



**COUNCIL OF THE INSPECTORS GENERAL
ON INTEGRITY AND EFFICIENCY**

**PROPOSALS FOR CONSIDERATION IN THE CIGIE LEGISLATIVE PRIORITIES
LETTER FOR THE 119TH CONGRESS –**

1. **Permanent Data Analytics Capability for the Inspector General Community**
2. **Prohibiting the Use of Appropriated Funds Government-wide to Deny Inspectors General Full and Prompt Access**
3. **Enhancing Oversight Independence and Efficiency by Providing Separate and Flexible OIG Funding**

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1. Permanent Data Analytics Capability for the Inspector General Community

To support Congress and help guide the legislative approach to establishing a permanent, scalable data analytics platform, the IG community has developed the following key principles:

Principles

- Establish the Pandemic Analytics Center of Excellence (PACE) as a permanent, scalable data analytics platform that Inspectors General can use to assist the agencies they oversee in detecting and preventing fraud and improper payments.
- Sustain and leverage the capabilities of the PACE to enable the application of tools to prevent and detect improper payments and fraud to all federal spending, including emergency spending to ensure timely oversight of emerging crises.
- Enable individual Inspectors General across the CIGIE community, regardless of their size or current analytic capability, to leverage high quality data sets and receive access to analytic solutions.
- Strengthen cross-agency partnerships and with support from CIGIE, enable cross-OIG deconfliction and coordination, incorporate the expertise of individual Inspectors General, and facilitate the identification of major risks that cut across program and agency boundaries.
- Ensure robust data security, transparency, and safeguards to maintain the authorities and protect the independent oversight of Inspectors General.
- Recruit and retain expert data scientists to conduct and support cross-government analytics.
- Provide investigative and audit support to Inspectors General as well as the Department of Justice, and other law enforcement agencies in IG-supported investigations of fraud and improper payments.
- Ensure adequate funding for a permanent data analytics platform through an appropriation or specific funding mechanism outside of annual CIGIE assessments of Offices of Inspectors General.

Supporting Statement

A top priority for the oversight community is to establish a permanent, scalable data analytics platform for Inspectors General (IGs) and the agencies they oversee to help detect and prevent fraud and improper payments.

The Council of the Inspectors General on Integrity and Efficiency (CIGIE), through its Pandemic Response Accountability Committee (PRAC), made substantial investments to build this capability to support oversight of pandemic relief spending. The PRAC moved swiftly to stand up a Pandemic Analytics Center of Excellence (PACE), leveraging leading practices and lessons learned from the Recovery Operations Center (ROC) that sunsetted in 2015. Due to the failure to sustain the ROC, the PACE had to be built from the ground up and was not available to support IGs in the critical first year of the COVID-19 pandemic when federal programs were disbursing several trillion dollars in pandemic relief funds.

The PACE has been a critical asset used by IGs and law enforcement to root out issues like identity theft, multi-dipping, and fraud. As of September 2024, the PACE has provided investigative support to 48 federal law enforcement and Office of Inspector General (OIG) partners on over 935 pandemic-related investigations involving 22,000 subjects and an estimated fraud loss of \$2.25 billion.¹

However, the PRAC is scheduled to sunset on September 30, 2025. If the PACE or its functionality is not authorized with an appropriation to continue beyond this date, the IG community will once again lose a valuable resource. The federal government would again face significant and avoidable oversight risks when our country encounters its next crisis that requires emergency relief funding and effective oversight of that funding.

The oversight community seeks Congressional support to sustain and leverage the capabilities of the Pandemic Analytics Center of Excellence (PACE) to enable the application of fraud prevention and detection tools to all federal spending, including emergency spending to ensure timely oversight of emerging crises. This would enable individual IGs across the community, regardless of their size or current analytic capability, to bolster their oversight efforts by leveraging high-quality data sets and analytic solutions to detect improper payments and fraud, conduct efficient audit planning, or assess complaints.

In recent testimony before the House Oversight Committee, Comptroller General Gene Dodaro once again stressed the importance of a permanent center for excellence and analytics in the inspector general community. He noted that “fraud occurs in regular Federal programs all the time, as well as improper payments...if you had this permanent [analytics] capability, it would not only deal with regular fraud, but it would be ready and there when emergencies occur, and you won’t waste time standing [it] up.”²

The PRAC continues to develop cutting edge methods for preventing and detecting fraud, waste and abuse in federal pandemic-related programs. These processes help identify red flags and anomalies, which are sent to OIG auditors and investigators for a closer look. PRAC data scientists also help develop risk models to help IGs identify high-risk recipients of pandemic funds. By establishing a permanent data analytics platform and expanding the current scope of the PACE beyond pandemic spending, the IG community would continue to be at the forefront of advancing efforts to reduce improper payments and fight fraud throughout the government.

¹ Source: <https://www.pandemicoversight.gov/media/file/sept-10-testimony-prac-chair-michael-horowitz0pdf>.

² Source: <https://oversight.house.gov/hearing/federal-pandemic-spending-a-prescription-for-waste-fraud-and-abuse/>.

2. Prohibiting the Use of Appropriated Funds Government-wide to Deny Inspectors General Full and Prompt Access

Suggested Legislative Text:

Within the Financial Services and General Government Appropriations Bill title regarding General Provisions – Government-wide, at the appropriate place, insert the following:

“SEC. XXX. PROHIBITING THE USE OF APPROPRIATED FUNDS TO DENY FULL AND PROMPT ACCESS BY INSPECTORS GENERAL TO AGENCY RECORDS AND INFORMATION

- (a) No funds provided in this Act or any other Act shall be used to deny an Inspector General timely access to any records, documents, or other materials available to the department or agency over which that Inspector General has responsibilities under the Inspector General Act of 1978 (5 U.S.C. Chapter 4), or other authorizing statute, or to prevent or impede that Inspector General's access to such records, documents, or other materials, under any provision of law, except a provision of law that expressly refers to the Inspector General and expressly limits the Inspector General's right of access.*
- (b) A department or agency covered by this section shall provide its Inspector General with access to all such records, documents, and other materials in a timely manner.*
- (c) Each Inspector General shall ensure compliance with statutory limitations on disclosure relevant to the information provided by the department or agency over which that Inspector General has responsibilities under the Inspector General Act of 1978 (5 U.S.C. Chapter 4), or other authorizing statute.*
- (d) Each Inspector General covered by this section shall report to the Committees on Appropriations of the House of Representatives and the Senate within 5 calendar days of any determination by the Inspector General of any failures to comply with this requirement.*
- (e) Under this Section, the term “department or agency” shall be interpreted to include–*
 - i. any Establishment or designated Federal entity as those terms are defined by the Inspector General Act of 1978 (5 U.S.C. Chapter 4); and*
 - ii. the Architect of the Capitol, Government Publishing Office, Government Accountability Office, Library of Congress, and United States Capitol Police”.*

Supporting Statement:

In December 2016, Congress unanimously passed the Inspector General Empowerment Act (P.L. 114-317), confirming that Federal Inspectors General (IGs) are entitled to full and prompt access to agency³ records. The IG Empowerment Act should have eliminated all doubts about whether agencies are legally authorized to disclose sensitive information to IGs. In most cases, but not all, it has. Similarly, in December 2022, Congress strengthened access provisions in Title LII of the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 (P.L. 117-263), by requiring notification to Congress when a Federal agency head unreasonably refuses or denies to provide IGs access to information or assistance requested.

Unfortunately, agencies have continued to occasionally fail to comply with the IG Act provision guaranteeing the IG full and prompt access to agency records and information. When this occurs, additional congressional action is often needed to ensure that the agency complies with the IG Act and provides the IG the access needed for robust oversight.

The most effective congressional action has been to include a prohibition on an agency's use of appropriated funds to deny an IG full and prompt access within the subcommittee appropriation bills. Such a provision elevates the consequences of denying access. As the Office of Legal Counsel (OLC) has recognized, a violation of the appropriation rider "might well violate... the Anti-Deficiency Act, 31 U.S.C. §§ 1341 *et seq.*, a statute that subjects federal officers and employees who expend or obligate funds in excess of appropriated amounts to administrative and, in the case of knowing and willful violations, criminal penalties."⁴ The prohibition is, in essence, Congress using the power of the purse to express the seriousness of any agency denial of full and prompt IG access.

While rooted in Congress's constitutional authority, the appropriation prohibition is far from academic. The suggested prohibition⁵ has appeared in substantially similar form in several appropriation acts, including those pre-dating the IG Empowerment Act, to great practical effect.

For example, in 2016, Section 540 of the Commerce, Justice, Science, and Related Agencies Appropriations Act, effectively overrode the OLC's opinion supporting the denial of access and required the Department of Justice to disclose information it previously withheld from the IG. In another example in June 2018, a bi-partisan group of 15 Senators introduced the same appropriation rider in response to the Department of Veterans Affairs' delays in providing its IG with access and, more generally, not cooperating with IG requests for information.

Other subcommittee appropriations bills also include such a prohibition. For example, the Transportation, Housing and Urban Development, and related Agencies' Appropriations Acts

³ OIGs oversee a variety of Federal agencies, commissions, bureaus, and other entities. For simplicity, this supporting statement uses the term "agency" to denote the Federal entities overseen by OIGs.

⁴ See "Authority of the Department of Justice to Disclose Statutorily Protected Materials to Its Inspector General in Light of Section 540 of the Commerce, Justice, Science, and Related Agencies Appropriations Act, 2016," Memorandum Opinion for the Deputy Attorney General (Apr. 27, 2016); available at [2016-04-27-disclosure-to-ig.pdf \(justice.gov\)](#) (internal citations omitted).

⁵ To be effective government-wide, the phrase "or any other Act" has been added to the provisions previously passed, as those provisions applied to individual Divisions of appropriation acts. In such cases, provisions referring to "this Act" under each Division of the appropriation act referred only to that Division. The addition of "or any other Act" reproduces the formulation of other government-wide prohibitions. Additionally, some appropriation acts do not break out the provision into subsections.

include the appropriations prohibition for OIGs under its purview. In 2024, the Inspectors General of the U.S. Department of Transportation, U.S. Department of Housing and Urban Development, and Amtrak testified that they had no access issues.

Conversely, some OIGs overseeing agencies not subject to the appropriation prohibition have recently faced access challenges.

In June 2024, Environmental Protection Agency (EPA) OIG issued a [report](#) alerting the agency that it needed to ensure that mobile devices from separating employees are properly preserved and timely accessible to the OIG. The report noted that the OIG was conducting an administrative investigation of a senior official for alleged ethics violations and notified the Office of Mission Support (OMS) to preserve the official's electronic devices when the official departed. OMS failed to retain three of the five mobile devices as requested, preventing the retrieval of information that may be relevant to the OIG investigation.

In another example, in 2020, the Corporation for National and Community Service OIG (CNCS-OIG)⁶ requested access to correspondence from the Federal Bureau of Investigation (FBI) to CNCS, in which the FBI raised substantive concerns about a proposed regulation. Specifically, CNCS informed CNCS-OIG that the FBI had expressed serious reservations concerning aspects of a proposed regulation needed to improve compliance with the statutory requirement that national service volunteers and staff undergo criminal history checks. CNCS denied CNCS-OIG access to the requested materials within its possession, hampering the CNCS-OIG's ability to provide recommendations about how best to protect the safety of national service beneficiaries, a subject of prior audits and investigations. The contrast in the above examples illustrate the potential effectiveness of the appropriation prohibition.

The Council of the Inspectors General on Integrity and Efficiency (CIGIE) believes that the appropriation prohibition should be enacted government-wide and proactively. Appropriation prohibitions are often enacted only after an agency has denied or delayed access. Additionally, once enacted, they apply only to the small subset of agencies funded by the particular appropriation act or division in which the prohibition appears. This piecemeal approach results in unnecessary use of limited OIG, agency, and congressional resources to resolve an issue where there should be no doubts. The appropriation prohibition avoids delays and ensures the timely, robust oversight that the taxpayer deserves. Thus, CIGIE recommends enacting the prohibition on an ongoing and government-wide basis.

To achieve government-wide application, the current legislative text should be amended in two ways to cover Federal entities overseen by OIGs that are not strictly considered a "department or agency." First, the definitions within the IG Act that define "Establishment," and "designated Federal entities" can be incorporated to ensure coverage of most agencies that IGs oversee. Separate authorizing statutes for Legislative branch IGs incorporate and therefore make applicable certain provisions of the IG Act. However, the legislative text should specifically incorporate the Legislative branch IGs to ensure there is no question as to the provision's applicability to such entities.

⁶ Now AmeriCorps OIG.

The suggested appropriation prohibition includes important guardrails that mirror those in the IG Act. One such guardrail is that each IG subject to the provision is required to comply with any statutory limitations on disclosure. This provision conforms to the identical prohibitions included in the IG Act.⁷ The next provision similarly conforms to access provisions in the IG Act by stating that it does not apply to a provision of law expressly referring to the IG and expressly limiting the IG's access.⁸ Thus, it does not modify the statutory right of IGs to full and prompt access or acts that allow an agency to deny IG access or curtail the IGs oversight but instead provides an additional, needed tool for ensuring agency compliance with existing law.

Second, the suggested provision also includes an important congressional reporting requirement. It requires the IG covered by such provision to report to relevant congressional committees within 5 calendar days of any determination by the IG of any failure to provide full and prompt access. This ensures that Congress will be swiftly notified of an agency failure, further encouraging agency compliance. Further, the provision is clear that the IG involved determines when access has not been fully provided or is not being provided promptly.

3. Enhancing Oversight Independence and Efficiency by Providing Separate and Flexible OIG Funding

To ensure Inspectors General (IG) have the necessary resources to focus on their oversight work and the ability to perform independent oversight, Congress should consider providing each Office of Inspector General (OIG): (1) a funding level for OIG operations that is not subject to reduction by the parent agency; and (2) time availability of funding that provides the flexibility to ensure continuous oversight of the agency and funding the OIG oversees, such as two-year, multi-year, or no-year funding.

Suggested Legislation:

For fiscal year 2025 and beyond, the appropriations committees for each agency should consider providing each OIG their own funding level, such as through a separate appropriation sub account, specific line item, or by specifying an amount “no less than” to ensure the ability of OIGs to perform independent oversight and provide a time period for the OIG funding that enables continuous oversight and execution of the OIG mission, which may include two-year, multi-year, or no-year funding.

Supporting Statement:

CIGIE supports certain revisions to OIG funding that would safeguard the ability of OIGs to perform independent oversight, ensure continuity of operations, and protect against OIG budget cuts by agencies. This could be done by providing each OIG: (1) their own funding level, such as through a separate appropriation sub account, specific line item, or by specifying an amount “no less than” and (2) time availability of funding that is flexible, such as two-year, multi-year, or no-year funding, as appropriate. This would ensure effective management of OIG resources and

⁷ *E.g.*, IG Act of 1978, 5 U.S.C. § 406(b) (“Nothing in this section shall be construed as authorizing an Inspector General to publicly disclose information otherwise prohibited from disclosure by law”).

⁸ *Id.*, at § 406(a)(1).

the continuity necessary for proper oversight. To be clear, this is not a recommendation for biennial appropriations, but instead is a request to allow OIGs the ability to use their annual funding across more than one year to ensure continuity of operations.

Further, many OIGs already receive an appropriation sub-account or specific line-item appropriation separate from the line items for their parent agency and its subcomponents. However, 17 OIGs (mostly smaller OIGs) funded through the appropriations process do not receive any sort of separate line-item or earmark in the appropriation, and their budgets are controlled by their parent agencies. These changes to OIG funding would promote budget transparency and protect OIGs from agency management decisions that may impact oversight. Moreover, without delineating funding for OIGs, any agency budget decision that reduces OIG budgets may risk being perceived as affecting the ability of OIGs to perform independent oversight. This is particularly the case if there are adverse findings in controversy between the agency and the OIG. An important step in the budget and appropriations process is ensuring that all OIG budgets are presented in the President's Budget. During fiscal year 2025, the IG community was able to successfully work with OMB to ensure that six additional OIG budget requests were articulated in the President's Budget.⁹ The President's Budget has omitted some of the small OIGs. Ensuring the President's Budget includes budget amounts for each OIG is an important step that will facilitate Congress's consideration of a dedicated budget for each OIG regardless of size.

Having funds available for a more flexible time-period would greatly help OIGs address unanticipated expenses in the following year and meet their critical oversight obligations while remaining cost-neutral to the budget. Although at least 20 OIGs receive some or all of their funding as two-year, multi-year, or no-year funding, most OIGs receive all of their funding for one fiscal year at a time to be obligated only in that fiscal year. For some OIGs, because of the small size of their operation, often almost all of their budget supports salaries and other necessary spending. Towards the end of the fiscal year these OIGs may have to consider delaying needed oversight work and possibly having to furlough some staff. A lack of flexibility in funding availability can create delays or gaps in oversight, for example, when the need for travel suddenly arises in an investigation at the end of a fiscal year. The OIG may have to defer investigative steps in a case, which could impact the outcome. For smaller offices, the timing of appropriations availability also goes directly to hiring decisions. When full appropriations are not available for an extended period of time, audit and investigative positions can go unfilled and negatively impact oversight of federal programs and operations. Further, even if funding levels are kept consistent, without flexibility in the time period available for use, smaller OIGs have to cut costs somewhere to account for things such as within-grade increases and increases in pay.

Finally, some OIGs have a mismatch between their funding availability and the funding of the agency programs overseen. For example, OIGs may be required to oversee multi-year contracts or grants, while they themselves receive single year funding. These mismatches hinder the ability of the OIGs to make long-term oversight plans due to uncertain availability of OIG funding in future years, even though future funding of the programs being overseen has already been committed. The ability to carry over funding provides OIGs flexibility to protect and continue multiyear oversight projects despite budget timing fluctuations. OIGs who receive single year

⁹ At the time this package was drafted, we did not have appropriations acts finalized for fiscal year 2025.

funding may be without resources to conduct any oversight of multi-year programs if there is an extended continuing resolution or lapse in appropriations. Changes to increase the time period of availability of OIG funding would free IGs to focus more on their actual work as opposed to diverting staff to try to plan for, or react to, budget fluctuations and uncertainty that hinders important oversight.