

OGE PROGRAM REVIEW: U.S. DEPARTMENT OF TRANSPORTATION FINANCIAL DISCLOSURE PROGRAM

February 2009 – September 2011

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FEBRUARY 2009 OGE CALLS DOT

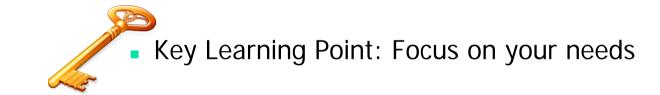
 OGE: "Hello, we would like to schedule a review of DOT's ethics program."

DOT: "We will schedule a time for you to meet with the DAEO."



FEBRUARY 2009 OGE MEETS WITH DOT'S DAEO AND AAEO

- OGE: "We conduct program reviews on financial disclosure, training, counseling, administration, and compliance."
- DOT: "We would like you to focus on financial disclosure across the entire Department.



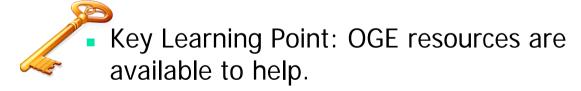




FEBRUARY 2009 DAEO MEETS WITH THE DEOs

- DAEO: "OGE is coming in June to review our ethics program."
- DEOs (in unison): "Oh !?#!"
- DAEO: "The review will focus on our financial disclosure programs. Here's a link to the OGE review guide:

www.oge.gov/ethics_docs/office_agency_prog.aspx"

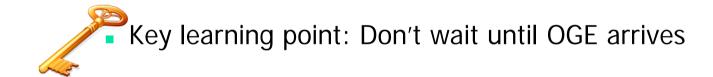






MARCH 2009 DOT PREPARATION BEGINS!

- AAEO meets with the DOT ethics team comprising each of DOT's 10 operating administrations, the Office of the Secretary, and the Office of the Inspector General.
- DOT ethics team prepares "desk books" describing their ethics programs with emphasis on financial disclosure.







APRIL 2009 OGE's APRIL FOOLS RELEASE

- OGE releases a report on April 1, titled: "Elements of a Successful Financial Disclosure Program"
- DOT immediately shares with the Ethics Team



Key learning point: Keep your eyes open!





APRIL 2009 DOT PREPARATION CONTINUES

- The DAEO:
 - Provides assistance with desk books
 - Checks DOT ethics team files
 - Responds to questions
 - Develops a preliminary review schedule



Key learning point: Prepare thoroughly





MAY 2009 OGE PROGRAM REVIEWERS 1st CONTACT

- OGE requests:
 - Entrance conference with DAEO
 - Schedule for review
 - Copies of annual agency ethics questionnaire and supporting data

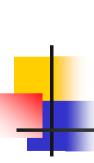




JUNE 2009 OGE ENTRANCE CONFERENCE

- OGE announces:
 - Three-day review of each of 12 programs (36 days over 6 months)
 - Follow-up report to the Secretary, DAEO, each OA and the Inspector General
 - Meeting between OGE Director and the DOT Secretary





JUNE – NOVEMBER 2009 OGE ONSITE PROGRAM REVIEWS

OGE reviews financial disclosure files for:

- Timely submission of forms
- Timely review
- Completeness of reviews



Key Learning Point: All files are subject to review





- "We want to see a demonstration of your HR program to identify new entrant filers."
- "We want to visit (a) regional facility."
- "We want you to bring files down from your regional facility."
- "We want to see a demonstration of your e-filing system."



Key Learning point: Be ready to show more!





JUNE – NOVEMBER 2009 DOT ETHICS PROGRAM NEVER SLEEPS!

- While on-site reviews go on, the DOT Ethics Program also:
 - Reviews almost 2,400 financial disclosure reports
 - Conducts annual ethics training and new entrant training sessions throughout DOT
 - Continues ongoing ethics counseling and ethics compliance matters





JUNE – NOVEMBER 2009 DOT MISSION CONTINUES

- American Recovery and Reinvestment Act of 2009
- WMATA incident
- Car Allowance Rebate System (Cash For Clunkers)
- USMMA graduates 197
- High Speed Intercity Passenger Rail
- E.O. XXXX No Texting while driving
- Colgan Air Crash
- Highway Trust Fund





NOVEMBER 2009 OGE SURPRISE!!

CABINET-LEVEL REVIEW PROJECT!!

- DAEO meets with OGE to discuss Cabinet-Level review project scheduled for January through September 2010
- OGE explains that the Cabinet-Level review project will assess ethics program management INCLUDING FINANCIAL DISCLOSURE





JANUARY 2010 OGE EXIT CONFERENCE

- OGE meets with the DAEO to discuss results of program review
- OGE findings cover:
 - Leadership support
 - Written procedures
 - Financial disclosure reviews
 - Compliance



APRIL 2010 OGE SENDS DRAFT REPORTS TO DEOs

 OGE sends draft reports to each operating administration, the Office of the Inspector General, and the Office of the Secretary



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OGE DRAFT RECOMMENDATIONS – APRIL 2010

	OST	RITA	FTA	FAA	FMCSA	NHTSA	SLSDC	FRA	MARAD	FHWA	OIG
Improve timeliness of new entrant								1	İ		
filing						<u> </u>		İ			<u> </u>
Improve timeliness of review and certification of reports	•		, , ,,	•		•		 			
Develop written procedures		•	<u> </u>	<u> </u>	•	 		i • _			•
Revise/update written procedures	•	- !	Ţ	_ • _		•			i	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
Use agency date of receipt stamp on all reports	•						}			•	
Take immediate action to remedy conflicts of 21 filers		 	+ 	•		 		 			
Timely resolve divestiture appeals			ı	•		1			ı		
Correctly use/file OGE Form 450-A		ī	_		T	7	7	ī		•	Ţ — — ·
Conduct intermediate reviews before certification, not afterwards						 				•	
Improve tracking system		I		ı	•	l I		I			ı
Have the DEO certify all public reports								1 	•		
TABLE PREPARED BY DOT	Γ										



APRIL 27, 2010 DAEO TO OGE:



LLS. Department of Transportation

Office of the Secretary of Transportation

Duvid A. Meyers Office of Government Ethics 1201 New York Avence, Suite 500 Washington, D.C. 20005

Duar Mr. Moveis:

The Department of Transportation (DOT (OGT) for its review of our Department-Secretary of Transportation (OST). We:

DOT employs nearly 60,000 employeess our Washington, DC headquarters. OST Federal Aviation Administration (FAA), Transit Administration (FTA), Federal R (MARAD), Federal Motor Carrier Sufety

Safety Administration (NITESA), Pipeline and Hazardous Material Safety Administration (PHMSA), Research and Innovative Technology Administration (RTTA), and Saint Lawrence Soaway Development Corporation (SLSDC). Each administration operates regional offices throughout the county. The FAA accitionally operates offices, including air traffic control operations, at every airport in the United States.

GENERAL COUNSEL

April 27, 2010

1200 New Je wy Avence, St. Washington, DC 20590 I wo recurring recommendations in OGE/4 review were; (1) improve the process for filing new entrant reports, and (2) modify written procedures for processing financial disclosure reports. I have personally discussed these issues with the Deputy Ethics Officials, and we are committed to making these improvements. I have requested the Deputy Ethics Officials to obtain a commitment from their human resources offices to alert ethics officials in a timely way to new employees as well as employees who have been promoted. Thave also asked the Deputy Ethics Officials to conduct an annual review of their staffing and OS levels to determine whether complexes should be filing based on changed, duties or rectifiers.

DOT is committed to:

• Improving the process for filing new entrant reports

 Modifying written procedures for financial disclosure

Sincerely,

Rosalind A. Knann

Attachments

en procedures to provide, in cesses that we follow. OST ty reflect OCF, requirements

RAD, FMCSA, NITTSA, nents separately. Because neither has provided

nancial disclosure program. knosses. We are committed pansive to our employees' mission.



JULY 19, 2010 OGE DIRECTOR TO THE SECRETARY:



July 19, 2010

The Honorable Ray LaHood Scoretary United States Department of Transportation 1200 New Jersey Avenue, SE Washington, DC, 20590

Dear Secretary LaHood:

As part of the Office of Government completed a focused vorice of the financial disc Department of Transportation (DOT). This re 402 of the Eithies in Government Act of 1978, a of your agency's interest in improving the fiprimary objective was to determine the fin applicable ethics laws and regulations. We also strengths and weaknesses of DOT's financial of ability to prevent and detect ethics violations OGE conducted its review intermittently from calcudar year 2008 activities.

As our enclosed latter to the Designate review revealed that improvements are needed full compliance with applicable ethics laws as formulate a more comprehensive plan of actionizants into positions requiring a confidential timely filing of these reports. (2) develop a continuing education program for both review-timeliness of review and certification for publications of review and certification for publication that a minimum includes each operating administration and at headquart site reviews as it relates to the financial discloradministration develops or modifies written particles from these immovements are made. DOT's financial

The Honorable Ray LaHood Page 2

The enclosed letter and chapter report details our findings and recommends the actions that both the DABO and the Deputy Ethics Officials are directed to take to improve DOT's financial disclosure prayam. In fight of the role that financial disclosure plays in preventing employees from committing ethics violations, both reports also make several suggestions for program enhancement.

Drafts of our individual reports were sent to the DAEO and each Deputy Ribios Official for review and comment, and we did receive written comments back on the corrective actions

iew the status

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to bring the

OGE to the Secretary:

Improve timely new entrant filing

Improve timeliness and quality of reviews and set up an education program

Provide more oversight including tracking systems and on-site reviews

Develop written procedures

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OGE ISSUES IDENTIFIED IN ON-SITE REVIEWS

<u>Issues Identified</u>	FAA	FHWA	FMCSA	FRA I	FTA	MARAD	NHTSA	OIG	OST	PHMSA	RITA	SLSDC
Timely Action				i			l L					
Resolving Conflicts	•			!			i					
Divestiture Appeals	•						<u> </u>				I	
Review/Ceritfication	•			i			<u> </u>	 		i		
Collection				I	•		•					
Certification				 -		 -	!		 -	 -		
Wrong Form			ا <u>ا</u>	 4	I	L	· • _		<u> </u>	L	I	
Wrong Status		 	•_				l +	 -			 -	
Wrong Certifier			L	I		•	! L	 		l	l L	
Digital Signature				 	•		i I				·_ • _	
Incomplete Review	•	•	•		•	•	I • _			 	l <u>•</u>	•
Reporting Errors	•			i			I •		•		•	•
Master list				l l								
Non-filers					•		· •				l	
Other			•			•	l				! ●	
Other Procedural				i								
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Records Destruction]			•	•	
Filing Extensions			•				•					
TABLE PREPARED BY	OGE											



JULY 19, 2010 OGE DIRECTOR TO THE DAEO:



July 19, 2010

Roselind A. Knapp Designated Agency Ethics Official United States Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590

Dear Ms. Knapp:

succession plan to help maintain the consistent administration of an office program, OGE also suggests that the procedures for administraing other elements of the editios program be developed as well. OGE considers an agency's use of individualized written procedures to be a model agency practice and a valuable resource to both employees and office officials.

In closing, as you work to resolve these issues my staff, as well as the OGE Desk Officer assigned to DOT, stands ready to provide any expetitise or advice you may need to hirry your financial disclosure program into full compliance. We will review the status of DOT's progress in addressing our recommendations as part of a follow-up review that will be scheduled within six months from the date of this report. Should you or your said? have any questions before then, please feel free to conjust David Meyers at (202) 482-9236 or by email at <a href="mailto:dame.edu.org/dame

Copies of the attached report have also been sent via transmittal letter to the Secretary and DOT's Inspector General.

Sincerel

"In view of the corrective action authority vested with the Director . . . it is important that you take timely and effective action to resolve all recommendations."

addition to the specific actions that must be taken, our report also effers a number of suggestions and spoil management practices that will bely DOT improve its management and coordination of the financial disclosure program.

Individual reports of our findings have been provided to each operating administration, OST and the OlG.

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JULY 30, 2010 ACTION ON OGE'S RECOMMENDATIONS

DAFO to the DFOs:

- Action must be taken promptly to implement improvements
- Submit a report of each improvement by December 1, 2010





DECEMBER 2010 DEO'S REPORT TO THE DAEO

- Each DEO report is posted on the DOT Ethics Share Point for all ethics officials to see
- Each report advises that improvements are underway or completed





MARCH 2011 DAEO TO DEOS: REVIEW REPORTS TIMELY

- The DAEO requires reports to be reviewed initially within 60 days and final review within 90 days
- Delays beyond 90 days may be authorized only in documented instances
- Periodic status reports must be sent to the DAEO and posted on the DOT Ethics Share Point

Key learning point: Don't wait - Do now!

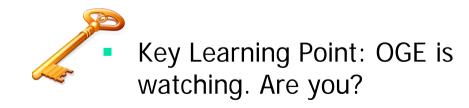




Each on-site review lasts 2-4 hours

 After each review, the DEO is advised orally which recommendations will be closed

 OGE will come back in 6 months to review recommendations still open





SUMMARY OF KEY LEARNING POINTS

- Focus on your needs
- OGE resources are available to help
- Don't wait until OGE arrives
- Keep your eyes open!
- Prepare thoroughly
- All files are subject to review
- Be ready to show more!
- Don't wait Do now!
- OGE is watching. Are you?



OGE Review of DOT's Financial Disclosure Program

February 2009 – September 2011

