

2027 USDA EXPLANATORY NOTES – OFFICE OF ETHICS

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PREFACE

This publication summarizes the fiscal year (FY) 2027 Budget for the U.S. Department of Agriculture (USDA). Throughout this publication any reference to the “Budget” is in regard to the 2027 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 2024 and 2025, Working Families Tax Cut Act, Agriculture, Rural Development, Food and Drug Administration, and Related Agency Appropriations Act, 2026, and the President’s Budget request for 2027. Amounts for 2026 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 “Working Families Tax Cut Act” is used to refer to the Public Law 119-21.

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, sequestration is included in the numbers for mandatory programs in 2024, 2025, 2026 and 2027.

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 small non-zero amounts that do not round up to one (1). Due to rounding, some tables may not sum exactly.

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 (OE) 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, OE 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, 2025, there were 20 permanent full-time employees, including 18 in the headquarters office and two in the field.

The United States Office of Government Ethics (OGE) conducted a review of the USDA Ethics Program in 2025. The review covered program activities for calendar year 2024 and the program review report, which is publicly available on OGE’s website (www.oge.gov), was issued on March 27, 2025. The report, which evaluated all aspects of the USDA ethics program, highlighted three key areas:

- OGE highlighted one USDA “model agency practice” that is worthy of emulation by other Federal agencies: providing ethics-related training and educational opportunities above and beyond what is required by the ethics training rules.
- OGE noted that improvements were needed for the timely certification of public financial disclosure reports and filing of new entrant confidential financial disclosure reports. OGE also recommended ensuring that all Special Government Employees financial disclosure reports are completed and certified in a timely fashion.

AVAILABLE FUNDS AND FTES

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

Item	2024		2025		2026		2027	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Salaries and Expenses:								
Discretionary Appropriations...	\$4,500	20	\$4,500	20	\$4,500	19	\$4,136	17
Total Discretionary Appropriations	4,500	20	4,500	20	4,500	19	4,136	17
Total Adjusted Appropriation ..	4,500	20	4,500	20	4,500	19	4,136	17
Total Available	4,500	20	4,500	20	4,500	19	4,136	17
Lapsing Balances	-65	-	-44	-	-	-	-	-
Total Obligations	4,435	20	4,456	20	4,500	19	4,136	17
Total Obligations, OE	4,435	20	4,456	20	4,500	19	4,136	17
Other USDA:								
OCFO Reimbursement	174	1	182	1	182	1	182	1
OCIO Reimbursement	174	1	182	1	182	1	182	1
Total, Other USDA	348	2	364	2	364	2	364	2
Total, Agriculture Available	4,848	22	4,864	22	4,864	21	4,500	19
Total Available, OE	4,848	22	4,864	22	4,864	21	4,500	19

PERMANENT POSITIONS BY GRADE AND FTES

Table OE-2. Permanent Positions by Grade and FTEs

Item	2024			2025			2026			2027		
	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.....	6	1	7	5	2	7	6	2	8	4	2	6
GS-13.....	7	-	7	7	-	7	5	-	5	5	-	5
GS-12.....	-	-	-	2	-	2	2	-	2	2	-	2
GS-11.....	2	-	2	-	-	-	-	-	-	-	-	-
Total Permanent	19	1	20	18	2	20	17	2	19	15	2	17
Total Perm. FT EOY	19	1	20	18	2	20	17	2	19	15	2	17
FTE	19	1	20	18	2	20	17	2	19	15	2	17

SHARED FUNDING PROJECTS

Table OE-3. Shared Funding Projects

Item	2024 Actual	2025 Actual	2026 Enacted	2027 Estimated
Working Capital Fund:				
Administrative Services:				
General Counsel Legal Compliance	-	-	\$2	\$2
Administrative Services Total	-	-	2	2
Information Technology:				
Client Experience Center	-	-	121	118
Departmental Administration Information Technology	-	-	101	-
Digital Infrastructure Services Center	-	-	-	100
Enterprise Cybersecurity Services	-	-	7	7
Information Technology Total	-	-	229	225
Working Capital Fund Total			231	227

ACCOUNT 1: SALARIES AND EXPENSES

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

Salaries and Expenses

For the necessary expenses of the Office of Ethics, [~~\$4,500,000~~] \$4,136,000.

LEAD-OFF TABULAR STATEMENT

Table OE-4. Lead-Off Tabular Statement (in dollars)

Item	Amount
Estimate, 2026	\$4,500,000
Change in Appropriation	-364,000
Budget Estimate, 2027	<u>4,136,000</u>

PROJECT STATEMENTS

Table OE-5. Project Statement on Basis of Appropriations (thousands of dollars, FTEs) ¹

Item	2024		2025		2026		2027		Inc. or Dec.	FTE Inc. or Dec.	Chg Key
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs			
Discretionary Approp:											
USDA Ethics Program	\$4,500	20	\$4,500	20	\$4,500	19	\$4,136	17	-\$364	-2	(1)
Subtotal Disc. Approps	4,500	20	4,500	20	4,500	19	4,136	17	-364	-2	
Total Appropriation	4,500	20	4,500	20	4,500	19	4,136	17	-364	-2	
Total Available	4,500	20	4,500	20	4,500	19	4,136	17	-364	-2	
Lapsing Balances	-65	-	-44	-	-	-	-	-	-	-	
Total Obligations	4,435	20	4,456	20	4,500	19	4,136	17	-364	-2	

Table OE-6. Project Statement on Basis of Obligations (thousands of dollars, FTEs) ²

Item	2024		2025		2026		2027		Inc. or Dec.	FTE Inc. or Dec.
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs		
Discretionary Obligations:										
USDA Ethics Program	\$4,435	20	\$4,456	20	\$4,500	19	\$4,136	17	-\$364	-2
Subtotal Disc Obligations	4,435	20	4,456	20	4,500	19	4,136	17	-364	-2
Total Obligations	4,435	20	4,456	20	4,500	19	4,136	17	-364	-2
Add back:										
Lapsing Balances	65	-	44	-	-	-	-	-	-	-
Total Available	4,500	20	4,500	20	4,500	19	4,136	17	-364	-2
Total Appropriation	4,500	20	4,500	20	4,500	19	4,136	17	-364	-2

JUSTIFICATION OF CHANGES

Base funds will allow the Office of Ethics (OE) to continue to provide ethics program oversight, execution, policy development, and information to the Secretary and other senior policy officials to support the Department’s compliance with ethics laws and regulations. Additionally, base funds are necessary to allow the Office of Ethics to serve the key functions of conducting financial disclosure reviews, ethics training, Hatch Act training, and providing individual advice and counseling and ethics policy guidance to all employees of the Department. OE’s services raise employee awareness of, and compliance with, mandatory ethics laws and the Hatch Act. This maintains the public’s confidence in the integrity of USDA’s workforce, programs, and initiatives. In accordance with administration policy announced in the Budget, OE will follow new government-wide grants guidance prohibiting the use of Federal funds to pay for subscriptions to academic journals, as well as for the publication of research results that are not specifically required by Federal statute or approved in advance by a Federal agency. This policy preserves funds to support actual research by ensuring that the American

¹ This table does not match MAX Schedule X due to reimbursables.

² This table does not match MAX Schedule X due to reimbursables.

taxpayer does not pay for the research, publication, and access to that research, essentially triple-charging the public for the same product.

The numbers of the following listing relate to values in the Change (Chg) Key column of the Project Statement:

- (1) A decrease of \$364,000 for the Office of Ethics and 2 FTEs (\$4,500,000 and 19 FTEs available in 2026).

The funding change is requested for the following item:

- A) A decrease of \$364,000 and 2 staff years for unfilled vacant positions.

The Office of Ethics (OE) is the sole office that operates the Department’s Ethics program and implements the statutory and regulatory requirements to raise employee awareness and compliance with ethics laws. OE’s work enhances the public’s confidence in the integrity of USDA’s workforce, programs and initiatives. Because OE is a consolidated office there are no redundant ethics programs in the mission areas. OE is the only office which conducts ethics vetting for incoming Administration appointees, provides daily ethics advice to USDA employees Department-wide, and provides post-employment counseling for departing USDA officials.

Despite a proposed adjustment in funding, OE is fully committed to maintaining its high standards and delivering all essential services without compromise. The office will strategically optimize its existing resources and leverage the deep expertise of its dedicated current staff to seamlessly absorb the duties associated with two ethics advisor vacancies. This proactive approach demonstrates OE's exceptional adaptability and unwavering commitment to its crucial mission. Through this resourceful strategy, OE will continue to ensure all USDA employees and political appointees uphold the highest ethical standards, effectively utilizing every available resource to safeguard the Department's integrity and public confidence.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs

Table OE-7. Geographic Breakdown of Obligations and FTEs for USDA Ethics Program (thousands of dollars, FTEs)

State/Territory/Country	2024		2025		2026		2027	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
District of Columbia	\$4,235	19	\$4,022	18	\$4,058	17	\$3,694	15
Illinois	200	1	233	1	237	1	237	1
Pennsylvania	-	-	201	1	205	1	205	1
Obligations	4,435	20	4,456	20	4,500	19	4,136	17
Lapsing Balances.....	65	-	44	-	-	-	-	-
Total, Available	4,500	20	4,500	20	4,500	19	4,136	17

Table OE-8. Classification by Objects – Discretionary Funding (thousands of dollars) ³

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Personnel Compensation:					
	Washington D.C.	\$2,895	\$2,852	\$2,585	\$2,221
	Personnel Compensation, Field	160	311	622	622
11	Total personnel compensation	3,055	3,163	3,207	2,843
12	Personal benefits	1,098	1,151	1,151	1,151
13.0	Benefits for former personnel	2	1	1	1
	Total, personnel comp. and benefits	4,155	4,315	4,359	3,995
Other Objects:					
21.0	Travel and transportation of persons	3	-	-	-
23.1	Rental payments to GSA.....	1	1	1	1
23.3	Communications, utilities, and misc. charges	8	21	21	21
24.0	Printing and reproduction	8	3	3	3
25	Other contractual services	238	115	115	115
25.3	Other goods and services from Fed. sources	11	-	-	-
26.0	Supplies and materials	11	1	1	1
	Total, Other Objects	280	141	141	141
99.9	Total, new obligations.....	4,435	4,456	4,500	4,136
	DHS Bldg. Sec. Payments (included in 25.3)	\$7	\$7	\$7	\$7
Position Data:					
	Average Salary (dollars), ES Position.....	\$225,700	\$225,700	\$225,700	\$225,700
	Average Salary (dollars), GS Position	\$145,000	\$150,000	\$153,000	\$153,000
	Average Grade, GS Position	13.7	14.1	14.1	14.1

³ This table does not match MAX Schedule O due to reimbursables.

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

In 2025, in an effort 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 state-of-the-art ethics training products that can be used to educate not only USDA employees but federal employees throughout the government.

In 2025, the USDA Office of Ethics partnered with their counterparts in NASA to develop and issue an innovative new training product: the USDA-NASA "Meals to Mars" Ethics Training Module. This module, available publicly on USDA's website, uses scenario-based gamification and role-playing to help employees identify and work through ethics issues that commonly arise in the course of Federal employment. The employees' knowledge of the Ethics rules will help them succeed in the game as they help lead a team seeking to provide sustenance to astronauts on their way to Mars. This engaging and groundbreaking game sets the standard for ethics training in the Federal government and is currently in use by agencies throughout the Executive Branch. Additionally, OE worked with the Department of Interior to create the USDA-DOI OGE-450 Financial Disclosure Training Module to assist employees in sensitive positions in accurately and completely submitting their financial disclosure reports, which are required of approximately 14,000 USDA employees.

OE also continued to revise and revamp the content on OE's public website. In the wake of changes brought by the Deferred Resignation Program, OE leadership developed three new webpages: One specifically dealing with the ethics implications employees on DRP-related administrative leave, a second focused on the rules governing seeking nonfederal employment, and a third detailing the post government employment rules, which can be incredibly complex. To further assist departing employees and leverage the knowledge of OE's limited staff, OE's leadership developed a set of standard post government employment memoranda that can be provided to former USDA employees whose post-USDA employers require letters addressing the statutory restrictions to which the former employee is subject.

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 120 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 2025, OE completed another successful year of electronic filing of Congressionally-mandated ethics financial disclosure reports. OE completed the review of 1,262 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 12,091 confidential financial disclosure reports (OGE-450). In total, 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 ninth consecutive year, more than 98 percent of all USDA employees who were required to take annual ethics training (10,779 in total) completed that requirement in a timely fashion, and 82.5 percent (8,402 employees) of new USDA employees completed initial ethics orientation training as required by statute.

Further, 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 220 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.

Additionally, 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.

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 2025, OE staff received 228 responses to this survey. 98 percent indicated the highest possible level of satisfaction with OE's customer service and only 0.5 percent 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, 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 120 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.

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 general public.