



U.S. Office of Government Ethics
Program Review Division

Ethics Program Review

Department of the Air Force

Report No. 12-04
November 2011

Results in Brief

The United States Office of Government Ethics (OGE) conducted a review of the United States Air Force's (USAF) headquarters ethics program between July and August 2011. The results of the review indicate that USAF's headquarters ethics program generally appears to be effectively administered and in compliance with applicable laws, regulations, and policies. Additionally, OGE found that USAF employs a number of practices that help promote an ethical culture.

While the ethics program overall generally appears to be effectively administered, OGE did identify some compliance issues within the financial disclosure program. USAF ethics officials had self-identified and assessed these issues prior to OGE's review and have drafted an "Action Plan for Improvement" in an effort to address them.

Highlights

- USAF provides specialized training to groups of employees as requested.
- USAF offers weekly post-employment briefings.
- USAF conducts regular self assessment by tracking advice and counsel statistics.
- USAF has created standardized forms for widely attended gathering and speaking engagement requests.

Concerns

- USAF needs to improve the public financial disclosure program to bring it into compliance.

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Objectives, Scope, and Methodology

OGE provides leadership for the purpose of promoting an ethical workforce, preventing conflicts of interest, and supporting good governance. The purpose of a review is to identify and report on the strengths and weaknesses of an ethics program by evaluating (1) agency compliance with ethics requirements as set forth in relevant laws, regulations, and policies and (2) ethics-related systems, processes, and procedures for administering the program. OGE has the authority to evaluate the effectiveness of executive agency ethics programs. See Title IV of the Ethics in Government Act and 5 CFR part 2638.

OGE's review focused on the headquarters component of USAF's ethics program. To assess the headquarters ethics program, OGE examined a variety of documents provided by ethics officials; other documents that USAF forwarded to OGE, including the 2010 annual questionnaire; a sample of USAF's public and confidential financial disclosure reports; and a sample of advice and counsel provided to USAF's employees. In addition, members of OGE's Program Review Division met with ethics officials to obtain additional information about the strengths and weaknesses of USAF's ethics program, seek clarification on issues that arose through the documentation analysis, and verify data collected.

Program Administration

The headquarters ethics office is based out of the Fiscal, Ethics, and Administrative Law section of the USAF's Office of General Counsel. The General Counsel serves as the Designated Agency Ethics Official (DAEO) and the Deputy General Counsel, Fiscal, Ethics, and Administrative Law serves as the Alternate DAEO. The headquarters ethics office also includes a Director, who handles much of the day to day administration of the ethics program, three attorneys, and two other staff members.

The headquarters ethics office is responsible for ethics services related to approximately 11, 780 employees located at headquarters, and also provides general oversight of the ethics program encompassing approximately 480,000 employees Department-wide. However, direct responsibility for ethics services related to employees located outside of headquarters is provided by approximately 460 ethics counselors in the field.

Financial Disclosure

Prior to the start of OGE's review, USAF identified several areas in the financial disclosure program which required improvement. USAF's concerns included delays in the certification of public financial disclosure reports, the timely identification of new entrant and termination filers, the tracking of financial disclosure filers and reports, and the experience and ability level of some personnel providing conflict of interest reviews and using the Financial Disclosure Management system (FDM). OGE's review of the financial disclosure program generally supported the USAF's overall conclusions and confirmed frequently delayed certification of public reports by experienced ethics officials.

Currently, the financial disclosure program relies for the most part on three of the headquarters ethics officials for the final certification of approximately 1,350 public and confidential financial disclosure reports. Those officials are directly responsible for the review and certification of the approximately 420 confidential reports and 230 public reports filed by headquarters employees. Additionally, those officials are responsible for the certification of almost 700 public reports filed by employees outside of headquarters. While the additional public reports are initially reviewed at lower levels throughout the USAF, the headquarters ethics office acknowledged that many reviewers at lower levels have had limited financial disclosure review training. This results in these lower level reviews focusing on technical sufficiency rather than full conflict of interest analysis. Therefore, the three headquarters ethics officials often perform substantial re-review of public reports prior to certification. The other duties of headquarters ethics officials including training, ethics counsel, and other Fiscal, Ethics, and Administrative Law responsibilities further increase certification delays. Because most public reports in OGE's sample were submitted for certification in a timely manner, a quality conflicts analysis at lower levels is critical to reducing the certification bottleneck experienced at the headquarters level. Headquarters ethics officials were in the process of clearing the certification bottleneck of reports during OGE's review. At the time of this report, officials have cleared the bulk of the reports, and anticipate completion of the remaining reports before the end of the year.

In early 2011, prior to OGE's review, the USAF headquarters ethics officials began proactively addressing some of the vulnerabilities in the financial disclosure program by hiring an ethics attorney to serve as the public financial disclosure program coordinator. Previously, there was no ethics official solely dedicated to improving the management of the public financial disclosure program. In addition, headquarters ethics officials developed an action plan to address the certification backlog and other issues within the financial disclosure program. During OGE's review, ethics officials provided documentation of the existing action plan, which details how ethics officials plan to:

- complete the review and certification of the remaining public financial disclosure reports, and avoid similar backlogs in the future, with required dedicated daily hours of financial disclosure review;
- improve the process for identification of new entrant and termination filers through coordination with the appropriate offices, email notifications, and improved procedures for updating the master lists of filers;
- improve the tracking of financial disclosure filers and their reports by creating a master spreadsheet; and
- enhance overall program efficiency by developing appropriate training for financial disclosure reviewers and an FAQ for FDM users.

Headquarters ethics officials are also developing a proposal to streamline the financial disclosure tracking process with mandatory electronic filing using the FDM system Department-wide for public filers and for confidential filers at headquarters.

Recommendations

- Implement the existing action plan, emphasizing the review and certification of all outstanding financial disclosures before the end of 2011.
- Train lower level ethics officials on review of financial disclosure reports, including both technical and conflict of interest analyses.

Suggestion

- Develop FDM training and resource materials for financial disclosure filers.
- Assess if staffing levels are adequate to carry out ethics program responsibilities and consider augmenting or realigning resources as necessary.

Education & Training

Headquarters ethics officials indicated that all covered headquarters employees received annual ethics training in 2010. Air Force offers online training developed by the Department of Defense Standards of Conduct Office. Trainees received contact information for headquarters ethics officials and instructions to call with any questions. Trainees submitted the system-generated training certificate to headquarters ethics office to confirm completion of training. In addition to the online annual training, the ethics office provided regular, live training sessions for senior officials and made live training available to other employees by request.

Headquarters ethics officials indicated that all incoming headquarters employees received initial ethics orientation (IEO) in 2010. IEO is provided to incoming employees during USAF in-processing. Because all USAF employees receive in-processing, USAF headquarters ethics officials do not track completion of IEO USAF-wide and could not confirm that all employees in the field received it.

The headquarters ethics office provides additional training in the form of specialized briefings to various USAF organizations such as the public affairs and international affairs offices. The ethics office also offers weekly post-employment briefings. Tri-fold ethics brochures are available as a reference to all employees. Additionally, the ethics office issues ethics-related briefing papers and articles through its website as well as the USAF's Online News Service.

Advice & Counsel

OGE reviewed a sample of written advice and counsel the headquarters ethics office issued to employees. OGE's review found that the written advice and counsel provided was generally accurate, timely, and consistent. The USAF headquarters ethics office has implemented a number of practices to ensure accurate and consistent advice and counsel. For example, the Director assigns incoming requests to staff and reviews almost all outgoing advice and counsel. If there is an especially novel or challenging request, the Director shares the outcome with the rest of the ethics office. Additionally, advice and counsel determinations are stored on a shared

network for future reference. USAF also has templates for widely attended gathering and speaking engagement requests that help ensure ethics officials obtain accurate and consistent information about each request.

In an effort to better serve USAF employees, the headquarters ethics office instituted a system to track advice and counsel in August of 2010. The system captures data on the types of questions and method of inquiry (phone call, email, intranet, hotline, etc.). Tracking advice and counsel allows the ethics office to focus resources and identify training needs. OGE considers this self assessment to be a model practice.

Enforcement

The headquarters ethics office reported no disciplinary actions based wholly or in part upon violations of the standards of conduct provisions (5 CFR part 2635) for headquarters employees in 2010. There were also no disciplinary actions based wholly or in part upon violations of the criminal conflict of interest statutes (18 U.S.C §§ 203, 205, 207, 208, and 209), nor referrals to the Department of Justice of potential violations of the criminal conflict of interest statutes for headquarters employees.

1353 Travel Acceptances

USAF submitted the required semi-annual reports of payments accepted from non-Federal sources to OGE in a timely manner. USAF has an established process for approving requests for travel payments accepted from non-Federal sources.

Agency Comments

USAF provided comments on the draft version of this report, some of which have been incorporated into this final version. USAF's comments in their entirety are attached to this report as an appendix.



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Oct 14, 2011

Ms. Rashmi Bartlett
Associate Director Program Review Division
U.S. Office of Government Ethics
1201 New York Avenue, N.W.
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Dear Ms. Bartlett:

This office received a copy of your draft ethics program review of the Department of the Air Force on October 5, 2011. We generally agree with its findings and conclusions and commend the reviewers for their assistance throughout the review process. Our comments are minor in nature, but we ask that they be adopted in your final report.

First, we believe it is important to distinguish between the public and confidential financial disclosure programs. The concerns regarding timely certification of disclosure forms involved only the public financial disclosure reports as opposed to the confidential financial disclosure reports. We therefore ask that you modify your report where needed to indicate this distinction.

Second, by way of clarification, ethics officials are developing a proposal to streamline the financial disclosure tracking process with mandatory filing using the FDM system Department-wide for public filers and for OGE Form 450 filers at the Headquarters Air Force level. We will encourage OGE Form 450 filers below the Headquarters Air Force level to use FDM as well.

Third, all incoming headquarters employees receive initial ethics orientation training and received it throughout 2010 and 2011. Since September 12, 2011, the Air Force Ethics Office has provided in person initial ethics orientation training for incoming headquarters employees. The employees receiving this training have favorably responded to the training and have commented that the examples provided assist them in better understanding the rules.

Finally, we want to thank you for the opportunity to provide comments to the draft report. If you have any questions, please contact me at (703) 697-0941 or Mr. Bruce T. Brown, Director of Ethics at (703) 697-5840.

Sincerely,

A handwritten signature in black ink that reads "Cheri L. Cannon".

CHERI L. CANNON
Alternate Designated Agency Ethics
Official