

gram for which there are no authorizations of appropriations made under this subtitle or made by an amendment made by this subtitle.”

**§ 3490. Potential financial interests or impaired objectivity of covered individuals or entities**

**(a) Maintenance of integrity and ethical values within Department of Education**

Within 60 days after December 26, 2007, the Secretary of Education shall implement procedures—

(1) to assess whether a covered individual or entity has a potential financial interest in, or impaired objectivity towards, a product or service purchased with, or guaranteed or insured by, funds administered by the Department of Education or a contracted entity of the Department; and

(2) to disclose the existence of any such potential financial interest or impaired objectivity.

**(b) Review by Inspector General**

(1) Within 60 days after the implementation of the procedures described in subsection (a), the Inspector General of the Department of Education shall report to the Committees on Appropriations of the House of Representatives and the Senate on the adequacy of such procedures.

(2) Within 1 year, the Inspector General shall conduct at least 1 review to ensure that such procedures are properly implemented and are effective to uncover and disclose the existence of potential financial interests or impaired objectivity described in subsection (a).

(3) The Inspector General shall report to such Committees any recommendations for modifications to such procedures that the Inspector General determines are necessary to uncover and disclose the existence of such potential financial interests or impaired objectivity.

**(c) Definition**

For purposes of this section, the term “covered individual or entity” means—

(1) an officer or professional employee of the Department of Education;

(2) a contractor or subcontractor of the Department, or an individual hired by the contracted entity;

(3) a member of a peer review panel of the Department; or

(4) a consultant or advisor to the Department.

(Pub. L. 110-161, div. G, title III, §306, Dec. 26, 2007, 121 Stat. 2198.)

**Editorial Notes**

**CODIFICATION**

Section was enacted as part of the Department of Education Appropriations Act, 2008, and also as part of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2008, and the Consolidated Appropriations Act, 2008, and not as part of the Department of Education Organization Act which comprises this chapter.

**SUBCHAPTER V—TRANSITIONAL, SAVINGS, AND CONFORMING PROVISIONS**

**§ 3501. Transfer and allocation of appropriations and personnel**

**(a) Personnel and appropriations in connection with functions and offices transferred by this chapter; use of unexpended funds**

Except as otherwise provided in this chapter, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions and offices, or portions thereof transferred by this chapter, subject to section 1531 of title 31, shall be transferred to the Secretary for appropriate allocation. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

**(b) Positions specified to carry out functions or offices transferred by this chapter**

Positions expressly specified by statute or reorganization plan to carry out functions or offices transferred by this chapter, personnel occupying those positions on the effective date of this chapter, and personnel authorized to receive compensation in such positions at the rate prescribed for offices and positions at level IV or V of the Executive Schedule (5 U.S.C. 5315-5316) on May 4, 1980, shall be subject to the provisions of section 3503 of this title.

(Pub. L. 96-88, title V, §501, Oct. 17, 1979, 93 Stat. 689.)

**Editorial Notes**

**CODIFICATION**

In subsec. (a), “section 1531 of title 31” substituted for “section 202 of the Budget and Accounting Procedures Act of 1950 [31 U.S.C. 581c]” on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

In subsec. (b), “May 4, 1980” substituted for “the effective date of this chapter” pursuant to section 601 of Pub. L. 96-88, set out as an Effective Date note under section 3401 of this title.

**§ 3502. Effect on personnel**

**(a) Non-separation or non-reduction in grade or compensation of full-time personnel and part-time personnel holding permanent positions**

Except as otherwise provided in this chapter, the transfer pursuant to this subchapter of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of transfer to the Department.

**(b) Positions compensated in accordance with Executive Schedule**

Any person who, on the day preceding May 4, 1980, held a position compensated in accordance with the Executive Schedule prescribed in chap-