

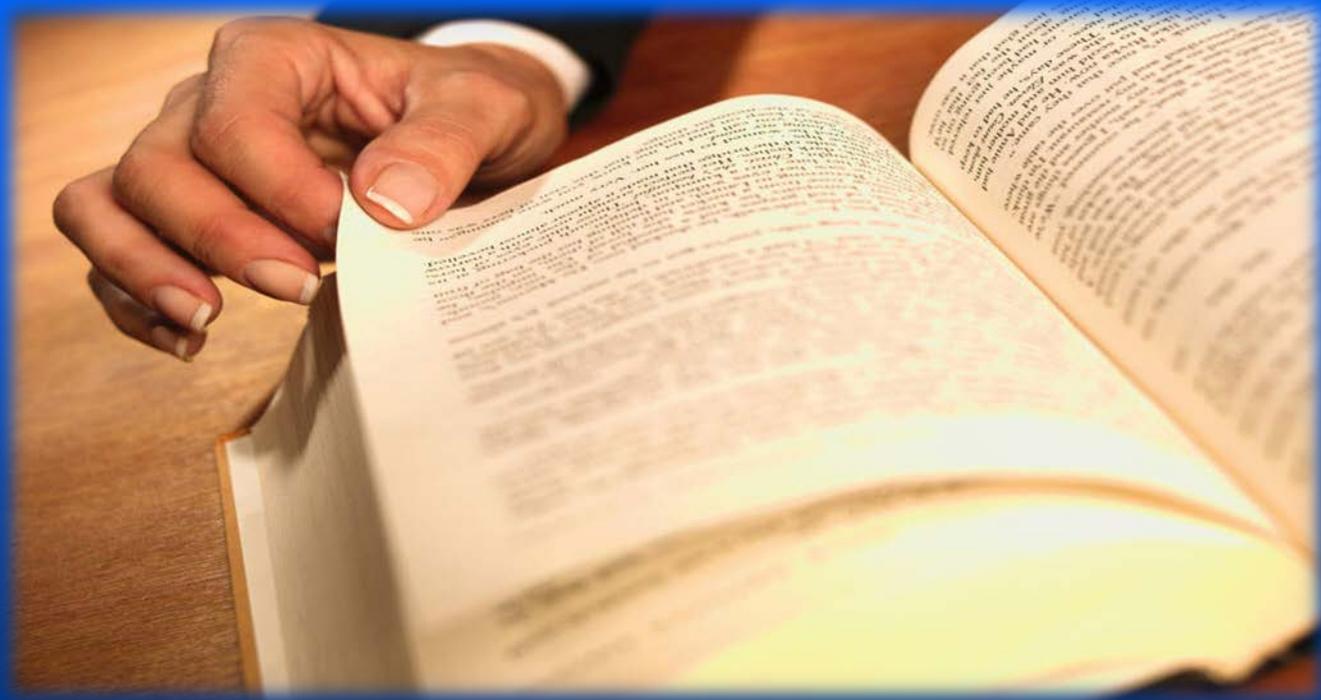
Financial Disclosure



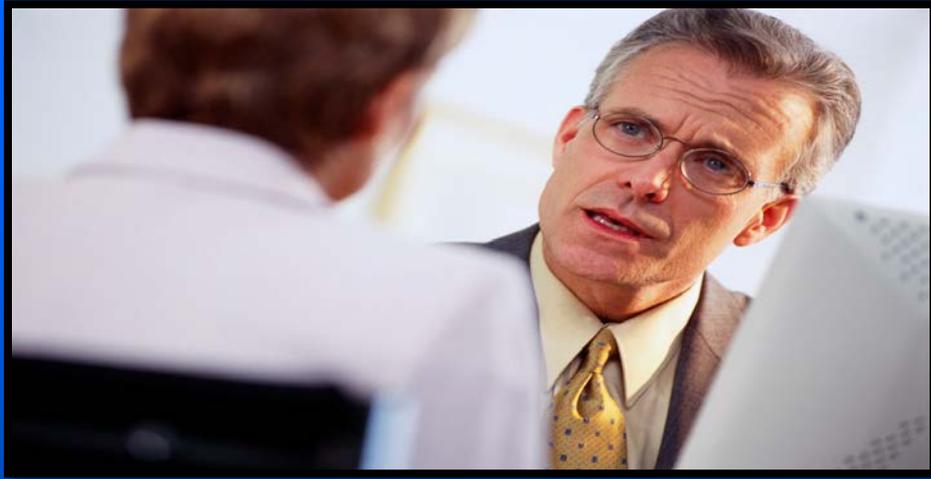
**Standards of Conduct Office
Office of General Counsel
Department of Defense**

Revised: May 2016

Before we start . . .



let's check out the references



Bottom Line



Financial disclosures are a tool to identify & prevent conflicts of interest

FINANCIAL DISCLOSURES

Help:

- ✓ Maintain public confidence in DoD
- ✓ Employees, supervisors and ethics officials recognize & prevent potential conflicts of interest
- ✓ Provide evidence if violations occur



FINANCIAL DISCLOSURE Process

Administer Program:

- Meet program deadlines
- Identify filers
- Notify and educate filers and supervisors
- Record keeping

Disclosure Review:

- Technical review
- Conflict of interest analysis
- Remedies, as warranted
- Certification/Signature

FINANCIAL DISCLOSURE

Common Rules

Rules that apply to ALL financial disclosures:

- Retain reports for 6 years from date of receipt (unless on hold because of investigation).
- New Entrant reports due 30 days after filer assumes position
- Extension for filing reports must be for “good cause” and cannot exceed 90-days.
- Extensions beyond 45-days must be granted in writing.

FINANCIAL DISCLOSURE

Common Rules

Rules that apply to ALL financial disclosures:

- Reports must be certified within 60-days of agency receipt, PA-11-04, unless there is good cause for delay (e.g., seeking clarifications from the filer).
- Privacy Act notice: Filers should always be alerted to the fact that over-reporting is ill-advised and for 278 Filers, reports may not be redacted before release.

PUBLIC FINANCIAL DISCLOSURE



**OGE 278e
&
OGE 278-T**

PUBLIC FINANCIAL DISCLOSURE

(OGE Form 278e, dated Mar 2014)

OGE Form 278e (March 2014)
 U.S. Office of Government Ethics; 5 C.F.R. part 2634 | Form Approved: OMB No. (3209-0001)

Report Type:	
Year (Annual Report only):	
Date of Appointment/Termination:	



Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)

Filer's Information				
Last Name	First Name	MI	Position	Agency
Other Federal Government Positions Held During the Preceding 12 Months:				
Name of Congressional Committee Consideration Nomination (Nominees only):				
Filer's Certification - I certify that the statements I have made in this report are true, complete and correct to the best of my knowledge:				
Signature:			Date:	
Agency Ethics Official's Opinion — On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (subject to any comments below)				
Signature:			Date:	
Other Review Conducted By:				
Signature:			Date:	
U.S. Office of Government Ethics Certification (if required):				
Signature:			Date:	
Comments of Reviewing Officials:				

PUBLIC FINANCIAL DISCLOSURE

Differences between the OGE Form 278e and the OGE Form 278

Both the OGE Form 278e and the old OGE Form 278 collect the same information. The information is merely organized differently. The following table cross-references the two forms.

OGE Form 278e Sections - NEW	Corresponding OGE Form 278 Sections- OLD
Cover Page	Cover Page
Part 1: Filer's Positions Held Outside United States Government	Schedule D, Part I: Positions Held Outside U.S. Government
Part 2: Filer's Employment Assets & Income and Retirement Accounts	Schedule A: Assets and Income
Part 3: Filer's Employment Agreements and Arrangements	Schedule C, Part II: Agreements or Arrangements
Part 4: Filer's Sources of Compensation Exceeding \$5,000 in a Year	Schedule D, Part II: Compensation in Excess of \$5,000 Paid by One Source
Part 5: Spouse's Employment Assets & Income and Retirement Accounts	Schedule A: Assets and Income
Part 6: Other Assets and Income	Schedule A: Assets and Income
Part 7: Transactions	Schedule B, Part I: Transactions
Part 8: Liabilities	Schedule C, Part I: Liabilities
Part 9: Gifts and Travel Reimbursements	Schedule B, Part II: Gifts, Reimbursements, and Travel Expenses

OGE Form 278e: Who Files?

1. Generals & Admirals (O-7 and above)
2. Senior Executive Service (SES, career and non-career) & Senior Level (SLs)
3. Non-GS employees (including IPAs, and SGEs) earning 120% + of GS 15, step 1 (\$123,175.20, as of January 2016)
4. PAS (Presidential Appointees with Senate Confirmation)
5. Political Appointees (Schedule C) (regardless of income)
6. Civilians detailed to positions covered by 2, 3, & 5 above
7. Reserve and National Guard officers (O-7 and above) if they served on active duty 61 + days/CY

Exception: If expected to work less than 61 days/CY

OGE Form 278e: New Entrant

Program Requirements:

- Ethics counselors must *identify* and *notify* filers, and *collect* reports
- Get monthly HR reports of:
 - New SES promotions, O-7 promotions (not frocking), and new employees at appropriate pay level
 - Transferring and terminating employees

OGE Form 278e: New Entrant Filing Deadline, Timelines & Info

Reporting Periods:

- PART 1: Filer's Positions Held outside US Govt (prior two CYs and current CY up to date of filing)
- PART 2: Filer's Employment Assets and Income (prior CY and current CY up to date of filing)
- PART 3: Filer's Employment Agreements and Arrangements (as of date of filing)
- PART 4: Filer's Sources of Compensation Exceeding \$5,000 in a Year (prior two CYs and current CY up to date of filing)

OGE Form 278e: New Entrant Filing Deadline, Timelines & Info

Reporting Periods:

- PART 5: Spouse's Employment Assets and Income (prior CY and current CY up to date of filing)
- PART 6: Other Assets and Income (prior CY and current CY up to date of filing)
- PART 7: Transactions (not applicable)
- PART 8: Liabilities (prior CY & current CY to date of filing)
- PART 9: Gifts and Travel Reimbursement (not applicable)

OGE Form 278e: New Entrant Filing Deadline, Timelines & Info

Due Dates:

- New Entrants: Within 30 days of assuming duties
- SGEs: Within 15 days of 61st day of duty
- Nominees: Between nomination and 5 days after transfer of nomination to Senate
- Not applicable to employee leaving a covered position within last 30 days
- Certify within 60 days of Agency receipt, unless additional information is required.

OGE Form 278e: New Entrant Filing Deadline, Timelines & Info

- PGE Certification (See model certification) OGE 278e filers must file annual certifications that:
 - They are aware of disqualification and employment restrictions; and
 - They have not violated them
 - Also provides required HR cooling off period notice.

Tip: Collect certifications with new entrant, annual or termination reports (FDM & Integrity are automatic)

Tip: Try to personally meet each new entrant OGE 278e filer.

OGE Form 278e: Incumbent Filing Deadline, Timelines & Info

Deadlines:

- Due Date: No earlier than January 1 and no later than May 15.
- Not Required for anyone who filed a new entrant report after November 1 of the previous CY

Reporting Periods:

- PART 1: Filer's Positions Held outside US Government (prior CY and current CY up to date of filing)
- PART 2: Filer's Employment Assets and Income (prior CY)
- PART 3: Filer's Employment Agreements and Arrangements (prior CY and current CY up to date of filing)

OGE Form 278e: Incumbent Filing Deadline, Timelines & Info

Reporting Periods:

- PART 4: Filer's Sources of Compensation Exceeding \$5,000 in a Year (N/A)
- PART 5: Spouse's Employment Assets and Income (prior CY)
- PART 6: Other Assets and Income (prior CY)
- PART 7: Transactions (prior CY)
- PART 8: Liabilities (prior CY)
- PART 9: Gifts and Travel Reimbursement (prior CY)

OGE Form 278e: Incumbent Filing Deadline, Timelines & Info

Detailees & General/Flag Officers:

- Initial Review for substantive conflict analysis is best done where filer is currently working, but ownership of original reports and responsibility for certification of reports is home organization.

E.g., for GO/FO serving as agency heads for Defense agencies, the Defense agencies may complete initial review and substantive conflict review, but final certification and retention of report should be their Service.

OGE Form 278e: Termination Filing Deadline, Timelines & Info

Reporting Periods:

- PART 1: Filer's Positions Held outside US Government
(end of period covered by last report to termination date)
- PART 2: Filer's Employment Assets and Income
(end of period covered by last report to termination date)
- PART 3: Filer's Employment Agreements and Arrangements
(end of period covered by last report to termination date)
- PART 4: Filer's Sources of Compensation Exceeding \$5,000
in a Year (N/A)

OGE Form 278e: Termination Filing Deadline, Timelines & Info

Reporting Periods:

- PART 5: Spouse's Employment Assets and Income
(end of period covered by last report to termination date)
- PART 6: Other Assets and Income
(end of period covered by last report to termination date)
- PART 7: Transactions
(end of period covered by last report to termination date)
- PART 8: Liabilities
(end of period covered by last report to termination date)
- PART 9: Gifts and Travel Reimbursement
(end of period covered by last report to termination date)

OGE Form 278e: Termination Filing Deadline, Timelines & Info

Deadline:

- Due Date: NLT 30 days after termination — after expiration of all permissive and terminal leave
- Combined annual/termination report permissible if employee leaves between May 15 and Aug 15.
- Not required for employees assuming another OGE Form 278e filing position within 30 days.

OGE Form 278e: Extensions

- Agency Extension: 90 days total.
 1. Initial - up to 45 days; granted by DAEO (or designee), for “good cause shown.”
 2. Additional Agency Ext – like above, up to 45 days; granted by DAEO (or designee), but *must* be in writing, for “good cause shown.”
- Combat Zone: Automatic extension for 180 days after return from deployment in war zone, or release from hospital.

OGE Form 278e: Review

Review: OGE requires that all reports be certified within 60 days. No extensions!

- Process:
 - ✓ Conduct conflict of interest review
 - ✓ Obtain any required clarifications/information (if additional information/action is required, initial review & signature meets 60 days.)
 - ✓ Implement remedial action, if any (Caution, DQ, etc.)
 - ✓ Certify/sign report

OGE Form 278e: Documentation

- Good program tracking system is critical!
 - Record new, transfer, promoted, and terminating filers
 - Track positions and filing requirement
- Good data tracking is critical!
 - Date of submission, signature, and receipt
 - Record of review & certification within 60 days, or information on additional required information/action
 - Any information required for OGE's annual questionnaire
 - Retain reports for 6 years

OGE Form 278e: Time Management

- Create and post sample report with correct entries
- Offer training on filling out reports
- Include Supervisory review in AET
- Offer available software (e.g., FDM, Integrity)
- Be available for questions
- Provide copy of previous report
- Recommend written procedures
- Train legal support staff
- Timely review and forwarding to final reviewer

STOCK Act

Public Posting of Reports

- All OGE certified OGE 278e reports (e.g., PAS & DAEO) filed after January 1, 2012, will be accessible (electronic request for the reports) on a public website. Access to the reports requires compliance with OGE's systems of record (use of OGE Form 201 as modified).
- Remember drafts and reports still within the first 30 days after agency receipt are not releasable.

Integrity.gov

- New OGE 278e online filing system.
 - Hosted on OMB MAX website.
 - Data can be migrated from FDM.
 - Currently public reports only – not OGE 450s.
- All OGE certified OGE 278e reports (e.g., PAS & DAEO) must be filed through *Integrity* beginning 2016.
 - For DoD, all other 278e filers required to file in FDM in 2016 in anticipation of future migration to Integrity.

OGE Form 278e: Enforcement

- Grace Period is not an automatic extension.
- Personal \$200 fine for late filing
- Notice and Waiver
- Agency debt collection
- Worse...referral to DOJ (required) & \$50,000 fine.



OGE FORM 278-T

Periodic Transaction Report

- Who: All OGE 278e filers, except nominees.
- When:
 - Covered as soon as assume filing position.
 - Must file earlier of (1) 45 days after the transaction; or (2) 30 days after notification of the transaction.
- What: All individual transactions of **securities** for **filer**, **spouse**, and **dependent child** that meet reporting threshold (valued >\$1,000).

OGE FORM 278-T

Periodic Transaction Report

Exclude (278-T Only):

- Individual transactions of **securities** for **filer**, **spouse**, and **dependent child** below reporting threshold (valued <\$1,000).
- Cash accounts
- Real estate
- Excepted investment funds & underlying holdings thereof
- Qualified blind or diversified trust, or an excepted trust
- Treasury bills, notes, and bonds;
- Life insurance or annuities;
- Assets in a Federal retirement program (e.g., TSP).

NOTE: Must still report these transactions on next Annual OGE 278e report if they meet the reporting threshold

OGE FORM 278-T

Periodic Transaction Report

- Extensions: Permissible.
Same as OGE Form 278e.
- Penalty & Waiver: Same as OGE Form 278e.
- Publically Posted:
 - Same as OGE Form 278e.
 - Confidential until releasable, 30-days after agency receipt.

CONFIDENTIAL FINANCIAL DISCLOSURE



**OGE Form 450
Optional Form 450-A
& Other**

CONFIDENTIAL FINANCIAL DISCLOSURE

(OGE Form 450, dated June 2015)

OMB Form 450-001 (07/15) Executive Branch
 OIG Office of Government Ethics - Executive Branch
 OGE Form 450 (06/15)

Form Number: OGE 450
 Page Number: _____

CONFIDENTIAL FINANCIAL DISCLOSURE REPORT
 Executive Branch

Employee's Name (Last, First, Middle Initial) _____ Street Address _____
 Residence City _____ State _____
 Agency _____ Residential and Mailing Address _____

Work Place _____ Reporting Status _____ 3. New Status: (See 4. Department or Position Change) _____
 Federal Civil Service _____
 Governmental Organization (State) _____
 Federal Government (Other) _____
 If an M.A. Mailing Address (Mailing Address City, State, ZIP Code) _____

Step 1: Read the instructions to Parts I through IV on the following pages.
 Step 2: Fill out information below about you or the individuals you disclose.

1. Current reportable interest or interest of interest for report: any interest of any dependent (spouse)	Yes []	No []
2. Current reportable business activity for report: any interest of any dependent (spouse)	Yes []	No []
3. Current reportable business position for report	Yes []	No []
4. Current reportable appointment or arrangement for report	Yes []	No []
5. Current reportable appointment or arrangement for report	Yes []	No []

NOTE: Statement 1 to the above items only. It does not apply to non-interest categories.
 If a current reportable gift or benefit (individuals for report) is reported, an interest of interest is reported.

Step 3: If you submitted the required statement, you must identify the appropriate interest that you have in the corresponding Part 2, 3, 4, 5, or 6 of this form.

Step 4: Sign and print the form.
 Step 5: Submit the completed form to your ethics officer.

Country and the statements I have made on this form and all attached statements are true, complete and correct to the best of my knowledge.
 Signature of Discloser _____ Date (month/year) _____

FOR DISCLOSURE USE ONLY:
 Do not check any disclosure categories in this section. (Indicate that you file a U.S. confidential case applicable to you and your dependent, except as noted in the "Comments" area below.)
 Reporting your title or position (other than the title of reporting the agency) _____ Date (month/year) _____

3. Street Address _____ Office Address _____
 Reporting your title or position's First Reporting Office _____ Date (month/year) _____
 Reporting of Reporting Office _____

Official Form 450 (06/15) of instructions page 2/2

OGE Form 450: Your Job

- Manage the program
- Limit the number of filers!
- Review Reports
- Counsel and Remedy Conflicts



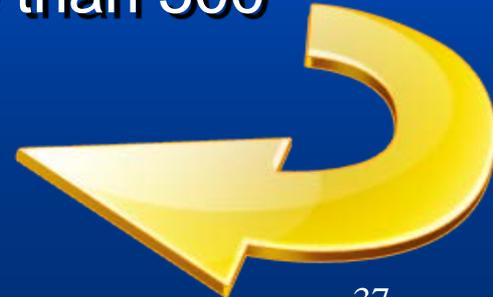
OGE Form 450: Program Notes

- Maintain filer list (by name/position)
- Conduct annual review of “covered positions”
- Utilize Action Officers (AO) or FDM POCs for processing
- Use new entrant, annual and late notices from AO/EC
- Get enforcement follow up

OGE Form 450: Who Files?

RULE: Those not required to file OGE 278e but in a “covered position” (or detailees)

- a. **Military:** COs, XOs, Heads, & Dept. Heads of:
- NAVY: shore installations with more than 500 employees
 - Army, Air Force, Marines: all bases, installations, and air wing activities



OGE Form 450: Who Files?



b. Special Government Employees:

Consultants, or those on temporary duty for 130 days or less in any 365 day period, including reservists and Nat'l Guard.

OGE Form 450: Who Files?

- c. Military & Civilian Employees:
GS-15 and below (or comparable pay level), or military personnel below 0-7, when the following circumstances apply:

OGE Form 450: Who Files?

C. Military & Civilian Employees: (cont'd)

- 1) The Agency concludes they “**participate personally & substantially**” through decision or exercise of significant judgment, **and without substantial supervision**, in taking official action for:
 - a) Contracting or procurement;
 - b) Administering grants, subsidies or licenses;
 - c) Regulating or auditing any non-Federal entity; or
 - d) Other activities in which the final decision may have a direct and substantial economic impact on the interest of any non-Federal entity.
- 2) Supervisor determines position requires filing to avoid real or apparent conflicts of interest.

OGE Form 450: Who Files?



d. Other Civilian Employees:

- Intergovernmental Personnel Act (IPA) appointees.
- Those not required to file SF 278e but detailed to “covered positions.”
- CORs – as determined by CO IAW DoDI 5000.72

OGE 450: Who Files?

Exclusions



- a. Agency heads may exclude positions with:
 - Remote possibility of conflict of interest; or
 - Low level of responsibility

OGE 450: Who Files?

Exclusions

Excluded Positions:

- DoD, Army, Navy, and Air Force specifically exclude non-procurement personnel Government purchase card holders who make annual purchases totaling less than the simplified acquisition threshold and whose duties would not otherwise require them to file.
- DoD, Army, Navy, and Air Force have excluded Reservists unless the supervisor determines otherwise.
- OGE Optional Form 450-A filers
- No right to appeal agency filing determination beyond agency head or designee

OGE 450: New Entrant Reports

Who files?

- New employees
- Transfers (get a copy of their prior 450)
- Personnel whose duties change
- Personnel who are promoted
- SGE (always New Entrants)

OGE 450: New Entrant Reports

Filing Deadline, Timelines & Info

Deadlines:

- Must be filed within 30 days of assuming a new position or new duties
- DoD SGEs, and activated Reservists & National Guard must have reports filed prior to assuming duties
- Extensions (up to 90 Days admin or Combat Zone)

Timelines & Information:

- Reporting Period: 12-month period prior to signature
- Review & certification must be conducted within 60 days from agency receipt (initial review & signature suffices if more information/action required)
- Reports must be retained for 6 years

OGE 450: Annual Reports

Filing Deadline, Timelines & Info

Deadlines:

- February 15 (or next business day)
- No automatic extensions
- Document all extensions
 - Admin Ext: Ethics Counselor (or designee) may grant extensions (90 days)
 - Combat zone ext: deployed or away from permanent duty station (90 days)

Timelines & Information:

- Must have been employed in covered position 60+ days during prior calendar year
- Reporting Period: previous calendar year
- Use correct OGE Form 450 (June 2015)
- Retain reports 6 years

OGE 450: Annual Reports

Use of OGE OF 450-A:

- Annual OGE Form 450 filers only
- Cannot use more than 3 years in a row
- Cannot be used in years divisible by four starting in 2000
- Filer must attach most current OGE Form 450
- Supervisor must review and certify
- SGE may not use 450-A

OGE 450: Documentation

- Develop good tracking system, e.g., excel tracking example
- Date of filing = Agency Receipt
- Fill in filer data gaps - reconcile lists and document filing determinations
- Retain reports for required 6 years
- Reference filer information, e.g., ethics guidance received on gifts, travel, seeking employment etc.

OGE 450: Final Conflict Review

1. Conduct after initial, technical deficiency review
2. Conduct substantive conflict review
 - See OGE memorandum 00x8 on diversified and sector mutual funds
 - Be persistent and use tickler system
3. Send letters/e-mails warning of potential conflicts
4. Annotate report with all revisions, clarifications, remedial action taken.
5. Remedy conflicts
6. Certify report

OGE 450: Time Management

What can you do to make the process more effective & efficient?

- Sample forms/memos on SOCO Website
- Offer training on filling out reports
- Include Supervisory review in AET
- Offer available software
- Be available for questions
- Provide copy of previous report
- Recommend written procedures
- Train legal support staff



OGE 450: Collection/Enforcement

- No \$200 Filing Fee
- Ultimate Threat: Reassignment / Removal
- If report is late, request administrative action
- Get command support
- OGE annual reporting requirements





Public v. Confidential



OGE Form 450 v 278e

OGE Form	450	278e
Who Files	<ul style="list-style-type: none">• <u>Military</u> - COs, XOs, Heads, & Dept. Heads...• <u>Civilian/Military</u> - GS 15/O-6 and below with certain duties• Special Gov't Employees• Most IPAs/HQEs• Certain Reservists & National Guard	<ul style="list-style-type: none">• Political Appointees• DAEO• SES• General Officers (O-7 and above, including reservists w/ 61+ days service)• SES equivalent or detailees• Certain IPA/HQE• Senior Mentors

OGE Form 450 v 278e

OGE Form	450	278e
Reports	<ul style="list-style-type: none">• New Entrant (NE)• Annual (A)	<ul style="list-style-type: none">• New Entrant• Annual (A)• Termination (T)
Deadlines	<ul style="list-style-type: none">• <u>NE</u>: w/in 30 days• <u>A</u>: no earlier than 1 Jan, no later than 15 Feb.• <u>Combat Ext</u>: only 90-days	<ul style="list-style-type: none">• <u>NE</u>: w/in 30 days• <u>A</u>: no earlier than 1 Jan, no later than 15 May.• <u>T</u>: w/in 30 days• <u>Combat Ext</u>: 180 days

OGE Form 450 v 278e

OGE Form	450	278e
Reportable Info	<ul style="list-style-type: none">• No non-sector mutual funds• No values• No asset income amt	<ul style="list-style-type: none">• All investment assets, including mutual funds• Value ranges• Income amount & type
Reportable Periods	<ul style="list-style-type: none">• <u>NE</u>: 12 months preceding assuming duties of covered position	<ul style="list-style-type: none">• <u>NE</u>: last calendar year through current year date of appointment or filing

OGE Form 450 v 278e

OGE Form	450	278e
Penalty	<ul style="list-style-type: none">• Administrative action for failure to file	<ul style="list-style-type: none">• Criminal, civil and administrative penalties for: failure to file, false information, etc.

THE END

The words "THE END" are rendered in a bold, 3D, purple font. They are positioned at the top of the image, appearing to sit on a grey road surface. The road is marked with white perspective lines that converge towards the horizon, creating a sense of depth. The background is a light grey gradient.

Thank you for
your attention!