

## **FINANCIAL DISCLOSURE MANAGEMENT PROGRAM (FDM) FOR FILING OGE 450'S**

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1. **PURPOSE:** The purpose of an OGE 450 is to assist employees and their agencies in avoiding conflicts of interest between official duties and private financial interests or affiliations. Agency ethics officials will use the information to determine whether any potential conflicts exist. The OGE 450 is for your protection and promotes communication between the Filer and the supervisor related to ethics issues to avoid potential conflicts of interest with non-federal entities.

2. **CAUTION.** If you have particular business with a non-federal entity that crosses over into your government position, you **must excuse yourself** from activities with them in your government capacity. You are prohibited from using inside information for private gain for yourself or others. Neither you, nor anyone in your household, may own stock, hold an employment position, or negotiate employment with businesses or individuals directly related to the performance of your official duties.

3. **AUTHORITY:** United States Office of Government Ethics (OGE), an executive branch of the Federal Government, mandates the filing of OGE 450 reports under the authority of Title IV of the Ethics in Government Act of 1978, as amended (Ethics Act) and the implementing regulations at 5 CFR part 2638. Under title IV (5 U.S.C. app.), the Director of the Office of Government Ethics (OGE) is to monitor and investigate individual and agency compliance with the public and confidential financial disclosure requirements (§ 402(b)(3) and (5)). Under part 2638, OGE is to monitor compliance with the public and confidential financial disclosure requirements (§ 2638.102(a)(4)), and evaluate the effectiveness of programs designed to prevent conflicts of interest (§ 2638.102(a)(6)).

4. **CRITERIA:** What are the criteria for Filing? Generally when the **official responsibilities** of DoD employees require them to participate personally and substantially through decision or exercise of significant judgment, and without substantial supervision and review, in taking an **official action** for contracting or procurement, administering or monitoring grants, subsidies, licenses or other Federally conferred financial or operational benefits, regulating or auditing any non-Federal entity, or other activities in which the final decision or action may have a **direct and substantial economic impact** on the interests of any non-Federal entity.

Who should File? In compliance with DoD 5500.07-R, Joint Ethics Regulation (JER) dated 17 November 2011:

- Decision makers and those substantially involved in official actions for contracts or procurement.
- Employees who administer or monitor grants, subsidies, licenses or other Federally conferred financial or operational benefits.
- Those involved with regulating or auditing any non-Federal entity.
- Persons with a direct and substantial economic impact on the interest of any non-Federal entity.
- Commanding officers, heads and deputy heads, executive officers of all Army installations.

## **FINANCIAL DISCLOSURE MANAGEMENT PROGRAM (FDM) FOR FILING OGE 450'S**

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- Those designated by design of their position description.
- Those determined by their supervisor. (Within USA Cadet Command, the senior Professor of Military Science (PMS) at each university will file.)
- Special Government Employees (SGE) as required by their supervisor **EXCEPT** for these positions:
  - Physicians & dentists who only provide services to patients.
  - Veterinarians providing only veterinary services.
  - Lecturers participating only in educational activities.
  - Chaplains performing only religious services.
  - Motion picture or TV employees who only narrate or act in DoD productions.
  - Reservist on active duty less than 30 consecutive days.
  - Members of selection panels for ROTC candidates.

5. **WARNING:** Non-compliance may result in disciplinary action by the supervisory chain or other authority. Knowing and willful falsification of information may also be subject to criminal prosecution.

6. **REPORTING PERIOD:** The reporting period is for the preceding 12 months and is as follows:

a. New Entrants, the reporting period is the preceding 12 months from your Filing notification. For example, you are notified to file an OGE 450 on 1 September 2015. You must report from 1 September 2014 to 31 August 2015.

b. Annual Filing, the 12 month reporting period is the last calendar year. For example, you are notified to file your annual 2016 report on 1 January 2016. You must report your financial activity from 1 January to 31 December 2015, the previous year. Annual reports begin on 1 January of each year and may **not** be started any earlier. If you have a previous OGE 450 on file, it should incorporate into the new year to alleviate re-entering your basic information. Be sure to review for necessary changes.

7. **DEADLINE:** New Entrants have 30 days in which to complete the OGE 450. Annual Filers must complete their reports no later than 15 February of each year. Sooner is preferable and highly encouraged as the FDM data base gets overloaded toward the end of the filing season. Valid extensions may be granted through the Ethics Counselor. Procrastination is **NOT** a legitimate excuse.

8. **GETTING STARTED:** All OGE 450's will be completed online at <https://www.fdm.army.mil> upon notification from the local Ethics Office. You will be notified via e-mail directly from FDM. If you are **NOT** receiving e-mails from FDM, log in, go to the **MY INFO** tab and **update your e-mail address**, and your telephone number as well. The first

## **FINANCIAL DISCLOSURE MANAGEMENT PROGRAM (FDM) FOR FILING OGE 450'S**

course of business is to log into FDM which can present difficulties. Solutions may be one of the following:

- Your CAC card is not credentialed with Army Knowledge Online (AKO). This can be accomplished by your information technical administrator.
- Your AKO username and password is not current, and must be updated in AKO.
- Try an initial log in using your AKO username and password. The user name is the first part of your **AKO** e-mail address prior to the “@”.
- Everyone may be trying to log into FDM at once, thus slowing down the system, try later or the next day.
- FDM populates AKO e-mail addresses of all Army and civilian personnel. If your name is common, you may not actually be in FDM. Contact your ethics office to correct.

OGE 450 Data: Gather your income, assets, liabilities, outside positions, agreements or arrangements, gifts and travel reimbursements. This is typically not as difficult as it may seem. Keen attention to the below instructions will play a major factor.

9. REPORTABLE DATA: This **includes** yourself, your spouse, and dependent children for ALL of the below categories. Value or dollar amounts are NOT required. Below is a general guideline of reportable data and is **not** inclusive:

a. **Income.** This covers non-government employment, rentals, capital gains, commissions, fees, retirement benefits, honorarium, dividends, distributions from partnerships, etc. List the name of the income source, city and state.

(1) REPORT (if the value was **more than \$1,000.00** for the year, **or** income produced **more than \$200.00**):

- 401K distributions.
- Capital gains.
- Commissions.
- Distribution of sector funds. Sector funds are individual **specific** funds such as cash, petroleum, energy, medical companies, Johnson & Johnson, Google, Japan, Ford Motor Company, other such specific stocks and bonds.
- Distributions from partnerships.
- Dividends.
- Earned income of spouse from any one source that was more than \$1,000.00.
- Earned income of the Filer from any one source that was more than \$200.00.

**FINANCIAL DISCLOSURE MANAGEMENT PROGRAM (FDM) FOR FILING OGE 450'S**

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- Fees.
- Gambling income more than \$200.00.
- Honorarium. This includes gratuity, compensation, rewards, etc. for an appearance, speech, article, etc. less travel expenses.
- Income from rental property.
- Life insurance distributions.
- Non-government employment of self and spouse.
- Retirement benefits (non-government).
- Scholarships.
- Sold assets that produced more than \$200.00.

(2) DO NOT REPORT:

- Dependant child's earned income.
- Federal Government income.
- Military service/retirement benefits.
- Social security.
- TSP.
- Veteran's benefits.

b. **Assets.**

(1) **REPORT** (if the value was **more than \$1,000.00** for the year, **or** income produced **more than \$200.00**):

- 401K from a non-federal entity.
- 529 or other pre-paid college tuition funds; include full name of the plan, the sponsor, portfolio name.
- Collectibles held for investment.
- IRA's only if in **sector** funds. Sector funds are individual **specific** funds such as cash, petroleum, energy, medical companies, Johnson & Johnson, Google, Japan, Ford Motor Company, other such specific stocks and bonds.
- Life insurance, not term, includes Universal Life, Whole Life, Variable Life, etc. Report the company name and the holder; self, spouse, dependant.
- Other sector funds.
- Partnership interests.
- Real estate that produces more than \$200.00. within the reporting period.
- Tax shelters.

(2) DO NOT REPORT:

**FINANCIAL DISCLOSURE MANAGEMENT PROGRAM (FDM) FOR FILING OGE 450'S**

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- Bank Certificates of Deposit.
- Checking or savings accounts.
- Diversified mutual funds. These types are in multiple funds and need not be reported.
- Money market accounts.
- Monies from a family member.
- Term life insurance.

**c. Liabilities.**

(1) REPORT any liabilities or loans over \$10,000.00 from an individual such as a friend, relative, or business associate. Include the person's name, city and state.

(2) DO NOT REPORT liabilities or loans from a financial institution or business available to the general public:

- Automobile loans.
- Credit card balances.
- Mortgage.
- Student loans.

**d. Outside Positions.**

(1) REPORT non-government positions whether or not you were compensated:

- Director.
- Educational institution.
- Employee.
- Executor or consultant of a corporation.
- General partner.
- Non-profit or volunteer organization.
- Officer.
- Partnership.
- Proprietor.
- Representative.
- Trust.
- Trustee.

(2) DO NOT REPORT:

- Fraternal.

**FINANCIAL DISCLOSURE MANAGEMENT PROGRAM (FDM) FOR FILING OGE 450'S**

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- Political entity.
- Positions part of your official duties.
- Religious.
- Social.

**e. Agreements or Arrangements.**

(1) REPORT:

- 401K, including continuing participation in an employee pension or benefit plan from a former employer.
- A leave of absence.
- Future employment including date you accepted the employment offer.
- Continuation of payment by a former employer.
- Severance payments.

(2) DO NOT REPORT agreements or arrangements related to Federal Government.

**f. Gifts and Travel Reimbursements.**

(1) REPORT: Gifts totaling more than \$375.00 from a single source including lodging, transportation and food.

(2) DO NOT REPORT:

- Gifts from relatives.
- Reimbursements for official government travel.
- Bequests and other forms of inheritance.
- Gifts of hospitality for non-business at the donor's residence or personal premises such as food, lodging, entertainment.
- Gifts to your spouse or dependent children independent from their relationship to you.

For Frequently Asked Questions (FAQ), go to <http://www.oge.gov/Financial-Disclosure/Confidential-Financial-Disclosure-450/OGE-Form-450-FAQs/OGE-Form-450-FAQs/> or simply Google "OGE 450 FAQ".

10. UNIQUE CIRCUMSTANCES: Not every scenario is answerable in this forum. Contact your ethics counselor or point of contact for specific questions and answers. A rule of thumb is; it's better to provide too much information than too little. Do **not** list dollar amounts or value.

## **FINANCIAL DISCLOSURE MANAGEMENT PROGRAM (FDM) FOR FILING OGE 450'S**

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11. **SUBMITTING YOUR REPORT:** All OGE 450's must be completed electronically in FDM and e-signed in order to be compliant with the filing requirement. Your designated supervisor will e-sign as the reviewer, prior to legal review by an official ethics counselor. The designated supervisor in FDM does not necessarily imply your actual supervisor, but a reviewer. A group of personnel may have the same "supervisor" in a particular organization for simplicity purposes.

12. **ANNUAL ETHICS TRAINING** is mandated by OGE and reinforced by the Secretary of the Army. It is required each calendar year and should be completed by 1 December. Methods of training can be web based, classroom instruction, or written materials provided by ethics officials. You, the Filer, **must** provide proof of training to your designated POC or ethics official for input into FDM, otherwise, you will **not** be compliant.

13. **PRIVACY:** The OGE 450 is a confidential form, and thus **not** releasable to the public. All Filers will have their OGE 450 reviewed by a designated reviewer in their chain of command, in FDM, they are labeled as the supervisor. Upon completion of the supervisor review, an ethics counselor will review to ensure there is not a conflict of interest between personal interests and professionalism. The release of information typically stops there, however, The Privacy Act Statement, 5 U.S.C., §552a, lists other limited circumstances and persons who may have access to an individual's report. OGE publishes its own chapter of regulations each year in the Code of Federal Regulations, in 5 C.F.R. Chapter XVI. Chapter XVI is divided into two subchapters:

- The regulations in subchapter A (parts 2600 – 2610) concern the internal organization and operation of OGE.
- The regulations in subchapter B (parts 2634 – 2641) are broader in scope and are central to the executive branch ethics program. In particular, the OGE regulation at 5 C.F.R. part 2635 contains standards that govern the conduct of all executive branch employees. The other regulations in Subchapter B contain guidance concerning the interpretation of certain civil and criminal conflict of interest laws, implement statutory provisions relating to financial disclosure, and describe responsibilities relating to the administration of the executive branch ethics program.