

- (i) an Office of Inspector General of the Department of the Treasury; and
- (ii) an Office of Treasury Inspector General for Tax Administration.

(Pub. L. 95-452, § 2, Oct. 12, 1978, 92 Stat. 1101; Pub. L. 96-88, title V, § 508(n)(1), Oct. 17, 1979, 93 Stat. 694; Pub. L. 97-113, title VII, § 705(a)(1), Dec. 29, 1981, 95 Stat. 1544; Pub. L. 97-252, title XI, § 1117(a)(1), Sept. 8, 1982, 96 Stat. 750; Pub. L. 99-93, title I, § 150(a)(1), Aug. 16, 1985, 99 Stat. 427; Pub. L. 99-399, title IV, § 412(a)(1), Aug. 27, 1986, 100 Stat. 867; Pub. L. 100-504, title I, § 102(a), (b), Oct. 18, 1988, 102 Stat. 2515; Pub. L. 100-527, § 13(h)(1), Oct. 25, 1988, 102 Stat. 2643; Pub. L. 105-206, title I, § 1103(a), July 22, 1998, 112 Stat. 705.)

CODIFICATION

Amendment by Pub. L. 100-527 amended section as it existed prior to amendment by Pub. L. 100-504, see Effective Date of 1988 Amendments note below.

AMENDMENTS

1998—Pub. L. 105-206, in concluding provisions, substituted “there is established—” and subpars. (A) and (B) for “there is hereby established in each of such establishments an office of Inspector General.”

1988—Pub. L. 100-504 substituted “there” for “thereby” in concluding provisions and amended par. (1) generally. Prior to amendment, par. (1), as amended by Pub. L. 100-527, read as follows: “to conduct and supervise audits and investigations relating to programs and operations of the Department of Agriculture, the Department of Commerce, the Department of Defense, the Department of Education, the Department of Housing and Urban Development, the Department of the Interior, the Department of Labor, the Department of Transportation, the Department of Veterans Affairs, the Agency for International Development, the Community Services Administration, the Environmental Protection Agency, the General Services Administration, the National Aeronautics and Space Administration, the Small Business Administration, the United States Information Agency, and the Department of State;”.

Par. (1). Pub. L. 100-527 inserted “the Department of Veterans Affairs,” and struck out “the Veterans’ Administration,” after “United States Information Agency;”. See Codification note above.

1986—Par. (1). Pub. L. 99-399 inserted “the United States Information Agency;”.

1985—Par. (1). Pub. L. 99-93 inserted reference to the Department of State.

1982—Par. (1). Pub. L. 97-252, § 1117(a)(1), inserted “the Department of Defense;”.

1981—Par. (1). Pub. L. 97-113 inserted “the Agency for International Development;”.

1979—Par. (1). Pub. L. 96-44 inserted “the Department of Education;”.

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100-527 effective Mar. 15, 1989, see section 18(a) of Pub. L. 100-527, set out as a Department of Veterans Affairs Act note under section 301 of Title 38, Veterans’ Benefits.

Amendment by Pub. L. 100-504 effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as a note under section 5 of Pub. L. 95-452 in this Appendix.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-88 effective May 4, 1980, with specified exceptions, see section 601 of Pub. L. 96-88, set out as an Effective Date note under section 3401 of Title 20, Education.

§ 3. Appointment of Inspector General; supervision; removal; political activities; appointment of Assistant Inspector General for Auditing and Assistant Inspector General for Investigations

(a) There shall be at the head of each Office an Inspector General who shall be appointed by the President, by and with the advice and consent of the Senate, without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations. Each Inspector General shall report to and be under the general supervision of the head of the establishment involved or, to the extent such authority is delegated, the officer next in rank below such head, but shall not report to, or be subject to supervision by, any other officer of such establishment. Neither the head of the establishment nor the officer next in rank below such head shall prevent or prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena during the course of any audit or investigation.

(b) An Inspector General may be removed from office by the President. The President shall communicate the reasons for any such removal to both Houses of Congress.

(c) For the purposes of section 7324 of title 5, United States Code, no Inspector General shall be considered to be an employee who determines policies to be pursued by the United States in the nationwide administration of Federal laws.

(d) Each Inspector General shall, in accordance with applicable laws and regulations governing the civil service—

(1) appoint an Assistant Inspector General for Auditing who shall have the responsibility for supervising the performance of auditing activities relating to programs and operations of the establishment, and

(2) appoint an Assistant Inspector General for Investigations who shall have the responsibility for supervising the performance of investigative activities relating to such programs and operations.

(Pub. L. 95-452, § 3, Oct. 12, 1978, 92 Stat. 1101.)

ACTING TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

Pub. L. 105-277, div. C, title I, § 101, Oct. 21, 1998, 112 Stat. 2681-584, as amended by Pub. L. 106-113, div. B, § 1000(a)(5) [title II, § 239(a)], Nov. 29, 1999, 113 Stat. 1536, 1501A-302, provided that:

“(a) IN GENERAL.—Notwithstanding any other provision of law, the President may appoint an acting Treasury Inspector General for Tax Administration to serve during the period—

“(1) beginning on the date of the enactment of this section [Oct. 21, 1998] (or, if later, the date of the appointment), and

“(2) ending on the earlier of—

“(A) April 30, 1999, or

“(B) the date on which the first Treasury Inspector General for Tax Administration takes office (other than pursuant to this section).

“(b) DUTIES BEFORE JANUARY 18, 1999.—The acting Treasury Inspector General for Tax Administration appointed under subsection (a) shall, before January 18, 1999, take only such actions as are necessary to begin

operation of the Office of Treasury Inspector General for Tax Administration, including—

“(1) making interim arrangements for administrative support for the Office,

“(2) establishing interim positions in the Office into which personnel will be transferred upon the transfer of functions and duties to the Office on January 18, 1999,

“(3) appointing such acting personnel on an interim basis as may be necessary upon the transfer of functions and duties to the Office on January 18, 1999, and

“(4) providing guidance and input for the fiscal year 2000 budget process for the Office.

“(c) ACTIONS NOT TO LIMIT AUTHORITY OF IG.—None of the actions taken by an individual appointed under subsection (a) shall affect the future authority of any Treasury Inspector General for Tax Administration not appointed under subsection (a).

“(d) LIMITATIONS.—

“(1) NOMINATION.—No individual appointed under subsection (a) may serve on or after January 19, 1999, unless on or before such date the President has submitted to the Senate his nomination of an individual to serve as the first Treasury Inspector General for Tax Administration.

“(2) TREASURY INSPECTOR GENERAL MAY NOT SERVE.—No individual appointed under subsection (a) may serve during any period such individual is serving as the Inspector General of the Treasury of the United States or the acting Inspector General of the Treasury of the United States.

“(3) EMPLOYMENT RESTRICTIONS.—The provisions of section 8D(j) of the Inspector General Act of 1978 (5 U.S.C. App.) shall not apply to any individual appointed under subsection (a).”

[Pub. L. 106-113, div. B, §1000(a)(5) [title II, §239(b)], Nov. 29, 1999, 113 Stat. 1536, 1501A-302, provided that: “The amendment made by subsection (a) [amending section 101 of Pub. L. 105-277, set out above] shall be effective as if included in the enactment of section 101 of title I of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 [Pub. L. 105-277].”]

TRANSITIONAL PROVISIONS RELATING TO APPOINTMENT OF INSPECTOR GENERAL OF FEDERAL DEPOSIT INSURANCE CORPORATION

Pub. L. 103-204, §23(c), Dec. 17, 1993, 107 Stat. 2408, provided that:

“(1) CURRENT SERVICE.—Except as otherwise provided by law, the individual serving as the Inspector General of the Federal Deposit Insurance Corporation before the date of enactment of this Act [Dec. 17, 1993] may continue to serve in such position until the earlier of—

“(A) the date on which the President appoints a successor under section 3(a) of the Inspector General Act of 1978 [subsec. (a) of this section]; or

“(B) the date which is 6 months after the date of enactment of this Act.

“(2) DEFINITION.—For purposes of paragraph (1), the term ‘successor’ may include the individual holding the position of Inspector General of the Federal Deposit Insurance Corporation on or after the date of enactment of this Act.”

EX. ORD. NO. 12993. ADMINISTRATIVE ALLEGATIONS AGAINST INSPECTORS GENERAL

Ex. Ord. No. 12993, Mar. 21, 1996, 61 F.R. 13043, provided:

Certain executive branch agencies are authorized to conduct investigations of allegations of wrongdoing by employees of the Federal Government. For certain administrative allegations against Inspectors General (“IGs”) and, as explained below, against certain staff members of the Offices of Inspectors General (“OIGs”), it is desirable to authorize an independent investigative mechanism.

The Chairperson of the President’s Council on Integrity and Efficiency (“PCIE”) and the Executive Council

on Integrity and Efficiency (“ECIE”), in consultation with members of the Councils, has established an Integrity Committee pursuant to the authority granted by Executive Order No. 12805 [31 U.S.C. 501 note].

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure that administrative allegations against IGs and certain staff members of the OIGs are appropriately and expeditiously investigated and resolved, it is hereby ordered as follows:

SECTION 1. *The Integrity Committee.* (a) To the extent permitted by law, and in accordance with this order, the Integrity Committee shall receive, review, and refer for investigation allegations of wrongdoing against IGs and certain staff members of the OIGs.

(b) The Integrity Committee shall consist of at least the following members:

(1) The official of the Federal Bureau of Investigation (“FBI”) serving on the PCIE, as designated by the Director of the FBI. The FBI member shall serve as Chair of the Integrity Committee.

(2) The Special Counsel of the Office of Special Counsel;

(3) The Director of the Office of Government Ethics;

(4) Three or more IGs, representing both the PCIE and the ECIE, appointed by the Chairperson of the PCIE/ECIE.

(c) The Chief of the Public Integrity Section of the Criminal Division of the Department of Justice, or his designee, shall serve as an advisor to the Integrity Committee with respect to its responsibilities and functions in accordance with this order.

SEC. 2. *Referral of Allegations.* (a) The Integrity Committee shall review all allegations of wrongdoing it receives against an IG who is a member of the PCIE or ECIE, or against a staff member of an OIG acting with the knowledge of the IG or when the allegation against the staff person is related to an allegation against the IG, except that where an allegation concerns a member of the Integrity Committee, that member shall recuse himself from consideration of the matter.

(b) An IG shall refer any administrative allegation against a senior staff member to the Integrity Committee when:

(1) review of the substance of the allegation cannot be assigned to an agency of the executive branch with appropriate jurisdiction over the matter; and

(2) the IG determines that an objective internal investigation of the allegation, or the appearance thereof, is not feasible.

(c) The Integrity Committee shall determine if there is a substantial likelihood that the allegation, referred to it under paragraphs (a) or (b) of this section, discloses a violation of any law, rule or regulation, or gross mismanagement, gross waste of funds or abuse of authority and shall refer the allegation to the agency of the executive branch with appropriate jurisdiction over the matter. However, if a potentially meritorious administrative allegation cannot be referred to an agency of the executive branch with appropriate jurisdiction over the matter, the Integrity Committee shall certify the matter to its Chair, who shall cause a thorough and timely investigation of the allegation to be conducted in accordance with this order.

(d) If the Integrity Committee determines that an allegation does not warrant further action, it shall close the matter without referral for investigation and notify the Chairperson of the PCIE/ECIE of its determination.

SEC. 3. *Authority to Investigate.* (a) The Director of the FBI, through his designee serving as Chairperson of the Integrity Committee, is authorized and directed to consider and, where appropriate, to investigate administrative allegations against the IGs and, in limited cases as described in sections 2(a) and 2(b) above, against other staff members of the OIGs, when such allegations cannot be assigned to another agency of the executive branch and are referred by the Integrity Committee pursuant to section 2(c) of this order.

(b) At the request of the Director of the FBI, through his designee serving as Chairperson, heads of agencies

and entities represented in the PCIE and ECIE may, to the extent permitted by law, provide resources necessary to the Integrity Committee. Employees from those agencies and entities will be detailed to the Integrity Committee, subject to the control and direction of the Chairperson, to conduct an investigation pursuant to section 2(c): *Provided*, that such agencies or entities shall be reimbursed by the agency or entity employing the subject of the investigation. Reimbursement for any costs associated with the detail shall be consistent with applicable law, including but not limited to the Economy Act (31 U.S.C. 1535 and 1536), and subject to the availability of funds.

(c) Nothing in the above delegation shall augment, diminish, or otherwise modify any existing responsibilities and authorities of any other executive branch agency.

SEC. 4. Results of Investigation. (a) The report containing the results of the investigation conducted under the supervision of the Chair of the Integrity Committee shall be provided to the members of the Integrity Committee for consideration.

(b) With respect to those matters where the Integrity Committee has referred an administrative allegation to an agency of the executive branch with appropriate jurisdiction over the matter, the head of that agency shall provide a report to the Integrity Committee concerning the scope and results of the inquiry.

(c) The Integrity Committee shall assess the report received under (a) or (b) of this section and determine whether the results require forwarding of the report, with Integrity Committee recommendations, to the Chairperson of the PCIE/ECIE for resolution. If the Integrity Committee determines that the report requires no further referral or recommendations, it shall so notify the Chairperson of the PCIE/ECIE.

(d) Where the Chairperson of the PCIE/ECIE determines that dissemination of the report to the head of the subject's employing agency or entity is appropriate, the head of the agency or entity shall certify to the Chairperson of the PCIE/ECIE within sixty 60 [sic] days that he has personally reviewed the report, what action, if any, has been or is to be taken, and when any action taken will be completed. The PCIE/ECIE Chairperson may grant the head of the entity or agency a 30-day extension when circumstances necessitate such extension.

(e) The Chairperson of the PCIE/ECIE shall report to the Integrity Committee the final disposition of the matter, including what action, if any, has been or is to be taken by the head of the subject's employing agency or entity. When the Integrity Committee receives notice of the final disposition, it shall advise the subject of the investigation that the matter referred to the Integrity Committee for review has been closed.

SEC. 5. Procedures. (a) The Integrity Committee, in conjunction with the Chairperson of the PCIE/ECIE, shall establish the policies and procedures necessary to ensure consistency in conducting investigations and reporting activities under this order.

(b) Such policies and procedures shall specify the circumstances under which the Integrity Committee, upon review of a complaint containing allegations of wrongdoing, may determine that an allegation is without merit and therefore the investigation is unwarranted. A determination by the Integrity Committee that an investigation is unwarranted shall be considered the Integrity Committee's final disposition of the complaint.

(c) The policies and procedures may be expanded to encompass other issues related to the handling of allegations against IGs and others covered by this order.

SEC. 6. Records Maintenance. All records created and received pursuant to this order are records of the Integrity Committee and shall be maintained by the FBI.

SEC. 7. Judicial Review. This order is intended only to improve the internal management of the executive branch and is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

WILLIAM J. CLINTON.

§ 4. Duties and responsibilities; report of criminal violations to Attorney General

(a) It shall be the duty and responsibility of each Inspector General, with respect to the establishment within which his Office is established—

(1) to provide policy direction for and to conduct, supervise, and coordinate audits and investigations relating to the programs and operations of such establishment;

(2) to review existing and proposed legislation and regulations relating to programs and operations of such establishment and to make recommendations in the semiannual reports required by section 5(a) concerning the impact of such legislation or regulations on the economy and efficiency in the administration of programs and operations administered or financed by such establishment or the prevention and detection of fraud and abuse in such programs and operations;

(3) to recommend policies for, and to conduct, supervise, or coordinate other activities carried out or financed by such establishment for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations;

(4) to recommend policies for, and to conduct, supervise, or coordinate relationships between such establishment and other Federal agencies, State and local governmental agencies, and nongovernmental entities with respect to (A) all matters relating to the promotion of economy and efficiency in the administration of, or the prevention and detection of fraud and abuse in, programs and operations administered or financed by such establishment, or (B) the identification and prosecution of participants in such fraud or abuse; and

(5) to keep the head of such establishment and the Congress fully and currently informed, by means of the reports required by section 5 and otherwise, concerning fraud and other serious problems, abuses, and deficiencies relating to the administration of programs and operations administered or financed by such establishment, to recommend corrective action concerning such problems, abuses, and deficiencies, and to report on the progress made in implementing such corrective action.

(b)(1) In carrying out the responsibilities specified in subsection (a)(1), each Inspector General shall—

(A) comply with standards established by the Comptroller General of the United States for audits of Federal establishments, organizations, programs, activities, and functions;

(B) establish guidelines for determining when it shall be appropriate to use non-Federal auditors; and

(C) take appropriate steps to assure that any work performed by non-Federal auditors complies with the standards established by the Comptroller General as described in paragraph (1).

(2) For purposes of determining compliance with paragraph (1)(A) with respect to whether internal quality controls are in place and oper-