SECRETARY OF THE ARMY
WASHINGTON

OCT 11 2001

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Exclusion from OGE Form 450 Filing Requirement

I have determined that more Army officers, employees, and enlisted soldiers are filing OGE Forms 450, Confidential Financial Disclosure Reports, than is necessary for the integrity of Army programs. Accordingly, to focus the Army's conflict of interest review on actions where the greatest risk of conflict exists, I have determined that specific categories of soldiers and Army employees presumptively do not have to file the OGE Form 450, Confidential Financial Disclosure Report.

When subordinates are unlikely to be involved in a real or apparent conflict of interest; when they are subject to a substantial degree of supervision; or when they exercise control over matters which would be inconsequential to Army integrity, they should not be required to file this disclosure report. Accordingly, pursuant to 5 C.F.R. § 2634.905, I have determined that five categories of individuals do not need to file the OGE Form 450.

I have determined that all individuals who make or approve annual purchases totaling less than the simplified acquisition threshold, as defined in the Federal Acquisition Regulations (currently $100,000), shall be presumptively excluded from filing the OGE Form 450.

I have determined that officers in the grade of O-3 and below, enlisted soldiers in the grade of E-6 and below, and civilians in the grade of GS-6 and below shall be presumptively excluded from filing the OGE Form 450. Warrant officers are not included in this category. This exclusion does not extend to officers in the Acquisition Corps.

I have determined that volunteers providing gratuitous services to the Army pursuant to 10 U.S.C. § 1588 shall be presumptively excluded from filing the OGE Form 450. This determination is inapplicable to volunteers who make any resource management decisions on behalf of the Army.

I have determined that intermittent employees, both wage grade and general schedule employees, who work 120 days or less, are presumptively excluded from filing the OGE Form 450. This includes, for example, wage grade employees who perform tasks such as cleaning services, but does not apply to Special Government Employees who are appointed to Army boards, advisory committees and hired as consultants (with the exception of the Center for Military History, immediately below).

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I have determined that members of the Center for Military History Advisory Board do not render advice on the disposition of Army assets or issues that would affect the material interests of the non-Federal parties with whom they may be affiliated. Accordingly, they shall be excluded from filing the OGE Form 450. In the event that the Board's mission or purpose is expanded to provide advice on matters other than historical interpretation, this determination is void.

With respect to any of the categories above, this determination does not preclude individual supervisors from requiring subordinates to file the form when, in the supervisor's judgment, the subordinate has duties involving the exercise of significant independent judgment over matters that will have a substantial impact on the integrity of Army operations and relationships with non-Federal parties. Further, this determination does not apply to individuals who hold contracting warrants, or otherwise fall within the categories defined in 5 C.F.R. §§ 2634.904(a)(1)(ii); (iii) and the *Joint Ethics Regulation* (*JER*), para. 7-300a(3)(a) (administering or monitoring grants, subsidies, licenses or other Federally conferred financial or operational benefits, or regulating or auditing any non-Federal entity); and *JER*, para. 7-300a(1) and (2) (listing a number of positions with filing requirements).

Commanders and supervisors are reminded that even though some individuals may not be required to file the OGE Form 450, if they are making resource management decisions, such as IMPAC card holders, they must be given adequate training and guidance on conflicts of interest and fiscal accountability. Any disposition of Army assets may be the basis for a conflict of interest, which may result in adverse action. Commanders must ensure that individuals under their command are given the training and guidance they need to avoid such unfortunate mistakes.

Finally, all individuals are encouraged to attend the annual ethics training conducted at all levels of command, whether or not their duties require attendance. Annual ethics training is a source of critical information and a helpful reminder to all of us about our special role as Federal employees to maintain the public's trust.

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