

2026 USDA EXPLANATORY NOTES – OFFICE OF ETHICS

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PREFACE

This publication summarizes the fiscal year (FY) 2026 Budget for the U.S. Department of Agriculture (USDA). Throughout this publication any reference to the “Budget” is in regard to the 2026 Budget, unless otherwise noted. All references to years refer to fiscal year, except where specifically noted. The budgetary tables throughout this document show actual amounts for 2023 and 2024, Full-Year Continuing Resolution levels for 2025, and the President’s Budget request for 2026. Amounts for 2025 estimated levels include: non-enacted amounts such as Full-Time Equivalent levels, fleet levels, information technology investment levels, recovery levels, transfers in and out, balances available end of year, and obligation levels.

Throughout this publication, the “2018 Farm Bill” is used to refer to the Agriculture Improvement Act of 2018. Most programs funded by the 2018 Farm Bill are funded through 2025, as extended by the American Relief Act, 2025 (P.L. 118-158, Division D). Amounts shown in 2025 and 2026 for most Farm Bill programs reflect those confirmed in the baseline.

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, sequestration is included in the numbers for mandatory programs in 2023, 2024, 2025 and 2026.

In tables throughout this document, amounts equal to zero (0) are displayed as dashes (-). Amounts less than 0.5 and greater than zero are rounded and shown as a zero (0). This display treatment is used to prevent the masking of non-zero amounts that do not round up to one (1).

AGENCY-WIDE**PURPOSE STATEMENT**

The Ethics in Government Act, 5 U.S.C. App 4 (the Act), established the ethics compliance requirements and infrastructure applicable throughout the Executive Branch. Under regulations implementing the Act, the head of each Executive Branch Department or Agency must exercise personal leadership in establishing, maintaining, and carrying out the agency’s ethics program and make available sufficient resources to ensure the agency’s ethics program can be implemented effectively (5 C.F.R. § 2638.107). The Office of Ethics (OE) is the centralized and consolidated office implementing USDA’s ethics program throughout the Department. As such, OE is the sole office providing ethics services to the Secretary of Agriculture and employees at all levels of USDA concerning advice, training, and guidance about compliance with conflict of interest statutes and impartiality rules. This includes complying with the requirements of the Stop Trading on Congressional Knowledge Act, Pub. L. No. 112-105 (2012) (The STOCK Act), Office of Government Ethics regulatory requirements (5 C.F.R. Parts 2634 through 2641) as well as the statute governing political activities (the Hatch Act, 5 U.S.C. §§ 7321 - 7326) and U.S. Office of Special Counsel implementing regulations.

At USDA, the Office of Ethics directly supports the discharge of the President’s Constitutional duties to nominate and appoint officers in the Government. The Office of Ethics works closely with the President’s nominees for Presidentially-Appointed, Senate-Confirmed positions as well as all other political appointees across the Department to complete all necessary financial disclosure reports, ethics agreements, and ethics training. Engaging directly with the White House Counsel’s Office, White House Personnel Office, U.S. Office of Government Ethics, and Senate Agriculture Committee staff in completing the ethics review of Presidential nominees for Senate-confirmed positions, the Office of Ethics ensures that these individuals have complied with the extensive requirements for financial disclosure and conflicts avoidance under the Ethics in Government Act in order for the Senate to exercise its advice-and-consent role in considering the President’s nominees.

OE is currently organized into an Office of the Director and one Mission Areas Ethics Programs Support Branch. The current structure is the result of an organizational realignment that took place in 2016 to provide a more streamlined, effective and flexible structure for OE to utilize existing resources to

successfully address the growing needs of USDA’s mission areas for ethics training, advice, and the review of over 14,000 annual financial disclosure reports.

As of September 30, 2024, there were 22 permanent full-time employees, including 21 in the headquarters office and one in the field.

AVAILABLE FUNDS AND FTEs

Table OE-1. Available Funds and FTEs (thousands of dollars, FTEs)

Item	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Salaries and Expenses:								
Discretionary Appropriations	\$5,436	23	\$4,500	20	\$4,500	20	\$4,500	19
Total Discretionary Appropriations	5,436	23	4,500	20	4,500	20	4,500	19
Total Adjusted Appropriation	5,436	23	4,500	20	4,500	20	4,500	19
Total Available	5,436	23	4,500	20	4,500	20	4,500	19
Lapsing Balances	-94	-	-65	-	-	-	-	-
Total Obligations	5,342	23	4,435	20	4,500	20	4,500	19
Total Obligations, OE	5,342	23	4,435	20	4,500	20	4,500	19
Other USDA:								
OCIO Reimbursement	169	1	174	1	174	1	174	1
OCFO Reimbursement	169	1	174	1	174	1	174	1
Total, Other USDA	338	2	348	2	348	2	348	2
Total, Agriculture Available	5,774	25	4,848	22	4,848	22	4,848	21
Total Available, OE	5,774	25	4,848	22	4,848	22	4,848	21

* This table assumes a reduced 2026 FTE baseline due to 2025 voluntary staff separations and administrative cost efficiencies.

PERMANENT POSITIONS BY GRADE AND FTEs

Table OE-2. Permanent Positions by Grade and FTEs

Item	2023			2024			2025			2026		
	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total
SES	1	-	1	1	-	1	1	-	1	1	-	1
SL	1	-	1	1	-	1	1	-	1	1	-	1
GS-15	2	-	2	2	-	2	2	-	2	2	-	2
GS-14	7	1	8	6	1	7	6	1	7	5	1	6
GS-13	5	-	5	7	-	7	7	-	7	9	-	9
GS-12	-	-	-	-	-	-	2	-	2	-	-	-
GS-11	3	-	3	2	-	2	-	-	-	-	-	-
GS-9	1	-	1	-	-	-	-	-	-	-	-	-
GS-7	2	-	2	-	-	-	-	-	-	-	-	-
Total Permanent	22	1	23	19	1	20	19	1	20	18	1	19
Total Perm. FT												
EOY	22	1	23	19	1	20	19	1	20	18	1	19
FTE	22	1	23	19	1	20	19	1	20	18	1	19

* Total FTEs are all inclusive of workforce categories including temporary positions.

ACCOUNT 1: SALARIES AND EXPENSES**APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored):

Salaries and Expenses

For the necessary expenses of the Office of Ethics, \$4,500,000.

LEAD-OFF TABULAR STATEMENT**Table OE-3. Lead-Off Tabular Statement (In dollars)**

Item	Amount
Enacted, 2025	\$4,500,000
Change in Appropriation	-
udget Estimate, 2026	<u>4,500,000</u>

PROJECT STATEMENTS**Table OE-4. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)**

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.	Chg Key
Discretionary Approp:											
Ethics Services.....	\$5,436	23	\$4,500	20	\$4,500	20	\$4,500	19	-	-1	
Subtotal	5,436	23	4,500	20	4,500	20	4,500	19	-	-1	
Total Adjusted Approp	5,436	23	4,500	20	4,500	20	4,500	19	-	-1	
Add back:											
Transfers In and Out, Rescissions	120	-	-	-	-	-	-	-	-	-	
Total Appropriation	5,556	23	4,500	20	4,500	20	4,500	19	-	-1	
Transfers Out:											
Working Capital Funds.....	-120	-	-	-	-	-	-	-	-	-	
Total Transfers Out	-120	-	-	-	-	-	-	-	-	-	
Total Available	5,436	23	4,500	20	4,500	20	4,500	19	-	-1	
Lapsing Balances.....	-94	-	-65	-	-	-	-	-	-	-	
Total Obligations	<u>5,342</u>	<u>23</u>	<u>4,435</u>	<u>20</u>	<u>4,500</u>	<u>20</u>	<u>4,500</u>	<u>19</u>	<u>-</u>	<u>-1</u>	

Table OE-5. Project Statement on Basis of Obligations (thousands of dollars, FTEs)

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.	Chg Key
Discretionary Obligations:											
Ethics Services.....	\$5,342	23	\$4,435	20	\$4,500	20	\$4,500	19	-	-1	
Subtotal Disc Obligations....	5,342	23	4,435	20	4,500	20	4,500	19	-	-1	
Total Obligations	5,342	23	4,435	20	4,500	20	4,500	19	-	-1	
Add back:											
Lapsing Balances.....	94	-	65	-	-	-	-	-	-	-	
Total Available	5,436	23	4,500	20	4,500	20	4,500	19	-	-1	
Less:											
Total Transfers Out.....	120	-	-	-	-	-	-	-	-	-	
Total Appropriation	<u>5,556</u>	<u>23</u>	<u>4,500</u>	<u>20</u>	<u>4,500</u>	<u>20</u>	<u>4,500</u>	<u>19</u>	<u>-</u>	<u>-1</u>	

JUSTIFICATION OF CHANGES**USDA Ethics Program**

Base funds will allow the Office of Ethics (OE) to continue operating the Department's statutorily-mandated Ethics Program and implementing the statutory and regulatory requirements to raise employee awareness and compliance with ethics laws. The Ethics in Government Act, 5 U.S.C. App 4 (the Act), established the mandatory ethics compliance requirements and infrastructure applicable throughout the Executive Branch. Under regulations implementing the Act, the head of each Executive Branch Department or Agency must exercise personal leadership in establishing, maintaining, and carrying out the agency's ethics program and make available sufficient resources to ensure the agency's ethics program can be implemented effectively (5 C.F.R. 2638.107). As such, OE is the sole office serving the core function of providing ethics services to the Secretary of Agriculture and employees at all levels of USDA concerning advice, training, financial disclosure reviews, and guidance about compliance with criminal conflict of interest statutes (18 U.S.C. 201-209) and impartiality rules. This includes complying with the requirements of the Stop Trading on Congressional Knowledge Act, Pub. L. No. 112-105 (2012) (The STOCK Act), Office of Government Ethics regulatory requirements (5 C.F.R. Parts 2634 through 2641) as well as the statute governing political activities (the Hatch Act) and Office of Special Counsel implementing regulations.

Continuing the base funding is crucial to ensuring the continued success of the program. Stoppages or cutbacks in the program will put at grave risk USDA's ability to meet its Congressionally mandated requirements under the Ethics in Government Act and conduct timely ethics vetting and processing of prospective Presidential nominees and appointees. Failing to fund OE at the base level will create an unsustainable situation for the Department's Ethics Program and place the Department at risk of significant, but preventable, ethics scandals and Hatch Act violations, which will undermine Congressional confidence and erode public trust in USDA's missions.

Funding at the requested level will allow OE to continue to run USDA Ethics Program and address the increasing demand for additional ethics and Hatch Act training, advice, and counselling, despite being the Department with the lowest ratio of Ethics Advisors to employees of any Executive Branch agency. Base funds will permit OE to demonstrate its unwavering commitment to its mission of restoring the public's trust in government by helping the Department avoid significant, but preventable, ethics and Hatch Act violations, which will undermine public confidence in USDA's missions.

OE has no justification of changes because allocations remained the same.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs

Table OE-1. Geographic Breakdown of Obligations and FTEs for USDA Ethics Program (thousands of dollars, FTEs)

State/Territory/Country	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
District of Columbia	\$5,147	22	\$4,235	19	\$4,300	19	\$4,300	18
Illinois	195	1	200	1	200	1	200	1
Obligations	5,342	23	4,435	20	4,500	20	4,500	19
Lapsing Balances.....	94	-	65	-	-	-	-	-
Total, Available	5,436	23	4,500	20	4,500	20	4,500	19

CLASSIFICATION BY OBJECTS**Table OE-7. Classification by Objects (thousands of dollars)**

Item No.	Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
Personnel Compensation:					
	Washington D.C.	\$2,746	\$2,895	\$2,950	\$2,950
	Personnel Compensation, Field	155	160	165	165
11	Total personnel compensation	2,901	3,055	3,115	3,115
12	Personal benefits	996	1,098	1,108	1,108
13.0	Benefits for former personnel	2	2	2	2
	Total, personnel comp. and benefits	3,899	4,155	4,225	4,225
Other Objects:					
21.0	Travel and transportation of persons	7	3	-	-
23.1	Rental payments to GSA.....	1	1	1	1
23.3	Communications, utilities, and misc. charges	13	8	11	11
24.0	Printing and reproduction	3	8	8	8
25	Other contractual services	-	238	10	10
25.2	Other services from non-Federal sources	116	-	-	-
25.3	Other goods and services from Federal sources	1,214	11	185	185
26.0	Supplies and materials	13	11	30	30
31.0	Equipment.....	76	-	30	30
	Total, Other Objects	1,443	280	275	275
99.9	Total, new obligations.....	5,342	4,435	4,500	4,500
DHS Building Security Payments (included in 25.3).....					
		\$7	\$11	\$12	\$12
Position Data:					
	Average Salary (dollars), ES Position	\$212,000	\$225,700	\$225,700	\$225,700
	Average Salary (dollars), GS Position	\$122,227	\$145,000	\$150,000	\$150,000
	Average Grade, GS Position	13.3	13.7	14.1	14.1

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STATUS OF PROGRAMS

The Office of Ethics (OE) implements USDA's Department-wide Ethics Program. All of OE's core functions, such as the Financial Disclosure Program, Ethics and Hatch Act Training Programs, Ethics Policy Development, and the Ethics and Hatch Act Advice and Counseling Programs, are mandated by the Ethics in Government Act, U.S. Office of Government Ethics (OGE) regulations, and Office of Special Counsel Hatch Act regulations.

Current Activities

To raise employee awareness of the ethics rules and to avoid preventable violations of the ethics statutes and regulations that govern employee conduct, OE continued its focus on creating and publishing timely and tailored ethics training products.

OE served as the primary point of contact for all USDA nominees for Presidentially appointed, Senate-confirmed positions. In that capacity, OE worked with the OGE to ensure that the nominees' financial disclosure reports were complete, and all conflict-of-interest concerns were appropriately resolved prior to nomination.

OE staff provided ethics orientation briefings for all new Administration appointees to ensure that they were apprised of the ethical obligations of Federal service. OE's senior leaders conducted personal ethics orientation sessions for all incoming political appointees on their first day at USDA. These one-hour briefing sessions covered subjects of immediate importance to incoming appointees, such as conflicts of interest, the gift rules, and the political activity restrictions. Each new appointee was assigned a senior OE employee to assist them in completing their OGE-278 public financial disclosure report. Upon completion, OE senior staff members conducted a thorough ethics review of new political appointees' financial disclosure reports, addressing any potential concerns identified in those reports, including the construction of ethics agreements as required.

In 2024, dozens of individuals were detailed across USDA under the authority of the Intergovernmental Personnel Act (IPA), a personnel law that allows the Federal Government to bring in outside experts and others to work on temporary details. IPA detailees present unique ethics challenges because, by virtue of their appointment, they are simultaneously considered to be employees of both the Federal government and the nonfederal entity from which they are appointed. To address the glaring need to train the new detailees on the ethics rules, including criminal conflict of interest statutes, that would apply to them beginning on their first day at USDA, OE created a short training video entitled, "Important Ethics Rules Every IPA Detailee Must Know." This video summarizes the ethics rules that apply to IPA detailees and directs them to reach out to OE with questions. Further, OE created two written resources: "Successfully Navigating your IPA Detail at USDA: An Essential Guide to the Ethics and Political Activity Rules" and "Overview of Ethics Responsibilities for IPA Detailees and their USDA Supervisors," to assist detailees and their supervisors in adhering to the applicable ethics rules. These resources are publicly posted on OE's website where they can be used by IPA detailees and ethics officials across USDA and throughout the Federal government.

In addition, OE created four more short ethics training videos that are available to all on USDA's YouTube page. One video focused on the Hatch Act rules that apply to someone running for elected office, and the other three were focused on the new guidance for federal employees who use social media and professional networking sites. These three videos simply and clearly explain the considerations that federal employees must consider when seeking to monetize their social media accounts or reference their official positions on professional networking sites. These training products were produced with an emphasis on minimizing costs, are publicly available and can be either immediately used, or replicated, by other Federal agencies' Ethics Programs across the Executive Branch.

Further, OE leveraged both distance training technologies and in-person appearances to train both USDA employees and those from partner organizations. During 2024, OE personnel conducted more than 110 hours of live ethics training for USDA employees across the Department. These

presentations range from short, “Ethics Moments” on a subject of immediate interest to longer, more comprehensive, sessions covering conflicts of interest, gifts, misuse of position, and outside employment, amongst others.

In 2024, OE completed another successful year of electronic filing of Congressionally mandated ethics financial disclosure reports. OE completed the review of 1,143 public financial disclosure statements (OGE-278 Public Financial Disclosure Reports and OGE 278T Periodic Transaction Reports required by the Stop Trading on Congressional Knowledge Act) and 11,592 confidential financial disclosure reports (OGE-450). 99.9 percent of USDA financial disclosure reports were filed as required by the Ethics in Government Act. Additionally, as mandated by the U.S. OGE, OE continued to operate a second electronic financial disclosure report filing system, INTEGRITY.GOV, for USDA’s new OGE-278 filers. Existing filers continue to use USDA’s legacy e-filing system. Moreover, for the eighth consecutive year, more than 98 percent of all USDA employees who were required to take annual ethics training (10,734 in total) completed that requirement in a timely fashion, and 93.2 percent (10,676 employees) of new USDA employees completed initial ethics orientation training as required by statute.

Selected Examples of Recent Progress

Customer Service: Every email sent by an OE employee contains a link to a voluntary three-question survey requesting feedback on the quality and timeliness of the OE advisor’s response. In 2024, OE staff received 142 responses to this survey. 94% indicated the highest possible level of satisfaction with OE’s customer service and only 3% indicated any sort of dissatisfaction with the responses provided by OE.

Office of Ethics Website: Updated and revised the content on OE’s website with a focus on ensuring all resources met the requirements imposed by Section 508 of the Rehabilitation Act of 1973. OE’s multimedia content now meets all accessibility requirements and is available to not only USDA employees but to the members of the public that OE serves and that frequently have questions about how the federal ethics rules work. OE’s website contains resources for IPA detailees, Rules of the Road summaries of all applicable ethics rules, and highlights OE’s host of innovative, publicly available, training products.

Department Support: Served as the ethics representative on the team developing USDA’s Foreign Talent Recruitment Program policy. In this capacity, OE interfaced with colleagues in the Office of the Chief Scientist, the Research, Education and Economics Mission Area, and the National Institutes of Health to establish a policy that protects the scientific integrity of USDA research programs from being compromised by foreign governments.

Distributed more than 110 different “Ethics in Brief” one-pagers that provide ethics advice in the form of short synopses concerning topical ethics issues.

Provided advice and guidance to USDA’s senior leadership at regular Subcabinet meetings.

Provided ethics training and guidance in connection with USDA’s charitable programs with Departmental-wide scope, such as the Combined Federal Campaign and the Feds Feed Families Campaign

Responded to several thousand ethics questions, including inquiries regarding conflicts of interest, gifts, political activity, financial disclosure, outside activities with nonfederal organizations, and the post government employment restrictions, to ensure officials knew and understood their ethics obligations. The most common questions are used as the basis for OE’s training materials.

Met regularly with staff members of the USDA Office of the Inspector General (OIG) to discuss the application of Federal ethics statutes and regulations to OIG inquiries; provided copies of employees’ financial disclosure reports to OIG when requested. Assisted the OIG financial disclosure team with filing season setup for OIG OGE 450 filers. The OE Director provides live ethics training to all OIG managers, investigators, auditors, and other OIG staff.

Advised the Office of Human Resource Management regarding potential ethics issues presented in employee relations matters.

Responded to document requests from the public and the USDA Freedom of Information Act (FOIA) office in compliance with the FOIA and the Open Government Act, as well as requests to produce public financial disclosure reports from members of the media, interest groups, and the public.

Continued to utilize six strategic action teams (Training, Outreach, Internal Training Professional Development, Financial Disclosure, Advice & Counsel, and Policy & Processes) to engage all OE employees in collaborative projects to develop comprehensive strategies for how OE will deliver services to fulfill its mission. These teams, which involve OE employees across all GS-levels and office locations in the strategic planning of OE's future, enhance the delivery of ethics services to USDA employees by encouraging innovation, diverse thought and employee engagement into how OE will move forward as an organization.

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