



United States
Office of Government Ethics
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MEMORANDUM

TO: Designated Agency Ethics Official

FROM: Marilyn L. Glynn
Acting Director

SUBJECT: Review and Clearance of Nominee Forms

The Office of Government Ethics (OGE) considers the review of nominee financial disclosure reports to be one of our most important functions. We know that you share our commitment to clearing individuals for nomination as quickly as possible, while at the same time, ensuring that all potential conflicts of interest are fully addressed. To this end, OGE established a system of "pre-clearing" nominee forms. The goal of this system is to ensure that all technical and substantive issues are resolved prior to nomination, so that no impediments to confirmation arise at the last minute.

The system has worked well to prevent unexpected financial disclosure issues from hampering confirmation. Accordingly, we intend to continue this practice for the foreseeable future. However, we also expect to make some improvements in the nominee review process that we hope will cut down on errors and increase agency reviewer knowledge of reporting requirements, and will ensure that agency reviewers take primary responsibility for the review of nominee forms.

The improvements we expect to make target three general areas: (1) enhanced training and education efforts for agency nominee reviewers; (2) additional guidance for filers; and (3) increased involvement by agency reviewers in identifying both reporting deficiencies and potential conflicts of interest. These improvements will take several months to implement because we are experiencing substantial changes in our financial disclosure staff, and

we will need to hire and train a new manager for the nominee review system. Once we have a new financial disclosure team in place, we will be providing more routine communications to agency reviewers on financial disclosure topics and issues.

In the meantime, we would like to begin to address the issue of agency involvement in reviewing the nominee forms. Currently, most agencies take the lead in the initial review of nominee forms. We agree that agencies should be the primary reviewers of nominee forms. The role of the OGE reviewer is to provide a second level review to ensure that no issues have been missed. Accordingly, we are asking those of you who have been relying on OGE to be the primary reviewer of your nominee forms to provide comments and suggested revisions as soon as possible after you receive and review a draft form. OGE reviewers will then fill in with any additional comments or suggestions, as necessary. Once any necessary changes are made and an ethics agreement is drafted, the form can be pre-cleared by this Office.

For most agencies, this will not result in any changes to the current way of reviewing and processing nominee forms. However, for those agencies who have been relying on OGE to be the primary reviewer, we now will expect you to take the lead in identifying reporting deficiencies, recommending potential revisions, and proposing remedies to solve potential conflicts. Once you have given the OGE reviewer your comments, we will give you our comments and suggestions, as appropriate.

A few other matters related to nominee financial disclosure should be mentioned. We recognize, of course, that revised and streamlined statutory reporting requirements and electronic filing would greatly improve the nominee reporting system. These two projects continue to be high on OGE's list of priorities. In particular, we are hopeful that the Army's electronic filing system, which was demonstrated at the OGE conference in September, will be available for agencies to use by next year. We will give you more information on this as soon as we can.

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In closing, we want to thank you for your efforts in reviewing nominee forms. We recognize that the review process sometimes can be lengthy and complicated. With your continued cooperation, we will ensure that individuals are cleared for nomination as quickly and efficiently as possible.