

Statement for the Record by Gordon Heddell
Former Inspector General, U.S. Department of Defense
for the
House Government Operations Subcommittee Hearing
On Inspectors General and the Importance of Independence

Chairman Connolly, Ranking Member Hice, and esteemed members of the subcommittee. Thank you for allowing me to enter this statement for the record. I am presenting this statement in my individual capacity. I had the honor of serving as the 6th Inspector General of the U.S.

Department of Labor and the 7th Inspector General of the U.S. Department of Defense. I am also a former Assistant Director of the United States Secret Service and a veteran of the United States Army. I served as a Chief Warrant Officer and helicopter pilot.

I. RECRUITMENT OF FEDERAL INSPECTOR GENERAL CANDIDATES

The key elements for success as an Inspector General are (1) Professionalism (competence and skills), (2) Independence, (3) Integrity, and (4) Maturity.

II. ESTABLISHMENT OF AN INSPECTOR GENERAL ACADEMY

Recommendation 1

Newly confirmed Inspectors General should be required to undergo a formal course of orientation and training in preparation for assuming their new roles as IGs.

Recommendation 2

All newly selected supervisors in the various offices of inspector general should be required to undergo orientation and training prior to assuming their new positions.

Recommendation 3

Essential subject areas to be taught at the Inspector General Academy:

- The Concept and Essential Principles of Independence
- Evaluating Threats to Independence
- The Importance of Transparency
- Inspector General Accountability
- The IG Relationship with Congress and the Agency Head
- The Essence of Economy, Efficiency, and Effectiveness
- The Relationship Between Inspectors General and the
Government Accountability Office
- Addressing Fraud, Waste, and Abuse
- Financial Statement Audits
- Criminal Investigations and Judicial Proceedings

- The Role of the Integrity Committee
- Assault, Harassment, and Whistleblower Retaliation
- Inspector General Integrity: Conduct and Ethics
- Leading an Inspector General Organization
- Senior Official Investigations
- The Role of the Council of Inspectors General on Integrity and Efficiency (CIGIE)

III. THE IMPACT OF VACANCIES AND THE ROLE OF ACTING INSPECTORS GENERAL

It is critically important that Congress pass legislation aimed at minimizing the duration of Inspector General vacancies.

“In recent years, the number and duration of IG vacancies have raised concerns about the effect of vacancies on the ability of Offices of Inspectors General (OIG) to carry out their statutory responsibilities. When vacancies exist for long periods of time, designating qualified individuals as acting IGs is even more critical. Subject matter experience is not sufficient; the acting IG must also meet the independence requirements of GAGAS and comply with the provisions of the IG

Act that protect the OIG from inappropriate interference.” (GAO-20-639R Inspectors General Independence)

Key Concerns:

- Acting IGs should come from within the Office of Inspector General, having expertise in agency issues and knowledge of the OIG’s role in that particular Department or Agency.

Recommendation

- Acting IGs should not hold a position as a senior employee or PAS official of the agency (outside of the OIG) or a PAS official at another agency (other than in the OIG).

IV. GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS (GAGAS) AS THEY SHOULD APPLY TO THE ROLE OF ACTING INSPECTOR GENERAL

Recommendation 1

GAGAS outlines the types of threats that should be considered in evaluating independence. (GAO-20-639R Inspectors General Independence)

Examples of the types of threats that might arise, as applied to acting IGs, include the following:

- “Bias threat. The threat that an auditor will, as a result of political, ideological, social, or other convictions, take a position that is not objective.

- “Hypothetical example: An acting IG has biases associated with political, ideological, or social convictions that result from membership or employment in, or loyalty to, a particular type of policy, group, entity, or level of government that could affect the IG’s objectivity.

- “Familiarity threat. The threat that aspects of a relationship with management or personnel of an audited entity, such as a close or long relationship, or that of an immediate or close family member, will lead an auditor to take a position that is not objective.

- “Hypothetical example: An acting IG has close personal ties with a member of management of the audited agency.

- “Undue influence threat. The threat that influences or pressures from sources external to the audit organization will affect an auditor’s ability to make objective judgments.

- “Hypothetical example: An acting IG feels threat of dismissal based on potential management disagreement with the contents of an audit report, which affects the IG’s ability to make objective opinions, findings, conclusions, judgments, and recommendations in an audit report.

- “Management participation threat. The threat that results from an auditor taking on the role of management or otherwise performing management functions on behalf of the audited entity, which will lead an auditor to take a position that is not objective.

- “Hypothetical example: A newly designated acting IG is or has recently been a principal or senior manager of the audited entity.”

(GAO-20-639R Inspectors General Independence)

Recommendation 2

Improving the way acting IGs are designated could strengthen the independence of OIGs.

“Effective succession planning would specify the order of positions within the OIG that would take over in the event of a vacancy. Once a PAS IG position becomes vacant, the Federal Vacancies Reform Act of 1998 (Vacancies Act) instructs the official serving as first assistant to the vacant position to perform the functions and duties of that position in an acting capacity, absent other action by the President. However, the President has the option of directing a PAS official or senior employee of the agency or a PAS official at another agency to serve as acting IG instead.” (GAO-20-639R Inspectors General Independence)

V. ENHANCEMENTS TO THE DEPARTMENT OF DEFENSE INSPECTOR GENERAL SYSTEM

I am disturbed by the independence, or lack of independence, of our military component inspectors general and a command structure that has permitted harassment, assault, and a flagrant disregard by leadership concerning the Sexual/Harassment Assault Response and Prevention Program (SHARP).

There is no place in the Armed Forces of the United States for bias, discrimination, harassment, assault, or retaliation. Simply stating that we have a zero-tolerance policy will not make it so.

The core strength of our Armed Forces has always been its leadership and the men and women who follow that leadership. Inequities, however, in the way our military handles harassment and assault investigations are gnawing away at the very fabric of that strength.

While working with “The Inspectors General” (TIG) of each of the Military Services, I found them to be men and women of high character. I would be surprised if that were not still true today.

My comments are directed mainly toward the policies that govern the military’s component inspectors general, the men and women IGs who carry out the oversight work of the individual commands of the Army, Navy, Marine Corps, and Air Force

Our military system of inspectors general, particularly at the component IG level, is designed to protect the Military Services and its Commanders, not women, minorities, or whistleblowers. To have any chance of reversing this concern the military departments must re-think the entire concept of military inspectors general, their mission, training, ethics, independence, and reporting requirements. This will require a major overhaul, not just piecemeal fixes.

Protections for women and minorities in the military from harassment, assaults, and retaliation are not only overdue but are critical to the good order and discipline of our military that is essential to our national defense.

The results of the 2020 Ft. Hood Independent Review Panel are alarming.

Army Regulation 20-1 (AR-20-1), “Inspector General Activities and Procedures” describes inspector general functions, including teaching and training, inspections, assistance, and investigations. AR 20-1 is the Army IG's Bible. There are directives contained in these regulations which tacitly imply a ‘reverence’ that the component inspector general must have for his commander that compromises IG independence. Statements which inform component inspectors general that they work ‘only’ for their commander, that they are the ‘conscience’ of the commander, that to be effective they must understand the commander’s ‘personality’, and that they must work through the chain of command – all of these may well contribute to neglect, incompetence or bias by the component inspector general.

General Recommendations

- Military Service Departments should consider the factors that have made the Inspector General Act of 1978 an effective oversight tool, possibly adopting some of those elements that promote independence.
- The IG Act does not mince words. It addresses the issue of 'independence' head-on, stating that the head of the establishment, in this case, the Secretary of the Department of Defense, shall not prevent or prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation. The concept of independence is manifested throughout the IG Act. Lack of independence, or even a perceived lack of independence, is antithetical to Congressional intent.

- Although Federal Inspectors General have a dual reporting requirement to the Head of the Department and the Congress, Senate Confirmed IG's, first and foremost, view their ultimate reporting to be to the American people.

- Establish policy stating that while the Commander has the right to screen communications before transmittal to the respective TIG or Service Secretary, no one has the authority to alter an IG's reports.

Recommendations Regarding Component Inspector General Reporting Requirements

- Establish specific reporting requirements whereby component IG's report directly to their respective TIG.
- Require component IG's to promptly report particularly serious or flagrant problems, abuses, or deficiencies to their respective TIG.

Recommendation Regarding Criminal Investigations

- The Homeland Security Act of 2002 vested certain Federal Inspectors General with full law enforcement authority. Component IG's, on the other hand, do not have such authority. When a matter is determined to be criminal, the IG must report this to the Commander, who will decide whether to refer it to the appropriate military criminal investigative organization (MCIO's). During the recent Ft. Hood criminal investigation for example, the Army Criminal Investigation Command, commonly known as CID, conducted the criminal investigation. I recommend that all referrals/requests for criminal investigations be forwarded by the component IG directly to the respective TIG, who would refer it to the respective MCIO.

Recommendation Regarding Legal Services

- The Inspector-General Reform Act of 2008 strengthened inspector general independence by authorizing Federal IGs to obtain legal advice from their own legal counsel. At the component IG level fully dedicated attorneys who serve only the IG system do not exist. I recommend that the military services establish unique offices staffed with attorneys who would work solely to support component IG's.

Recommendation Regarding Access to Information

- Component IG's must have timely and unfettered access to all agency records. I recommend that the component IG, the dedicated attorney in recommendation 6, and the respective TIG jointly address obstacles that are placed in the component IG's path.

Recommendations Regarding Recruitment and Qualifications

- The system of recruitment and qualifications for selection to be a component IG are critically important. Persons selected to be component inspectors general must be individuals who are not only trusted by the command structure but generally by members of the rank-and-file organization.

- Training and experience are critical factors in the development of a top-performing component IG. Selection should be based not only on past performance but also on unique qualities that reflect integrity, maturity, independence, and professionalism.

Recommendations Regarding Career Status of Component Inspectors General

- Component IG assignments are, in essence, collateral duty. IG's are appointed to perform IG duties for 24-48 months before reassignment to a non-IG position. The limits of such an assignment prevent the IG from achieving 'senior' status. Such rotations also diminish the value that could be derived from maintaining a seasoned corps of mentors. The position of component IG as it stands is not a career path but a stop-over on the way to something else. Consequently, there is no career or long-term commitment to the IG concept. The position of component inspector general should be a career-long assignment and not a collateral duty.

- Selection to the position of component inspector general should be considered an elite career assignment.

- I recommend that component IG nominees go through a rigorous training program geared to assess a nominee's overall fitness and that he or she must pass to meet final selection criteria and certification. I recommend that those who are certified be appointed to the rank of warrant officer. The Regulation should plainly state that loyalty to one's Commander is not a prerequisite for selection.

Thank you for this opportunity to provide these recommendations for the record.

Very respectfully,

Gordon Heddell

