

ETHICS PROGRAM INSPECTION REPORT

Agency: Bureau of Land Management, Department of the Interior

Report No.: 16-40I

Date: June 7, 2016

Period Covered by Review: January 1, 2015 – December 31, 2015

UNITED STATES OFFICE OF GOVERNMENT ETHICS

Preventing Conflicts of Interest
in the Executive Branch

1.0 AGENCY DATA		
EMPLOYEES		
1.1	Number of full-time agency employees	8,801
1.2	Number of agency special Government employees	11
1.3	Number of Presidentially appointed, Senate-confirmed (PAS) public financial disclosure reports required to be filed	1
1.4	Number of non-PAS public financial disclosure reports required to be filed	22
1.5	Number of confidential financial disclosure reports required to be filed	2,207
ETHICS PROGRAM		
1.6	Title of Designated Agency Ethics Official (DAEO)	Director, Departmental Ethics Office, Department of the Interior
1.7	Grade level of DAEO	SES
1.8	Title of Alternate DAEO (ADAEO)	Attorney-Advisor, Departmental Ethics Office, Department of the Interior
1.9	Grade level of ADAEO	GS-15
1.10	Title of the primary, day-to-day ethics program administrator	Deputy Ethics Counselor, Bureau of Land Management
1.11	Grade level of the primary, day-to-day ethics program administrator	GS-14
1.12	Current number of full-time ethics officials	1
1.13	Current number of part-time ethics officials	20
1.14	Average full-time equivalent (FTE) value of a part-time ethics official(s) (For example, if part-time ethics officials at the agency generally devote 10 hours per week to ethics work, the average FTE value is 25%.)	25 – 32%
1.15	Number of reporting levels between the DAEO and the agency head	3
COMMENTS		
<p>(1.6 – 1.11) As a bureau of the Department of the Interior (DOI), Bureau of Land Management (BLM) ethics officials fall under the DOI ethics program. The DOI DAEO has delegated to the BLM Director the responsibility to manage the BLM ethics program and serve as its Ethics Counselor. The BLM Director has in turn appointed a full-time Deputy Ethics Counselor to manage the day-to-day administration of the bureau's ethics program.</p> <p>(1.10 – 1.11) During the period under review, the DEC resigned from the position and an Associate Ethics Counselor (AEC) is currently serving as the Acting DEC.</p> <p>(1.13) AECs serve part-time as the primary ethics contact in the BLM state offices.</p> <p>(1.15) This information reflects the reporting levels between the DAEO and agency head at DOI. At BLM, there are three reporting levels between the primary, day-to-day ethics program administrator and the BLM Director.</p>		

2.0 LEADERSHIP				
COMPLIANCE REQUIREMENT		Yes	No	N/A
2.1	OGE has received an up-to-date designation from the agency head naming the DAEO. <i>See</i> 5 C.F.R. § 2638.202(c).	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.2	OGE has received an up-to-date designation from the agency head naming the ADAEO. <i>See</i> 5 C.F.R. § 2638.202(c).	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
COMMENTS				
(2.1 – 2.2) As a bureau of DOI, the BLM does not have its own DAEO or ADAEO.				

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3.0 ETHICS AGREEMENTS				
	COMPLIANCE REQUIREMENT	Yes	No	N/A
3.1	During the period under review, all PAS officials complied with their ethics agreements. <i>See</i> 5 C.F.R. § 2634.804.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.2	During the period under review, all PAS officials complied with their ethics agreements in a timely fashion. <i>See</i> 5 C.F.R. § 2634.804.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.3	During the period under review, the agency notified OGE of ethics agreement compliance in a timely fashion. <i>See</i> DO-09-015.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3.4	For all officials currently in PAS positions, the agency maintains documentation of actions taken to comply with ethics agreements. <i>See</i> 5 C.F.R. § 2634.804.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.5	For all officials currently in PAS positions, ethics agreements are maintained with their financial disclosure reports. <i>See</i> 5 C.F.R. § 2634.805.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COMMENTS				
(3.1 – 3.3) No BLM PAS officials entered into ethics agreements during the period under review.				

4.0 PUBLIC FINANCIAL DISCLOSURE (OGE Form 278, OGE Form 278-T)				
	COMPLIANCE REQUIREMENT	Yes	No	N/A
4.1	The agency has written policies and procedures in place governing: <i>See</i> 5 U.S.C. app. IV, § 402(d)(1).			
4.1.1	• Collection of public financial disclosure reports	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.1.2	• Review/evaluation of public financial disclosure reports	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.1.3	• Public availability of public financial disclosure reports	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.2	The agency can demonstrate that late filing fees are collected or, where appropriate, waivers are issued when public filers do not timely file financial disclosure reports.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.3	Public financial disclosure reports are securely maintained. <i>See</i> OGE/GOVT-1.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.4	Public financial disclosure reports are retained in accordance with the retention requirements. <i>See</i> 5 C.F.R. § 2634.603(g)(1).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DATA ANALYSIS			%	
4.5	Percentage of sampled non-PAS new entrant reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(b).	0%		
4.6	Percentage of sampled non-PAS annual reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(a).	83%		
4.7	Percentage of sampled non-PAS termination reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(e).	100%		
4.8	Percentage of sampled non-PAS public financial disclosure reports certified timely (within 60 days of receipt or later when additional information was being sought or remedial action was being taken). <i>See</i> PA-11-04.	96%		
4.9	Percentage of sampled PAS annual reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(a).	N/A		
4.10	Percentage of sampled PAS termination reports filed timely. <i>See</i> 5 C.F.R. § 2634.201(e).	N/A		
4.11	Percentage of sampled PAS annual and termination reports certified timely (within 60 days of receipt or later when additional information was being sought or remedial action was being taken). <i>See</i> 5 C.F.R. § 2634.605(a).	N/A		
COMMENTS				
<u>Comments:</u> (4.9 – 4.11) BLM ethics officials do not collect or certify PAS public financial disclosure reports. PAS filers at BLM submit their reports to DOI's Departmental Ethics Office for review and certification.				

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Concerns:

(4.1.3) The OGE inspection team determined that the BLM financial disclosure written procedures did not address the public availability of public financial disclosure reports. During the course of the inspection, the Acting DEC added statements to the written procedures explaining the public availability of reports. Therefore, OGE is not issuing a recommendation for corrective action.

(4.5) None of BLM's three non-PAS new entrant public financial disclosure reports were filed timely. According to the Acting DEC, the BLM ethics office is continuously working on improving communication between human resources offices, AECs and DEC's to address this issue. The Acting DEC implemented several improvements to identify and notify new entrant public filers such as educating human resources personnel about filing requirements, placing a statement regarding these requirements in vacancy announcements, and setting-up new entrants in the electronic filing system.

(4.6) 17% of BLM's non-PAS annual public financial disclosure reports were not filed timely.

(4.8) One report had not been certified at the time of the inspection. Despite multiple requests from the BLM ethics office, the filer did not make the changes necessary for BLM to certify the report. According to the Acting DEC, the former DEC notified the Deputy Director for Operations about the filer's report, and the Acting DEC also sent follow-up emails to the filer.

Model Practice:

(4.1) New and existing AECs are required to complete ethics training: new AECs complete training within 60 days of assuming ethics responsibilities, whereas existing AECs complete training within 60 days of January 1 of each year.

5.0 CONFIDENTIAL FINANCIAL DISCLOSURE							
COMPLIANCE REQUIREMENT				Yes	No	N/A	
5.1	The agency has written policies and procedures in place governing: <i>See 5 U.S.C app. IV, § 402(d)(1).</i>						
5.1.1	• Collection of confidential financial disclosure reports				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.1.2	• Review/evaluation of confidential financial disclosure reports				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.2	Confidential financial disclosure reports are securely maintained. <i>See OGE/GOVT-2.</i>				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.3	The agency's OGE-approved alternative confidential financial disclosure system complies with plans approved by OGE. <i>See 5 C.F.R. § 2634.905(a).</i>				<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5.4	Confidential financial disclosure reports are retained in accordance with the retention requirements. <i>See 5 C.F.R. § 2634.604.</i>				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DATA ANALYSIS				%			
5.5	Percentage of sampled confidential new entrant reports filed timely. <i>See 5 C.F.R. § 2634.903(b).</i>				40%		
5.6	Percentage of sampled confidential annual reports filed timely. <i>See 5 C.F.R. § 2634.903(a).</i>				100%		
5.7	Percentage of sampled confidential financial disclosure reports certified timely (within 60 days of receipt or later when additional information was being sought or remedial action was being taken). <i>See 5 C.F.R. §§ 2634.605(a), 2634.909(a).</i>				92%		
COMMENTS							
<p><u>Comment:</u> (5.3) Following its implementation of an electronic financial disclosure system, DOI was unable to incorporate certain OGE-approved alternative confidential financial disclosure requirements into the system. Because this matter is Department-wide and not limited to BLM, OGE addressed this concern with the Departmental Ethics Office directly in OGE Program Review 16-43.</p> <p><u>Concern:</u> (5.5) 60% of new entrant confidential financial disclosure reports sampled by OGE were not filed timely. According to the Acting DEC, the BLM ethics office is continuously working on improving communication between human resources offices, AECs and DEC's to address this issue. The Acting DEC implemented several improvements to identify and notify new entrant confidential filers such as educating human resources personnel about filing requirements, placing a statement regarding these requirements in vacancy announcements, and setting-up new entrants in the electronic filing system.</p>							

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6.0 INITIAL ETHICS ORIENTATION							
COMPLIANCE REQUIREMENT				Yes	No	N/A	
6.1	All initial ethics orientation material contains: <i>See</i> 5 C.F.R. § 2638.703(a) and (b).						
6.1.1	<ul style="list-style-type: none"> Current contact information of relevant ethics official(s) 				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.1.2	<ul style="list-style-type: none"> Copy of the Standards of Ethical Conduct and any agency supplemental standards to keep or review; or Summaries of the Standards, any agency supplemental standards, and 14 Principles for employees to keep 				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.2	The agency can demonstrate that it has an effective process to ensure that new employees receive initial ethics orientations. <i>See</i> 5 C.F.R. § 2638.703(c).				<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DATA ANALYSIS				%			
6.3	Percentage of new agency employees who received initial ethics orientation within 90 days. <i>See</i> 5 C.F.R. § 2638.703.				76%		
COMMENTS							
<p><u>Concern:</u> (6.2 – 6.3) Although the BLM ethics office has a process to notify and remind new employees about initial ethics orientation, the process does not ensure all new employees receive initial ethics orientation within 90 days.</p>							

7.0 ANNUAL ETHICS TRAINING							
COMPLIANCE REQUIREMENT				Yes	No	N/A	
7.1	All annual ethics training material contains: <i>See</i> 5 C.F.R. § 2638.704(b).						
7.1.1	<ul style="list-style-type: none"> Current contact information of relevant ethics official(s) 				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.1.2	<ul style="list-style-type: none"> Review of the criminal conflict of interest statutes 				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.1.3	<ul style="list-style-type: none"> Review of the Standards of Ethical Conduct 				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.1.4	<ul style="list-style-type: none"> Review of the 14 Principles 				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.1.5	<ul style="list-style-type: none"> Review of any agency supplemental standards 				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.2	The agency can demonstrate that it has an effective process to ensure that covered employees receive annual ethics training. <i>See</i> 5 C.F.R. § 2638.704(c) and 705(c).				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DATA ANALYSIS				%			
7.3	Public financial disclosure filers who completed annual ethics training. <i>See</i> 5 C.F.R. § 2638.704(a).				100%		
7.4	Confidential financial disclosure filers who completed annual ethics training. <i>See</i> 5 C.F.R. § 2638.705(a)(3).				96%		
COMMENTS							
None							

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

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9.0 RECOMMENDATION(S)			
#	Element	RECOMMENDATION	Compliance Due
1	4.5	<p><u>RECOMMENDATION:</u> Ensure non-PAS new entrant public financial disclosure reports are filed by the established deadline.</p> <p><u>AGENCY RESPONSE:</u> The Bureau of Land Management provided its response and compliance date in the attached document.</p>	
2	4.6	<p><u>RECOMMENDATION:</u> Ensure non-PAS annual public financial disclosure reports are filed by the established deadline.</p> <p><u>AGENCY RESPONSE:</u> The Bureau of Land Management provided its response and compliance date in the attached document.</p>	
3	4.8	<p><u>RECOMMENDATION:</u> Collect the additional information necessary to complete and certify the uncertified public financial disclosure report. If necessary, refer the filer to the Attorney General in accordance with 5 U.S.C. app. § 104(b) and 5 C.F.R. § 2634.701 for willfully failing to file information required to be reported on a public financial disclosure report.</p> <p><u>AGENCY RESPONSE:</u> The Bureau of Land Management provided its response and compliance date in the attached document.</p>	
4	5.5	<p><u>RECOMMENDATION:</u> Ensure new entrant confidential financial disclosure reports are filed by the established deadline.</p> <p><u>AGENCY RESPONSE:</u> The Bureau of Land Management provided its response and compliance date in the attached document.</p>	
5	6.2 – 6.3	<p><u>RECOMMENDATION:</u> Ensure new employees complete initial ethics orientation within 90 days.</p> <p><u>AGENCY RESPONSE:</u> The Bureau of Land Management provided its response and compliance date in the attached document.</p>	

ETHICS PROGRAM INSPECTION REPORT RESPONSE



Agency: Bureau of Land Management, Department of Interior

Report No: 16-401

Date: May 2016

Period Covered by Review: January 1, 2015 to December 31, 2015

#	Element	Actions, Plans and Steps to Address the Recommendations	Compliance Date
1	4.5	The BLM will issue a policy, directing the Executive Resources Human Resource Specialist to include in all vacancy announcements for SES positions the requirement to file a Public Disclosure Report and to notify the Deputy Ethics counselor (DEC) one (1) week before the enter-onto-duty, the full name, email address and enter-onto-duty dates of candidates selected for all SES positions.	12/31/2016
2	4.6	The BLM will issue a policy establishing: <ul style="list-style-type: none"> • The DEC will follow up with employees, by email reminder notices, to ensure they submit their OGE Form 278e in a timely manner; and • When the employee fails to submit their OGE Form 278e in a timely manner, the DEC will work with Bureau management to take the appropriate corrective actions. 	12/31/2016
3	4.8	The BLM will issue a policy establishing: <ul style="list-style-type: none"> • The DEC will contact employees by email when additional information and/or corrections are needed on their OGE Form 278e and provide a deadline for the employee to respond; and • When the employee fails to respond to the DEC's request in a timely manner, the DEC will work with Bureau management, and the Departmental Ethics Office, to take appropriate corrective actions and obtain a response from the employee. 	12/31/2016
4	5.5	The BLM will issue a policy requiring all Human Resources (HR) Offices to include in all vacancy announcements for covered positions the requirement to file a Confidential Financial Disclosure Report (OGE Form 450) and to notify the AEC one (1) week before the enter-onto-duty, the full name, email address and enter-onto-duty dates of candidates selected for a position required to file the OGE Form 450. The DEC will have oversight and overall responsibility for ensuring that the policies are carried out.	12/31/2016
5	6.2-6.3	The BLM will issue a policy ensuring: all Human Resources (HR) Offices report to the AEC one (1) week before the enter-onto-duty, the full name, email address and enter-onto-duty dates of all employees who are new to the BLM and all new employees complete BLM New Employee Orientation (NEO) within 90-days of the new employees enter-onto-duty date. The DEC will have oversight and overall responsibility for ensuring that the policies are carried out.	12/31/2016