



Ethics Program Review

Department of the Treasury
Departmental Offices

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The United States Office of Government Ethics (OGE) conducted a review of the ethics program administered within the Department of the Treasury’s (Treasury) Departmental Offices¹ from October 2021 through August 2022. The following summarizes the results of that review.

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Objectives, Scope and Methodology

Objectives: OGE provides overall leadership and oversight of the executive branch ethics program designed to prevent and resolve conflicts of interest. The Ethics in Government Act gives OGE the authority to evaluate the effectiveness of executive agency ethics programs.² OGE uses this evaluation authority largely to conduct reviews of agency ethics programs. 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 ethics requirements as set forth in relevant laws, regulations, and policies and (2) ethics-related systems, processes, and procedures for administering the program.

Scope: OGE’s review examined all elements of the Departmental Offices ethics program including, program administration, financial disclosure, education and training, ethics advice and counseling, and agency-specific ethics rules on outside employment.³

Methodology: As part of its review of the Departmental Offices, OGE examined a variety of documents provided by Treasury ethics officials, including the Treasury response to OGE’s 2021 Annual Agency Ethics Program Questionnaire, written procedures for administering the ethics program, samples of public and confidential financial disclosure reports filed in 2021 and 2022, ethics training materials, and a sample of the ethics advice and counseling provided to employees. In addition, OGE met with ethics officials to clarify the

¹ The Department of the Treasury is organized into two major components, the Departmental Offices and the operating bureaus. The Departmental Offices are primarily responsible for the formulation of policy and management of the Department as a whole, while the operating bureaus carry out the specific operations assigned to the Department. OGE’s review examined the ethics programs as it was administered within the Departmental Offices.

² See 5 U.S.C. app. § 402 and 5 C.F.R. part 2638.

³ Treasury has a supplemental standards of conduct regulation at 5 C.F.R. part 3101 requiring employees to obtain approval prior to engaging in outside employment.

information gathered, follow up on issues identified during the review, and discuss ethics program operations in further detail.

Agency Background

Treasury's mission is to maintain a strong economy and create economic and job opportunities by promoting the conditions that enable economic growth and stability at home and abroad, strengthen national security by combating threats and protecting the integrity of the financial system, and manage the U.S. Government's finances and resources effectively.

Program Administration

The Treasury headquarters ethics office is organizationally within the General Counsel's office. The Designated Agency Ethics Official (DAEO) is the Assistant General Counsel for General Law, Ethics, and Regulation. The Deputy Assistant General Counsel for Ethics is the Alternate DAEO (ADAEO). The DAEO and ADAEO are assisted by three attorneys, a senior counsel and an Ethics Program Manager. The ethics attorneys provide the full range of advice and counseling, financial disclosure review, and ethics training. The Ethics Program Manager is responsible for daily ethics program operations, including compliance with all requirements and administration of systems and procedures to ensure they are effectively implemented. A paralegal specialist and a staff assistant provide support to the ethics office.

Treasury's ethics program is decentralized. At the bureau level, the Chief Counsel is the Deputy Ethics Official (DEO) for that bureau and is responsible for administering the bureau ethics program. The headquarters ethics office provides guidance to the DEO-led bureau ethics programs, in addition to managing the ethics services provided to employees of Departmental Offices and to all PAS employees.

Financial Disclosure

Title I of the Ethics in Government Act requires that agencies administer public and confidential financial disclosure systems. Financial disclosure serves to prevent, identify, and resolve conflicts of interest by providing for a systematic review of the financial interests of officers and employees. The financial disclosure process also offers an opportunity for ethics officials to provide ethics-related counseling to report filers.

To evaluate Treasury's financial disclosure systems, OGE evaluated the required written procedures for administering the systems and a sample of public and confidential financial disclosure reports that were required to be filed by employees within the Departmental Offices. OGE also evaluated whether Treasury has established procedures to ensure that human resources promptly notifies the ethics office of new and departing employees and whether new employees and supervisors are notified of their ethics responsibilities, as required.

Financial Disclosure Written Procedures

Each executive branch agency must establish written procedures for collecting, reviewing, evaluating, and where applicable, making publicly available financial disclosure reports filed by the agency's officers and employees.⁴ OGE examined Treasury's written financial disclosure procedures and determined they met applicable requirements.

Notices to DAEO Regarding Positions Requiring Financial Disclosure

Agency human resources offices play a vital role in ensuring the effective administration of the ethics program. Without necessary information about agency employees, ethics officials cannot successfully carry out their important work. Among other things, the lead human resources official is required to notify the DAEO of all appointments to positions that require incumbents to file public or confidential financial disclosure reports no later than 15 days after the appointment. The lead human resources official must also notify the DAEO of terminations of employees in positions that require incumbents to file public financial disclosure reports no later than 15 days after termination.⁵ This helps to ensure the timely collection of financial disclosure reports.

During a Presidential transition, the headquarters ethics office receives notifications of new entrant public filers from the Office of the Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer (HR), the White House Liaison, the Deputy White House Liaison, and the Office of the Chief of Staff. Moreover, the DAEO and ADAEO are included in communications regarding prospective political appointments.

The ethics office screens or "pre-vets" employees required to file a public report, including political appointees and career SES or SL appointments. To facilitate this process, HR provides a copy of an individual's resume. In addition, HR provides periodic emails and bi-weekly and monthly reports of appointments, promotions and terminations of public and confidential filers to the ethics office.

OGE reviewed a sample of appointment and termination notifications provided to the ethics office in 2021 and found that they were provided timely.

Public Financial Disclosure

Within 30 days of assuming a covered public filing position, an individual must file a public financial disclosure report.⁶ The individual must subsequently file an annual report by May 15 each year and a termination report within 30 days of departing the public filing position.⁷ The reports are required to be reviewed for potential conflicts of interest and certified

⁴ See 5 U.S.C. app. § 402(d)(1).

⁵ See 5 C.F.R. § 2638.105(a)(1) and (2).

⁶ See 5 C.F.R. § 2634.201(b).

⁷ See 5 C.F.R. § 2634.201(a) and (e).

within 60 days of receipt by the ethics office, unless additional information is being sought from the filer or remedial action is being taken.⁸

To evaluate the administration of the public financial disclosure system administered within the Departmental Offices, OGE examined a sample of 50 new entrant, 50 annual and 30 termination reports that were required to be filed by Departmental Office employees in 2021. Table 1 below presents the results of OGE’s examination.

Table 1. OGE’s Examination of Treasury Departmental Office Public Financial Disclosure Reports

	New Entrant	Annual	Termination	Total
Reports Examined	50	50	30	130
Filed Timely	38 (76%)	45 (90%)	29 (97%)	112 (86%)
Reviewed Timely	49 (98%)	50 (100%)	30 (100%)	129 (99%)
Certified Within 60 Days	31 (62%)	22 (44%)	28 (93%)	81 (62%)

OGE’s examination found generally timely filing and review of the sampled reports. However certification of a significant number of the reports did not occur within 60 days. Treasury ethics officials explained that the certification delays occurred primarily because of an increased workload related to the newly established Coronavirus Aid, Relief, and Economic Security Act (CARES) and American Rescue Plan Act (ARP) programs. CARES and ARP required Treasury to create new offices within the Departmental Offices. Ethics officials were required to track, vet, and clear all new hires and detailees from within and outside Treasury for those offices and establish effective processes for identifying and remedying potential conflicts of interest in a time-sensitive matter. Additionally, in some cases, ethics officials were late in certifying reports because filers were slow to respond to questions.

Recommendation

1. Timely certify public financial disclosure reports.

Confidential Financial Disclosure

Within 30 days of assuming a covered confidential filing position, an individual must file a confidential financial disclosure report.⁹ The individual must also subsequently file an annual report by February 15 each year.¹⁰ The reports are required to be reviewed for potential conflicts of interest and certified within 60 days of receipt by the ethics office, unless additional information is being sought from the filer or remedial action is being taken.¹¹

⁸ See 5 C.F.R. § 2634.605.

⁹ See 5 C.F.R. § 2634.903(b).

¹⁰ See 5 C.F.R. § 2634.903(a).

¹¹ See 5 C.F.R. § 2634.605.

To evaluate the administration of the confidential financial disclosure system, within the Departmental Offices, OGE examined a sample of 25 new entrant and 22 annual reports that were required to be filed by Departmental Office employees in 2022. Table 3 below presents the results of OGE’s examination.

Table 2. OGE’s Examination of Treasury Departmental Office Confidential Financial Disclosure Reports

	New Entrant		Annual		Total
Reports Examined	25		22		47
Filed Timely	15	(60%)	19	(86%)	34 (72%)
Reviewed Timely	22	(88%)	22	(100%)	44 (94%)
Certified Timely	Could not determine	(N/A)	Could not determine	(N/A)	N/A

OGE’s examination revealed that a significant number of new entrant reports were not timely filed. However, ethics officials believe that some of the new entrant reports reviewed by OGE that appeared to have been filed late were actually filed timely. Ethics officials explained that the appointment date on some of the confidential reports may be incorrect because it might list the employee hire date, instead of the date they acquired the duties that required them to be designated as confidential filers. Ethics officials indicated that they will remind supervisors about the need to potentially designate new employees if new duties warrant filing the OGE Form 450. They hope that this will eliminate confusion at the annual filing season and allow supervisors to focus more on new entrant filers and avoid potential errors with the appointment date.

OGE’s examination also found that none of the confidential reports had a signature in the final reviewer box of the form indicating that the final certification had occurred. Treasury ethics officials explained that they considered these reports certified upon signature by the filer’s supervisor. They added the supervisor signs as the final reviewer in the intermediate review field on the form because of the way the e-filing program was designed, which is not easily changed without considerable expense.

As noted, the form generated by the e-filing system does not allow for the signature of the certifier to be placed in the correct field. Consequently, the forms are not in compliance with OGE requirements. As stated in OGE DAEOgram 07-014, any electronic form developed for use with a system, absent OGE approval, must exactly replicate the existing paper versions of the OGE Form 450.

Recommendations

2. Improve the timely filing of the new entrant confidential financial disclosure reports.
3. Ensure that the confidential disclosure forms generated by Treasury’s electronic financial disclosure system exactly replicate the existing paper version of the OGE Form 450.

Education and Training

Each executive branch agency must carry out a government ethics education program to teach employees how to identify government ethics issues and obtain assistance in complying with government ethics laws and regulations. The training program is to include: briefings for certain PAS employees; notices for prospective employees and newly appointed supervisors regarding their ethics-related obligations; initial ethics training for new employees; and annual ethics training for public and confidential financial disclosure report filers and certain other employees.¹² An ethics education program is essential to raising awareness among employees about the ethics laws and rules that apply to them and the availability of agency ethics officials to provide ethics counseling.

Ethics Briefing for Certain Agency Leaders

Senate-confirmed Presidential appointees (PAS), except for those in positions identified in 5 C.F.R. § 2634.201(c)(2), must complete an ethics briefing to discuss their immediate ethics obligations no later than 15 days after their appointment, unless the DAEO grants an extension. Any extension of more than 15 days requires the DAEO to make a written determination that extraordinary circumstances make it necessary to provide the briefing at a later date.¹³

OGE confirmed that the 9 new Treasury PAS officials completed an ethics briefing within 15 days of appointment in 2021.

Notices to Prospective Employees

Written offers of employment for positions covered by the Standards of Ethical Conduct for Employees of the Executive Branch (Standards of Conduct) must include: a statement regarding the agency's commitment to government ethics; notice that the individual will be subject to the Standards of Conduct and the criminal conflict of interest statutes; information on how to obtain additional information on applicable ethics requirements; and, where applicable, notice of the time frame for completing initial ethics training and information regarding the filing of new entrant financial disclosure reports.¹⁴

Treasury has established procedures to notify new employees of their ethics responsibilities in their written offers of employment. The DAEO, ADAEO, and Ethics Program Manager periodically ensure that all aspects of the written procedures are being executed. OGE examined samples of the notices sent to prospective employees who received offers for positions within the Departmental Offices and determined that they comply with relevant requirements.

Notices to New Supervisors

An agency must provide each employee upon initial appointment to a supervisory position with certain written materials within one year of the appointment. The written materials

¹² See 5 C.F.R. Part 2638 subpart C.

¹³ See 5 C.F.R. § 2638.305.

¹⁴ See 5 C.F.R. § 2638.303.

must include contact information for the agency's ethics office and the text of 5 C.F.R. § 2638.103; a copy of, a hyperlink to, or the address of a web site containing the Principles of Ethical Conduct; and such other information as the DAEO deems necessary for new supervisors.¹⁵

OGE's review found that Treasury has established procedures to provide new supervisors with the required written materials. The Ethics Program Manager receives notice of new supervisors from HR and advises the supervisors to take the interactive New Supervisor Ethics Training in the Treasury Learning Management System. The training contains the information required by regulation, as well as information on ethics topics that supervisors must frequently address, such as designating confidential financial disclosure filers, acting in an SES position; outside activities, financial conflicts, covered relationships, and gifts between employees. The Ethics Program Manager tracks completion of this course by new supervisors and records its completion in the Ethics Database.

Initial Ethics Training

Each new employee of the agency subject to the Standards of Conduct must complete initial ethics training (IET) that meets the requirements of 5 C.F.R. § 2638.304 within three months of appointment, unless excluded by the DAEO. The training must be interactive and focus on government ethics laws and regulations that the DAEO deems appropriate. The training must address: financial conflicts of interest; impartiality; misuse of position; and gifts. In addition to the training presentation, the agency must provide the employee with either written copies of or written instructions for accessing: the summary of the Standards of Conduct distributed by OGE or an equivalent summary prepared by the agency; provisions of the agency's supplemental regulations or a summary thereof, as determined appropriate by the DAEO; and, instructions for contacting the agency's ethics office.¹⁶ Agencies must also establish written procedures for IET that the DAEO annually reviews.

OGE determined during its review that Treasury has established written procedures for providing IET within the Departmental Offices. The DAEO, ADAEO, and Ethics Program Manager periodically ensure that all aspects of the procedures are being executed. OGE reviewed the IET provided in 2021 and determined that it met applicable content and format requirements. OGE also examined training records and determined that Treasury provided IET to all new Departmental Office employees within three months, as required.

Annual Ethics Training for Public Filers

Generally, live training must be provided each calendar year to each employee whose pay is set at Level I or Level II of the Executive Schedule. Live training must also be provided to other employees who are required to file public financial disclosure reports pursuant to 5 C.F.R. § 2634.201(a) every other year, with interactive training provided in the intervening years. The training presentation, whether live or interactive, must focus on government ethics laws and regulations that the DAEO deems appropriate. The training, whether live or interactive, must

¹⁵ See 5 C.F.R. § 2638.306.

¹⁶ See 5 C.F.R. § 2638.304.

address: financial conflicts of interest; impartiality; misuse of position; and gifts. In addition to the training presentation, the agency must provide the employee with either written copies of or written instructions for accessing: the summary of the Standards of Conduct distributed by OGE or an equivalent summary prepared by the agency; provisions of the agency's supplemental regulations or a summary thereof, as determined appropriate by the DAEO; and, instructions for contacting the agency's ethics office.¹⁷

OGE reviewed the annual training provided to public filers in 2021 and determined that it met applicable content and format requirements. OGE also examined training records and determined that Treasury provided annual ethics training to all Departmental Office public filers in 2021. The majority of these public filers received live training.

Annual Ethics Training for Confidential Filers and Certain Other Employees

Generally, interactive training is required to be provided each calendar year to employees who are required to file a confidential financial disclosure report pursuant to 5 C.F.R. § 2634.904; employees appointed by the President and employees of the Executive Office of the President; contracting officers described in 41 U.S.C. § 2101; and, other employees designated by the head of the agency. The training presentation must focus on government ethics laws and regulations that the DAEO deems appropriate. The training must address: financial conflicts of interest; impartiality; misuse of position; and gifts. In addition to the training presentation, the agency must provide the employee with either written copies of or written instructions for accessing: the summary of the Standards of Conduct distributed by OGE or an equivalent summary prepared by the agency; provisions of the agency's supplemental regulations or a summary thereof, as determined appropriate by the DAEO; and, instructions for contacting the agency's ethics office.¹⁸

OGE reviewed the annual training provided to confidential filers in 2021 and determined that it met applicable content and format requirements. OGE also examined training records and determined that Treasury provided the online interactive annual ethics training to all Departmental Office confidential filers in 2021.

Advice and Counseling

The DAEO, acting directly or through other officials, is responsible for providing advice and counseling to prospective and current employees regarding government ethics laws and regulations, and providing former employees with advice and counseling regarding post-employment restrictions applicable to them.¹⁹ A robust ethics counseling program is necessary to ensure that employees receive the guidance they need to comply with the ethics rules.

OGE reviewed a sample of counseling and advice ethics officials provided to Treasury Departmental Office employees. The advice examined addressed financial conflicts, gifts,

¹⁷ See 5 C.F.R. § 2638.308.

¹⁸ See 5 C.F.R. § 2638.307.

¹⁹ See 5 C.F.R. § 2638.104 (c)(4).

impartiality, misuse of position, outside activities, and seeking outside employment. OGE found the counseling to be consistent with applicable laws and regulations.

Agency-Specific Ethics Rules

An agency may modify or supplement the Standards of Conduct, with the concurrence of OGE, to meet the particular needs of that agency.²⁰ A supplemental standards of conduct regulation is issued jointly by the agency and OGE and is published in title 5 of the Code of Federal Regulations.

Treasury's supplemental standards of conduct regulation requires that all Treasury employees receive prior written approval before engaging in any outside employment or business activities, unless an exemption is issued. In addition, Treasury Legal Division attorneys are prohibited from engaging in the outside practice of law that would require the attorney to: (1) take a position that is or appears to be in conflict with the interests of Treasury; or (2) interpret any statute, regulation or rule administered or issued by Treasury.

To evaluate the administration of Treasury's supplemental regulations, OGE reviewed the outside activities reported on the sample of confidential financial disclosure reports OGE examined to determine whether proper approvals existed for the reported activities. OGE identified four instances of outside employment or activities disclosed in the sample of reports and determined that the reported outside activities either received appropriate approvals or were exempt from the approval requirement, based on internal departmental guidance. Additionally, OGE did not find any instances of the outside practice of law prohibited by Treasury's supplemental regulation.

Conflict Remedies

The criminal conflict of interest law prohibits an employee from participating in an official capacity in a particular matter in which he or she has a financial interest.²¹ Congress included two provisions that permit an agency to issue a waiver of this prohibition in individual cases. Agencies must consult with OGE, where practicable, prior to issuing such a waiver.²² Treasury issued six waivers in 2021 and OGE was consulted on each one.

Additionally, the Ethics in Government Act expressly recognizes the need for PAS nominees to address actual or apparent conflicts of interest by requiring written notice of the specific actions to be taken in order to alleviate the conflict of interest,²³ commonly known as an "ethics agreement." Eleven Treasury PAS officials were confirmed in 2021 with ethics agreements. All of these officials notified OGE that they complied with the terms of their agreements.

²⁰ See Executive Order 12674 and 5 C.F.R. § 2635.105.

²¹ See 18 U.S.C. § 208.

²² See Executive Order 12674.

²³ See 5 U.S.C. app. § 110.

Enforcement

Executive branch offices are required to notify OGE when they refer a potential violation of a conflict of interest law to the Department of Justice (DOJ).²⁴ Treasury's Office of Inspector General (OIG) is responsible for conducting investigations of potential violations of the criminal conflict of interest laws, making any necessary referrals to DOJ, and concurrently notifying OGE of any such referrals. In 2021, Treasury's OIG notified OGE of its referral to DOJ of one potential violation, which did not involve a Departmental Office employee. Additionally, Treasury reported no disciplinary actions based wholly or in part upon violations of the Standards of Conduct in 2021 involving a Departmental Office employee.

Special Government Employees

Special government employees (SGE) are officers or employees of the executive or legislative branch retained, designated, appointed or employed to perform their duties, full-time or intermittently, for not more than 130 days in any 365-day period. SGEs typically serve on agency advisory boards or commissions and are required to file financial disclosure reports and receive ethics training.²⁵

Board Member SGE

The headquarters ethics office provides ethics services to the Internal Revenue Service Oversight Board (the Board). The nine-member Board was created by Congress under the IRS Restructuring and Reform Act of 1998. The Board only had one PAS member designated as an SGE in 2021. OGE confirmed the timely filing and review of this official's public financial disclosure report in 2022. OGE also confirmed that the PAS member received of the required ethics training in 2021.

Expert and Consultant SGEs

In order to evaluate the ethics services provided to non-FACA committee SGE experts and consultants, OGE reviewed the financial disclosure and ethics training services provided to the four SGEs serving as experts and consultants at Treasury Departmental Offices in 2021.

Financial Disclosure

OGE examined the confidential financial disclosure reports filed by the four SGE experts and consultants in 2021. OGE found that three of the confidential reports were filed timely. OGE could not determine whether the fourth report was filed timely because the agency did not record the date of receipt. OGE also found that all four of the confidential reports were reviewed timely. However, none of the confidential reports had a signature in the Final reviewer box of the form indicating that the final certification had occurred, as identified earlier with regard to confidential reports filed by regular employees.

²⁴ See 5 C.F.R. § 2638.206.

²⁵ See 18 U.S.C. § 202(a).

Ethics Training

All four expert and consultant SGEs received ethics training in 2021.

Agency Comments

Treasury ethics officials greatly appreciate OGE’s review of our ethics program and its flexibility in responding to its inquiries during extremely busy times for us over the last year. It is useful for us to receive objective measurements to ensure our program complies with regulatory requirements and improve our processes where needed. We also appreciate the opportunity for Treasury to provide comments to the draft report. Note that we have included many comments throughout the PDF report for clarity, accuracy, and background information in addition to this more detailed document.

Given the events of the past two years, it is useful to include some additional context that significantly impacted the ethics program staff:

1. As discussed briefly in the report, standing up the unprecedented and novel Coronavirus Aid, Relief, and Economic Security Act (CARES) and American Rescue Plan Act (ARP) programs in a very brief period of time during the pandemic and during a transition year cannot be overly simplified or dismissed because these programs had a cascading effect on the ethics program. Pre-vetting approximately 150-200 hires to work on these specific programs and their funding streams to ensure the individuals did not have conflicting interests, while we were learning about the scope of the programs and what would constitute a conflict of interest for a particular program, was a noteworthy and mammoth undertaking for the entire ethics staff.
2. Ethics staff transitions also significantly impacted the program, especially in February 2022, when we lost two very seasoned and knowledgeable employees on the same day—the ADAEO and an ethics attorney. We note that OGE’s review started in October 2021, when we were fully staffed, and OGE’s examination and review of 2022 reports and data coincided with this significant loss of two members of our small ethics team.
3. Presidential Transition—During 2020-2022, the ethics staff provided at least 100 seeking employment and/or post-employment briefings and/or guidance to all outgoing political appointees and to many career employees.
 - a. For the new administration, in 2021-22, the staff also vetted and/or pre-cleared 38 individuals, many of whom were nominated to fill Treasury’s 45 PAS positions and three PA positions.
 - b. They pre-vetted more than 90 Non Career SES and Schedule C appointees in 2021-22.
 - c. They pre-vetted at least 17 Career SES and SL appointments in 2021-22.

While OGE’s report highlighted some of our program’s shortcomings, we feel it is equally important to highlight our best practices, especially those that go above and beyond regulatory requirements and our daily work of advice and counseling on a wide array of ethics matters, financial disclosure review, and daily ethics program management. Since OGE dedicates a section on its website to highlight best practices for ethical leadership and building an ethical culture, “key components of the executive branch ethics program,” we believe it appropriate to note Treasury’s efforts to do so.

Along these lines, **Treasury’s best practices include:**

- Pre-vetting all public financial disclosure new entrant filers and many confidential financial disclosure filers.
- Requiring all new entrant public filers (including internal SES promotions) to attend a live General Law, Ethics and Regulation briefing, generally within 30-60 days of onboarding. Educating employees to contact us early and often keeps ethics consistently on their radar and contributes to an ethical culture.
- Requiring new entrant public filers hired prior to June 1 in a given calendar year to attend live annual ethics training for public filers, which is an interactive and engaging training with multiple choice questions where attendees vote on the correct answers (this has historically been conducted as an in-person participatory game format). An ethics refresher for our most senior employees demonstrates that an ethical culture starts at the highest level.
- Requiring all new GS non-political hires to take interactive ethics training within two weeks of their hire date and complete a brief online ethics questionnaire so that we can not only ensure we have correct email and supervisor information in our ethics database, but more importantly, also spot problematic issues and provide proactive counseling (e.g., financial interests, including virtual currency and RSUs, and outside activities, covered relationships, etc.)
- Requiring new supervisors to take “New Supervisor Ethics Training” within two weeks of becoming a supervisor. Our interactive course exceeds regulatory requirements and includes scenarios and guidance on ethics issues that a supervisor may encounter (e.g., gifts between employees, outside activity process, OGE 450 filer designation and review of forms).
- Distributing periodic ethics guidance globally, such as Treasury Ethics Bulletins on Hatch Act and the Treasury Ethics Newsletter.
- Storing ethics advice, ethics training, financial disclosure filing status, and the OGE 450 form (where applicable) for all DO employees in the ethics database. The OGE 450 e-filing program is linked to the ethics database.

Comments Regarding Confidential Financial Disclosure

Timeliness of new entrant reports: Treasury would like to ensure OGE is aware that two filers, “Filer A” and “Filer B”, received filing extensions that were noted in our database but that do not appear on the forms. Filer A was granted an extension until 3/1/22. He was promoted on

1/10/22 which triggered the filing requirement. Thus, we believe that report was filed timely. Filer B was granted an extension until 5/15/22. He was hired 3/28/22. We also believe this report was filed timely. We will work with our database team to ensure filing extensions are noted on the report in the comments, if required.

We also note that one of the filers, “Filer C”, is a GS 13 and was inadvertently over-designated by the supervisor as a filer. We have since clarified the filing criteria with the supervisor. With regard to the other late filers, some new supervisors noted that employees who were not previously designated as a filer under a former supervisor should be filing because of changes in their duties, such as becoming purchase card holder or acquiring contracting duties. Thus, when we were informed that an employee should be filing based on the updated duties of their position, we set the due date as 30 days from that point and notified the employee. As such, some due dates were not necessarily connected to hire or promotion dates. In these cases, the employees filed prior to the due date.

We are also addressing a weakness in the e-form that allows a supervisor to return the report to the filer for editing. When the filer edits the data, the filer must re-sign the report, and the later signature is then captured on the report instead of the initial filing date. The modification to our electronic form will ensure that the initial filing date remains on the signature line if a form is subsequently returned for editing before the supervisor has certified the report.

As another improvement, going forward, we have imparted more specific guidelines to our Staff Assistant who notifies supervisors and filers regarding the OGE 450, and we will endeavor to ensure that position appointment dates are accurately reflected on the form and in our records. In addition, to eliminate potential confusion about the required report due date, we are automating the report due date calculation based on the position appointment date.

Finally, we have recently implemented automatic reminders to filers regarding the pending OGE 450 due date. These, coupled with more notices to the supervisor regarding a late filing, should result in more timely filings.

Final Certification Date: Treasury ethics officials have already been in contact with our database team to modify the signature fields and to ensure our form exactly replicates the OGE Form 450. These modifications are expected to be developed, tested, and implemented within the next few weeks and no later than the first quarter of the new fiscal year.

Comments Regarding Late Certification of Public Financial Disclosure Reports

We note that for most reports, the delay is generally not the actual certification (which happened frequently within a few days of receipt following the initial review), but rather that the initial review was considered complete and the filer was delayed in responding to the initial reviewer’s questions. This delay can be attributed to an overall increase in workload for many public filers who were/are directly involved in CARES, ARP, and other pressing Treasury initiatives and programs.