



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

May 13, 2013

The Honorable Brad R. Carson
General Counsel of the Army
Department of the Army
104 Army Pentagon, Room 2E724
Washington, D.C. 20310-0104

Dear Mr. Carson:

The United States Office of Government Ethics (OGE) has conducted a follow-up review of the ethics program at the Department of the Army (Army) to determine how the five recommendations and four suggestions from our December 2012 report have been addressed.

OGE recommended that the Army Secretariat and Army Staff should develop plans to ensure public and confidential financial disclosures are filed, reviewed, and certified by the required deadlines.¹ Army responded with a multi-step approach to improve the timeliness of its financial disclosure filing, review, and certification in both financial disclosure programs.

Regarding filing timeliness, Army is coordinating with the Civilian Personnel Advisory Center, the General Officer Management Office, and the Civilian Senior Leader Management Office to establish improved identification and notification processes for new financial disclosure filers. Army updated its New Entrant Ethics Briefing to stress the importance of timely financial disclosure filing. Army ethics counselors use FDM Management Reports to identify supervisors of delinquent public financial disclosure files for subsequent notification. Army is also evaluating the addition of a reminder function to its electronic Financial Disclosure Management system (FDM) to notify supervisors of delinquent public filers, a functionality already present for confidential filers. Additionally, new entrant and annual ethics training will also include a discussion of supervisors' responsibilities in ensuring timely filing.

Regarding review and certification timeliness, Army has revised the existing policy that limited the number of individuals designated as public financial disclosure certifiers. Under the revised policy, certification authority can be expanded to the Staff Judge Advocates at all 3- and 4-star commands with authority to re-delegate to additional ethics counselors within their respective offices. Army notes that certification authority will still be limited to counselors with particular grade and experience levels. Army has also filled ethics office staffing vacancies and aligned Army reservist schedules within the ethics office to augment the financial disclosure review staff near the financial disclosure submission deadlines.

¹ The separate financial disclosure programs of the Army Secretariat and Army Staff both received this recommendation.

OGE considers these actions responsive to the recommendations. Therefore, these recommendations are closed.

OGE recommended that the Army Secretariat and Army Staff should ensure all covered employees receive annual ethics training by consistently entering training data into FDM, generating a report to identify incomplete training prior to the year-end data reset, and accomplishing the outstanding training. Army indicated that in-person ethics training sign-in sheets and online training completion certificates are entered into FDM. For 2012, Army reports that 98 percent of Army Secretariat filers and 99 percent of Army Staff filers received annual ethics training. As of December 2012, training records will remain visible in FDM until approximately August of the following year. Ethics counselors will be reminded to print and retain hard copies of the FDM training records at the end of each calendar year. Army is also evaluating the addition of an electronic training archive feature to FDM. OGE considers this action responsive to the recommendation. Therefore, the recommendation is closed.

OGE recommended that the Army develop a plan to collect, review, and certify all financial disclosure reports from special Government employees (SGEs). OGE also recommended that Army conduct ethics training for SGEs who have not yet received training and develop a plan to meet training requirements. With recent ethics office vacancies filled, Army assigned responsibility for specific SGE programs to lead attorneys in order to better meet SGE financial disclosure and training requirements. The lead attorneys work with existing SGE program managers to reinforce tracking mechanisms for financial disclosure and ethics training and identify necessary improvements. These improvements include creating and maintaining updated SGE personnel rosters and generating FDM-based financial disclosure and ethics training status reports to identify non-compliant SGEs. OGE considers these actions, and the previously reported figures for completed 2012 annual ethics training, responsive to these recommendations. Therefore, these recommendations are closed.

OGE suggested that Army confirm the destruction of financial disclosure reports maintained off-site that no longer meet the retention requirements. Army identified an erroneous disposition code placed on records sent to the National Archives and Records Administration (NARA). Army worked with NARA to correct the disposition code and reported 100 percent completion with the review and destruction of those records not meeting the requirements for further retention. OGE considers this action to be responsive to the suggestion. Therefore, the suggestion is closed.

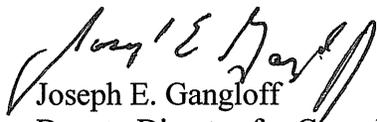
OGE suggested that Army actively remind supervisors to review available conflict of interest training material prior to conducting financial disclosure reviews. Army indicated that various notices provided to supervisors will contain links to the FDM supervisor training. Additionally, 2013 new entrant and annual ethics training will include a discussion of supervisors' responsibilities for proper review of financial disclosure reports. OGE considers this action to be responsive to the suggestion. Therefore, the suggestion is closed.

OGE suggested that Army revisit efforts to establish FDM as its own budget line item or establish separate funds that are made available to the ethics program. Since the issuance of OGE's December 2012 program review report, Army continued unsuccessfully to establish FDM as its own budget line item. Army took subsequent measures to help secure FDM funding by engaging Army Comptrollers, the Army General Counsel, and the Office of the Administrative Assistant in the funding process. Due to the combined efforts of these personnel and offices, Army received sufficient funding to operate FDM through the 2013 fiscal year and established a more formal process for obtaining future FDM funding. OGE considers these ongoing actions to be responsive to the suggestion. Therefore, the suggestion is closed.

OGE suggested that Army improve mechanisms to track annual training and financial disclosure completion for the Civilian Aides to the Secretary of the Army, who serve as SGEs. As previously mentioned, Army assigned responsibility for specific SGE programs to lead attorneys. These responsibilities include maintaining personnel rosters and generating financial disclosure and training status reports. OGE considers this action to be responsive to the suggestion. Therefore, the suggestion is closed.

Based on OGE's follow-up, we have determined that Army has adequately addressed the five recommendations and four suggestions from the December 2012 report. Thank you for your assistance during the follow-up process. Please contact me at 202-482-9220 if you require any additional information.

Sincerely,



Joseph E. Gangloff
Deputy Director for Compliance