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**Fifth**

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**Biennial Report**

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**to Congress**

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April 1998



United States  
**Office of Government Ethics**  
1201 New York Avenue, NW., Suite 500  
Washington, DC 20005-3917

April 30, 1998

I am pleased to submit to Congress this fifth biennial report by the Office of Government Ethics (OGE) covering activities from January 1996 through December 1997.

During the two-year period covered by this report, OGE has undertaken an analysis of its mission and of the long-term strategic goals that will ensure accomplishment of its mission. To implement its overall goals, the Office reorganized some of its components to allow more resources to be devoted to the education and training program. It also devoted more resources to obtaining and utilizing new technologies that more efficiently and effectively enable the Office to provide information on ethics-related issues and activities. For example, OGE has created a comprehensive Web page that contains a substantial amount of information about executive branch ethics programs and policies, including OGE's regulations and opinions, related regulations, statutes and Executive orders, and educational and training materials. Our new Web page permits a vast number of people to have easy access to information that previously was available only in a handful of libraries, or from Government bookstores, or by direct request to this Office.

Of course, during 1996 and 1997, the Office continued to carry out the routine functions that comprise a large part of our daily activities. We reviewed and certified a large number of public financial disclosure forms submitted by persons nominated by the President to positions requiring Senate confirmation. We issued several new regulations, including one that describes financial interests that are exempt from the criminal conflict of interest law at 18 U.S.C. § 208. We conducted a large number of ethics training courses and produced new training materials such as pamphlets and videotapes. And, as we have in prior years, we hosted two conferences, each attended by over 400 ethics officials. These highly popular conferences allow executive branch ethics officials to receive training in technical areas and to share information they can use to strengthen their ethics programs. We have also continued to work with agencies to help them improve their ethics programs, by identifying deficiencies where necessary and by providing recommendations for improvements and hands-on assistance in training and financial disclosure review.

This report describes more fully our activities during the past two years. We believe that a tremendous amount has been accomplished during the period. By focusing on achieving our long term goals, we expect to continue to provide leadership in the executive branch ethics community.

Respectfully submitted,

A handwritten signature in cursive script, reading "Stephen D. Potts".

Stephen D. Potts  
Director

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## Introduction

The Office of Government Ethics (OGE) was established by the Ethics in Government Act in 1978. Originally part of the Office of Personnel Management, OGE became a separate agency on October 1, 1989. In 1988, as part of the legislation reauthorizing the Office, Congress required the Director to submit a biennial report beginning in March 1990, summarizing the action taken during the previous two years and providing any other information the Director considers appropriate. This is the fifth such biennial report. It covers the activities of the Office from January 1, 1996 through December 31, 1997.

During this period, the Office conducted an assessment of its overall mission and functions, and developed a strategic plan designed to implement the goals and objectives that were identified as integral to effectuating that mission. Four major goals were identified: (1) providing overall policy direction to the executive branch ethics program; (2) assisting agencies in carrying out their own ethics program activities; (3) providing effective educational and training opportunities and materials; and (4) administering an outreach program. To facilitate implementation of these goals, OGE reorganized its Office of Education to create a new Office of Agency Programs with three separate divisions, including a new Education and Program Services Division. This reorganization permitted more resources to be devoted to OGE's education and training functions.

Additionally, during the period covered by this Report, the Office made more effective use of technological advances to carry out its programs. For example, OGE developed a comprehensive Web site, which provides access to

most of the policies, regulations, opinions, training materials, and similar other information relevant to the executive branch ethics program. The Office also scripted, and participated in the production of, a live satellite broadcast program viewed by thousands of executive branch officials. The Office expects to make increasing use of such technology resources to implement its programs.

OGE also refined its developing outreach program during the period. At the request of Departments and agencies such as the Department of State and the United States Information Agency, the Office provided assistance in developing anti-corruption measures to emerging democracies throughout the world. The Office provided information on the executive branch ethics program to assist these countries in developing requirements that government officials adhere to appropriate ethical standards.

Of course, during 1996 and 1997, OGE continued to devote a substantial amount of its resources to carrying out its core functions, particularly in light of the fact that the period included a Presidential election and accompanying personnel changes in some of the most senior positions in the executive branch. Accordingly, the Office continued to review and certify the financial disclosure forms filed by Presidential nominees requiring Senate confirmation, and to serve as the primary source of advice and counseling on conduct and financial disclosure issues. In addition, the Office continued to speak about ethics policy issues within the executive branch and to Congress, and to evaluate agency ethics programs.

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## **Significant activities of this period included:**

- developing a strategic plan for implementing the Office's mission;
  - reviewing and certifying a substantial number of financial disclosure reports filed by persons nominated by the President for positions requiring Senate confirmation;
  - issuing final regulations implementing the provisions of 18 U.S.C. § 208 concerning financial conflicts of interest;
  - helping agencies develop, and concurring in, agency-specific regulations that supplement the uniform standards of ethical conduct for the executive branch;
  - amending the uniform standards of ethical conduct for the executive branch to conform with the Hatch Act Reform Amendments, and to revise the widely-attended gatherings exception in the rules regarding gifts from outside sources;
  - issuing final regulations for the tax-deferral remedy afforded by the certificate of divestiture program;
  - issuing interim regulations regarding ethics training requirements for executive branch employees;
  - issuing a final rule authorizing agencies to collect Certificates of No New Interests under certain circumstances in lieu of annual confidential financial disclosure reports;
  - conducting agency program reviews which identified significant improvements in some agencies' ethics programs and deficiencies in some other agencies' ethics programs;
  - conducting single issue reviews of issues that are common to all agencies' ethics programs;
  - expanding ethics training course offerings for agency ethics officials to include introductory level modules;
  - developing and releasing new education products, including videotapes and pamphlets, for agencies to use in providing ethics training to their employees;
  - hosting two annual conferences for agency ethics officials;
  - consulting with other countries regarding the design and implementation of their ethics programs;
  - introducing a new Web site that provides information about all OGE program areas, as well as reference materials and announcements; and
  - reorganizing several of its program offices in order to provide more and better services for agency ethics programs.
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## Organization

**T**he Office of the Director provides overall direction to the executive branch ethics program and is responsible for ensuring that OGE fulfills its Congressional and Presidential mandates. The Office also has an outreach program designed to inform the public about OGE's statutory and regulatory responsibilities and to promote the integrity of public employees. This activity encompasses professional and trade associations, local and state governments, as well as governments of foreign countries. With regard to the latter, as personnel resources are available and at the request of foreign policy agencies and U.S. supported organizations, it also supports the United States' effort at promoting anti-corruption programs throughout the world by providing technical expertise on the development of governmental ethics programs.

**The Office of General Counsel and Legal Policy** is responsible for establishing and maintaining a uniform legal framework of Government ethics for executive branch employees, developing executive branch ethics program policies, interpreting laws and regulations, assisting agencies in legal and policy implementation, and reviewing legislation and recommending changes in conflicts of interest and ethics statutes. A more in-depth description of this office begins on page 31.

**The Office of Agency Programs** has three divisions that provide services to executive branch ethics programs: the Education and Program Services Division, the Financial Disclosure Division, and the Program Review Division. The three divisions coordinate their services in order to assist agencies in carrying

out their programs. They work closely with agencies to improve their ethics programs, provide educational materials and training, stay abreast of budgetary concerns, and identify emerging programmatic issues to be addressed by OGE.

A more in depth description of this program office and its divisions begins on page 32.

■ **Education and Programs Services Division**  
Specialists in the Education and Program Services Division work with department and agency ethics personnel to enhance the day-to-day functions of individual agency ethics programs. Additionally, staff in this division develop quality ethics education materials and training courses for use by all executive branch agencies for their employees.

■ **Financial Disclosure Division**  
Personnel in the Financial Disclosure Division: (1) track all financial disclosure reports filed with or transmitted to OGE and make available upon request those reports that are public; (2) collect and review the annual and termination reports of all Presidential appointees; and (3) work closely with agency ethics officials to ensure that all such reports are complete and that any questions of actual or potential conflicts of interest (or concerns about appearances of conflicts of interest) that are raised by the information contained on the reports have been addressed by the agencies. This division also ensures compliance with agreements developed to help avoid conflicts of interest that were entered into by Presidential nominees during the confirmation process.

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### ■ *Program Review Division*

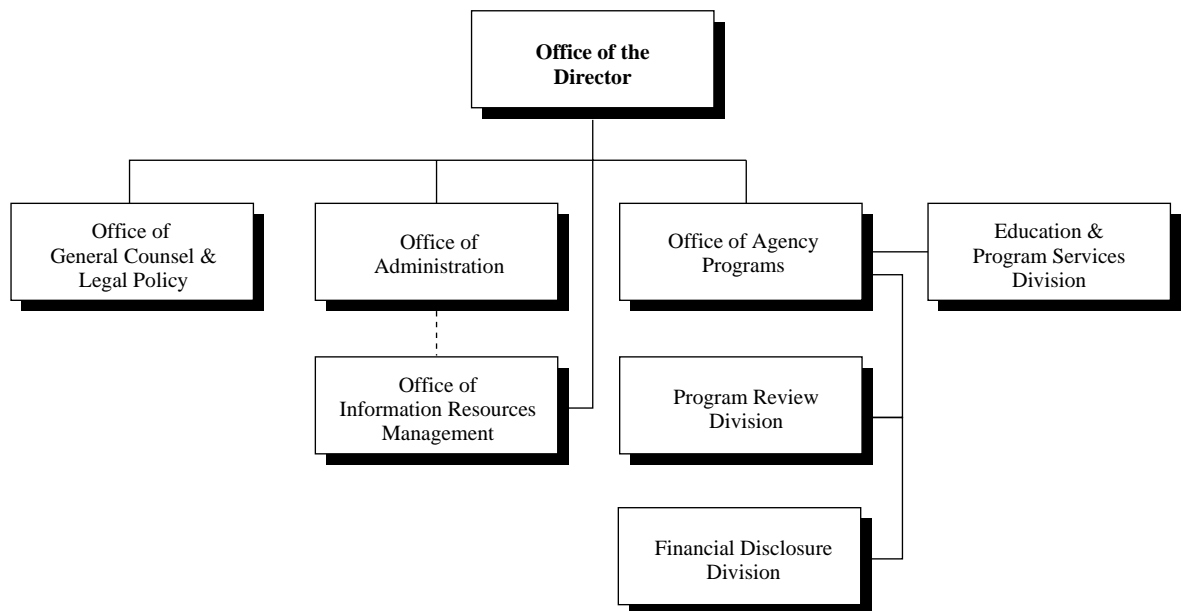
Analysts in the Program Review Division monitor agency compliance with executive branch ethics program requirements and with appropriate application of ethics program laws and regulations. This monitoring is conducted through individual agency ethics program reviews scheduled according to an annual program plan. Analysts identify and report strengths and weaknesses of agency ethics programs and work with agency personnel to resolve any problems identified during the review process.

**The Office of Information Resources Management** promotes and provides information technology within OGE. The office

provides internal support in the areas of office automation, telecommunications, information technology, graphics and records management. It also produces *The Ethics CD-ROM*, and operates and maintains OGE's Internet Web site. It provided the support services for the electronic bulletin board system (TEBBS) until the system was discontinued in late 1997. A more in-depth description of this office begins on page 35.

**The Office of Administration** provides essential support to all OGE operating programs in the areas of personnel, payroll, fiscal resource management, facilities and property management, travel management, procurement, publishing, distribution, and printing.

## Office of Government Ethics





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# Executive Branch Ethics Program

## Role of the Office of Government Ethics

The Ethics in Government Act states that the Office of Government Ethics is responsible for providing “overall direction of executive branch policies related to preventing conflicts of interest on the part of officers and employees of any executive agency.” Over time, the responsibilities of the Office have expanded by statute and Executive order to include providing interpretive guidance on, and administrative support for a number of additional requirements related to employee conduct. These functions comprise the “ethics in government” program of the executive branch. Collectively, the responsibilities of OGE fall into six general areas.

### ■ Regulatory Authority

Develop, recommend and review rules and regulations pertaining to conflicts of interest, post-employment restrictions, standards of conduct, and public and confidential financial disclosure in the executive branch;

### ■ Financial Disclosure

Review executive branch public financial disclosure reports of certain Presidential nominees/appointees to assess potential violations of applicable laws or regulations, provide counseling on the avoidance of conflicts, and, if necessary, recommend appropriate corrective action; administer executive branch blind trust and certificate of divestiture programs;

### ■ Education and Training

Implement statutory responsibility of “providing information on and promoting understanding of ethical standards in executive agencies,” primarily through assisting agencies with their internal education programs;

### ■ Guidance and Interpretation

Prepare formal advisory opinions; provide informal advice letters and policy memoranda and give oral advice on how to interpret and comply with requirements on criminal conflict of interest, post-employment and civil “ethics” statutes, standards of conduct, and financial disclosure requirements applicable to the executive branch; consult with agency ethics officials in individual cases;

### ■ Enforcement

Monitor agency ethics programs and review compliance, including financial disclosure systems; refer possible violations of conflict of interest laws to the Department of Justice and serve as an advisor on prosecutions and appeals, and, in limited circumstances, investigate possible ethics violations and order corrective action or recommend disciplinary action; and

### ■ Evaluation

Evaluate the effectiveness of conflict of interest laws, other related statutes, standards of conduct, and Executive orders and recommend appropriate amendments.

These six areas of responsibility support the four Goals of OGE’s strategic plan—policy development, support of fair and consistent ethics programs within the executive branch, promotion of quality ethics education and training, and an effective outreach program. A more detailed statement of these goals begins on page 51.

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## Role of an Agency

**A**t its heart, the purpose of the “ethics in government” program is to ensure that executive branch decisions are neither tainted by nor appear to be tainted by any question of conflicts of interest on the part of the employees involved in the decisions. Because the integrity of decision-making is fundamental to every Government program, the head of each agency has primary responsibility for the day-to-day administration of the “ethics in government” program for the employees who carry out the substantive programs of that agency.

Each agency head, however, selects an individual employee of that agency to serve as that agency’s Designated Agency Ethics Official (DAEO). For the most part, OGE interacts with these individuals and the additional staff of each agency tasked with supporting an agency’s ethics program (collectively known as the executive branch “ethics community”).

The DAEOs and their staffs conduct the executive branch ethics program on-site. They provide advice and guidance on matters of conflict of interest, financial disclosure, standards of ethical conduct and post-employment restrictions. In addition, they develop and provide educational programs for the employees of their agencies about the statutes and standards. They also assist with individual employee disciplinary actions, when necessary, and they implement their agencies’ public and confidential financial disclosure systems. Investigations of individual employee misconduct are generally conducted by an agency’s Inspector General.

The services of OGE are primarily directed to these individuals and to agency heads who are ultimately responsible for the conduct of their employees. OGE’s outreach and education program, does, however, have the additional effect of helping those who interact with the executive branch understand what restrictions might be placed upon their dealings with executive branch employees and appreciate the Government’s efforts at earning the public’s confidence in the conduct of its programs.

## Major Program Elements

### Criminal Conflicts of Interest Statutes

**O**ne of the basic elements of the executive branch ethics program is adherence to, and counseling on, the criminal conflict of interest statutes. These statutes are found in 18 U.S.C. §§ 201-209. Most of the restrictions in these statutes are based upon similar restrictions in statutes enacted during the Civil War and the following few decades. In 1962, conflict of interest laws were recodified into chapter 11 of title 18. While all have been modified since, only the post-employment restrictions of section 207 have been substantially amended. In 1989, the criminal penalties were increased and civil and injunctive remedies were added as enforcement tools.

The Office of Government Ethics, based upon a 1980 Memorandum of Understanding (MOU) with the Department of Justice, can provide binding advice with regard to sections 202-209. Section 201, which sets forth bribery and gratuity restrictions, was not included in the

MOU. In addition, Executive Order 12674 as amended, directed OGE to issue interpretive regulations regarding sections 207, 208, and 209. By statute, OGE has a role in issuing limited waivers of and designating by regulation separate agencies for purposes of the post-employment restrictions of section 207.

Section 208(b) permits waivers of and exemptions from its prohibitions in certain cases. Section 208(b)(1) authorizes agencies to waive in writing and on a case-by-case basis certain financial interests of individual employees so that the employees can act on a particular matter without fear of violating section 208(a). Similarly, section 208(b)(3) permits agencies to waive, in certain cases, the disqualification requirement that would apply to special Government employees serving on a Federal Advisory Committee. OGE plays a consultative role in both types of waivers. In addition, section 208(b)(2) authorizes OGE to exempt, on an executive branch wide basis, financial interests that are too remote or inconsequential to warrant disqualification under section 208(a). On December 18, 1996 OGE issued a final regulation, effective January 17, 1997, that describes these exempted financial interests. The regulation also provides guidance to agencies on factors to consider when issuing individual waivers. A discussion of this regulation appears on page 17.

These criminal statutes, not only because of their complexity but also because a violation can involve significant criminal penalties, require the substantial counseling and interpretive resources of both OGE and agency ethics officials. Ethics officials rely more heavily upon OGE's resources for their interpretations of these statutes than for advice and counseling on other restrictions. In addition, in part because of OGE's interpretive role in these

statutes, OGE has a close working relationship with the Office of Legal Counsel and the Public Integrity Section of the Criminal Division of the Department of Justice.

In order to facilitate this interpretive function, the Office surveys the Criminal Division and the U.S. Attorneys offices each year for cases they have prosecuted or charged under these statutes. The results of this survey are made available to ethics officials so that they can understand more fully what types of cases are being pursued criminally and use those cases as examples in their training efforts.

## Uniform Standards of Conduct

In August 1992, the Office of Government Ethics issued an historic set of standards of ethical conduct that apply to all executive branch employees. Built on 14 basic principles, the standards set forth rules regarding gifts between employees and the acceptance of gifts from sources outside the executive branch agency, conflicting financial interests, impartiality in performing official duties, seeking other employment, misuse of position, and engaging in outside activities.

For 26 years, the ethical standards for executive branch employees were based on Executive Order 11222 signed by President Lyndon B. Johnson on May 8, 1965. This order set forth "Standards of Conduct" and directed the Civil Service Commission to issue model regulations implementing the order. Each agency was directed to issue its own regulations that were consistent with that model.

The Civil Service Commission, followed by its successor agency, the Office of Personnel Management, was responsible for reviewing

these regulations until the Office of Government Ethics was established. However, OGE found that agency regulations were not always consistent with the model, or they were written consistently but were interpreted differently by individual agencies.

In 1989, the President's Commission on Federal Ethics Law Reform was established to evaluate existing ethics rules and policies. One of its key recommendations was

that the Office of Government Ethics be directed by executive order to consolidate all executive branch standards of conduct regulations into a single set of regulations. Individual agencies could supplement these regulations with stricter standards with the approval of the Office of Government Ethics.

This recommendation was implemented by Executive Order 12674, issued on April 12, 1989 (later amended slightly by Executive Order 12731). It directs OGE to "establish a single, comprehensive, and clear set of executive-branch standards of conduct that shall be objective, reasonable, and enforceable." These were to be based upon the 14 basic principles set forth on page 50.

OGE issued the Standards of Ethical Conduct for Executive Branch employees as final on August 7, 1992, and they became effective on February 3, 1993. These Standards provide a central source of written guidance for ethics questions that arise during executive branch service. By providing what are, in effect, written interpretations of ethics principles, and by including extensive examples, the Standards bring uniformity to the executive branch ethics program.

Executive Order 12674, as amended, and the Standards of Conduct allow individual agencies to issue supplemental regulations to cover ethics matters unique to their particular agencies or which were left optional under the uniform rule. OGE reviews all proposed agency supplemental regulations, which become effective only after OGE concurrence. The executive branch-wide Standards of Conduct are found at 5 C.F.R. part 2635. Agency supplementals are published at the end of that same title beginning with part 3202. A discussion of the agency supplemental regulations approved by OGE during the period covered by this report is found on page 17.

## Financial Disclosure Systems

**A**s a result of the 1978 Ethics in Government Act, certain high-level Federal employees in all three branches of Government are required to disclose, in a public system, personal financial interests and affiliations for themselves, their spouses, and their dependent children. Such disclosures are made, in part, to demonstrate to the public that the officials are able to carry out their duties without either actual or apparent conflicts of interest, and also to assist agencies in maintaining the integrity of their essential programs and counseling employees on conflict avoidance.

Employees in the executive branch file public reports with their respective agencies on a standard form developed by OGE (SF 278). Additionally, copies of disclosure reports filed by persons nominated to or holding PAS appointments, (Presidential Appointment with Senate confirmation) are sent to the Office of Government Ethics for final review and certification. Prior to report certification, filers may be required to enter ethics agreements designed to eliminate conflicts through divestiture, waiver, recusal, or other similar remedies.

These reports are made available to the public through OGE or the agency upon specific written request. Requests are generally received from news organizations and public interest groups, and such written requests are themselves available to the public.

Employees required to file public financial disclosure reports in the executive branch include:

- the President, the Vice President, and candidates for those offices;
- each officer or employee in the executive branch, including special Government employees, whose position is classified above GS-15 of the General Pay Schedule or the rate of basic pay for which is fixed at a rate equal to or greater than 120% of the minimum rate of basic pay for GS-15;
- uniformed service members whose pay grade is at or above O-7 (Brigadier General or Rear Admiral and above);
- administrative law judges;
- Independent Counsels (reports are not made public if the appointment is under seal);
- the Postmaster General and Deputy, the Postal Service Board of Governors, and employees of the Postal Service and Postal Rate Commission meeting the pay equivalencies described above;
- any civilian employee not previously defined who is employed in the Executive Office of the President and holds a commission of appointment from the President;
- certain “excepted service” positions of a confidential or policy-making character (Schedule C); and

- the Director of OGE and each agency’s primary Designated Agency Ethics Official.

The statute establishing the system requires reports from new entrants or nominees as well as incumbents in covered positions. Reports also are required at the time a filer terminates employment in a covered position. The statutory requirements are implemented for the executive branch at 5 C.F.R. part 2634.

Provisions of the Ethics Reform Act of 1989 made changes in the public financial disclosure system, and also authorized a uniform system of **confidential** financial disclosure in the executive branch. That confidential system had already been formally reestablished by Executive Order 12674 of April 12, 1989, and was subsequently implemented at subpart I of 5 C.F.R. part 2634.

Just as high-level officials are required to report certain financial interests publicly to help ensure confidence in the integrity of the Federal Government, the confidential filing system requires other less senior executive branch employees, whose Government duties involve significant discretion in matters affecting non-Governmental entities, to report certain financial holdings and outside affiliations to their employing agencies (for themselves, their spouses and dependent children). This process facilitates agency reviews of possible conflicts of interest, assists the agency in administering its ethics program, and assists in counseling employees to avoid conflicts of interest.

Those required to file confidential financial reports (OGE Form 450) include:

- all special Government employees including those who serve on advisory committees (unless they are required to file public reports), and



■ each officer or employee in the executive branch, the U.S. Postal Service and Postal Rate Commission, whose position is classified at GS-15 or below, or the rate of basic pay for which is less than 120% of the minimum rate for GS-15, or at a pay grade less than 0-7 for uniformed service members, **IF** it is determined by the agency that either:

(1) the duties and responsibilities of a position require the employee to participate personally and substantially (through decision or the exercise of significant judgment), in taking a Government action regarding contracting or procurement, administering or monitoring grants, subsidies, licenses or other Federally conferred financial or operational benefits, regulating or auditing any non-Federal entity, or decisions or actions having a direct and substantial economic effect on the interests of any non-Federal entity; **OR**

(2) that the duties and responsibilities of the position otherwise require the employee to file a report in order to avoid involvement in a real or apparent conflict of interest and to carry out any applicable law, Executive order or regulation.

Some information required to be disclosed by public filers is not necessary in order to counsel middle-grade employees regarding potential conflicts of interest. Therefore, this information is not required to be disclosed by confidential filers. The differences between the public and confidential disclosure requirements reflects the philosophy that the confidential system requires less intrusion than the public system. The confidential system balances the need to review certain information against the administrative review burdens inherent in a broad-based filing program such as the public system.

The purpose of ethics reviews of disclosure reports, both public and confidential, is to identify potential conflicts between the interests of an employee (including those of a spouse and

dependent children) and the employee's official position and duties, to use the information to counsel the employee with regard to potential conflicts and to establish ethics agreements, where appropriate. If the report reveals that an employee may not be in compliance with ethics laws and regulations, the agency must determine what remedial action is required to resolve the situation and then notify the employee. For example, an employee may be asked to divest the conflicting interest, submit a request for a statutory waiver, or submit a written disqualification (recusal). The agency may reassign the employee to duties that do not conflict with his interests or, if necessary, may refer relevant information to enforcement officials for investigation of possible past misconduct.

Both public and confidential financial disclosure reports are kept for six years after the dates on which they were filed.

## Training and Education

One of the major responsibilities of an ethics program is ensuring that all executive branch employees are aware of their responsibilities in conducting themselves and the business of the Government in a manner that is consistent with the standards of conduct expected of them as public servants. This includes not only informing employees, but also helping them understand in practical terms how those statutes and regulations might impact their actions as individual employees.

Working with the Designated Agency Ethics Official in each agency, the Office of Government Ethics provides leadership and coordination on a wide array of activities intended to support this function. In addition to developing and providing materials which can be incorporated in an agency's instructional programs,

OGE provides skilled and knowledgeable instructors to train those who, in turn, train employees. The Office also educates ethics trainers in adult education skills and occasionally provides assistance to agencies in conducting employee ethics training.

Since 1989, pursuant to Executive Order 12674, each agency has been responsible for developing a mandatory annual ethics training program for its employees. The training includes mandatory one-hour briefings on the criminal conflict of interest statutes and the Standards of Ethical Conduct for the following groups of employees:

- all employees appointed by the President;
- all employees in the Executive Office of the President;
- all officials required to file public or non-public financial disclosure reports;
- all contracting officers; and
- any other employees designated by the agency head.

As part of OGE's ongoing process of reviewing regulations and agency ethics officials' concerns that the annual verbal briefing for all covered employees was preventing them from dedicating resources to other desirable ethics training goals, OGE issued on March 12, 1997, an interim rule that significantly amended the mandatory annual verbal briefing requirement.

The interim rule amendments were designed to enable agencies to allocate their training resources in a more flexible and efficient manner, while still providing that all executive branch employees receive sufficient training to

enable them to understand the ethical responsibilities concomitant with their Government position. The interim rule accomplishes this by altering the nature of the ethics briefings that most covered employees receive. Instead of receiving annual verbal briefings, agencies will be able to meet the annual briefing requirement for most covered employees by means of a written briefing for up to two out of every three years. Those employees who file SF 278 Public Financial Disclosure Statements, however, will continue to receive verbal briefings every year.

In the years since the training requirement was implemented, agencies have utilized various training formats, including videotapes, audiotapes, satellite broadcasts, computer-based-training, classroom training, or combinations of these formats. With the training regulation amendments, which went into effect on June 10, 1997, OGE expects to see increased use of printed training materials and, possibly, e-mail dissemination of ethics information. Regardless of the format, the annual training must include, at a minimum, a brief reminder of the Standards of Conduct and the conflict of interest statutes.

Agencies are still required to provide all new executive branch employees with either a summary or the actual text of the Standards of Conduct and any applicable agency supplemental regulations within 90 days of the employees' entry on duty. At a minimum, agencies must provide new employees one hour of official duty time to review the ethics materials and provide the employee the name, address and phone number of the person in the agency whom they may contact for ethics-related advice.

## OGE Accomplishments

### OGE and Presidential Appointments

The first year of any Presidential term brings with it a substantial number of new nominations by the President to positions requiring Senate confirmation. 1997 was not unusual in this regard. Individuals nominated by the President for such positions are required by law to file public financial disclosure reports. These reports are reviewed by the White House Counsel's Office, the agencies in which the nominees will serve, and OGE prior to the nominee's confirmation hearings. While working with the White House and the agencies, OGE conducts the last review and certification of the reports before they are transmitted to the appropriate confirming committees of the U.S. Senate. Rarely will a Senate committee hold a confirmation hearing

without having received the financial disclosure report with OGE's certification and opinion letter. Thus, the first year of a Presidential term requires increased use of OGE's resources in order to fulfill that responsibility without causing any delay in the confirmation process.

The jump in nominations is evident between the last year of a term and the first year of the next term. During 1996, the OGE staff reviewed, coordinated, certified, and forwarded to the Senate 138 public financial disclosure reports for Presidential nominees. For 1997, 323 such reports were processed. On average, 85 to 115 nominees draft reports were pending review and coordination at OGE at any given time during 1997. Chart II reflects the number of public disclosure statements certified by OGE during the period.

### Individual Public Financial Reports Certified to U.S. Senate for Confirmation

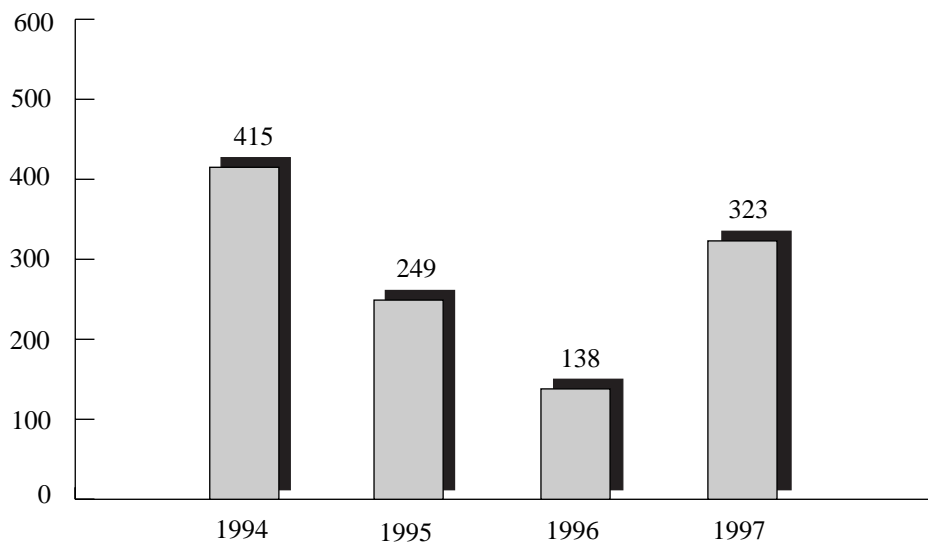


Chart II



The review process for the forms is fairly rigorous. The personal financial information and fiduciary relationships required to be reported on the forms of individuals nominated are thoroughly analyzed, problem areas are discussed, and appropriate remedial steps are fashioned, or agreed to by the nominees, in order to avoid conflicts between the nominees' financial interests or affiliations and their prospective Government positions. These remedial steps may include agreements for recusals, divestitures, resignations, statutory waivers, and/or blind trusts. The blind trusts and divestitures, particularly, entail extensive coordination by the staff of the Office of the General Counsel. Blind trusts, which remedy some problems of conflicts of interest, are highly technical instruments which must closely reflect statutory requirements and implementing regulations.

Upon appointment, an individual seeking to divest assets to avoid an actual or apparent conflict may request a Certificate of Divestiture from OGE to alleviate the financial hardship which may occur through the recognition of otherwise unplanned capital gains. (Executive branch employees, other than PAS appointees, may also request a Certificate of Divestiture should circumstances make divestiture an appropriate conflict avoidance step.) Section 1043 of the Internal Revenue Code allows an eligible person to defer taxes on capital gains from the sale of assets, when that sale is made in order to avoid a conflict of interest or the appearance of a conflict. The determination of qualifying assets and parties covered by a Certificate of Divestiture is strictly limited by statutory and regulatory guidelines. Further, the Director of the Office of Government Ethics will issue a Certificate of Divestiture only upon concurrence with the Designated Agency Ethics Official's determination that the divestiture is reasonably necessary to comply with 18 U.S.C. § 208, or any

other Federal conflict of interest statute, regulation, rule, or Executive order, or if the sale is requested by a Congressional committee as a condition of confirmation. OGE processed 97 requests for Certificates of Divestiture in 1996, and 129 during 1997. Most of these requests were from individuals who had agreed to divestiture during the confirmation process.

During 1996, OGE certified two blind trusts; during 1997, three trusts were certified. Because blind trusts are not required, can be expensive to maintain, and may not quickly solve the conflicts problems arising out of the assets, they are not commonly used. At the end of 1997, there were a total of 19 trusts certified and operational for executive branch employees. This number is well within the average range of the number of blind trusts outstanding at any one time since the full operation of the blind trust program in 1979.

After confirmation and appointment, OGE also tracks a Presidential appointee's compliance with any ethics agreement the appointee made during the confirmation process. These agreements may concern the financial interests of an appointee, or others whose interests are attributable to him, in order to bring the appointee into compliance with applicable ethics laws and regulations and to avoid conflicts of interest with the appointee's Government position. An appointee is to certify, with documentation to OGE, that such agreements have been satisfied within 90 days of confirmation.

In 1996, of the 138 nominees whose public financial disclosure reports were approved by OGE and forwarded to the Senate, 42 entered into agreements affecting their financial interests. In 1997, 157 of 323 nominee/appointees entered into ethics agreements.

## Regulations

### Implementation of 18 U.S.C. § 208 Concerning Financial Conflicts of Interest

On December 18, 1996, OGE published a final rule at 61 Fed. Reg. 66830-66851 implementing the provisions of 18 U.S.C. § 208 concerning financial conflicts of interest. The rule, which became effective on January 17, 1997, generally describes the scope of the prohibition in 18 U.S.C. § 208(a) as well as the circumstances under which OGE has determined that certain financial interests are exempt from coverage under the statute. OGE is authorized under section 208(b)(2) to exempt, by regulation, financial interests that it determines are too remote or inconsequential to affect the integrity of employee services. The exemptions described in the regulation primarily concern interests in mutual funds and other securities, and interests in employee benefit plans such as pensions. The regulation also contains a number of miscellaneous exemptions that apply in limited circumstances or only to particular groups of employees. Finally, the rule provides guidance on the issuance of individual waivers of the prohibition of section 208(a) as permitted under the authority of section 208(b)(1) and (b)(3).

### Agency Supplemental Standards of Ethical Conduct

Pursuant to Executive Order 12674, as modified by Executive Order 12731, executive branch agencies may issue agency specific regulations with the concurrence of the Office of Government Ethics, that supplement the executive branch-wide regulatory standards of ethical conduct. During the 1996-1997 period, OGE concurred in and co-signed 21 department and agency interim or final supplemental standards of ethical conduct regulations. Agency supplemental standards of ethical conduct are codified in title 5 of the Code of Federal Regulations beginning with part 3202.

### Significant Amendments to the Standards of Ethical Conduct for Executive Branch Employees

■ The Hatch Act Reform Amendments of 1993 (HARA) affected various sections of the Standards of Ethical Conduct for Employees of the Executive Branch (Standards). To conform with HARA, the Standards were amended on September 27, 1996 (61 Federal Register 50689-50691). Specifically, the gift exception at 5 C.F.R. § 2635.204(f) was amended to reflect the redefined class of executive branch employees who, pursuant to HARA, may take an active part in political management or political campaigns and to permit those employees to accept meals, lodgings, transportation and other benefits from a political organization. In addition, certain references to the Hatch Act within the Standards were replaced with references to HARA.

### Widely Attended Gatherings Gift Exception

■ On August 20, 1996, the Office of Government Ethics published a final rule to revise the widely attended gatherings gift exception at 5 C.F.R. § 2635.204(g) of the executive branch Standards of Ethical Conduct regulation. The rule, which became effective September 19, 1996, allows agencies to authorize their employees to accept unsolicited invitations to various widely attended gatherings from non-sponsors. The rule also clarifies the definition of “widely attended gatherings” and permits authorization for a guest other than the spouse to accompany an employee free of charge in certain circumstances.

### Certificates of Divestiture

The Office of Government Ethics published final regulations for the Certificate of Divestiture (CD) program on June 25, 1996. The regulations, which became effective on July 25, 1996, include information on when and how

CDs are available and they emphasize that the proposed qualifying divestiture must be a timely disposition under the normal ethics agreement mechanism. Additionally, certain rules have been included in the regulation to prevent unfair and unintended benefits from being conferred by the granting of a CD. The regulations are set forth in subpart J of part 2634 of Title 5, C.F.R.

### **Training**

In response to a number of requests from agencies and ethics practitioners, OGE published an interim rule amending subpart G of 5 C.F.R. part 2638 the "Executive Agency Ethics Training Program" (62 Federal Register 11307-11314) on March 12, 1997. This rule allows agencies to better diversify their training programs. The interim rule balances agency needs to be able to allocate their resources in a more flexible and efficient manner while still providing executive branch employees with sufficient training to understand the ethical responsibilities which accompany their Government positions.

### **Certificate of No New Interests**

On June 24, 1997, OGE issued a final rule amending the confidential financial disclosure regulation (5 C.F.R. § 2634.905(d)), which authorized all executive branch departments and agencies to adopt a standardized certificate of no new interests (OGE Optional Form 450-A). If adopted by an agency, this certificate may be used in lieu of OGE Form 450 by its regular employee annual confidential disclosure filers who qualify. To be eligible, filers must have no new reportable items for themselves, their spouses, and their dependent children since their last report, and no significant change in Government duties. This certificate first became available for use during the October 1997 annual filing cycle.

## **Assessment of Agency Ethics Programs**

During 1996 and 1997, OGE reviewed the ethics programs of numerous Departments and agencies and issued 84 reports to Designated Agency Ethics Officials. Many of these reports made recommendations designed to strengthen agency ethics programs. These reports covered reviews of approximately 140 ethics programs located in Departments and independent agencies and offices. Approximately 80 of the 140 ethics programs reviewed were in the civilian sector of the executive branch, while the remaining were in the defense sector.

Relative consistency in PRD staffing permitted OGE to conduct a number of program reviews in 1996 and 1997 consistent with the number of reviews conducted during the 1994-1995 period. Eighty-four reports were issued during the 1996-1997 period, and an additional 34 follow-up reviews were conducted to verify agencies' progress on implementing recommendations resulting from ethics program reviews.

For a detailed listing of reports issued during 1996 and 1997, see Appendix I.

During 1996 and 1997, OGE conducted first-time reviews of several agencies, including certain Department of Defense components (the U.S. Army Aviation Center at Fort Rucker, the U.S. Army Armor Center and the U.S. Army Recruiting Center at Fort Knox, and the American Forces Information Service), the Indian Health Service, and the Office of National Drug Control Policy.

Through these reviews, OGE confirmed that many agencies have sound ethics programs. The quality of these programs is primarily due to experience and consistency of the agency staff carrying out the program. OGE also found that many agencies have developed and are implementing active and comprehensive ethics

education and training programs tailored to their agencies' needs. In addition, significant improvements to agencies' public and confidential financial disclosure systems were noted.

While many reviews identified significant improvements in some agencies' ethics programs, deficiencies were found in agencies' programs. The reports issued during 1996 and 1997 contained 182 recommendations for improving agencies' ethics programs. This included issuing Notices of Deficiency to six agencies when OGE found ethics programs that were in need of significant improvement or programs that were highly problematic.

As we noted in our Fourth Biennial Report, the most frequent recommendations were those for improving agencies' public or confidential financial disclosure systems. These recommendations focused upon improving the timeliness of collecting and reviewing financial disclosure reports, ensuring that the reports are thoroughly reviewed to eliminate technical deficiencies, and ensuring that employees who meet the criteria for filing reports—especially those who are new entrant filers—are notified of the reporting requirements.

To determine whether agencies had taken action to implement previous report recommendations, OGE conducted 34 follow-up reviews on reports issued during 1996 and 1997. As a result of the follow-up reviews, OGE was able to determine by December 31, 1997, that agencies appropriately had responded to 100 of the 182 recommendations, thus allowing them to be "closed". At agencies where follow-up reviews were conducted in the past two years, only 14 recommendations remained open. While in some cases the recommendation could not be closed at the time of the follow-up review, OGE staff observed that, in many instances, preliminary improvements had begun.

In addition to these on-site agency program reviews, the OGE desk officers of Education

and Program Services Division who are often in daily contact with ethics officials of their assigned agencies, the attorneys in the General Counsel's office who assist agency ethics officials in applying statutory and regulatory requirements to specific factual situations, and reviewers in the Financial Disclosure Division who can discern trends in the agency reviews of its Presidential appointee annual disclosure reports can and do detect problems in agency programs which are not on the review calendar of Program Review Division for that year. These additional insights into a program can cause an early, out-of-cycle review of an agency program and will result in closer, more focused attention of OGE.

Finally, OGE also conducts reviews of single issues that are common to all agency programs rather than of individual agency programs. During 1996-97, OGE conducted three of these single issue reviews. They included an assessment of agency ethics training programs, the structure of agency ethics offices (placement within agency, staff and resources), and the alternative and supplemental confidential financial disclosure systems. An assessment of ethics programs at field offices was begun during 1997 and is still underway.

## **New Ethics Education Products**

In 1996, OGE released three new ethics training videotapes for agencies to use in meeting their annual ethics training requirements. These tapes have been highly praised by ethics officials as an effective means of conducting ethics training for employees at all grade levels. The videotapes are summarized below:

■ **Ethics Inquiry** is a 45-minute news magazine show. News anchors in Los Angeles and New York host four reporters each providing an in-depth look at different ethics topics. Each

reporter brings a unique approach to the topics of their stories that are educational, interesting and a bit entertaining. Topics include: Gifts from Outside Sources, Gifts Between Employees, Conflicting Financial Interests and Impartiality.

■ **The Battle for Avery Mann** is the story of an average executive branch employee's struggles with the rules governing every day conduct. Throughout the story, Avery is faced with different dilemmas including using Government equipment for personal documents, accepting a gift from a subordinate and working on a project that involves his outside employer. Avery finds himself caught between what he knows is the right thing to do and what may not be right but would be more convenient or beneficial to him.

■ **The Revolving Door** is a news show that addresses the issues surrounding the seeking employment and post-employment restrictions on executive branch employees. Throughout the show, viewers are provided periodic updates from a reporter covering a Congressional Hearing on Capitol Hill focused on one employee's possible violation of the post-employment law.

Within six months of their release, several thousand copies of the three new videotapes had been sold. In fact, "The Battle for Avery Mann" has won awards at three industrial film festivals.

In April 1996, the Office of Government Ethics joined forces with the Government Alliance for Training and Education (GATE) and with support from the Department of Veterans Affairs, produced and broadcast a one-hour satellite training session on seeking employment and post-employment issues. The broadcast incorporated video clips of post-employment scenarios followed by a discussion of the issues raised by an OGE attorney and an agency ethics official. In addition, employees who

were watching the broadcast had the opportunity to call into the studio with questions about the seeking employment and post-employment rules. The initial broadcast was watched by approximately 30,000 executive branch employees. Thousands of other employees were able to view a videotape of the broadcast.

Throughout 1996 and 1997, the Education and Program Services Division, in conjunction with the Office of General Counsel, has been developing easy-to-read trifold pamphlets to increase employee awareness of the ethics related rules and regulations as well as provide additional clarification to ethics officials who are responsible for counseling employees in these areas.

To date, OGE has produced pamphlets covering the post-employment rules, the new 18 U.S.C. §208 waiver regulations, gift acceptance authorities and gifts from outside sources. In addition, OGE revised and updated its brochure describing the functions of the Office. Over the next two years, OGE expects to produce additional pamphlets covering the remaining sections of the Standards of Ethical Conduct and the Conflict of Interest Statutes.

## Web site

OGE introduced its Web site at the 1996 Government Ethics Conference. The Web site provides information about all OGE program areas. It outlines the services that OGE provides to other executive branch agencies and provides the complete texts of applicable Executive orders, statutes, regulations, advisory letters, DAEOgrams, OGE forms publications and reference materials. It also includes issues of the **Government Ethics Newsgram**, written information on OGE's videos, CD-ROMs and audio training materials. The OGE Web site averages about 34,000 "hits" or visits a month and can be accessed through the Internet at <http://www.usoge.gov>.



## Conferences and Training

During 1996 and 1997, OGE planned, organized and hosted the sixth and seventh annual government ethics conferences. Over the years, these conferences have provided and continue to provide these officials with an opportunity to convene to discuss common problems and concerns and to share solutions at a site away from the immediate demands of their offices. These conferences

are also designed as an opportunity for OGE to communicate directly with the entire ethics community. Interest in these conferences has remained high and OGE has had to limit participation because of the size of the facilities in which they were held. OGE tries, however, to ensure that all agencies have an opportunity to send at least one representative. As a result, at least 100 agencies have been represented at each of the conferences.

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### These annual ethics conferences have occurred as follows:

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1997	Williamsburg, VA	450 participants
1996	Philadelphia, PA	475 participants
1995	Williamsburg, VA	475 participants
1994	Baltimore, MD	450 participants
1993	Hershey, PA	400 participants
1992	Virginia Beach, VA	200 participants
1991	Virginia Beach, VA	200 participants

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In 1996, OGE solicited ideas from agency ethics officials on the topics they were most interested in having included in the conference program. In 1997, OGE took the solicitation a step further by requesting agency ethics officials to not only provide input on the topics but to develop proposals for the concurrent session portion of the conference. The proposals

included the type of session (i.e. panel, single speaker, debate, etc.), proposed moderator and panelists, and a brief description of the session. This approach further engaged the ethics community in developing the conference program and expanded opportunities for any ethics official to participate in the conference.

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These conferences continue to be a focal point in the ethics community for exchanging information, discussing difficult issues, and brainstorming on how best to disseminate ethics information to the employees of the executive branch.

In addition, in 1996, in response to a training needs analysis, OGE expanded its ethics training course offerings to include introductory level modules targeted at ethics officials who had little or no experience in the ethics area. The first of these modules was introduced at the 1996 annual ethics conference and covered topics such as Gifts from Outside Sources, Gifts Between Employees, Widely Attended Gatherings and SF 278 Public Financial Disclosure Report Review. The modules were highly praised by conference attendees. Subsequent to their introduction, OGE has conducted these introductory-level modules 19 times in the Washington DC area. At the 1997 annual ethics conference, additional introductory-level modules covering post-employment, misuse of position, and OGE Form 450 Confidential Financial Disclosure Review were introduced. These modules were also highly praised by conference attendees.

Throughout 1996 and 1997, OGE continued to offer a four-hour overview course for more experienced ethics officials. During this time, OGE conducted a total of 26 sessions in 14 different regional cities, and Washington, DC. In 1997, OGE began developing more advanced single topic modules, one of which was beta tested at the 1997 annual government ethics conference. These advanced modules are expected to be completed in 1998.

## Outreach

During this period, there was a marked increase in interest in measures designed to thwart corruption in Governments around the world. In response to requests from the various foreign policy arms of the U.S. Government as well as requests from foreign countries and multinational organizations for information on the U.S. Federal ethics programs, the Office of Government Ethics (OGE) developed a small outreach program to deal with these demands. Many of these activities involved meeting with delegations from individual countries or multinational delegations sponsored by USIA or AID funded organizations. However, in several instances, OGE was requested to provide consultation on design and implementation of ethics programs abroad. Working through various foreign policy programs (State, AID, USIA, Treasury, Commerce, OMB), and as personnel resources allowed, OGE provided such consultation to several countries.

During this biennial period, more than 400 visitors from over 50 countries were briefed in our Offices. These briefings detailed the legal structure, the design of the Office and the organization of the ethics community in the executive branch of the United States.

Additionally, OGE personnel participated in anti-corruption programs in South Africa, China, Russia, the Ukraine, the Republic of Georgia, Argentina, Chile, Phillipines, Jordan and Namibia. While OGE provided the personnel for these activities, all travel expenses were funded by the sponsoring agency or entity.

At the request of other U.S. agencies, OGE staff also participated in the drafting of the Inter-American Convention Against Corruption and the Ethics working group at the Organization of Economic and Community Development (OECD).

During the period, OGE also instituted a domestic outreach program designed to facilitate communication on ethics issues with companies and organizations that interact with, have an interest in, or do business with the Federal Government. In addition to working closely with the Council on Government Ethics Laws (representing state and local ethics officers in the U.S. and Canada), OGE worked with the Defense Industry Initiative, the Conference Board and the Ethics Officer's Association (EOA). The EOA has a membership of more than 500 compliance and ethics officers from businesses and corporations throughout the United States.

OGE representatives provided presentations for, or consulted with, corporations such as United Technologies, Pitney-Bowes, and Lockheed-Martin as well as organizations such as the Ethics Resource Center, the Josephson Institute, the National Academy of Public Administration, the American Society of Public Administration, and the Council for Excellence in Government. Finally, OGE representatives provided lectures or briefings at over a dozen colleges and universities, including the University of Virginia, University of Missouri, Indiana University, Connecticut College, University of Miami, George Mason University, George Washington University, Emory and Henry College, and Georgetown University.

## Strategic Planning

**D**uring the years covered by this report, OGE as well as almost all agencies within the executive branch were required by the Government Performance and Results Act to develop, in consultation with Congress, a five-year Strategic Plan beginning with Fiscal Year 1999. The Mission Statement and the Goals and Objectives of that Plan are found in Appendix III.



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## Public Document Service

**O**GE serves as the primary source for the general public for Public Financial Disclosure Reports (SF 278) filed by Presidential appointees. A copy of any of these reports is provided to any person or organization who makes a request and who completes a statutorily mandated public request form (OGE Form 201). OGE also collects and releases upon request, Agency Travel Acceptance Reports filed by executive branch agencies.

### Public Financial Disclosure Reports

OGE is the repository of the public financial disclosure reports filed by officials in high executive branch posts, including the President and the Vice President and those holding Presidential appointments requiring confirmation by the Senate. OGE releases publicly available financial disclosure reports to members of the public who request them.

OGE receives letters or phone calls from news organizations, public interest groups, and the general public asking for copies of reports on one or more individuals who are required to file with OGE. In 1996, OGE received 162 requests for copies of 657 reports. In 1987, OGE received requests for 227 copies of 806 reports.

### Agency Travel Acceptance Reports

The Ethics Reform Act of 1989 contains a provision which permits executive branch agencies to accept travel and related expenses from non-Federal sources. This authority allows organizations sponsoring certain types of meetings and events to pay agencies for the travel expenses of executive branch employees who attend instead of the agencies expending Government funds to send the employees.

Each agency accepting travel payments over \$250 for such purposes from a non-Federal source must report that acceptance on a semiannual basis to the Office of Government Ethics. The agency must report the nature of the event to which the employee traveled, who paid the travel expenses, how much was paid, which employee traveled, and when the event occurred. These reports are made public upon request.

In 1997, OGE received 5 requests from news organizations and public interest groups for copies of these reports. In 1996, there were 3 requests.

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## Litigation

OGE has been a party to five cases during the reporting period. Three involve constitutional challenges under the First Amendment and two challenged OGE determinations made under the Freedom of Information Act. One of the First Amendment cases involved a challenge to the statutory ban on receipt of honoraria; a second involves a challenge to a provision in the Standards of Ethical Conduct relating to a ban on acceptance of travel expenses for certain outside teaching, speaking, and writing activities; and the third concerns a statutory prohibition on certain communications by Government employees to the Government on behalf of others. Both of the non-constitutional cases upheld OGE's determinations under FOIA.

### A summary of each case follows:

*United States v. National Treasury Employees Union*, 513 U.S. 454 (1995).

In November 1989, Congress enacted the Ethics Reform Act of 1989, which included a provision that prohibited Members of Congress and officers and employees of the Federal Government from accepting honoraria for an appearance, speech or article. In 1991, this provision was amended to exclude from the definition of honorarium any series of appearances, speeches or articles unrelated to the employee's official duties or status. The Office of Government Ethics issued regulations at 5 C.F.R. part 2636 implementing the honoraria restriction with respect to executive branch employees.

Subsequently, several employee unions as well as a number of individual executive branch career employees sued to have the honorarium restriction struck down as unconstitutional. The United States District Court for the District of Columbia certified a class consisting of all executive branch employees below GS-16 who,

but for the honoraria ban, would have received honoraria. On March 19, 1992, the district court held that the honoraria ban was an unconstitutional abridgement of First Amendment rights as it applied to executive branch employees. See *National Treasury Employees Union v. United States*, 789 F. Supp. 4 (D.D.C. 1992). The district court enjoined enforcement of this provision but stayed its judgment pending appeal. The Government appealed from the judgment and injunction and the plaintiffs appealed from the stay.

In a split decision, the United States Court of Appeals for the District of Columbia Circuit affirmed the decision of the district court. See *National Treasury Employees Union v. United States*, 990 F.2d 1271 (D.C. Cir. 1993). The Government appealed to the Supreme Court.

On February 22, 1995, the United States Supreme Court issued a decision that affirmed in part the decision of the appeals court. *United States v. National Treasury Employees Union* (NTEU), 513 U.S. 454 (1995). The five member majority upheld the decision of the appeals court as it applied to the certified claim of employees that had challenged the honoraria ban but reversed it insofar as it granted relief to a class of senior executive branch officials who were not represented in the groups of employees who had taken the case to court.

The Supreme Court remanded the case to the district court. On February 26, 1996, while the case was pending before the district court, the Office of Legal Counsel issued a memorandum opinion concluding that the honoraria ban is not severable and that, therefore, after *NTEU*, there are no remaining applications of the honoraria ban — for example, to employees of the legislative or judicial branches or to high-level executive branch officials. On remand, the parties could not agree on the terms of a final order.

Pursuant to the Government's motion, however, the district court dismissed the case as moot. Thereafter, plaintiffs appealed the dismissal.

On January 2, 1997, the parties filed a joint stipulation under which the Government agreed that the honoraria ban is unconstitutional insofar as it applies to all plaintiffs whose interests were resolved in *NTEU* and further agreed not to enforce the honoraria ban against any such plaintiffs. For their part, plaintiffs agreed to dismiss their appeals. On January 2, 1997, the district court issued an order which, incorporating the joint stipulation, finally dismissed the case.

OGE is in the process of amending its regulations to conform to *NTEU*.

*Sanjour v. Environmental Protection Agency*, 56 F.3d 85 (D.C. Cir. 1995).

This case involves a First Amendment challenge by two EPA employees to 5 C.F.R. § 2635.807, and its prohibition on employee acceptance of travel expense reimbursements from non-Government sources in connection with certain unofficial speech relating to agency programs.

On February 19, 1992, the United States District Court for the District of Columbia upheld the constitutionality of the regulations. See *Sanjour v. Environmental Protection Agency*, 786 F. Supp. 1033 (D.D.C. 1992). The United States Court of Appeals for the District of Columbia Circuit in a split decision affirmed the decision of the district court. *Sanjour v. Environmental Protection Agency*, 984 F.2d 434 (D.C. Cir. 1993). Subsequently, the full court granted rehearing *en banc*.

On May 30, 1995, the U.S. Court of Appeals for the District of Columbia Circuit, in a 5-4 *en banc* decision, reversed the district court's

opinion and held invalid the prohibition on travel expense reimbursement. The court explicitly reserved judgment, however, on the constitutionality of the rule as applied to "senior" executive branch employees. *Sanjour v. Environmental Protection Agency* (Sanjour), 56 F.3d 85 (D.C. Cir. 1995) (*en banc*).

After the court of appeals issued its decision, the Solicitor General decided not to petition for further review in the Supreme Court. The case was remanded to the district court for entry of a final order. In the district court, the parties were unable to agree upon the relief to which the plaintiffs are entitled as a result of the court of appeals decision. The parties have filed briefs on the question of the appropriate relief and, at the time of this report, await issuance of the court's final order.

On May 21, 1997, while the case remained pending in the district court, OGE issued a memorandum to Designated Agency Ethics Officials recommending partial nonenforcement of section 2635.807(a) pending the district court's issuance of a final order on remand and until further notice. Specifically, the memorandum recommends that ethics officials not enforce against "non-senior" employees that application of the travel expenses ban which the court of appeals, in OGE's view, clearly addressed in its *en banc* opinion.

After the district court issues its order, OGE intends to amend its regulations to conform to the appellate court's ruling, as clarified by the district court order.

*Jeffrey van Ee v. U.S. Environmental Protection Agency and U.S. Office of Government Ethics*, No.1:95CV02079 (NHJ) (D.D.C. filed November 11, 1995).

Plaintiff, an employee of the Environmental Protection Agency, filed suit against EPA and OGE in November 1995. He challenges, on First Amendment grounds, both 18 U.S.C. § 205 — the prohibition on employees’ acting as “agent or attorney” for others before the Government in connection with certain particular matters — and the appearance principle in the Standards of Ethical Conduct insofar as the latter would preclude an employee from appearing to engage in representational activity precluded by 18 U.S.C. § 205. He also challenges as improper defendants’ interpretation of some of the terms used in section 205, including the term “particular matter.” He contends that the statute prohibits only legal or “quasi-legal” representation in formal adversarial proceedings.

On February 10, 1997, the U.S. District Court for the District of Columbia denied plaintiff’s motion for preliminary injunction. The parties completed briefing on cross-motions for summary judgment at the end of July and, at the time of this report, await the court’s decision.

*Judicial Watch, Inc. v. H.R. Clinton*, 76 F.3d 1232 (D.C. Cir. 1996), *affirming* 880 F. Supp. 1 (D.D.C. 1995)

In the summer of 1994, two private organizations, Judicial Watch, Inc. and the National Legal and Policy Center, brought a lawsuit alleging that the Presidential Legal Expense Trust, the President’s legal defense fund, should be chartered under the Federal Advisory Committee Act (FACA) and should respond to a documentary request made under the Freedom of Information Act (FOIA). The plaintiffs also complained of the withholding of certain documents by OGE under the FOIA.

In an opinion issued in February 1995, the U.S. District Court of the District of Columbia found

that the President’s legal defense fund did not constitute a Federal advisory committee and was not subject to the FOIA and, further, that the documents at issue before the Court were properly withheld by OGE. *Judicial Watch, Inc. v. Clinton*, 880 F. Supp. 1 (D.D.C. 1995).

Judicial Watch appealed the dismissal of its claim that the Presidential Legal Expense Trust Fund must comply with the requirements of FACA and must return all funds collected while allegedly in violation of FACA. On February 23, 1996, the U.S. Court of Appeals for the District of Columbia Circuit affirmed the district court decision. 76 F.3d 1232. The appellate court said it was likely that the Trust was not primarily advisory in nature and that even if it were, it still would not be an advisory committee under FACA because the advice called for is not directed to Governmental policy.

Plaintiffs did not petition for rehearing or for *certiorari* and the time within which to do so has since expired.

*Schwarz v. OGE*, No. 96-0594 (D.C. Cir., *per curiam* order filed October 23, 1996), *affirming* No. 96CV00528 (D.D.C. Memorandum & Order filed March 18, 1996).

In February 1996, an individual plaintiff, appearing *pro se*, filed a complaint challenging OGE’s determination that it had no records responsive to plaintiff’s request. The U.S. District Court for the District of Columbia dismissed plaintiff’s complaint as without basis in law or fact, *Schwarz v. OGE*, No. 96CV00528 (D.D.C. March 18, 1996), and the U.S. Court of Appeals for the D.C. Circuit summarily affirmed, *Schwarz v. OGE*, No. 96-0594 (D.C. Cir. October 23, 1996) (*per curiam*).

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## General Agency Management

**R**eorganization was a major theme in the Office of Government Ethics early in 1996, as the agency moved to put increased emphasis on its education program and other services by expanding the full range of educational, technical, and management assistance it provides to executive branch agencies. The merging of the former Office of Education and the Program Assistance Division into a new Education and Program Services Division resulted in additional resources being made available to allow the education program to expand and become more diverse. The creation of a new Financial Disclosure Division, under the umbrella of an Office of Agency Programs, has enabled OGE to place greater emphasis on its annual and termination financial disclosure and Presidential appointee ethics agreement systems.

OGE has continued its reimbursable cross-servicing agreement with the U.S. Department of Agriculture National Finance Center for such common administrative support services as payroll/personnel, billings and collections, administrative payments, and accounting.

After almost four years in the review and clearance process, OGE's Drug-Free Workplace Plan was certified in April 1996 by the

Department of Health and Human Services as meeting the requirements of Executive Order 12564 and applicable provisions of law. The first random drug testing was carried out in the summer of 1997 under an interagency agreement OGE entered into with the Department of the Interior to provide drug/alcohol collection and laboratory analysis services.

In showing its support to the Welfare to Work Federal Hiring Initiative announced by the President in March 1997, OGE submitted to the National Performance Review its plan for identifying categories of work within the agency that could be targeted for having the best success in bringing a welfare recipient in to OGE and the Federal employment while offering a rewarding job opportunity to the individual as well.

OGE has continued to foster increased use of information technology by emphasizing the efficiencies afforded by the automated Employee Express system which allows employees to process a number of their own discretionary personnel and payroll transactions 24 hours a day, seven days a week, without using paper forms.

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## Resources

OGE's program is heavily weighted towards the provision of professional services. The Agency does not provide grants, engage in construction projects, use substantial equipment, or engage in many of the types of programs for which other agencies require funds. Therefore, OGE's appropriated resources (other than rent) are primarily devoted to the salaries and benefits of the staff who carry out OGE's programs—the assessment of ethics agency programs, the development of educational and training materials and programs, the provision of advisory and interpretative assistance, the development of policy and the issuance of regulations. Charts III and IV indicate the general allocation of funds and distribution of employees among the several program areas of OGE.

In FY 1996, OGE had a ceiling of 84 FTEs and an appropriation of \$7.8 million. In FY 1997, OGE had a funding level of \$8.1 million and a FTE ceiling of 84. Its use of those resources is noted in Chart V. As indicated, a focus of the Office has been efficient enhancement of the professional services offered by the staff of OGE as well as the innovative use of technology to assist in meeting the increasing needs of agencies whose programs are receiving less funding. We believe we have been successful, but are not unaware that continually diminishing resources throughout the Government in the coming years will increase the demands on OGE's services and thus necessitate an increase in our inventiveness in meeting those demands.

### Staffing

Central to the successful achievement of the goals and objectives established for OGE are the staffing resources assigned to the programs. Staff equated to 80 full-time equivalent positions (FTE) in 1996 and 77 in 1997. Chart III reflects the utilization of those staff resources during this two-year period.

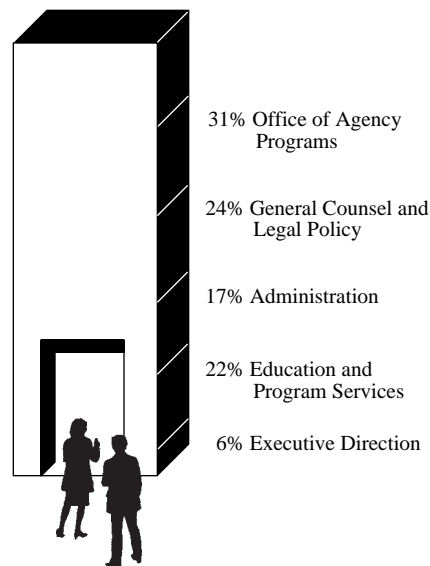


Chart III

### Funding

Funding resources including reimbursable obligations obligated to realize agency programs totaled \$7.8 million in Fiscal Year 1996 and \$7.6 million in Fiscal Year 1997. Chart IV reflects how those resources were shared within OGE.

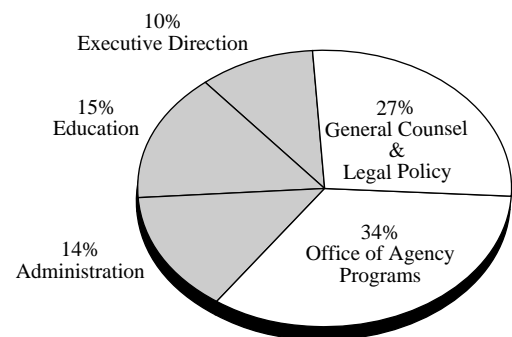


Chart IV

## Office of Government Ethics

Resources by Unit (dollars in thousands)

Unit	FY 1996 Actual		FY 1997 Actual	
	FTE*	Amount**	FTE	Amount**
Office of the Director	5	\$ 747	5	\$ 853
Office of Agency Programs	25	\$2,978	24	\$2,263
Office of General Counsel and Legal Policy	19	\$2,097	19	\$2,038
Education and Program Services	18	\$1,012	16	\$1,325
Office of Administration	13	\$ 973	13	\$1,097
<b>Total</b>	<b>80</b>	<b>\$7,807</b>	<b>77</b>	<b>\$7,576</b>

\* Full-Time Equivalent Personnel

\*\* Includes Reimbursable Obligations

*Chart V*



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## Office of Government Ethics Program Offices

### Office of General Counsel and Legal Policy

The Office of General Counsel and Legal Policy (OGC) at OGE is responsible for establishing and maintaining a uniform legal framework of Government ethics for executive branch employees, and for assisting agencies in its implementation. As such, OGC is the primary policy office within OGE. To accomplish this broad purpose, the General Counsel staff's major responsibilities are to develop ethics regulations, provide interpretive guidance and enforcement liaison, coordinate Presidential nominee financial disclosures, assist with ethics education, and provide adjunct services for several other ethics-related statutory programs.

Specifically, OGC assists the Director in coordinating with the White House, the Department of Justice, the Office of Personnel Management, the Office of Management and Budget, and Congress on all ethics policies and requirements in the executive branch, including liaison on pending legislation and regulations. Through such coordination, OGC develops and publishes regulations and forms implementing executive branch ethics program requirements established by Executive orders and statutes.

In order to promote a uniform application and understanding, OGC provides interpretive guidance and information to agency ethics officials, employees, and the public on all ethics regulations and statutes, including the standards of conduct rules, the criminal conflict of interest statutes, the civil ethics statutory restrictions, and public and confidential financial disclosure requirements. This is accomplished by means of written and oral legal opinions, as well as by assisting OGE's Office of Education in the development of materials and providing official speakers and panelists at various forums throughout the country.

Further, OGC fulfills a consultative role of assisting agency ethics officials with the application of these statutes and regulations to specific factual situations, and it coordinates with the Department of Justice in enforcement of the criminal conflict statutes and the civil ethics-related statutes.

One of the primary responsibilities of OGC is to review public financial disclosure reports of Presidential nominees, as part of the Senate confirmation process, including the development of ethics agreements for divestitures, recusals, and other remedial actions where necessary to avoid conflicts. Matters involving financial disclosure also include administering the qualified blind trust program for the entire executive branch, as well as the issuance of certificates of divestiture to permit deferral of tax on certain capital gains realized through the sale of assets to avoid conflicts with executive branch service.

Finally, OGC provides in-house counsel services for OGE in carrying out its own Agency functions, and it provides adjunct services for several other statutory programs. These include advisory services to Independent Counsels; coordination with the General Services Administration on the issuance of regulations pertaining to agency gift acceptance of travel and with the Federal Acquisition Council on the issuance of regulations on procurement integrity; and consultation to agency ethics officials in their waiver determinations under the criminal conflict of interest statute, 18 U.S.C. § 208, for employees who may be permitted to participate in official matters where they hold insubstantial interests.

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## Office of Agency Programs

**A**t an OGE oversight hearing in 1990, the Chairman of the Subcommittee on Oversight of Government Management, Senate Committee on Governmental Affairs, urged OGE to be more assertive in gaining compliance from agencies on recommendations made as a result of its program reviews. The lack of necessary personnel to conduct the reviews was noted in a General Accounting Office (GAO) review of OGE's agency oversight role. GAO found that the Office could not meet its goal of reviewing an agency's ethics program every three years because of limited staffing. It also recommended that OGE strengthen its oversight through more aggressive follow-up with agencies on remedial actions taken.

With the support of the Administration and the Congress, the Office of Government Ethics received the financial and personnel resources necessary to address the concerns expressed by the Chairman of the Subcommittee and by the General Accounting Office.

Resource increases were primarily applied to strengthening the program review function and establishing the agency desk officer system. The on-going agency ethics liaison and review activities are conducted in the Office of Agency Programs (OAP), formerly the Office of Program Assistance and Review. OAP is comprised of three divisions: the Education and Program Services Division (EPSD) and the Financial Disclosure Division (FDD), where OGE desk officers serve as liaisons to specific agencies, and the Program Review Division (PRD), where management analysts conduct

agency ethics program reviews. Although the divisions are interrelated, each one will be described here separately.

## Education and Program Services Division

**T**he Education and Program Services Division (EPSD) provides day-to-day assistance to department and agency ethics personnel in the administration and operation of their ethics programs. Additionally, the division develops quality ethics education materials and training courses for use by all executive branch agencies.

The Ethics Specialists, or Desk Officers, in this division serve as the primary point of contact for agency ethics officials in more than 125 departments and agencies. In this liaison role, they provide information and assistance on technical matters as well as various substantive ethics issues. Since the Desk Officer program began in 1990, the Desk Officers have been able to develop knowledge, insight and understanding of each agencies' ethics program by making personal contact with the agency officials a high priority. As a result, OGE has enjoyed more effective communication with the agencies it serves and the agencies have experienced increased access to OGE.

### **In addition to providing daily assistance to ethics officials, the Desk Officers:**

- assist agencies in implementing recommendations made by OGE following Program Review Division reviews of their program;
- assist with agency ethics training by identifying sources of training materials, providing training to the officials responsible for employee ethics training and participating in actual employee ethics training sessions.

- review the annual and termination public financial disclosure reports of approximately 1000 Presidential appointees confirmed by the Senate and approximately 125 Designated Agency Ethics Officials to ensure that public reports are completed and do not raise any unaddressed questions of potential conflict of interest;

- review, along with the Office of General Counsel, public financial disclosure reports submitted during the confirmation process by Presidential nominees who require the advice and consent of the Senate prior to appointment.

Section 402(b)(14) of the Ethics in Government Act of 1978, as amended, makes the Director of OGE responsible for “providing information on and promoting understanding of ethical standards in executive agencies.” Under implementing regulations at 5 C.F.R. § 2638.203(b)(6), each Designated Agency Ethics Official must ensure that an education program for agency employees concerning all ethics and standards of conduct matters, including post-employment matters, is developed and conducted in cooperation with the education program of the Office of Government Ethics.

The EPSD assists Departments and agencies in insuring that quality ethics education programs are provided to almost five million executive branch employees and materials are made available to facilitate these programs. In order to accomplish this goal the EPSD:

- provides classes for trainers and practitioners in both Washington, DC and the Federal regions;

- creates materials and media presentations on ethics rules and policies;

- provides guidance for agencies in the design of their ethics training programs;

- maintains within the Ethics Information Center a central repository of ethics training materials from executive agencies;

- plans and supports conferences and meetings;

- coordinates joint agency cooperation in the creation of training materials and the development of universal ethics courses; and

- coordinates and analyzes the annual agency reports to OGE.

EPSD publishes OGE’s *Government Ethics Newsgram*. Issued at least three times a year, the *Newsgram* informs the ethics community about OGE activities as well as various agency activities that are of interest generally.

In 1996, the Education and Program Services Division took over responsibility for updating, revising and maintaining the Ethics CD-ROM. With technical support from the Office of Information Resources Management, OGE produced three updates to the CD-ROM. In addition, a new search mechanism has been included on the CD to provide easier research capabilities.

The Education and Program Services Division continues to maintain the Ethics Information Center, a repository of ethics training materials, for ethics officials executive branch wide. The Center provides a central location from which ethics officials, responsible for training, may customize their training session using OGE and other agency ethics training materials such as

videotapes, computer-based games and prepared presentation materials. During 1996 and 1997, over 280 individuals, primarily from executive branch agencies, have visited the Center. In addition, in 1996, OGE conducted a survey of the Center's visitors to identify ways in which the Center might be more useful to its users. The survey results showed that overall visitors were very happy with the Center's services, especially the staff support. The most useful materials cited by respondents were training videotapes.

In 1997, the Center manager began upgrading and revising the Center's computerized catalog of available materials. The catalog will eventually be included on the OGE Web site.

### Financial Disclosure Division

The Financial Disclosure Division (FDD) has primary responsibility for tracking, collecting, and reviewing the annual and termination public financial disclosure reports of approximately 1,000 Presidential appointees confirmed by the Senate and approximately 125 Designated Agency Ethics Officials (DAEOs).

FDD maintains an automated system that tracks all PAS appointees and DAEOs and works closely with agency ethics officials to ensure that all reports are filed and complete, in accordance with the Ethics in Government Act and implementing regulations. It ensures that all filers are free of any conflicts of interest or the appearance of conflicts. FDD makes the public financial disclosure reports available to the public and the news media upon request.

FDD also tracks a Presidential appointee's compliance with any ethics agreement the appointee made during the confirmation process. These agreements may concern the financial interests of an appointee, his or her spouse, and any dependent children. An appointee is to certify with documentation to OGE, that such agreements have been satisfied within 90 days of confirmation.

FDD also performs all other administrative tasks in relation to the PAS public financial disclosure system. This includes processing requests from agencies for filing exemptions and extensions, as well as requests for waivers of the \$200 late filing fee. FDD advises agencies on matters concerning financial disclosure policies and regulations and is OGE's liaison with the ethics community on financial disclosure issues.

### Program Review Division

The Office of Government Ethics conducts on-site ethics program reviews at headquarters and field offices to determine whether an agency has an effective ethics program tailored to its mission. The reviews are accomplished in accordance with detailed review guidelines and are scheduled in advance in an annual program plan. The guidelines provide a step-by-step approach to examining each of the ethics program elements at an agency, while the program plan specifies the reviews to be conducted during the year, both at headquarters' offices in Washington, DC, and at civilian offices and military facilities in the field. Approximately four weeks or more, typically, are spent at the headquarters of an agency during a review, while reviews at field offices usually last a few days to a week.

Reviews entail a thorough examination of all elements of the ethics program, including specific ethics issues tailored to the mission of the agency. Individual ethics program elements which PRD examines include:

- ethics program structure and staffing;
- public financial disclosure reporting systems;
- confidential financial disclosure reporting systems;
- ethics education and training;
- ethics counseling and advice;
- outside employment and activities; and
- travel payments from non-Federal sources.

Following the review, a report is sent to the Designated Agency Ethics Official which may or may not contain recommendations to improve the ethics program. Since mid-1995, OGE changed its distribution policy and now only sends copies of PRD reports to Agency heads when significant ethics program deficiencies exist. Within the parameters of executive branch laws and regulations, program review recommendations are based on the type of agency program, and focus on the procedures and internal controls that will provide the agency a strong ethics program. Agencies are required to respond to OGE within 60 days concerning the actions they are taking or plan to take on OGE's recommendations. To confirm that the agency has acted on OGE's recommendations, PRD conducts a follow-up review six months from the date of the report.

## Office of Information Resources Management

The Paperwork Reduction Act of 1995 and the Information Technology Management Reform Act of 1996 charge Federal agencies with improving their mission performance and service delivery through the strategic application of information technology. OGE's Office of Information Resources Management (OIRM) is responsible for overseeing and guiding the development, management, and use of information resources and technologies throughout the agency. Its role is to provide the daily technical support services needed in an ever increasing and complex technological environment and, even more importantly, to seek out and integrate these new technologies into the programmatic activities of the agency. In doing so, OIRM:

- assists the program offices in developing and planning for their information technology requirements and incorporating these requirements in OGE's strategic plan and budgetary documents;

- operates and maintains the OGE Web site which replaced The Ethics Bulletin Board System (TEBBS). The OGE Web site provides a graphically rich means of disseminating ethics information materials and makes these materials more accessible and economically affordable;

- works in partnership with the Office of Education in the development, maintenance, enhancement and production of The Ethics CD-ROM, which is issued twice yearly;

- develops and maintains mission critical tracking systems used by various program offices;

- acts as OGE's technical representative in outside agency pilot projects relating to electronic filing by providing technical assistance and ensuring coordination with other OGE program offices; and

- assists the Office of Education in the exploration, development and implementation of new technical methodologies for producing and disseminating ethics training materials.

In 1996, OGE issued a contract for the development of an automated SF 278 computer software program with OIRM responsible for project management. OIRM is working with assistance from the Office of General Counsel and Legal Policy and the Financial Disclosure Review Division in the development of this software program. The program is designed to provide the SF 278 filer with the ability to either complete the SF 278 directly on a form on the computer screen, or to go through an interview process which will integrate the filer's answers into the final form. The form may then be printed, signed and submitted by the filer. Planned additional enhancements to the software include prior and current filing data comparison and the ability to integrate the disclosure form into an acceptable electronic signing and filing process.

## Appendix I

## Program Review Division Reports Issued During Calendar Years 1996 and 1997

(Asterisk signifies that report covers reviews conducted at one or more subunits of the named department, agency, or military installation.)

<b>Civilian Departmental Offices and Components Reviewed</b>	<b>Date Report Issued</b>
<b>Department of Agriculture</b>	08/27/97*
Office of the Secretary	
Agricultural Marketing Service	
Foreign Agricultural Service	
Milk Marketing Administration	
Rural Business-Cooperative Service	
Rural Housing Service	
Economic Research Service and the National Agriculture Statistics Service	02/14/96
<b>Department of Commerce</b>	02/18/97*
Office of the Secretary	
Bureau of Economic Analysis	
National Technical Information Service	
<b>Department of Education</b>	12/29/97
<b>Department of Health and Human Services<sup>1</sup></b>	
Administration on Aging	06/06/96
Agency for Health Care Policy and Research	08/28/96
Food and Drug Administration	10/10/97
Health Resources and Services Administration	07/07/97
Indian Health Service	05/06/97
Substance Abuse and Mental Health Services Administration	07/17/96
<b>Department of Housing and Urban Development</b>	01/13/97*
Office of Federal Housing Enterprise Oversight	

<sup>1</sup>Reviews conducted within Department of Health and Human Services' components resulted in separately issued reports.

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<b>Civilian Departmental Offices and Components Reviewed</b>	<b>Date Report Issued</b>
<b>Department of the Interior</b>	07/30/97*
Office of the Secretary	
Bureau of Land Management	
National Park Service	
U.S. Geological Survey	
<b>Department of Justice</b>	04/25/96*
Office of the Attorney General	
Civil Division	
Civil Rights Division	
Environment and Natural Resources Division	
Drug Enforcement Administration	03/28/96
Federal Bureau of Prisons	01/29/96
U.S. Marshals Service	07/07/97
U.S. Parole Commission	07/16/97
<b>Department of Labor</b>	09/17/96*
Office of the Secretary	
Employment and Training Administration	
Employment Standards Administration	
Mine Safety and Health Administration	
Occupational Safety and Health Administration	
<b>Department of the Treasury</b>	01/14/97*
Departmental Offices	
Bureau of Alcohol, Tobacco, and Firearms	
Bureau of the Public Debt	
U.S. Secret Service	
<b>Department of Transportation</b>	03/20/97*
Federal Highway Administration	
Maritime Administration	
<b>Department of Veterans Affairs</b>	09/30/96*
Central Office	
Baltimore Regional Office	
Chicago Regional Office	
Philadelphia Regional Office	

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<b>Defense Departmental Offices and Components Reviewed</b>	<b>Date Report Issued</b>
<b>Department of Defense</b>	06/06/96*
Office of the Secretary of Defense	
Office of the Assistant Secretary of Defense for Health Affairs	
Office of the Joint Chiefs of Staff	
American Forces Information Service	03/05/96
Armed Services Board of Contract Appeals	12/12/96
Defense Logistics Agency	11/20/97
Defense Nuclear Facilities Safety Board	02/18/97
Defense Special Weapons Agency <sup>2</sup>	01/05/96
<b>Department of the Air Force</b>	06/06/96*
Office of the Secretary	
Office of the Assistant Secretary for Acquisition	
Office of the Deputy Chief of Staff for Logistics	
Air Force Flight Test Center (Edwards AFB, CA)	04/11/96
Air Force Materiel Command and the 88th Air Base Wing (Wright-Patterson AFB, OH)	04/29/96*
Air Mobility Command, the Air Force Communications Agency, the 375th Airlift Wing and the U.S. Transportation Command <sup>3</sup> (Scott AFB, IL)	10/01/96*
Sacramento Air Logistics Center (McClellan AFB, CA)	01/24/96
U.S Strategic Command (Offutt AFB, NE)	07/02/97
55th Air Wing (Offutt AFB, NE)	07/02/97
89th Airlift Wing (Andrews AFB, MD)	01/16/97
377th Airbase Wing (Kirtland AFB, NM)	12/06/96
<b>Department of the Army</b>	06/20/96*
Office of the Secretary	
Office of the Assistant Secretary for for Research, Development, and Acquisition	
Office of the Surgeon General	

<sup>2</sup>Formerly named the Defense Nuclear Agency.

<sup>3</sup>The U.S. Transportation Command is a Department of Defense component located at Scott AFB.

<b>Defense Departmental Offices and Components Reviewed</b>	<b>Date Report Issued</b>
Army Defense Language Institute Foreign Language Center (Presidio of Monterey, CA)	07/22/97
I Corps and the Madigan Army Medical Center (Fort Lewis, WA)	11/24/97*
U.S. Army Armor Center and the U.S. Army Recruiting Center (Fort Knox, KY)	11/14/96*
U.S. Army Aviation Center and Fort Rucker (Fort Rucker, AL)	11/07/96*
U.S. Army Engineering Center and Fort Leonard Wood (Fort Leonard Wood, MO)	12/09/97*
U.S. Army Medical Command, the Brooke Army Medical Center, the Army Garrison, and the Army Medical Department Center and School (Fort Sam Houston, TX)	07/02/97*
<b>Department of the Navy</b>	06/06/96*
Office of the Secretary	
Office of the Chief of Naval Operations	
Naval Sea Systems Command	
Military Sealift Command (Washington Navy Yard, DC)	12/05/97
Naval Air Warfare Center Weapons Division (China Lake, CA)	04/11/96
Naval Facilities Engineering Command (Alexandria, VA)	03/14/96
Naval Postgraduate School (Monterey, CA)	08/14/97
Naval Supply Systems Command (Mechanicsburg, PA)	08/20/97
Naval Surface Force, the U.S. Atlantic Fleet, the Naval Station Norfolk, the Naval Base Norfolk, and the Naval Air Station Norfolk (Norfolk, VA)	07/19/96*
Naval Surface Warfare Center, Carderock Division (Bethesda, MD)	01/07/97
Naval Training Center Great Lakes, the Service School Command, and the Recruit Training Command (Great Lakes, IL)	11/12/96*
Naval Undersea Warfare Center and the Naval Education and Training Center (Newport, RI)	02/18/97*



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<b>Defense Departmental Offices and Components Reviewed</b>	<b>Date Report Issued</b>
<b>U.S. Marine Corps</b> Marine Corps Air Station, the 3D Marine Aircraft Wing of Marine Forces Pacific, and the Marine Corps Logistics Base (El Toro & Barstow, CA)	10/27/97*

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<b>Independent Civilian Agencies and Offices Reviewed</b>	<b>Date Report Issued</b>
Advisory Council on Historic Preservation	04/11/97
African Development Foundation	09/19/96
Board of Governors of the Federal Reserve System	04/29/96
Commission of Fine Arts	07/11/96
Committee for Purchase from People who are Blind or Severely Disabled	01/04/96
Consumer Product Safety Commission	01/05/96
Corporation for National and Community Service	04/30/97
Equal Employment Opportunity Commission	03/26/97
Executive Office of the President <sup>4</sup>	
Council of Economic Advisers	04/30/97
Council on Environmental Quality	01/25/96
National Security Council	11/24/97
Office of Management and Budget	10/17/96
Office of National Drug Control Policy	01/31/97
Office of Science and Technology Policy	04/18/96
Office of the U.S. Trade Representative	01/26/96
Office of the Vice President	03/12/97
The White House Office	02/28/96

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<sup>4</sup>Reviews conducted within Executive Office of the President components resulted in separately issued reports.

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<b>Independent Civilian Agencies and Offices Reviewed</b>	<b>Date Report Issued</b>
Farm Credit Administration and the Farm Credit System Insurance Corporation	08/20/97
Federal Communications Commission	10/22/97
Federal Financial Institutions Examination Council	05/22/97
Federal Labor Relations Authority	05/23/97
General Services Administration	10/30/97
International Trade Commission	09/30/97
Merit Systems Protection Board	08/15/97
National Capital Planning Commission	11/05/97
Nuclear Regulatory Commission	03/06/97
Office of Special Counsel	05/22/97
Social Security Administration Headquarters (Baltimore, MD) Office of Hearings and Appeals Central Office (Falls Church, VA) Social Security Administration Region IV (Atlanta, GA) Office of Hearings and Appeals Region IV (Atlanta, GA)	05/07/96*
Thrift Depositor Protection Oversight Board	01/24/96
U.S. Commission on Civil Rights	04/15/96

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## Appendix II

# Ethics Resource Materials

### VHS Videotapes

The following videos are offered through **INFOCUS**, 341 Victory Drive, Herndon, VA 20170. Telephone: 703-834-0100. A shipping and handling fee based on the number of tapes ordered and preferred shipment option will be added to the order.

#### **Ethics Inquiry**

This 45-minute video explores various standards of conduct issues using a broadcast-quality news magazine format. News “anchors” in Los Angeles and Washington host four field reporters, each of whom provides an in-depth look at different ethics topics while bringing a unique and sometimes humorous approach to their coverage. The result is an educational, interesting and even entertaining program for any level of employee. The program is divided into four segments with each segment devoted exclusively to one of the following topics: gifts from outside sources, gifts between employees, conflicting financial interests and impartiality issues. These segments can be shown separately or collectively, depending upon an agency’s needs and interests. Video is closed-captioned. Price: \$3.75.

#### **The Battle for Avery Mann**

This 20-minute video is the story of an average executive branch employee’s struggles with the rules governing everyday conduct. Throughout the story, Avery is faced with different dilemmas including using Government equipment for personal documents, accepting a gift from a subordinate and working on a project that involves his outside employer. Avery finds himself caught between what he knows is the right thing to do and what may not be right but would be more convenient or beneficial to him. Video is closed-captioned. Price: \$3.10.

#### **The Revolving Door**

This 20-minute video is a news show that addresses the issues surrounding the seeking employment and post-employment restrictions on executive branch employees. Throughout the show periodic updates are provided by a

reporter covering a Congressional Hearing on Capitol Hill focused on one employee’s possible violation of the post-employment law. Video is closed-captioned. Price: \$3.10.

The following videos may be ordered through the **National Technical Information Service**, 5285 Port Royal Road, Springfield, VA 22161. Telephone sales desk: 703-605-6000. A shipping fee will be added to all orders. The amount of the fee is determined by the total value of your order.

#### **Integrity in Public Service: Earning the Public’s Trust**

This 20-minute video uses vignettes to briefly outline the statutes and regulations governing employee conduct. An on-screen narrator provides commentary on the vignettes to clarify particular points. It may be used either with an instructor present or as a stand-alone training tool. Video is closed-captioned. Order number: AVA19802-VNB1. Price: \$55.00.

#### **Guide to the Standards of Ethical Conduct**

This 50-minute video is intended to be used as an aid for ethics officials in educating themselves about the Standards of Ethical Conduct for Employees of the Executive Branch (Standards). It is divided into three sections, each of which summarizes the major provisions of a portion of the Standards. An accompanying study guide contains a brief summary of each subpart and rule. Order number: PB93-780005. Price: \$40.00.

An **audio tape** of the **Guide to the Standards of Ethical Conduct** is also available. Order number: PB93-781409. Price: \$12.50.

#### **The Ethical Choice: Ethics for Special Government Employees**

This 20-minute video follows three Special Government Employees (SGE) through many of the ethical hurdles they face in the course of their Government service. While the video focuses on SGEs, it also addresses many of the rules applicable to all executive branch employees. Video is closed-captioned. Order number: AVA19673-VNB1. Price: \$45.00.

**Public Financial Disclosure: A Closer Look**

This 15-minute video explores the need for high-level executive branch officials to file a public financial disclosure report (SF 278) and emphasizes the importance of completing the report accurately and completely. Video is closed-captioned. Order number: AVA19788-VNB1. Price: \$50.00.

**The Ethics CD-ROM**

The Ethics CD-ROM may be ordered through the Government Printing Office (GPO), Superintendent of Documents' order line at 202-512-1800, or by accessing the GPO Web site at [www.access.gpo.gov/su\\_docs/sale/sale330.html](http://www.access.gpo.gov/su_docs/sale/sale330.html).

NOTE: *The Ethics CD-ROM* is published biannually in January and July. Each subsequent issue contains all information from previous issues and incorporates new material available since the last publication date.

**The Ethics CD-ROM**

This is a multimedia searchable collection of Federal executive branch ethics laws, Executive orders, regulations, advisory opinions, policy memoranda (DAEOgrams), Federal Register notices, and ethics program administration aids. It includes the Office of Government Ethics' (OGE) publications: *A Brief Wrap on Ethics*, *Take the High Road*, *Do It Right*, the public and confidential financial disclosure review guides and the new OGE pamphlets.

This CD-ROM previews sample video and audio clips from each of the OGE ethics videos: *Ethics Inquiry*; *The Battle for Avery Mann*; *The Revolving Door*; *The Ethical Choice: Ethics for Special Government Employees*; *Public Financial Disclosure: A Closer Look*; *Integrity in Public Service: Earning the Public's Trust*; and *Guide to the Standards of Ethical Conduct for Employees of the Executive Branch*. Each video clip lasts three to four minutes and includes complete ordering and pricing information.

Although the CD-ROM is capable of running on either a DOS- or Windows-based personal computer (PC), a Windows-based PC with a sound card is necessary to view the video clips. Price: \$49.00 for annual subscription (two issues).

**Interactive Computer Ethics Training**

This ethics game can be downloaded from the OGE Web site at [www.usoge.gov](http://www.usoge.gov). You may also obtain a copy from the OGE Ethics Information Center by contacting Tonda King at 202-208-8000, extension 1229. The game can be distributed and installed on an unlimited number of computers in any agency.

**Gameshow.P.A.L.®**

This ethics game is the first in a series of new interactive computerized ethics training games available from OGE. This game consists of 25 ethics questions based on an overview of the ethics regulations and statutes. The questions are presented in Jeopardy®-style format and intended to challenge the player's thinking. Players can compete against themselves or other players at a computer workstation. The game is preset at 20 minutes for a single round and includes a bonus and a final question. A running tally is kept of the score as players gain or lose points with their answers. There is no limit to the number of times that an employee may play the game.

**Reference Publications**

These OGE reference publications are available in Adobe Acrobat's PDF file format from The Ethics CD-ROM or the OGE Web site at [www.usoge.gov](http://www.usoge.gov).

**Standards of Ethical Conduct for Employees of the Executive Branch**

This booklet presents the Standards in an easy-to-read format and incorporates all amendments through September 17, 1997.

**Standards of Ethical Conduct for Employees of the Executive Branch**

This booklet is also available in Spanish but does **not** incorporate amendments through September 17, 1997. The **amendments** are available in Spanish as a separate document.

**Informal Advisory Letters and Memoranda and Formal Opinions of the U.S. Office of Government Ethics 1979-1988**

A complete collection of all OGE opinions issued between 1979 and 1988.

**Supplement to the Informal Advisory Letters and Memoranda and Formal Opinions of the U.S. Office of Government Ethics 1989**

A complete collection of all OGE opinions issued in 1989.

**Supplement to the Informal Advisory Letters and Memoranda and Formal Opinions of the U.S. Office of Government Ethics 1990**

Includes all OGE opinions issued in 1990 as well as an index to the 1990 opinions.

**Supplement to the Informal Advisory Letters and Memoranda and Formal Opinions of the U.S. Office of Government Ethics 1991-1992**

Includes OGE guidance issued in 1991 and 1992, a new index for the guidance issued from 1990 through 1992, and a corrected version of the index for the guidance issued from 1979 through 1989.

**Supplement to the Informal Advisory Letters and Memoranda and Formal Opinions of the U.S. Office of Government Ethics 1993**

Includes OGE guidance issued in 1993 and a new index for the guidance issued from 1990 through 1993.

**Supplement to the Informal Advisory Letters and Memoranda and Formal Opinions of the U.S. Office of Government Ethics 1994**

Includes OGE guidance issued in 1994, a new index for the guidance issued from 1990 through 1994, and labels for the first two volumes of OGE guidance.

**Supplement to the Informal Advisory Letters and Memoranda and Formal Opinions of the U.S. Office of Government Ethics 1995**

Includes OGE guidance issued in 1995, and a new index for the guidance issued from 1990 through 1995. Printed copies are still currently available and may be ordered through the Government Printing Office (GPO), Superintendent of Documents' order line, 202-512-1800. Stock number: 052-003-01462-9. Price: \$6.50.

**Public Financial Disclosure: A Reviewer's Reference**

This is a loose-leaf 300-page reference manual for reviewers of Standard Form 278. It contains an introduction to the public financial disclosure system, the procedures and mechanics of review and conflict resolution, summaries of applicable ethics laws and regulations, sample SF 278 entries, model letters and documents related to the review process, and case studies. Printed copies are still currently available and may be ordered through the Government Printing Office (GPO), Superintendent of Documents' order line, 202-512-1800. Stock number: 052-003-01458-1. Price: \$26.00.

**OGE Form 450: A Review Guide**

This bound 60-page reference guide is designed for anyone who reviews the OGE Form 450 or administers agency confidential financial disclosure systems. The guide presents an overview of the confidential financial disclosure system and the specific requirements of the OGE Form 450. The guide includes appropriate reference materials and guidance on conducting effective reviews.

**Booklets**

These booklets are provided in Adobe Acrobat's PDF file format and are available on The Ethics CD-ROM or the OGE Web site at [www.usoge.gov](http://www.usoge.gov). Printed copies of the booklets are still currently available and may be ordered through the Government Printing Office (GPO), Superintendent of Documents' order line, 202-512-1800.

**Do It Right**

This 35-page booklet provides a detailed summary of the conflict of interest statutes and the standards of ethical conduct as they apply to executive branch employees. The booklet uses examples to promote reader comprehension. Stock number: 052-003-01359-2. Price: \$3.25.

**Take the High Road**

This 22-page booklet provides an intermediate level summary of the ethics laws and regulations. It uses a question-and-response format, as well as examples, to help the reader understand the material. Stock number: 052-003-01355-0. Price: \$3.00.

**A Brief Wrap on Ethics**

This 20-page booklet provides an easy-to-read, anecdotal treatment of some of the basic ethics laws and regulations. It uses simple examples to facilitate reader understanding. Stock number: 052-003-01401-7. Price: \$2.00.

**Pamphlets**

These pamphlets are provided in Adobe Acrobat's PDF file format and are available on The Ethics CD-ROM or the OGE Web site at [www.usoge.gov](http://www.usoge.gov). If you would like a camera-ready copy of these pamphlets, please contact Sonya Hall at 202-208-8000, extension 1138 or Angelique Ewell, extension 1111.

**Conflicts of Interest and Government Employment**

This pamphlet provides a short discussion of the basic conflict of interest laws and regulations and focuses on the exemptions to 18 U.S.C. § 208 recently published by OGE at 5 C.F.R. part 2640.

**Gifts of Travel and Other Benefits**

This pamphlet provides a simple comparative chart that will be useful in analyzing key authorities available for accepting gifts of travel in connection with official duties.

**Rules for the Road**

This pamphlet provides brief summaries of 18 U.S.C. § 207, 18 U.S.C. § 203 and the new "procurement integrity" law, and alerts employees to some other possible sources of post-employment restrictions.

**U.S. Office of Government Ethics**

This pamphlet provides a brief description of the history, structure and responsibilities of the U.S. Office of Government Ethics.

**Posters**

Posters may be ordered by contacting the UNICOR Federal Prison Industries Customer Service Center at 1-800-827-3168 or by sending an SF 1 or purchase order to Danny Faulconer, Graphics Coordinator, Graphics Order Processing, Customer Service Center, P.O. Box 13640, Lexington, KY 40583-3640. If using the Government IMPAC credit card, please call 1-800-827-3168.

Posters are sold ONLY in increments of 10. Please **specify by name which poster you are ordering**. Estimate shipping costs to be approximately 15 percent of the total order.

Both posters are two-color on white coated text stock.

**Code of Ethics**

This 12x16 inch poster, lists the 14 points of the Standards of Conduct. Order number: QSFPI0110. Price: \$31.50 for 10 posters.

**Ethics is the Cornerstone of Government Service**

This 10x14 inch poster, symbolizes strength through ethics, and contains an allocated space for your agency to add the name and phone number of its Designated Agency Ethics Official. Order number: QSFPI1011. Price: \$26.50 for 10 posters.



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## Appendix III References

### Current and Past OGE Directors\*

August 1990 - present	Mr. Stephen D. Potts**
November 1989 - July 1990	Mr. Donald E. Campbell (acting)
December 1987 - October 1989	Judge Frank Q. Nebeker
August 1987 - December 1987	Mr. Donald E. Campbell (acting)
August 1983 - August 1987	Mr. David H. Martin
August 1982 - August 1983	Mr. David R. Scott (acting)
October 1979 - August 1982	Mr. J. Jackson Walter
January 1979 - October 1979	Mr. Bernard Wruble (interim)

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\*Directors appointed after October 1, 1983 receive a five-year appointment (Pub. L. 98-150).

\*\*Mr. Potts' first term expired August 5, 1995. He was renominated by President Clinton and confirmed by the Senate. His appointment to a second five-year term was effective August 14, 1995.

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## Key Legislative Dates

<b>October 26, 1978</b>	Enactment of Ethics in Government Act (Pub. L. No. 95-521) Established the Office of Government Ethics as a part of the Office of Personnel Management, effective as of January 1, 1979.
<b>June 13, 1979</b>	Ethics in Government Act of 1978, Amendment (Pub. L. No. 96-19) Amended certain financial disclosure provisions prompted by problems encountered in the administration of the disclosure system in each branch of Government.
<b>June 22, 1982</b>	Ethics in Government Act Amendments of 1982 (Pub. L. No. 96-28) Made substantial changes in the restrictions on former Government officials from representing others in certain matters before the agencies in which they served.
<b>November 11, 1983</b>	Ethics in Government Act of 1978, Amendment (Pub. L. No. 98-150) Extended the authorization of OGE until September 30, 1988, amended and clarified the authority of OGE and amended certain financial disclosure provisions of the 1978 Act.
<b>November 3, 1988</b>	Office of Government Ethics, Reauthorization (Pub. L. No. 100-598) OGE is reauthorized and made a separate agency effective October 1, 1989.
<b>November 30, 1989</b>	Ethics Reform Act (Pub. L. No. 101-194). Amended for technical corrections on May 4, 1990 (Pub. L. No. 101-280)
<b>July 16, 1990</b>	Ethics in Government Act Amendment of 1990 (Pub. L. No. 101-334) Increased the appropriations cap to \$5 million.
<b>October 24, 1992</b>	Office of Government Ethics Amendment of 1992 (Pub. L. No. 102-506) Removed appropriations cap.
<b>August 6, 1996</b>	Office of Government Ethics, Reauthorization (Pub. L. No. 104-179) OGE is reauthorized for three years and provided gift acceptance authority for the Office

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## Citations to Statutes, Regulations and Executive Orders in which OGE has an interpretative or other role

### Statutes, Regulations and Executive Orders in which OGE has an interpretative or other role:

- *5 U.S.C. app. §§ 101 et seq.* (Title I of the Ethics in Government Act, as amended)  
Public financial disclosure requirements
- *5 U.S.C. app. §§ 401 et seq.* (Title IV of the Ethics in Government Act, as amended)  
Office of Government Ethics
- *5 U.S.C. app. §§ 501 and 502* Outside earned income limitation, honoraria prohibition and outside employment limitations
- *5 U.S.C. § 7351* Prohibition against gifts to superiors
- *5 U.S.C. § 7353* Prohibition against solicitation or receipt of gifts

### Criminal Conflict of Interest Statutes (ch. 11 of Title 18, United States Code)

- *Section 203* Prohibition against seeking or receiving compensation for certain representational services before Government
  - *Section 205* Prohibition against assisting in the prosecution of claims against the Government or acting as an agent or attorney for others before the Government
  - *Section 207* Post-employment restrictions
  - *Section 208* Conflicting financial interest restrictions
  - *Section 209* Prohibition against supplementation of Government salary as compensation for Government services
  - *26 U.S.C. § 1043* Sale of property to comply with conflict of interest requirements
  - *28 U.S.C. § 594(j)* Independent Counsel restrictions
  - *31 U.S.C. § 1353* Acceptance of travel and related expenses from non-Federal sources
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## Regulations issued by or assisted in by OGE:

- *5 C.F.R. part 2634*                      Financial Disclosure, Blind Trusts and Certificates of Divestiture
- *5 C.F.R. part 2635*                      Standards of Ethical Conduct for Executive Branch Employees
- *5 C.F.R. part 2636*                      Limitations on Outside Employment and Outside Earned Income and Prohibition of Honoraria
- *5 C.F.R. part 2637*                      Post-employment pre-1/1/91
- *5 C.F.R. part 2638*                      Office of Government Ethics
- *5 C.F.R. part 2640*                      Interpretation, Exemptions and Waiver Guidance Concerning 18 U.S.C. 208 (Acts Affecting a Personal Financial Interest)
- *5 C.F.R. part 2641*                      Post-employment After 1/1/91
- *5 C.F.R. Chapters XXI to LXXVI*                      Agency Supplemental Standards of conduct
- *41 C.F.R. part 304-1*                      Travel Payments from Non-Federal Sources
- *48 C.F.R. part 3*                      Procurement Integrity

## Executive Orders in which OGE has a role:

- *E.O. 12674, as modified by E.O. 12731\**                      Directs OGE to establish a single, comprehensive, and clear set of Executive Branch Standards of Conduct
- *E.O. 12834*                      Clinton Administration post-employment pledge

\*The Fourteen Principles of Ethical Conduct for Executive Branch Employees printed on page 50 are taken from this Order.

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## Fourteen Principles of Ethical Conduct for Executive Branch Employees

- (1) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws and ethical principles above private gain.
  - (2) Employees shall not hold financial interests that conflict with the conscientious performance of duty.
  - (3) Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.
  - (4) An employee shall not, except as permitted by the Standards of Ethical Conduct, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.
  - (5) Employees shall put forth honest effort in the performance of their duties.
  - (6) Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the Government.
  - (7) Employees shall not use public office for private gain.
  - (8) Employees shall act impartially and not give preferential treatment to any private organization or individual.
  - (9) Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.
  - (10) Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.
  - (11) Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.
  - (12) Employees shall satisfy in good faith their obligations as citizens, including all financial obligations, especially those -- such as Federal, State, or local taxes -- that are imposed by law.
  - (13) Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.
  - (14) Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in the Standards of Ethical Conduct. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.
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## Mission Statement, Goals & Objectives

### Mission

**T**he Office of Government Ethics exercises leadership in the executive branch to prevent conflicts of interest on the part of Government employees, and to resolve those conflicts of interest that do occur. In partnership with executive branch agencies and departments, we foster high ethical standards for employees and strengthen the public's confidence that the Government's business is conducted with impartiality and integrity.

### Goals and Objectives

#### Goal I.

*OGE will provide overall policy direction to the executive branch ethics program.*

#### Objective 1.

Develop, evaluate, and promote ethics policies for employee conduct that protect executive branch processes from conflicts of interest, as well as from appearances of conflicts of interest. Ensure that these policies are consistent, reasonable, and understandable to employees.

#### Objective 2.

Serve as the primary authoritative source of Federal executive branch ethics policy.

#### Objective 3.

Solicit the advice of agency ethics officials in policy-making processes.

#### Goal II.

*OGE will support the President, executive branch agency heads and employees in administering effective, fair, and consistent ethics programs within the branch and individual agencies.*

#### Objective 1.

Provide evaluations of agency ethics programs to agency heads and ethics officials which identify strengths and weaknesses of the program. Make specific recommendations for program enhancement designed to help ensure integrity in Government operations.

#### Objective 2.

Provide timely and accurate written and oral opinions and be available for informal consultations concerning matters involving the application of the standards of ethical conduct, criminal conflict of interest statutes, and other related statutes and regulations.

#### Objective 3.

Provide technical assistance to agencies in order to implement well-run and employee-helpful agency ethics programs.

#### Objective 4.

Provide expert review and conflict of interest analysis of the new, annual and termination financial disclosure reports filed by Presidential

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appointees requiring Senate confirmation to assist agencies in providing appropriate advice on and taking appropriate actions to prevent financial conflicts of interest by those appointees. Evaluate follow-up by agencies and officials regarding ethics commitments made by nominees during the confirmation process.

**Objective 5.**

Promote the importance of the ethics program to department and agency heads and other Government officials in order to secure personal commitment and sufficient agency resources.

**Goal III.**

*OGE will develop and make available to agencies innovative training and ethics education materials and promote and provide quality education and training experiences for agency ethics officials and employees.*

**Objective 1.**

Provide quality education and training courses for agency ethics officials.

**Objective 2.**

Provide accurate, consistent, beneficial and cost effective materials for agencies to use in their ethics education and training programs for employees.

**Objective 3.**

Create opportunities for inter-agency educational programs to disseminate information and encourage the sharing of ideas and knowledge.

**Goal IV.**

*OGE will administer an effective outreach program.*

**Objective 1.**

Foster a greater appreciation on the part of the public and future employees of the fact that there is a strong ethics program for employees of the executive branch and that standards are enforced.

**Objective 2.**

Share the programmatic and policy development experiences of OGE with other governments, non-profits, corporations, professional and trade associations and institutions of higher education who are pursuing the development or enhancement of their own educational or ethics programs.

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