

ETHICS PROGRAM REVIEW FOLLOW-UP REPORT

Agency: Peace Corps

Second Follow-up to OGE Report Number: 17-33I

Report No.: 20-03IF

Date: February 21, 2020



As a result of its inspection of the Peace Corps ethics program, the U.S. Office of Government Ethics (OGE) issued three recommendations in its June 2017 inspection report. OGE conducted a follow-up review in 2018 to assess whether the Peace Corps had taken sufficient action to resolve the deficiencies underlying these recommendations. OGE found that the performance in the areas addressed by its recommendations had declined, rather than improved. Therefore, none of the recommendations were closed. However, OGE reviewed a list of actions that Peace Corps had planned to take to address the recommendations. OGE conducted a second follow-up in 2019. The results of the follow-up review are summarized below.

	Recommendation	Agency Action and OGE Finding	Status
1	Ensure that non-PAS new entrant public financial disclosure reports are filed timely.	<p>According to Peace Corps ethics officials, the ethics program has not been sufficiently staffed to meet basic ethics program requirements. Additionally, while ethics officials have taken steps to improve efficiency, they do not expect their actions to have measureable effects for at least one or two annual report filing cycles (approximately May 2021).</p> <p>Steps taken by Peace Corps ethics officials include:</p> <ul style="list-style-type: none"> • Continuing to work with the Office of the Chief of Human Capital (OCHCO) to improve the system for notifying ethics officials of any new hires or appointments to covered positions requiring filing of financial disclosure reports. • Obtaining approval for a six-month ethics detail position to augment the full-time ethics staff. <p>OGE reviewed a sample of 10 new entrant public reports filed in 2019 and found that only 40% of reports were filed timely. (OGE's initial inspection found that 46% of new entrant reports were filed timely and the first follow-up review found that 29% were filed timely.)</p>	Open

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2	Ensure that all public financial disclosure reports are certified timely.	<p>The processing and review of public and confidential financial disclosure reports requires significant resources and time. To make more efficient use of staff time, Peace Corps ethics officials are working with the Department of the Army (Army) to finalize an Inter-Agency Agreement to purchase access to the Army’s electronic filing system, Financial Disclosure Management (FDM).</p> <p>Once an agreement has been reached, Peace Corps’ confidential report filers will be required to file their reports through FDM. Peace Corps anticipates that in the first year of implementation, significant time and energy will be spent initializing the system and training confidential report filers and reviewers. Increased efficiencies should be realized in the second year. This is expected to allow ethics officials to have more time to review and certify public financial disclosure reports.</p> <p>OGE examined a sample of public reports filed in 2019 and found that only 62% were certified timely. (OGE’s initial inspection found that 67% of reports were certified timely and the first follow-up review found that 53% were certified timely.)</p>	Open
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3	Ensure that new entrant confidential financial disclosure reports are filed timely.	<p>Peace Corps ethics officials indicated that they continue to work with OCHCO to improve the process by which ethics officials are notified of new hires or promotions to positions whose incumbents are required to file confidential financial disclosure reports. OCHCO alerts OGC Ethics of new hires or promotions to positions requiring filing of confidential financial disclosure reports via biweekly and monthly reports.</p> <p>However, OCHCO officials indicated that their office has challenges in timely identifying employees acting in or promoted into filing positions because managers were routinely assigning employees to these positions on a temporary basis without completing the required paperwork (e.g., not issuing SF-50s). OCHCO officials indicated that they would be educating managers to issue personnel actions through OCHCO.</p> <p>Additionally, to address staffing shortages, ethics officials enlisted the help of six other OGC attorneys to review confidential reports. This distributed the workload beyond the one and a half full-time (FTE) positions allotted to the ethics team. Ethics officials explained that during 2018, other attorneys in the office required significant training and mentoring to conduct technical and conflict of interest reviews of financial disclosure reports and were burdened by their own significant workloads.</p> <p>Ethics officials communicated to OGE that they have not been successful in resolving the deficiencies underlying OGE’s recommendations. Therefore, OGE did not examine any new entrant confidential reports to evaluate the timeliness in filing during the second follow review.</p>	Open
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Based on the results of OGE's follow-up reviews, all recommendations remain open.