



PRESIDENT'S COUNCIL on INTEGRITY & EFFICIENCY

STATEMENT

OF

KENNETH M. MEAD

CHAIR

LEGISLATIVE COMMITTEE

PRESIDENT'S COUNCIL ON INTEGRITY AND EFFICIENCY

STATE OF THE INSPECTOR GENERAL COMMUNITY

PCIE SURVEY ON S. 2167

FOR THE

SENATE COMMITTEE

ON

GOVERNMENTAL AFFAIRS

SEPTEMBER 9, 1998

WASHINGTON, D.C.

Chairman Thompson, Senator Glenn, and other Members of the Committee:

We are pleased to have this opportunity to present the results of a survey conducted by the President's Council on Integrity and Efficiency (PCIE) on S. 2167, the Inspector General Act Amendments of 1998, introduced by Senator Collins and now pending before the Committee. The Inspector General community appreciates the strong support this Committee, in a bipartisan fashion, has traditionally given to Inspectors General. We hope this information will be useful to the Committee as it considers S. 2167 and other matters affecting the Inspector General community.

In order to be responsive to the Committee's interest in S. 2167, the Legislative Committee of the President's Council on Integrity and Efficiency (PCIE) conducted a survey of all Inspectors General. This includes all Inspectors General appointed by the President, represented by the PCIE, as well as those serving in Designated Federal Entities, represented by the Executive Council on Integrity and Efficiency (ECIE). All 27 PCIE Inspectors General responded, and we have replies from 25 of 30 ECIE Inspectors General.

A complete copy of the survey is attached for your reference and we would ask that it also be made a part of the Committee's hearing record.

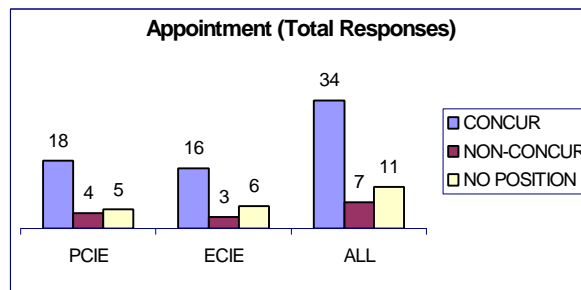
The survey shows that there is a general consensus within the Inspector General community for the underlying principles embodied in the major provisions of S. 2167, with one significant exception. We note, however, consensus is different from unanimity. This reflects the fact that our community consists of some 57 individuals, each with their own background and experience, interacting with agencies performing a wide variety of missions. On most matters, there are distinct minority viewpoints. We have tried to summarize and fairly present all of these perspectives in a format that will assist this Committee and Congress on issues pertaining to the Inspector General Act.

We hasten to add that this survey reflects the views of individual Inspectors General. It does not necessarily represent official Administration policy.

Following are the results, in brief, of the survey regarding the major provisions in S. 2167:

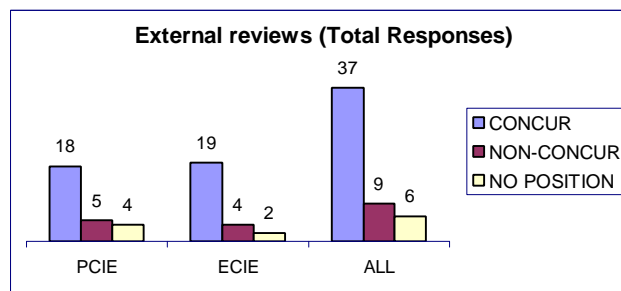
Section 2. Establish nine-year term limit with possibility of reappointment

There was support throughout the Inspector General community for some sort of fixed term, although there was no consensus as to the most desirable duration of that term. Opinions on the appropriate length of any such term varied, ranging from 5-6 years, the 9 years contained in the proposed legislation, and 15 years, comparable to the Comptroller General. Most IGs felt that a fixed term would enhance independence, although several expressed concerns that IGs might become lame ducks at the end of their terms or less aggressive in hope of securing reappointment.



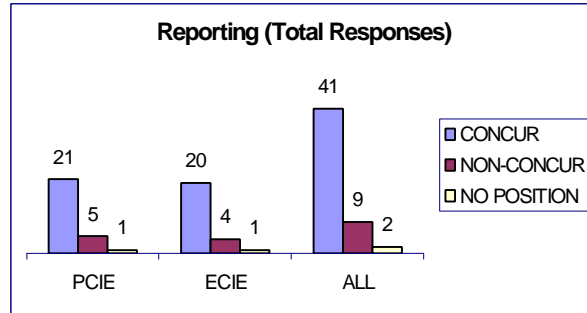
Section 3. Require external reviews of OIG management and operations every three years, conducted by GAO, a disinterested OIG, or an appropriate private entity

There was general support for the concept of external reviews in the areas identified so long as they did not overlap existing external audits and peer reviews, employed objective criteria, and would not be used primarily as a means to “second guess” an IGs mission-related decisions. A number of respondents desired that language be included to ensure that such reviews did not encompass management practices, operations, and procedures in the criminal investigative realm, particularly with respect to OIG and DOJ prosecutorial decisions.



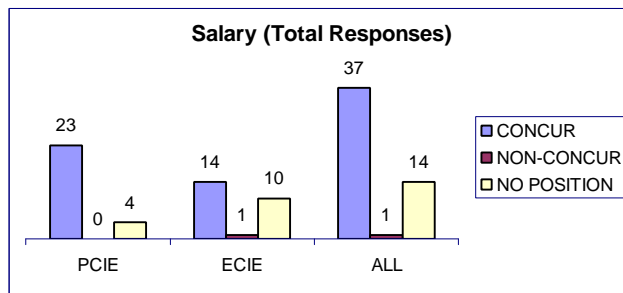
Section 4. Establish new annual reporting requirements with modifications of the information to be provided

Most Inspectors General favored moving to annual reports instead of the current semi annual framework. While the majority did not elaborate on their reasons for backing annual publication, those who did cite cost or staff time. Some Inspectors General, however, voiced concerns that annual publication would make the reports stale and less useful to Congress. In addition, there were numerous suggestions regarding the contents of the report, the current requirements, and those contained in the proposed legislation.



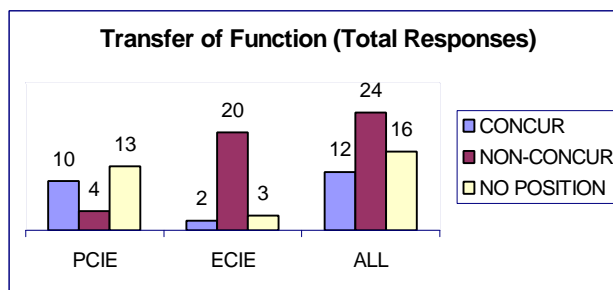
Section 5. Increase all PCIE IG and Postal Service IG salaries from Executive Salary Level IV to Executive Level III

As with the other provisions of the proposed legislation, this section also met with strong support from community members. Virtually all IGs are concerned about the appearance of impropriety associated with IGs accepting awards from the agency head over whom they exercise oversight.



Section 6. Transfer of Functions from certain Designated Federal Entity Inspectors General into statutory Offices of Inspector General

This portion of the bill was the least well received. Those opposed to the proposed amendment felt that: (1) the benefits associated with the presence of an IG in the smaller agencies outweigh any administrative inefficiencies which may exist, and; (2) the size of an



OIG organization does not adequately measure the effectiveness and contributions of the IG in preventing and detecting waste, fraud and abuse in the entity's operation. Those who favored the proposal felt that it would enhance the independence of IG oversight in these entities. There were also some suggestions that this section be expanded to consolidate other mission-related IG offices. Finally, a number of IGs felt the issue needs further study to ascertain whether such transfers would actually contribute to increased efficiencies and more effective oversight.

We understand that some Inspectors General within the ECIE community have also been in touch with the Committee to provide more detailed thoughts and comments on this provision and other related matters.

Law Enforcement Authority

Although this item was not ultimately included in the legislation as introduced, we thought the Committee would be interested in the views of the Inspector General community regarding the subject of full statutory law enforcement authority, such as the ability to make arrests, and carry firearms. Currently, a small number of Inspectors General have statutory law enforcement authority. The majority of other Inspectors General receive law enforcement authority through annual deputations from the Department of Justice.

Our survey found that an overwhelming majority of Inspectors General would welcome statutory law enforcement authority, citing the need to carry firearms and have arrest authority particularly when agents encountered violent and dangerous individuals in precarious locations. Many also cited the need for statutory law enforcement authority due to their agents' increased participation in joint task force operations with other local, state, and Federal law enforcement agencies. Some Inspectors General further indicated that the authority to execute search warrants and order testimonial subpoenas would also enhance their operations.

We should add that a minority, consisting mainly of DFE IGs, felt that they did not need such powers, but did support granting law enforcement authority to those OIGs whose operations required its use.

Notes on PCIE Survey

For each major provision of S. 2167, the survey includes suggested modifications and technical amendments that Inspectors General have recommended to further clarify and enhance the bill. Additionally, we have attached selected comments of particular interest for each of the specific provisions contained in the legislation. Given the nature and importance of Section 6-- transfer of the functions currently performed by several Inspectors General of Designated Federal Entities into the Offices of certain statutory Inspectors General-- we have provided the comments received in full from each of the entities that would be affected.

We again appreciate the opportunity to share with you this information and hope it will be useful to the Committee as it considers S. 2167 and other matters affecting the Inspector General community. We look forward to continuing this dialogue and maintaining a constructive relationship with the Committee.

Thank you.