

STATEMENT FOR THE RECORD OF

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BEFORE THE

SUBCOMMITTEE ON EFFICIENCY AND EFFECTIVENESS OF FEDERAL PROGRAMS AND THE FEDERAL WORKFORCE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENT AFFAIRS U.S. SENATE

"STRENGTHENING GOVERNMENT OVERSIGHT: EXAMINING THE ROLES AND EFFECTIVENESS OF OVERSIGHT POSITIONS WITHIN THE FEDERAL WORKFORCE"

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Good afternoon, Chairman Tester, Ranking Member Portman, and Members of the Committee. On behalf of the Chair of the Council of the Inspectors General on Integrity and Efficiency's (CIGIE), I am honored to represent the Federal Inspector General (IG) community this morning to discuss our work and recent accomplishments, and some of the challenges we face in carrying out oversight duties. I currently serve as the Chair of CIGIE's Legislation Committee.

Let me begin by thanking this Subcommittee, on behalf of the IG community, for your continuing support of our mission and your interest in our work. This support is longstanding and bipartisan, and we are truly grateful.

I am pleased to report to this Subcommittee that the Inspector General Reform Act of 2008 (or IG Reform Act) is working as intended. CIGIE serves a leadership role and is the core of the IG community. Together, the work of the IG community resulted in significant improvements to the economy and efficiency of programs Government-wide, with potential savings totaling approximately \$46.3 billion. With the IG community's aggregate FY 2012 budget of approximately \$2.7 billion, these potential savings represent about a \$17 return on every dollar invested in the OIGs.

Notwithstanding these results, OIGs do face certain challenges as they work to improve the efficiency and effectiveness of government programs. Our principal challenges pertain to

independence concerns and to timely access to information. In recent years, CIGIE has been advocating for additional tools to alleviate these challenges and enhance our ability to do our jobs for the taxpayers.

CIGIE feels strongly that OIGs should be exempted from the Computer Matching and Privacy Protection Act relative to using electronic means to identify those who improperly receive Federal assistance and/or payments and subsequently, seek removal from the program and/or recoveries after verification and applicable due process. This would improve program efficiency and enables the Government to focus resources on eligible applicants.

Similarly, CIGIE has recommended that the Paperwork Reduction Act (PRA) be amended to exempt Federal IG offices from its requirements. The PRA requires that information collections, such as OIG surveys, be subject to approval from a "senior official" of the agency and then from OMB. While the 1995 PRA Amendments specifically exempted independent regulatory agencies from these requirements, and continues to exempt the Government Accountability Office, they were silent on the question of application to IGs. These exemptions would enhance the independence of IGs and remove lengthy processes that are better aligned with the role of Government interactions with the public, than oversight of the Government entity by the OIG.

The IG community has been hit especially hard by the uncertainty in the budget process and cuts to operating budgets. OIGs by nature are comprised principally of personnel, and their budgets are dedicated to funding the same. A recent survey of the IG community by the Association of Government Accountants found that more than two-thirds of the IGs interviewed identified budget resources as a top challenge. Many offices reported undertaking hiring restrictions and limiting new investments to operate under current budget levels. To highlight this finding, in my office, we have an approximate 17 percent vacancy rate due to an ongoing hiring freeze.

As an IG, I am grateful that IGs across the Government have a voice through CIGIE and have access to training and other resources that did not exist prior to the IG Reform Act. The IG Reform Act established CIGIE to serve as a unified council of statutory Federal IGs, to carry out two key missions:

- address integrity, economy, and effectiveness issues that transcend individual Government agencies; and
- increase the professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the offices of the Inspectors General.

CIGIE's members currently include 72 IGs from the executive and legislative branches of Government, as well as 6 senior administration officials with related portfolios and responsibilities.

In accordance with CIGIE's primary mission, over the past several years the IG community has identified and addressed a number of issues that transcend individual agencies. CIGIE has issued reports on such topics as cybersecurity, suspension and debarment, the use of new media, the effectiveness of the Chief Financial Officers Act of 1990, disaster preparedness programs,

international trade and competitiveness, IG hotline operations and whistleblower protections, the Federal Audit Clearinghouse, and IG oversight of the American Recovery and Reinvestment Act of 2009. These reports and others are available on CIGIE's website at <u>www.ignet.gov</u>.

CIGIE's training and professional development mission is addressed through our Training Institute, which offers training to OIG audit, investigative, inspection and evaluation, leadership, and mission support personnel. Though the institute is still in a developmental phase, in FY 2012, the institute delivered 55 specialized training courses to 1,677 students, representing a 17 percent increase of students from the previous year.

CIGIE's standing committees are active bodies that are responsible for, among other things, developing professional standards that apply to overall OIG operations, as well as OIG audits, investigations, inspections, and evaluations. CIGIE, through its committees, also manages a peer review program of IG audit and investigation operations that evaluates OIG adherence to the professional standards. In FY 2012, CIGIE initiated a pilot program to peer review OIG inspection and evaluation activities on a voluntary basis. These programs play a critical role in advancing the professionalism of OIG operations and enhancing confidence in the quality of OIG products.

This concludes my testimony. Thank you again for inviting me to testify today before the Subcommittee about the role of CIGIE and challenges faced by the IG community. I would be pleased to address any questions you may have.