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1. REASON FOR ISSUE: To clarify financial disclosure requirements affecting Department of Veterans Affairs (VA) employees. These rules are summarized in the handbook for the convenience and ease of the reader. Readers should consult the specific references noted for more definitive information on a topic or consult the Designated Agency Ethics Official (DAEO) for VA, the Assistant General Counsel (023).

2. SUMMARY OF CONTENT/MAJOR CHANGES: This handbook outlines requirements imposed by law, Federal regulation, and other policies. This revision clarifies the definition of a public filer for the purpose of financial disclosure. The pages in this handbook replace the corresponding page numbers in VA Handbook 5025. These revisions will be incorporated into the electronic version of VA Handbook 5025 that is maintained on the [Office of Human Resources Management and Labor Relations Web site](#).

3. RESPONSIBLE OFFICE: Office of the Deputy Assistant Secretary for Human Resources Management and Labor Relations.

4. RELATED DIRECTIVE: VA Directive 5025, "Legal."

5. RESCISSIONS: None

CERTIFIED BY:

/s/
Robert N. McFarland
Assistant Secretary for
Information and Technology

**BY DIRECTION OF THE SECRETARY
OF VETERANS AFFAIRS:**

/s/
R. Allen Pittman
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PART VI. FINANCIAL DISCLOSURE

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PART VI. FINANCIAL DISCLOSURE AND ETHICS TRAINING

1. BACKGROUND. One component of the Department's ethics program is the financial disclosure program. There are two financial disclosure programs, public and confidential [required by the Ethics in Government Act of 1978, as amended (Pub.L. 95-521)]. Financial disclosure statements required for researchers are not covered under the Act and the requirements for submitting a Research Financial Conflict of Interest Statement are not outlined in this handbook].

2. PUBLIC

a. **Who is a Filer.** [Public filers include:

(1) Employees whose positions are classified above GS-15. See 5 CFR 2634.202(c).

(2) Employees, whose rate of basic pay is fixed, other than under the General Schedule (i.e. title 38 employees), at a rate equal to or greater than 120 percent of the minimum rate of basic pay for GS-15. See 5 CFR 2634.202(c). In most instances, the rate of basic pay used for the purpose of this determination is the Step 1 equivalent, exclusive of locality pay. For title 38 physicians and dentists, the rate of basic pay used for this determination is the Step1 rate on the Physician and Dentist Base and Longevity Pay Schedule.

(3) Employees who are appointed as administrative law judges pursuant to 5 U.S.C. 3105. See 5 CFR 2634.202(d).

(4) Employees who are in a position which is excepted from the competitive service by reason of being of a confidential or policy-making character (i.e. Schedule C employees). See 5 CFR 2634.202(e).]

b. **When to File.** The Ethics in Government Act of 1978, as amended (Pub.L. 95-521) requires that public filers file Public Financial Disclosure Reports [(SF 278) as follows]:

(1) [A "new entrant" report] within 30 days after appointment to a public filer position,

(2) [An "incumbent" report] annually, before May 15, while occupying a public filer position, and

(3) [A "terminee" report] within 30 days after leaving a public filer position.

[(4) Employees appointed on November 1st through December 31st file a new entrant report but do not need to file an incumbent report the following year. Employees appointed on January 1st through October 31st will still need to file an incumbent report no later than May of the following year, in addition to the new entrant report.

(5) Employees who leave a public filer position in another Executive Branch Federal agency within 30 days prior to appointment to VA do not file a new entrant report. See 5 CFR 2634.201(b)(2)(i). Human Resources staff should notify the Office of General Counsel (023C) of the appointment and

request the new employee to provide a copy of his last incumbent report filed at the former agency to the Office of General Counsel (023C).

(6) Public filers do not need to fill out a terminee report if, within 30 of separating from VA, the employee transfers to another covered position with another Executive Branch Federal agency. Notify the Office of General Counsel (023C) that the employee will transfer to another covered position at a different Federal agency so the Office of General Counsel can update its records and provide the gaining agency a copy of the filer's previous SF 278.

(7) Public filers that will separate from the covered position on January 1st through May 14th need only file a terminee report. They do not have to file an incumbent report for that year. The rules permit employees combine the incumbent and terminee reports if the employee will separate from the covered position after May 15 but before August 13. Employees should contact Office of General Counsel (023C) to request the required extension necessary to file a combination report.]

[c.] **Where to File.** Completed [original SF 278] reports must be filed directly with the DAEO in the Office of General Counsel (023C) for review and approval. [Reports are considered filed when received by the Office of General Counsel (023C).] The address is Office of the General Counsel (023C), 810 Vermont Avenue, NW, Washington, D.C. 20420. The DAEO (023), the Assistant General Counsel for Professional Staff Group III[, or his designee] in the Central Office, can grant extensions. Failure to file the report in a timely manner results in a \$200 fine.

3. CONFIDENTIAL

a. **Who is a Filer.** The determination as to [which employee must file] a confidential financial disclosure report is [based on the duties of his or her position]. (See 5 CFR 2634.904.) The Department has determined which positions are confidential filing positions. The DAEO, the Assistant General Counsel (023), has the authority to maintain and amend the listing. A copy of the position listing can be obtained from the DAEO's office or from a Regional Counsel's Office.

b. **When to File.** The Ethics in Government Act of 1978, as amended (Pub.L. No. 95-521) requires that [] employees [in designated positions] file Confidential Financial Disclosure Reports [(OGE Form 450) as follows]:

(1) [A "new entrant" report] within 30 days after assuming a designated position and

(2) [An "annual" report every year], no later than October [31], while occupying a designated position.

(3) Employees appointed to designated positions on August 2nd through September 30th file a new entrant report but do not need to file an annual report in October of the year of appointment. They will file an annual report in October of the following year. Employees appointed on October 1st through August 1st will still need to file an annual report in October, in addition to the new entrant report.

(4) Employees that transfer from another executive branch Federal agency from a public or confidential filer position within 30 days of appointment to VA, do not file a new entrant report. See 5 CFR 2634.903(b)(2)(i). Notify the Office of General Counsel (023C) of the appointment and request the new employee to provide a copy of his last annual report to the Office of General Counsel (023C).

(5) Employees who retire or otherwise leave VA before the October 31st due date are not required to complete a confidential disclosure report. Employees that will retire or leave VA after the October 31st due date, however, are required to complete a confidential disclosure report if they worked over 60 days in the designated filing position during the fiscal year. See 5 CFR 2634.903(a).]

c. **What to File.** Certain [confidential] filers may substitute a shorter “[Confidential Certificate of] No New Interests [], [OGE Optional] Form 450A” [form] instead of the [long] form []. The short form may not be used [by new entrant filers or by annual filers] for more than three consecutive years. Filers should contact either the DAEO’s office or a Regional Counsel’s office for clarification of the proper form to file.

d. **Where to File.** [] Central Office [and Resident Engineer filers must submit completed original] confidential financial disclosure reports [] to the Office of General Counsel (023C). In the field, all confidential financial disclosure reports [] are submitted to Regional Counsel within the appropriate jurisdiction. [Reports are considered filed when received by the appropriate office.]

4. ETHICS TRAINING. Public financial disclosure filers, i.e., SES, Schedule C, noncareer SES appointees and [certain] title 38 executives are required to receive one hour of [“verbal”] ethics training each year by a qualified [instructor]. [See] 5 CFR 2638. [The training regulation requires that all confidential filers receive annual ethics training. Unlike the public financial disclosure filers, the confidential financial disclosure filers require “verbal” training only once every three calendar years and may receive written briefings for the other two years. See 5 CFR 2638.705.] Regional Counsel [ethics staffs] conduct training for [public and confidential filers] in the field; the DAEO’s ethics staff in Central Office conducts training for [public and confidential filers in] Central Office []. [Facilities may require their employees to receive additional ethics training and may request ethics attorneys as presenters or secure videos or other materials for that purpose.]

5. NEW EMPLOYEE ORIENTATION. [Within 90 days from the time an employee begins working for VA,] Human Resources Management Service provides new employees a minimum of one hour to review a copy of the Standards of Ethical Conduct for Employees of the Executive Branch pursuant to 5 CFR 2638.703. The Standards are available on the [VA ethics Web site](#).

6. CONTACT INFORMATION. For more information, Human Resources Service staff or other VA employees may contact their Regional Counsel or the DAEO.