THE FORWARD-LOOKING

Inspector General

PARTNERSHIP FOR PUBLIC SERVICE

Grant Thornton

METHODOLOGY

This issue brief is the result of a collaboration between the Partnership for Public Service and Grant Thornton Public Sector. In the summer of 2017, we convened inspectors general, other federal auditors, and staff from congressional oversight committees at three separate events. The objective of these meetings was to discuss how the IGs can continue to be a pivotal force in improving government. This issue brief details themes and concepts that emerged from those conversations.

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- Providing assistance to federal agencies to improve their management and operations, and to strengthen their leadership capacity
- Conducting outreach to college campuses and job seekers to promote public service
- Identifying and celebrating government's successes so they can be replicated across government
- Advocating for needed legislative and regulatory reforms to strengthen the civil service
- Generating research on, and effective responses to, the workforce challenges facing our federal government
- Enhancing public understanding of the valuable work civil servants perform

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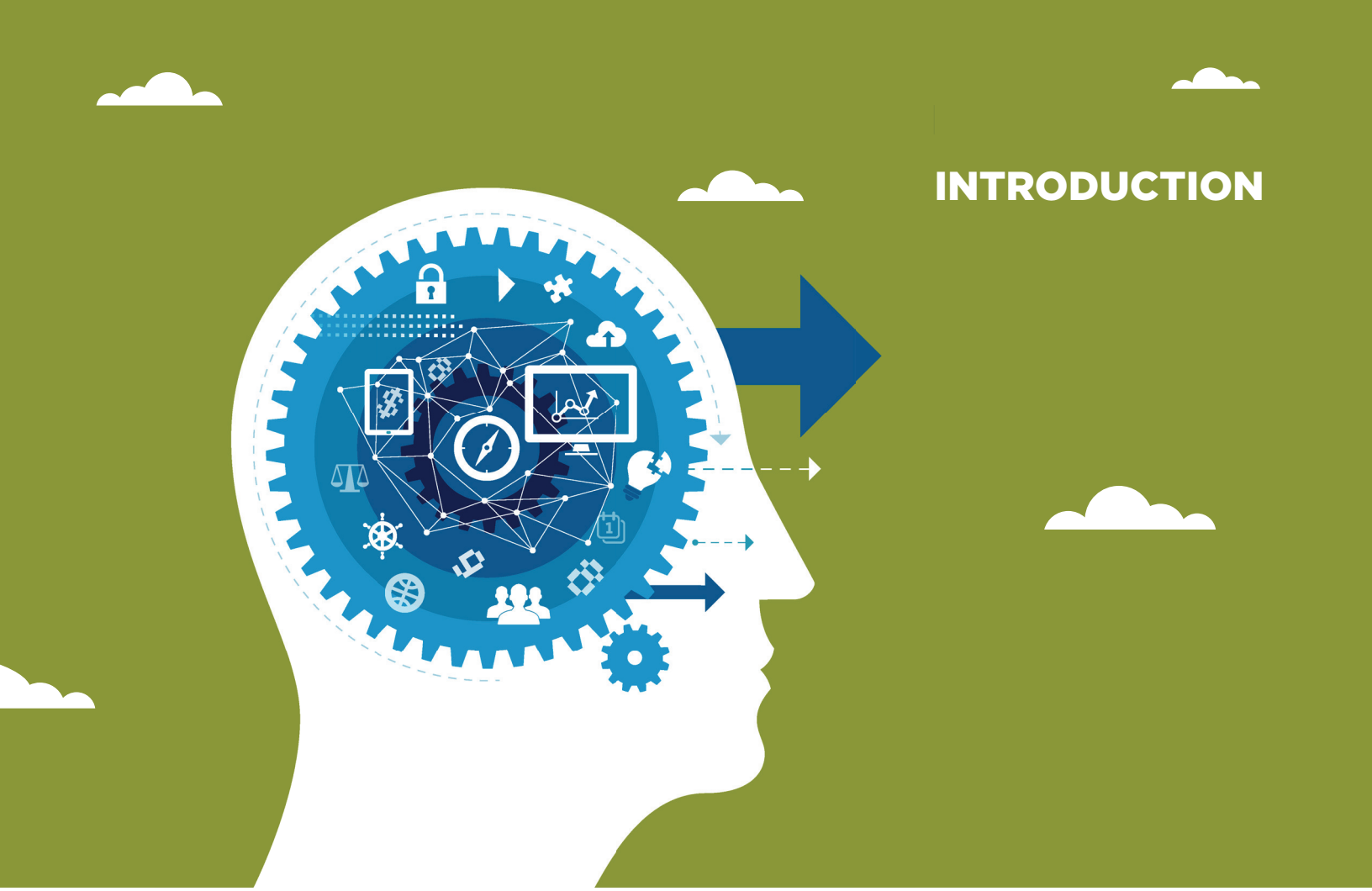
INTRODUCTION



Foodborne illnesses sicken roughly 48 million people in the United States each year, leading to 128,000 hospitalizations and 3,000 deaths.[1] The Food and Drug Administration is charged with preventing such illnesses and death. The FDA's Office of Inspector General is tasked with overseeing whether the FDA is meeting that mission effectively and efficiently.

In 2017, the IG office found the FDA was complying with federal laws that compel food safety, but the agency still wasn't effectively meeting its mission. For example, the FDA had not taken timely action to address previously discovered violations. Moreover, the FDA was inspecting thousands fewer food distribution facilities than in previous years. And inaccurate and out-of-date information led the agency to waste resources and attempt to inspect facilities no longer in use.

The IG's findings looked beyond compliance with the law and pushed agency leaders toward execution of the agency's mission: protect human health. Implementation of the IG's findings could save lives.

1 Department of Health and Human Services Office of Inspector General, "Challenges Remain in FDA's Inspections of Domestic Food Facilities," September 2017, p.1, available at http://bit.ly/2j3uSD8

The report's findings demonstrate the power of an inspector general who looks beyond compliance to determine if a program is working as intended and serving the American public. A growing number of inspectors general are following this trend and rethinking how they can help government meet the needs of the people it serves.

Moving from compliance auditing to evaluations that examine program results could improve the effectiveness of agencies, departments and the federal government more generally. It is the difference between counting the number of people who show up at a job training program, versus examining the number of attendees who get and keep a job after participating in that program.

IGs could play a pivotal role in helping government ask and answer the important questions. Are federal IT systems capable of thwarting would-be hackers? Is drinking water cleaner in areas that receive federal grants to improve water quality? "Look bigger," one acting IG said. "That's what is going to make an audit meaningful."

Some IG offices are already moving in this direction. The Office of Inspector General at the Equal Employment Opportunity Commission, for example, reported the EEOC was not measuring the nation's progress toward the goal of reducing employment discrimination in the United States. According to the report on management challenges in fiscal 2016, the EEOC needed to "track progress toward reducing employment discrimination in the United States" even though "data may be difficult to obtain," and finding the right ways to measure such progress is not easy.

The report continued, "It is well worth the investment if it enables EEOC to use its resources to gain improved results in reducing employment discrimination."[2] IGs can push agencies to collect the data that can demonstrate which federal programs actually work.

The timing is ideal for a focus on program effectiveness. The Commission on Evidence-Based Policymaking recently released a comprehensive report on the value of evidence and data in decision-making, highlighting the infrastructure that needs to be in place to make it a reality.[3]

Additionally, the Trump administration's 2018 budget challenges agencies to use evidence to determine where government's "needs are the greatest," as well as "what works and what does not work" and "where and how programs could be improved."[4] The federal government's 73 IGs can be an integral part of this government-wide transformation.

In the summer of 2017, the Partnership for Public Service and Grant Thornton convened inspectors general and other federal auditors, and staff from congressional oversight committees to discuss how the IGs can continue to be a pivotal force in improving government. At three meetings between June and September, discussions centered on how IGs can do more to move past process and look at impact. IGs and their stakeholders discussed how they can get agencies, members of Congress and others to act on the data and evidence in their findings.

This issue brief details themes that emerged from those conversations. It examines the IGs' appetites and capacity for completing more impact evaluations and increasing data-driven oversight. It also provides next steps for IGs and others with auditing responsibilities who seek to incorporate or increase the volume of impact evaluations in their current and future work.

"The future-oriented IG is a neutral expert who can identify things that are actually going wrong in the agencies," one participant said. "The future-oriented IG can zoom out to the forest – not only see the trees. IGs should spot the big trends."

To move toward this vision, future-oriented, forward looking inspectors general must:

Present compelling data and look for themes across audit work

Engage and work well with stakeholders

Improve data quality and balance privacy concerns

Rethink the skills the offices of inspector general need

2 Equal Employment Opportunity Commission Office of Inspector General, "FY2016 EEOC Management Challenges," available at http://bit.ly/2gJkT1v

3 Commission on Evidence-Based Policymaking, "The Promise of Evidence-Based Policymaking," September 2017, p. 3, available at http://bit.ly/2xeAikm

4 U.S. Office of Management and Budget, "Analytical Perspectives: Budget of the U.S. Government, Fiscal Year 2018," p. 55, available at http://bit.ly/2toUHRD

Present compelling data and look for themes across audit work

The value of the Office of Inspector General is that it can "identify things that are not working in [an agency's] programs in a nonpartisan and objective way," said Joseph Greenblott, the associate director for the Environmental Protection Agency's Office of Planning, Analysis and Accountability. "The OIG can provide an independent and nonpolitical look at issues that might not be palatable to talk about in a politicized setting. The OIG can look for things that stink, that no one else can talk about."[5]

IGs, for example, can flag common or agency-wide problems that agency leaders might not see. The IG's office at the U.S. Agency for International Development looks for systemic concerns related to advancing international development, and found more than one example of challenges the agency faced when working alongside the State Department.

In 2009, Congress authorized $7.5 billion to provide five years of assistance to the civilian population of Pakistan. The State Department, not USAID, took the budget and project management lead, adding an extra layer to the process, according to the March 2017 testimony of USAID's IG, Ann Calvaresi Barr, before Congress.[6]

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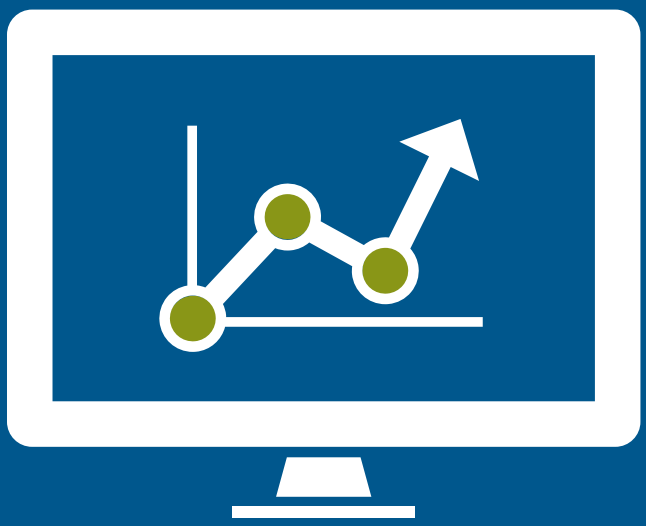
5 The opinions expressed in this issue brief by Joseph Greenblott are his alone and do not necessarily reflect those of the Environmental Protection Agency or the United States government.

6 Agency for International Development Office of Inspector General, "USAID Management Challenges and OIG initiatives," statement of Ann Calvaresi Barr before the House Committee on Appropriations, Subcommittee on State, Foreign Operations, and Related Programs, March 9, 2017, available at http://bit.ly/2xJo3Z6



The State Department focuses on diplomacy, whereas USAID fosters development work. USAID had to follow State's lead in Pakistan, and "struggled to reconcile its long-term development objectives with State's diplomatic aims," Calvaresi Barr said. The State Department's strategy, she added, "focused on repairing and upgrading Pakistan's energy infrastructure—mirroring State's focus on energy as key to long-term growth—but not on other priority areas, such as health, education, and economic growth" that were important to USAID's mission.

These differences on budget and mission priorities between the two agencies were not unique to USAID's work in Pakistan. A survey of USAID employees found that the State Department had "increased influence over USAID programs" in Egypt, Tunisia, Libya and Yemen that "added a layer of review that slowed operations and strained USAID resources."

As a result of the IG office's findings, USAID created "an interagency forum to better ensure [USAID's] development goals are taken into account in countries where State takes the lead," Calvaresi Barr testified.

The USAID example demonstrates how individual audits can be pulled together to generate more significant outcomes. "Auditing and investigating individual USAID programs and projects around the world can yield findings that demand action and help individual missions improve their operations," according to Calvaresi Barr's testimony.[7]

Other IGs might find common themes that could help improve the agency, and government overall. The recent unveiling of Oversight.gov, a portal that provides information on the work of the government's federal IGs, can help determine these areas for government improvement. The website allows users to search a database of most IG reports and determine whether their findings are common across the federal government enterprise.

In fiscal 2017, for example, the IGs participating in Oversight.gov wrote 974 reports that discussed information technology, and 25 reports that discussed improper payments. When looked at as a group, these reports can provide insight into agency wide or government-wide issues.

"The OIG can provide an independent and nonpolitical look at issues that might not be palatable to talk about in a politicized setting."

JOSEPH GREENBLOTT
ASSOCIATE DIRECTOR FOR THE EPA'S OFFICE OF PLANNING, ANALYSIS AND ACCOUNTABILITY

7 Ibid.

Engage and work with the people who have a stake in the findings

After completing program evaluations, IGs have the challenging task of providing their findings to Congress, the public and agency leadership. IGs, who have no authority to force agencies to implement their recommendations, must present their findings in ways that engage and compel their audience to action. One tactic is to involve these stakeholders from the outset.

For example, one congressional aide said knowing what an IG plans to work on in the following year can help congressional staff prioritize their own agendas and align their oversight work on issues they know an IG is examining. Despite the natural tension between the government's legislative and executive branches, IGs and Congress can work together to make the government more effective and efficient.

"If I know what you're focusing on, we can focus on it too," the staffer said. "Then we can shine a big spotlight on the issue and act as voice multipliers." Having two independent reports on the same issue can amplify findings and results.

Several congressional staff members asked the IGs to contact them in advance to let them know when new reports and information become available. "Don't make me obsessively call you," said one congressional staffer who participated in the events. "And be candid about what you can and can't say to me."

The IGs who met at the Partnership expressed a desire to rethink how they communicate the findings of their audits, investigations and evaluation reports. Some IG offices shared how they use social media. Audit entities such as the Government Accountability Office and the U.S. Postal Service's IG office, create podcasts in conjunction with new reports.

Agency leaders also have a stake in the IG's work. In 2016, we highlighted that the work of inspectors general could help agency leaders and the White House improve government management. Some agency heads have indicated they would like to work with IGs to find data that demonstrate which programs help them meet their missions and which should be altered or scrapped. But they hesitate because IG work often is made public, and airing agency missteps can be an embarrassment to leaders.

Agency officials expressed concerns that IG reports that criticize their work and garner media or other attention may compromise or stymie their ability to innovate and improve the agency.

IGs could take additional steps to establish trust with agency leaders, according to some agency officials. IGs who put in time and effort to build trusting relationships with agency officials are more likely to see agency officials shift their program priorities in response to IG findings and recommendations.

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CONGRESSIONAL AIDE

Improve data quality and balance privacy concerns

In 2017, the American public will respond to more than 100 billion federal information requests.[8] Insights from the information government is already collecting could transform the way that federal agencies operate and meet citizens' needs. Additionally, three out of 10 Americans report to Gallup they do not trust government. Better information could help government understand how to work with citizens more effectively and provide them with the services they seek.

Most program managers, however, do not have the data they need to evaluate their programs' effectiveness or make informed decisions about future investments. For example, GAO found the Veterans Health Administration, which provides medical care to our nation's veterans, did not know the number of contract physicians or physician trainees it employed, even though five out of six VHA hospitals used contract physicians.[9]

Inspectors general also struggle to access good data. In a 2016 audit report, the IG at the Department of Homeland Security found that improving data quality could help Immigration and Customs Enforcement and the U.S. Citizenship and Immigration Services combat human trafficking. The report found USCIS "did not always collect the names and other identifiers of human traffickers" provided in victims' visa applications, nor did USCIS always share with ICE its data on potential human traffickers.[10] The result is "some human traffickers may remain unidentified and free to abuse other individuals," according to the IG office. The lack of information poses risks to safety and to the quality of government services.

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8 Commission on Evidence-Based Policymaking, "The Promise of Evidence-Based Policymaking," September 2017, available at http://bit.ly/2xeAikm

9 Government Accountability Office, "Veterans Health Administration: Better Data and Evaluations Could Help Improve Physician Staffing, Recruitment, and Retention Strategies," GAO-18-124, October 2017, available at http://bit.ly/2zz9uN8

10 Department of Homeland Security Office of Inspector General, "ICE and USCIS Could Improve Data Quality and Exchange to Help Identify Potential Human Trafficking Cases," OIG-16-17, January 4, 2016, available at http://bit.ly/2AiP7A7

The Commission on Evidence-Based Policymaking points out that many federal agencies "lack senior leadership focused on data stewardship," and without such leaders, "opportunities to improve and appropriately leverage data resources for evidence building will be missed."[11] A lack of quality data may also prompt IGs and other auditing entities to focus only on compliance, which can have less of an impact than looking at program outcomes. Doing so "may drive agencies to do things that are easy to measure, at the expense of things that are very impactful but whose outcomes are difficult to measure," said one participant at our IG gatherings, a concern several IGs echoed.

A focus on collecting better, more relevant data, can lead to concerns about data security and privacy. The Commission on Evidence-Based Policymaking made several recommendations to address these concerns. They include adopting technologies that preserve and enhance privacy, and assigning a senior official to manage and oversee agency data, which would include coordinating access and security in federal agencies.

Better information could help government understand how to work with citizens more effectively and provide them with the services they seek.

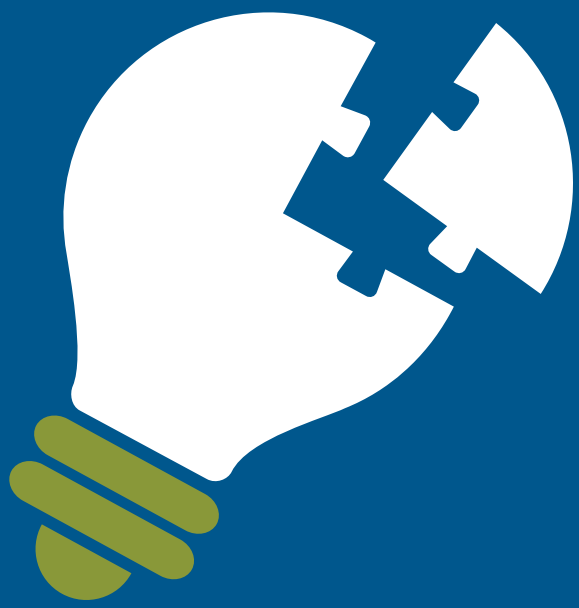
11 Commission on Evidence-Based Policymaking, "The Promise of Evidence-Based Policymaking," September 2017, p. 58, available at http://bit.ly/2xeAikm

Rethink the skills of the inspectors general

Like anyone else, auditors can revert to doing what they have always done because it is familiar. There is a "propensity to fall back into compliance audits because it's easier to do a compliance audit, and the staff are more comfortable doing them," according to one participant. Yet one IG roundtable participant said there is an incentive to do more audits rather than potentially more effective audits because IGs often are assessed by the number of audits they complete, rather than an audit's quality and impact.

The IGs also discussed hiring new employees with skills not generally typical of auditors, law enforcement officials and lawyers. IG offices need employees who can analyze big data sets, think of new methodologies for examining federal programs and have information technology skills to evaluate federal IT systems, according to the IGs.

"We need broad-based skills, creative thinking, interpersonal skills, analytic ability, etc., if we're going to be effective in doing performance audits," one participant said. Another participant said IG leadership will need to ensure resources and training are available to enable the workforce to conduct more outcome-focused audits. But "the mindset of the auditors," is part of the problem, one IG said. "We need to challenge them to solve problems, not to do audits simply for audits' sake. There's a certain intellectual rigidity today among the traditional audit staff."



Thirteen IG offices may be affected by another issue—they are operating with an acting IG. These offices may have greater difficulty or less incentive to encourage staff to move from compliance audits to performance audits. Current and former IG staff have indicated that "acting IGs are more likely to favor short-term projects that do not rock the boat, essentially serving as a caretaker until a permanent IG takes over," according to the testimony of Danielle Brian, executive director of the Project on Government Oversight, a good-government watchdog organization.[12]

Despite the desire to shift IG cultures to encourage more program evaluations, some participants at the events reinforced that IGs must remain nonpartisan and stay focused on the oversight of an agency's policy decisions, such as which programs to invest in. And IGs need to avoid making political or policy choices for the agencies. One participant said it is not the IG's role to set agency policy but, rather, to "measure progress on policy."

"We need broad-based skills, creative thinking, interpersonal skills, analytic ability, etc., if we're going to be effective in doing performance audits."

IG ROUNDTABLE PARTICIPANT

12 Danielle Brian, executive director of the Project on Government Oversight, Testimony before the Senate Committee on Homeland Security and Government Affairs, at a hearing entitled "Watchdogs Needed: Top Government Investigator Positions Left Unfilled for Years," June 3, 2015, available at http://bit.ly/2b7zdNE

CONCLUSION

The IG community has had nearly 40 years since enactment of the Inspector General Act of 1978 to accumulate knowledge and experience. A forward-looking IG can combine this institutional knowledge and experience with new analytic capacities and sophisticated platforms to communicate findings and recommendations.

IGs attending the sessions at the Partnership expressed a desire to use new skills, tools and expertise to produce better reports and make sure Congress, agencies and the public can use the information in them. But the participants were not sure all federal IGs were effective at working toward these goals.

Is the information in IG reports clear, reliable and replicable? Do IG findings flow logically from the data presented in reports? Are IG reports providing agency heads, Congress and other stakeholders a clear path forward? Do IGs convince agencies to take the actions needed for a more efficient and effective federal government?

IGs offer a nonpartisan voice that could help federal leaders understand what data and analysis shows about particular policy choices and program investments. The events at the Partnership offered the IG community and its stakeholders a range of ideas that, if employed, could help agencies make better choices that lead to better evidence-based outcomes across the federal government.

An IG of the future can fuse data analysis, institutional knowledge and clear reporting to compel agencies to make recommended changes and improvements. These skills could help individual agencies improve how they execute their missions.

Forward-looking IGs understand and adapt to the changing demands of stakeholders, using data and authoritative analysis to assess how programs are selected and implemented, and removing politics from the equation. And they find ways to work with the data and resources available and to push for policies guided by the evidence at hand.

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