



United States Office  
Of Government Ethics

## Ethics Program Review

# General Services Administration

October 2010 Report

### RESULTS IN BRIEF

The United States Office of Government Ethics (OGE) conducted a review in June, 2010, of the General Services Administration (GSA) to evaluate the ethics program. The results of the review indicated that the GSA ethics program appears to be effectively administered and in compliance with applicable laws, regulations, and policies.

During the course of the review, OGE learned that while the bulk of GSA's ethics program is centralized and is administered by the headquarters ethics office, the confidential disclosure system is administered at the regional level. Therefore, OGE decided to extend its review to examine the confidential disclosure processes and procedures in place at five of GSA's regional ethics offices.

OGE's review of the regional ethics offices' confidential financial disclosure programs found them to be in general accordance with the Ethics in Government Act of 1978, as amended (the Ethics in Government Act) and 5 CFR part 2634. GSA regional ethics officials are following established internal procedures for administering the confidential financial disclosure program and appear to have received adequate training to prepare them to perform their duties related to the review and certification of the OGE Form 450 reports.

### OBJECTIVES, SCOPE, AND METHODOLOGY

OGE provides leadership for the purpose of promoting an ethical workforce, preventing conflicts of interest, and supporting good governance. The purpose of a review is to identify and report on the strengths and weaknesses of an ethics program by evaluating (1) agency compliance with ethics requirements as set forth in relevant laws, regulations, and policies and (2) ethics-related systems, processes, and procedures for administering the program. OGE has the authority to evaluate the effectiveness of executive agency ethics programs. *See* Title IV of the Ethics in Government Act, and 5 CFR part 2638.

To assess GSA's ethics program, OGE examined a variety of documents provided by the headquarters ethics office; other documents that GSA forwarded to OGE, including the annual questionnaire; and prior program review reports. In addition, members of OGE's Program

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Review Division met with the Designated Agency Ethics Official (DAEO) and headquarters ethics office officials to obtain additional information about the strengths and weaknesses of GSA's ethics program, seek clarification on issues that arose through the documentation analysis, and verify data collected.

OGE based the need to extend the review to the confidential financial disclosure programs administered by GSA's regional ethics offices on the on-site work conducted with the GSA headquarters ethics office. OGE found that GSA's confidential financial disclosure program is primarily administered by ethics officials at the regional level. GSA has eleven regional ethics offices that are responsible for administering the confidential financial disclosure program for their region. Generally there is one main ethics official at each regional office, while the other ethics officials work on ethics on a part-time basis, as needed.

Even though the headquarters ethics office provides oversight and support to the regional ethics offices, a decentralized financial disclosure program implies an increased potential for inconsistencies and deficiencies. Therefore, OGE's objective for the extended review was to evaluate whether GSA regional ethics officials (1) are following established internal procedures for administering the ethics program in the regions and (2) have received adequate training to prepare them to perform their duties related to the review and certification of confidential financial disclosure reports.

To meet this objective, OGE conducted in-depth interviews with representatives from 5 of the 11 GSA regional ethics offices. The interviews addressed the procedures regional ethics officials follow in the collection, review, and certification of confidential financial disclosure reports as well as the training those officials have received.

### FINDINGS

It appears that the GSA ethics program is in compliance with the ethics requirements found in relevant laws, regulations, and policies. Specifically, we found that the program was meeting the objectives for each of the required elements: financial disclosure, training, and advice and counseling. In addition, GSA's ethics program has been enhanced by employing a number of what OGE considers to be model practices.

#### PUBLIC FINANCIAL DISCLOSURE

GSA's public financial disclosure system is well managed. In both 2008 and 2009, all required public financial disclosure reports were filed. The public financial disclosure system at GSA is centralized: reports are collected and initially reviewed by supervisors, but headquarters ethics officials perform the final review and certification. The headquarters ethics officials use an automated system to track various elements of the public financial disclosure report process including the master list of filers, receipt of the completed report, date of report review, status of the report review, extensions, and date of report certification. The system also allows headquarters ethics officials to archive reviewer notes. Copies of the notes are stored in the individual employee files, along with dated printouts from the tracking system, advice provided to the employee, recusals, position descriptions, and any other documentation that may be

relevant to the review. OGE believes that including ethics-related documentation in employee files can lead to a more effective and thorough review of financial disclosure reports. Additionally, GSA has written procedures for administering the public financial disclosure program that incorporate leadership involvement in the collection of reports, supervisory review, and a standardized process for delinquent filer follow-up. OGE considers incorporating these actions into the financial disclosure process to be a model practice.

## CONFIDENTIAL FINANCIAL DISCLOSURE

GSA's confidential financial disclosure system is decentralized and is primarily administered at the regional level. Though GSA's headquarters ethics officials provide guidance and oversight, the confidential financial disclosure reports are collected, reviewed, and certified in GSA's 11 regional ethics offices. Because the bulk of the responsibility for administering the confidential financial disclosure program falls on the regional ethics offices, OGE conducted a focused review of the confidential disclosure processes and procedures in place at 5 of the 11 regional ethics offices.

The GSA headquarters ethics office has developed detailed procedures for the administration of the confidential financial disclosure program within the regions. According to the procedures, each regional ethics office has a designated "450 Manager" who is responsible for identifying a "450 Coordinator" to manage the administration of the confidential financial disclosure program at each individual office within the region. The 450 Coordinators are responsible for notifying filers and distributing the confidential financial disclosure forms, as well as ensuring the timely collection of the completed confidential financial disclosure reports for their respective offices. Subsequently, the reports are forwarded to the 450 Manager in the regional ethics office. The 450 Manager is responsible for ensuring that the reports are accurately reviewed and certified. Depending on the regional ethics office, the review and certification duties may be shared by multiple regional ethics officials. The completed confidential reports are maintained in the respective regional ethics offices. Based on interviews with regional ethics officials, OGE determined that the regional ethics officials are following the confidential financial disclosure procedures outlined by the headquarters ethics office.

### Reviewer Training

GSA employs a number of methods to train the 450 Coordinators, Managers, and reviewers in the regions. First, the 450 Coordinators are given live training each year during a conference call with the headquarters ethics office. During the call headquarters ethics officials provide a detailed explanation of the confidential financial disclosure process. The 450 Coordinators are also issued a detailed memorandum which outlines the process and provides a timetable that indicates when certain actions, such as distributing the confidential financial disclosure forms, must occur. The 450 Managers also receive a memorandum explaining the process. Reviewers have the OGE Form 450 review guides as references and are instructed to contact the headquarters ethics office with any questions, both about technical review and resolution of potential conflicts. The reviewers also have access to sample cautionary emails which are stored on a shared drive. New reviewers receive training on how to review a

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confidential financial disclosure report from a member of the headquarters ethics office or from a regional ethics official.

OGE found that most of the regional ethics officials instrumental in the administration of the confidential disclosure program have been in their respective positions for many years and are experienced reviewers. Regional ethics officials indicated that in addition to the formal training provided by the headquarters ethics office, there is extensive on-the-job training and mentoring and constant communication between the regional ethics offices and the headquarters ethics office, ensuring accurate and consistent review of the confidential disclosure reports. Regional ethics officials also indicated that whenever possible they attend OGE conferences and training sessions. Based on discussions with the regional ethics officials, OGE determined that they are adequately trained to perform their duties related to the review and certification of confidential financial disclosure reports.

### ETHICS TRAINING

GSA's ethics training program is especially strong in terms of both employee and ethics official training. Initial ethics orientation is presented every 2 weeks at headquarters, and employees at the regional level receive it within 90 days of entering on duty. Initial ethics orientation is comprised of written materials and a live briefing. Public filers receive verbal training each year, and it is often delivered in person by headquarters ethics officials. Confidential filers receive verbal training at least once every 3 years: the headquarters ethics office has divided the agency into thirds and provides live training to a different third of the agency each year. In subsequent years those covered employees receive online training. Additionally, GSA provides live specialized training as needed, such as post-employment training for departing employees. In addition to these formal training efforts, headquarters ethics officials produce ethics articles for the GSA newsletter, issue regular advisories, post ethics information on the internal web site, and hang posters in GSA elevators. GSA also provides extensive training to ethics officials. For example, those individuals responsible for the confidential financial disclosure program in the regions receive specialized training each year. Finally, Agency leadership and regional officials are involved in identifying training topics to ensure that the training is relevant to employees. OGE considers leadership involvement in developing training to be a model practice.

### ADVICE AND COUNSELING

The advice and counseling element appears to be effectively administered. GSA headquarters ethics officials try to standardize the advice and counseling provided to employees by centralizing most aspects of the program and monitoring the advice provided by regional ethics officials. GSA headquarters ethics officials also archive opinions, maintain constant communication with regional ethics officials, and require that regional ethics officials consult with the headquarters ethics office before issuing a final opinion. While all GSA ethics officials are authorized to provide advice and counsel, there are certain issues that are only handled through the headquarters ethics office, such as 208(b)(1) waivers, widely attended gathering approvals, and non-Federal travel.

## SELF ASSESSMENT

GSA headquarters ethics officials make every effort to ensure consistency in the ethics program agency-wide. In conjunction with the live training visits every 3 years, headquarters ethics officials conduct self-assessments of GSA's regional offices in the form of internal program reviews. The internal program reviews include audits of the quality of the review of financial disclosure reports, the quality of training, and the accuracy and consistency of advice and counseling. If the self-assessment reveals there is an issue within a region, additional training is provided to the regional ethics officials or the processes are modified as needed. GSA also conducts self-assessments of the training program as a whole by administering surveys to employees at the end of training sessions both at headquarters and in the regions to assess the effectiveness of the training. The results of the surveys are shared with the relevant ethics officials who adjust the training as needed.

A headquarters ethics official also meets with the officials who have the main responsibility for the ethics program in each region and asks questions about whether the region is having any problems and if there is support that the headquarters ethics officials can provide to the region. Questions of this type are also asked of all GSA regions during a quarterly ethics conference call. During the quarterly conference call, the headquarters ethics officials also provide the regions with updates on current issues and changes to the law and ask each region what type of issues or problems they are facing.

## SUMMARY

GSA's ethics program appears to be effectively administered and in compliance with applicable laws, regulations, and policies. GSA regional ethics officials are following established procedures for administering the ethics program and appear to have received adequate training to prepare them to perform their duties related to the review and certification of confidential financial disclosure reports. Additionally, GSA's ethics program has been enhanced by employing a number of what OGE considers to be model practices.