



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

September 25, 2006

The Honorable Frank R. Wolf
U.S. House of Representatives
13873 Park Center Road
Herndon, VA 20171

Attention: Judy McCary

Dear Representative Wolf:

This letter is in response to your letter of September 8, 2006, on behalf of your constituent, Daniel Baker, representing HRW. Mr. Baker expressed concerns over the Office of Government Ethics' (OGE) response to HRW's automated OGE Form 450 confidential financial disclosure reporting system as developed for the Federal Aviation Administration (FAA). We appreciate the opportunity to explain OGE's responsibility for approving the confidential financial disclosure form (OGE Form 450) and process, the status of OGE's efforts to develop an electronic OGE Form 450 filing system, and the FAA's lack of authority to develop or use an alternative form and electronic filing system without OGE approval.

The Office of Government Ethics (OGE) is responsible for approving all executive branch-wide forms and processes used for the confidential financial disclosure reports required of certain executive branch employees. 5 U.S.C. app. (The Ethics in Government Act of 1978). For some time, OGE has been pursuing the development of an executive branch-wide electronic OGE Form 450 form and filing system. Specifically, OGE has been working with the Department of the Army to develop such a system. In December 2005, OGE announced that the Army-developed system would be the only OGE-approved electronic system. More recently, OGE opened discussions with the Office of Management and Budget (OMB) to make the development of an electronic OGE Form 450 system an "E-Gov Initiative." If approved, such an initiative would bring together a management team and resources from across the executive branch to work with OGE to create a uniform and efficient electronic form and process for filing

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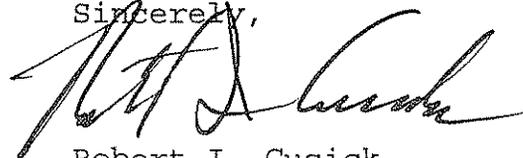
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confidential financial disclosure information. While OGE continues to pursue the development of an electronic filing system, it has revised the OGE Form 450. The revised form will be available for use by confidential filers in February of 2007.

OGE has exclusive authority to approve financial disclosure forms and systems and to ensure that each executive agency's related procedures are in conformance with all applicable requirements. Id. Thus, the FAA does not have independent authority to either develop their own form or process or bind the executive branch in the use of any particular financial disclosure form or process. OGE does not permit agencies to develop their own financial disclosure forms or systems without prior OGE approval. The FAA has neither asked for nor received such approval. As a result, the Department of Transportation, of which FAA is a part, ordered the FAA to stop using the automated process developed by HRW.

While OGE cannot commit to favorably reviewing or selecting HRW's product or any other product on behalf of the Government, the E-Gov Initiative process may create a later opportunity for HRW to compete for potential, Government-wide contracts related to the development of an electronic confidential financial disclosure process. OGE will retain Mr. Baker's contact information and contact him, at such time, if the initiative progresses in that manner.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick", written in a cursive style.

Robert I. Cusick
Director