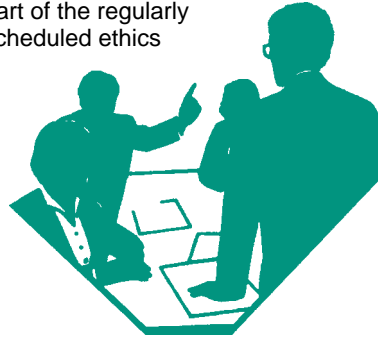
Training Resources Allocated Efficiently

In 1997, the Office of Government Ethics (OGE) published interim rule amendments to subpart G of 5 C.F.R. part 2638. The interim rule balances agencies needs to enable them to allocate ethics training resources in a more flexible and efficient manner while still providing executive branch employees with sufficient training to understand the ethical responsibilities concomitant with their Government positions.

The most significant change made by the interim rule concerns the annual ethics briefing requirement for "covered" employees. Instead of providing annual "verbal" ethics briefings for covered employees who do not file Public Financial Disclosure Reports, agencies may now meet the annual training requirement for most covered employees by means of written briefings for up to two out of every three years. However, verbal briefings are still required for employees who file Public Financial Disclosure Reports. These verbal briefings must include a qualified individual present (either physically or via direct access to

the individual) during and immediately following the annual ethics briefing for public filers (unless exceptions apply).

To determine the effects of the interim amendments on agency ethics programs, OGE surveyed ethics officials. The brief survey was conducted as part of the regularly scheduled ethics



program reviews performed from December 1997 through November 1998. Surveys were collected from 57 departments, agencies, components, field offices, and military bases. The survey included questions on: (1) whether annual ethics briefing changes were implemented,

(2) what were the primary effects of the changes, and (3) how satisfied ethics officials were with the effects of the changes on their agency's ethics program.

According to survey results, the interim amendments appear to be meeting the goal of allowing agencies to allocate ethics training resources in a more flexible and efficient manner. The majority of the ethics officials surveyed are taking advantage of the flexibility offered by the interim amendments and have experienced or anticipate experiencing benefits associated with the flexibility.

Specifically, many ethics officials reported that they could allocate ethics training resources more efficiently, and they were satisfied with the effects of the changes on their agency's ethics training program and the ethics program in general. Some ethics officials choose to continue providing annual verbal briefings rather than written briefings because they feel that in-person briefings are a more effective training method.

1999 Ethics Training Courses

Introductory Training Courses

OGE will be conducting free introductory ethics training courses during this fiscal year. Courses will be offered in the following cities:

- ◆ Washington, DC
- ◆ Philadelphia, PA
- ◆ Albuquerque, NM
- ◆ Dallas, TX
- ◆ San Francisco, CA
- ◆ Denver, CO
- ◆ Kansas City, MO
- ◆ Minneapolis, MN
- ◆ Boston, MA

Intermediate Training Courses Developed

OGE has developed three new ethics training courses for experienced ethics practitioners. The courses are intermediate level, and are designed to sharpen analytical skills in identifying and resolving more complex conflict of interest

issues. The courses make use of case studies and role-playing in order to encourage group interaction and problem solving.

Two of the courses deal with 18 U.S.C. § 208, the law which covers conflicting financial interests. One course examines in detail the elements and application of section 208. The second course reviews the executive branchwide regulatory exemptions from section 208, as well as the regulatory requirements for the issuance of waivers in individual cases.

The third course deals with the post-employment restrictions in 18 U.S.C. § 207 that are applicable to executive branch employees. In addition to covering the six restrictions under section 207, the course deals with special post-employment restrictions applicable to procurement personnel and with the 5-year pledges required of certain senior officials pursuant to Executive Order 12834.

The courses were initially offered in Washington, DC during the first quarter of 1999. OGE anticipates offering these courses again in the Washington, DC area and selected regional cities later this year.

Designated Agency Ethics Officials are mailed copies of training and conference announcements and encouraged to distribute them within their agencies. Once courses and cities have been announced by memorandum, they may also be accessed by calling OGE's Recorded Training Announcements line at 202-208-8000, ext. 8201, or by visiting OGE's Web site at www.usoge.gov, under the heading "What's New in Ethics?"

Contact Sheila Powers, OGE Event Coordinator at 202-208-8000, ext. 1104, for further information.

Who Me, Give Ethics Training?

If you need to plan and present annual ethics training, you might be looking for ethics training ideas to keep your sessions interesting and relevant. After refreshing your knowledge of the requirements at 5 C.F.R. part 2638.704, you might consider looking at OGE's Web site, www.usoge.gov. You may also want to visit the Ethics Information Center (EIC) at OGE. Contact Tonda King, 202-208-8000, ext. 1229, for an appointment. Whether you are preparing for a one-hour verbal briefing or developing a written briefing, the following suggestions are given to help you consider the many training possibilities:

Classroom Briefing

◆ **Instructor-led interaction:** "Dangerous Dilemmas," an overview game with 20 questions, gives students a choice of four answers to each ethical dilemma and suggestions for discussion. This game and additional hypotheticals used in a variety of training situations are available in the EIC.

◆ **Classroom Jeopardy® game:** This 25-item Jeopardy® classroom ethics overview game with board and overheads can be borrowed from the EIC. Several agencies have developed their own answers and questions.

◆ **Gameshow P.A.L.:** A Jeopardy®-like computer-based ethics game, "overview.pal," is available on the OGE Web site. Using a computer and projector, display the answers on a screen and allow teams to give the correct question. In each successive session, employees can strive to beat the last group's scores. A follow-up question-and-answer session should highlight your agency's specific issues. (This game may be used for individual training, as noted below.)

◆ **Misuse of Position for Employees:** This interactive one-hour module takes a detailed look at Subpart G of the Standards of Conduct and reminds employees about the basic obligations of public service.

◆ **Interactive one-hour module:** The training module used by OGE for Small Agency Council is available in the EIC. The lesson reviews employees' previous knowledge of most of the subparts of the Standards of Conduct. Employees develop their own examples of current ethical situations.

◆ **Videos:** See the list of all OGE-produced videos on the OGE Web site under "Training Materials."

Individual Training

◆ **Internet training:** Several agencies have produced training modules for their employees. These may be accessed at the agencies' URLs. A link to these agencies is available on the OGE Web site under "Other Ethics Resources." Developers of this training may provide access for you to modify their materials for your agency. The Department of the Interior (DOI) has developed nine modules on such topics as "Gifts from Outside Sources," "Official Travel," and "Outside Work" and is in the process of updating the modules and placing them on its Web site. For a fee, these modules can be modified to suit your agency. Contact TJ Sullivan, 202-208-7960, at DOI for more information.

◆ **Gifts from Outside Sources:** OGE has recently introduced this interactive module with multiple choice questions, a final quiz, and a certificate of training. It can be accessed at www.usoge.gov/usoge006.html#computer.

◆ **"Quandaries":** The Department of Justice (DOJ) developed an interactive

ethics game to present employees with many ethical decisions. Walk through multiple situations with five characters as they work in their jobs. Contact the departmental ethics office at 202-514-8196, at DOJ for further information.

◆ **Gameshow P.A.L., overview.pal:** Once downloaded from OGE's Web site, this Jeopardy®-like game can be used as a challenging review by one or more persons at a time. It has a 20-minute time limit and shows a comprehensive score for each player. Many people play it more than once to improve their score, therefore increasing their learning. "Overview.pal" may be modified by your agency by substituting ethics questions into the current game. You may also create your own game with the OGE software. Contact Jo Lee Hazelwood, 202-208-8000, ext. 1233, for details.

◆ **Written materials:** All booklets and pamphlets available from OGE are available on OGE's Web site under "Ethics Resource Library." You may access, read, and print these materials by using Adobe Acrobat's PDF format.

Ethics in Action

Q: Ms. Brown, the new Director of your agency, comes to you, the ethics official, because her friend Ted has asked if she could provide him with a letter of recommendation for a new position he's interested in at her former employer in the private sector. She inquires if there are any restrictions on using agency stationery for the letter and using her new title as Director in the letter. What should you advise Ms. Brown?

A: Ms. Brown may write a letter of recommendation for Ted. However, since she has not dealt with Ted in the course of Federal employment and he is not applying for a Federal position, she must refrain from using official agency stationery and her title in signing the letter so as not to imply that the agency or the Government sanctions or endorses Ted's personal activities. In writing the letter of recommendation for her friend, it may be appropriate for her to refer to her official position in the body of the letter. See 5 C.F.R. § 2635.702(b).

Q
&
A

Ethics News Briefs

Minor Amendments to Subpart B Adopted

The Office of Government Ethics (OGE) has adopted as final without change the minor amendments it proposed last summer to a couple of provisions in subpart B (on gifts from outside sources) of the standards of ethical conduct regulation as codified at 5 C.F.R. part 2635. See 63 Federal Register 69992-69994 (December 18, 1998), effective January 19, 1999. For details on the amendments, see the prior article on the proposed rule on page 8 of the Fall 1998 issue of the **Government Ethics Newsgram**.

Technical Amendments to OGE Regulations

OGE has published final rule technical amendments to some of its executive branchwide ethics regulations as follows (all effective upon publication):

- ◆ Paperwork renewal-related revisions to the appendixes A, B & C (the model qualified trust certificates of independence and compliance) of the financial disclosure regulation at 5 C.F.R. part 2634—63 Federal Register 58619-58620 (November 2, 1998).
- ◆ Minor amendments to the financial disclosure regulation at 5 C.F.R. part 2634 to remove obsolete provisions, correct inconsistencies, clarify ambiguities and otherwise conform the text to current practice—63 Federal Register 69991-69992 (December 18, 1998).
- ◆ Updates and corrections to the financial disclosure, standards and outside employment limitations regulations at 5 C.F.R. parts 2634, 2635 and 2636—64 Federal Register 2421-2422 (January 14, 1999).

New Semiannual Regulatory Agenda

OGE's most recent semiannual regulatory agenda was published last fall as part of the Unified Agenda of Federal Regulatory and Deregulatory Actions. See 63 Federal Register 62538-62544 (part XXXIV) (November 9, 1998).

Proposed Amendments to OGE FOIA Regulation (E-FOIA)

Last December, OGE proposed a set of revisions to its internal Freedom of Information Act (FOIA) regulation at



5 C.F.R. part 2604, mostly to codify revisions implementing the Electronic Freedom of Information Act Amendments of 1996 (E-FOIA). See 63 Federal Register 66769-66772 (December 3, 1998), with a 60-day public comment period extending until February 1, 1999.

Post-Employment Regulation Component Designation Update

OGE has made minor updating changes to the departmental component designation listings of the Departments of Defense and Treasury in appendix B of the post-Government employment regulation at 5 C.F.R. part 2641. These designations affect the scope of the so-called one-year cooling-off restriction against representative contacts by former "senior employees" with their former agencies. See 64 Federal Register 5709-5710 (February 5, 1999), generally effective upon publication (except revocation of one component designation effective May 6, 1999).

OGE Paperwork Notices

OGE has published the following paperwork notices of requests, or forthcoming requests, to the Office of Management and Budget for proposed clearance/renewal for an additional three years under the Paperwork Reduction Act of the following information collections:

- ◆ 2nd round notice: a new public financial disclosure access customer service survey for those who seek copies of SF 278 public reports filed at OGE—63 Federal Register 49697-49698 (September 17, 1998).
- ◆ 1st round notice: a proposed slightly revised OGE Form 450 Confidential Financial Disclosure Report—63 FR 56189-56191 (October 21, 1998).
- ◆ 1st round notice: a proposed slightly revised OGE Form 201 Ethics Act access form (for copies of SF 278 reports and

other covered records)—64 Federal Register 5657-5658 (February 4, 1999).

Renewal of Interagency Reports Clearance Obtained

Last summer and fall, OGE obtained three-year renewals from the General Services Administration of the interagency reports clearance for two of its forms used by departments and agencies throughout the executive branch to report covered information to OGE. The two forms, which OGE also updated at the time, are the OGE Form 202, Notification of Conflict of Interest Referral, and the annual Agency Ethics Program Questionnaire.

Nominate a Distinguished Ethics Official

For the last two years, OGE has presented a Distinguished Service Award to one ethics official at the Annual Government Ethics Conference each September. The award winner has been selected by OGE Senior Staff. In selecting this year's award recipient, we would like to solicit nominations and input from the ethics community.

The nominees should have rendered distinguished service to the executive branch ethics program for several years. This includes not only managing or assisting in managing a successful ethics program, but also contributing their time and efforts to the overall executive branch ethics program.

Please send your nominations for this award to the Director, OGE, by July 1, 1999. Your nomination and justification for the award will be considered when OGE Senior Staff convenes to discuss nominees and to select this year's Distinguished Ethics Official.

There is no specific format for the justification; however, we request a two-page maximum. Include your name and telephone number so we may contact you for more information. If you have any questions, contact Jack Covalesski at 202-208-8000, ext. 1120.

Helpful Hints for SF 278 Filers and Reviewers

Once again OGE offers some hints intended to help facilitate the preparation of Public Financial Disclosure Reports (SF 278) for the upcoming annual filing cycle.

Annual reports are due to be filed at the agency by Monday, May 17, 1999, as the normal May 15 due date falls on a Saturday. Reports filed by Presidential appointees confirmed by the Senate, and Designated Agency Ethics Officials should be reviewed by the agency and submitted to OGE *immediately after agency approval*, but no later than September 15, 1999.

Cover Page

- ◆ For annual reports, ensure that the filer's signature date is no earlier than January 1, 1999. For termination reports, be sure to include the filer's termination date, and ensure that the filer's signature date is no earlier than the filer's last day of service in the position.
- ◆ Indicate in the "Comments of Reviewing Officials" section if the filer received an initial 45-day extension.

Schedule A: Assets and Income

- ◆ For assets valued at over \$1 million on Schedule A, where the assets are not held solely by a spouse or dependent child, indicate whether the value is between \$1,000,001 and \$5,000,000, between \$5,000,001 and \$25,000,000, between \$25,000,001 and \$50,000,000, or over \$50,000,000. For income valued at over \$1 million, indicate whether the earnings are between \$1,000,001 and \$5,000,000, or over \$5,000,000.
- ◆ Individual Retirement Accounts (IRAs) do not qualify as Excepted Investment Funds because they are self-directed and not widely held. Therefore, all underlying assets held within the IRA, and all accrued income earned during the reporting period, should be disclosed on the report.
- ◆ For any income reported under the "Other" column, an actual income amount must be reported.

Schedule B, Part I: Transactions

- ◆ If a "sale" transaction appears on Schedule B for an asset listed on Schedule A, with a value exceeding \$1,000, indicate whether a partial sale occurred. If the asset was sold entirely, the asset value shown on Schedule A should be changed to "None (or less than \$1,001)."

Schedule B, Part II: Gifts, Reimbursements, and Travel Expenses

If a gift of travel is reported, specify the basis for the acceptance, e.g., "a personal friend" or "agency approval under 5 U.S.C. § 4111." Under 5 C.F.R. § 2635.204(d), agencies are required to give *written* approval to any employee accepting a meritorious service award with a value greater than \$200. Agencies should forward a copy of the approval letter to OGE with the employee's SF 278 for retention in OGE's files.

Schedule C, Part I: Liabilities

- ◆ If real estate which was rented during the reporting period is sold, the mortgage must still appear on Schedule C if the mortgage exceeded \$10,000 any time during the reporting period.

Schedule C, Part II: Agreements or Arrangements

- ◆ Ensure that any agreement or arrangement reported on Schedule C is also reflected on Schedule A, where

appropriate. For example, if the filer reports a continuing interest in a former employer's pension plan, a corresponding entry should also appear on Schedule A.

Schedule D, Part I: Positions Held Outside U.S. Government

- ◆ Remember that the reporting period for this section includes the previous calendar year as well as the current year up to the filing date. All positions held at any time during the reporting period should be listed, including those from which the filer may have resigned before the end of the reporting period. Any new position should have an adequate organizational description so that the reviewer can determine whether a potential conflict of interest exists.

Miscellaneous

- ◆ Ensure that all sections of the report are complete. If a filer has nothing to report for an applicable schedule, ensure that the "None" box is checked. Note that "None" and "Not Applicable" should not be used interchangeably.

International Forum

In response to a request from the Department of State (DOS), OGE participated in the "Global Forum on Fighting Corruption—Safeguarding Integrity Among Justice and Security Officials," hosted by Vice President Al Gore. The Forum, held at Department of State from February 24-26, welcomed over 500 delegates from 89 countries.

The Forum attracted leading experts from around the world to discuss new international strategies for combating corruption and bribery of public officials. Forum delegates included heads of state, senior ministers, various national and local Government officials, and non-Governmental organization representatives.

OGE joined a number of Federal Departments and agencies in helping DOS organize the Forum including the U.S. Information Agency, the Department of Justice, Department of Commerce, Department of the Treasury, and others.

OGE assisted in the organization of forum panels for the Forum and contributed to

one of the documents adopted at the Forum, a set of guiding principles for fighting corruption. OGE was asked to compile a compendium of ethics resource materials designed to assist foreign governments in developing their own ethics programs. OGE also contributed to the "International Strategy Against Corruption," a summary of anticorruption activities carried out by the U.S. Government.

OGE Director Stephen D. Potts hosted a panel discussion at the Forum entitled "Ethics Regimes in the Public Sector." He was joined by several notable figures from diverse countries, including Uganda, China, Argentina, Italy, and the U.S. The panel members emphasized the importance of preventive programs seeking to resolve conflicts of interest and promote core values of public service as a supplement to investigative and prosecutorial measures against corruption. The panel discussion highlighted some of the concrete strides countries have made in creating effective ethics systems, programs, and agencies.

OGE and NARA Promote Records Management

Transfer of OGE Permanent Records Commemorated

On July 15, 1998, senior officials and staff members from OGE met with John W. Carlin, Archivist of the United States, and other representatives of the National Archives and Records Administration (NARA) at the new National Archives II Building in College Park, Maryland to commemorate the transfer of OGE's first collection of historical records.

The collection, which consists of original DAEOgrams released by OGE from 1979 to 1992, will provide future generations of researchers with a comprehensive and easy-to-use account of many of OGE's most important activities and initiatives. This transfer is just one in a number of records management projects on which OGE and NARA have recently collaborated.

Since the early 1990s, NARA has worked actively with OGE to further the management of ethics records within our Agency and the Federal Government as a whole. In 1992, OGE, recognizing the importance of proper records management in support of its operations, invited NARA to conduct a full-scale records management evaluation. NARA's final report provided OGE with a detailed strategy for upgrading OGE's records management program.

Executive Branchwide Ethics Records Initiatives

In addition to focusing on its internal records management program, OGE has

also worked with NARA to improve the management of ethics records throughout the executive branch of the Government. In 1996, OGE and NARA undertook the creation of guidance on maintaining agency copies of Semiannual Expense Reports for Non-Federally Funded Travel and related records which are created in accordance with 31 U.S.C. § 1353 and the General Services Administration's implementing regulation at 41 C.F.R. part 304-1.

During last year's Annual Government Ethics Conference, OGE shared the results of this collaborative effort with the Federal ethics community. The announcement was well received by Conference participants, who in turn expressed an interest in seeing similar initiatives in the future. On December 21, 1998, NARA officially published the guidance in the latest version of General Records Schedule 9, Travel and Transportation Records (new item 6). Detailed information on this topic is contained in DAEOgram DO-99-007, issued on February 22, 1999.

In the future, OGE plans to offer additional sessions on managing ethics records at the Annual Ethics Conference. Currently, OGE has also begun discussions with NARA on expanding, in consultation with executive branch departments and agencies, the coverage of the General Records Schedules to include more types of routine ethics records. OGE recognizes that by promoting the use of sound recordkeeping practices, we can help to simplify the job of agency ethics officials and ensure the effective operation of their

programs. In coordination with NARA and the agencies, we look forward to ensuring the proper management of records generated in the course of ethics program operations both inside and outside of OGE.

Kudos in the Ethics Community

Kudos to Jeffrey Green and Joseph Vallowe, attorneys at the Department of Veterans Affairs (VA), who have published articles entitled, "Frequent Flyer Mileage and Other Rules" and "Gifts of Travel from Nonfederal Sources" in the November 1998 and the February 1999 edition of the **Federal Practitioner**, respectively. The publication is distributed to all doctors at VA, Department of Defense, and the Public Health Service.

"Frequent Flyer Mileage and Other Rules" addresses the question of whether an employee can accept promotional benefits in the performance of official Government duties. "Gifts of Travel from Nonfederal Sources" discusses when a gift can be accepted according to ethics laws. Both articles are written in a "plain English" style.

To obtain copies of these articles, visit OGE's Ethics Information Center or contact Jeff at VA on 202-273-6340.

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