

**INFORMATION PAPER**

AMCCC-G  
24 September 1997

**SUBJECT:** Annual Filing of Confidential Financial Disclosure Reports (OGE Form 450)

1. **PURPOSE:** To provide information on the annual filing of the OGE Form 450.

2. **FACTS:**

a. Who Must File?

(1) Federal employees in the grade of GS-15 and below, or the rank of Colonel and below, with duties involving decision or the exercise of significant judgment concerning:

(a) contracting or procurement;

(b) administration of grants, subsidies, or licenses or other Federal benefit;

(c) regulation or audit of any non-Federal entity; or

(d) other activities which will have a direct and substantial economic impact on a non-Federal entity.

(2) In addition, the DoD *Joint Ethics Regulation* (JER) requires filing of the report by commanders, heads and deputy heads, and executive officers of Army installations, bases, air stations or activities.

(3) The JER excludes certain DoD employees whose procurement responsibilities involve less than \$2,500 per transaction and less than \$20,000 per year, as long as they are not actually employed by a contracting office (*e.g.*, employees who make purchases with the IMPAC credit card). This does not prevent commanders and supervisors from determining that specific individuals in this category should file the form. Being excluded from the filing requirement, however, does not waive any conflicts of interest.

(4) The employee or soldier's immediate supervisor has primary responsibility to determine whether the duties of the position require the incumbent to file a financial disclosure report. If the supervisor is uncertain, he or she should consult with the supporting Ethics Counselor.

(5) The requirement for an incumbent to file a Confidential Financial Disclosure Report should be annotated in the position description (civilian) or support form (military), and should be reflected in job announcements recruiting for the positions.

b. Filing Time.

(1) Employees required to file the OGE Form 450, must file their **annual** report with their ethics official **NLT 30 November** Extensions are available from the HQ, USAMC Ethics

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Counselors, or the Chief of the Legal Offices at subordinate commands and offices upon written request from the filer. However, plenty of time is provided for filing and extensions should be the rare exception. Those who have not filed by 30 November, with or without an extension, are reported to Headquarters, Department of the Army. Ethics Counselors will normally establish earlier suspense dates (such as NLT 7 November to the supervisor and 14 November to the Ethics Counselor) to help employees to file timely.

(2) Exception: Employees who served less than 61 days in their position during FY 97 do not have to file an **annual** OGE Form 450 Report. But, they must have filed their **new entrant** OGE Form 450 Report within 30 days of assuming their position. Therefore, any employee who assumed a position on or after 2 August 1997 and who filed their **new entrant** report, are not required to file an **annual** report this year.

c. Filling Out the Form (There are lots of instructions in the regulation and on the form; filers should direct questions to their Ethics Counselors. Some helpful hints follow).

(1) Annual reports cover the entire preceding Fiscal Year. Even if an asset was sold or an employment situation terminated, it must be reported if it produced more than \$200 worth of income last year.

(2) Don't forget to report assets of spouse and minor children and the spouse's employment (unless it is Federal employment).

(3) Do **not** report bank accounts, CDs, money market mutual funds, FERS accounts, or U.S. Government bonds or securities.

(4) Merely reporting an account with a E-Trade, or an IRA account with Waterhouse Securities, a 401(k) account with a spouse's employer, or a trust at First National Bank is not sufficient. The filer must report the individual stocks, mutual funds and other investment products that are in these accounts.

(5) The nature of the business of a non-publicly traded stock, partnership, business venture, and similar investment must be fully identified.

(6) If real estate is reported as an investment asset, its location must be reported.

d. Reviewing the Report.

(1) The filer first submits the OGE Form 450 Report to his or her supervisor who ensures that the report is complete and that he or she understands the nature of assets, liabilities, positions, etc. reported by the filer. If there is uncertainty or ambiguity, the supervisor makes further inquiry of the filer.

(3) The supervisor compares the report to the filer's current and anticipated duties to determine whether there might be any potential for a conflict of interest, or other ethical issue.

(4) If the employee reports a financial interest in an AMC contractor or a position with an affinity organization (e.g., President of the local AFCEA Chapter), the supervisor has the employee issue a written notice of his or her disqualification from participating in official matters that affect the financial interests of the contractor or organization.

(5) If the supervisor does not believe that the written notice of disqualification is sufficient, he or she should discuss the matter further with the employee and the Ethics Counselor. Other options include change of duties, divestiture, or resignation.

(6) Once the supervisor is satisfied that there is no issue or that all issues have been resolved, the supervisor signs and dates in the appropriate block on the Report.

(7) Then the Report is filed with the Ethics Counselor (**NLT 30 November**) who does a separate and independent review for the Army before signing and approving the Report for file. The Ethics Counselor will discuss any issues with the filer and/or the filer's supervisor.

e. New Form. Next year, it is likely that employees will have the option of filing a certificate (OGE Optional Form 450A) stating that there has been no change to their previous report and no significant change in their official responsibilities, rather than completing a new OGE Form 450 Report. However, employees using the "no change" certification will be required to attach a copy of their prior OGE Form 450 Report. Accordingly, it is very important that they maintain a copy of this OGE Form 450 Report if they think that they will want to file the "no change" certificate next year.

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