February 6, 2017

The Honorable Jason Chaffetz  
Chairman, Committee on Oversight and Government Reform  
United States House of Representatives  
Washington, DC 20515

The Honorable Elijah E. Cummings  
Ranking Member, Committee on Oversight and Government Reform  
United States House of Representatives  
Washington, D.C. 20515

Dear Chairman Chaffetz and Ranking Member Cummings:

On behalf of The Institute of Internal Auditors (IIA), I am pleased to submit for the record comments in response to the Committee’s Feb. 1, 2017 hearing, “Empowering the Inspectors General.”

We commend you on your commitment to supporting the important role inspectors general play in ensuring effective governance in public organizations. Since the U.S. Congress created the offices of Inspector General in the Inspector General Act of 1978, IGs have become an essential component of proper oversight of government agencies and programs. Operational problems, mismanagement, and even malfeasance in the government are much harder to control where there is not an active and engaged IG in place at each government agency.

The IIA is the chief advocate and recognized global voice of the internal audit profession. We are dedicated to advocating for the crucial role of internal auditing in ensuring sound governance in the public and private sectors. Founded in 1941, The IIA serves as the global professional association now for more than 185,000 auditors in over 170 countries and territories, including nearly 62,000 in the United States.

With a new administration and Congress, The IIA offers the following recommendations to ensure the federal government is performing at the highest levels toward deterring fraud, waste, abuse, and inefficiencies:
• **Nominate qualified inspectors general and strongly urge U.S. Senate confirmation within 90 days of any vacancy requiring presidential appointment.** The 90-day period would start upon a vacancy, or January 20, 2017, for those vacancies carried over from the Obama Administration. The IIA recommends that the Trump Administration use the Council of Inspectors General on Integrity and Efficiency (CIGIE) as a resource for identifying qualified professionals to fill such vacancies.

• **Nominate and urge Senate confirmation for the Department of the Interior (DOI) IG position.** This IG position has been vacant since February 2009. The Obama Administration offered a nomination only in June 2015, however, the nominee was not confirmed by the Senate. As a result, DOI has not had a permanent IG evaluating the vulnerabilities and risks of the agency for nearly eight years.

• **Prioritize creation of an IG position at the Consumer Financial Protection Bureau (CFPB).** We understand that it is a priority of Congress and the President to reform the CFPB, and this should include a provision for proper oversight of the bureau and for informing Congress of key developments through the IG position. Vigorous oversight, transparency, and accountability are essential elements in any agency’s work, and the CFPB should be no different. The IIA has long supported pending legislation to require a permanent IG for this new agency.

• **Set a 90-day period to fill IG vacancies that do not need to be filled through a presidential appointment, but can be appointed by the agency.**

Long delays in filling IG positions places our federal government at risk of fraud, waste, and abuse, and creates the potential for a loss of efficiency in government programs and of trust by the American taxpayer.

Thank you again for recognizing the important role of inspectors general toward ensuring taxpayer funds are used responsibly by agencies and offices of the federal government. The IIA stands in strong support of the institution of inspectors general and the public’s expectation that any vacancy be filled promptly and responsibly with a permanent IG. We look forward to working with you on this important issue.

Sincerely,

Richard F. Chambers, CIA, QIAL, CGAP, CCSA, CRMA
President and Chief Executive Officer