U.S. Financial Disclosure System in the Executive Branch: Presidential Appointees & Ethics Agreements

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Overview of Executive Branch
Financial Disclosure System

• Ethics in Government Act of 1978 established public financial disclosure system

• Designed primarily to prevent conflicts of interest, not to detect illicit enrichment

For additional details, please refer to conference room paper CAC/COSP/WG.4/2012/CRP.2
Financial Disclosure Reporting Categories

• Assets
• Income – both earned and investment
• Liabilities
• Gifts and reimbursements
• Purchases, sales, and exchanges of assets
• Positions held outside of government
• Continuing arrangements with former or current employers or agreement for future employment
• Major clients (first time filers)
1. Prospective Appointee Submits a Financial Disclosure Form

2. Technical Review

3. Conflicts Review
4. Ethics Agreement

- Sell/dispose of specific assets
- Resign from specific positions
- Recuse from specific matters
- Seek a specifically-defined waiver
- Voluntarily create a blind trust
Presidential Appointee Financial Disclosure Process (continued)

5. Financial Disclosure and Ethics Agreement
   Sent to the Senate

6. Monitoring Compliance with the Ethics Agreement
Value of this Process to the Executive Branch Ethics Program

• Personal understanding of how the conflicts of interest requirements will affect the appointee
• Personal introduction to the agency ethics official and to the existence of the ethics program
• Continued support from the leadership
• Public trust
Additional information and links to resources can be found in **CAC/COSP/WG.4/2012/CRP.2**

http://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/working
group4/2012-August-27-29/V1255580e.pdf