USDA

United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

MEMORANDUM FROM THE SECRETARY

FEB 28 2003

TO: Subcabinet
Agency Heads
All Employees

SUBJECT: USDA Ethics Program

Maintaining high ethical standards is essential to fostering the public's trust. This is true for both the government and the private sector.

The vast majority of all Federal employees, particularly those with whom I have the pleasure of serving with at the Department of Agriculture, meet both the letter and the spirit of the ethics laws and regulations. While I am proud of the fact that USDA is currently scandal-free, there is no better insurance against the effects of an ethics scandal than the operation of an effective ethics program.

Unfortunately, a recent audit by the Office of Government Ethics (OGE) noted certain deficiencies in our ethics program at USDA. Rest assured that I am committed to correcting those deficiencies.

First, we must ensure that each of us has reviewed and understands the conflicts of interest statutes and applicable regulations, namely, the *Standards of Ethical Conduct for Employees of the Executive Branch* and the *Supplemental Standards of Ethical Conduct for Employees of the Department of Agriculture*. With these statutes and standards firmly in mind and with your assistance, I am ordering the following actions to address the deficiencies noted in the OGE report:

- All mission areas and agencies shall undertake, in coordination with the USDA Office of Ethics, a full review of their ethics programs to identify any programmatic weaknesses, including, but not limited to:
    - whether sufficient personnel and budgetary resources have been provided to operate an efficient and effective ethics program,
    - whether ethics advisors are properly situated within the organization so as to improve access to decision-makers and involvement in decisions;
    - whether ethics advisors receive the necessary training to perform their tasks successfully; and
    - whether ethics advisor responsibilities are being assigned to the appropriate employee level and position.

- All mission area/agency heads shall include an assessment of potential conflicts of interest as part of the process leading up to the appointment of individuals to key Federal positions within their respective mission area or agency. This is essential in terms of non-career positions, but should also apply to key career positions within the mission area and agency.

- One key aspect of the Federal ethics program, and one that can be found in a growing number of private sector companies as well, is disclosure of financial interests. This tool is designed to prevent official decisions from being made in the atmosphere of conflicting financial or personal interests. These reports are only effective as a tool where filed both accurately and timely. Accordingly, all financial disclosure filers in USDA (whether public, confidential, or alternative form filers) shall file their reports within the time limits prescribed by regulation (May 15, 2003, for public filers; October 31, 2003, for confidential filers), or obtain an extension prior to that date, and shall cooperate fully with ethics personnel in obtaining certification of their reports as soon as possible.

- A solid working knowledge of the Federal and Departmental ethics standards is critical to maintaining these standards. This means early ethics standards training of new employees accompanied by annual review/training thereafter. Accordingly, all employees who file financial disclosure reports of any kind, shall take ethics training during CY 2003. Further, all other USDA employees should be encouraged to do so as well. An effective way to obtain training is to utilize the training modules created by the Office of Ethics at www.usda.gov/ethics/training. The National Finance Center maintains a newly-established system that automatically reports all ethics training taken by USDA employees.

- Finally, all financial disclosure report filers who are considering leaving the Federal government in CY 2003, as well as any other USDA employees who wish to do so, must meet with their ethics advisors to assure full understanding of the rules governing the process of seeking outside employment and Federal post-employment restrictions.

Our goal is worthy, our people caring, and by working together, we will make the USDA Ethics Program a model for the Federal government and increase the public's confidence in the integrity and effectiveness of our programs.