

**ETHICS PROGRAM REVIEW FOLLOW-UP REPORT**

Agency: Department of Education

Follow-up to OGE Report Number: 19-34

Report No.: 21-02F

Date: December 15, 2020

**UNITED STATES OFFICE OF  
GOVERNMENT ETHICS**  
Preventing Conflicts of Interest  
in the Executive Branch

As a result of its review of the U.S. Department of Education (Education) ethics program, the Office of Government Ethics (OGE) issued twelve recommendations in its July 2019 review report. OGE conducted a follow-up review to assess whether Education has taken sufficient action to resolve the deficiencies underlying these recommendations. The results of the follow-up review are summarized below.

	Recommendation	Agency Action and OGE Finding	Status
1	Ensure that Office of Human Resources (OHR) provides the DAEO with prompt notifications of appointments to positions that require incumbents to file new entrant and termination financial disclosure reports, in accordance with 5 C.F.R § 2638.105.	<b><u>Agency Response:</u></b> Education provided their Standard Operating Procedures (SOP) for the “Administrative Tracking & Report Certification for Financial Disclosure Reports” to OGE. The SOP outlines the process OHR will use to provide prompt notification to ethics officials of appointments to positions whose incumbents are required to file new entrant and termination financial disclosure reports.  <b><u>OGE Finding:</u></b> OGE examined a sample of five OHR notifications submitted to the ethics office in 2020 and found that they were timely. However, Education also reported at least seven instances of late filing of public reports because the Ethics office was not notified timely of the appointment or departure of public filers.	Open
2	Finalize and implement the draft written procedures to reflect the process by which OHR is to comply with the notification requirements at 5 C.F.R § 2638.105.	<b><u>Agency Response:</u></b> Education provided an SOP titled “Administrative Tracking & Report Certification for Financial Disclosure Reports” to OGE. The SOP finalizes and implements the draft written procedures to reflect the process by which OHR is to comply with the notification requirements at 5 C.F.R § 2638.105.	Closed
3	Ensure that the correct public financial disclosure report type is assigned to each filer in Integrity.	<b><u>OGE Finding:</u></b> OGE reviewed 91 public financial disclosure reports in Integrity. All reports, reports indicated the correct report type.	Closed

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4	Ensure that the tracking system for public financial disclosure reports accurately reflects the type of reports filed in Integrity.	<b><u>OGE Finding:</u></b> OGE reviewed 91 public financial disclosure reports. All 91 filers were correctly assigned the proper report type in Integrity.	Closed
5	Ensure that new entrant public financial disclosure reports are filed timely.	<b><u>OGE Findings:</u></b> OGE reviewed 62 new entrant public financial disclosure reports in Integrity. Of the 62 reports, 43 (69%) were filed timely.	Open
6	Ensure that termination public financial disclosure reports are filed timely.	<b><u>OGE Findings:</u></b> OGE reviewed 29 termination public financial disclosure reports in Integrity. Of the 29 reports, 17 (59%) were filed timely.	Open
7	Assess or waive late filing fees for public financial disclosure report filers who file reports more than 30 days after the applicable due date.	<b><u>Agency Response:</u></b> Pursuant to this recommendation, the DAEO updated the SOP to institute a process to clearly identify public financial disclosure report filers who were assessed a late filing fee and whether such late filing fee was waived.	Closed
8	Ensure that public financial disclosure reports that were maintained beyond the 6-year retention period are destroyed.	<b><u>Agency Response:</u></b> According to Education, a file purge protocol was initiated and completed in March 2020. All files dated December 31, 2013 or earlier were destroyed. Due to the COVID-19 pandemic, Education has not been able to purge additional files that have been retained longer than six years.	Closed
9	Ensure that confidential financial disclosure reports are filed timely.	<b><u>Agency Response:</u></b> Reminders are sent to filers to timely file new entrant confidential financial disclosure reports. In collaboration with the Department's Chief Information Officer, employees that do not timely file and submit confidential financial disclosure reports have their government email accounts disabled and are precluded from accessing Department databases and systems until the report is submitted.  <b><u>OGE Finding:</u></b> OGE reviewed a sample of confidential reports filed in 2020 and found that only 55% were filed timely.	Open

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10	Establish written procedures for supervisory ethics notices, as required by 5 C.F.R. § 2638.306(d).	<b><u>Agency Response:</u></b> Due to a change in leadership, OHR has reviewed and reevaluated its current written procedures. OHR is currently in the process of updating these procedures.	Open
11	Establish a process to provide reasonable assurance that the DAEO reviews the written procedures annually, as required by 5 C.F.R. §§ 2638.303(c) and 306(d).	<b><u>Agency Response:</u></b> Due to a change in leadership, OHR has reviewed and reevaluated its current process to provide the DAEO with an opportunity to review the written procedures annually. OHR is currently in the process of updating this notification process.	Open
12	Ensure that all SGEs file their confidential financial disclosure reports by the agency established deadline, or in no event later than the first committee meeting, as required by 5 C.F.R. § 2634.903(b)(3).	<b><u>OGE Finding:</u></b> OGE reviewed the confidential financial disclosure reports filed by the NACIQI members who attended the first meeting of the year in February 2020. OGE found that 67% of the reports were filed before the meeting. One member filed their report after the meeting. OGE could not determine the filing timeliness for two reports because ethics officials did not complete the “date received by agency” field on the confidential reports.	Open

Based on the results of OGE’s follow-up review, recommendations 2, 3, 4, 7, 8 are closed. OGE will conduct an additional follow-up review in approximately 6 months to assess whether Education has taken sufficient action to resolve the deficiencies underlying the recommendations which remain open.