



United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

November 7, 2002

The Honorable Lane Evans
Ranking Member
Committee on Veterans' Affairs
United States House of Representatives
333 Cannon House Office Building
Washington, DC 20515

Dear Mr. Evans:

In my letter to you of January 8, 2001, I forwarded the report of the U.S. Office of Government Ethics' (OGE) 2000 review of the ethics program in the Department of Veterans Affairs (VA). Notwithstanding the fact that we found VA's program complied with and, in some cases, exceeded OGE regulatory requirements, I advised you that OGE would be conducting a special review of outside employment on the part of VA's "at risk" employees.¹ Such a review would enable OGE to better gauge whether or not VA should have an outside employment prior approval requirement for these "at risk" employees. A prior approval requirement would require the promulgation of a regulation supplementing the Standards of Ethical Conduct for Employees of the Executive Branch, 5 C.F.R. part 2635.

We recently completed our special review, wherein we focused on the outside activities of "at risk" employees at three VA Medical Centers (VAMC)--the Washington, DC and Baltimore, MD VAMCs in Veterans Integrated Service Network (VISN) 5 and the Edward Hines, Jr. VAMC, Hines, IL, in VISN 12. We examined, for compliance with OGE requirements, the confidential financial disclosure reports, ethics training, and ethics counseling and advice. We also examined VA's compliance with certain internal VA requirements and whether the requirements are adequate in preventing ethics violations.

In both of our reviews we found that the VA was in complete compliance with all OGE requirements and that it had recently come into compliance with its own additional ethics requirements. We also found that no "at risk" employees or other employees had participated in prohibited official activities, described in

¹These are full-time employees hired under the provisions of Title 38 of the United States Code and include all VAMC Chiefs of Staff, and certain physician service and section chiefs and other physician managers and supervisors.

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Veterans Health Administration Handbook 1660.3, regarding a contract with an affiliated hospital in which they had a financial interest. Accordingly, we consider the VA ethics program to be adequate in educating and providing guidance to its employees for the purpose of avoiding ethics violations. Nonetheless, we recommended that VA consider providing some additional educational and training activities in order to further strengthen the program.

I have enclosed a copy of our report to VA's Designated Agency Ethics Official. If you have any questions or need further assistance, please contact me at 202-208-8022 or Jack Covalesski, Deputy Director for Agency Programs, at 202-208-8000, extension 1120.

Sincerely,

A handwritten signature in cursive script, appearing to read "Amy L. Comstock".

Amy L. Comstock
Director

Enclosure