

ETHICS PROGRAM INSPECTION REPORT

Agency: National Geospatial-Intelligence Agency (NGA)

Report No.: 18-011

Date: October 2, 2017

Period Covered by Review: January 1, 2016 – December 31, 2016



1.0 AGENCY DATA		
EMPLOYEES (as reported in the most recent Annual Ethics Program Questionnaire)		
1.1	Number of full-time agency employees	Classified Information
1.2	Number of agency special Government employees	N/A
1.3	Number of Presidentially appointed, Senate-confirmed (PAS) public financial disclosure reports required to be filed	N/A
1.4	Number of non-PAS public financial disclosure reports required to be filed	Classified Information
1.5	Number of confidential financial disclosure reports required to be filed	Classified Information
ETHICS PROGRAM		
1.6	Title of Designated Agency Ethics Official (DAEO)	General Counsel
1.7	Grade level of DAEO	Tier 3 DISES
1.8	Title of Alternate DAEO (ADAEO)	Deputy General Counsel
1.9	Grade level of ADAEO	TIER 1 DISL
1.10	Title of the primary, day-to-day ethics program administrator	Ethics Program Manager
1.11	Grade level of the primary, day-to-day ethics program administrator	Band 04
1.12	Current number of full-time ethics officials	2
1.13	Current number of part-time ethics officials	4
1.14	Average full-time equivalent (FTE) value of a part-time ethics official(s) (For example, if part-time ethics officials at the agency generally devote 10 hours per week to ethics work, the average FTE value is 25%.)	7.5%
1.15	Number of reporting levels between the DAEO and the agency head	1
COMMENTS		
<p>(1.1) This information is considered classified. Exact numbers were obtained by OGE during its onsite review and used to determine compliance with applicable requirements.</p> <p>(1.2) NGA does not have any special government employees.</p> <p>(1.3) NGA does not have any PAS officials. Under present law and practice, the NGA Director position is not confirmed by the Senate, unless a military officer is promoted or transferred into the position. Presently, the President appoints the NGA Director. The NGA Director leads and directs the agency under the authorities of the Secretary of Defense and Director of National Intelligence. The Director was appointed to the position on October 3, 2014.</p> <p>(1.4 – 1.5) This information is classified by NGA. Exact numbers were obtained by OGE during its onsite review and used to determine compliance with applicable requirements.</p>		

2.0 LEADERSHIP						
COMPLIANCE REQUIREMENT				Yes	No	N/A
2.1	OGE has received an up-to-date designation from the agency head naming the DAEO. <i>See</i> 5 C.F.R. § 2638.202(c).			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2	OGE has received an up-to-date designation from the agency head naming the ADAEO. <i>See</i> 5 C.F.R. § 2638.202(c).			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COMMENTS						
None						

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3.0 ETHICS AGREEMENTS				
COMPLIANCE REQUIREMENT		Yes	No	N/A
3.1	During the period under review, all PAS officials complied with their ethics agreements. <i>See</i> 5 C.F.R. § 2634.804.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.2	During the period under review, all PAS officials complied with their ethics agreements in a timely fashion. <i>See</i> 5 C.F.R. § 2634.804.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.3	During the period under review, the agency notified OGE of ethics agreement compliance in a timely fashion. <i>See</i> DO-09-015.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.4	For all officials currently in PAS positions, the agency maintains documentation of actions taken to comply with ethics agreements. <i>See</i> 5 C.F.R. § 2634.804.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.5	For all officials currently in PAS positions, ethics agreements are maintained with their financial disclosure reports. <i>See</i> 5 C.F.R. § 2634.805.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
COMMENTS				
None.				

4.0 PUBLIC FINANCIAL DISCLOSURE (OGE Form 278, OGE Form 278-T)				
COMPLIANCE REQUIREMENT		Yes	No	N/A
4.1	The agency has written policies and procedures in place governing: <i>See</i> 5 U.S.C. app. IV, § 402(d)(1).			
4.1.1	• Collection of public financial disclosure reports	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.1.2	• Review/evaluation of public financial disclosure reports	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.1.3	• Public availability of public financial disclosure reports	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.2	The agency can demonstrate that late filing fees are collected or, where appropriate, waivers are issued when public filers do not timely file financial disclosure reports.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.3	Public financial disclosure reports are securely maintained. <i>See</i> OGE/GOVT-1.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.4	Public financial disclosure reports are retained in accordance with the retention requirements. <i>See</i> 5 C.F.R. § 2634.603(g)(1).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DATA ANALYSIS		%		
4.5	Percentage of sampled non-PAS new entrant reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(b).	63%		
4.6	Percentage of sampled non-PAS annual reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(a).	100%		
4.7	Percentage of sampled non-PAS termination reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(e).	100%		
4.8	Percentage of sampled non-PAS public financial disclosure reports certified timely (within 60 days of receipt or later when additional information was being sought or remedial action was being taken). <i>See</i> PA-11-04.	96%		
4.9	Percentage of sampled PAS annual reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(a).	N/A		
4.10	Percentage of sampled PAS termination reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(e).	N/A		
4.11	Percentage of sampled PAS annual and termination reports certified timely (within 60 days of receipt or later when additional information was being sought or remedial action was being taken). <i>See</i> 5 C.F.R. § 2634.605(a).	N/A		
COMMENTS				
(4.1.1 through 4.1.3) As a defense agency, NGA operates under the authority of the Department of Defense (DoD). Chapter 7 of the Joint Ethics Regulation (JER) generally serves as the written procedures for the administration of both the public and confidential financial disclosure systems for all DoD components, including NGA. These procedures, along with supplemental guidance addressing Periodic Transaction reports and Integrity (OGE's online financial disclosure system) comply with regulatory requirements mandating that agencies				

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have written procedures governing the administration of financial disclosure systems.

Concern

(4.5) OGE examined 16 new entrant public financial disclosure reports that were filed in 2016. Of the 16 reports examined, 6 were identified as having been filed late. During discussions with ethics officials, OGE was advised that in 2016 most of NGA's difficulty in identifying new entrant public filers arose when employees were hired internally for public filing positions but were not officially placed into those positions until a later date. To address this issue in 2017, OGE was advised that NGA's current course of action is to only initiate access for filing once the employee assumes the position, not the date in which he or she was promoted. NGA ethics officials believe that the new process put in place will help resolve this issue. OGE recommends that NGA continue to implement corrective action and ensure that new entrant public reports are filed timely. OGE will conduct a follow-up review to assess the effectiveness of the actions taken.

5.0 CONFIDENTIAL FINANCIAL DISCLOSURE							
COMPLIANCE REQUIREMENT				Yes	No	N/A	
5.1	The agency has written policies and procedures in place governing: <i>See</i> 5 U.S.C app. IV, § 402(d)(1).						
5.1.1	• Collection of confidential financial disclosure reports				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.1.2	• Review/evaluation of confidential financial disclosure reports				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.2	Confidential financial disclosure reports are securely maintained. <i>See</i> OGE/GOVT-2.				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.3	The agency's OGE-approved alternative confidential financial disclosure system complies with plans approved by OGE. <i>See</i> 5 C.F.R. § 2634.905(a).				<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5.4	Confidential financial disclosure reports are retained in accordance with the retention requirements. <i>See</i> 5 C.F.R. § 2634.604.				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DATA ANALYSIS				%			
5.5	Percentage of sampled confidential new entrant reports filed timely. <i>See</i> 5 C.F.R. § 2634.903(b).				30%		
5.6	Percentage of sampled confidential annual reports filed timely. <i>See</i> 5 C.F.R. § 2634.903(a).				90%		
5.7	Percentage of sampled confidential financial disclosure reports certified timely (within 60 days of receipt or later when additional information was being sought or remedial action was being taken). <i>See</i> 5 C.F.R. §§ 2634.605(a), 2634.909(a).				73%		
COMMENTS							
<p>(5.1.1 through 5.1.2) As noted above, Chapter 7 of the JER, combined with supplemental guidance, serves as the written procedures for the administration of the financial disclosure system for NGA.</p> <p>(5.3) NGA does not have an alternative confidential financial disclosure system.</p> <p><u>Concerns</u></p> <p>(5.5) OGE examined 20 new entrant confidential financial disclosure reports that were filed in 2016. Of the 20 reports examined, 14 were identified as having been filed late. According to ethics officials, the updated and current course of action for 2017 will be to review the list of all positions with department leadership annually on October 1st. OGE recommends that NGA continue to implement corrective action and ensure that new entrant confidential reports are filed timely. OGE will conduct a follow-up review to assess the effectiveness of the actions taken.</p> <p>(5.7) OGE examined a total of 40 new entrant and annual confidential financial disclosure reports filed in 2016. Of the 40 reports examined, only 29 (73%) were reviewed timely.</p>							

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6.0 INITIAL ETHICS ORIENTATION						
COMPLIANCE REQUIREMENT			Yes	No	N/A	
6.1	All initial ethics orientation material contains: <i>See</i> 5 C.F.R. § 2638.703(a) and (b).					
6.1.1	<ul style="list-style-type: none"> Current contact information of relevant ethics official(s) 			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.1.2	<ul style="list-style-type: none"> Copy of the Standards of Ethical Conduct and any agency supplemental standards to keep or review; or Summaries of the Standards, any agency supplemental standards, and 14 Principles for employees to keep 			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.2	The agency can demonstrate that it has an effective process to ensure that new employees receive initial ethics orientations. <i>See</i> 5 C.F.R. § 2638.703(c).			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DATA ANALYSIS			%			
6.3	Percentage of new agency employees who received initial ethics orientation within 90 days. <i>See</i> 5 C.F.R. § 2638.703.			100%		
COMMENTS						
<p><u>Model Practice Identified</u> (6.2) In addition to receiving an in-person IEO briefing, new NGA employees are directed to read and become familiar with NGA's Employee Handbook, which provides a brief overview of the ethics rules. OGE determined that the IEO briefing in combination with the Handbook exceeded, the 2016 IEO requirements.</p>						

7.0 ANNUAL ETHICS TRAINING						
COMPLIANCE REQUIREMENT			Yes	No	N/A	
7.1	All annual ethics training material contains: <i>See</i> 5 C.F.R. § 2638.704(b).					
7.1.1	<ul style="list-style-type: none"> Current contact information of relevant ethics official(s) 			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.1.2	<ul style="list-style-type: none"> Review of the criminal conflict of interest statutes 			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7.1.3	<ul style="list-style-type: none"> Review of the Standards of Ethical Conduct 			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.1.4	<ul style="list-style-type: none"> Review of the 14 Principles 			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.1.5	<ul style="list-style-type: none"> Review of any agency supplemental standards 			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7.2	The agency can demonstrate that it has an effective process to ensure that covered employees receive annual ethics training. <i>See</i> 5 C.F.R. § 2638.704(c) and 705(c).			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DATA ANALYSIS			%			
7.3	Public financial disclosure filers who completed annual ethics training. <i>See</i> 5 C.F.R. § 2638.704(a).			100%		
7.4	Confidential financial disclosure filers who completed annual ethics training. <i>See</i> 5 C.F.R. § 2638.705(a)(3).			100%		
COMMENTS						
<p><u>Concern</u> (7.1.2 and 7.1.5) NGA's annual ethics training material for 2016 did not address the criminal conflict of interest statutes or the agency supplemental standards. OGE recommends that NGA provide annual ethics training that fully meets the content requirements for all covered employees.</p> <p><u>Model Practices Identified</u></p> <ol style="list-style-type: none"> In-person annual ethics training is provided to all NGA employees. The Ethics Office provides discretionary training throughout the year to emphasize specific ethics rules and requirements to different audiences within NGA through monthly newsletters, topical ethics summaries and job aids, post-employment training and periodic DAEO involvement in senior leadership meetings. 						

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8.0 ETHICS ADVICE AND COUNSELING						
COMPLIANCE REQUIREMENT				Yes	No	N/A
8.1	Based on a sample collected by OGE, guidance provided by agency ethics officials to employees appears to be consistent with applicable laws and regulations.			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COMMENTS						
None						

9.0 RECOMMENDATION(S)			
#	Element	RECOMMENDATION	Compliance Due
1	(4.5)	<p><u>RECOMMENDATION:</u> Ensure that new entrant public reports are filed timely.</p> <p><u>AGENCY RESPONSE:</u> The agency improved our process for new entrant public report filings on three initiatives: (1) All public financial disclosure filings are now processed through Integrity.gov; (2) Access for filing is initiated once the employee assumes the position, not at the date of promotion. Use of the Integrity system and opening the access at date of entering the position provides a defined date to start filing period, even if the filer would provide the wrong date, such as date of hire/promotion. (3) As of May 2017, the agency implemented new internal HR processes to coordinate notice of new public financial filers to OGC. Actions include at least monthly notice to OGC of new personnel and appointments as well as responsibilities detailed in the Deputy Assistant Secretary of Defense (Manpower and Reserve Affairs)/DoD Standards of Conduct Office Memorandum of 24 April 2017.</p>	May 2018
2	(5.5)	<p><u>RECOMMENDATION:</u> Ensure that new entrant confidential reports are filed timely.</p> <p><u>AGENCY RESPONSE:</u> Since the reviewed year, our agency conducts an annual review with department leadership, beginning on October 1st, to review filing requirements and positions of confidential filers. This year, the review includes scheduled office hours and hands-on review of filers with supervisors. Additionally, as of May 2017, the agency implemented new internal HR processes to coordinate notice of new hires to positions designated as confidential financial filers to OGC. Actions include at least monthly notice to OGC of new personnel and appointments as well as responsibilities detailed in the Deputy Assistant Secretary of Defense (Manpower and Reserve Affairs)/DoD Standards of Conduct Office Memorandum of 24 April 2017.</p>	May 2018
3	(5.7)	<p><u>RECOMMENDATION:</u> Ensure that confidential reports are certified timely.</p> <p><u>AGENCY RESPONSE:</u> Our agency acknowledged difficulties to achieve timely certifications in 2016 and adjusted processing procedures with added OGC reviewers. Agency progress with our process improvements are reflected in our FDM certifiers scores which demonstrate improvement from a 2016 score of 444 to a 2017 score of 998 (out of 1000). Our agency will continue to manage the process for meeting timely certification.</p>	May 2018
4	(7.1.2) (7.1.5)	<p><u>RECOMMENDATION:</u> Ensure annual ethics training fully meets the applicable content requirements.</p> <p><u>AGENCY RESPONSE:</u> Our 2017 annual ethics training was modified and implemented in January 2017 which addresses the criminal conflicts of interest statutes (slide 36) and the agency supplemental standards, such as outside employment reporting, (slide 19), gifts from outside sources (slides 10, 15), limits on solicited sales (slide 25) and accomplishing disqualification (slide 33).</p>	May 2018

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OGE RESPONSE: OGE is encouraged that NGA’s review of public and confidential reports reflects improvements in timeliness of filing and certification and that training materials have been updated. OGE also acknowledges NGA ethics officials’ efforts to strengthen the ethics program. OGE will conduct a follow-up review in May 2018 to ensure that the actions taken to resolve the issues underlying the recommendations in this inspection report have resulted in sustainable improvement and compliance.