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Ethics News Corner

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It's the Holidays – Can I Give a Gift to Another Employee?

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Sure - as long as it meets the gift giving rules. Rule number one makes it ok between boyfriends, girlfriends, spouses, and other personal relationships between employees that would justify the gift.

Just Say No - If the gift is coming from a subordinate, unless it is under \$10. This is a tough one at the holiday season but it makes a lot of sense when you think it over.

How about buying one for the Boss? This is ok as long as it is under \$10. Sorry, pooling money together towards a gift for the boss is not allowed.

How about playing Secret Santa? Sure as long as everyone is paying a nominal sum (less than \$10) to buy a gift for the Secret Santa exchange.

Party anyone? Outside hospitality is ok as long as the gift is of a type and value considered customary for the event. In the office it is also appropriate to request contributions of nominal amounts towards a party or to purchase food and refreshments to share, as long as they are voluntary.

For more detailed information, please contact your Ethics Specialist or visit the NIH Ethics Program website at: <http://ethics.od.nih.gov/topics/giftsemp.htm>

Confidential Financial Disclosure

Soon it will be that time of year when employees in specific positions are required by the Ethics in Government Act to complete a Confidential Financial Disclosure Report (OGE-450).

What is an OGE-450 Confidential Financial Disclosure Report?

It's a document required by the Ethics in Government Act, which helps your Ethics Specialist to ensure you are not involved in a real or apparent conflict of interest.

Who files an OGE-450?

Employees who have official duties that require them to make decisions or take actions on behalf of the Federal Government. Examples are: contracting officials, project officers and grants administrators. Complete filer criteria can be found at: <http://ethics.od.nih.gov/topics/OGE-450-Filing-Criteria-Final.pdf>

Principles of Ethical Conduct

Employees shall not hold financial interests that conflict with the conscientious performance of duty

Continued - Confidential Financial Disclosure

When is it due?

OGE-450 reports are due to your Ethics Specialist no later than February 15th.

Frequently Asked OGE-450 Questions

www.usoge.gov/pages/financial_disclosure/oge_450_faqs_pg1.html

How can I get more information on the OGE-450 and completing it correctly?

This year the OGE-450 will be submitted via the NIH Enterprise Ethics System (NEES). Your Ethics Specialist will be providing you with additional information soon. For now, here are some helpful hints on avoiding some common reporting errors:

How to Avoid the Top 5 OGE-450 Errors

1. **Diversified mutual funds (DMF)** – You don't need to report DMFs, so if an account (i.e., IRA, 401K) only holds diversified mutual funds you will not need to report the account.
2. **Spouse's employment** - If your spouse is employed by an organization other than the Federal Government, you must report your spouse's employer.
3. **Underlying assets within investment accounts (401K, IRA, Annuities, Investment Life Insurance, and Managed Accounts)** - all must be reported except for DMFs.
4. **Underlying assets of managed accounts** - must be reported except for DMFs. Even though you do not personally manage the account, you must disclose the assets invested in them because you own the account. Filers should use their end-of-year account statements to determine reportable assets. New Entrant filers should ask their fund managers to provide an account summary for the 12 months prior to their employment.
5. **Trusts and partnerships** - You must disclose underlying assets if you, your spouse or dependent child have a beneficial interest and you must list any outside positions you hold in Part III of the OGE-450 report.

Form HHS-717-1 and instructions for completion can be found at:

<http://ethics.od.nih.gov/forms/HHS-717-1.pdf>

What is a Substantially Affected Organization (SAO) and Form HHS-717-1?

A Substantially Affected Organization (SAO) is:

1. A biotechnology or pharmaceutical company; a medical device manufacturer; or a corporation, partnership, or other enterprise or entity significantly involved, directly or through subsidiaries, in the research, development, or manufacture of biotechnological, biostatistical, pharmaceutical, or medical devices, equipment, preparations, treatments, or products;
2. Any organization, a majority of whose members are these types of entities; and,
3. Any other organization determined by the agency to be substantially affected by the programs, policies, or operations of the NIH.

More information about SAOs including

the NIH SAO List can be found at:

<http://ethics.od.nih.gov/topics/sao/sao-intro.htm>

This list is not all-inclusive and serves only as a guide

The HHS-717-1 "Confidential Report of Financial Interest in Substantially Affected Organizations for Employees of the NIH" is used to report any SAO holdings. This form can be found at the following link: <http://ethics.od.nih.gov/forms/HHS-717-1.pdf>

Continued - SAO and Form HHS-717-1

Did you know? The HHS Supplemental Financial Disclosure Reporting regulation at 5 CFR 5502 requires certain NIH employees to inform their ethics office within 30 days after acquiring a financial interest in a substantially affected organization.

Who has to file a form HHS-717-1? This requirement applies to:

- All employees who file the SF-278 Public Financial Disclosure Report
- All employees who file the OGE-450 Confidential Financial Disclosure Report
- All employees designated as a clinical investigator, regardless of whether they are required to file the SF-278 or OGE-450. Clinical investigators are defined as those employees who participate in clinical protocols, whose names are listed on the Clinical Research Protocol Initial Review Application form NIH 1195.

Did you know? If you fall in any category above, you must file a form HHS-717-1 when you acquire a new financial interest in an SAO. This includes SAO holdings that are acquired through:

- Purchase (including additional shares through a dividend reinvestment plan)
- Inheritance
- Gift
- Marriage
- Or by any other means of acquisition

Did you know? When you submit a form HHS-717-1, you must report **ALL** your current SAOs holdings, not just the newly acquired ones.

What if I work on a protocol and I have not acquired any new SAOs? Those who work on protocols will be asked to update values when a protocol is being reviewed. Updates may be done via e-mail (as long as no new SAOs were acquired).

What if I do acquire a new SAO? If you are an OGE-450 or SF-278 filer or listed as an investigator on an NIH protocol and you acquire an SAO, you must complete and submit a form HHS-717-1.

Where can I find the form HHS-717-1? The form HHS-717-1 can be found on the NIH Ethics Program website at: <http://ethics.od.nih.gov/forms/HHS-717-1.pdf>.

Where do I submit the form HHS-717-1? After reading and completing the form, sign it and send it to your Ethics Specialist (contact information at the end of this newsletter).

Where can I go for help? For more information about SAOs and the form HHS-717-1, please contact your Ethics Specialist or visit the NIH Ethics Program website at: <http://ethics.od.nih.gov/>.

Helpful Hints and Time Savers

Help us serve you better by:

- Contacting your Ethics Specialist early if you have trouble completing your OGE-450
- Submitting your requests and reports by the required deadline
- Viewing the guidelines on reporting deadlines at: <http://ethics.od.nih.gov/forms.htm>

Upcoming Events

Please make note of these important dates:

Notice to OGE-450 Filers to file 2009 Form **Jan 15**

2009 OGE-450 Reports Due **Feb 15**

Annual Report of Outside Activities
Form HHS-521 Due **Feb 28**

DECEMBER

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Visit us on the web at <http://omar.ors.od.nih.gov/ethics.htm>

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<http://oqm.ors.od.nih.gov/dynsurveyfe/CompleteORS.aspx?srvID=13>