



Running An Effective Ethics Program

*DoD Standards of Conduct Office
Spring 2020*

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AGENDA

- **The Questionnaire**
- **Financial Disclosure Program**
- **Ethics Training**
- **Talking with HR**
- **The Do(s) and Don't(s)**
- **Financial Disclosure Reviews**
- **1353 Travel**



The Questionnaire

- **Annual Report Card**
- **Report accurate data**
- **Use it to improve your program**
 - **Look at prior years to determine what you need to track**
 - **A few moments to record & track data throughout the year pays dividends at Questionnaire time**



Financial Disclosure Program

- **Maintain up-to-date filer lists**
- **Communication with organization
AOs/POCs is critical**
- **Train your filers & supervisors**
- **Know your enforcement options**
- **Enlist leadership support**



Ethics Training

- **Tracking is everything**
- **Know who your covered employees are**
- **Track status of OGE 278 & OGE 450 filers**
- **Ensure your training is meeting OGE requirements**
- **Consider different platforms / leverage learning management systems**



Assistance from Leadership & HR

- **Personnel offices are required by regulation to assist you – make sure they know that. (See JER 1-412) This includes:**
 - **Human Resources Offices**
 - **Military Personnel Offices**
- **Administrative Officers – Component Heads are required to appoint these and AOs are required to assist you. (See JER 1-404 & 1-414)**



The Do(s) and Don't(s)

DO

- **Be prepared**
- **Engage your leadership**
- **Have a plan to improve your program's deficiencies**

DON'T

- **Procrastinate**
- **Diminish program shortfalls**
- **Ignore serious issues**



We Want to Hear from You!

- **What are some of your agency's best practices?**
- **Records - Paper or electronic?**
- **How do you track your filers?**
- **How do you track arriving and departing employees?**
- **What are your challenges?**



Financial Disclosure Reviews

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Tip and Tricks

Identify **New Entrant Filers**

- **Monthly HR Reports**
- **Entry on Duty (EOD) notifications**
- **In/out processing forms include ethics office**
- **Desk Side Appointments – personal touch!**
 - **Teach them how – don't do it for them**
- **Accurate Status of Filers**
(IPA, HQE, Regular Employee, Detailees)
- **Filing notification – FDM – and separate email to filer; copy supervisor.**
- **Know the players!**



Tip and Tricks

Preparing for **Annual** filing seasons

- **The Annual Scrub!**
 - **JER 7-301 – Action Officers (AOs) provide updated lists to component DAEO or designee**
 - **September/October of each year**
- **Update Database/Spreadsheet**
- **Monthly Reminder to Key Players!**



Tip and Tricks

- **Rollout the filing seasons**
 - **450 notification – January of each year**
 - **278 notification – March of each year**
 - Try to minimize overlap between seasons
- **Keeping track – Key to Success!**
 - **60 days to certify from date of submission**
 - Properly use “end initial review” features
 - **Run Management Reports in filing system to track**
 - Supervisory review
(should occur within two weeks from submission)



Tips and Tricks

Conflict Analysis

- **New Entrant reports**
 - **In-depth overview/potential conflicts**
 - **Former employer/retirement plans**
 - **Spouse employer/retirement plans**
 - **Holdings**
 - **Outside positions**
 - **Former employer/retirement plans**
 - **Identify prohibited sources**
- **Annual reports**
 - **Review for changes/potential conflicts**



OGE 450 Initial Reviews

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Tips and Tricks

OGE 450 Initial Reviews

- **New Entrant reports:**
 - **Standard Questions**
 - **Filers required to disclose assets/income for selves and spouse/dependent child**
 - **“Nothing to Report?” - Oversight or properly omitted?**
 - **Does filer/spouse continue to hold retirement plans held by former employers (what are the underlying assets)**
 - **Filers - What is the “Agreement” with former employer**
 - **Does former employer continue to contribute to plan?**



Part I – Assets and Income

INCOMPLETE

Part I: Non-Investment Income

Source of Income	Type of Income	Recipient
1 Kessler, Tutek, Esquires, Rutherford, CA, USA	Salary (other than Federal Government)	Self

Part I: Assets

Asset Name	Type of Asset	Owner	No Longer Held
☀ 1 401K, Kessler, Tutek, Esquires	Pension Plan (Employer Name)	Self	
☀ 2 Annuity	Annuity	Spouse	
☀ 3 Life Insurance	Life Insurance (not term)	Spouse	
☀ 4 Monday Trust	Stock, bond, option or security	Self	
☀ 5 Rental - California	Real Estate	Joint	

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Part I – Assets and Income

COMPLETE

Part I: Non-Investment Income

Source of Income	Type of Income	Recipient
1 Kessler, Tutek, Esquires, Rutherford, CA, USA	Salary (other than Federal Government)	Self
2 Peku Winery, Rutherford, CA, USA	Salary (other than Federal Government)	Spouse

Part I: Assets

Asset Name	Type of Asset	Owner	No Longer Held
☀ 1 401K: - consists of non-reportable assets, Kessler, Tutek, Esquires	Pension Plan (Employer Name)	Self	
☀ 2 403(b) Spouse - (Peku Stock) all other remaining assets are non-reportable, Peku Winery	Pension Plan (Employer Name)	Spouse	
☀ 3 Family Trust: ABC stock - all other remaining assets are non-reportable	Trust	Self	
☀ 4 Happy Life Fixed Annuity	Annuity	Spouse	
☀ 5 Happy Life Happy Wife Whole Life Insurance	Life Insurance (not term)	Spouse	
☀ 6 Residential, Rutherford, CA, USA	Real Estate	Joint	



Parts III & IV – Outside Positions & Agreements

Potentially INCOMPLETE

Part III: Outside Positions

This report has no reported **Outside Positions**

Part IV: Agreements or Arrangements

This report has no reported **Agreements or Arrangements**

- **Former employer**
- **Trustee**
- **Retirement/pension plans with former employers**



Parts III & IV – Outside Positions & Agreements

COMPLETE

Part III: Outside Positions

	Organization	Type of Organization	Position	No Longer Held												
☀ 1	Family Trust - Revocable Trust, Rutherford, CA, USA		Trustee													
	<table border="1"> <thead> <tr> <th>Author</th> <th>Author Role</th> <th>Date</th> <th>Comment On</th> <th>Category</th> <th>Comment Text</th> </tr> </thead> <tbody> <tr> <td>MONDAY, RENEE M.</td> <td>Filer</td> <td>4/15/2018</td> <td>Position</td> <td></td> <td>As trustee, I do not receive any fees</td> </tr> </tbody> </table>	Author	Author Role	Date	Comment On	Category	Comment Text	MONDAY, RENEE M.	Filer	4/15/2018	Position		As trustee, I do not receive any fees			
Author	Author Role	Date	Comment On	Category	Comment Text											
MONDAY, RENEE M.	Filer	4/15/2018	Position		As trustee, I do not receive any fees											
☀ 2	Kessler, Tutek, Esquires, Rutherford, CA, USA	Law firm	Employee													
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MONDAY, RENEE M.	Filer	4/15/2018	Position		Left firm prior to entering federal government, on 4/10/18.											

Part IV: Agreements or Arrangements

	Parties	Type of Agreement or Arrangement	Terms of Agreement or Arrangement
☀ 1	Kessler, Tutek, Esquires, Rutherford, CA, USA	Continuing participation in employee pension or benefit plan	Will continue to hold retirement plan - neither me, nor former employer continue to contribute to this retirement plan.

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Tips and Tricks

FDM - Tips

- **CAC-enabled program**
- **Uses Global address for authentication**
 - **Filer's e-mail in that server may be an old one – verify it's them and select then have filer update profile to current email (filer will not get notices if they don't update)**
 - **May need them to send digitally signed email for you to identify correct e-mail**



OGE 278 Initial Reviews

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Tips and Tricks

OGE 278 New Entrant *Initial Reviews*

- **Standard Inquiries**
 - **Outside positions**
 - **Agreements/Arrangements**
 - **Assets/Income**
 - **Liabilities**
 - **Compensation**
 - **Transactions (N/A on New Entrant; however, educate filer on requirements)**
 - **Inquiries specific to filer's NE report**



Parts 1-4: Filer's Information

INCOMPLETE

1. Filer's Positions Held Outside United States Government

#	NAME	CITY, STATE	OGE TYPE	POSITION	FROM	TO
1	Good Ole USA Consultants Company	Baltimore, MD, USA	Business Enterprise	Employee	02/2014	04/2018

2. Filer's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	 Retirement Plan - Good Ole USA Consultant Company	No	\$50,001 - \$100,000		None (or less than \$201)
2	George Washington University 	N/A		Salary	\$5020
3	Good Ole USA Consultant Company 	N/A		Salary	\$150000

3. Filer's Employment Agreements and Arrangements

This report has no reported Agreements and Arrangements

4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

This report has no reported Compensation Exceeding \$5,000

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Parts 1 & 2: Outside Position & Employment Assets & Income

COMPLETE

1. Filer's Positions Held Outside United States Government

#	NAME	CITY, STATE	OG E TYPE	POSITION	FROM	TO
1	George Washington University	Washington, DC, USA	Educational Institu	Adjunt Professor	05/2016	Present
2	Good Ole USA Consultant Company	Baltimore, MD, USA	Business Enterprise	Consultant	02/2014	04/2018

2. Filer's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	Good Ole USA Consultant Company - IRA	No			None (or less than \$201)
1.1	Fidelity Contrafund - FCNTX	Yes	\$15,001 - \$50,000		None (or less than \$201)
1.2	Fidelity Select Semiconductors Portfolio - FSELX	Yes	\$15,001 - \$50,000		None (or less than \$201)
2	ABC Company - Defined Benefit Plan; value not readily ascertainable	N/A			
3	George Washington University	N/A		Salary	\$5020
4	Good Ole USA Consultant Company	N/A		Salary	\$150000

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Parts 3 & 4: Filer's Agreements & Compensation

COMPLETE

3. Filer's Employment Agreements and Arrangements

#	EMPLOYER OR OTHER PARTY TO AGREEMENT/ARRANGEMENT	CITY/STATE	STATUS AND TERMS	DATE
1	ABC Company	Baltimore, MD, USA	Continuing participation in Employee Benefit Plan: Defined Benefit Plan: Eligible for \$1,500/month at age 65	D 10/2000
2	Boeing	St. Louis, MO, USA	personal services: consultant work	payment in full was received for 10/2017
3	Good Ole USA Consultant Company	Alexandria, VA, USA	continue to maintain IRA: Self employment IRA - IRA	02/2014

4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

#	SOURCE NAME	CITY, STATE	BRIEF DESCRIPTION OF DUTIES
1	Boeing	St. Louis, MO	Consultant to Boeing on how to score contracts with federal government
2	Good Ole USA Consultant Company	Alexandria, VA	As consultant, provide advice to various companies on how to win contract bids



Parts 5, 6 & 8: Spouse, Other Assets, Liabilities

INCOMPLETE

5. Spouse's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	St. George Academy	N/A		Salary	

6. Other Assets and Income

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	USAA mutual fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
2	Happy Life Insurance	Yes	\$15,001 - \$50,000		None (or less than \$201)
3	Checking/savings accounts	Yes	\$100,001 - \$250,000	Interest	\$1,001 - \$2,500
4	529 Plan	N/A	\$1,001 - \$15,000		None (or less than \$201)
5	Rental - Alexandria, VA	Yes	\$250,001 - \$500,000	Rent and Royalties	\$2,501 - \$5,000
6	Roth IRA	No			
7	Stock	Yes	\$15,001 - \$50,000	Capital Gains	\$201 - \$1,000

8. Liabilities

This report has no reported Liabilities

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Parts 5 & 6: Spouse Employment & Other Assets

COMPLETE

5. Spouse's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	403(b) - St. George Academy	No			
1.1	Vanguard Extended Mkt Index Adm - VEXAX	Yes	\$15,001 - \$50,000		None (or less than \$201)
2	St. George Academy	N/A		Salary	

6. Other Assets and Income

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	USAA Capital Growth Fund - USAGX	Yes	\$1,001 - \$15,000		None (or less than \$201)
2	Happy Life Variable Insurance	No	\$15,001 - \$50,000		None (or less than \$201)
2.1	Happy Life Happy Wife Securities Fund -	Yes	\$15,001 - \$50,000		None (or less than \$201)
3	U.S. Domestic Bank (cash accounts)	N/A	\$100,001 - \$250,000	Interest	\$1,001 - \$2,500
4	VA Invest 529 Plan	No			None (or less than \$201)
4.1	2025 Portfolio	Yes	\$1,001 - \$15,000		None (or less than \$201)
5	Residential - Alexandria, VA	N/A	\$250,001 - \$500,000	Rent and Royalties	\$2,501 - \$5,000
6	Roth IRA	No			
6.1	USAA Precious Metal & Minerals Fund - USAGX	Yes	\$1,001 - \$15,000		None (or less than \$201)
7	Ameren - ABE	No	\$15,001 - \$50,000	Capital Gains	\$201 - \$1,000
8	First Bank of Switzerland (cash accounts)	N/A	\$100,001 - \$250,000	Interest	\$1,001 - \$2,500
9	U.S Brokerage Account	No			
9.1	T Rowe Price Global Multi-Sector Bond Fund - PRSNX	Yes	\$50,001 - \$100,000		\$1,001 - \$2,500

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Part 8 - Liabilities

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8. Liabilities

#	CREDITOR NAME	TYPE OF LIABILITY	AMOUNT	YEAR INCURRED	INTEREST RATE	TERM
1	First Bank	Mortgage, Alexandria, VA, USA	\$100,001 - \$250,000	2016	3.75%	15

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Tips and Tricks

OGE 278 Initial Reviews

- **What to expect as future annual filer**
 - » **Due Date – May 15th each year**
 - » **Lack of notice no excuse**
 - » **Reporting transactions**
 - » **Wasn't required as New Entrant Filer**
 - » **OGE 278-T requirement**
 - » **Applies immediately on EOD**
 - » **Add New Entrant to monthly reminder**
 - » **Termination report requirements**
 - » **Ensure future employment arrangements reported**

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Semi-Annual Reporting 31 U.S.C. § 1353

- **Travelers MUST request in advance of travel; except in rare circumstances**
- **MUST submit post-travel report within seven (7) days.**

- **These reports are consolidated, semi-annually, and submitted to OGE in November and May.**

- **Use the SF 326 or the OGE Form 1353 to track payments during the six-month period.**



QUESTIONS?

If you have questions regarding the material in this presentation, please contact the DoD Standards of Conduct Office:

- Comm: (703) 695-3422
- E-mail: osd.soco@mail.mil
(Subject: Managing Effective Ethics Program)

