Agency FINANCIAL REPORT

FISCAL YEAR 2026

UNITED STATES OFFICE OF GOVERNMENT ETHICS

UNITED STATES OFFICE OF
GOVERNMENT ETHICS

November 16, 2026

The Honorable Russell Vought
Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Director Vought:

I am pleased to transmit to you the Agency Financial Report (AFR) for the U.S. Office of Government Ethics (OGE) for fiscal year 2026. The AFR includes OGE's Management Discussion and Analysis of Results and OGE's Management Assurances and Audited Financial Statements.

OGE management is responsible for establishing and maintaining effective internal controls over financial reporting, safeguarding of assets, and complying with applicable laws and regulations. In accordance with OMB guidance, I have determined to the best of my knowledge and belief that the performance and financial data included in this report are complete and reliable. OGE has received an unmodified opinion on its financial statements as of September 30, 2026, and the auditors found no material weaknesses related to OGE's compliance in internal controls over financial reporting.

If you need additional information with regard to this submission, please contact OGE's Chief of Staff and Chief Counsel, James Biggins, at 202-482-9202.

Sincerely,

Keith Sonderling
Acting Director
U.S. Office of Government Ethics

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Part I – Management's Discussion and Analysis

This section provides a brief description of the U.S. Office of Government Ethics' (OGE) mission and organizational structure, a high-level discussion of OGE's key performance goals, and an analysis of OGE's financial statements and stewardship.[1]

Mission Statement and Background

OGE was established by the Ethics in Government Act of 1978 to provide "overall direction of executive branch policies related to preventing conflicts of interest on the part of officers and employees of any executive [branch] agency." As this statutory language makes clear, the primary objective of the executive branch ethics program is one of prevention.

Under OGE's leadership, thousands of ethics officials are engaged every day in preventing ethical lapses and protecting the impartiality of government decision-making by implementing ethics programs and applying the ethics laws and rules in the more than 140 agencies across the executive branch.

If these efforts at prevention fall short, agencies may be crippled by scandal, important work may be delayed or derailed, leaders may be forced from office, and ultimately the public's trust in government may be eroded.

OGE and Executive Branch Agencies: A Shared Responsibility

The head of each executive branch agency is statutorily responsible for leading the ethics program in their agency. This responsibility includes creating an ethical culture by demonstrating a personal commitment to ethics and providing the necessary resources to implement a strong and effective agency ethics program.



The head of each agency is also responsible for selecting a Designated Agency Ethics Official (DAEO). The DAEO, with the support of professional ethics staff, is the employee with primary responsibility for directing the daily activities of an agency's ethics program and coordinating with OGE.

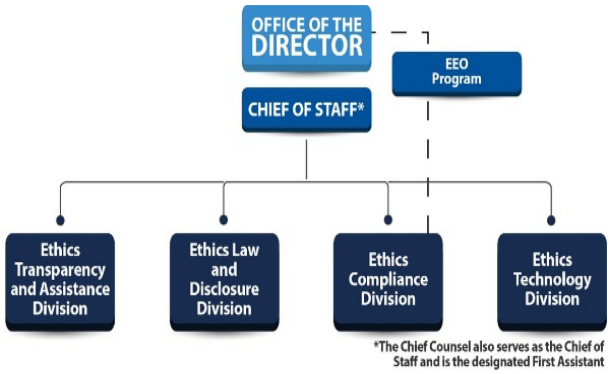
[1] OGE has chosen to produce an Agency Financial Report (AFR) and Agency Performance Report (APR) in lieu of a Performance and Accountability Report. OGE will provide more detailed information regarding its performance goals and results in its fiscal year 2026 APR.

Each agency's employees, including supervisors, human capital officials, and the agency's Inspector General, play a significant role in maintaining the integrity of government programs and operations.

Further, OGE, and the ethics officials across the government, are not alone in promoting trust in government. Other executive branch agencies and entities focus on additional areas of government integrity, such as merit system protections in the civil service; full and open competition in procurement; fiscal controls; transparency programs; investigation of waste, fraud, and abuse; and criminal, civil, and administrative enforcement.

Office of Government Ethics: A Small but Agile Agency

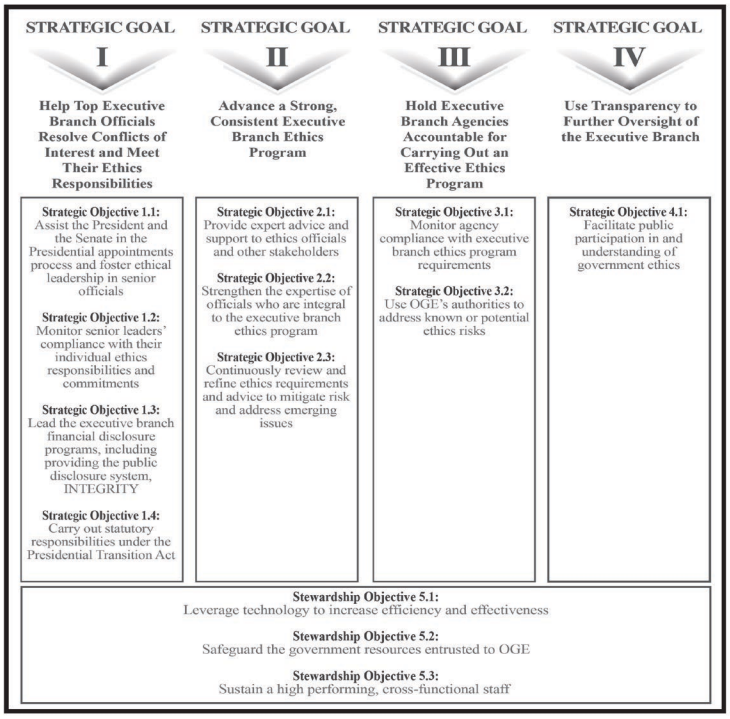
OGE is a lean organization, operating at fewer than its 80 authorized full-time equivalents (FTE). OGE's greatest resource is its multidisciplinary staff of attorneys, ethics and financial experts, as well as other key personnel. OGE is currently headed by an Acting Director. The Director position is normally filled through appointment to a five- year term by the President after confirmation by the Senate. In addition to the Office of the Director, OGE is divided into four divisions, guided by OGE's career Chief of Staff and senior leadership, who work in concert to carry out OGE's mission.



Performance Highlights

The public can have greater confidence in the integrity of executive branch programs and operations when government decisions are made free from conflicts of interest. OGE's four strategic goals for fiscal years 2026 through 2030 reflect the long-term outcomes that OGE strives to achieve in order to prevent and resolve conflicts of interest.

The daily work of OGE is driven by the strategic objectives and performance goals established under each of the overall strategic goals set forth in the image below.



In fiscal year 2026, OGE met or exceeded all but one[2] of its performance goals.[3]

Below are performance highlights from each of OGE's major programs that support OGE's strategic goals.

[2] OGE missed its target of issuing 47 programs reviews by two (45 program reviews were completed). OGE notes that the field work was completed on those two reports and they were pending with the respective agency for comment at the end of the fiscal year. OGE did not modify its initial target despite the lapse in appropriation causing partial agency shut-down.

[3] OGE's performance goals are based on statistical data from a variety of existing sources, including post-training evaluations, an annual agency ethics program questionnaire, and the Annual Survey of Ethics Officials.

Nominee Financial Disclosure: OGE works expeditiously to make sure that prospective candidates are free of conflicts of interest, so that top leadership positions can be filled quickly. Following a Presidential election and throughout an Administration, OGE continuously assists the President and the Senate in the Presidential appointments process. In fiscal year 2026, OGE worked with agencies and filers to identify and resolve potential conflicts of interest of nominees by establishing written ethics agreements with all nominees prior to their confirmations. In addition, OGE worked with agencies and filers to ensure compliance with the extensive requirements for financial disclosure under the Ethics in Government Act. OGE reviewed 281 reports, which represent approximately twenty-six percent (26%) of all Presidentially appointed and confirmed by the Senate (PAS) positions. Further, OGE cleared eighty-five percent (85%) of the nominee reports it received in fiscal year 2026. Initial comments on draft reports of PAS nominees were provided 97% of the time to the home agency or office within five calendar days of receipt. All final financial disclosure reports of PAS nominees were certified by OGE within 7 calendar days of receipt.

Resolving Conflicts of Interest: OGE continued working to ensure that executive branch PAS officials remain free of conflicts of interest after taking office. OGE does this by identifying and resolving potential conflicts of interest on the part of PAS nominees and by establishing written ethics agreements with them prior to confirmation. OGE then monitors PAS officials' ethics agreement compliance through the collection and review of documentation provided by agency ethics officials. Certification of Ethics Agreement Compliance reports require appointees to attest to their ethics agreement compliance. OGE continued the practice of posting these certifications on its website. In fiscal year 2026, OGE received 355 certifications from new appointees and 349 (98%) were submitted timely.

Certificates of Divestiture: Agencies or OGE can direct an executive branch employee to sell, or otherwise divest, an asset in order to comply with a federal conflict of interest statute, regulation, rule, or executive order. If selling the asset will result in a capital gain, certain employees may be eligible for a Certificate of Divestiture (CD). A CD allows an eligible person to defer paying capital gains taxes on property that is sold to comply with conflict of interest requirements. In fiscal year 2026, OGE issued 255 CDs and made those available electronically through the Request an Individual's Ethics Document (OGE Form 201) process.

INTEGRITY: INTEGRITY is a secure, role-based, online, electronic Federal Ethics & Disclosure System for the Executive Branch of the US Federal Government. OGE worked to ensure that *INTEGRITY* continued to reliably and securely operate for the high volume of nominees using the system and the thousands of current filers and reviewers who rely on the web-based system every year. OGE successfully completed an independent security review of the system, which found the system to be secure. OGE addressed the two security findings identified: 1) to remediate legitimate database and web application vulnerabilities within the organization-defined timeframes and 2) to correct system flaws within the organization-defined timeframe. Notably, OGE moved to a new authentication provider, FedHUB, with minimal disruption. In

addition, OGE continued to convene regular *INTEGRITY* Advisory Council meetings to provide a forum for agencies to discuss and prioritize upgrades to the system.

OGE continued to provide high-quality support for users and agencies to the system's more than 31,000 users (filers, administrators, and reviewers) by providing outstanding Help Desk services, training resources and tutorials, and regular training opportunities for both new and experienced users through monthly webinars. Finally, OGE engaged in outreach to the user agency community by administering an annual User Support Survey, which allows agency *INTEGRITY* administrators to provide feedback on *INTEGRITY* assistance, resources, and training. Respondents reported a ninety-eight percent (98%) satisfaction rate.

Annual Financial Disclosure: OGE also helps ensure that senior officials remain free from conflicts of interest by timely reviewing the public new entrant, annual, termination, and transaction financial disclosure reports of executive branch PAS official leaders as well as other reports filed by Designated Agency Ethics Officials (DAEOs) and certain White House officials. In fiscal year 2026, OGE reviewed 114 termination reports and 34 new entrant reports in addition to 413 annual and 842 periodic transaction reports plus 12 annual/term combined reports. Of these, OGE closed ninety-two percent (92%) of its reviews of public financial disclosure reports within 60 days of receipt.

Financial Disclosure Resources: OGE maintains the public and financial disclosure guides on OGE's website. These guides are critical resources for ethics officials reviewing the more than 400,000 financial disclosures each year. Ninety-two percent (92%) of surveyed ethics officials reported that financial disclosure resources provided by OGE (e.g., Public and Confidential Financial Disclosure Guides, Financial Disclosure Trainings, etc.) assisted reviewers in the review of financial disclosure reports.

Strategic Goal II: Strong, Consistent Executive Branchwide Program

Desk Officer Support: OGE provides necessary support to agency ethics officials so that they can provide uniform and effective ethics guidance to all of the federal employees in the executive branch who serve the American people. OGE provides timely, expert advice on applying ethics laws and regulations, and disseminates up-to-date ethics information that ethics practitioners need to do their jobs effectively. OGE's Desk Officers assist agencies in resolving difficult ethics issues requiring expertise that only the supervising ethics office can provide. In fiscal year 2026, OGE Desk Officers responded to approximately 700 requests for assistance from agencies. Ninety percent (90%) of survey respondents indicated that Desk Officer assistance helped them to perform their job duties.

Training: OGE provided ethics training to ethics officials across the executive branch, which is essential to ensuring consistency in the application of ethics laws and policy. These educational offerings ensure that ethics officials have access to the expertise and tools needed to do their jobs. In fiscal year 2026, OGE offered 30 live training events and five new on-demand offerings. More than 2,000 individuals registered to attend these offerings. In fiscal year 2026, OGE also maintained a virtual training library of more than 150 educational resources designed for use by ethics officials, such as recordings of training presentations, slide decks, and job aids, which can be searched and sorted by topic,

type, and complexity. These resources generated more than 18,000 views. Ninety-five percent (95%) of survey respondents said that after participating in an OGE offering, they believe they can more effectively perform their ethics job duties.

Senior Ethics Leaders: To support the large number of new senior ethics program leaders, DAEOs and Alternate Designated Agency Ethics Officials (ADAEOs), OGE provided orientation sessions to introduce them to their roles and responsibilities as ethics program leaders and advocates. Nearly 35 senior officials registered to participate in these orientation sessions. OGE also held quarterly DAEO meetings as well as hosted an in-person event for DAEOs and ADAEOs to facilitate networking and information exchange.

Sharing Expertise: In fiscal year 2026, OGE also continued to create opportunities for knowledge exchange and collaboration between ethics officials across executive branch agencies. For example, OGE offered its mentorship program for the third year in a row to ethics officials. OGE also continued its monthly "flash networking" series to provide ethics officials with an opportunity to build their professional networks.

Regulations and Advice and Counsel Resources: In fiscal year 2026, OGE published an interim final rule excluding positions from filing a public financial disclosure report if the requirement to file a public report derives solely from being placed into Schedule Policy/Career. OGE also issued three program advisories covering topics such as the Annual Agency Ethics Program Questionnaire and the deadlines and procedures for annual public financial disclosures for the 2026 filing cycle. Ninety-one percent of surveyed ethics officials believe that advice and counsel resources provided by OGE help officials perform their ethics job duties.

Strategic Goal III: Oversight and Accountability

Program Reviews: Through agency ethics program reviews - plenary and inspections – OGE ensures consistent and sustainable agency ethics program compliance with established executive branch ethics laws, regulations, and policies, and provides recommendations for meaningful program improvement. Program reviews include an examination of agency ethics program materials, such as financial disclosure reports, documentation of ethics advice provided to employees, training records, and ethics agreement compliance tracking. When a review of an agency ethics program identifies a deficiency, that can result in a recommendation if the agency has not corrected the deficiency prior to the completion of the review. In fiscal year 2026, OGE issued 45 program reviews. These reviews resulted in 89 recommendations addressing specific ethics program deficiencies. OGE closed 88 open recommendations during program reviews or because of the 13 follow-up reviews conducted in fiscal year 2026.

Annual Questionnaire: OGE assesses agency ethics program compliance through the Annual Agency Ethics Program Questionnaire (Annual Questionnaire). In fiscal year 2026, ninety-eight percent (98%) of the 142 agencies required to submit their data did so. Agency responses to the Annual Questionnaire give OGE a snapshot view of each agency's ethics program and ensure that each agency does a year-end assessment of its own ethics program. In fiscal year 2026, OGE continued to share key highlights from its Annual Questionnaire with ethics officials and the public by posting on its website a report

summarizing highlights and trends ascertained from collected data, as well as each agency's responses to the Annual Questionnaire. This allows the public to have insight into individual agency ethics programs and allows agencies to share model practices.

Enforcement Activities: Accountability within the executive branchwide ethics program also includes monitoring enforcement activities conducted by each agency. Agencies are required to concurrently notify OGE's Director when any matter involving a potential violation by an executive branch employee of 18 U.S.C. §§ 202-209 is referred for investigation or prosecution to the Department of Justice. Agencies use OGE Form 202 (Notification of Conflict of Interest Referral) to submit these notifications and information regarding the disposition of the matter. OGE tracks and follows up on conflicts of interest referrals to the Department of Justice to ensure that agencies are considering disciplinary or other corrective action in the event of declinations of prosecution. OGE also maintains a public dashboard displaying the number of referral notifications received each quarter and the number of potential violations of each criminal conflict of interest statute reported to OGE.

Conducted Inquiries: OGE continued to conduct real-time inquiries and reviews in response to data, news, or external sources that suggested that an agency ethics program may be out of compliance. In fiscal year 2026, OGE made 10 inquiries to an employee's agency ethics officials regarding potential ethics violations. As a result of these inquiries OGE recommended four times that the agency investigate or take corrective or disciplinary action or that further investigation was required. In the remaining six inquiries, OGE found insufficient evidence of a potential violation of law. In these cases, no further action was recommended or taken.

Strategic Goal IV: Transparency

Open Government: There are a number of external demands for information from OGE, reflecting increased public interest in OGE's work. In fiscal year 2026, OGE processed nearly 17,000 requests from the public and the news media to inspect more than 39,000 documents under the Ethics in Government Act, including public financial disclosure reports, periodic transaction reports, certificates of divestiture, and other covered records. OGE used a mostly automated process to timely respond to the large number of requests.

Forms Renewal: OGE also timely sought reapproval from the Office of Management and Budget for OGE Form 201: *Request an Individual's Ethics Document*. This Form is used to request documents under the Ethics in Government Act. Based on written comments and public meetings, OGE made several changes to the Form with the goals of updating citations for accuracy, streamlining the Form to improve the user experience, and reducing the burden on requesters utilizing the Form.

Congressional Affairs: In addition to assisting executive branch ethics officials, OGE responded to requests for assistance from other key stakeholders, including Congress. OGE serves as the legislative liaison on behalf of the entire executive branch ethics program. OGE works to build congressional understanding of the executive branch ethics program and to inform congressional oversight and revisions to ethics laws. Notably, in fiscal

year 2026, OGE provided 18 consultations in response to requests for technical assistance on draft legislation and a wide variety of executive branch ethics issues. During the fiscal year, OGE also tracked 189 bills of relevance to the executive branch ethics program introduced in the 119th Congress.

FOIA: The Freedom of Information Act (FOIA) is critical in helping to ensure transparency in government by providing the public with access to important documents. OGE demonstrates its commitment to a responsive FOIA program by maintaining an effective system for responding to FOIA requests, increasing proactive disclosures, using technology to more effectively communicate with requestors, tracking requests and managing FOIA program records, improving timeliness in responding to requests, and applying a presumption of openness in responding to requests. In fiscal year 2026, OGE received a high volume of FOIA requests (120) and responded to 119 requests. OGE received positive scores from DOJ on its annual reporting.

Maintained and refined OGE's website: OGE's website is the agency's main communication tool and the most valuable resource for OGE's stakeholders, including agency ethics officials, the media, and the general public. OGE continued to maintain and refine its website in conformance with the 21st Century Integrated Digital Experience Act. In fiscal year 2026, OGE's webpages saw 3.4 million pageviews by over 580,000 users.

Timely Responded to External Requests for Information and Assistance: In fiscal year 2026, OGE responded to nearly 200 requests for assistance from the press to support more accurate reporting about the ethics laws and regulations and OGE's work. These interactions play a significant role in OGE's ability to reach the public to promote further understanding of the executive branch ethics program and its role in ensuring government integrity. OGE also responded to requests for assistance from other stakeholders, including more than 120 requests from private citizens. This engagement promoted understanding of the executive branch ethics program and related ethics laws and regulations.

Supported U.S. International Anti-Corruption Efforts: OGE continued providing support to the international community at the request of the State Department. In fiscal year 2026, OGE briefed two foreign delegations representing two countries.

Stewardship of Agency Resources

Increased efficiency by leveraging secure information technology: In fiscal year 2026, OGE maintained its network on a secure, FedRAMP-certified government cloud environment, which simplifies compliance with National Institute of Standards and Technology guidelines, and simplifies network disaster recovery. OGE has developed numerous applications that have improved agency and program efficiency, increased data access, enhanced management practices, and strengthened compliance activities. In fiscal year 2026, OGE continued to devote resources to applications that support major mission programs, such as the Desk Officer program, the Annual Questionnaire, the Records Program, and financial disclosure tracking, as well as those applications that support internal operations, such as requisition processing, budget formulation, and equipment tracking. These custom applications allow OGE to accomplish its mission with limited staff and help OGE to make data-driven decisions.

Strengthen OGE's cybersecurity: In accordance with the Federal Information Security Modernization Act (FISMA), OGE's security program continued to review weekly network perimeter scans performed by the Department of Homeland Security; procure and undergo annual security assessment reviews conducted by accredited independent auditors using FISMA CIO and FISMA IG metrics; provide mandatory annual cybersecurity awareness training (general and role-based); and complete *INTEGRITY*'s annual security assessment. OGE participates in the Continuous Diagnostics & Mitigation (CDM) Program, which provides capabilities and tools to identify cybersecurity risks on an ongoing basis, prioritizes risks based on potential impacts, and enables cybersecurity personnel to mitigate the most significant problems first. OGE earned a "managed & measurable" rating on its independent FISMA CIO assessment. In fiscal year 2026, OGE also took steps to comply with Executive Order 14306, *Sustaining Select Efforts to Strengthen the Nation's Cybersecurity*; and OMB Memo M-26-05, *Adopting a Risk-based Approach to Software and Hardware Security*. This work is critical to protect the confidentiality, integrity, and availability of OGE's information and information systems against unauthorized access and use.

Remained strong fiscal stewards: OGE continued to be an excellent steward of the fiscal resources entrusted to it. OGE demonstrated its commitment to effectively and efficiently managing funds appropriated by Congress to execute OGE strategic goals, including through maximizing its use of 31 shared services and interagency agreements. Not only does OGE continually seek full value from each taxpayer dollar, but it does so while implementing strong fiscal internal controls. Notably, in fiscal year 2026, OGE received an unmodified opinion on its financial statements and an independent financial audit found no material internal control weaknesses. To reduce fiscal risk and ensure that OGE remains financially responsible, OGE continued to use a custom software application, which builds in additional internal controls and tracking, to maintain effective processes for approving requisitions. OGE also continued to maintain strong internal controls regarding its inventory of IT equipment and other assets by conducting an inventory review that documented no loss of IT or other tracked assets. In fiscal year 2026, OGE maintained custom applications to strengthen its budget formulation and performance award approval processes. Lastly, OGE increased spending transparency for the American public by posting contracting information to OGE's website in accordance with an Executive Order.

Advanced Super Intelligence (SI) Governance and Use: In fiscal year 2026, OGE made significant steps toward building governance and implementing the use of SI. Notably, OGE created a SI Governance Board, published an agency-wide Generative SI plan, procured SI tools, and approved general use cases. In addition, OGE procured and offered SI specific training to employees.

Advanced data governance: OGE continued to ensure the agency's compliance with the Foundations for Evidence-Based Policymaking Act, to convene meetings of its Data Governance Board, and to actively participate in the Chief Data Officers Council. OGE also published its Open Data Government Plan and submitted public datasets to Data.gov.

Safeguarded privacy: In fiscal year 2026, OGE continued to safeguard privacy by maintaining critical executive branchwide systems of records related to the ethics program,

including *INTEGRITY*, as well as the agency's internal records. OGE's privacy program worked to ensure that the agency complies with the requirements of the Privacy Act, the E-Government Act, and the executive branch privacy program requirements, as established by OMB. During fiscal year 2026, OGE reviewed 11 Privacy Threshold Analyses and drafted or revised four new Privacy Impact Analyses. OGE also conducted privacy training and role-based privacy training for those required to receive it, including agency employees and supervisors, and government contractors who perform services for the agency.

Enhanced records management program: OGE continued to enhance its Records Management Program, in order to ensure agency records are available to the public and OGE staff, and to comply with records management requirements. In fiscal year 2026, this work included: developing and updating records management policies and procedures; developing and conducting training; onboarding new employees; working with the National Archives and Records Administration (NARA) on OGE mission-specific disposition authorities; issuing records management guidance; conducting inventories of agency records systems and repositories; updating records file plans; and providing records management training to all employees. Notably, OGE timely submitted its program assessments to NARA and received high scores on each report. As a result of these reviews, NARA ranked OGE's records program in the "low risk category."

Accountability and Performance: Fiscal year 2026 began with a lapse in appropriations that affected most operations. For much of the year, OGE also operated without a director and senior executive leadership. Despite these challenges, OGE supervisors worked collaboratively to ensure the agency maintained progress toward the mission and performance goals. OGE continued monitoring progress by convening quarterly all-hands meetings, conducting a midyear review of its strategic objectives, and holding regular supervisor meetings to discuss agency goals, priorities, and the status of significant program activities. Regarding accountability, 99.6% of staff completed the required compliance training in ethics, security, records management, and privacy.

Developed OGE's workforce: OGE continually focuses on developing the knowledge, skills, and abilities of its employees through personalized formal and informal professional development opportunities. In fiscal year 2026, OGE employees participated in the OGE Employee Development Plan (EDP) program. Through the EDP process, employees, in collaboration with their supervisors, identify specific formal training, mentoring, self-study, and/or on-the-job training activities that they will complete in the covered period. Employees have the opportunity to lead significant projects, as well as participate in cross-functional teams and training. Notably, the EDP identifies objective measures for assessing the employee's acquisition of the targeted knowledge or skills.

Conclusion

The above performance highlights demonstrate that, despite a lapse in appropriations and leadership gaps, OGE has largely succeeded in advancing its strategic goals and fulfilling its mission through targeted strategies and the effective deployment of its small, cross-functional workforce. As noted at the beginning of the Management's Discussion and Analysis section, OGE will provide more detailed information regarding its performance goals and results in its fiscal year 2026 Annual Performance Report (APR).

MD&A Analysis of Financial Statements and Stewardship Information

In fiscal year 2026, OGE received an unmodified opinion on its financial statements, and no material internal control weaknesses were found. OGE is committed to effectively and efficiently managing funds appropriated by Congress to incur obligations for goods and services necessary to execute OGE mission goals. OGE responsibly maintained its fiscal year 2026 budget request by stabilizing its budget at $23,037,000, with no increase from fiscal year 2025, demonstrating excellent stewardship of financial resources. OGE was able to maintain operations at sufficient levels and ensure OGE's important mission was accomplished.

As potential security threats against automated systems grow and become more complex, OGE is proactively ensuring that any threats are reduced and mitigated, if not eliminated, effectively providing for the security and efficiency of OGE's ongoing daily operations – in particular, a safe and secure technical environment that protects the privacy and integrity of the financial information provided to OGE by agency ethics officials and the most senior officials of the executive branch.

OGE continues to improve its public website, which is OGE's main communication tool and the most valuable resource for OGE's stakeholders, including agency officials, the media, and the public by enhancing usability, access, and reliability.

Part II - Management Assurances

MD&A Analysis of Systems, Controls, and Legal Compliance

Annual Assurance Statement on Internal Controls and Internal Controls over Financial Reporting

OGE's management is responsible for managing risks and maintaining effective internal control to meet the objectives of Sections 2 and 4 of the Federal Managers' Financial Integrity Act (Act). OGE conducted its assessment of risk and internal control in accordance with OMB Circular No. A-123, Management's Responsibility for Internal Control. Based on the results of the assessment, OGE can provide reasonable assurance that internal control over operations, reporting, and compliance were operating effectively as of September 30, 2026. The accounting system of OGE conforms to applicable principles, standards, and requirements consistent with the Act.

OGE relies on the U.S. Department of Treasury, Center for Financial Management (CFM), a financial management shared service provider, for its accounting and financial systems and to meet its financial reporting requirements. OGE has no in-house financial systems but rather uses systems hosted/provided by CFM. OGE uses Oracle Financials which is considered to be a reliable and effective financial system. OGE obtains the Statement on Standards for Attestation Engagements (SSAE) 18 Service Organization Control (SOC) audits and Bridge Letters from CFM and reviews the statement to assist in assessing internal controls over OGE's financial reporting. After a thorough review of the results, OGE has not discovered any significant issues or deviations in its financial reporting during fiscal year 2026. Therefore, OGE concludes that the internal controls over financial reporting are sufficiently strong.

Keith Sonderling

Keith E. Sonderling
Acting Director
U.S. Office of Government Ethics

Part III – Financial Statements and Independent Auditor's Report

Limitations of the Financial Statements

The financial statements are prepared to report the financial position, financial condition, and results of operations, consistent with the requirements of 31 U.S.C. § 3515(b). The statements are prepared from records of Federal entities in accordance with Federal generally accepted accounting principles (GAAP) and the formats prescribed by OMB. Reports used to monitor and control budgetary resources are prepared from the same records. Users of the statements are advised that the statements are for a component of the U.S. Government.



UNITED STATES OFFICE OF GOVERNMENT ETHICS
FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2026 AND 2025

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UNITED STATES OFFICE OF GOVERNMENT ETHICS
BALANCE SHEETS
AS OF SEPTEMBER 30, 2026 AND 2025
(In Dollars)

	2026	2025
Assets		
Intragovernmental Assets		
Fund Balance with Treasury (Note 2)	$ 13,352,210	$ 10,216,623
Advances and Prepayments	16,409	20,120
Total Intragovernmental Assets	13,368,619	10,236,743
Other than Intragovernmental Assets		
Property, Plant, and Equipment, Net (Note 3)	254,864	305,001
Total Other than Intragovernmental Assets	254,864	305,001
Total Assets	**$ 13,623,483**	**$ 10,541,744**
Liabilities (Note 4)		
Intragovernmental Liabilities		
Accounts Payable	$ 316,356	$ 803
Other Liabilities (Note 6)	208,574	262,361
Other Liabilities (Without Reciprocals)	27,664	40,684
Other Current Liabilities - Benefit Contributions Payable	180,910	221,677
Total Intragovernmental Liabilities	524,930	263,164
Other than Intragovernmental Liabilities		
Accounts Payable	41,123	298,469
Federal Employee Salary, Leave, and Benefits Payable	1,213,819	1,436,727
Pension, Post-Employment, and Veterans Benefits Payable (Note 5)	741,754	588,128
Total Other than Intragovernmental Liabilities	1,996,696	2,323,324
Total Liabilities	**$ 2,521,626**	**$ 2,586,488**
Net Position		
Unexpended Appropriations		
Funds from Other than Dedicated Collections	$ 12,523,018	$ 9,279,147
Total Unexpended Appropriations (Consolidated)	12,523,018	9,279,147
Cumulative Results of Operations		
Funds from Other than Dedicated Collections	(1,421,161)	(1,323,891)
Total Cumulative Results of Operations (Consolidated)	(1,421,161)	(1,323,891)
Total Net Position	**$ 11,101,857**	**$ 7,955,256**
Total Liabilities and Net Position	**$ 13,623,483**	**$ 10,541,744**

The accompanying notes are an integral part of these financial statements.

UNITED STATES OFFICE OF GOVERNMENT ETHICS
STATEMENTS OF NET COST
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2026 AND 2025
(In Dollars)

	2026	2025
Gross Program Costs		
Salaries and Expenses		
Gross Costs	$ 20,848,186	$ 22,609,425
Net Cost of Operations	**$ 20,848,186**	**$ 22,609,425**

The accompanying notes are an integral part of these financial statements.

UNITED STATES OFFICE OF GOVERNMENT ETHICS
STATEMENTS OF CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2026 AND 2025
(In Dollars)

	2026	2025
Unexpended Appropriations		
Beginning Balance	$ 9,279,147	$ 7,958,500
Appropriations Received	23,037,000	23,037,000
Other Adjustments	(68,650)	(523,642)
Appropriations Used	(19,724,479)	(21,192,711)
Net Change in Unexpended Appropriations	3,243,871	1,320,647
Total Unexpended Appropriations	**$ 12,523,018**	**$ 9,279,147**
Cumulative Results of Operations		
Beginning Balance	$ (1,323,891)	$ (1,247,441)
Appropriations Used	19,724,479	21,192,711
Imputed Financing (Note 9)	1,026,437	1,340,264
Net Cost of Operations	(20,848,186)	(22,609,425)
Net Change in Cumulative Results of Operations	(97,270)	(76,450)
Total Cumulative Results of Operations	**$ (1,421,161)**	**$ (1,323,891)**
Net Position	**$ 11,101,857**	**$ 7,955,256**

The accompanying notes are an integral part of these financial statements.

UNITED STATES OFFICE OF GOVERNMENT ETHICS
STATEMENTS OF BUDGETARY RESOURCES
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2026 AND 2025
(In Dollars)

		2026		2025
Budgetary Resources				
Unobligated Balance From Prior Year Budget Authority, Net (Note 10)	$	6,635,932	$	5,346,411
Appropriations		23,037,000		23,037,000
Total Budgetary Resources	**$**	**29,672,932**	**$**	**28,383,411**
Status of Budgetary Resources				
New Obligations and Upward Adjustments (Total)	$	20,115,350	$	21,801,178
Unobligated Balance, End of Year				
Apportioned, Unexpired Accounts		2,993,598		1,302,064
Unexpired, Unobligated Balance, End of Year		2,993,598		1,302,064
Expired, Unobligated Balance, End of Year		6,563,984		5,280,169
Unobligated Balance, End of Year (Total)		9,557,582		6,582,233
Total Budgetary Resources	**$**	**29,672,932**	**$**	**28,383,411**
Outlays, Net and Disbursements, Net				
Outlays, Net (Total)	$	19,832,764	$	20,885,701
Agency Outlays, Net	**$**	**19,832,764**	**$**	**20,885,701**

The accompanying notes are an integral part of these financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The U.S. Office of Government Ethics (OGE), established by the Ethics in Government Act of 1978, provides overall leadership and oversight of the executive branch ethics program designed to prevent and resolve conflicts of interest. OGE's mission is part of the very foundation of public service. The first principle in the Fourteen Principles of Ethical Conduct for Government Officers and Employees is "public service is a public trust, requiring employees to place loyalty to the Constitution, the laws and ethical principles above private gain." Public servants are expected to make impartial decisions based on the interests of the public when performing their job duties. OGE, in concert with agency ethics practitioners throughout the executive branch, ensures that employees fulfill this great trust.

To carry out its leadership and oversight responsibilities, OGE promulgates and maintains enforceable standards of ethical conduct for more than 2 million employees in over 140 executive branch agencies and the White House; oversees financial disclosure systems that reaches more than 27,000 public and nearly 400,000 confidential financial disclosure report filers; ensures that executive branch agency ethics programs are in compliance with applicable ethics laws and regulations; provides education and training to the approximately 5,000 ethics officials executive branch-wide; conducts outreach to the general public, the private sector, and civil society; and facilitates transparency and public understanding of government ethics.

OGE's greatest resource is its multidisciplinary staff of attorneys, ethics and finance experts, and support personnel. OGE is a lean organization, operating at fewer than its 80 authorized full-time equivalents, and accomplishes its responsibilities by organizing cross-functional teams to perform such diverse tasks as working with Presidential nominees for appointments requiring Senate confirmation to resolve potential financial conflicts of interest, training executive branch ethics officials, and conducting oversight of executive branch ethics programs. OGE is led by a Director who is appointed to a five-year term by the President and confirmed by the Senate.

OGE's General Funds are accounts used to record financial transactions arising under congressional appropriations or other authorizations to spend general revenues. General Fund Miscellaneous Receipts are accounts established for receipts of non-recurring activity, such as fines, penalties, fees and other miscellaneous receipts for services and benefits.

OGE has rights and ownership of all assets reported in these financial statements. The reporting entity is a component of the U.S Government. For this reason, some of the assets and liabilities reported by the entity may be eliminated for Government-wide reporting because they are offset by assets and liabilities of another U.S. Government entity. These financial statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity. OGE does not possess any non-entity assets.

B. Basis of Presentation

The financial statements have been prepared to report the financial position and results of operations of the OGE. The Balance Sheet presents the financial position of the agency. The Statement of Net Cost presents the agency's operating results. The Statement of Changes in Net Position displays the changes in the agency's equity accounts. The Statement of Budgetary Resources presents the sources, status, and uses of the agency's resources and follows the rules for the Budget of the United States Government.

The statements are a requirement of the Chief Financial Officers Act of 1990, the Government Management Reform Act of 1994 and the Accountability of Tax Dollars Act of 2002. They have been prepared from, and are fully supported by, the books and records of the OGE in accordance with the hierarchy of accounting

principles generally accepted in the United States of America, standards issued by the Federal Accounting Standards Advisory Board (FASAB), Office of Management and Budget (OMB) Circular A-136, Financial Reporting Requirements, as amended, and the OGE's accounting policies which are summarized in this note. These statements, with the exception of the Statement of Budgetary Resources, are different from financial management reports, which are also prepared pursuant to OMB directives that are used to monitor and control the OGE's use of budgetary resources. The financial statements and associated notes are presented on a comparative basis. Unless specified otherwise, all amounts are presented in dollars.

C. Basis of Accounting

Transactions are recorded on both an accrual accounting basis and a budgetary basis. Under the accrual method, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting facilitates the control and monitoring of federal funds as well as the compliance with legal requirements on the use of those funds.

D. Fund Balance with Treasury

Fund Balance with Treasury is an asset of a reporting entity and a liability of the General Fund. It is the aggregate amount of the OGE's funds with Treasury in expenditure, receipt, revolving, and deposit fund accounts. Appropriated funds recorded in expenditure accounts are available to pay current liabilities and finance authorized purchases.

The OGE does not maintain bank accounts of its own, has no disbursing authority, and does not maintain cash held outside of Treasury. When the reporting entity seeks to use Fund Balance with Treasury or investments in Government securities to liquidate budgetary obligations, Treasury will finance the disbursements in the same way it finances all other disbursements, which is to borrow from the public if there is a budget deficit (and to use current receipts if there is a budget surplus). Funds are disbursed for the agency on demand.

E. Accounts Receivable

Accounts receivable consists of amounts owed to the OGE by other federal agencies and the general public. Amounts due from federal agencies are considered fully collectible. Accounts receivable from the public include reimbursements from employees. An allowance for uncollectible accounts receivable from the public is established when, based upon a review of outstanding accounts and the failure of all collection efforts, management determines that collection is unlikely to occur considering the debtor's ability to pay.

F. Property, Equipment, and Software

Property, equipment, and software represent furniture, fixtures, equipment, and information technology hardware and software which are recorded at original acquisition cost and are depreciated or amortized using the straight-line method over their estimated useful lives. Major alterations and renovations are capitalized, while maintenance and repair costs are expensed as incurred. The OGE's capitalization threshold is $50,000 for individual purchases and $500,000 for bulk purchases. Property, equipment, and software acquisitions that do not meet the capitalization criteria are expensed upon receipt. Applicable standard governmental guidelines regulate the disposal and convertibility of agency property, equipment, and software. The useful life classifications for capitalized assets are as follows:

Description	Useful Life (years)
Building	9
Leasehold Improvements	5
Office Furniture	5
Computer Equipment	3
Office Equipment	5
Software	5

G. Advances and Prepaid Charges

Advance payments are generally prohibited by law. There are some exceptions, such as reimbursable agreements, subscriptions and payments to contractors and employees. Payments made in advance of the receipt of goods and services are recorded as advances or prepaid charges at the time of prepayment and recognized as expenses when the related goods and services are received.

H. Liabilities

Liabilities represent the amount of funds likely to be paid by the OGE as a result of transactions or events that have already occurred.

The OGE reports its liabilities under two categories, Intragovernmental and Other than Intragovernmental. Intragovernmental liabilities represent funds owed to another government agency. Liabilities other than intragovernmental represent funds owed to any entity or person that is not a federal agency, including private sector firms and federal employees. Each of these categories may include liabilities that are covered by budgetary resources and liabilities not covered by budgetary resources.

Liabilities covered by budgetary resources are liabilities funded by a current appropriation or other funding source. These consist of accounts payable and accrued payroll and benefits. Accounts payable represent amounts owed to another entity for goods ordered and received and for services rendered except for employees. Accrued payroll and benefits represent payroll costs earned by employees during the fiscal year which are not paid until the next fiscal year.

Liabilities not covered by budgetary resources are liabilities that are not funded by any current appropriation or other funding source. These liabilities consist of accrued annual leave, deferred rent, actuarial FECA, and the amounts due to Treasury for collection and accounts receivable of civil penalties and FOIA request fees.

I. Annual, Sick, and Other Leave

Annual leave is accrued as it is earned, and the accrual is reduced as leave is taken. The balance in the accrued leave account is adjusted to reflect current pay rates. Liabilities associated with other types of vested leave, including compensatory, restored leave, and sick leave in certain circumstances, are accrued at year-end, based on latest pay rates and unused hours of leave. Funding will be obtained from future financing sources to the extent that current or prior year appropriations are not available to fund annual and other types of vested leave earned but not taken. Nonvested leave is expensed when used. Any liability for sick leave that is accrued but not taken by a Civil Service Retirement System (CSRS)-covered employee is transferred to the Office of Personnel Management (OPM) upon the retirement of that individual. Credit is given for sick leave balances in the computation of annuities upon the retirement of Federal Employees Retirement System (FERS)-covered employees.

J. Accrued and Actuarial Workers' Compensation

The Federal Employees' Compensation Act (FECA) administered by the U.S. Department of Labor (DOL) addresses all claims brought by the OGE's employees for on-the-job injuries. The DOL bills each agency annually as its claims are paid, but payment of these bills is deferred for two years to allow for funding through the budget process. Similarly, employees that the OGE terminates without cause may receive unemployment compensation benefits under the unemployment insurance program also administered by the DOL, which bills each agency quarterly for paid claims. Future appropriations will be used for the reimbursement to DOL. The liability consists of (1) the net present value of estimated future payments calculated by the DOL, and (2) the unreimbursed cost paid by DOL for compensation to recipients under the FECA.

K. Retirement Plans

The OGE's employees participate in either the CSRS or the FERS. The employees who participate in CSRS are beneficiaries of the OGE's matching contribution, equal to seven percent of pay, distributed to their annuity account in the Civil Service Retirement and Disability Fund.

Prior to December 31, 1983, all employees were covered under the CSRS program. From January 1, 1984 through December 31, 1986, employees had the option of remaining under CSRS or joining FERS and Social Security. Employees hired as of January 1, 1987 are automatically covered by the FERS program. Both CSRS and FERS employees may participate in the federal Thrift Savings Plan (TSP). FERS employees receive an automatic agency contribution equal to one percent of pay and the OGE matches any employee contribution up to an additional four percent of pay. For FERS participants, the OGE also contributes the employer's matching share of Social Security.

FERS employees and certain CSRS reinstatement employees are eligible to participate in the Social Security program after retirement. In these instances, the OGE remits the employer's share of the required contribution.

The OGE recognizes the imputed cost of pension and other retirement benefits during the employees' active years of service. OPM actuaries determine pension cost factors by calculating the value of pension benefits expected to be paid in the future and communicate these factors to the OGE for current period expense reporting. OPM also provides information regarding the full cost of health and life insurance benefits. The OGE recognized the offsetting revenue as imputed financing sources to the extent these expenses will be paid by OPM.

The OGE does not report on its financial statements information pertaining to the retirement plans covering its employees. Reporting amounts such as plan assets, accumulated plan benefits, and related unfunded liabilities, if any, is the responsibility of the OPM, as the administrator.

L. Other Post-Employment Benefits

The OGE's employees eligible to participate in the Federal Employees' Health Benefits Plan (FEHBP) and the Federal Employees' Group Life Insurance Program (FEGLIP) may continue to participate in these programs after their retirement. The OPM has provided the OGE with certain cost factors that estimate the true cost of providing the post-retirement benefit to current employees. The OGE recognizes a current cost for these and Other Retirement Benefits (ORB) at the time the employee's services are rendered. The ORB expense is financed by OPM, and offset by the OGE through the recognition of an imputed financing source.

M. Use of Estimates

The preparation of the accompanying financial statements in accordance with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

N. Reclassification

Certain fiscal year 2025 balances have been reclassified, retitled, or combined with other financial statement line items for consistency with the current year presentation.

O. Classified Activities

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

NOTE 2. FUND BALANCE WITH TREASURY

Fund Balance with Treasury account balances as of September 30, 2026 and 2025, were as follows:

	2026	2025
Status of Fund Balance With Treasury		
Unobligated Balance	$ 9,557,582	$ 6,582,233
Obligated Balance Not Yet Disbursed	3,794,628	3,634,390
Total Fund Balance With Treasury	**$ 13,352,210**	**$ 10,216,623**

No discrepancies exist between the Fund Balance reflected on the Balance Sheet and the balances in the Treasury accounts.

The obligated balance not yet disbursed includes accounts payable, accrued expenses, and undelivered orders that have reduced unexpended appropriations but have not yet decreased the fund balance on hand.

NOTE 3. PROPERTY, PLANT, AND EQUIPMENT, NET

Schedule of General Property, Plant, and Equipment, Net as of September 30, 2026 and 2025:

	Acquisition Cost	Accumulated Depreciation and Amortization	Net Book Value
2026			
Major Class:			
Leasehold Improvements	$ 388,563	$ 133,699	$ 254,864
Software	5,146,619	5,146,619	-
Total	**$ 5,535,182**	**$ 5,280,318**	**$ 254,864**
2025			
Major Class:			
Leasehold Improvements	$ 388,563	$ 83,562	$ 305,001
Software	5,146,619	5,146,619	-
Total	**$ 5,535,182**	**$ 5,230,181**	**$ 305,001**

NOTE 4. LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

The liabilities for the OGE as of September 30, 2026 and 2025, include liabilities not covered by budgetary resources. Congressional action is needed before budgetary resources can be provided. Although future appropriations to fund these liabilities are likely and anticipated, it is not certain that appropriations will be enacted to fund these liabilities.

		2026		2025
Intragovernmental-Unfunded FECA Liability	$	104,305	$	155,721
Unfunded Leave		829,967		893,828
Actuarial FECA		741,754		588,128
Total Liabilities Not Covered by Budgetary Resources	$	1,676,026	$	1,637,677
Total Liabilities Covered by Budgetary Resources		845,600		948,811
Total Liabilities	**$**	**2,521,626**	**$**	**2,586,488**

FECA and the Unemployment Insurance liabilities represent the unfunded liability for actual workers compensation claims and unemployment benefits paid on the OGE's behalf and payable to the DOL. The OGE also records an actuarial liability for future workers compensation claims based on the liability to benefits paid (LBP) ratio provided by DOL and multiplied by the average of benefits paid over three years.

Unfunded leave represents a liability for earned leave and is reduced when leave is taken. The balance in the accrued annual leave account is reviewed quarterly and adjusted as needed to accurately reflect the liability at current pay rates and leave balances. Accrued annual leave is paid from future funding sources and, accordingly, is reflected as a liability not covered by budgetary resources. Sick and other leave is expensed as taken.

NOTE 5. ACTUARIAL FECA LIABILITY

FECA provides income and medical cost protection to covered federal civilian employees harmed on the job or who have contracted an occupational disease, and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. Claims incurred for benefits under FECA for the OGE employees are administered by the DOL and ultimately paid by the OGE when funding becomes available.

The OGE bases its estimate for FECA actuarial liability on the DOL's FECA model. The DOL method of determining the liability uses historical benefits payment patterns for a specific incurred period to predict the ultimate payments for the period. Based on the information provided by the DOL, the OGE's liability as of September 30, 2026 and 2025, was $741,754 million and $588,128 million, respectively.

NOTE 6. OTHER LIABILITIES

Other liabilities account balances as of September 30, 2026 and 2025, were as follows:

	Current	Non-Current	Total
2026			
Intragovernmental Other Liabilities			
Employer Contributions and Payroll Taxes Payable (without reciprocals)	$ 27,664	$ -	$ 27,664
Employer Contributions and Payroll Taxes Payable	76,605	-	76,605
Unfunded FECA Liability	104,305	-	104,305
Total Intragovernmental Other Liabilities	**$ 208,574**	**$ -**	**$ 208,574**
Total Other Liabilities	**$ 208,574**	**$ -**	**$ 208,574**
2025			
Intragovernmental Other Liabilities			
Employer Contributions and Payroll Taxes Payable (without reciprocals)	$ 40,684	$ -	$ 40,684
Employer Contributions and Payroll Taxes Payable	65,956	-	65,956
Unfunded FECA Liability	155,721	-	155,721
Total Intragovernmental Other Liabilities	**$ 262,361**	**$ -**	**$ 262,361**
Total Other Liabilities	**$ 262,361**	**$ -**	**$ 262,361**

NOTE 7. LEASES

The OGE occupies office space under a lease agreement that is accounted for as an intragovernmental lease per SFFAS 54 guidance. The lease term began on February 2, 2024 and expires on October 1, 2031. Lease payments are increased annually based on the adjustments for operating cost and real estate tax escalations. The total intragovernmental lease expenses for fiscal years 2026 and 2025 were $290,579 and $293,363, respectively.

Below is a schedule of future payments for the term of the lease:

	Buildings	Total Federal
Fiscal Year		
2027	$ 331,990	$ 331,990
2028	336,830	336,830
2029	341,815	341,815
2030	346,949	346,949
2031-2032	352,238	352,238
Total	**$ 1,709,822**	**$ 1,709,822**

The intragovernmental lease amount does not include estimated payments for leases with annual renewal options.

NOTE 8. COMMITMENTS AND CONTINGENCIES

The OGE did not have any material contingent liabilities that met disclosure requirements as of September 30, 2026 and 2025.

NOTE 9. INTER-ENTITY COSTS

The OGE recognizes certain inter-entity costs for goods and services that are received from other federal entities at no cost or at a cost less than the full cost. Certain costs of the providing entity that are not fully reimbursed are recognized as imputed cost and are offset by imputed revenue. Such imputed costs and revenues relate to employee benefits and claims to be settled by the Treasury Judgement Fund. The OGE recognizes as inter-entity costs the amount of accrued pension and post-retirement benefit expenses for current employees.

The assets and liabilities associated with such benefits are the responsibility of the administering agency, OPM. For the fiscal years ended September 30, 2026 and 2025, respectively, inter-entity costs were as follows:

		2026		2025
Office of Personnel Management	$	1,026,437	$	1,340,264
Total Inter-Entity Costs	**$**	**1,026,437**	**$**	**1,340,264**

NOTE 10. UNOBLIGATED BALANCE FROM PRIOR YEAR BUDGET AUTHORITY, NET

The Unobligated Balance Brought Forward from the prior fiscal year has been adjusted for recoveries of prior year paid and unpaid obligations and other changes such as canceled authority. The Adjustments to Unobligated Balance Brought Forward, October 1, as of September 30, 2026 and 2025, consisted of the following:

		2026		2025
Unobligated Balance Brought Forward from Prior Year, October 1	$	6,582,233	$	4,775,836
Recoveries of Prior Year Obligations		122,349		1,094,217
Other Changes in Unobligated Balances		(68,650)		(523,642)
Unobligated Balance from Prior Year Budget Authority, Net (Discretionary and Mandatory)	**$**	**6,635,932**	**$**	**5,346,411**

NOTE 11. UNDELIVERED ORDERS AT THE END OF THE PERIOD

Budgetary resources obligated for undelivered orders as of September 30, 2026 and 2025 were as follows:

	Intragovernmental	Other than Intragovernmental	Total
2026			
Paid Undelivered Orders	$ 16,409	$ -	$ 16,409
Unpaid Undelivered Orders	2,922,409	26,619	2,949,028
Total Undelivered Orders	**$ 2,938,818**	**$ 26,619**	**$ 2,965,437**
2025			
Paid Undelivered Orders	$ 20,120	$ -	$ 20,120
Unpaid Undelivered Orders	241,139	2,444,440	2,685,579
Total Undelivered Orders	**$ 261,259**	**$ 2,444,440**	**$ 2,705,699**

NOTE 12. EXPLANATION OF DIFFERENCES BETWEEN THE STATEMENT OF BUDGETARY RESOURCES AND THE BUDGET OF THE U.S. GOVERNMENT

The President's Budget that will include fiscal year 2026 actual budgetary execution information has not yet been published. The President's Budget is scheduled for publication in February 2027 and can be found at the OMB website: https://www.whitehouse.gov/omb/. The Fiscal Year 2027 Budget of the United States Government, with the "Actual" column completed for 2025, has been reconciled to the Statement of Budgetary Resources and there were no material differences.

(In Millions)

	Total Budgetary Resources	New Obligations & Upward Adjustments (Total)	Distributed Offsetting Receipts	Net Outlays
Combined Statement of Budgetary Resources	$ 28	$ 22	$ -	$ 21
Unobligated Balance Not Available	(5)	-	-	-
Budget of the U.S. Government	**$ 23**	**$ 22**	**$ -**	**$ 21**

NOTE 13: RECONCILIATION OF NET OPERATING COST & NET BUDGETARY OUTLAYS

The reconciliation of net outlays, presented on a budgetary basis, and the net cost, presented on an accrual basis, provides an explanation of the relationship between budgetary and financial accounting information.

The reconciliation of Net Cost to Net Outlays as of September 30, 2026:

	Intragovern-mental	Other than Intragovern-mental	Total
Net Operating Cost (Revenue) Reported on Statement of Net Cost	**$ 7,723,416**	**$ 13,124,770**	**$ 20,848,186**
Components of Net Operating Cost Not Part of the Budgetary Outlays			
Property, Plant, and Equipment Depreciation Expense	-	(50,137)	(50,137)
Increase/(Decrease) in Assets Not Affecting Budgetary Outlays:			
Advances and Prepayments	(3,711)	-	(3,711)
(Increase)/Decrease in Liabilities Not Affecting Budgetary Outlays:			
Accounts Payable	(315,553)	257,346	(58,207)
Federal Employee Salary, Leave, and Benefits Payable	-	222,909	222,909
Pension, Other Post-Employment, and Veterans Benefits Payable	-	(153,626)	(153,626)
Other Liabilities	53,787	-	53,787
Financing Sources:			
Imputed Cost	(1,026,437)	-	(1,026,437)
Total Components of Net Operating Cost Not Part of the Budgetary Outlays	**$ (1,291,914)**	**$ 276,492**	**$ (1,015,422)**
Misc Items			
Custodial/Non-Exchange Revenue	600	(600)	-
Total Other Reconciling Items	**$ 600**	**$ (600)**	**$ -**
Total Net Outlays (Calculated Total)	**$ 6,432,102**	**$ 13,400,662**	**$ 19,832,764**
Budgetary Agency Outlays, Net (SBR 4210)			
Budgetary Agency Outlays, Net			**$ 19,832,764**

The reconciliation of Net Cost to Net Outlays as of September 30, 2025:

	Intragovern-mental	Other than Intragovern-mental	Total
Net Operating Cost (Revenue) Reported on Statement of Net Cost	**$ 7,016,032**	**$ 15,593,393**	**$ 22,609,425**
Components of Net Operating Cost Not Part of the Budgetary Outlays			
Property, Plant, and Equipment Depreciation Expense	-	(83,562)	(83,562)
Increase/(Decrease) in Assets Not Affecting Budgetary Outlays:			
Advances and Prepayments	20,120	-	20,120
(Increase)/Decrease in Liabilities Not Affecting Budgetary Outlays:			
Accounts Payable	210	(246,588)	(246,378)
Federal Employee Salary, Leave, and Benefits Payable	-	6,786	6,786
Pension, Other Post-Employment, and Veterans Benefits Payable	-	(22,276)	(22,276)
Other Liabilities	(58,150)	-	(58,150)
Financing Sources:			
Imputed Cost	(1,340,264)	-	(1,340,264)
Misc Items			
Custodial/Non-Exchange Revenue	840	(840)	-
Budgetary Agency Outlays, Net (SBR 4210)			
Budgetary Agency Outlays, Net			**$ 20,885,701**

INDEPENDENT AUDITOR'S REPORT

U.S. Office of Government Ethics
Washington, D.C.

In our audits of the fiscal years 2026 and 2025 financial statements of the U.S. Office of Government Ethics (OGE), we found:

- OGE's financial statements as of and for the fiscal years ended September 30, 2026, and 2025, are presented fairly, in all material respects, in accordance with U.S. generally accepted accounting principles;
- no material weaknesses in internal control over financial reporting based on the limited procedures we performed; [1] and
- no reportable noncompliance for fiscal year 2026 with provisions of applicable laws, regulations, contracts, and grant agreements we tested.

The following sections discuss in more detail (1) our report on the financial statements, which includes a section on required supplementary information (RSI) [2] and a section on other information included with the financial statements; [3] (2) our report on internal control over financial reporting; and (3) our report on compliance with laws, regulations, contracts, and grant agreements.

Report on the Financial Statements

Opinion

In accordance with the provisions of the Accountability of Tax Dollars Act of 2002 (ATDA) (Pub. L. No. 107-289), we have audited OGE's financial statements. OGE's financial statements comprise the balance sheets as of September 30, 2026, and 2025; the related statements of net cost, changes in net position, and budgetary resources for the fiscal years then ended; and the related notes to the financial statements. In our opinion, OGE's financial statements present fairly, in all material respects, OGE's financial position as of September 30, 2026, and 2025, and its net costs of operations, changes in net position, and budgetary resources for the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

[1] A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

[2] The RSI consists of Management's Discussion and Analysis and the Statement of Budgetary Resources, which are included with the financial statements.

[3] Other information consists of information included with the financial statements, other than the RSI, Financial section, and the auditor's report.

Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted government auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OGE and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for:

- the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles;
- preparing, measuring, and presenting the RSI in accordance with U.S. generally accepted accounting principles;
- preparing and presenting other information included in OGE's Agency Financial Report (AFR) and ensuring the consistency of that information with the audited financial statements and the RSI; and
- designing, implementing, and maintaining effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to (1) obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and (2) issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of the financial statements conducted in accordance with U.S. generally accepted government auditing standards will always detect a material misstatement or a material weakness when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered to be material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. generally accepted government auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to our audit of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the

purpose of expressing an opinion on the effectiveness of OGE's internal control over financial reporting. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Perform other procedures we consider necessary in the circumstances.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the financial statement audit.

Required Supplementary Information

U.S. generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) require that the RSI be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required under standards issued by FASAB, which considers it to be an essential part of financial reporting for placing the financial statements in appropriate operational, economic, or historical context.

We have applied certain limited procedures to the RSI in accordance with U.S. generally accepted government auditing standards. These procedures consisted of (1) inquiring of management about the methods used to prepare the RSI and (2) comparing the RSI for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during the audit of the financial statements, in order to report omissions or material departures from FASAB guidelines, if any, identified by these limited procedures. We did not audit and we do not express an opinion or provide any assurance on the RSI because the limited procedures we applied do not provide sufficient evidence to express an opinion or provide any assurance.

Other Information

OGE's other information contains a wide range of information, some of which is not directly related to the financial statements. This information is presented for purposes of additional analysis and is not a required part of the financial statements or the RSI. Management is responsible for the other information included in OGE's AFR. The other information comprises the following sections: a detailed statement of management assurances and other information that is applicable in the annual report. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Internal Control over Financial Reporting

In connection with our audits of OGE's financial statements, we considered OGE's internal control over financial reporting, consistent with our auditor's responsibilities discussed below.

Results of Our Consideration of Internal Control over Financial Reporting

Our consideration of internal control was for the limited purpose described below, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies[4] or to express an opinion on the effectiveness of OGE's internal control over financial reporting. Given these limitations, during our 2026 audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Basis for Results of Our Consideration of Internal Control over Financial Reporting

We performed our procedures related to OGE's internal control over financial reporting in accordance with U.S. generally accepted government auditing standards and Office of Management and Budget audit guidance.

Responsibilities of Management for Internal Control over Financial Reporting

OGE management is responsible for designing, implementing, and maintaining effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Consideration of Internal Control over Financial Reporting

In planning and performing our audit of OGE's financial statements as of and for the fiscal year ended September 30, 2026, in accordance with U.S. generally accepted government auditing standards, we considered OGE's internal control relevant to the financial statement audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of OGE's internal control over financial reporting. Accordingly, we do not express an opinion on OGE's internal control over financial reporting. We are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses. We did not consider all internal controls relevant to operating objectives, such as those controls relevant to preparing performance information and ensuring efficient operations.

[4] A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel. The objectives of internal control over financial reporting are to provide reasonable assurance that:

- transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition, and

- transactions are executed in accordance with provisions of applicable laws, including those governing the use of budget authority, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct, misstatements due to fraud or error.

Intended Purpose of Report on Internal Control over Financial Reporting

The purpose of this report is solely to describe the scope of our consideration of OGE's internal control over financial reporting and the results of our procedures, and not to provide an opinion on the effectiveness of OGE's internal control over financial reporting. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal control over financial reporting. Accordingly, this report on internal control over financial reporting is not suitable for any other purpose.

Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

In connection with our audits of OGE's financial statements, we tested compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements consistent with our auditor's responsibilities discussed below.

Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our tests for compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance for fiscal year 2026 that would be reportable under U.S. generally accepted government auditing standards. However, the objective of our tests was not to provide an opinion on compliance with laws, regulations, contracts, and grant agreements applicable to OGE. Accordingly, we do not express such an opinion.

Basis for Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

We performed our tests of compliance in accordance with U.S. generally accepted government auditing standards.

Responsibilities of Management for Compliance with Laws, Regulations, Contracts, and Grant Agreements

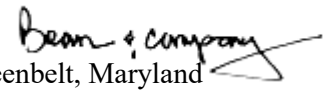
OGE's management is responsible for complying with laws, regulations, contracts, and grant agreements applicable to OGE.

Auditor's Responsibilities for Tests of Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our responsibility is to test compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements applicable to OGE that have a direct effect on the determination of material amounts and disclosures in OGE's financial statements, and to perform certain other limited procedures. Accordingly, we did not test compliance with all provisions of laws, regulations, contracts, and grant agreements applicable to OGE. We caution that noncompliance may occur and not be detected by these tests.

Intended Purpose of Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

The purpose of this report is solely to describe the scope of our testing of compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering compliance. Accordingly, this report on compliance with laws, regulations, contracts, and grant agreements is not suitable for any other purpose.



Greenbelt, Maryland
November 12, 2026

Part IV – Other Information

Table 1. Summary of Financial Statement Audit

Audit Opinion	Unmodified				
Restatement	No				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Ending Balance
[Name of weakness]					
[Name of weakness]					
[Name of weakness]					
Total Material Weaknesses	0	0	0	0	0

Table 2. Summary of Management Assurances

Effectiveness of Internal Control over Financial Reporting (FMFIA § 2)						
Statement of Assurance	Unmodified					
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
[Name of weakness]						
[Name of weakness]						
[Name of weakness]						
Total Material Weaknesses	0	0	0	0	0	0
Effectiveness of Internal Control over Operations (FMFIA § 2)						
Statement of Assurance	Unmodified					
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
[Name of weakness]						
[Name of weakness]						
[Name of weakness]						
Total Material Weaknesses	0	0	0	0	0	0
Conformance with Federal Financial Management System Requirements (FMFIA § 4)						
Statement of Assurance	Federal Systems conform to financial management system requirements					
Non-Conformances	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
[Name of non-conformance]						
[Name of non-conformance]						
[Name of non-conformance]						
Total non-conformances	0	0	0	0	0	0

Compliance with Section 803(a) of the Federal Financial Management Improvement Act (FFMIA)		
	Agency	Auditor
1. Federal Financial Management System Requirements	No lack of compliance noted	No lack of compliance noted, or Lack of compliance noted
2. Applicable Federal Accounting Standards	No lack of compliance noted	No lack of compliance noted, or Lack of compliance noted
3. USSGL at Transaction Level	No lack of compliance noted	No lack of compliance noted, or Lack of compliance noted

Beginning Balance: The beginning balance must agree with the ending balance from the prior year.
New: The total number of material weaknesses/non-conformances identified during the current year.
Resolved: The total number of material weaknesses/non-conformances that dropped below the level of materiality in the current year.
Consolidated: The combining of two or more findings.
Reassessed: The removal of any finding not attributable to corrective actions (e.g., management has re- evaluated and determined that a finding does not meet the criteria for materiality or is redefined as more correctly classified under another heading).
Ending Balance: The year-end balance that will be the beginning balance next year.

Payment Integrity Information Act Reporting

OGE has completed the FY2026 Improper Payments Data Call per guidance provided. The results can be found at: https://paymentaccuracy.gov/agency/OGE

Below is the executive summary of OGE's payment integrity activities and results provided to OMB.

The U.S. Office of Government Ethics (OGE) is compliant with the Payment Integrity Information Act of 2019 (PIIA). OGE has one program (Salaries and Expenses) with annual outlays over $10 million that may be susceptible to improper payments. OGE maintains proper payment integrity with multiple levels of pre-payment internal controls both within the OGE management structure and in conjunction with our financial management shared service provider, Treasury's Center for Financial Management (CFM) conducting constant monitoring of all agency payment activities.

OGE is a micro-agency with a small budget and limited resources. All payments made by OGE are closely monitored and constantly reviewed at several distinct and separate levels both internal to OGE and external at our financial management services provider. Any questionable invoice or payment is thoroughly reviewed, evaluated, and if necessary, validated with the appropriate parties prior to payment to ensure accuracy and validity of the payment. OGE takes payment integrity very seriously.

OGE has made no improper payments during the reporting period, and none were identified. Therefore, recovery audits were not necessary. Given the extensive internal controls maintained by OGE and its shared service financial management provider (BFS, CFM), as well as the limited number and relatively low value of payments processed, OGE determined that conducting recovery audits would not be necessary or cost-effective for its program.

OGE uses the Do Not Pay Working System to ensure no improper payments are being made in coordination with its shared services financial management services provider, the Bureau of Fiscal Service, Center for Financial Management (CFM). Continuous monitoring against the DO NOT PAY List is achieved by daily submissions of ALL active suppliers to the DNP system. Activity reports are reviewed monthly, averaging about 13 payments worth over $320,000 for payment eligibility, all of which are run against Do Not Pay databases to ensure proper payments are being made. The Do Not Pay Working System

validates OGE's proper payment integrity. OGE has not been notified of any improper payments during the reporting period. As such, OGE can confirm that the Do Not Pay Working System has had a positive impact of reducing improper payments.

OGE reports available on https://www.paymentaccuracy.gov/

The applicable reports below pertaining to OGE may be accessed by navigating from the Resources page on PaymentAccuracy.gov to the Congressional Reports page and then selecting the relevant report from the dropdown list for OGE and fiscal year.

Available reports:

The Annual Risk Assessment Report;
The Annual Report on Actions to Recover Improper Payments Identified in a Recovery Audit.

Not available reports:

The Agency Annual High-Priority Program Report;
The Annual Improper Payment Estimation Report;
The Annual Report on Actions to Reduce Improper Payments;
The Agency Compliance Plan;
The Agency Noncompliance Report.

Civil Monetary Penalty Adjustment for Inflation

Per the 2015 Act*, the annual civil monetary penalties cost-of-living adjustment is based on BLS data from the month of October of the prior year. Due to the government shutdown, BLS was unable to produce the October 2025 data. Based on the lack of October 2025 CPI-U data, which is needed to make adjustments under the 2015 Act, there will be no updated cost-of-living adjustment multiplier for 2026, and agencies will continue using the 2025 civil monetary penalty levels as applicable.

*Federal Civil Penalties Inflation Adjustment Act Improvements Act of 20 I 5, § 701 (b)(I)(A) (codified as amended at 28 U.S.C. § 2461 note).

Statutory Authority	Penalty (Name or Description)	Year Enacted	Latest year of adjustment (via statute or regulation)	Current Penalty Level ($ Amount or Range)	Sub-Agency/ Bureau/ Unit	Location for Penalty Update Details
Ethics in Government Act of 1978 as amended	5 CFR 2634.702(a) Breaches by trust fiduciaries and interested parties; 2634.703 -Misuse of public reports; and 2636.104(a) – Civil, disciplinary and other action	1978	2025	$25,132.00	U.S. Office of Government Ethics	90 FR 3610 https://www.federalregister.gov/documents/2025/01/15/2025-00671/2025-civil-monetary-penalties-inflation-adjustments-for-ethics-in-government-act-violations
Ethics in Government Act of 1978 as amended	5 CFR 2634.702(b) Breaches by trust fiduciaries and interested parties	1978	2025	$12,567.00	U.S. Office of Government Ethics	90 FR 3610 https://www.federalregister.gov/documents/2025/01/15/2025-00671/2025-civil-monetary-penalties-inflation-adjustments-for-ethics-in-government-act-violations
Ethics in Government Act of 1978 as amended	5 CFR 2634.701(b) Failure to file or falsifying reports	1978	2025	$75,540.00	U.S. Office of Government Ethics	90 FR 3610 https://www.federalregister.gov/documents/2025/01/15/2025-00671/2025-civil-monetary-penalties-inflation-adjustments-for-ethics-in-government-act-violations