

UNITED STATES OFFICE OF
GOVERNMENT ETHICS



July 19, 1999
DO-99-031

MEMORANDUM

TO: Designated Agency Ethics Officials

FROM: Stephen D. Potts, Director

SUBJECT: A Reminder on Use of OGE Optional Form 450-A

In connection with several recent program reviews conducted by the Office of Government Ethics (OGE), it has come to our attention that some agencies are uncertain about the proper implementation of OGE Optional Form 450-A, the standardized certificate of no new interests that OGE approved and issued in June 1997, for optional use in lieu of OGE Form 450. This is a reminder that OGE Optional Form 450-A cannot be used in 2000 by filers at agencies that have adopted the maximum three-year use cycle.

The OGE Optional Form 450-A was promulgated following two years of study, testing, survey, focus group discussion, and a comment period. Agencies may permit its use by certain confidential financial disclosure filers who meet specified conditions, in lieu of an annual OGE Form 450. It was approved for use only in accordance with the requirements of the governing rule at 5 C.F.R. § 2634.905(d), as further explained in the proposed and final regulatory preambles. See 62 Fed. Reg. 2048-2052 (January 15, 1997), 62 Fed. Reg. 33972-33977 (June 24, 1997), and OGE DAEOgram DO-97-028 (June 25, 1997).

In order to ensure that disclosed information is current and to maintain the focus on conflict prevention, the rule permits filers to use OGE Optional Form 450-A only for a maximum of three consecutive years before they must file an OGE Form 450 every fourth year (though agencies are permitted to further limit the optional form's use to one or two years before an OGE Form 450 must be filed). For uniformity and ease of administration, all users of the OGE Optional Form 450-A must file an OGE Form 450 in 2000 and in each year thereafter that is divisible by four (or in 1998 and each year thereafter that is divisible by two or three, if an agency chooses to limit the OGE Optional Form 450-A's use to one or two years). This is required, regardless of how recently a filer may have submitted an OGE Form 450, either as a new entrant or an annual filer who was not eligible to use, or chose not to use, the optional certificate.

Even though this requirement that all users of the OGE Optional Form 450-A must instead file an OGE Form 450 in 2000 (or in 2001 for those agencies that choose to require it every third year) was clearly enunciated in the regulation and preamble, as well as in the DAEOgram guidance, we are discovering that some agencies have attempted to establish their own cycles by using base years other than those prescribed for collecting an OGE Form 450 or permitting

different cycles for each individual filer. Such deviations, however, are not permissible. The requirement that all users of the OGE Optional Form 450-A must instead file an OGE Form 450 in 2000 (or in 2001 for those agencies that choose to require it every third year) was established to ease the administrative burden on agencies and on OGE in exercising its monitoring role. After consideration of agency input and careful examination of various options, this method was selected as the only feasible means of avoiding the tracking morass and confusion which might have resulted if individual filers or agencies were permitted to establish different cycles.

This reminder of the rule's requirement is being provided, so that any agencies who may have deviated therefrom can take steps now to get back on track with their upcoming annual collection of reports from confidential filers in October. If questions remain or individual circumstances warrant further discussion to achieve compliance, please contact your OGE desk officer or, in the case of an ongoing OGE program review, the assigned OGE team.