

LABOR RELATIONS



October 3, 2024

RECEIVED  
OCT 09 2024

Mr. Ivan Butts  
President  
National Association of Postal Supervisors  
1727 King Street, Suite 400  
Alexandria, VA 22314-2753

Dear Ivan:

As a matter of general interest, the Postal Service is revising Management Instruction (MI) EL-660-2020-1, *Financial Disclosure Reporting Procedures for the U.S. Postal Service*.

The intent of the revisions is to clarify responsibilities of covered employees as required by the Office of Government Ethics.

Enclosed for your review are two copies of MI EL- 660, one with and without track changes identified. Please contact Paulita Wimbush at extension 4042 if you have any questions concerning this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Nicholson".

Bruce A. Nicholson  
Director  
Labor Relations Policies and Programs

Enclosures

# Financial Disclosures Reporting Procedures for the US Postal Service

## Policy

660-xxxx

## Issued

[Date TBD]

## Revisions

This policy supersedes the May 2020 edition of EL-660-2020-1, Financial Disclosures Reporting Procedures for the US Postal Service.

## Content

Provides guidance for avoiding conflicts of interest and for filing the following forms:

- Office of Government Ethics Form 278e (OGE 278e), *Executive Branch Personnel Public Financial Disclosure Report*.
- OGE 278-T, *Periodic Transaction Report*.
- OGE 450, *Confidential Financial Disclosure Report Executive Branch*.

All three forms are used in implementation of the financial disclosure reporting system within the United States Postal Service®.

## Issuer

Associate General Counsel and Chief Ethics and Compliance Officer

## Sponsor

Office of the General Counsel

## Availability

Copies are available for Postal Service employees for internal use only on the Postal Service PolicyNet website at <http://blue.usps.gov>.

Questions about this policy should be addressed to the Sponsor.

The following trademarks appear in the policy and are among the many trademarks owned by the United States Postal Service®: Postal Service™, and USPS®. This is not a comprehensive list of all Postal Service™ trademarks.

# Contents

<b>1</b>	<b>Background</b> .....	<b>1</b>	
	1-1 Conflicting Financial Interests		1
	1-2 What Steps Must Be Taken		1
	1-3 Public Disclosure		2
<b>2</b>	<b>Completing OGE 278e for Public Financial Disclosure</b> .....	<b>3</b>	
	2-1 How Employees Know Whether They Must File		3
	2-1.1 Requirements of the Act		3
	2-1.2 Identifying Covered Employees		3
	2-1.3 Notifying Covered Employees		4
	2-1.4 Newly Covered and Terminating Employees		4
	2-2 Filing Requirements		4
	2-2.1 Filing the Form		4
	2-2.2 Meeting the Deadlines		5
	2-2.3 Requesting Extensions		5
	2-2.4 Submitting a Late Filing Fee		5
	2-3 How Disclosure Forms Are Processed		6
	2-3.1 Reviewing the Forms		6
	2-3.2 Requesting Remedial Actions		6
	2-3.3 Maintaining Custody of and Archiving Forms		6
	2-4 What Penalties May Be Exacted		7
	2-4.1 Referring Cases for Civil or Criminal Action		7
	2-4.2 Applying Administrative Remedies		7
<b>3</b>	<b>Completing OGE 278-T Periodic Transaction Reports</b> .....	<b>8</b>	
	3-1 Transactions		8
	3-2 Limitations		8
	3-3 Process		8
<b>4</b>	<b>Completing OGE 450 for Confidential Financial Disclosure</b> .....	<b>9</b>	
	4-1 How Employees Know Whether They Must File		9
	4-1.1 Requirements of the Act		9
	4-1.2 Exclusions		9
	4-1.3 Identifying Covered Employees		10
	4-1.4 Notifying Covered Employees Annual Disclosure Forms		10
	4-1.5 Newly Covered Employees		10
	4-2 Filing Requirements		11
	4-2.1 Filing the Form		11
	4-2.2 Meeting the Deadlines		11
	4-2.3 Requesting Extensions		11
	4-2.4 Late Filers		11
	4-3 How Disclosure Forms Are Processed		12
	4-3.1 Reviewing the Forms		12
	4-3.2 Requesting Remedial Action		12
	4-3.3 Maintaining Custody of and Archiving Forms		13
	4-4 What Penalties May Be Exacted		13
	4-4.1 Referring Cases for Civil or Criminal Action		13
	4-4.2 Applying Administrative Remedies		13
<b>5</b>	<b>Acronyms</b> .....	<b>14</b>	

# 1 Background

## 1-1 Conflicting Financial Interests

---

Federal criminal law in 18 United States Code Section 208(a) prohibits an employee from knowingly participating in any particular matter that will have a direct and predictable effect on the employee's own financial interests, or the financial interest of any of the following relations or associates of the employee:

- a. Spouse.
- b. Minor child.
- c. General partner.
- d. An organization in which the employee serves as an officer, director, trustee, general partner, or employee.
- e. Any person or organization with whom the employee is negotiating or has any arrangement concerning prospective employment.

A conflict of interest could be present if both of the following situations occur:

- a. An employee has a financial interest in a business, organization, or corporation.
- b. Part of the employee's Postal Service duties involves business actions regarding that entity.

Each employee is personally responsible for complying with this statute and all applicable standards of ethical conduct.

## 1-2 What Steps Must Be Taken

---

An employee must disqualify himself or herself from any official matter in which the employee, or any person or organization described in items a–e in "Conflicting Financial Interests," has a financial interest, and the employee must take whatever steps are necessary to ensure that the employee does not participate in the matter. These steps could involve recusal from participation or obtaining a waiver or certificate of divestiture so that the employee can participate in the matter. An employee must notify his or her supervisor of the recusal.

An employee may request a waiver of the prohibition, in advance of participation, from one of the following:

- a. The designated agency ethics official (DAEO).
- b. Another USPS ethics official to whom authority to issue such a waiver has been delegated.

If a waiver is obtained, or if the disqualifying asset is sold or otherwise divested, participation in the matter is no longer prohibited. An employee who is unsure about participating in any official matter should consult an agency ethics advisor before taking any action in a particular matter.

## 1-3 Public Disclosure

---

Title I of the Ethics in Government Act of 1978, as amended, requires that high-level employees “publicly” disclose their personal financial interests to ensure confidence in the integrity of the federal government by demonstrating that they are carrying out their duties without compromising the public trust. Title I also authorizes the OGE to establish a system of confidential (“nonpublic”) financial disclosure reporting for less senior personnel in certain designated positions to facilitate internal agency conflict-of-interest review.

Title I of the Act and OGE’s implementing regulations at 5 Code of Federal Regulations Part 2634 (5 CFR 2634) establish uniform procedures and requirements for financial disclosure for federal and USPS employees in certain designated (“covered”) positions. The law includes the following requirements:

- a. Employees must complete financial disclosure forms within the following time frames:
  1. Annually.
  2. Within 30 days of appointment to, or separation from (for certain public filers), a covered position.
- b. Each form must be reviewed by a designated official for possible conflicts of interest.

## 2 Completing OGE 278e for Public Financial Disclosure

### 2-1 How Employees Know Whether They Must File

---

#### 2-1.1 Requirements of the Act

The Act requires USPS employees serving in or terminating from any of the following positions to submit a public financial disclosure report, OGE 278e:

1. Postmaster general.
2. Deputy postmaster general.
3. Designated agency ethics official.
4. Governor (nomination report only — thereafter, a governor files OGE 450).
5. Administrative law judge.
6. Any other position for which the basic rate of pay is equal to or greater than 120 percent of the rate of basic pay for the first step of GS-15 of the General Schedule.

#### 2-1.2 Identifying Covered Employees

The DAEO is responsible for the following:

- a. Identifying public filers.
- b. Maintaining and updating master listings of all public financial disclosure filers.

Other ethics staff members assist the DAEO using the Financial Disclosure System (FDS) and the Integrity system. In early January of each year, the Ethics Office consults with the director of Compensation and Benefits to determine which employees hold a position for which the basic rate of pay is equal to or greater than 120 percent of the rate of basic pay for the first step of GS-15 of the General Schedule. The Ethics Office in the Office of the Inspector General (OIG) determines which positions within that office meet the pay conditions for filing an OGE 278e.

The manager of Human Resources at Headquarters provides a list of authorized positions to the Postal Service Ethics Office. This list identifies the following information:

- a. The position title.
- b. The occupation code for the position.
- c. The functional area to which the position is assigned.

The Ethics Office in the OIG provides a similar list for the OIG positions that are filing positions to the Postal Service Ethics Office. These listings must be provided no later than 60 days before the annual filing date (i.e., May 15). The Postal Service Ethics Office creates a report of annual filers utilizing FDS and the Integrity system.

## **2-1.3 Notifying Covered Employees**

### **Annual Disclosure Forms**

The Postal Service Ethics Office and the Ethics Office in the OIG notify their respective affected employees of the annual May 15 filing requirement at least 1 month in advance of the due date to allow employees sufficient time to complete the form and to seek assistance, if needed. The notification to employees includes the following:

- a. Filing instructions, including the following:
  1. How to log on to the Integrity system.
  2. How to pre-populate the report with the data from the filer's prior year's report.
  3. The due date of the report.
- b. Information about how to obtain assistance from the appropriate Ethics Office to complete the form.

## **2-1.4 Newly Covered and Terminating Employees**

The Postal Service Ethics Office and the Ethics Office in the OIG notify their respective newly covered and terminating employees of the financial disclosure filing requirements in conjunction with other personnel procedures, such as entrance orientation or processing of personnel actions. The respective Ethics Offices use the Integrity system to obtain the names of new entrant and termination filers. For new entrants, the Postal Service Ethics Office inputs the necessary information into the Integrity system. The respective Ethics Office notifies each filer of the filing requirement. The notification to filers includes the following, as appropriate:

- a. Filing instructions, including the following:
  1. How to establish an account in the Integrity system.
  2. How to log on to the Integrity system.
  3. The due date of the report.
- b. Information about how to obtain assistance from the appropriate Ethics Office to complete the form.

## **2-2 Filing Requirements**

---

### **2-2.1 Filing the Form**

Employees serving in or terminating covered positions must complete the OGE 278e in the Integrity system within the applicable time limit.

## 2-2.2 Meeting the Deadlines

Time requirements for filing are as follows:

<b>If the employee is...</b>	<b>Then the employee files an OGE 278e...</b>
A <b>new appointee</b> to a covered position	No later than 30 days after assuming the position, unless the employee had another covered position within the 30 days before the appointment.
An <b>incumbent</b> occupying a covered position who performed the duties of that position for more than 60 days (including in an "acting" capacity) during the prior 12-month period ending on December 31	On or before <b>May 15</b> each year.
An individual <b>terminating</b> employment from a covered position (by retirement, reassignment or otherwise)	No later than <b>30 days</b> after termination, unless he or she assumes another covered position within the 30-day period.

## 2-2.3 Requesting Extensions

An employee may request an extension of the filing deadline in writing (either by paper or email) to the DAEO, the alternate designated agency ethics official (ADAEO), or in the case of an OIG employee, the counsel to the inspector general (IG). The DAEO, ADAEO, or counsel to the IG may grant to an employee, for good cause shown, an extension of up to 45 days. If a further extension is required, the employee may request the extension in writing (either by paper or email) to the DAEO, ADAEO, or counsel to the IG, stating the specific reasons for the extension. The DAEO, ADAEO, or counsel to the IG may, for good cause shown, grant an additional extension of up to 45 days.

## 2-2.4 Submitting a Late Filing Fee

In accordance with 5 CFR § 2634.704, an employee must remit to the Ethics Office a late fee of \$200 payable to the U.S. Treasury if the employee fails to submit the OGE 278e as required within 30 days of the later of the following:

- a. The date such report is required to be filed.
- b. The last day of any filing extension period.

If the employee fails to remit the \$200 fee when filing a late report, the fee is subject to USPS debt collection procedures.

In extraordinary circumstances, an employee may submit a request for a waiver of the late filing fee to the DAEO. This request must meet both of the following requirements:

- a. Be in writing (either by paper or email).
- b. Explain the extraordinary circumstances that support a waiver of the fee.

The DAEO assesses the request and sends a copy of the assessment, the DAEO's decision regarding a waiver request, or both to the postmaster general, the IG, and any higher-level officer within the filer's chain of command.



## 2-3 How Disclosure Forms Are Processed

---

### 2-3.1 Reviewing the Forms

In accordance with the requirements of the Act, all forms must be reviewed and certified within 60 days of the deadline for their filing. The following steps outline this review and certification process:

- a. The respective Ethics Office assigns the report in the Integrity system to an ethics official to be reviewed.
- b. The ethics official does the following:
  1. Reviews the report to ensure that each item is satisfactorily completed and is in compliance with applicable laws and regulations.
  2. If necessary, requests additional required information and notifies the filer about the time within which it is needed.
  3. Upon determining that the report is technically accurate and all information is reported completely and properly, signs and dates the OGE 278e in the Integrity system.
- c. The DAEO, ADAEO, or counsel to the IG does the following:
  1. Conducts the conflict-of-interest review.
  2. If necessary, requests additional required information from the filer or the filer's supervisor, as applicable.
  3. Upon determining that no conflict or appearance issue exists, signs and dates the report in the Integrity system.

### 2-3.2 Requesting Remedial Actions

In the event that the DAEO, ADAEO, or counsel to the IG determines that the employee has not complied with the applicable laws and regulations, the DAEO, ADAEO, or counsel to the IG requests that the employee take the appropriate remedial action, in accordance with OGE regulations. Except in unusual circumstances, which must be fully documented to the satisfaction of the DAEO, remedial action must be completed within 3 months of the date on which the employee receives notice of the request.

If the employee complies with the written request for remedial action, the DAEO, ADAEO, or counsel to the IG indicates in the comment section of the report what action has been taken, and signs and dates the report. If the employee does not comply with the written request for remedial action, the DAEO, ADAEO, or counsel to the IG refers the matter to the postmaster general, the OIG, and the director of OGE for appropriate action.

### 2-3.3 Maintaining Custody of and Archiving Forms

Records related to the public financial disclosure system are maintained in the Ethics Office at Headquarters. Records related to the filing obligations of the employees of the OIG are maintained in the Office of Counsel for the Inspector General. Reports are maintained for 6 years, after which time they are destroyed.

Requests to review or obtain a copy of an employee's public financial disclosure report must be submitted to the Ethics Office in accordance with the format prescribed. Each application for inspection must be accompanied by an OGE 201, Request to Inspect or Receive Copies of Executive Branch Personnel Public Financial Disclosure Reports or Other Covered Records, and must provide the following information:

- a. The requesting person's name, occupation, and address.
- b. The name and address of any other person or organization on whose behalf the inspection or copy is requested.
- c. A statement that the requester is aware of the prohibitions on obtaining or using the information in violation of ethics regulations, 5 CFR § 2634.603(f).

## 2-4 What Penalties May Be Exacted

---

### 2-4.1 Referring Cases for Civil or Criminal Action

When there is reasonable cause to believe that an individual has willfully failed to file an OGE 278e or information required on such a report, or has willfully falsified any of the information required to be reported, the postmaster general or DAEO, through the OIG, refers the name of the individual, if appropriate, to the attorney general of the United States.

The attorney general may bring a civil action in any appropriate U.S. District Court against any individual who knowingly and willfully falsifies or who knowingly and willfully fails to file or report any information required by filers of public disclosure reports. An individual may also be prosecuted under criminal statutes for supplying false information on any financial disclosure report.

### 2-4.2 Applying Administrative Remedies

The postmaster general or IG may take appropriate personnel action or other action in accordance with applicable law or regulations against any individual in the following situations:

- a. Failing to file an OGE 278e report.
- b. Filing such a report late.
- c. Falsifying or failing to report any required information.

Such action may include adverse actions such as the following:

- a. Suspension.
- b. Removal.
- c. Reduction in grade and pay.
- d. Furlough.

# 3 Completing OGE 278-T Periodic Transaction Reports

All OGE 278e filers must report financial transactions for themselves, as well as their spouses and dependent children, on the OGE 278-T in the Integrity system.

## 3-1 Transactions

---

Filers must report the purchase, sale, or exchange of the following items:

- a. Stocks.
- b. Bonds.
- c. Commodities futures.
- d. Any other form of security, but not including mutual funds or exchange-traded funds.

## 3-2 Limitations

---

Transaction reporting is required only when the value of the transaction is greater than \$1,000.

## 3-3 Process

---

The following steps cover the process for completing an OGE 278-T:

- a. The filer must do the following:
  1. Submit an OGE 278-T in the Integrity system no later than one of the following:
    - (a) 30 days after receiving notification of the transaction.
    - (b) 45 days after the transaction.
  2. Submit requests for extensions to the respective Ethics Office in writing (either by paper or email).
- b. The respective Ethics Office does the following:
  1. Reviews and certifies the OGE 278-T in the Integrity system using the same process for reviewing and certifying the OGE 278e.
  2. May grant a filing extension only upon a showing of good cause.

All other existing instructions that apply to the OGE 278e that do not conflict with the instructions described above apply to OGE 278-Ts as well.

# 4 Completing OGE 450 for Confidential Financial Disclosure

## 4-1 How Employees Know Whether They Must File

---

### 4-1.1 Requirements of the Act

USPS employees in positions for which the basic rate of pay is less than 120 percent of the minimum rate of basic pay for the first step of GS-15 are required to submit a confidential financial disclosure report — an OGE 450 — in the following circumstances:

- a. If the Postal Service has designated the position as a covered position. A position may be designated as a covered position when it has been determined that the position requires that the employee participate personally and substantially through decision or the exercise of significant judgment in taking an action regarding any of the following:
  1. Contracting or procurement.
  2. Administering or monitoring grants, subsidies, licenses, or other federally conferred financial or operational benefits.
  3. Regulating or auditing any nonfederal entity.
  4. Other activities in which the final decision or action will have a direct and substantial economic effect on the interests of any nonfederal entity.
- b. If the employee's duties require the employee to file the report in order to avoid involvement in any real or apparent conflict of interest.
- c. If filing the report is necessary to carry out the purposes behind any statute, executive order, rule, or regulation applicable to or administered by that employee (e.g., investigating or prosecuting violations of civil or criminal law).

### 4-1.2 Exclusions

Any employee or group of employees may be excluded from all or part of the confidential reporting requirements upon a determination of either of the following:

- a. The duties of a position make remote the possibility that the employee will be involved in a real or apparent conflict of interest.
- b. The duties of the position involve such a low level of responsibility that the submission of an OGE 450 report is unnecessary because of any of the following:
  1. The substantial degree of supervision and review over the position.
  2. The inconsequential effect of any potential conflict on the integrity of the government.
  3. The use of an alternative procedure approved in writing by OGE is adequate to prevent possible conflicts of interest.

### **4-1.3 Identifying Covered Employees**

Each member of the executive leadership team (ELT) and each vice president (VP) designates at least one employee to act as a representative in all confidential financial disclosure activities. These employees (i.e., department certifiers) work with their ELT member or vice president to review the list of positions within their departments and identify those positions that hold duties that warrant filing a confidential report. This review occurs as follows:

- a. Every 2 years for the entire organization.
- b. Whenever there are significant changes in a department.

The OIG has an independent law office and a human resources group. The Ethics Office for the OIG determines, in conjunction with its human resources group, which positions within the OIG have duties and responsibilities that meet the filing criteria.

The department certifiers and the Ethics Office for the OIG provide a list of the positions that are filing positions to the Postal Service Ethics Office. Members of the Postal Service Ethics Office ensure that the information provided is entered into FDS.

### **4-1.4 Notifying Covered Employees Annual Disclosure Forms**

In January of each year, the Postal Service Ethics Office uses FDS to compile a list of the annual or incumbent OGE 450 filers. FDS sends a notification to each filer that includes the following:

- a. Filing instructions, including the following:
  1. The due date.
  2. How to file electronically.
  3. How to file a paper report, if desired.
- b. Information about how to obtain assistance in completing the form.

### **4-1.5 Newly Covered Employees**

During the first week of each month, the Postal Service Ethics Office uses FDS to compile a list of the new entrant OGE 450 filers. FDS sends a notification to each filer that includes the following:

- a. Filing instructions, including the following:
  1. The due date.
  2. How to file electronically.
  3. How to file a paper report, if desired.
- b. Information about how to obtain assistance in completing the form.

When the Postal Service Ethics Office learns that an employee is on detail to a filing position and will remain in that position for more than 60 days, the Postal Service Ethics Office sends a notification to that employee that the employee must file a paper report.

## 4-2 Filing Requirements

### 4-2.1 Filing the Form

An OGE 450 filer must submit the report either electronically through FDS or by paper to the Postal Service Ethics Office. An OIG employee must submit the paper report to the OIG Ethics Office.

### 4-2.2 Meeting the Deadlines

Time requirements for filing are as follows:

If the employee is...	Then the employee files an OGE 450...
A <b>new appointee</b> to a covered position	No later than 30 days after assuming the position, unless the employee had another covered position within the 30 days before the appointment.
An <b>incumbent</b> occupying a covered position who performed the duties of that position for more than 60 days (including in an "acting" capacity) during the prior 12-month period ending on December 31	On or before <b>February 15</b> each year.

### 4-2.3 Requesting Extensions

An employee may request an extension of the filing deadline in writing (either by paper or email) to the DAEO, ADAEO, or in the case of an OIG employee, the counsel to the IG. The DAEO, ADAEO, or counsel to the IG may grant to an employee, for good cause shown, an extension or several extensions totaling not more than 90 days.

### 4-2.4 Late Filers

A late filer receives up to three emails from the DAEO, ADAEO, or counsel to the IG (or the designee of any of these officials) regarding the failure to file, as follows:

- The first email is to the filer alone.
- The second email copies the department certifier.
- The third email copies the department certifier and the ELT member or vice president to whom the filer reports.

If the employee does not file a report within 30 days of the filing deadline or extension provided (whichever comes later), the DAEO or ADAEO notifies the postmaster general and the executive vice president of Human Resources — or in the case of an OIG employee, the counsel to the IG notifies the IG.

## 4-3 How Disclosure Forms Are Processed

---

### 4-3.1 Reviewing the Forms

In accordance with the requirements of the Act, all forms must be reviewed and certified within 60 days of the deadline for their filing. Once the report is filed electronically in FDS (or once a paper report is received by the respective Ethics Office, date stamped, and recorded in FDS), it is assigned to an ethics official to be reviewed.

The review and certification process for disclosure forms takes the following steps:

- a. The ethics official takes the following actions:
  1. Reviews the report to ensure that each item is satisfactorily completed and in compliance with applicable laws and regulations.
  2. If additional information is required, requests that information and notifies the filer about the time within which it is needed.
  3. Upon determining that the report is technically accurate and all information is reported completely and properly, signs and dates a paper OGE 450, or if the report was filed electronically, enters the review date into FDS.
- b. After the ethics official completes the tasks in item a, the report moves to the department certifier for the conflict-of-interest review, as follows:
  1. If the report was filed electronically, FDS presents the report to the department certifier.
  2. If a paper report was filed, the respective Ethics Office presents the report to the department certifier.
- c. The department certifier for the conflict-of-interest review takes the following steps:
  1. Reviews the disclosure form.
  2. If additional information is required, requests the information from the filer or the filer's supervisor, as applicable.
  3. Upon determining that no conflict or appearance issue exists, enters the certification date into FDS.
  4. Signs and dates the paper report and returns it to the Ethics Office.

### 4-3.2 Requesting Remedial Action

In the event that the department certifier believes that an employee may not be complying with applicable laws and regulations, the department certifier consults with the DAEO, ADAEO, or counsel to the IG, as applicable. If the DAEO, ADAEO, or counsel to the IG determines that the employee is not in compliance with applicable laws and regulations, the DAEO, ADAEO, or counsel to the IG requests that the employee take the appropriate remedial action, in accordance with OGE

regulations. Except in unusual circumstances, which must be fully documented to the satisfaction of the DAEO, the employee must complete remedial action within 3 months of the date on which the employee receives notice of the request.

If the employee complies with the written request for remedial action, the DAEO, ADAEO, or counsel to the IG indicates in the comment section of the report what action has been taken. Then, the department certifier certifies the report. If the employee does not comply with the written request for remedial action, the DAEO or ADAEO refers the matter to the postmaster general, the OIG, and the director of OGE for appropriate action — or in the case of an OIG employee, the counsel to the IG refers the matter to the IG and the director of OGE for appropriate action.

### **4-3.3 Maintaining Custody of and Archiving Forms**

Records related to the confidential financial disclosure system are maintained in the Ethics Office at Postal Service Headquarters. Records related to the filing obligations of the employees of the OIG are maintained in the Office of Counsel for the Inspector General. Reports are maintained for 6 years, after which time they are destroyed. Requests for access to an employee's confidential financial disclosure report (e.g., by the Inspection Service or OIG) should be addressed in writing (either by paper or email) to the DAEO or ADAEO with an explanation of why the request is warranted.

## **4-4 What Penalties May Be Exacted**

---

### **4-4.1 Referring Cases for Civil or Criminal Action**

When there is reasonable cause to believe that an individual has willfully failed to file an OGE 450 or information required on such a report, or has willfully falsified any of the information required to be reported, the postmaster general or DAEO, through the OIG, refers the name of the individual, if appropriate, to the attorney general of the United States. An individual may be subject to prosecution under criminal statutes for supplying false information on any financial disclosure report.

### **4-4.2 Applying Administrative Remedies**

The postmaster general or IG may take appropriate personnel action or other action in accordance with applicable law or regulation against any individual in the following situations:

- a. Failing to file an OGE 450 report.
- b. Filing such a report late.
- c. Falsifying or failing to report any required information.

Such action may include adverse actions such as the following:

- a. Suspension.
- b. Removal.
- c. Reduction in grade and pay.
- d. Furlough.



## 5 Acronyms

ADAEO	Alternate Designated Agency Ethics Official
DAEO	Designated Agency Ethics Official
ELT	Executive Leadership Team
FDS	Financial Disclosure System
IG	Inspector General
OGE	Office of Government Ethics
OIG	Office of Inspector General
VP	Vice President



# Financial Disclosures Reporting Procedures for the US Postal Service

## Policy

660-xxxx

## Issued

[Date TBD]

## Revisions

This policy supersedes the May 2020 edition of EL-660-2020-1, Financial Disclosures Reporting Procedures for the US Postal Service.

## Content

Provides guidance for avoiding conflicts of interest and for filing the following forms:

- Office of Government Ethics Form 278e (OGE 278e), Executive Branch Personnel Public Financial Disclosure Report.
- OGE 278-T, Periodic Transaction Report.
- OGE 450, Confidential Financial Disclosure Report Executive Branch.

All three forms are used in implementation of the financial disclosure reporting system within the United States Postal Service®.

## Issuer

Associate General Counsel and Chief Ethics and Compliance Officer

## Sponsor

Office of the General Counsel

## Availability

Copies are available for Postal Service employees for internal use only on the Postal Service PolicyNet website at <http://blue.usps.gov>.

Questions about this policy should be addressed to the Sponsor.

The following trademarks appear in the policy and are among the many trademarks owned by the United States Postal Service®: Postal Service™, and USPS®. This is not a comprehensive list of all Postal Service™ trademarks.

# Contents

<b>1 Background</b>	<b>1</b>
<b>1-1 Conflicting Financial Interests</b>	<b>1</b>
<b>1-2 What Steps Must Be Taken</b>	<b>2</b>
<b>1-3 Public Disclosure</b>	<b>2</b>
<b>2 Completing OGE 278e for Public Financial Disclosure</b>	<b>3</b>
<b>2-1 How Employees Know Whether They Must File</b>	<b>3</b>
<b>2-1 How Employees Know Whether They Must File</b>	<b>3</b>
2-1.1 Requirements of the Act	3
2-1.2 Identifying Covered Employees	3
2-1.3 Notifying Covered Employees	4
2-1.4 Newly Covered and Terminating Employees	4
<b>2-2 How Employees Must File Filing Requirements</b>	<b>4</b>
2-2.1 Filing the Form	4
2-2.2 Meeting the Deadlines	5
2-2.3 Requesting Extensions	5
2-2.4 Submitting a Late Filing Fee	5
<b>2-3 How Disclosure Forms Are Processed</b>	<b>6</b>
2-3.1 Reviewing the Forms	Error! Bookmark not defined.6
2-3.2 Requesting Remedial Actions	Error! Bookmark not defined.6
2-3.3 Maintaining Custody of and Archiving Forms	Error! Bookmark not defined.6
<b>2-4 What Penalties May Be Exacted</b>	<b>7</b>
<b>3 Completing OGE 278-T Periodic Transaction Reports</b>	<b>7</b>
<b>3-1 Transactions</b>	<b>8</b>
<b>3-2 Limitations</b>	<b>8</b>
<b>3-3 Process</b>	<b>8</b>
<b>4 Completing OGE 450 for Confidential Financial Disclosure</b>	<b>89</b>
<b>4-1 How Employees Know Whether They Must File</b>	<b>89</b>
4-1.1 Requirements of the Act	9
4-1.2 Exclusions	9
4-1.3 Identifying Covered Employees	10
4-1.4 Notifying Covered Employees Annual Disclosure Forms	10
4-1.5 Newly Covered Employees	10
<b>4-2 How Employees Must File Filing Requirements</b>	<b>10</b>
<b>4-3 How Disclosure Forms Are Processed</b>	<b>112</b>
4-3.1 Reviewing the Forms	12

4-3.2	Requesting Remedial Action	12
4-3.3	Maintaining Custody of and Archiving Forms	13
<b>What Penalties May Be Exacted</b>		<b>13</b>
4-4.1	Referring Cases for Civil or Criminal Action	13
4-4.2	Applying Administrative Remedies	13

## **Acronyms**

---

**4314**

# Financial Disclosure Reporting Procedures for the U.S. Postal Service

The purpose of this management instruction (MI) is to provide guidance for avoiding conflicts of interest and for filing the following forms:

- ~~Office of Government Ethics Form 278e (OGE 278e), Executive Branch Personnel Public Financial Disclosure Report.~~
- ~~OGE 278-T, Periodic Transaction Report.~~
- ~~OGE 450, Confidential Financial Disclosure Report Executive Branch.~~

~~All three forms are used in implementation of the financial disclosure reporting system within the United States Postal Service®.~~

## 1 Background

### 1-1 Conflicting Financial Interests

---

Federal criminal law in 18 United States Code Section 208(a) prohibits an employee from knowingly participating in any particular matter that will have a direct and predictable effect on the employee's own financial interests, or the financial interest of any of the following relations or associates of the employee:

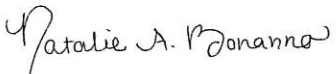
- a. Spouse.
- b. Minor child.
- c. General partner.
- d. An organization in which the employee serves as an officer, director, trustee, general partner, or employee.
- e. Any person or organization with whom the employee is negotiating or has any arrangement concerning prospective employment.

A conflict of interest could be present if both of the following situations occur:

- a. An employee has a financial interest in a business, organization, or corporation.
- b. Part of the employee's Postal Service duties involves business actions regarding that entity.

~~It is the personal responsibility of each employee to comply~~ Each employee is personally responsible for complying with this statute and all applicable standards of ethical conduct.

Date — May 22, 2020  
Effective — Immediately  
Number — EL-660-2020-1  
Obsoletes — EL-660-2016-2  
Unit — General Counsel

  
Natalie A. Bonanno  
Associate General Counsel and Chief  
Ethics and Compliance Officer  
Office of General Counsel

## 1-2 What Steps Must Be Taken

---

An employee must disqualify himself or herself from any official matter in which the employee, or any person or organization described in items a–e in “Conflicting Financial Interests,” has a financial interest, and the employee must take whatever steps are necessary to ensure that the employee does not participate in the matter. These steps could involve recusal from participation or obtaining a waiver or certificate of divestiture so that the employee can participate in the matter. An employee must notify his or her supervisor of the recusal.

An employee may request a waiver of the prohibition, in advance of participation, from one of the following:

- a. The designated agency ethics official (DAEO).
- b. Another USPS ethics official to whom authority to issue such a waiver has been delegated.

If a waiver is obtained, or if the disqualifying asset is sold or otherwise divested, participation in the matter is no longer prohibited. An employee who is unsure about participating in any official matter should consult an agency ethics advisor before taking any action in a particular matter.

## 1-3 Public Disclosure

---

Title I of the Ethics in Government Act of 1978, as amended, requires that high-level employees “publicly” disclose their personal financial interests to ensure confidence in the integrity of the federal government by demonstrating that they are carrying out their duties without compromising the public trust. Title I also authorizes the ~~Office of Government Ethics (OGE)~~ to establish a system of confidential (“nonpublic”) financial disclosure reporting for less senior personnel in certain designated positions to facilitate internal agency conflict-of-interest review.

Title I of the Act and OGE’s implementing regulations at 5 Code of Federal Regulations Part 2634 (5 CFR 2634) establish uniform procedures and requirements for financial disclosure for federal and USPS employees in certain designated (“covered”) positions. The law includes the following requirements:

- a. Employees must complete financial disclosure forms within the following time frames:

1. Annually.
2. Within 30 days of appointment to, or separation from (for certain public filers), a covered position.

b. Each form must be reviewed by a designated official for possible conflicts of interest.

---

## 2 Completing OGE 278e for Public Financial Disclosure

### 2-1 How Employees Know Whether They Must File

---

#### 2-1.1 Requirements of the Act

The Act requires USPS employees serving in or terminating from any of the following positions to submit a public financial disclosure report, OGE 278e:

1. Postmaster general.
2. Deputy postmaster general.
3. Designated agency ethics official ~~(DAEO)~~.
4. Governor (nomination report only — thereafter, a governor files OGE 450).
5. Administrative law judge.
6. Any other position for which the basic rate of pay is equal to or greater than 120 percent of the rate of basic pay for the first step of GS-15 of the General Schedule.

#### 2-1.2 Identifying Covered Employees

The DAEO is responsible for the following:

- a. Identifying public filers.
- b. Maintaining and updating master listings of all public financial disclosure filers.

Other ethics staff members assist the DAEO using the Financial Disclosure System (FDS) and the Integrity system. In early January of each year, the Ethics Office consults with the director of Compensation and Benefits to determine which employees hold a position for which the basic rate of pay is equal to or greater than 120 percent of the rate of basic pay for the first step of GS-15 of the General Schedule. The Ethics Office in the Office of the Inspector General (OIG) determines which positions within that office meet the pay conditions for filing an OGE 278e.

The manager of Human Resources at Headquarters provides a list of authorized positions to the Postal Service Ethics Office. This list identifies the following information:

- a. The position title.
- b. The occupation code for the position.
- c. The functional area to which the position is assigned.

The Ethics Office in the OIG provides a similar list for the OIG positions that are filing positions to the Postal Service Ethics Office. These listings must be provided no later than 60 days before the annual filing date (i.e., May 15). The Postal Service Ethics Office creates a report of annual filers utilizing FDS and the Integrity system.



## 2-1.3 Notifying Covered Employees

### Annual Disclosure Forms

The Postal Service Ethics Office and the Ethics Office in the OIG notify their respective affected employees of the annual May 15 filing requirement at least 1 month in advance of the due date to allow employees sufficient time to complete the form and to seek assistance, if needed. The notification to employees includes the following:

- a. Filing instructions, including the following:
  1. How to log on to the Integrity system.
  2. How to pre-populate the report with the data from the filer's prior year's report.
  3. The due date of the report.
- b. Information about how to obtain assistance from the appropriate Ethics Office to complete the form.

## 2-1.4 Newly Covered and Terminating Employees

The Postal Service Ethics Office and the Ethics Office in the OIG notify their respective newly covered and terminating employees of the financial disclosure filing requirements in conjunction with other personnel procedures, such as entrance orientation or processing of personnel actions. The respective Ethics Offices use the Integrity system to obtain the names of new entrant and termination filers. For new entrants, the Postal Service Ethics Office inputs the necessary information into the Integrity system. The respective Ethics Office notifies each filer of the filing requirement. The notification to filers includes the following, as appropriate:

- a. Filing instructions, including the following:
  1. How to establish an account in the Integrity system.
  2. How to log on to the Integrity system.
  3. The due date of the report.
- b. Information about how to obtain assistance from the appropriate Ethics Office to complete the form.

## 2-2 ~~How Employees Must File~~ Filing Requirements

---

### 2-2.1 Filing the Form

Employees serving in or terminating covered positions must complete the OGE 278e in the Integrity system within the applicable time limit.

---

## 2-2.2 Meeting the Deadlines

Time requirements for filing are as follows:

If the employee is...	Then the employee files an OGE 278e...
A <b>new appointee</b> to a covered position	No later than 30 days after assuming the position, unless the employee had another covered position within the 30 days before the appointment.
An <b>incumbent</b> occupying a covered position who performed the duties of that position for more than 60 days (including in an "acting" capacity) during the prior 12-month period ending on December 31	On or before <b>May 15</b> each year.
An individual <b>terminating</b> employment from a covered position (by retirement, reassignment or otherwise)	No later than <b>30 days</b> after termination, unless he or she assumes another covered position within the 30-day period.

## 2-2.3 Requesting Extensions

An employee may request an extension of the filing deadline in writing (either by paper or email) to the DAEO, the alternate designated agency ethics official (ADAEO), or in the case of an OIG employee, the counsel to the inspector general (IG). The DAEO, ADAEO, or counsel to the IG may grant to an employee, for good cause shown, an extension of up to 45 days. If a further extension is required, the employee may request the extension in writing (either by paper or email) to the DAEO, ADAEO, or counsel to the IG, stating the specific reasons for the extension. The DAEO, ADAEO, or counsel to the IG may, for good cause shown, grant an additional extension of up to 45 days.

## 2-2.4 Submitting a Late Filing Fee

In accordance with 5 CFR § 2634.704, an employee must remit to the Ethics Office a late fee of \$200 payable to the U.S. Treasury if the employee fails to submit the OGE 278e as required within 30 days of the later of the following:

- a. The date such report is required to be filed.
- b. The last day of any filing extension period.

If the employee fails to remit the \$200 fee when filing a late report, the fee is subject to USPS debt collection procedures.

In extraordinary circumstances, an employee may submit a request for a waiver of the late filing fee to the DAEO. This request must meet both of the following requirements:

- a. Be in writing (either by paper or email).
- b. Explain the extraordinary circumstances that support a waiver of the fee.

The DAEO assesses the request and sends a copy of the assessment, the DAEO's decision regarding a waiver request, or both to the postmaster general, the ~~inspector-~~

general-IG), and any higher-level officer within the filer's chain of command.

## 2-3 How Disclosure Forms Are Processed

---

### 2-3.1 Reviewing the Forms

In accordance with the requirements of the Act, all forms must be reviewed and certified within 60 days of the deadline for their filing. The following steps outline this review and certification process:

- a. The respective Ethics Office assigns the report in the Integrity system to an ethics official to be reviewed.
- b. The ethics official does the following:
  1. Reviews the report to ensure that each item is satisfactorily completed and is in compliance with applicable laws and regulations.
  2. If necessary, requests additional required information and notifies the filer about the time within which it is needed.
  3. Upon determining that the report is technically accurate and all information is reported completely and properly, signs and dates the OGE 278e in the Integrity system.
- c. The DAEO, ADAEO, or counsel to the IG does the following:
  1. Conducts the conflict-of-interest review.
  2. If necessary, requests additional required information from the filer or the filer's supervisor, as applicable.
  3. Upon determining that no conflict or appearance issue exists, signs and dates the report in the Integrity system.

### 2-3.2 Requesting Remedial Actions

In the event that the DAEO, ADAEO, or counsel to the IG determines that the employee has not complied with the applicable laws and regulations, the DAEO, ADAEO, or counsel to the IG requests that the employee take the appropriate remedial action, in accordance with OGE regulations. Except in unusual circumstances, which must be fully documented to the satisfaction of the DAEO, remedial action must be completed within 3 months of the date on which the employee receives notice of the request.

If the employee complies with the written request for remedial action, the DAEO, ADAEO, or counsel to the IG indicates in the comment section of the report what action has been taken, and signs and dates the report. If the employee does not comply with the written request for remedial action, the DAEO, ADAEO, or counsel to the IG refers the matter to the postmaster general, the OIG, and the director of OGE for appropriate action.

### 2-3.3 Maintaining Custody of and Archiving Forms

Records related to the public financial disclosure system are maintained in the Ethics Office at Headquarters. Records related to the filing obligations of the employees of the OIG are maintained in the Office of Counsel for the Inspector General. Reports are maintained for 6 years, after which time they are destroyed.

Requests to review or obtain a copy of an employee's public financial disclosure report

must be submitted to the Ethics Office in accordance with the format prescribed. Each application for inspection must be accompanied by an OGE 201, *Request to Inspect or Receive Copies of Executive Branch Personnel Public Financial Disclosure Reports or Other Covered Records*, and must provide the following information:

- a. The requesting person's name, occupation, and address.
- b. The name and address of any other person or organization on whose behalf the inspection or copy is requested.
- c. A statement that the requester is aware of the prohibitions on obtaining or using the information in violation of ethics regulations, 5 CFR § 2634.603(f).

## 2-4 What Penalties May Be Exacted

---

### 2-4.1 Referring Cases for Civil or Criminal Action

When there is reasonable cause to believe that an individual has willfully failed to file an OGE 278e or information required on such a report, or has willfully falsified any of the information required to be reported, the postmaster general or DAEO, through the OIG, refers the name of the individual, if appropriate, to the attorney general of the United States.

The attorney general may bring a civil action in any appropriate U.S. District Court against any individual who knowingly and willfully falsifies or who knowingly and willfully fails to file or report any information required by filers of public disclosure reports. An individual may also be prosecuted under criminal statutes for supplying false information on any financial disclosure report.

### 2-4.2 Applying Administrative Remedies

The postmaster general or IG may take appropriate personnel action or other action in accordance with applicable law or regulations against any individual in the following situations:

- a. Failing to file an OGE 278e report.
- b. Filing such a report late.
- c. Falsifying or failing to report any required information.

Such action may include adverse actions such as the following:

- a. Suspension.
- b. Removal.
- c. Reduction in grade and pay.
- d. Furlough.

# 3 Completing OGE 278-T Periodic Transaction Reports

All OGE 278e filers must report financial transactions for themselves, as well as their spouses and dependent children, on the OGE 278-T in the Integrity system.

## 3-1 Transactions

---

Filers must report the purchase, sale, or exchange of the following items:

- a. Stocks.
- b. Bonds.
- c. Commodities futures.
- d. Any other form of security, but not including mutual funds or exchange-traded funds.

## 3-2 Limitations

---

Transaction reporting is required only when the value of the transaction is greater than \$1,000.

## 3-3 Process

---

The following steps cover the process for completing an OGE 278-T:

- a. The filer must do the following:
  1. Submit an OGE 278-T in the Integrity system no later than one of the following:
    - (a) 30 days after receiving notification of the transaction.
    - (b) 45 days after the transaction.
  2. Submit requests for extensions to the respective Ethics Office in writing (either by paper or email).
- b. The respective Ethics Office does the following:
  1. Reviews and certifies the OGE 278-T in the Integrity system using the same process for reviewing and certifying the OGE 278e.
  2. May grant a filing extension only upon a showing of good cause.

All other existing procedures that apply to the OGE 278e that do not conflict with the procedures described above apply to OGE 278-Ts as well.

# 4 Completing OGE 450 for Confidential Financial Disclosure

## 4-1 How Employees Know Whether They Must File

---

### 4-1.1 Requirements of the Act

USPS employees in positions for which the basic rate of pay is less than 120 percent of the minimum rate of basic pay for the first step of GS-15 are required to submit a confidential financial disclosure report — an OGE 450 — in the following circumstances:

- a. If the Postal Service has designated the position as a covered position. A position may be designated as a covered position when it has been determined that the position requires that the employee participate personally and substantially through decision or the exercise of significant judgment in taking an action regarding any of the following:
  1. Contracting or procurement.
  2. Administering or monitoring grants, subsidies, licenses, or other federally conferred financial or operational benefits.
  3. Regulating or auditing any nonfederal entity.
  4. Other activities in which the final decision or action will have a direct and substantial economic effect on the interests of any nonfederal entity.
- b. If the employee's duties require the employee to file the report in order to avoid involvement in any real or apparent conflict of interest.
- c. If filing the report is necessary to carry out the purposes behind any statute, executive order, rule, or regulation applicable to or administered by that employee (e.g., investigating or prosecuting violations of civil or criminal law).

### 4-1.2 Exclusions

Any employee or group of employees may be excluded from all or part of the confidential reporting requirements upon a determination of either of the following:

- a. The duties of a position make remote the possibility that the employee will be involved in a real or apparent conflict of interest.
- b. The duties of the position involve such a low level of responsibility that the submission of an OGE 450 report is unnecessary because of any of the following:
  1. The substantial degree of supervision and review over the position.
  2. The inconsequential effect of any potential conflict on the

integrity of the government.

3. The use of an alternative procedure approved in writing by OGE is adequate to prevent possible conflicts of interest.

#### **4-1.3 Identifying Covered Employees**

Each member of the executive leadership team (ELT) and each vice president (VP) designates at least one employee to act as a representative in all confidential financial disclosure activities. These employees (i.e., department certifiers) work with their ELT member or vice president to review the list of positions within their departments and identify those positions that hold duties that warrant filing a confidential report. This review occurs as follows:

- a. Every 2 years for the entire organization.
- b. Whenever there are significant changes in a department.

The OIG has an independent law office and a human resources group. The Ethics Office for the OIG determines, in conjunction with its human resources group, which positions within the OIG have duties and responsibilities that meet the filing criteria.

The department certifiers and the Ethics Office for the OIG provide a list of the positions that are filing positions to the Postal Service Ethics Office. Members of the Postal Service Ethics Office ensure that the information provided is entered into FDS.

#### **4-1.4 Notifying Covered Employees Annual Disclosure Forms**

In January of each year, the Postal Service Ethics Office uses FDS to compile a list of the annual or incumbent OGE 450 filers. FDS sends a notification to each filer that includes the following:

- a. Filing instructions, including the following:
  1. The due date.
  2. How to file electronically.
  3. How to file a paper report, if desired.
- b. Information about how to obtain assistance in completing the form.

#### **4-1.5 Newly Covered Employees**

During the first week of each month, the Postal Service Ethics Office uses FDS to compile a list of the new entrant OGE 450 filers. FDS sends a notification to each filer that includes the following:

- a. Filing instructions, including the following:
  1. The due date.
  2. How to file electronically.
  3. How to file a paper report, if desired.
- b. Information about how to obtain assistance in completing the form.

When the Postal Service Ethics Office learns that an employee is on detail to a filing position and will remain in that position for more than 60 days, the Postal Service Ethics Office sends a notification to that employee that the employee must file a paper report.

## 4-2 How Employees Must File Filing Requirements

### 4-2.1 Filing the Form

An OGE 450 filer **must** submit the report either electronically through FDS or by paper to the Postal Service Ethics Office. An OIG employee **must** submit the paper report to the OIG Ethics Office.

### 4-2.2 Meeting the Deadlines

Time requirements for filing are as follows:

If the employee is...	Then the employee files an OGE 450...
A <b>new appointee</b> to a covered position	No later than 30 days after assuming the position, unless the employee had another covered position within the 30 days before the appointment.
An <b>incumbent</b> occupying a covered position who performed the duties of that position for more than 60 days (including in an "acting" capacity) during the prior 12-month period ending on December 31	On or before <b>February 15</b> each year.

### 4-2.3 Requesting Extensions

An employee may request an extension of the filing deadline in writing (either by paper or email) to the DAEO, ADAEO, or in the case of an OIG employee, the counsel to the IG. The DAEO, ADAEO, or counsel to the IG may grant to an employee, for good cause shown, an extension or several extensions totaling not more than 90 days.

### 4-2.4 Late Filers

A late filer receives up to three emails from the DAEO, ADAEO, or counsel to the IG (or the designee of any of these officials) regarding the failure to file, as follows:

- The first email is to the filer alone.
- The second email copies the department certifier.
- The third email copies the department certifier and the ELT member or vice president to whom the filer reports.

If the employee does not file a report within 30 days of the filing deadline or extension provided (whichever comes later), the DAEO or ADAEO notifies the postmaster general and the executive vice president of Human Resources — or in the case of an OIG employee, the counsel to the IG notifies the IG.

## 4-3 How Disclosure Forms Are Processed

### 4-3.1 Reviewing the Forms

In accordance with the requirements of the Act, all forms must be reviewed and certified within 60 days of the deadline for their filing. Once the report is filed electronically in FDS (or once a paper report is received by the respective Ethics Office, date stamped, and recorded in FDS), it is assigned to an ethics official to be reviewed.



The review and certification process for disclosure forms takes the following steps:

- a. The ethics official takes the following actions:
  1. Reviews the report to ensure that each item is satisfactorily completed and in compliance with applicable laws and regulations.
  2. If additional information is required, requests that information and notifies the filer about the time within which it is needed.
  3. Upon determining that the report is technically accurate and all information is reported completely and properly, signs and dates a paper OGE 450, or if the report was filed electronically, enters the review date into FDS.
- b. After the ethics official completes the tasks in item a, the report moves to the department certifier for the conflict-of-interest review, as follows:
  1. If the report was filed electronically, FDS presents the report to the department certifier.
  2. If a paper report was filed, the respective Ethics Office presents the report to the department certifier.
- c. The department certifier for the conflict-of-interest review takes the following steps:
  1. Reviews the disclosure form.
  2. If additional information is required, requests the information from the filer or the filer's supervisor, as applicable.
  3. Upon determining that no conflict or appearance issue exists, enters the certification date into FDS.
  4. Signs and dates the paper report and returns it to the Ethics Office.

#### **4-3.2 Requesting Remedial Action**

In the event that the department certifier believes that an employee may not be complying with applicable laws and regulations, the department certifier consults with the DAEO, ADAEO, or counsel to the IG, as applicable. If the DAEO, ADAEO, or counsel to the IG determines that the employee is not in compliance with applicable laws and regulations, the DAEO, ADAEO, or counsel to the IG requests that the employee take the appropriate remedial action, in accordance with OGE regulations. Except in unusual circumstances, which must be fully documented to the satisfaction of the DAEO, the employee must complete remedial action within 3 months of the date on which the employee receives notice of the request.

If the employee complies with the written request for remedial action, the DAEO, ADAEO, or counsel to the IG indicates in the comment section of the report what action has been taken. Then, the department certifier certifies the report. If the employee does not comply with the written request for remedial action, the DAEO or ADAEO refers the matter to the postmaster general, the OIG, and the director of OGE for appropriate action — or in the case of an OIG employee, the counsel to the IG refers the matter to the IG and the director of OGE for appropriate action.

### **4-3.3 Maintaining Custody of and Archiving Forms**

Records related to the confidential financial disclosure system are maintained in the Ethics Office at Postal Service Headquarters. Records related to the filing obligations of the employees of the OIG are maintained in the Office of Counsel for the Inspector General. Reports are maintained for 6 years, after which time they are destroyed.

Requests for access to an employee's confidential financial disclosure report (e.g., by the Inspection Service or OIG) should be addressed in writing (either by paper or email) to the DAEO or ADAEO with an explanation of why the request is warranted.

## **4-4 What Penalties May Be Exacted**

---

### **4-4.1 Referring Cases for Civil or Criminal Action**

When there is reasonable cause to believe that an individual has willfully failed to file an OGE 450 or information required on such a report, or has willfully falsified any of the information required to be reported, the postmaster general or DAEO, through the OIG, refers the name of the individual, if appropriate, to the attorney general of the United States. An individual may be subject to prosecution under criminal statutes for supplying false information on any financial disclosure report.

### **4-4.2 Applying Administrative Remedies**

The postmaster general or IG may take appropriate personnel action or other action in accordance with applicable law or regulation against any individual in the following situations:

- a. Failing to file an OGE 450 report.
- b. Filing such a report late.
- c. Falsifying or failing to report any required information.

Such action may include adverse actions such as the following:

- a. Suspension.
- b. Removal.
- c. Reduction in grade and pay.
- d. Furlough.

## 5 Acronyms

ADAEO	Alternate Designated Agency Ethics Official
DAEO	Designated Agency Ethics Official
ELT	Executive Leadership Team
FDS	Financial Disclosure System
IG	Inspector General
OGE	Office of Government Ethics
OIG	Office of Inspector General
VP	Vice President