

UNITED STATES OFFICE OF GOVERNMENT ETHICS



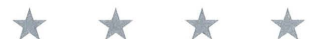
April 24, 2017

Richard J. McCarthy
Assistant General Counsel and
Designated Agency Ethics Official
Millennium Challenge Corporation
Suite 700
1099 14th Street, NW
Washington, DC 20005-3550

Dear Mr. McCarthy:

As a result of its review of the Millennium Challenge Corporation (MCC) ethics program, the United States Office of Government Ethics (OGE) issued six recommendations in its June 2016 review report. OGE recently conducted a follow-up review to assess whether MCC has taken action sufficient to resolve the deficiencies underlying these recommendations. The results of the follow-up review are summarized below.

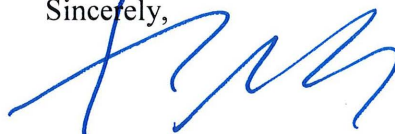
	Recommendation	Agency Action and OGE Findings	Status
1	Ensure that late filing fees are collected or that waivers of the fees are issued when public filers do not timely file financial disclosure reports.	One report filed in 2016 was subject to a late filing fee. MCC's Designated Agency Ethics Official issued a waiver of the fee in accordance with the procedures outlined in 5 C.F.R. § 2634.704(b).	Closed
2	Ensure non-Presidentially appointed, Senate-confirmed (PAS) new entrant public financial disclosure reports are filed by the established deadline.	OGE examined a sample of non-PAS new entrant reports and found that only 43% were filed timely. (When OGE examined a sample of non-PAS new entrant reports during its 2016 review, 50% of non-PAS new entrant reports were filed timely.)	Open
3	Ensure non-PAS termination public financial disclosure reports are filed by the established deadline.	As a result of OGE's 2016 review, MCC began conducting standardized exit briefings to help ensure that termination filers receive filing instructions prior to their departure. As a result, non-PAS termination filing timeliness increased from 50% to 63%. It is likely that the new procedure has not been in place long enough for OGE to evaluate its effectiveness. This recommendation will remain open until OGE can more fully evaluate the impact of MCC's improvement efforts.	Open



4	Collect the three delinquent termination public financial disclosure reports as required by 5 U.S.C. app. § 101(e). Upon collection of the reports, assess late filing fees or issue waivers of the fees as appropriate under 5 U.S.C. app. § 104(d) and 5 C.F.R. § 2634.704. Refer any filer who willfully refuses to file a public financial disclosure report to the Attorney General in accordance with 5 U.S.C. app. § 104(b).	MCC successfully collected two of the three delinquent public financial disclosure reports and waived late filing fees for both. The remaining filer did not respond to MCC's multiple efforts to collect a termination report. OGE verified that MCC referred the filer to the Department of Justice for willful refusal to file a public financial disclosure report as required by 5 U.S.C. app. § 104(b).	Closed
5	Ensure all public financial disclosure reports are timely certified in accordance with 5 C.F.R. § 2634.605(a).	Following the June 2016 review report, MCC's ethics office filled several vacancies, increasing the number of ethics officials available to review reports. This increased level of staffing helped MCC improve public financial disclosure certification timeliness to 90%.	Closed
6	Collect new entrant confidential disclosure reports from all confidential filers by the established deadline.	OGE determined that new entrant confidential filing timeliness improved since its 2016 review from 27% to 47%. In an effort to improve new entrant filing timeliness, MCC has recently begun to enlist the help of supervisors to collect reports. OGE will evaluate the impact of MCC's additional efforts during a second follow-up review.	Open

I appreciate the courtesies extended to the OGE program review staff. OGE will perform a second follow-up during 2017 to assess the status of the remaining open recommendations. If you would like to discuss the report, please contact me at 202-482-9224.

Sincerely,



Dale Christopher
Deputy Director for Compliance