



OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY

“ENHANCING PUBLIC TRUST IN GOVERNMENT”

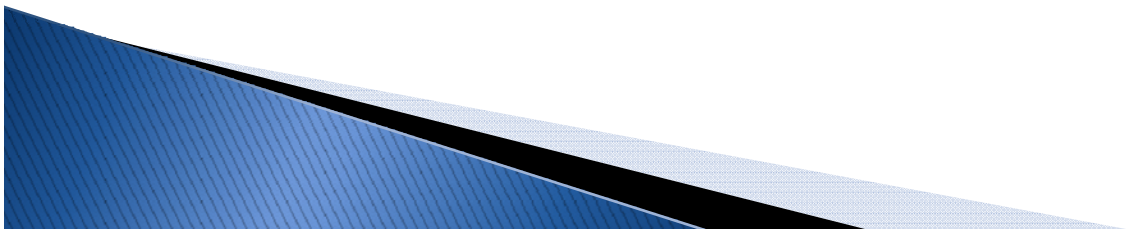
The IG’s Role in Promoting Ethics in Government

John A. Carey
INSPECTOR GENERAL

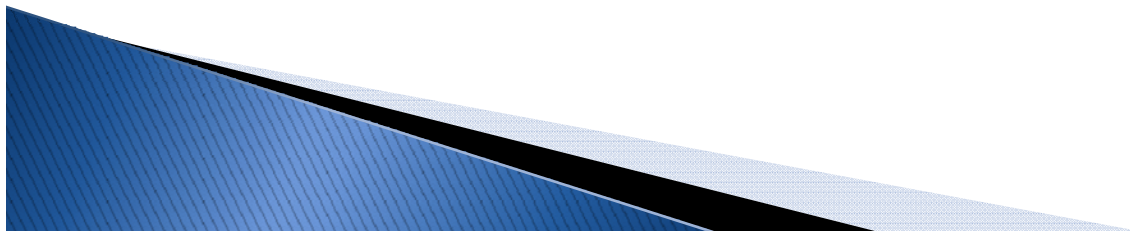
November 7, 2014

Overview

- ▶ **History of U.S. Inspectors General.**
- ▶ **The Palm Beach County Office of Inspector General.**
- ▶ **The IG's Special Role in Promoting Ethics in Government.**



History of U.S. Inspectors General



Beginnings

- ▶ **1777 – George Washington is commander of the Continental Army.**
- ▶ **Army (established in 1775) is new, loosely organized, and untrained.**
- ▶ **Oct. 1777 – Washington proposes idea of an Inspector General.**
- ▶ **IG would promote tactical efficiency of the Army, report to Commander in Chief.**



Beginnings (cont'd)

- ▶ **Dec 1777 – Congress authorizes an IG with modifications to Washington's proposal.**
- ▶ **Congress' vision of an IG:**
 - **An inspector to review the troops and provide an understanding of unit's condition, less of a drillmaster as Washington wanted.**
 - **IG would largely be an agent of Congress, reporting to Congress.**

Washington's IG → Report to Commander

vs.

Congress' IG → Report to Congress

The question of whom the IG should report to is not easily answered

Beginnings (cont'd)

- ▶ Ultimately, Washington wins the battle for control and got his IG.
- ▶ The first IG would report to Washington on many aspects of the Army's operations.
- ▶ Friedrich Wilhelm Augustus von Steuben arrives at Valley Forge in Feb. 1778.
- ▶ The groundwork of the IG system had been laid.



Friedrich von Steuben

Beginnings (cont'd)

- ▶ **The first IG was much like our IGs today:**
 - **Duties: Independent, objective observations – “the eyes and ears” of the commander and “the conscience” of the organization promoting efficiency and effectiveness.**
 - **Dual reporting: Report to agency head, also report to Congress = Independence.**

IG Concept Moves into the Civilian Side of the Federal Government

- ▶ **1952 – CIA appoints an Inspector General.**
- ▶ **1959 – First Federal “Statutory IG” was created to oversee the International Cooperation Administration, the predecessor to today’s U.S. Agency for International Development.**
- ▶ **Other federal statutory and non-statutory IGs are created.**

Landmark Legislation

Inspector General Act of 1978

- ▶ Political climate of late 1970s.
- ▶ Serious fraud, waste, and abuse at two large Federal agencies.
- ▶ Congress felt that *broad reform* was needed to root out fraud, waste, and abuse *government-wide*.
- ▶ Answer to this problem was the *Inspector General Act*.

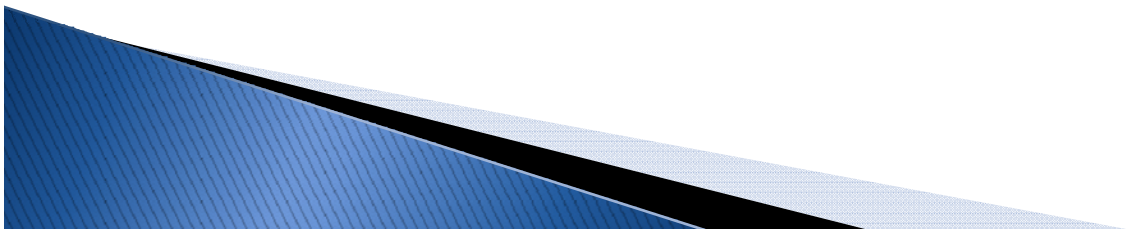
Landmark Legislation

Inspector General Act of 1978

- ▶ Two hundred years after the first IG was appointed by the Continental Congress, the IG Act created statutory IGs.
- ▶ The 1978 IG Act created “independent” IGs reporting to both their establishment heads and to Congress with unique authorities and responsibilities to:
 1. Promote efficiency and effectiveness.
 2. Prevent and detect fraud, waste, and abuse.

State and Local OIGs

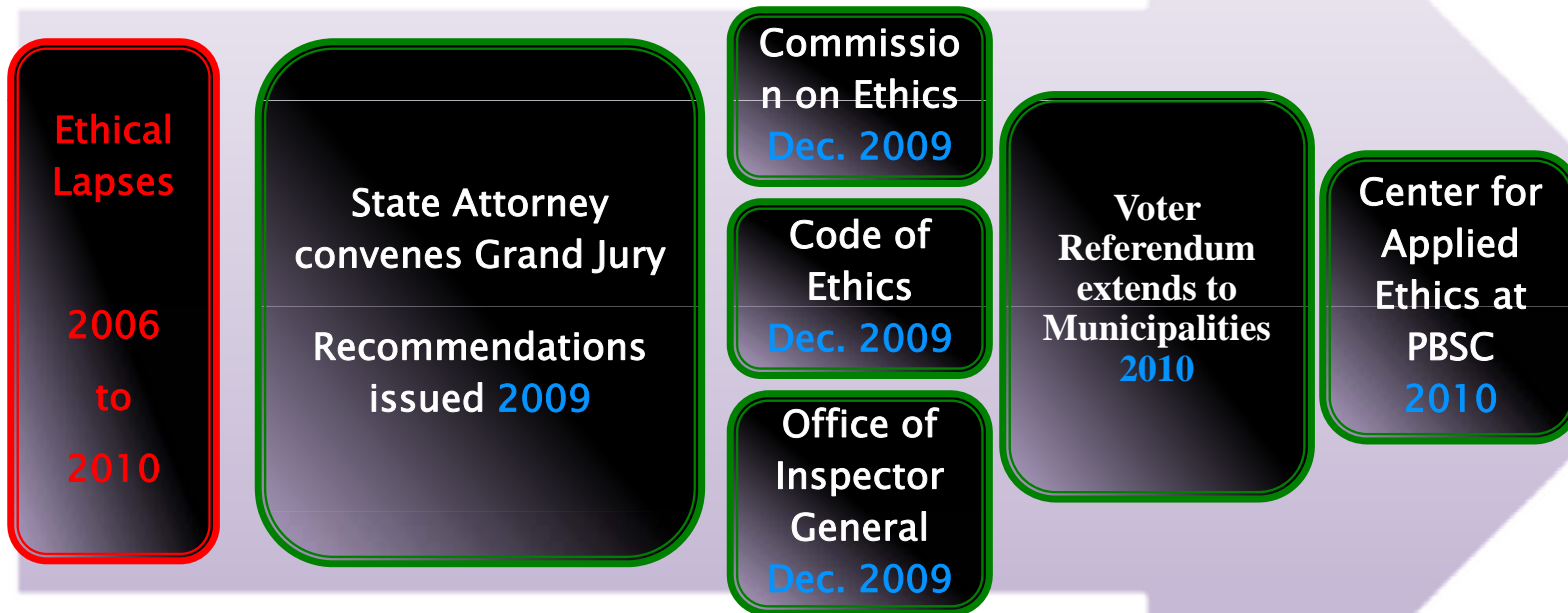
- ▶ **In the 1970s, state, county, and municipal OIGs followed suit based on the federal model.**
 - **Currently, in the US there are approximately 30 state IGs, as well as, numerous county and municipal IGs.**
 - **Florida has a Chief IG and an IG in every State agency.**
 - **IGs exist in Universities, Constitutional Offices, etc.**
- ▶ **The Association of IGs was created to establish core/consistent IG standards based on strict federal standards.**



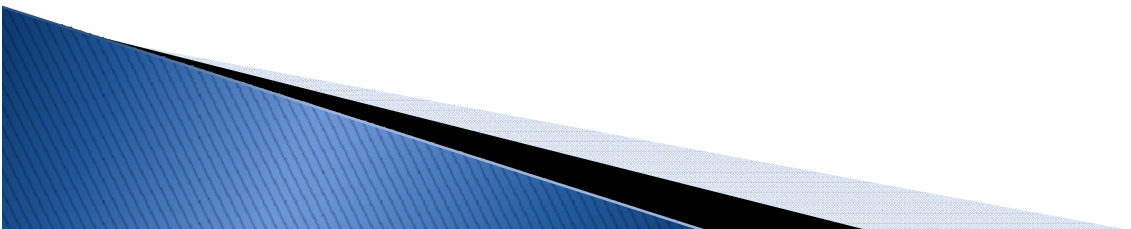


**The Palm Beach County
Office of Inspector General**

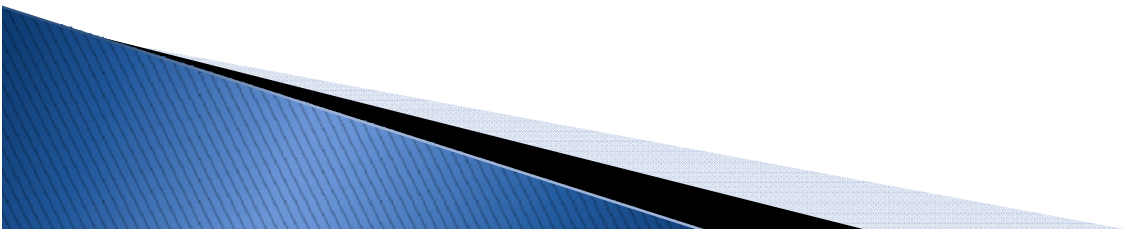
Palm Beach County Ethics Movement



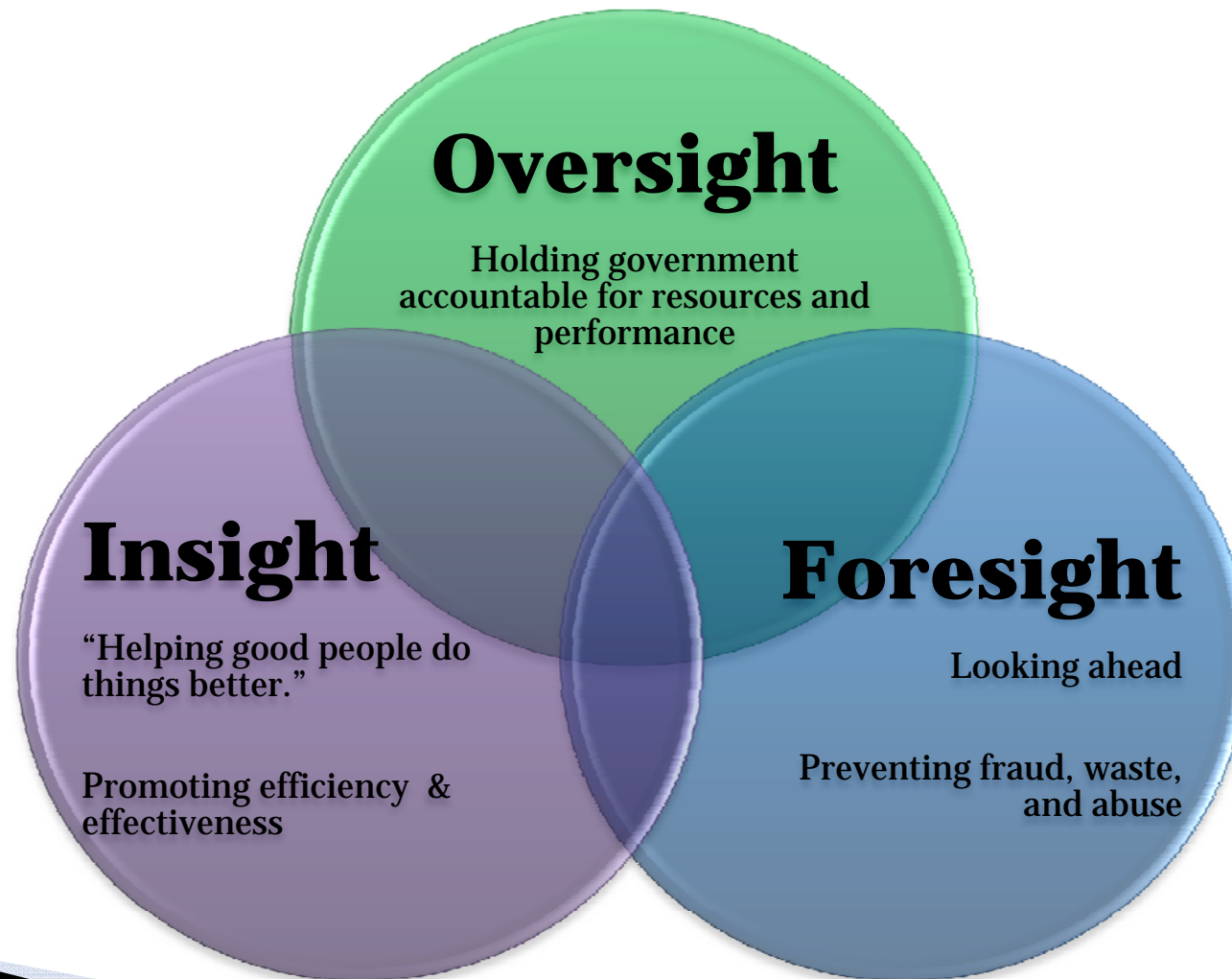
The Creation of the Palm Beach County IG

- ▶ In the spring of 2010, Palm Beach County established the Palm Beach County Office of IG as an independent IG.
 - ▶ November 2010, by over a 72% majority, the people of Palm Beach County voted to expand the IG's jurisdiction over all 38 municipalities.
 - ▶ The Palm Beach County IG is unique in that this is the only IG that reports to its citizens.
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PBC OIG's Mission and Functions

- ▶ **Our mission is to provide independent and objective insight, oversight, and foresight in promoting efficiency, effectiveness, and integrity in government.**
 - ▶ **We accomplish this mission by conducting audits, investigations, and contract oversight activities.**
 - ▶ **Ultimately, enhancing public trust in government.**
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Our OIG Approach



Organization

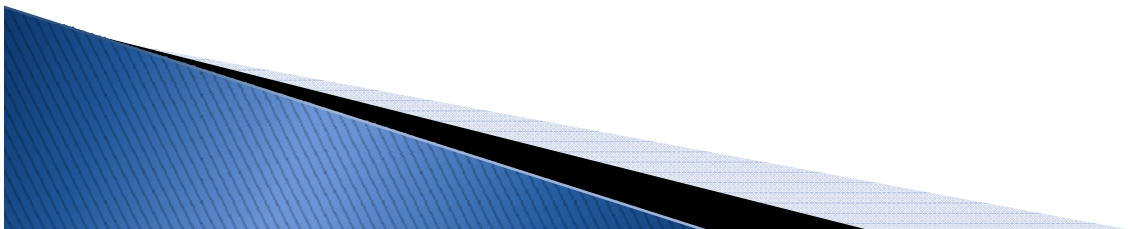
The Office of Inspector General is organized into three services:

- ▶ *Audits*
- ▶ *Investigations*
- ▶ *Contract Oversight*

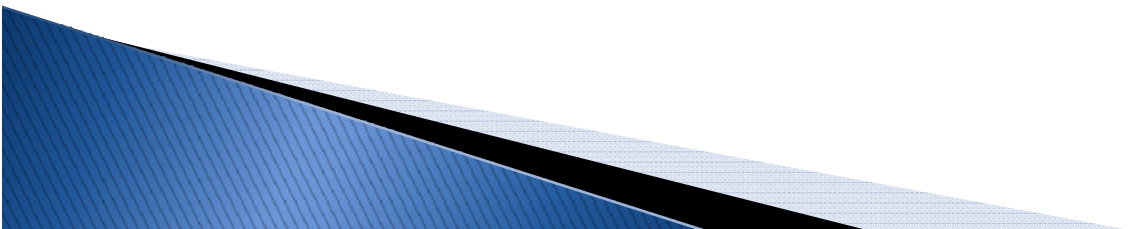


WHAT THE IG DOES NOT DO

- ▶ **Fire or discipline employees.**
- ▶ **Conduct Criminal Investigations.**
- ▶ **Arrest people.**
- ▶ **Make policy.**



WHAT THE IG DOES DO

- ▶ **Fact Finders.**
 - ▶ **Issue Recommendations to Enhance Policies, Procedures, Rules, and Internal Controls.**
 - ▶ **Make Recommendations to Take Appropriate Corrective Action(s).**
 - ▶ **Provide Transparency to the Public.**
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Shining a Light on Government

- ▶ **Publish Audit, Investigative, and Contract Oversight Reports.**
- ▶ **Meet with Inspector General Committee every six months.**
- ▶ **Issue an Annual Report.**
- ▶ **Maintain OIG Website.**



Return on Investment

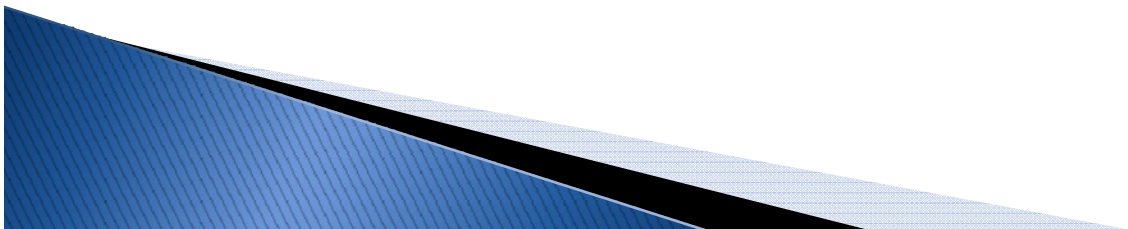
- ▶ **We Listen.**
 - **6,000 (+) Hotline/Office Calls**
 - **1,295 Correspondences**



Data since PBC IG's inception in 2010

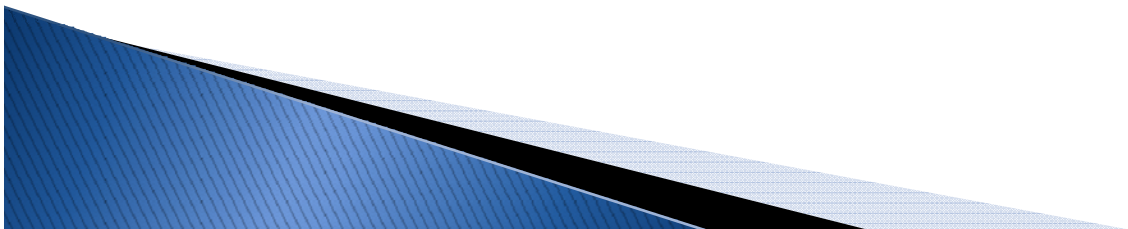
Return on Investment

- ▶ **We Guard and Save Taxpayers' Dollars.**
 - **\$12M (+) Found in Questioned Costs**
 - **\$1.7M (+) Found in Identified Costs**
 - **\$8.1M (+) Discovered in Avoidable Costs**



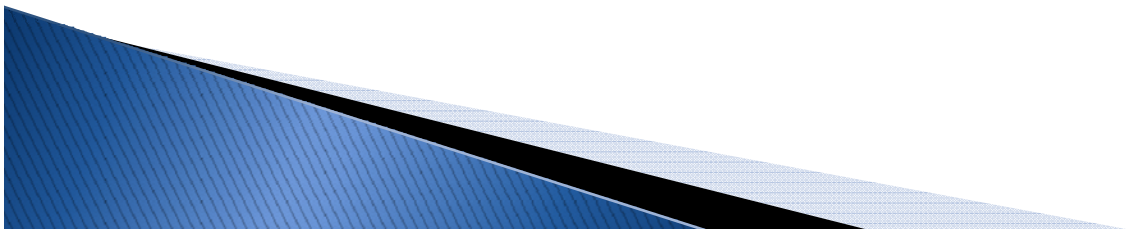
Return on Investment

- ▶ **We Make Government Better.**
 - **383 Recommendations/Corrective Actions**
 - **331 Implemented**
 - **30 Pending Implementation**
 - **22 Not Implemented**

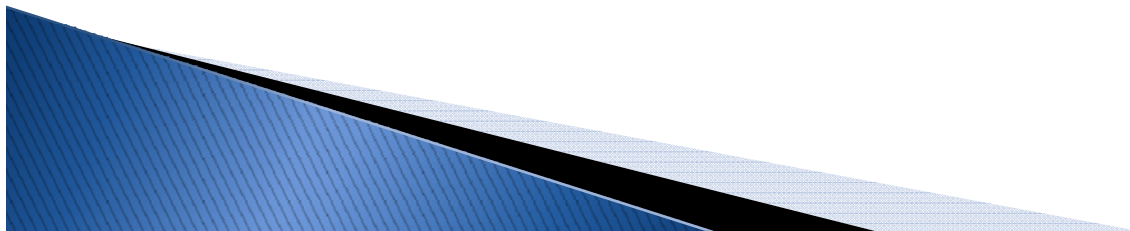


Return on Investment

- ▶ **We Hold People Accountable.**
 - **Six (6) Investigations and Two (2) Audits led to Ten (10) arrests and/or prosecutions.**
- ▶ **Culture changes are happening.**
- ▶ **Enhancing trust in government.**

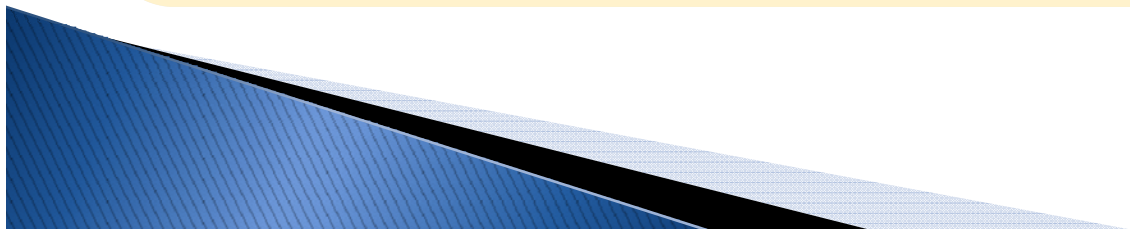
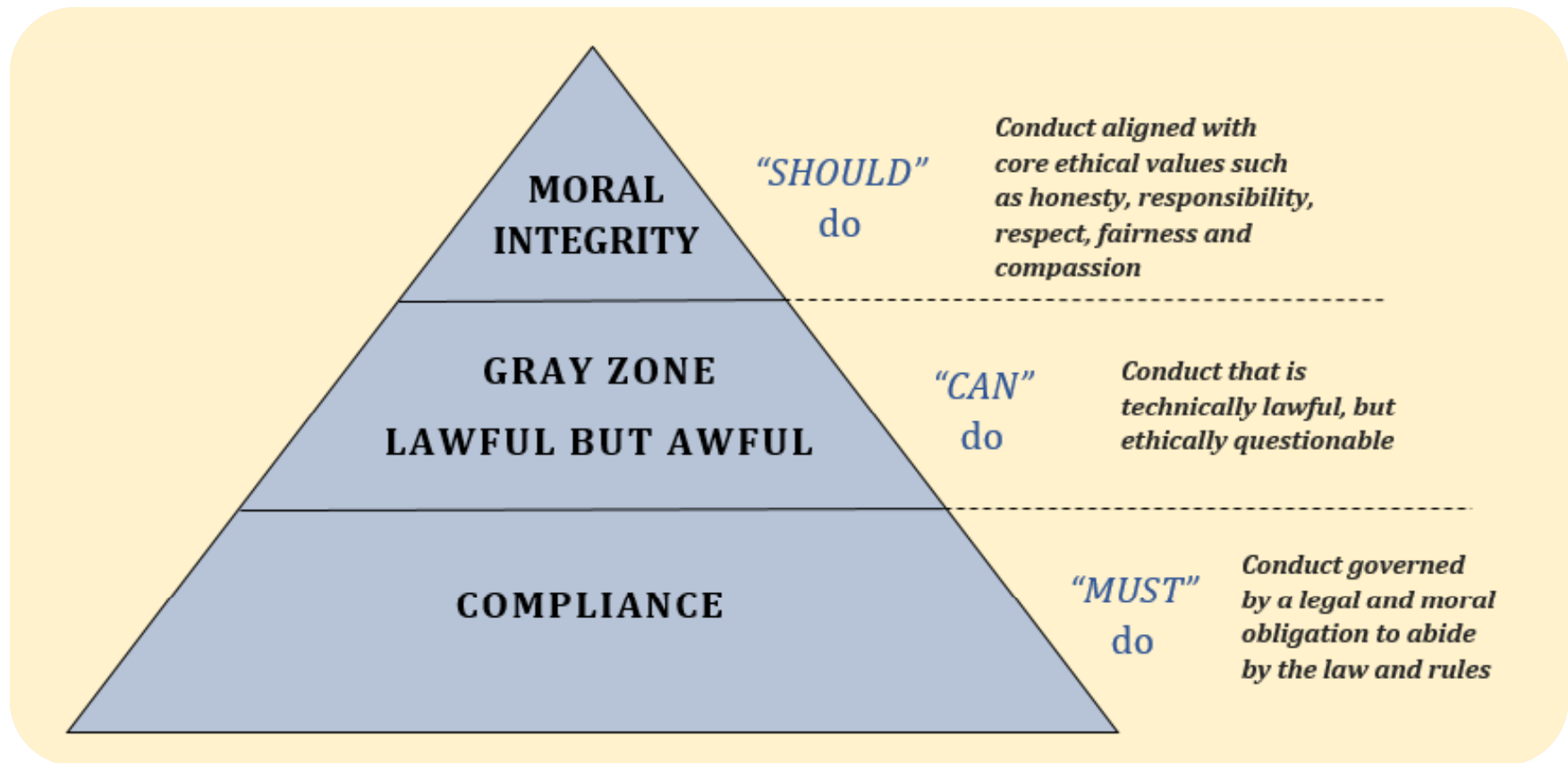


The IG's Special Role in Promoting Ethics in Government



Ethics Hierarchy

The Three Levels of Ethics



Ultimately, What Value Does an OIG Provide?

“The strength of a democracy is in the trust of its citizenry in its government.

- Senator Joseph Lieberman

“Ultimately, what IGs provide is confidence in government.”

*- Ben Bernanke
Federal Reserve Board*

“IGs serve to keep government honest, effective and efficient... Your contributions go beyond dollars and cents ... You keep people safe and hold people accountable... You provide faith in government.”


- Senator Jon Tester

“The IG’s role is to protect the integrity of the Agency and the American people are the recipients of that integrity.”

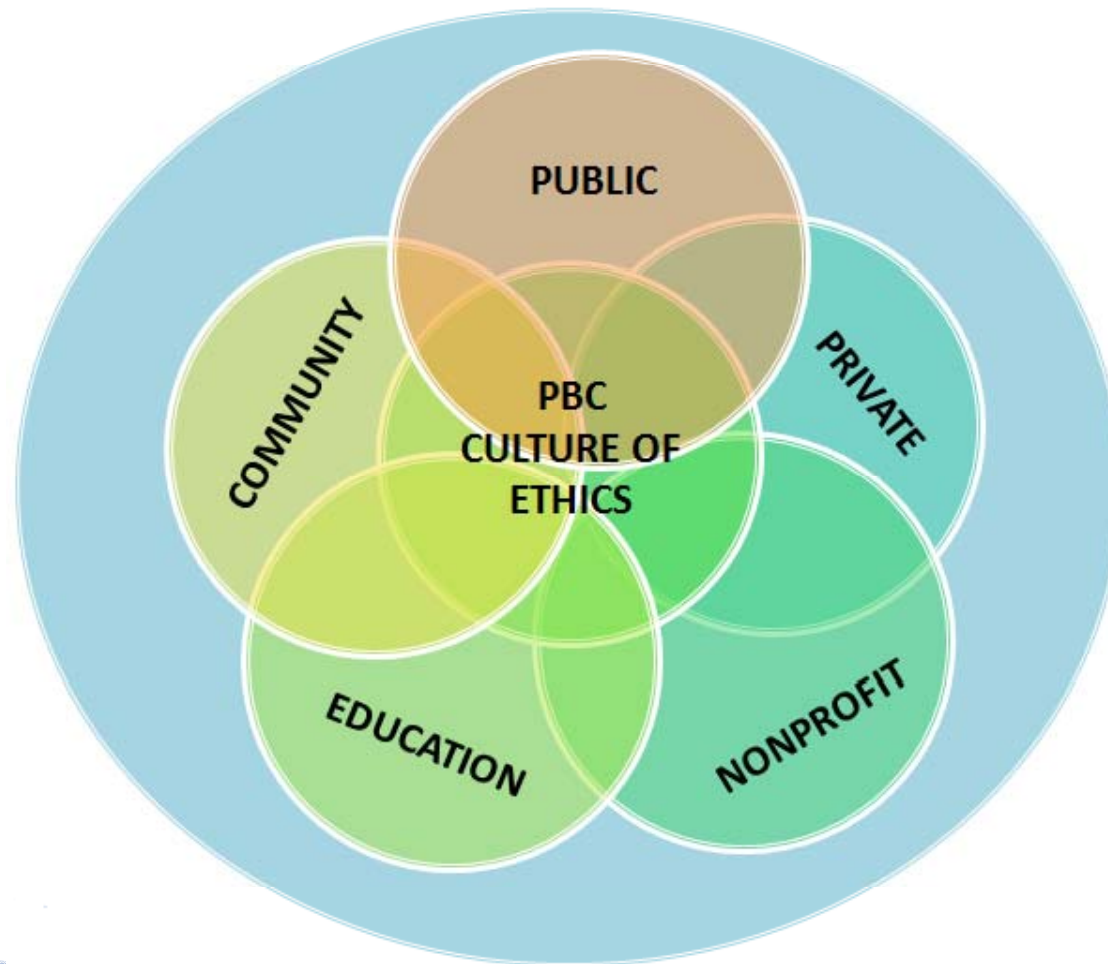
*- Michael T. Flynn
Lieutenant General, USA*



However, we all know:

- ▶ **In the fight between culture and compliance, culture will always win.**
 - ▶ **Ethics is about choice, compliance is about acquiescence.**
 - ▶ **So while the IG promotes accountability, integrity, and ethics in government; building and maintaining a culture of ethics is a team effort.**
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Ultimately Building and Maintaining a Culture of Ethics is Everyone's Business



QUESTIONS?

Visit our website at:

<http://www.pbcgov.com/OIG>

