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Invitation to Contribute Articles to The Journal of Public Inquiry

The Journal of Public Inquiry is a publication of the Inspectors General of the United States. We solicit articles from professionals and scholars on topics important to the Inspector General community.

Articles should be approximately four to six pages (2,000-3,500 words), single-spaced, and submitted to:

Jennifer Plozai
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Denotes the end of an article.
Welcome to the Fall/Winter 2006-2007 issue of *The Journal of Public Inquiry*. I am delighted and honored to present several distinguished articles regarding issues and concerns of importance to the Inspector General (IG) community.

The authors in this journal range from Inspectors General to project managers. Their expertise and knowledge provided in the following articles enables us to share and learn from each other about providing effective oversight.

There are five articles, a Georgetown University capstone paper, and two speeches. The topics of the articles vary from data mining, Federal Employees’ Compensation Act challenges, and asset forfeiture to information technology, and enhancing audit impact using the value proposition. The capstone paper, written by an OIG employee who graduated from the Georgetown University Masters in Public Policy program, discusses issues relating to a diverse and efficient workforce. The two speeches provided are from the President’s Council on Integrity and Efficiency (PCIE) Awards Ceremony. The first is on 21st century challenges in regard to the Inspector General Community and the second is a tribute to a fallen OIG agent, Buddy Sentner.

I would like to express my thanks and appreciation to all who contributed to this Journal.

Thomas F. Gimble
Acting Inspector General
A HISTORY OF DATA MINING INITIATIVES

IN THE
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
INTRODUCTION

The inspector general community has long been in search of the audit and investigative Holy Grail—to identify, develop, and report results faster with fewer man hours and smaller budgets. While those agencies that have embraced and invested in the technological advances in computer hardware and software and related training have achieved significant operational efficiencies in attaining agency goals, it is the agencies that have incorporated the use of data mining and its ancillary techniques that have come closest to maximizing automation’s productivity-enhancing potential. This article will focus on the U.S. Department of Housing and Urban Development, Office of Inspector General’s (HUD OIG) data mining journey from its sporadic use by a selected, tech-savvy few to an agency wide implementation designed to produce more significant results with fewer resources.

DATA MINING DEFINED AND ITS USE

Because the uses of data mining techniques have proliferated over recent years among the inspector general community and other professional organizations, defining the term and its associated processes remains somewhat of an enigma. At HUD OIG, data mining and the use of computerized advanced audit techniques have become institutionalized in the day-to-day conduct of audit and investigative field operations. Accordingly, the definition that most aptly describes data mining at HUD OIG is:

The process of analyzing data from a variety of perspectives and summarizing the data into useful information that can be used to maximize audit and investigative resources.

Specific examples include analyzing a variety of HUD and other federal, state, and corporate databases to

- Perform data matching routines;
- Identify specific transactional universes;
- Isolate leads and potentially fraudulent transactions;
- Use as the foundation for developing statistical sampling plans; and
- Make sample selections and identify trends.

Data mining and associated computer-based analytical techniques have become an integral component of HUD OIG’s effort to maximize operational efficiency in accordance with the mandate dictated by the President’s Council on Integrity and Efficiency.

IN THE BEGINNING

Before the 1990s, computer-based auditing at HUD OIG was sparse, generally limited to a select few who were technically oriented and driven to do the best job possible with available hardware and software resources. This scenario likely described most federal audit and investigative organizations during that period. As the availability and use of personal computing, the Internet, and computer networks exploded through the ‘90s, so too did the role played by computers in the conduct of inspector general audit and investigative activities.

DATA ANALYSIS NETWORK ESTABLISHED

In 1996, HUD OIG data mining activities were formally organized with the creation of a core group of seasoned, tech-savvy auditors from each of the 10 HUD OIG regions. Group members represented their respective regions as the champion, resident expert, and support asset for advanced data mining and analysis. In addition to performing their day-to-day audit responsibilities as managers and auditors-in-charge, group members provided a variety of computer-assisted analytical services in support of their regional audit mission. Through regularly scheduled meetings and conferences and routine contact and networking with each other, this core group dramatically increased the use of advanced auditing techniques by sharing proven analytical processes and, if necessary, adapting them to work on current and future audits and investigations throughout the agency.

HIGHLY SPECIALIZED SUPPORT POSITIONS CREATED

With vigorous top management support, use of data mining and automated analytical techniques flourished. To further increase the use of these techniques and advance the level of assistance and support, HUD OIG created new computer audit specialist (CAS) positions in 2001 and established a headquarters-level CAS support branch. The positions were filled with proven
field-level auditors who demonstrated an exceptional aptitude in using advanced auditing techniques, received extensive specialized training, and had demonstrated an extraordinary ability to successfully work with others on a variety of demanding projects. The CAS branch charter was to provide timely computer-assisted auditing techniques and related assistance and training in support of mission-critical audit and investigations operations. Although this support will generally be focused on obtaining data from a variety of platforms (including HUD mainframe databases and other internal and external entity systems) and converting it to a usable format consistent with the data analysis software tools available to the OIG, other types of support and services provided could include the following:

- Data mining;
- Developing analytical and matching routines;
- Creating unique, job specific software applications;
- Generating statistical sampling plans;
- Providing audit guidance;
- Answering technical and analysis related questions;
- Testing hardware and software;
- Working on special projects; and
- Providing on-the-job analytical and software training.

In concert with the previously established regional data analysis experts’ network, the CAS branch helped to ensure that maximum use was made of data mining and advanced analysis techniques throughout HUD OIG operations.

**INTERAGENCY MATCHING AGREEMENTS**

Starting in 2002, as part of several high-priority investigative initiatives, HUD OIG worked closely with other federal agencies to mine data and apply data matching techniques to identify leads and spearhead joint law enforcement task forces related to locating fugitives and felons in HUD-subsidized housing units and identifying rental assistance fraud.

HUD OIG drafted, negotiated, and guided through the approval process agreements between HUD OIG and the Marshal’s Service, the Office of Personnel Management, the U.S. Postal Service (USPS), and the National Center for Missing and Exploited Children.

These agreements were directly responsible for locating and arresting about 5,600 fugitives and identified approximately 3,500 federal and USPS employees who may have falsely reported their incomes in order to receive HUD-funded housing assistance.

HUD OIG is continuing to actively investigate the leads generated by these matching efforts.

In 2006, HUD OIG completed a computer matching initiative with the Federal Emergency Management Agency (FEMA) (i.e., OIG drafted, negotiated, obtained approval of, and published a computer matching agreement, a notice, and a cost-benefit analysis) to identify and prosecute excessive and duplicative payments of disaster assistance in the wake of Hurricanes Katrina and Rita.

Thus far, HUD OIG is the only agency to complete an agreement with FEMA and, thereby, to ensure that it has satisfied its responsibility to identify and remedy duplicate hurricane recovery assistance payments under the Stafford Act.

Further, in an effort to assist other offices of inspector general, HUD OIG has prepared a prototype matching agreement and associated documents for the inspector general community, has participated in interagency meetings concerning computer matching efforts, and has drafted and submitted to Congress proposed legislation to remedy problems with efficiently developing matching arrangements following hurricanes or other emergencies.
HUD OIG has made significant improvements in audit efficiency and productivity since 2000. Data mining and advanced analysis techniques, coupled with top-level management support, have been a major contributing factor in this success. In addition to the law enforcement achievements, data mining has become an essential component of HUD OIG’s audit operations as evidenced by the audit results published in fiscal year (FY) 2006, summarized in the following chart.

**Number of Reports - FY 2006***

<table>
<thead>
<tr>
<th>Issued</th>
<th>Data Mining Used</th>
<th>Percentage</th>
<th>Reported Monetary Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>159</td>
<td>100</td>
<td>62.9%</td>
<td>$432.6 million</td>
</tr>
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*Includes audit reports issued by the eight regions within HUD OIG

**Conclusion**

HUD OIG has come a long way in its quest to maximize audit efficiency through the use of data mining and advanced computer-assisted audit processes. While the journey continues, HUD OIG has demonstrated a long history of successful use of data mining techniques and continues to be at the forefront of progressive data analysis within the inspector general community.

The author would like to thank Bryan Saddler, Counsel to the Inspector General, U.S. Department of Housing and Urban Development for his contributions and input.

**About the Author**

With over 23 years of federal auditing experience, Cliff Cole is currently a Computer Audit Specialist with the U.S. Department of Housing and Urban Development, Office of Inspector General (HUD OIG). He is widely recognized as the HUD OIG’s resident expert on the development and use of computer assisted audit techniques (CAATs) and statistical sampling methods and procedures. Cliff’s extensive audit experience, familiarity with HUD programs and related mainframe management information systems, technical knowledge, and application of a variety of analytical procedures has been used to support the OIG audit and investigative mission throughout the United States.

As an enthusiastic user and promoter of CAATs, Cliff was instrumental in establishing the HUD OIG’s Computer Audit Specialist designation. Formerly an Assistant Regional Inspector General audit manager, in 2001 Cliff was assigned to a headquarters based, nation-wide support role and was tasked to head-up and direct the newly formed computer audit specialist group.

As the HUD OIG expert in the use and application of a variety of software tools, he regularly provides CAATS, software specific, and statistical sampling training, both on-the-job and in formal training environments. Cliff also frequently lectures on data conversion, data matching and analysis techniques, and the development and use of statistical sampling plans. Cliff received his Bachelor of Science in Business Administration degree with a major in accounting from East Carolina University in North Carolina.
Federal Employees’ Compensation Act Challenges

For the Peace Corps

And the IG Community

by David H. Kotz
In 1908, President Theodore Roosevelt signed a law to provide workers’ compensation for certain federal employees in unusually hazardous jobs. In 1916, the Federal Employees’ Compensation Act (FECA) was enacted and superseded the 1908 statute. FECA is a workers’ compensation law for all civilian federal employees who are disabled as a result of injuries incurred in the course of their employment.

It provides for wage loss compensation, medical care, rehabilitation, attendant’s allowance, and survivors’ benefits. In the event of death due to employment, the Act provides for funeral and burial expenses and for the administrative costs of terminating a decedent’s employee status with the federal government. FECA is administered by the Office of Workers’ Compensation Programs (OWCP), Employee Standards Administration, U.S. Department of Labor.

According to the Department of Labor, government costs for FECA have escalated to approximately $2.4 billion for all agencies, and the Department of Labor Office of Inspector General reported in 2004 that the Department of Labor was paying a “conservative estimate” of $10 million annually in FECA overpayments. In light of these developments, numerous federal agencies and the IG community have attempted to find ways to improve the efficiency and effectiveness of the FECA program.

The Peace Corps, for statutory reasons, and because of its volunteer workforce, faces unique challenges with regard to limiting costs and ensuring efficiency in its FECA program.

The Peace Corps has approximately 1300 open FECA claims and estimates that it spends approximately $11 million in FECA claims for former volunteers and staff who were injured or become ill on the job.

The Peace Corps Office of Medical Services also estimated that over a million dollars is paid annually by the Peace Corps for workers’ compensation disability claims for which individuals do not submit any medical bills to Department of Labor during the same fiscal year.

The Peace Corps was established on September 28, 1961 by Public Law 87-293, known as the Peace Corps Act. The Peace Corps Act authorizes the enrollment of qualified citizens and nationals of the United States as volunteers for service abroad in interested countries and areas, to help the people of such countries in meeting their needs for trained workers, and to help promote a better understanding of the American people.

The enabling legislation authorizing FECA claims (5 U.S.C. § 8101 et seq.), addresses the Peace Corps specifically within the context of FECA, and provides that volunteers enrolled in the Peace Corps under the Peace Corps Act are entitled to FECA compensation for injuries or illnesses suffered during their service (see 5 U.S.C. § 8142.)

In addition, Peace Corps staff members are statutorily entitled to the full coverage of FECA. 5 U.S.C. § 8101(1).

Peace Corps is unique in the FECA program in several respects. Generally, under FECA regulations, in order to establish a FECA claim, a claimant must show that
the injury, disease or death occurred while the employee was in the “performance of duty” or that the medical condition for which compensation is claimed is causally related to the claimed injury (20 C.F.R. § 10.115).

Because Peace Corps volunteers are considered to be on duty 24 hours a day and 7 days a week, the regulations provide for a presumption that any injury sustained by a Peace Corps volunteer while he or she is located abroad has been sustained in the performance of duty, and any illness contracted by a volunteer during Peace Corps service is proximately caused by the employment. See 20 C.F.R. § 10.730.4

Because of the regulatory presumption, the standard and burden for a Peace Corps volunteer to establish a FECA claim is considerably lower than for claimants in other federal agencies.

The overall payments are often higher for Peace Corps claimants as well. FECA payments are based upon what the recipient was making at the time of injury with indexing for inflation. According to the regulations, a Peace Corps volunteer submitting a FECA claim would be entitled to disability compensation payments commencing the day after the date of termination of his or her service as a volunteer at a pay rate based upon the GS-7 salary with adjustments over time as that pay rate increases. See 5 U.S.C. § 8142.

However, because of the relatively young age at which most individuals become Peace Corps volunteers, the average age of a Peace Corps claimant at commencement of disability benefits is 37, significantly younger than the average of disability claimants at other agencies.5 Peace Corps pays out an average of $20,000 per year per individual claimant for disability compensation and given that the life expectancy of a disability compensation benefit claimant for Department of Labor purposes is 77, the average life of a Peace Corps disability compensation benefits claim is 40 years, and thus, the average cost to Peace Corps for each individual disability compensation benefits claimant is $1 million.

Further, FECA monies paid out to volunteers often do not preclude these former volunteers from working as many recipients have Limited Wage Earning Capacity (LWEC).

To ensure that FECA recipients are not employed in a more than a limited capacity, recipients are required to file Form 1032 (affidavits of earnings and activities) annually in which the recipient declares and certifies their monthly income to the Department of Labor, and based upon these affidavits, the FECA benefit may be offset.

In addition, OWCP has specific procedures that they follow for each claimant to ensure that the proper offsets are made, concluding with the ability to suspend benefits to any claimant who fails to sign and submit the annual Form 1032 as required by law.

However, due to the high volume of claims each OWCP claims examiner carries, the high turnover in claims examiners, the rotation of claims between examiners and districts, and the legitimate need to move the claims through the system in a timely manner, OWCP is often unable to review each claim to determine if the Form 1032 has been filed in an appropriate fashion.

Peace Corps OIG Investigation – Initial Findings

The Peace Corps Office of Inspector General initiated a comprehensive investigative effort to uncover waste, fraud and abuse in the FECA system.

The Peace Corps OIG initially began reviewing FECA files to determine how widespread the problem was at Peace Corps.

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4 This presumption may be rebutted by specific evidence that the injury or illness was caused by willful misconduct on the part of the Peace Corps volunteer, that it was proximately caused by intoxication from alcohol or illegal drugs, or that it was a pre-existing condition. 20 C.F.R. § 10.730.

5 As examples, the average age of FECA claimants at Social Security Administration, U.S. Postal Service, and the Transportation Safety Administration is 52, 50, and 44, respectively.
Peace Corps OIG found that the files maintained by the Agency were often out-of-date and incomplete. In several instances, a significantly large portion of the recipients had incorrect addresses on file or were in “limbo” as they changed from one Department of Labor district to another.

The OIG also found significant overpayments in the files they reviewed. In one case, the Peace Corps OIG found that OWCP continued to pay a claimant several years after the claimant had notified OWCP that he/she was no longer disabled.

In several instances, OWCP had waived the overpayments rather than act to recover funds from the claimant, even though the Agency ultimately pays the chargeback for these overpayments. In other situations, the OIG observed that once a claimant had one claim accepted by OWCP, the claimant would file additional claims asserting that those claims were related to the original claim and there was a greater likelihood that the additional claims would also be accepted.

In addition, the OIG noticed that there was a widely-held belief that if the claimant was persistent, eventually one of their claims would be accepted by OWCP, and that claimants would continue to file claims until achieving success. These issues were exacerbated by the fact that there is no time limit for applying to FECA as long as the claimant can show the injury or illness occurred during Peace Corps service.

This initial review of FECA claims also found that a significant percentage of the Peace Corps FECA claims related to mental/emotional/stress-related conditions which were very difficult to disprove because of the lack of visible physical impediments.

There were instances where the attending doctor simply reported that the claimant suffered from post-traumatic stress disorder (PTSD) due to their volunteer service and was therefore unable to function well enough to work. This would enable the volunteer to apply for and receive total disability.

Another example that the OIG observed was the common diagnosis of service-related schizophrenia, which automatically makes the claimant eligible for total disability under FECA and the consequence being that the volunteer would be able to receive total disability benefits for that person’s entire lifetime. These types of illnesses were very hard to challenge or disprove once they had been accepted by OWCP.

Peace Corps OIG also found that a large number of claimants asserted as their basis for seeking benefits that their pre-existing conditions had been aggravated by their volunteer service.

These claims fell into general categories of prior soft tissue, orthopedic and joint injuries or conditions (e.g., lower back pain, osteoarthritis in the knees, hips, shoulders, and neck injuries) that were accepted by OWCP in some cases based solely on the claimant’s subjective descriptions of their chronic conditions without any concrete medical evidence connecting the current condition to an experience, activity or illness that occurred during the volunteer’s Peace Corps service.

**Peace Corps OIG Investigation – Approach to Remedy the Problem**

Peace Corps OIG developed a multi-faceted approach to dealing with potential fraud, waste and abuse in the Peace Corps FECA system.

The Investigative unit implemented the following measures:

- Coordinating with the Peace Corps Office of Medical Services to ensure that initial claims are closely scrutinized before the claims are accepted and sent to OWCP for review, and recommending that, in appropriate cases, documentation be provided to OWCP that demonstrates why there is no relationship between the injury/condition and the volunteers’ service, to include past history of the volunteer, evidence that he/she failed to disclose a pre-existing condition, any evidence of drug/alcohol use or abuse, or any other medical information that would controvert the claim;
• Coordinating with the Peace Corps Office of General Counsel to ensure support in defending the Agency in appeals to negative determinations on claims;

• Sending out a mass mailing to all Peace Corps FECA claimants reminding them of their obligations under FECA and the fact that any changes regarding their disability status must be reported to OWCP. The purpose of this mass mailing is to encourage abusers to voluntarily take themselves off the rolls or reduce their benefits without the need for OWCP personnel to investigate or review the claim;

• Highlighting claims that have potential fraud indicators, such as those with no or low medical costs but high compensatory benefits; death claimants who were young when their spouse died, but with no record of having remarried; high medical costs involving potentially addictive drugs; and soft tissue injuries, like carpel tunnel syndrome and lower back pain, as well as nonspecific diagnoses of depression or a mental disorder for targeted correspondence, additional background checks and surveillance activities; and

• Visiting Department of Labor Regional Offices to coordinate action on Peace Corps FECA claims and synchronize review to ensure that Peace Corps FECA claimants are continuing to file Form 1032s on an annual basis.

**Peace Corps OIG Investigation – Results Achieved**

The Peace Corps Office of Inspector General Investigative Unit, currently headed by Assistant Inspector General Geoffrey Johnson, has achieved significant and swift results, saving the Peace Corps several millions of dollars in FECA costs.

The OIG’s coordination with the Peace Corps Office of Medical Services culminated in the Office of Medical Services hiring additional staff to review FECA claims and to greater scrutiny of claims when they are initially brought forward as well as successful interactions between the two offices to share information about potentially fraudulent FECA claims. The Peace Corps Office of General Counsel successfully litigated several appeals of FECA claimants whose claims were denied, ensuring that frivolous claimants were not given benefits.

As a result of the Peace Corps OIG’s first mass mailing, approximately 500 FECA claimants voluntarily dropped off the rolls within a very short period of having received the OIG letter, resulting in a savings of approximately $500,000. Surveillance activities and targeted letters led to OWCP denying or reducing claims in numerous cases, including an investigation in California in which the OIG agent discovered that a FECA claimant who had been receiving significant annual disability payments, had been employed in several part-time jobs, and a case where surveillance activities demonstrated that the claimant was engaged in activities inconsistent with his alleged injuries.

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6 The rest of the investigative team consists of Senior Special Agents Henry Mulzac and Julie De Mello, and Special Agents David Berry and Andraea Boutiette.
7 A second mass mailing was recently sent and is also yielding excellent results.
In both cases, OWCP, after receiving the relevant information, changed the claimants’ claim statuses, resulting in savings of approximately $40,000 annually, and incorporating Department of Labor projections, actuarial savings to the Agency for the lifetime of the claims of nearly $1.4 million.

**CONCLUSION**

The Peace Corps Office of Inspector General is continuing its efforts to expose waste, fraud and abuse in the Agency’s FECA program, and is optimistic about even further progress. In addition to following-up on measures already implemented, the Peace Corps OIG intends to develop a comprehensive guide to identify and investigate suspected problematic FECA recipients which may be utilized by other interested agencies.

**About the Author**

H. David Kotz has served as the Inspector General for the Peace Corps since February 2006. He leads a distinguished team of 20 plus auditors, investigators, program evaluators and administrative staff in the office’s efforts to uphold the effectiveness, efficiency, and integrity of the Peace Corps. As of the end of Fiscal Year 2007, 7,749 Peace Corps Volunteers were serving in 73 countries at 67 posts.

Prior to being named Inspector General, David served for over three years as Associate General Counsel for Litigation for the Peace Corps and was responsible for overseeing all Agency litigation, including administrative and federal court proceedings, labor arbitrations and employee grievances. In the Office of General Counsel, David litigated over 25 separate administrative and court proceedings, achieving successful and precedent-setting results relating to veteran’s preference, discrimination claims and personnel-related matters.

David is a graduate of the University of Maryland, completing a Bachelor’s of Arts degree in political science with the honors of cum laude and Phi Beta Kappa. After graduating from the Cornell Law School, he worked for nearly 10 years for the international law firms of Graham & James in New York City and Pepper Hamilton LLP in Washington, D.C, practicing federal administrative law. While working in private practice, David successfully represented and advised numerous Fortune 500 companies and major Universities. He joined the federal government in May of 1999, and worked in several capacities at the U.S. Agency for International Development (USAID), both in the Office of General Counsel, and as head of all administrative/disciplinary investigations for USAID.
Information Technology

by John Koch

Challenges Facing the Federal Oversight Community
INTRODUCTION

Pick up a newspaper or a magazine, attend a seminar, or listen to what government executives continue to say. It’s clear. The list of information technology challenges we face today is extensive. Information technology (IT) laws and regulations designed to protect the security of vast amounts of information contained in the Federal Government’s information systems impose numerous requirements on Federal agencies. Additional laws designed to protect the privacy of individuals impose further requirements and challenges for agencies.

In 2005, the federal government’s IT portfolio consisted of over 10,000 information systems to perform its missions. The Department of Defense (DoD) alone maintains over 3500 IT systems. In FY 2005, the Federal Government’s annual budget for information systems was $62 billion and about $5 billion was spent on information security-related work in the federal government.

The Federal Information Security Management Act of 2002 (FISMA) requires that “Each federal agency shall develop, document, and implement an Agency-wide information security program to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source…” Building a solid foundation of information security across the largest information technology infrastructure in the world based on comprehensive security standards and technical guidance presents a significant challenge. The complexity and enormity of the task of building security into the federal information technology infrastructure is underestimated and perhaps not well understood.

Federal agencies are at various levels implementing security standards and guidance and the federal sector lacks consistent evaluation criteria used by auditors and evaluators when assessing the effectiveness of security controls in federal information systems. Protection of privacy data is also a primary concern throughout the federal community. Recent laws and regulations have imposed numerous requirements on agencies to implement procedures governing the collection, use, sharing, disclosure, transfer, and security of personally identifiable information. Agencies are required to have a Chief Privacy Officer who is responsible for developing privacy and data protection policies. Agency Inspectors General are required to contract with an independent third party to evaluate and recommend improvement to agency’s privacy and data protection management, and submit the evaluation report to the agency head.

As a means to identify emerging managerial, technical, administrative, and physical safeguard issues relative to information security and privacy, the Federal Government created the Information Security and Privacy Advisory Board (ISPAB). The ISPAB was originally created by the Computer Security Act of 1987 and was reauthorized by FISMA in 2002. The ISPAB is responsible for advising the National Institute of Standards and Technology (NIST), the Secretary of Commerce, and the Director of Office of Management and Budget (OMB) on information security and privacy issues pertaining to Federal Government information systems, including a thorough review of proposed standards and guidelines developed by NIST. The Inspector General (IG) community has been represented on the board by a representative of the IG community since December 2003. The IG representative serves as a voice for the IG community’s interest and concerns and helps coordinate between the NIST and the IG community.

The NIST’s Computer Security Division is responsible for improving information systems security by raising awareness of IT risks, vulnerabilities and protection requirements, particularly for new and emerging technologies; researching, studying, and advising agencies of IT vulnerabilities and devising techniques for the cost-effective security and privacy of sensitive
Federal systems; developing standards, metrics, tests and validation programs; and for developing guidance to increase secure IT planning, implementation, management and operation. NIST’s extended charge continues under FISMA to develop cybersecurity standards, guidelines, and associated methods and techniques. Charged under other legislation, such as the USA PATRIOT Act and the Help America Vote Act, NIST is addressing the major challenges faced by the nation in the areas of homeland security and electronic voting.

**DEPARTMENT OF DEFENSE IT CHALLENGES**

With over 3500 information systems, the DoD has the most information systems in the federal government. IT challenges faced by the Department are recognized by DoD officials and much is being done to address the issues; however, much remains to be done. In the FY 2006 Department of Defense Performance and Accountability Report, the Defense Inspector General stated that ensuring a robust information security program is in place remains a challenge to the Department and that such a program includes periodic risk assessments; security awareness training; security policies, procedures, and practices, as well as tests of their effectiveness; and procedures for addressing deficiencies and for detecting, reporting, and responding to security incidents.

The Department developed five priorities for information assurance: protecting information, defending systems and networks, providing situational awareness, improving information assurance capabilities, and creating a professional information assurance workforce. However, there is no action plan in place to assess the effectiveness of these initiatives.

The Department also faces the challenge of ensuring that privacy protections are not compromised by advances in technology. One of DoD's major challenges identified last year was protecting sensitive personal and medical information as the Department and the health care industry move toward electronic health care records. The Department is further challenged to ensure that contracting for Information Technology includes information assurance and all contracting clauses required by the federal and Department regulations to safeguard the DoD IT infrastructure.

The OIG reported that the Department made little progress during the course of 2006 in improving its information security posture. Unresolved issues are now exacerbated by the recent losses of privacy data by various federal agencies, including components of the Department, and a lack of clear Department guidance regarding protection of privacy data. The Department also made little progress in improving its information assurance posture and has not addressed key policy issues pertaining to that posture.

**THE PCIE FORMS NEW INFORMATION TECHNOLOGY COMMITTEE**

In an effort to address the many IT challenges facing the government oversight community, the President’s Council on Integrity and Efficiency (PCIE) has formed a new IT committee. Thomas Gimble, Acting Inspector General of the Department of Defense, will chair the committee. The IT committee will strive to facilitate effective information technology audits, evaluations, and investigations by Inspectors General, and provide a vehicle for the expression of the IG community’s perspective on Government-wide IT operations. Key activities envisioned by the committee include
coordination of IT-related activities of the PCIE, conducting relevant IT educational and training activities, providing advice to the PCIE regarding IT issues, and providing an effective and efficient information exchange, such as information on best practices among the OIGs.

The committee expects to form several subcommittees, including groups to specifically address matters of concern relative to the Investigative community and to the Audit, and Inspections and Evaluation community. Committee members will include representatives from the Inspector General community as well as members from non-OIG activities.

About the Author

John L. Koch has 20 years of auditing and technical support experience with the Office of the Inspector General (OIG), Department of Defense. Mr. Koch is currently a Special Assistant to the Deputy Inspector General for Auditing and to the Principal Assistant Inspector General for Auditing.

Prior to his current assignment, Mr. Koch was a Senior Technical Support Auditor in the Audit Followup and Technical Support Directorate of the OIG for nine years. Mr. Koch served as an analyst providing budget and other OIG internal matters to OIG senior managers.

Mr. Koch’s audit experience includes audits of DoD logistics programs, DoD contract administrative functions, and Defense Financial Statements. Mr. Koch is a Certified Internal Acquisition Auditor and a Certified Defense Financial Auditor.

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ENHANCING AUDIT IMPACT

BY GORDON C. MILBOURN III AND MIMI A. SWANTON

THE VALUE PROPOSITION

IN THE

U.S. POSTAL SERVICE
Like all offices of Inspector General (OIG), the U.S. Postal Service (USPS) OIG faces challenges in deciding what audit work will provide the most value. These challenges include:

- Finding innovative ways to contribute to the Postal Service’s success.
- Understanding what is most important to Postal Service management.
- Maintaining our independence.
- Maximizing our contributions in times of limited – and sometimes declining – resources.

So we must periodically ask ourselves: how do we continuously enhance our value and impact without compromising our independence? This article discusses a new approach the USPS OIG has been using during the audit planning process that increases auditor and auditee ownership and accountability. This process is called the “Value Proposition,” and it balances the need for independence with the need for relevant audits that provide the greatest value to the Postal Service.

**Value Proposition Comes to USPS OIG**

When Inspector General David Williams arrived to head the USPS OIG in 2003, he set out to improve the value and relevance of our work. Among other things, he began:

- Aligning audit directorates with Postal Service operating units.
- Establishing a formal stakeholder program which includes routine meetings with Postal Service management and stakeholders.
- Improving USPS OIG products and services.

An outgrowth of the increasing dialogue with Postal Service management was a greater understanding of what their operational issues and concerns were, as well as what they needed from the OIG’s Office of Audit. As a major way to address those issues and concerns, and to meet those needs, we began formalizing them in Value Propositions.

**WHAT IS A VALUE PROPOSITION?**

A Value Proposition augments the OIG’s ability to work jointly with the Postal Service to identify areas that, with examination, could yield savings and maximize the value we add to the Postal Service. It is a written, signed agreement between the audit director and his/her counterpart Postal Service Vice President, identifying a specific body of work – that will be performed in a specific timeframe. The agreement lays out the area of focus, the audit objectives and scope of work, OIG and Postal Service resources committed to the effort, anticipated value, and deliverables. Once we agree on the Value Proposition work, the OIG conducts the audit(s) and reports out the results independently.

The Value Proposition agreement enhances ownership and accountability by committing the OIG to a specific body of relevant, valuable audit work, and the Postal Service to an unusual level of collaboration and cooperation. We have seen two immediate benefits of this collaboration and cooperation:

- Postal Service executives want to ensure that we have the rapid access we need to people and information to quickly perform the Value Proposition work.
- Postal Service officials agreed to provide specific training classes for our auditors so they could deepen their knowledge of operations and more effectively carry out the Value Proposition work.

Value Propositions are a key part of our planning process. They are designed to have our directors and Postal Service Vice Presidents jointly identify significant areas of greatest value to the Vice Presidents. They are intended to engage the Vice Presidents in identifying the most important issues and areas where the OIG could help reduce costs, raise revenue, improve service, etc.

While Value Propositions are very important in our planning, they do not encompass the totality of our audit work in any given year. In particular, beyond the Value Proposition work we also include audits of areas that we believe are at high risk, whether or not the Postal Service agrees with our position.

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1 This might be one audit, or a series of audits.
Instituting the Value Proposition

After developing the initial Value Proposition concept, we discussed it with top ranking Postal Service officials, who quickly agreed to its implementation. Soon after our organizational realignment to mirror Postal Service operating units, we piloted the Value Proposition concept with selected Postal Service Vice Presidents. We met with the Vice Presidents, listened to their ideas, and offered some of our own based on previous audit work and other sources. The first Value Propositions were established in 2005. These consisted of assessing the efficiency of mail processing and transportation networks and city letter carrier operations.

Mail Processing and Transportation Networks

Our work at major Postal Service facilities and on truck and train transportation routes is laid out in Value Propositions we have with the Postal Service Vice President for Network Operations. We are conducting a series of efficiency reviews at various mail processing facilities, along with audits of truck and train transportation routes to and from processing facilities around the country. We are finding that, in many places, there are too many workhours in major facilities for the mail volume, and many truck and train routes could be consolidated or cancelled. This is occurring for a number of reasons, particularly (1) changing processes and requirements (e.g., mail volume changes, population shifts) are not evaluated locally for their impact on plant size and transportation routes and (2) data systems do not provide all the information needed to local managers – e.g., management information systems supporting the transportation network need to provide managers with more visibility into the data, to enable them to evaluate what is actually occurring and to optimize the network on a regular basis.

Through implementing these Value Propositions, as of September 2006, we had identified nearly $700 million in efficiency savings at major facilities, and over 900 truck and train trips that could be modified, consolidated, or cancelled, saving the Postal Service more than $40 million. These are the types of results that Postal Service management welcomes and appreciates, given their imperative to reduce costs while confronting declining mail volumes.

City Letter Carrier Operations

We conducted a series of audits to assess the management of city letter carrier operations, pursuant to a Value Proposition with the Vice President of Delivery and Retail. These audits examined a variety of operational issues to find ways to reduce costs in specific city post offices.

We found that Postal Service management can improve operations by adequately reviewing the daily mail volumes when determining workhours for each carrier’s delivery route. In addition, supervisors and managers did not consistently monitor the time city letter carriers spent delivering mail to correct negative trends, and did not properly document letter carriers’ use of unauthorized overtime and take corrective action to stop it. As of September 2006, we identified more than 343,000 unjustified workhours valued at more than $7 million. This Value Proposition concluded with a national capping report. Based on our work, the Vice President of Delivery and Retail mandated the implementation of standardized delivery management practices nationwide.

Lessons Learned, and Expansion of the Concept

The early experience with the first three Value Propositions was that they were highly successful, but also contained lessons learned. These lessons included the importance of:

• Limiting the scope of work identified in a Value Proposition to work that can be completed within a reasonable time frame.
• Being as specific as possible when coming to agreement about the audit work to be performed.
• Doing the research necessary to be well prepared in advance of meeting with the Postal Service Vice Presidents to establish the Value Proposition agreement.
Seeing that this pilot effort was successful, we then moved to formally requiring most audit directors to develop Value Propositions with their counterpart Vice Presidents. Presently, every appropriate directorate at the USPS OIG has one or more Value Propositions in place.

As we expanded the concept, we achieved more successes. For example, in September 2004, we recommended that Postal Service Engineering develop written policies and procedures to better manage acquisitions. In response, Engineering initiated efforts to better develop, standardize, and document its program management policies and procedures, such as conditional acceptance criteria. Engineering sought the OIG’s assistance in these efforts, so we formed a Value Proposition agreement to develop a process guide. In executing the agreement, Engineering staff were responsible for writing the guide, and OIG staff commented on aspects of it to ensure that the guide included the necessary controls. Throughout this process, Engineering staff and OIG auditors worked closely with the common goal of developing the best policies and procedures possible. All parties are pleased with the result, and one of the Postal Service Governors recently praised the collaborative effort and value added in an address to OIG leadership.

**Conclusion**

The Postal Service has welcomed the Value Proposition from its initial introduction. Top officials, in particular, have been very supportive, and this support has been critical to the initiative’s success. Postal Service feedback thus far has been very positive, and Value Propositions have been cited as a worthwhile endeavor and an example of the value contributed by the OIG rising from the collaborative effort. The process of developing the agreements and then executing them to provide relevant, timely work has strengthened our directors’ relationships with the Postal Service Vice Presidents. In conclusion, we view the Value Proposition as an important means to help the Postal Service achieve its own strategic goals, while maintaining our independence.

**About the Authors**

Gordon C. Milbourn III was named Assistant Inspector General for Audit of the U.S. Postal Service Office of Inspector General in February 2005. He is responsible for all audits in the Postal Service areas of core operations, financial management, technology, and headquarters operations. His staff of approximately 350 employees — located in major offices nationwide — conducts independent audits for the largest civilian federal agency, with over $70 billion in annual revenues, a workforce of over 700,000 employees, and nearly 38,000 facilities.

Milbourn began his federal civil service career in 1974 as an internal auditor with the IRS Inspection Service. He left the IRS in 1986 to work for the Naval Audit Service, and in 1987, moved to the Environmental Protection Agency, Office of Inspector General. Milbourn is a graduate of the University of Virginia, and attended the Defense Systems Management College.

Mimi A. Swanton is a Program and Policy Specialist for the Office of Audit at the U.S. Postal Service (USPS) Office of Inspector General (OIG). She reports directly to the Assistant Inspector General for Audit and serves as an authoritative resource in the area of planning, budgeting, and accountability. Her responsibilities include solving significant problems between and among programs, systems, functions, policies, and other critical issues. Ms. Swanton began working for the USPS OIG in Strategic Planning, and held a series of progressively more responsible positions.

Ms. Swanton has earned numerous awards throughout her career, and has a Bachelor of Arts degree in Psychology, a Master of Arts degree in Social Work with a minor in Public Administration, and is currently a doctoral candidate at the University of Baltimore in the Doctor of Public Administration program.
Asset Forfeiture

by Christy Slamowitz, Sharon Weinstein, and Walter Kowal

An Effective Law Enforcement Tool

in the

U.S. Department of Agriculture
In May 1998, through a Memorandum of Understanding with the Department of Justice (DOJ), the Department of Treasury (Treasury), and the U.S. Postal Service (USPS), the U.S. Department of Agriculture, Office of Inspector General (USDA OIG) became a participating agency in the Department of Justice Asset Forfeiture Fund.

This article focuses on USDA OIG’s use of asset forfeiture as a critical law enforcement tool to help combat fraud and criminal activities that affect the programs and operations of USDA.

INTRODUCTION

Asset forfeiture is a critical law enforcement tool. It is an effective measure to disrupt and deter criminal activity, which is the primary objective of USDA OIG’s forfeiture program. This objective can be accomplished by depriving criminals of profits and proceeds of their illegal activities and weakening criminal enterprises by removing the instrumentalities of crime while giving innocent third parties, owners, and victims, the protections afforded to them by law.

Forfeiture is the divestiture by the Government of property illegally used or acquired, without compensating the owner. However, the mere fact that property has been used or acquired illegally, does not automatically give the Government the right to confiscate it.

Property may be forfeited only if its forfeiture is specifically authorized by statute. The determining factors in the forfeiture of property are:

(a) the scope of the forfeiture;
(b) the type of evidence that can be used to prove forfeiture; and
(c) the existence of any defenses.

Forfeiture may be accomplished either judicially or non-judicially.

Working closely with the United States Attorneys’ offices, as well as with Federal, State, and local law enforcement agencies nationwide, USDA OIG, although not a seizing agency, is involved in forfeiture actions in cities from coast to coast.

Investigations of fraud and criminal activity affecting USDA programs have involved numerous violations of law including money laundering, unlawful possession/trafficking of food stamps, unlawful possession/use of women-infant-children (WIC) vouchers, drug trafficking, racketeering, wire fraud, mail fraud, bribery of public officials, conspiracy, false statements on loan applications, violations of the Animal Welfare Act, smuggling, and other illegal activity. Cases involving such violations have led to successful forfeiture actions.

HISTORY OF USDA OIG’S FORFEITURE PROGRAM

For many years, USDA OIG has worked investigations that led to proceeds being deposited into DOJ’s and Treasury’s asset forfeiture funds. In the course of working such investigations, USDA OIG saw, first hand, what a useful law enforcement tool asset forfeiture could be. Therefore, in 1994, USDA OIG began an initiative to better utilize asset forfeiture as an effective law enforcement tool in protecting USDA programs and deterring crime.

In September of 1994, USDA OIG’s Office of Counsel met with DOJ’s Asset Forfeiture and Money Laundering Division, Treasury’s Executive Office for Asset Forfeiture, and the USPS’s Office of Criminal Investigations, regarding USDA OIG’s initiative and our interest in becoming a member of DOJ’s Assets Forfeiture Fund.

As a result of these meetings, USDA OIG was informed that, to become a participating agency, we would need statutory language allowing USDA OIG to accept asset forfeiture funds, and either statutory authority or a Memorandum of Understanding to participate as a member of the Fund.

From March 1995, through December 1995, USDA OIG began efforts to get appropriations language in place, authorizing our receipt of forfeiture proceeds. As a part of this effort, we worked with DOJ’s Criminal Division, Asset Forfeiture and Money Laundering Division, and Legislative Affairs Office.
Additionally, we met with other Federal law enforcement agencies to discuss their asset forfeiture experience and/or programs. Among those agencies were the Federal Bureau of Investigation, Secret Service, Food and Drug Administration, U.S. Park Police, the Marshals Service, and other OIGs. Internally, we also worked with USDA’s Office of Budget and Program Analysis, Office of Congressional Relations, and the Food and Nutrition Service.

On October 21, 1995, Congress passed appropriations language authorizing USDA OIG to receive forfeiture proceeds “through forfeiture proceedings or from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as a participating agency, as an equitable share from the forfeiture of property in investigations in which the Office of Inspector General participates, or through the granting of a Petition for Remission or Mitigation…” (Public Law 104-37).

From November 1995, through July 1997, discussions took place between USDA OIG, DOJ, Treasury, and USPS, regarding OIG’s role with respect to forfeiture cases and how USDA OIG’s authority to receive forfeiture proceeds would be implemented in the framework of the existing funds. In July 1997, all parties agreed that USDA OIG would become a member of DOJ’s Assets Forfeiture Fund, in a “pilot project” as the first OIG with authority to receive forfeiture proceeds. It was further agreed that USDA OIG would not receive funds through equitable sharing, but rather as a participating agency in the Fund and through petitions.

From July 1997, through May, 1998, USDA OIG, DOJ, Treasury, and USPS worked out the details regarding a memorandum of understanding that would memorialize USDA OIG’s participation in the DOJ Asset Forfeiture Program.


**ACCOUNTING FOR FUNDS: ASSET FORFEITURE PROCEEDS**

When OIG was granted the authority to receive proceeds from asset forfeiture actions, OIG set up separate accounts to keep financial reporting regarding forfeiture funds separate and apart from its own annual appropriation.

Such funds are entered and tracked in the Foundation Financial Information System (FFIS), USDA’s financial accounting system. Specific asset forfeiture accounting codes are used to report the expenses in FFIS. During the course of the year, OIG prepares and submits quarterly, mid-year, and year-end budget status reports to DOJ.

OIG utilizes asset forfeiture funds to support various law enforcement efforts. There are two ways that OIG receives forfeiture proceeds:

1. annual allocations from DOJ; and
2. petitions for remission or mitigation.

Both of these types of funding have different guidelines for receipt of funds and limitations on how the funds can be expended.

OIG requests monies from the DOJ Assets Forfeiture Fund under DOJ’s Annual Allocation program. These allocations are usually included in two of the categories in DOJ’s fund, regarding program operations expenses and investigative expenses.

Program operations expenses include, for example, case related expenses, joint law enforcement operations (conducted with various State and local law enforcement entities), and training. Investigative expenses include such items as the purchase of evidence and the equipping of conveyances. Funds from DOJ under these categories must be used only for the specified activities.
OIG submits its budget request to DOJ annually in July for the new fiscal year beginning the following October. Requests and the use of the funds approved under both of these categories are reviewed quarterly, and funding may be increased or decreased accordingly by DOJ. Once a funding allocation is received for a category or subcategory, OIG cannot exceed that funding allocation.

OIG also requests monies directly from DOJ’s and Treasury’s asset forfeiture funds by petitions for remission or mitigation. OIG petitions are requests for proceeds resulting from specific forfeiture actions that OIG participated in, and are based on the amount of loss suffered by USDA. Monies received by USDA OIG through petitions can be used for most law enforcement activities authorized under the Inspector General Act, except such monies cannot be used for salaries.

**Examples of USDA OIG Cases Involving Asset Forfeiture**

Asset forfeiture is helping to remove the financial gain obtained by individuals who have engaged in program fraud relating to many different USDA programs.

For example, with respect to USDA’s Food Stamp Program, Electronic Benefits Transfer (EBT)/food stamp recipients are not allowed to use, and retail food stores are not allowed to exchange, EBT/food stamp benefits for the purchase of non-food items, such as United States currency and/or illegally obtained narcotics. A Food Stamp Program /EBT fraud case typically involves a small store falsely redeeming hundreds of thousands of dollars a year from purported legitimate sales. The figures can be grossly inconsistent with inventory, prior sales/redeemption history, and expected sales/redeemption figures. Further investigative work may identify fraudulent activities, including food stamp trafficking, with benefits being exchanged for cash and drugs. Financial investigations trace the assets that represent property involved in or traceable to the specified unlawful activity, or assets that constitute or are derived from proceeds traceable to the fraudulent activity.

Tracing the assets, a necessary element for forfeiture, is especially critical when dealing with commingled funds. In one case, as a result of a food stamp high redeemer investigation conducted jointly with the FBI, an Assistant U.S. Attorney filed a Civil Complaint for Forfeiture against real property identified as being derived from proceeds traceable to illegal activity. The defendant deposited approximately half a million dollars into a bank account, with 82% of the money constituting the proceeds of a food stamp fraud offense. He then moved a portion of these funds from this commingled account into a custodial account held in the name of his minor child, where it was further commingled with other clean money. The defendant then used most of these commingled funds for a down payment on real property and paid the balance of the purchase price with money from an unknown source. Essentially, the defendant had laundered food stamp fraud proceeds through a series of transactions and invested the money in a parcel of real property. The district court held that the property was forfeitable in its entirety, finding that as the purchase of the property itself was a money laundering transaction, that it was “immaterial that claimants may have also used untainted funds for its purchase.”

On appeal, the Court of Appeals for the Fifth Circuit affirmed the district court decision upholding the forfeiture.

USDA OIG’s use of asset forfeiture, however, is not limited to fraudulent activities affecting USDA’s nutrition programs. An example involving another USDA program is a recent investigation into the operators of one of the nation’s largest dog and cat breeding kennels used for medical research. The defendants purchased stolen dogs at flea markets, prepared false purchase documents, obtained false health certifications, and sold the animals to research facilities. The investigation, worked jointly with the USPS, revealed that from January 1999, to December 2003, the owners of the kennels made approximately $3.5 million by selling the stolen dogs to animal research companies, colleges, and universities across the United States. The owners pled guilty to a bill of information charging them with money laundering conspiracy with

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1 United States v. 1700 Duncanville Road, 90 F. Supp. 2d 737, 741 (N.D. Tex. 2000).
a specified unlawful activity of mail fraud and misprision of a felony. As part of the plea, the owners agreed to forfeit $200,000 cash and approximately 700 acres of land (including the kennels) valued at approximately $1.1 million. The owners also paid $42,400 in partial reimbursements to 12 animal rescue organizations for costs incurred due to the seizure of animals during the investigation.

In another case, regarding USDA's crop insurance programs, an extensive 3-year investigation revealed that the owners of a North Carolina corporation with farms in several States received more than $9.28 million in crop insurance payments and attempted to obtain an additional $3.8 million, based on an elaborate scheme of providing false documents to insurance companies reinsured by USDA's Risk Management Agency (RMA). The investigation, worked in conjunction with RMA's Special Investigation Branch, Internal Revenue Service – Criminal Investigation, and the U.S. Attorney’s Office for the Western District of North Carolina, revealed that the defendants had been hiding and shifting tomato production in order to elevate losses on certain farms and to increase yields on other farms. Additionally, the investigation revealed that the defendants hid production not only through manipulation of documents, but also by posing crop damage by throwing ice in a field to photograph and claim as hail damage. The defendants provided these false reports and documents to the insurance companies, which relied on the information to calculate the defendants’ claim amounts. Eight subjects in this investigation were convicted and sentenced. Sentences ranged from 8 to 76 months of imprisonment, while forfeiture and restitution totaled $7.3 million and $9.15 million, respectively.

**Conclusion**

As a participating agency in the DOJ Assets Forfeiture Fund, USDA OIG has had an opportunity to work with other law enforcement agencies on a number of cases that resulted in successful prosecutions and forfeitures. Asset forfeiture has proved to be an effective law enforcement tool to disrupt and dismantle criminal enterprises, deprive wrongdoers of the fruits and instrumentalities of criminal activity, deter crime, and restore property to crime victims, while protecting individual rights.

**About the Authors**

Christy A. Slamowitz was hired as an Assistant Counsel to the Inspector General at USDA OIG in February 1995. While at USDA OIG, Ms. Slamowitz has served as Assistant Counsel from February 1995, until December 2001; Acting Chief Counsel from December 2001, until February 2004; and Deputy Counsel from February 2004, through the present. Additionally, from February 2001, through August 2001, Ms. Slamowitz served as a Special Assistant United States Attorney with the United States Attorney’s Office for the District of Columbia.

Prior to joining USDA OIG, Ms. Slamowitz interned at the U.S. Department of Justice in the Civil Division’s Commercial Litigation Branch from 1992 to 1994. While at the Commercial Litigation Branch, Ms. Slamowitz served as both a Volunteer Intern and an Honors Intern, and worked in the Court of Federal Claims, Civil Frauds, and Corporate and Finance sections.

Ms. Slamowitz holds a B.A. degree in English from Boston College, and a J.D. degree from the Catholic University Columbus School of Law.

Ms. Weinstein began her Federal career in 1988 with the U. S. Department of Labor and moved to the U.S. Department of Agriculture (USDA) in 1990. She served as an Employee Relations Specialist, EEO Specialist, and agency representative before the EEOC, MSPB, and County Office administrative proceedings concerning employee conduct and performance matters for USDA’s Farm Service Agency. Ms. Weinstein started working for the Office of Inspector General (OIG) in 1998 and was assigned to work with the asset forfeiture program in 1999. She is actively involved in the continued development of the program in OIG, including asset forfeiture practices, procedures, policies, and training.

Ms. Weinstein also serves as OIG-USDA’s liaison for the Federal asset forfeiture working groups, participating in strategic planning and other initiatives with representatives of Federal agencies in the U.S. Department of Justice Assets Forfeiture Fund. Ms. Weinstein is a graduate of the Peabody Institute of the Johns Hopkins University and the George Mason University School of Law.

Walter S. Kowal is the Director of the Business Management and Procurement Division, Office of Inspector General (OIG), U.S. Department of Agriculture. In this capacity, Mr. Kowal is responsible for managing the formulation and execution of the OIG budget, directing all OIG procurements, and for the management of a staff of approximately 15 budget analysts, accountants, procurement specialists, and administrative support personnel.

Mr. Kowal has over 30 years of experience as a comptroller, financial manager, auditor, and procuring contracting officer. Prior to his current assignment, Mr. Kowal was Acting Comptroller and Head of Internal Controls and Audits for the U.S. Marine Corps Expeditionary Fighting Vehicle Program where he managed a budget of over $4 billion.

Mr. Kowal served as a Brookings Institution Congressional Fellow for Representative Sue Myrick in 2002. As a Fellow, Mr. Kowal was responsible for all defense, homeland security, veterans affairs, foreign affairs, and environmental issues.

Mr. Kowal completed 24 years as a Naval Supply Corps Officer on active and reserve duty serving in various procurement and financial management positions. He retired with the rank of Commander.

Mr. Kowal is a graduate of LaSalle University with a Master of Business Administration Degree and Seton Hall University with a Bachelor of Science Degree in Accounting. He is a Certified Government Financial Manager, Certified Internal Auditor, and a member of the Association of Government Accountants.
Creating and Sustaining...

By Cassandra J. Williams

A Diverse Workforce
In the Office of the Inspector General Department of Defense
INTRODUCTION

The vision statement for the Office of the Inspector General, Department of Defense (OIG, DoD), is “One professional team strengthening the integrity, efficiency, and effectiveness of Department of Defense programs and operations.” To mirror the OIG statement, the Equal Employment Opportunity (EEO) office, with the approval of the Inspector General, has adopted the following vision statement “The EEO office is committed to creating and sustaining a diverse workforce, providing equal opportunity for all and helping to foster the vision of one professional team within the OIG DoD.” Both statements envision a group of employees who differ by race, ethnicity, religion, educational level, family status and occupational series all working together to achieve the mission of the organization.

THE IMPORTANCE OF A DIVERSE WORKFORCE

Diversity engages the culture of an organization to foster an environment where people can work together cooperatively to achieve goals. Employees enjoy working where they are valued. Organizations that are rigid, bureaucratic, one-sided, and non-diverse will lose talent. The business case for diversity has three significant parts. First, the labor market has become increasingly competitive. Federal agencies must use every available source of candidates to ensure that they have a high-quality workforce to deliver its mission to the American public. Secondly, the changing demographics of America mean that the public served by the Federal Government is also changing. When agencies recruit and retain an all-encompassing workforce, one that looks like the America it serves, and when individual differences are respected, appreciated, and valued, diversity becomes an organizational strength that contributes to achieving the mission of the agency. Lastly, diversity promotes retention.

The agency loses time, money, and talent when trained employees leave the organization. The agency then has to hire and retrain more employees. Valuing diversity helps an agency have some assurance that employees might remain. In this regard, diversity has evolved from “status quo” public policy to strategic business planning.

Many people still consider diversity black versus white, but diversity has moved beyond the norm.

DIVERSITY DEFINED

Diversity is generally defined as “differences” within a group (Waggle & Levin, 1990). Diversity implies that because of these differences, there will be different perspectives on issues, different styles of managing, and different techniques for accomplishing tasks. Diversity can also be defined as “uniqueness” (Thomas 1990). The primary dimensions of diversity are: age, gender, ethnicity, physical and mental disabilities, race and sexual orientation. The secondary dimensions include education, geographical location, income, marital status, religious beliefs and work experience. These dimensions provide individuals with a different perspective on all aspects of their life (Thomas 1990). Diversity is not limited to individuals in protected groups, but includes everyone. This broad definition is inclusive of all groups in the workforce, including white males (Thomas, 1990). Valuing diversity goes beyond affirmative action because it goes beyond changing the representation of various types of people in the workplace. To create the culture where diversity is valued, the main ingredient is commitment from leadership.

IMPORTANCE OF LEADERSHIP COMMITMENT

John C. Maxwell (1993) defines leadership with one word “influence.” Leaders have an important role in influencing a culture where individuals in the minority want to work and remain working. The head of the organization is the key to establishing and setting the tone, through his/her commitment, for a culture that values diversity. Once that commitment is affirmed, first and second line managerial involvement is
necessary to effective succession planning. The more involved managers are in the diversity process, the more successful the agency will be in attracting and retaining quality candidates.

**HOW DATA IS ANALYZED IN THE FEDERAL GOVERNMENT**

Section 717 of the Civil Rights Act of 1964 (Title VII), as amended 42 U.S.C. 2000 et seq.; Executive Order 11748; and Section 501 of the Rehabilitation Act of 1973, as amended by Pub. L. 99-506 require each department and agency to establish/maintain effective affirmative programs of equal employment opportunity which ensure that all personnel actions affecting employees and applicants are made free from discrimination based on race, color, religion, sex, national origin or disability status. Federal agencies are required to report this information annually to the Equal Employment Opportunity Commission using Management Directive 715 (MD 715). The policy intent of MD 715 is to ensure that employees and applicants for employment enjoy equality of opportunity in the federal workplace and places an emphasis on the commitment of the agency head. The EEOC reviews the report annually to ensure its compliance with established guidelines.

The report has many strategic components to help an agency evaluate its sojourn to ensuring that all employees benefit from equality in the workplace. It allows an agency to review and compare the rate of promotion, frequency of awards, training/developmental opportunities, separations, and participation in supervisory and management positions amongst its employees. Subsequently, the report requires an agency to determine and address which barriers are impeding various groups to reaching a certain level within an organization. Finally, options to those impediments are established, implemented, and monitored.

Due to time constraints, this policy study focuses on the workforce analysis using prescribed data tables to determine if there are any recruitment barriers for a particular group. To complete this analysis, agency statistics are compared to the 2000 census civilian labor force (CLF) indicators. The CLF data pool consists of employed or unemployed persons 16 years of age and over and seeking work, except those in the armed forces. The census does not collect any comparable data for individuals with disabilities. Therefore, it is difficult to perform a reliable statistical analysis, based on general workforce data, to determine the expected rate at which individuals with disabilities, but for discrimination, are absent from the workforce. However, the Secretary of Defense has established a DoD-wide goal of two percent for employees with disabilities in the civilian workforce.

**OIG DATA ANALYSIS**

A comparison of the agency data to the 2000 CLF revealed that the agency needs better representation in the area of women, Hispanics, American Indian/Alaskan Native, and people with disabilities. Better representation in those groups is not an anomaly. In a report issued in January 2005 to the White House, the former Director OPM said, “the number of Hispanic employees has risen, but they are still the most underrepresented groups in the Federal Government.” Most recently, the U.S. Census Bureau issued an immediate release indicating that the Hispanic population continues to grow at a much faster rate than the population as a whole.

The administration also recognizes that the number of people with disabilities in the workforce is below parity. On October 21, 2004, the President stated, “Americans with disabilities are active and contributing members of our society, and they must have the opportunity to develop the skills they need to compete and obtain jobs in the 21st century workforce. By reducing physical barriers and false perceptions, our country meets our commitment to millions of Americans with disabilities, and benefits from their talents, creativity, and hard work.”
POSSIBLE ALTERNATIVES

To recruit and sustain a diverse workforce, the following alternatives were considered as a potential solution:

**Targeted Recruitment** - One of the groups identified as needing the most improvement is Hispanics. To recruit Hispanic talent, partnerships must be developed with Hispanic Serving Institutions and organizations such as the Hispanic Association of Colleges and Universities (HACU). Beginning in the sophomore and junior years at the college and high school level, the OIG should make their presence known at schools that have a high percentage of Hispanics. Additionally, each year HACU sponsors a national internship program that recruits college students for paid summer, semester long-internships, and cooperative internships at Federal agencies in Washington, D.C., and throughout the country. Funding for the HACU program can be allocated from the general funds used for other intern programs to ensure a qualified pool of applicants.

The same type of aggressive recruitment strategies used for Hispanics is necessary to increase the number of people with disabilities. A good avenue to recruit people with disabilities is to participate in the Workforce Recruitment Program for College Students with Disabilities, a program that is co-sponsored by DoD and the President’s Committee on Employment of People with Disabilities (PCEPD). The program’s recruitment and referral system provides a systematic review of applications from college students with disabilities who are current or recent graduates and are seeking summer or permanent employment. Although this alternative focused solely on Hispanics and people with disabilities, the same ideas can be used to recruit other minority groups.

**Comprehensive Retention Program** - A reputation for career development makes the agency attractive to potential recruits who are serious about building a career. Employee development assures that competent people are ready to fill vacancy as they occur and it creates a pool of individuals who understand the agency and are prepared to assume leadership as the agency progresses (Harvard Business Essentials, 2002). Employee training does not guarantee a promotion; however, it makes them competitive, broadens their view of agency goals, improves their competencies, prepares them for the future, and increases their morale.

A Gallup broad based survey conducted in 1999 concluded, “American workers who receive employer-sponsored training are more satisfied with their jobs (Harvard Business Essentials, 2002). An important component of employee development is skill training. It allows an employee to stay current with advancements in their field. Career development and skill training are also important for those in administrative fields. It is important not to allow good people to get stuck or reach a career plateau.

Mentoring by management is often seen by management as an unwise investment of what is often their scarcest resource, which is time. However, employees view mentoring as the opportunity to bond with an employee who exemplifies the best of the agency’s culture and has links to the organization to provide development assignments. Evidence has shown that mentoring programs provide the following positive results: higher productivity and performance ratings for both mentor
and protégé; greater retention of highly qualified people; and higher earnings and job satisfaction for the mentored individual (American Society for Training and Development, 1986).

Organizations can also consider the following retention opportunities instituting programs for promotion opportunities and life enrichment seminars to help balance work/family.

**Hiring a Consultant** – Agencies are tapping into retired human resource practitioners, EEO professionals, and labor/civil rights attorneys to develop diversity plans. The last option is to hire a consultant to implement the established plan provided by OPM entitled, “Building and Maintaining a Diverse, High-Quality Workforce: A Guide for Federal Agencies.” The guide is designed to increase awareness of the business and legal framework for understanding diversity. It identifies tools and strategies to recruit and sustain a diverse workforce and provides a blueprint that agencies can follow as prescribed or modified for specific needs.

**RECOMMENDED APPROACH**

The alternatives were rated against the criteria of cost, ease of implementation, political/management acceptability, and legality. The analysis was completed using the Criteria/Alternative matrix and reveals the alternatives of the Targeted Recruitment and Comprehensive Retention programs as the choice options.

In addition, the writer reviewed documents and interviewed industry experts who where of the same opinion that the alternatives were feasible, but dependant upon one other for success. The two plans are the least expensive with the use of existing manpower and funding; the easiest to implement due to the strategic partnership between the OIG offices of Human Resource Directorate, Equal Employment Opportunity, Comptroller, and other components; it is accepted by management due to their confidence in agency professionals; and, the alternatives do not violate any constitutional or statutory law.

Implementation of a recruitment plan included recommendations to:

1. develop a more robust “one professional team of recruiting” at targeted schools;
2. emphasize partnership and community outreach with organizations that can provide a qualified pool of applicants; and
3. after qualified potential candidates are reached/identified determine if various personnel authorities will allow hiring without competition.

Implementation of a retention program included recommendations to:

1. create a transparent promotion, awards/recognition process, for example, providing clear, constructive feedback regarding non selection for promotions;
2. embellish career development opportunities, for example, expanding upward mobility and mentoring programs; and
3. create and enhance work/life balance programs.

**CONCLUSION**

The suggested alternatives will never work without the most important facet - commitment from the agency head. In fact, many of the suggestions are not new, but have not worked successfully due to a true commitment from the agency head. Sending a clear message to senior management about the seriousness and business relevance of diversity is necessary and can be accomplished by establishing a system that holds management accountable for their actions. The path to diversity is not always an easy one.

The agency will benefit greatly when it is communicated that diversity means valuing everyone, including varied talents, backgrounds and perspectives that can only be gained from a diverse pool of employees. It is the writer’s belief that as the hue of this nation changes, a commitment and change to a diverse workforce will be demanded.

Frequent reevaluation, reexamination, and retooling are essential to the process of making this system work to integrate a culture that creates and sustains a diverse workforce.
From Nov 2001 to July 2005, Ms. Cassandra J. Williams was the Director, Equal Employment Opportunity (EEO) for the Department of Defense, Office of the Inspector General (DoDIG) in Arlington, VA. At the DoDIG, she was a direct report to the Inspector General and provided leadership on affirmative employment, Human Resource (HR)/EEO strategic planning, adjudication of complaints, and special emphasis program management. Due to her outstanding performance as the Director, EEO, Ms. Williams received the DoDIG Superior Civilian Service Award in June 2005. During her tenure at the agency, Ms. Williams earned a Masters of Policy Management from the Georgetown Public Policy Institute.

Following a sixteen year federal career in the Baltimore/Washington, D.C. area, Ms. Williams, moved to northwest Florida in July 2005. Ms. Williams is currently employed with the 96th Air Base Wing, Mission Support Group, Civilian Personnel Flight at Eglin AFB as a HR Specialist (Workforce Effectiveness). In this position she is responsible for planning, developing, and carrying out the full range of employee relations and management advisory services for organizations on the Eglin complex. In addition, she volunteers as an income tax preparer at the base tax center and serves on various community and professional boards.

Ms. Williams began her federal career in 1989 with the Internal Revenue Service. She has held positions at various DoD agencies, Dept of Justice, and the Dept of Transportation. Ms. Williams received her Bachelor of Science degree in Business Administration from Frostburg State University, Frostburg, MD.
21st Century Challenges

By Morgan C. Kinghorn

Speech at the PCIE/ECIE Awards Ceremony
October 24, 2006

For the

Inspector General Community
Good Morning. Thank you Dan for your kind invitation to me to share with the IG community my perspectives on the evolving public service. I would like to do so primarily from the perspective of my immediate past position as President of the National Academy of Public Administration.

The Academy is the only congressionally chartered organization devoted to improving public management and administration. The Academy is about making things work – based on experience.

The Academy was begun forty years ago by James Webb, when he was the first Administrator of NASA, an organization that was the epitome of a mission driven institution. Webb found he had plenty of internal and external advice related to the scientific and engineering issues he faced, but no resource from which to draw upon to get help in how to make it all work together. He and a few others, including Elmer Staats, created the National Academy to help NASA at first, but which when chartered was to become a national resource to provide expertise in making government work.

In my short time this morning, I would like to leave you with some thoughts about the challenges that Webb foresaw decades ago and the implications for management and administration in a 21st century world.

The world of government as many of us knew it when we began our careers, has radically changed, and with increasingly rapidity. Some of these changes have been evolutionary and thus somewhat manageable. But with the speed of technology, many of the more recent changes are coming at us faster than we can often manage them. So what are these challenges?

First, there is an ongoing and fundamental change occurring in the framework of how government functions, reflecting a new view of careers and affecting personal and organizational development.

The change got underway during the Carter years when the underpinnings of civil service were quite radically altered: the retirement system was designed to be “portable”; and a senior executive service was created and there were the small beginnings of performance management.

But in the last several decades after reform, not much has changed although signs of the revolution are coming. Those who stayed in the old retirement system or embraced the new by choice or requirement still continued to think of their careers as very long term, usually in the near vicinity of where they started.

That has all begun to change and the rapidity of the change will only increase as my generation really retires. The change in attitude from those now entering public service will fundamentally change how government will operate and how its employees will manage their careers.

This has enormous implications not only for the day to day operations of the IG community but everyone in government.

We face an environment of rapid and complex change with a workforce that will become increasingly less organizationally loyal, more mobile within government, and increasingly willing to leave and perhaps return.

James Webb knew instinctively from his public and private worlds that there must be a critical linkage between management and mission. And, it was the management issues that most concerned him for the long term success of NASA.
So the first element of radical change is the changing framework of how government functions and the impacts of institutional and societal changes on how the public sector managers will lead, reward, and develop employees.

Second, there are radical changes in what government does. As Lester Salamon of Johns Hopkins University and a Fellow of the Academy, writes in The Tools of Government ---

"Whereas earlier government activity was largely restricted to the direct delivery of goods and services, it now embraces a dizzying array of loans, loan guarantees, grants, contract, social regulation, economic regulation, insurance, tax expenditures, vouchers, and more." ..... 

This is a far more complex government than it was when many of us began our service fifteen, twenty, or even forty years ago.

During my 25 years working for the Federal government in 4 agencies and 3 Departments, I found excitement, diversity, challenges, and personal development.

There was a strong sense of "purpose" in the agencies I worked in, a sense of "creativity," responsibilities often far beyond my apparent skills or readiness, all within an environment of vastly expanding relationships between government and its citizenry. It was a heck of a ride.

But, again, fast forward three to four decades, and what government is now, is often about the much more difficult role of making things work --- for example, taking those environmental programs I helped create in the 1970’s and actually slog through the bureaucracies often not our own (state and local for example). Or trying to maintain a strong voluntary tax system that worked quite well in the context of a mid- 20th century societal model that was too slowly evolving in the context of an increasingly more diverse population.

The programs many of us helped create fifteen to thirty years ago must now be continually “re-managed” - to address an ever changing context of a much more complex 21st century view of what is public and what is private.

It’s about revolutionary management not so much evolutionary management. And this focus may not be what a lot of us came in to do --- we came in to create programs out of whole cloth, not worry so much about how to manage them.

But it is now all about management – and it really has to be. But management as an integral part of the core mission.

We are at a point now that as the first NASA Administrator James Webb recognized over thirty years ago when he said: “Our society has reached a point where its progress and even its survival depend on our ability to organize the complex and to do the unusual”.
Third and finally, there have been radical changes in “who government is.” Government and governing are no longer accomplished just by public employees. While some public agencies have always had a mix of public and private workers, such as NASA, many have not. And for most agencies, the public service is not just the Feds anymore. Again quoting Les Salamon:

“Government relies heavily on a wide assortment of third parties, commercial banks, private hospitals, social service agencies, industrial corporations, universities, day care centers, other governments, financiers, and construction firms — to deliver publicly financed services and pursue publicly authorized purposes.”

The Academy calls this change the multi-sector workforce because we all find ourselves increasingly operating in an environment that is a mixed workforce of for profit and non-profit, feds and state employees, volunteers and paid, direct and intermediary providers.

It is an increasingly complex management problem that very few of us have been trained to deal with whether it’s the interaction in a multi-billion grants program or the management and integration of a complex program system implementation.

So these are the key challenges for the public sector as I see them: to deal with a radically different government that is changing how it operates, what it does and who it is.

The Federal public sector is now increasingly across the board not just in a few organizations — becoming a greater “wholesaler” in its relationship with its citizenry and implements programs through a broad network of complex relationships. And it is a world that is increasingly less responsive to the federal manager.

So what do these key challenges mean for the IG community?

Like the federal managers, the IG community needs to adjust to meet the more complex demands of your own mission. The growing complexity of this environment will force the bar on performance to be raised.

First, this environment — simply because it is changing — is a higher risk environment. And because the environment is increasingly complex, the stakes are higher for everyone. In addition to the historical focus, the IG community can help federal managers recognize and mitigate some of the new risks and potential solutions;

Second, the increasing complexity of the management of Federal programs requires the repainting of the double lines we should not cross.

As issues arise, the IG community is an ideal one to share with others risk mitigation strategies that are applicable in a wider array of Federal programs than the one where the particular audit or investigation initially took place.

Third, the expansion of services and activities that once might have been considered “inherently governmental” requires more advance thought and the earlier setting of boundaries that shouldn’t be crossed; the IG community can help to advance that thought process;

And finally, for itself, the IG community needs to re-think some of its approaches and tools and skills sets in meeting the challenges of the evolving public sector environment.

In a world where new ways to do harm to individuals and organizations evolve at the speed of electronics and the magnitude of data stores enlarge to fill unlimited needs, much of your work will enter increasingly uncertain territory.
This will require for each of you to be innovative and creative in how you respond to a world of higher and much more complex risk, higher implications for not mitigating risks, and the need for programs still to be responsive to our citizenry.

But in the end, public programs are predominantly about better management.

And in speaking about management, Peter Drucker, an Honorary Fellow of the Academy for twenty five years until his passing last year, has said;

“Management means, in the last analysis, the substitution of thought for brawn and muscle, of knowledge for folkways and superstition, and of cooperation for force. It means the substitution of responsibility for obedience to rank, and of authority of performance for the authority of rank. Whenever you see a successful business, someone once made a courageous decision.”

Getting to green in the vernacular of today is important perhaps for its own sake. But for the long term success of the public service at all levels, the getting to green on management and execution of programs can only improve the ability of the public sector to continue to make America proud.

This focus on what works and what works well is a crucial element in dealing with a much more fractured and disjointed system.

I am proud to have been asked to be part of your celebratory event today. Your award winners today as in past years have done extraordinary things to serve America. They have organized the complex and done the unusual!

They have done so within this radically changing operating environment that we call the public service. It is a service to be proud of and to celebrate every day. Thank you all.
As the Chief Operating Official (COO) of the Grant Thornton Global Public Sector practice, Mr. Kinghorn is responsible for the day to day operations of a consulting practice that employs 500 consultants and 14 partners devoted to improving the effectiveness of all sectors of public governance. Prior to joining Grant Thornton, Morgan was President of the National Academy of Public Administration, Mr. Kinghorn provided executive direction to the Academy, a Congressionally chartered, non-profit organization created to improve governance at all levels of government. Mr. Kinghorn led a Fellowship composed of over 600 leaders in the federal, state and local and academic sectors.

Prior to becoming the President of NAPA in October, 2003, Mr. Kinghorn was Partner in Charge of the Financial Management Solutions Services Practice at IBM Business Consulting Services (and the predecessor firms of Coopers & Lybrand and PricewaterhouseCoopers Consulting). The practice was composed of over 650 consultants and 15 partners devoted to resolving issues of performance management, financial & program operations improvement, financial and program risk management, cost management, operational support including financial process outsourcing, and leveraging the use of technology for decision making.

Mr. Kinghorn also served for over 25 years in a variety of senior and executive positions with the U.S. Government. Prior to his retirement in 1995, Mr. Kinghorn was Controller and Chief Financial Officer of the U.S. Internal Revenue Service. At the Office of Management and Budget he worked in three different areas over a ten year period: environmental budget and regulatory policy; Defense logistics; and immediately prior to joining IRS, he was the Director of the Financial Management Division of OMB where he provided government-wide leadership on financial systems issues and policies. For ten years at the U.S. Environmental Protection Agency, Mr. Kinghorn was first, Budget Director, Controller, Acting Assistant and Deputy Administrator for Administration and Resource Management where he was in charge of all financial, budgetary, personnel, procurement, and information systems programs for the EPA.

Mr. Kinghorn has been a Fellow of the National Academy of Public Administration since 1992, and he has a MPA from the Maxwell School of Syracuse University where he was a Ford Foundation Scholar and a BA (magna cum laude) from the University of Redlands, in Redlands, California. He has received both the Presidential Meritorious as well as Distinguished Service Awards as a Federal executive. In addition, he won the Donald Scantlebury Award, the highest award for financial management excellence in the Federal government. In 1995 he received the Senior Executive Association’s Executive of the Year Award, and in 2000 he received the Andy Barr Award from the Association of Government Accountants which is a single award given each year to an individual from the private sector who promotes integrity in the public service.
In Honor of

by Glenn A. Fine

Speech at the PCIE/ECIE Awards Ceremony
October 24, 2006

William “Buddy” Sentner, III
Buddy Sentner was a hero. He lived like a hero and he died like a hero. In light of his courageous actions, as well as the way he lived, I believe it is fitting that the PCIE and ECIE have established an award in Buddy’s name and are presenting it to him, posthumously, as the first recipient. I want to thank Clay Johnson, Greg Freidman, Barry Snyder, Dan Levinson, and the entire Inspector General community for the outpouring of support after Buddy’s death, for creating this award, and for ensuring that Buddy’s memory will live on. I’d like to tell you a little bit about Buddy – first how he lived, and then how he died.

Buddy was a talented and committed investigator for the Office of the Inspector General (OIG), but he was much more than that. He was a loving husband, son, brother, colleague, and friend to many. He came from a large and loving family, many of whom are here today, including his widow, Maria Sentner, and his mother, father, brother, sisters, and many other family members. Buddy grew up in the Washington, D.C., area, graduating from Rockville High School. He earned an undergraduate degree in criminology from the University of Maryland and pursued a masters degree in public policy from Georgetown University. He was a champion wrestler and had a keen sense of humor. He also had a fond spot for children. He recently married a wonderful person, Maria Sentner, and they were intent on having their own children and starting a family.

With regard to his work, Buddy always wanted to be a law enforcement agent, and we were lucky at the OIG that he came to work for us. He had a distinguished career at the Secret Service before joining the Department of Justice OIG four years ago. At the OIG, Buddy worked as a polygrapher and special agent, and he gladly took on the toughest cases. Like other law enforcement agents throughout the OIG community, Buddy recognized that his job was dangerous and difficult. But Buddy did not shy away from duty or danger. Like many of you in this room and the more than 2,000 special agents throughout the OIG community, Buddy worked tirelessly to make the federal government, and the country, better and safer. He, like many of you, was an unsung hero. That is how he lived and that is how he died.

In 2006, the OIG, along with the Federal Bureau of Investigation (FBI), investigated a case involving corrupt prison guards in a Federal Bureau of Prisons facility in Tallahassee, Florida. As a result of the investigation, six prison guards were indicted for sexually abusing female inmates, smuggling contraband into the institution, and threatening the inmates with retaliation if they exposed these criminal acts. On June 21, 2006, Buddy was part of the joint OIG/FBI team that went to the prison to arrest the six guards. At the prison, as one of the guards was being arrested, the guard pulled out a gun from his bag and began firing. The guard shot a prison lieutenant in the stomach. The guard then shot at and hit Buddy, who went down. Before the guard was able to go after other people to shoot, Buddy leaned up and courageously returned fire, killing the guard. Buddy then fell back down and died.

I am convinced that in his last act, Buddy Sentner saved the lives of several others while sacrificing his own life. Buddy lived like a hero and he died like a hero.

On behalf of the Department of Justice OIG and Buddy’s family, I want to thank the PCIE and ECIE for recognizing Buddy’s dedication to duty and his ultimate sacrifice. This award will ensure that he will never be forgotten and that the OIG community will always be inspired by the example he set.

It is now my great privilege, along with Clay Johnson, to present the Award for Dedication and Courage to Maria Sentner, in honor of her husband, Buddy Sentner, a true hero.
Invitation to Contribute Articles to

The Journal of Public Inquiry

The Journal of Public Inquiry is a publication of the Inspectors General of the United States. We solicit articles from professionals and scholars on topics important to the Inspector General community.

Articles should be approximately four to six pages (2,000-3,500 words), single-spaced, and submitted to:

Jennifer Plozai
Department of Defense Office of the Inspector General,
400 Army Navy Drive, Room 1034
Arlington, VA 22202.

Note:
The opinions expressed in The Journal of Public Inquiry are those of the authors. They do not represent the opinions or policies of any Department or Agency of the United States Government.
Inspector General Act of 1978, as amended
Title 5, U.S. Code, Appendix

2. Purpose and establishment of Offices of Inspector General; departments and agencies involved

In order to create independent and objective units--

(1) to conduct and supervise audits and investigations relating to the programs and operations of the establishments listed in section 11(2);

(2) to provide leadership and coordination and recommend policies for activities designed (A) to promote economy, efficiency, and effectiveness in the administration of, and (B) to prevent and detect fraud and abuse in, such programs and operations; and

(3) to provide a means for keeping the head of the establishment and the Congress fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress of corrective action;