

The Inspector General Act: 25 Years Later

On October 12, 1978, President Jimmy Carter created independent audit and investigative offices in 12 Federal agencies when he signed into law the Inspector General (IG) Act of 1978 (5 U.S.C. App.).

Provided below is a snapshot of how the Act has matured over the last 25 years.

Where did the IG concept come from?

The IG concept was derived in part from the military custom of having an IG provide an independent review of the combat readiness of the Continental Army's troops. The need for such independence existed more than 225 years ago.

What was the impetus behind this 1978 Act?

In the early 1960's, a subcommittee of the Government Operations Committee, U.S. House of Representatives, chaired by Congressman L. H. Fountain, began to highlight the need for independent statutory IGs. Further work by this same subcommittee in 1974 revealed that the former Department of Health, Education and Welfare (HEW) lacked effective processes for investigating program fraud and abuse. In response, legislation establishing a statutory IG at HEW was enacted 2 years later. During congressional hearings debating the Act itself, several witnesses sounded warnings of serious adverse consequences that would result if the Act became law, and other witnesses questioned the constitutionality of some of the Act's provisions. However, these concerns were tempered by the testimony of the HEW Secretary and IG, and the Act passed both houses of the Congress with strong bipartisan support. In addition to Congressman Fountain, Senators Tom Eagleton, John Glenn, and Bill Roth and Congressmen Jack Brooks and Frank Horton were instrumental in passing the IG Act and overseeing its implementation.

How has the IG concept evolved over the past 25 years?

The basic tenets of the Act have remained constant and strong over the past quarter century. Although amended several times to add new IGs and clarify reporting requirements, the Act has given all IGs the authority and responsibility to be independent voices for economy, efficiency, and effectiveness within the Federal government. Today 58 Offices of Inspector General (OIG) protect the integrity of government, improve program efficiency and effectiveness, and prevent and detect fraud, waste, and abuse in Federal agencies. In keeping with the Act, IGs keep their agency heads and the Congress fully and currently informed of the results of their work.

Where is the IG community today?

The IG concept has proven to be of significant benefit to our government as well as to governments abroad. Each year, billions of dollars are returned to the Federal government or better spent based on recommendations from IG reports. IG investigations contribute to the prosecution of thousands of wrongdoers and recovery of billions of dollars annually. The IG concept of good governance and accountability also encourages foreign governments to seek our advice, with the goal of replicating the basic IG principles in their governments.

What does the future hold?

Over the last several years, IGs have been operating in a changing environment. In addition to the traditional roles of promoting economy and efficiency and fighting fraud, waste, and abuse, new responsibilities and challenges have emerged. The IGs are now playing a pivotal role within their agencies by conducting financial audits, reporting on Results Act compliance and accountability, assessing information security efforts, identifying their agencies' most significant challenges, and ensuring the effective implementation of the President's Management Agenda.