

Program Review Lifecycle

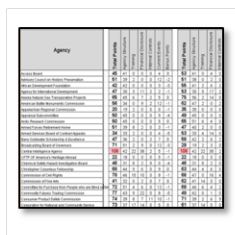


The Program Review Division (PRD) supports the strategic goals of the Office of Government Ethics (OGE) primarily through the evaluation of agency ethics programs throughout the executive branch. The authority for conducting ethics program reviews is found in title IV of the Ethics in Government Act of 1978, as amended (Ethics Act) and the implementing regulations at 5 CFR part 2638. The purpose of a review is to identify and report on the strengths and weaknesses of an ethics program by evaluating (1) agency compliance with the ethics requirements found in the various statutes, regulations, and policies and (2) ethics-related systems, processes, and procedures in place for administering the program. Program reviews provide insight into the operations of ethics programs and provide OGE a mechanism for taking corrective action to bring a program back into compliance.

Agency Selection

Agencies are selected for review based on their apparent risk for noncompliance. This risk potential is determined primarily through the Resource Allocation Model (RAM) but can also be determined based on anecdotal information or by the results of analyzing an agency's annual questionnaire. Factors affecting agency selection also include date of last review, type of agency, management requests and reviewer judgment. The Director of OGE – based on knowledge of ethics program operations and experience – may designate an agency for review or concentrate review efforts in specific areas.

Questionnaire Analysis: PRD performs an annual comparison of agency questionnaires to identify discrepancies and changes that might indicate a potential ethics risk. PRD reviewers are responsible for a dedicated list of agencies, further improving their familiarity with an ethics program's results. Reviewers will follow up on questionnaire anomalies and address any potential non-compliance issues.



Agency	Score
Agency A	10
Agency B	20
Agency C	30
Agency D	40
Agency E	50
Agency F	60
Agency G	70
Agency H	80
Agency I	90
Agency J	100

Resource Allocation Model: Every agency's structure, training, financial disclosure, internal controls, current events, and best practices are scored based on responses to the annual questionnaire, input from the agency's desk officer and the education division, the agency's review history, and relevant ethics publicity. Risk factors include agency mission, agency size, time since last review, experience level of ethics officials, ratio of ethics officials to financial disclosure filers, frequency of contact with desk officers, and attendance at OGE trainings. Higher scores reflect a higher risk for potential ethical violations. Scores are updated annually and at the completion of program reviews.



Exclusions: Agencies may be excluded from the review process at OGE's discretion. Reasons include having been reviewed within the past three years or involved in OGE's benchmarking projects. Certain micro-agencies may be excluded unless current events or other factors indicate a need for review.

Other Sources: PRD considers any input from the Program Services Division (PSD) and the Office of General Counsel (OGC) which might indicate a potential risk to an agency's ethics program. PRD also considers any negative ethics publicity as this may also be indicative of a programmatic risk.

Determine Scope of Review



Most reviews conducted by PRD cover all elements of an ethics program. Focused reviews may be specific to one ethics program element. The scope of a program review may be determined by various factors including input from other OGE components, agency questionnaire results, or from information gathered during the review itself. Below is a list of elements that are part of a program review and examples of the information gathered.

Universal program elements:

Program Administration: What is the structure of the ethics program? Where is the program placed within the agency? How does agency leadership support the program?

Financial Disclosure: How are the public and confidential financial disclosure systems administered? How are reports reviewed to prevent conflicts of interest? Are reports technically sufficient?

Education & Training: Have all required employees received training? Is the training sufficient?

Advice & Counsel: Has a counseling program been developed? How are advice and counsel records maintained? Is advice and counsel accurate?

Enforcement: Has administrative action been taken to remedy ethical violations? Has OGE been notified of all Department of Justice referrals for alleged violations of the conflict of interest statutes? What is the relationship between the ethics office and the Office of Inspector General?

1353 Travel Acceptances: Have semi-annual reports been submitted to OGE in a timely manner? Does the agency analyze potential 1353 travel acceptances for conflicts of interest?

Specific program elements:

Agency-Specific Ethics Rules: If applicable, is the agency complying with supplemental standards, including enforcement of outside activity and prohibited holding restrictions?

Ethics Agreements: Have Presidential appointees confirmed by the Senate (PAS) complied with their ethics agreements and has OGE received the necessary documentation within the allotted time? Was OGE notified of any subsequent ethics agreements made by incumbent PAS employees?

Special Government Employees: Have they been properly designated and trained? Have they filed financial disclosures when appropriate?

Boards & Commissions: What ethics services are being provided? Are these services provided in accordance with applicable laws and regulations?

Schedule of Reviews



Reviews are scheduled quarterly or as outside-source information demands. Reviewers are provided a calendar detailing the upcoming review schedule prior to the start of the quarter.

Review Team Composition



Reviewers are selected based on reviewer experience, review complexity and staff workload. Team leads may be identified, where necessary, and hold primary responsibility for conducting the review.

Pre-Review

Engagement Letter



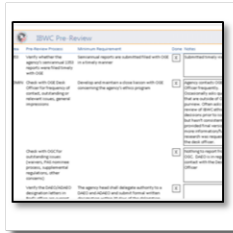
Approximately two months before the anticipated start of the onsite review, an engagement email is sent announcing OGE's review of an agency's ethics program. The email explains the basic review process and establishes a deadline for the agency to provide preliminary review materials. This deadline may be adjusted as necessary to meet an agency's request. The review team makes contact and schedules an initial meeting with agency ethics officials.

Material Pickup



This is an informal meeting during which the review team collects the materials prepared by the agency. The review team also discusses with ethics officials what the officials believe are the strengths and weaknesses of the agency's ethics program and what challenges the ethics program has to overcome. The team discusses OGE's Leadership Initiative, model practices, and e-Filing systems as appropriate.

Conduct Pre-Review (~1 week)



The review team prepares a standardized binder for maintaining review work papers. Each element of the program review is represented with a binder section, reflected in the table of contents. At this point, the review team completes the pre-review checklist and examines the preliminary materials to identify potential systemic deficiencies or errors.



Some steps of the pre-review checklist include collaboration with PSD (desk officer input, advice & counsel review, 1353 travel acceptance) and with OGC (information on enforcement actions, requests for advice and guidance, consults on waivers or nominee clearance issues). Notes and follow-up questions are developed for the onsite portion of the review, which is scheduled by the review team at this time.

Onsite Review

Entrance Conference



The review begins with an entrance conference – typically attended by the Designated Agency Ethics Official (DAEO), Alternate DAEO (ADAEO), other ethics officials and the desk officer – addressing the elements of the ethics program to be reviewed, the review’s scope, the process for issuing reports, and other administrative issues. The entrance conference is also an opportunity for ethics officials to ask any questions they might have about the review process.

Complete Onsite Review Checklist



The review team then completes the onsite review checklist. The primary onsite review task is the detailed review of agency financial disclosures for potential conflicts, technical sufficiency, and timely submission and certification. The number of financial disclosures reviewed is determined by the number of filers and the conflict of interest risk to specific positions but usually results in a review of ten percent of the universe. To quickly and accurately calculate and summarize the large amount of financial disclosure data, information is entered into a spreadsheet that tracks the number of filers, calculates submission, review and certification dates, and provides a statistical summary of data recorded by reviewers. Advice and counsel not provided during the pre-review phase may be collected by the review team and checked for timeliness and general accuracy.

Interviews



Reviewers conduct interviews with agency ethics officials and the Inspector General (IG), as well as supervisory personnel, Human Resources, and the agency head. The review team uses a baseline series of open-ended questions, adding and amplifying as necessary to establish the details of the ethics program.

Other Focus Areas



Outstanding questions not answered during the pre-review process can be addressed at this time. Reviewers may take this opportunity to observe tracking systems for financial disclosure, training, or advice and counsel as appropriate. The review team may also attend ethics training provided by the agency. Questionnaire discrepancies should be addressed if necessary.

Exit Conference



At the completion of the onsite phase of the review, the review team briefs OGE leadership on any significant deficiencies, novel problems, or other items of concern identified during the review. Relevant review issues may be discussed with the desk officer, through whom OGC may be consulted for legal or policy opinions necessary for the review. The review team conducts the exit conference with the DAEO, ADAEO, other ethics officials, and the agency's desk officer. The review team addresses preliminary findings, any model practices identified during the review, and subsequent steps of the review process. Agency ethics officials are also reminded that final reports will be issued to the agency head and the IG as well as published online.

Reporting

Report Preparation and Drafting (~2 weeks)



The review team transcribes notes taken during the onsite phase of the review and consolidates the work papers generated during the review. Final follow-up questions and clarifications may occur at this point with the agency, PSD, or OGC as necessary.



The review team drafts an indexed version of the report and submits it for supervisory review. Additional concerns and edits may be identified and the review team revises the report accordingly. A referencer is then assigned based on workload, complexity of the review, and referencing experience.

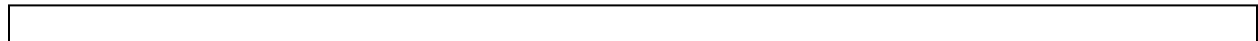


The final draft of the report is prepared and a pdf copy is emailed to the agency for comment. Agencies are generally given two weeks to provide comment, which can be extended if appropriate. Agencies are asked to respond even if they intend to provide no comment. A copy of agency comments is also requested in Microsoft Word format to meet 508 compliance requirements when published to OGE's website. Once received, comments are attached to the final draft as an appendix and the review team makes any necessary amendments to the report.

Issue Report



The review team prepares transmittal letters for the DAEO, the agency head, and the agency IG and submits them for OGE signature with the final report. The signed transmittal letters and final report are scanned and emailed to PRD. The signed hard copies are then mailed to the DAEO, the agency head, and the agency IG. The review team emails the scanned copy of the transmittal letter and final report to the ethics office and the desk officer.



Administrative (~1 week)



The review team saves the scanned copy of the transmittal letters and final report in the appropriate agency folder. Work papers are finalized in accordance with Ethics Program Review Work Papers memorandum guidelines. Based on information gathered during the review, the RAM is updated and the review tracking spreadsheet is completed with number of recommendations, suggestions, and follow-up dates.

Approximately two weeks after the final report has been issued, the review evaluation form is sent to the agency ethics official most directly involved with the ethics program review. The ethics official is asked to complete the evaluation within two weeks. Completed evaluations are provided to OGE leadership and the review team.

Upload Report to Website



Thirty days from report issuance, the review team emails the final Microsoft Word version of the report to IRMD for publication on OGE's website.

Receive 60-Day Response from Agency, if necessary



If a final report contains recommendations, ethics officials are required to respond in writing within 60 days of date of the final report with an explanation of the actions they have taken or will take to address those recommendations. If the response is not received, the review team contacts the agency. Results are reviewed by the review team and filed with the work papers.

Conduct 6-Month Follow-Up, if necessary (~3 Weeks)



Approximately 6 months after the date of the final report, PRD conducts a follow-up review to determine whether or not the agency has taken the actions necessary to comply with OGE's recommendations. If the agency has not taken action sufficient to address the recommendation, additional follow-up reviews may be conducted. It may also be possible that 6 months is insufficient time to allow agency corrective actions to be implemented or measure their success (e.g., recommendations about financial disclosure may take an entire filing cycle to resolve). The follow-up review is not necessarily conducted by the same review team which conducted the ethics program review.

The review team may request material or schedule onsite work depending on the nature of the recommendations contained in the original report. Upon completion of the follow-up review, the review team drafts a memo stating the recommendation(s), the actions the agency proposed taking in its 60-day response, and results of the follow-up for each recommendation. The review team indicates whether the agency's remediation work has addressed the issue or if management has accepted residual risk of not taking further action. If the agency has taken insufficient steps to resolve those deficiencies identified during the review, OGE may consider further corrective action as necessary.