



United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

January 11, 2012

Dev Jagadesan
Designated Agency Ethics Official
Overseas Private Investment Corporation
12th Floor
1100 New York Avenue, NW
Washington, DC 20527

Dear Mr. Jagadesan:

The United States Office of Government Ethics (OGE) has conducted a follow-up review of the ethics program at the Overseas Private Investment Corporation (OPIC) to determine whether the improvements recommended or suggested in our April 2011 report have been achieved.

During OGE's initial review of OPIC's ethics program, OGE found that OPIC did not have written procedures governing the administration of its public and confidential financial disclosure systems as required by section 402(d)(1) of the Ethics in Government Act. OGE recommended that OPIC, "[D]evelop written procedures for administering both the public and confidential financial disclosure systems in accordance with the requirements of section 402(d)(1) of the Ethics Act." OPIC has since developed such procedures and; therefore, the recommendation has been closed.

OGE's initial review also suggested that "[I]n view of the importance of having a succession plan to help maintain the consistent administration of an ethics program... written procedures that reflect the current practices for administering other elements of OPIC's ethics program..." also be developed. During the follow-up review, OPIC provided an "Administrative Order" which provides a very general outline of the structure and functions of OPIC's ethics program. While this falls short of the written procedures contemplated in OGE's suggestion, the decision to accept the risk of not memorializing the standard operating procedures used to administer the elements of its ethics program, other than public and confidential financial disclosure, is within OPIC's discretion. OGE has closed this issue.

OGE's initial review identified that two members of OPIC's Board of Directors who are SGEs had not filed current confidential financial disclosure reports. OGE recommended that OPIC [C]ollect the new entrant confidential reports from the two private sector board members." OPIC did collect one of the delinquent reports. The remaining report was to be filed by a board member who left OPIC before submitting his annual report. Despite several attempts; ethics officials have not been able to collect the report. While OGE considers the failure to collect a board member's confidential financial disclosure report to be a serious matter, we acknowledge that it appears unlikely that the report will be filed. OGE has decided to close this recommendation.

OPIC Report No. 12-24F

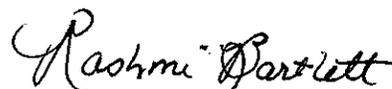
The initial review also identified that while SGEs were provided initial ethics orientation, they were not consistently provided with annual ethics training. OGE recommended that OPIC “[E]nsure that all SGE board members receive annual ethics training.” The Alternate DAEO confirmed that live annual ethics training was provided by an in-person briefing on the required subjects supplemented by a handout. Documentation of the training was provided. Since the required training was provided and the failure to provide training was the result of an unanticipated extension of the SGE’s terms and not a systematic problem, OGE closes this recommendation.

During the course of the initial review, ethics officials expressed concern that the financial disclosure reports filed by private sector board members were inadequate for their needs since most of the information reportable on the OGE Form 450 may not address fully any potential conflict of interest concerns that may arise. As result of this concern, OGE suggested that “ethics officials assess the merits of whether an alternative confidential disclosure system would be more appropriate to help screen SGEs for potential conflicts, in lieu of having them file new entrant OGE Form 450s.” OPIC has decided not to pursue approval of an alternative confidential financial disclosure system at this time and OGE has closed the issue. Should OPIC decide to pursue the development of an alternative system in the future, OGE will be happy to assist.

Finally, OGE’s initial review found that OPIC did not have a written training plan as required by 5 CFR § 2638.706. OGE recommended that OPIC, “[D]evelop an agency ethics training plan and specify how OPIC will provide verbal training to those who are required to receive it, especially OPIC’s most senior employees.” OPIC provided written training plans for both 2011 and 2012 during the follow-up review. The plans comply with regulatory requirements. OGE has closed this recommendation.

Based on our follow-up and as noted, we have determined that OPIC has adequately implemented the recommendations and suggestions in the April 2011 review report. As a result, OGE has closed the recommendations. In addition, OGE has considered OPIC’s actions regarding the suggestions in the April 2011 report and considers those issues closed as well. Thank you for your assistance during the follow-up process. Please contact me at 202-482-9317 if you require any additional information.

Sincerely,



Rashmi Bartlett
Associate Director