



governmentattic.org

"Rummaging in the government's attic"

Description of document: Title of Thesis: The Office of the Inspector General of the Office of the Director of National Intelligence, Gasping for A.I. R. E or Alive and Thriving? A Paradigm for Intelligence Community, Inspector General Assessment, 2007. Released by the Office of The Director of National Intelligence (ODNI)

Requested date: 18-September-2017

Release date: 04-December-2024

Posted date: 23-December-2024

Source of document: FOIA Request
Director, Information Management Office
ATTN: FOIA/PA
Office of the Director of National Intelligence
Washington, D.C. 20511
Email: ODNI_FOIA@odni.gov

The governmentattic.org web site ("the site") is a First Amendment free speech web site and is noncommercial and free to the public. The site and materials made available on the site, such as this file, are for reference only. The governmentattic.org web site and its principals have made every effort to make this information as complete and as accurate as possible, however, there may be mistakes and omissions, both typographical and in content. The governmentattic.org web site and its principals shall have neither liability nor responsibility to any person or entity with respect to any loss or damage caused, or alleged to have been caused, directly or indirectly, by the information provided on the governmentattic.org web site or in this file. The public records published on the site were obtained from government agencies using proper legal channels. Each document is identified as to the source. Any concerns about the contents of the site should be directed to the agency originating the document in question. GovernmentAttic.org is not responsible for the contents of documents published on the website.

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE
WASHINGTON, DC

3 December 2024

Reference: ODNI Case No. DF-2022-00321

This letter provides an interim response to your Freedom of Information Act (FOIA) request to the Defense Intelligence Agency (DIA), dated 18 September 2017, requesting 18 specific theses written by students at the National Intelligence University. As previously noted by DIA, DIA transferred these cases to the Office of the Director of National Intelligence (ODNI) in 2022.

ODNI processed this request under the FOIA, 5 U.S.C. § 552, as amended and located 17 of the theses requested. Note, despite a thorough search, “Rationing the IC: The Impact of Private American Citizens on the Intelligence Community” was not located.

This interim response provides a response on ten of the theses. During the review process, we considered the foreseeable harm standard and determined that certain information must be withheld pursuant to the following FOIA exemptions:

- (b)(3), which applies to information exempt from disclosure by statute. Specifically, the National Security Act of 1947, as amended:
 - Section 102A(i)(1), 50 U.S.C. § 3024(i)(1), which protects information pertaining to intelligence sources and methods; and
 - Section 102A(m), as amended, 50 U.S.C. § 3024(m), which protects the names and identifying information of ODNI personnel.
- (b)(6), which applies to information that, if released, would constitute a clearly unwarranted invasion of personal privacy.

Be advised, we continue to process your request. If you are not satisfied with this response, a number of options are available. You may contact me, the FOIA Public Liaison, at ODNI_FOIA_Liaison@odni.gov, or the ODNI Requester Service Center, at ODNI_FOIA@odni.gov or (703)-275-1313. You may also submit an administrative appeal to the Chief FOIA Officer, c/o Chief, Information Management Office, Office of the Director of National Intelligence, Washington, DC 20511 or emailed to ODNI_FOIA@odni.gov. The appeal correspondence should be clearly marked “Freedom of Information Act Appeal of Adverse Determination” and must be postmarked or electronically transmitted within 90 days of the date of this letter.

Lastly, the Office of Government Information Services (OGIS) of the National Archives and Records Administration is available with mediation services and can be reached by mail at 8601

Adelphi Road, Room 2510, College Park, MD 20740-6001; telephone (202) 741-5770; toll-free (877) 684-6448; or email at ogis@nara.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Erin Morrison". The signature is fluid and cursive, with a long horizontal stroke at the end.

Erin Morrison
Chief, Information Review and Release Group
Information Management Office

ABSTRACT

TITLE OF THESIS: The Office of the Inspector General of the Office of the Director of National Intelligence, Gasping for A.I. R. E or Alive and Thriving? A Paradigm for Intelligence Community, Inspector General Assessment.

STUDENT: (b) (6) Master of Science in Strategic Intelligence, 2007

CLASS NUMBER: NDIC 2007 **DATE:** June 2007

THESIS COMMITTEE CHAIR: (b) (6)

COMMITTEE MEMBER: (b) (6)

This thesis examines the ability of the Inspector General of the Office of the Director of National Intelligence (ODNI/IG) to accomplish its mission as stated in Director of National Intelligence Instruction 2005-10. The mission of the ODNI/IG mandates that the Office detect fraud, waste, and abuse of Intelligence Community (IC) resources and promote economy and efficiency within the ODNI and the IC. Thus, the mission requires the ODNI/OIG to function both as an internal Inspector General (IG) and external IG simultaneously.

The author develops and utilizes a tool called the A.I.R.E Quality Assessment to analyze the ODNI/OIG and to determine the feasibility of his mission. The A.I.R. E Quality Assessment consists of four assessment components; authority, independence, resource, and effectiveness. This thesis applies the four part assessment to the ODNI to evaluate the abilities and limitations of the office. The following key questions are examined in this thesis. First, what is the current authority of the ODNI/IG and is it

sufficient to execute the stated mission? Next, what is the relationship between the ODNI/IG and the Congress, DNI, and the other Intelligence Community Inspector's General (IC, IGs)? Last, what are the current resources of the ODNI/OIG?

The information in this thesis is derived from interviews conducted with Senior Executives from the IC,IG Community, each with varying interest in the ODNI/OIG. The interviews conducted and literature reviewed by the author provides an authentic and well informed viewpoint from which to develop practical recommendations. In chapter five of this thesis the author offers recommendations to the U.S. Congress, the DNI, and the IG for the ODNI on how to ensure the ODNI/OIG can accomplish the stated mission. This thesis conclusion is that the current mission of the ODNI/OIG is not feasible given the authority and resources of the ODNI/OIG. This thesis further concludes that assessing the current A.I.R.E quality of the ODNI/OIG will help the ODNI's IG determine how well the office is accomplishing its stated mission, how the IC, IG perceives the ODNI/OIG, and whether future changes to the authority, level of independence, or resources of the office are necessary.

In light of these finding the thesis recommends that Congress clarify the authority and mission of the ODNI/OIG in legislation detailing the jurisdiction, access, and reporting requirements of the ODNI/OIG. This thesis also recommends that the DNI reconsider his utilization of his OIG and consider using them as another mechanism through which the public's trust in the ODNI can be fostered. Finally, this thesis recommends that the ODNI/IG establish Memorandums of Agreement addressing jurisdictional, access, and reporting practices with IC, IGs and their respective IC elements.

**OFFICE OF THE INSPECTOR GENERAL FOR THE DIRECTOR OF
NATIONAL INTELLIGENCE: GASPING FOR A.I. R.E OR ALIVE AND
THRIVING?**

by

PGIP Class 2007

Unclassified thesis submitted to the faculty
of the National Defense Intelligence College
in partial fulfillment of the requirements for the degree of
Master of Science of Strategic Intelligence

June 2007

The views expressed in this paper are those of the author and
do not reflect the official policy or position of the
Office of the Director of National Intelligence or the U.S. Government

DEDICATION

To my parents and , and to my bother .

Thank you for instilling in me a passion and appreciation for service; service to God, service to my nation, and service to my community. Daddy, your philosophy on life is one rich with integrity, loyalty, and excellence you are a patriot in every sense of the word. Mama, you are a divine warrior, the pentacle of grace, and a virtuous woman. You have made me strong in thought, word, and conviction. my first friend you truly are a gentleman and a scholar. It is because of my parents I have chosen a career devoted to the betterment of my nation and it is because of my family I am equipped to forge ahead confidently into a “brave new world”.

ACKNOWLEDGEMENTS

Writing this thesis has been a learning experience on so many levels.

I learned that a goal accomplished truly is sweet to the soul. I also, learned that getting eight full hours of sleep everyday is a gift not a necessity. I consider all of the sleepless nights character building exercises designed to shape my character and fortify my resolve. Mission accomplished!

I had the pleasure and honor of spending time with a cadre of exceptional leaders all of whom took time out of their incredibly busy schedules to meet personally with me to me help bring this “thesis vision” to fruition. Specifically, I owe a debt of gratitude to my Thesis Chair, _____ who has provided me with guidance and wisdom throughout this process. Without his time and attention I could not have done this. Additionally, _____, my reader and mentor has always had an encouraging word and astute advice on succeeding professionally and personally. I would also like to thank all of the Intelligence Community Inspectors General and Senate Select Committee on Intelligence staff who met with me for this project. From these individuals I have learned that working for the greater good and not just for a title and pay-grade is what really counts. Now more than ever I am thoroughly convinced that the U.S. Intelligence Community is comprised of the most talented, passionate, and professional leaders in the world. Thank you all for your professionalism, candor, and cooperation.

CONTENTS

List of Figures	ix
-----------------------	----

List of Tables	ix
----------------------	----

Chapter

1. THE ISSUE: Is ACCOMPLISHING THE STATED MISSION, MISSION IMPOSSIBLE?	1
The Issue, 1	
The Mission, 9	
The Office of the Inspector General of the ODNI, 13	
2. BACKGROUND AND SURVEY OF PERTINENT CRITERIA.....	18
The Inspector General Concept, 18	
The ODNI, A Synopsis of Its Purpose and Utility, 33	
The National Intelligence Program, 36	
3. SCOPE AND METHODOLOGY	40
The “A. I. R. E.” Concept, 40	
Field Work: The Mechanics, 43	
The A.I.R.E. Quality Assessment: Data Analysis, 49	
4. A.I.R.E. QUALITY ASSESSMENT FINDINGS.....	57
Authority of the IG for the ODN, 57	
Independence, 61	
Resources, 62	
Effectiveness, 64	
5. RECOMMENDATIONS	66
Conclusion, 72	

Appendixes

A. List of Acronyms.....77

Bibliography 78

LIST OF FIGURES

1-1	The National Intelligence Program.....	12
1-2	Office of the Inspector General of the ODNI.....	15
2-1	Baron Friedrich Wilhelm Von Steuben.....	19
2-2	U.S. Federal Government Agencies with Statutory IGs.....	28
2-3	Designated Federal Entities and Agencies with Non-Statutory Federal Inspectors General.....	32
2-4	ODNI Organizational Chart.....	35
2-5	The U.S. National Intelligence Community.....	39

Table

2-1	Statutes Establishing Intelligence Community Inspectors General Nominated by the President and Confirmed by the Senate, 1976 to Present	30
5-1	Investigative Receivables and Recoveries.....	73
5-2	Criminal Prosecutions.....	73
5-3	Recommendations the Funds be Put to Better Use.....	74

CHAPTER 1

IS THE ODNI/IG ACCOMPLISHING THE STATED MISSION, MISSION IMPOSSIBLE?

THE ISSUE

The 108th Congress passed the *Intelligence Reform and Terrorism Prevention Act (IRTPA)* in 2004, which established the Office of the Director of National Intelligence (ODNI). The Director of National Intelligence (DNI) is the manifestation of Congressional efforts to create a “unified effort in managing intelligence” and a more cohesive Intelligence Community managed by a central entity, independent of any one Intelligence Community organization.¹ Further, the DNI serves as the principal advisor to the President of the United States and the National Security Council on Intelligence matters.² Granted was the DNI’s authority to establish an Office of the Inspector General. In keeping with the provisions in section 1078 of the IRTPA the DNI determined that establishing an Office of the Inspector General would be beneficial to the ODNI and the Intelligence Community and established an Office of the Inspector

¹ National Commission on Terrorist Attacks Upon the United States, *The 9/11 Commission Final Report of the National Commission on Terrorist Attacks Upon the United States*, 2002, 413. Cited hereafter as 9/11 Commission Report.

²*Intelligence Reform and Terrorism Prevention Act of 2004*, 50 U.S. Code §1078 (2004). Cited hereafter cited as IRTPA § 1078.

General in 2005.³ This thesis examines whether that office, given its present mandate from the DNI, has the ability to execute its stated mission.

At present the ODNI/OIG is required by the DNI to detect fraud, waste, and abuse in the ODNI and in the IC. Thus, the ODNI/OIG is mandated to operate simultaneously as both an internal and external IG. This thesis examines the feasibility of that mandate given the present authority and resources of the office. The author evaluates the current ability of the ODNI/OIG to accomplish the stated mission through three research methods. The author conducts interviews with Intelligence Community Inspectors General (IC, IG) Senior Executives and Congressional staff to gain insight into the IC, IG community. The author also, analyzes IC and federal budget related guidance, regulations, and legislation to understand the legal, financial, and regulatory parameters of the OIG. Additionally, the author examines organizational quality assurance literature and applies quality assurance techniques to evaluate the effectiveness of the office of the IG for the ODNI and what elements are necessary to ensure the ODNI/OIG effectiveness in accomplishing the mission. Specifically, the author interviewed the ODNI/OIG and IC, IGs from six IC elements. The author's literature review includes Intelligence Community legislation, professional journals, reports from the Congressional Research Service, news media editorials, academic texts; and OIG professional standards guidance from the Institute of Internal Auditors, the Government Accountability Office, and the Presidents Council on Integrity and Efficiency.

³ Office of the Director of National Intelligence, *Inspector General of the Office of the Director of National Intelligence*: ODNI Instruction No. 2005-10 (Washington, DC: DNI, 2005), 1. Cited hereafter as ODNI Instruction No. 2005-10.

Although, there have been published works regarding the creation, and legal establishment of the Office of the Inspector General for the ODNI, there has been little published about the office's ability to accomplish its stated mission as prescribed by the DNI. The author chose this topic of research to provide Congress, the IC, and the DNI a practical basis from which to make a case for how the ODNI can add the most value to the IC. Additionally, the author acknowledges looming issues regarding the office that have been ostensibly addressed by the IC, IG community and superficially addressed in legislation by Congress. Further, this thesis provides greater insight into the abilities and limitations of the ODNI/OIG from an objective viewpoint.

The author devised two research tools used to determine the ability of the ODNI/OIG to accomplish its stated mission. The author's research tools are introduced in this chapter, but are discussed in detail in chapter three. The key questions addressed in this thesis focus on the two concepts called the Authority, Independence, Resources, Effectiveness (A.I.R.E) Quality Assessment and the Experience Knowledge Will Productivity (KWP) model. The author utilizes these tools to analyze data gathered regarding the abilities and limitations of the ODNI/OIG in relation to its stated mission. Specifically, the tools were used by the author as a research method framework for assessing the ability of the ODNI/OIG to accomplish its mission and to add value to the IC.

To examine the ODNI/OIG we must begin with an understanding of four important facets of an OIG; authority, independence, resources, and effectiveness.⁴ This

⁴ Presidents Council on Integrity and Efficiency Pamphlet, *Quality Standards for Inspectors General*, online ed. (Washington, DC: PCIE, 2003). URL: <<http://ignet.gov/pande/standards/igstds.pdf>>, accessed 4, July 2007.

thesis examines the authority granted the ODNI, the degree of independence exercised by the Inspector's General Office, the current resources of the ODNI/OIG, and the overall effectiveness of the ODNI/OIG to date. Specifically, the thesis first examines whether the authority of the Inspector General of the ODNI is clearly defined and sufficient to accomplish the stated mission. Then, the thesis analyzes the independence of the ODNI/OIG in the context of expectations of statutory IGs versus non statutory IGs. Next, the resources of the office are evaluated in relation to the mission of the ODNI/OIG. Finally, the effectiveness of the office is assessed in relation to the mission and resources of the office. The findings in chapter four regarding the current authority, independence, resources, and effectiveness of the ODNI/OIG provides the foundation for the recommendations made by the author in chapter five. Ultimately, this thesis addresses impediments to effectiveness of the ODNI/OIG and makes recommendations for how these impediments can be handled by the Congress, the DNI, or the Inspector General for the DNI.

Also, examined in this thesis is the question of whether the ODNI's Inspector General becoming statutory would enhance the ODNI/OIG's ability to carry out its stated mission. The current role of the Inspector General for the ODNI in relation to other IC Inspectors General is discussed in chapter four which, evaluates whether the ODNI/IG would enhance its ability to carry out its mission if it were a co-equal partner with other IC Inspector General Offices or if the ODNI/IG functioned as an Inspector General to the Inspector General in the IC? Additionally, this thesis will examine the independence of ODNI's OIG. Independence of an IG involves relationships. Even in an "independent function" like the Inspector General, formal and informal relationships impact the ability

of an IG to execute the mission free from undue influence.⁵ For example, failing to establish an appropriate degree of independence from the entity an IG is auditing, inspecting, or investigating could affect the ability of the IG to provide impartial information to the head of the agency within which it operates. Providing biased assessments of an agency to the agency head defeats the purpose of having an independent office intended to provide the agency head with accurate and objective information. A partial IG adds very little value, if any to the agency it evaluates.⁶

Three relationships will be assessed in this thesis. First, the relationship between the IG and the DNI is assessed in chapter two. In chapter four the relationship between the ODNI/OIG and the IC is discussed. Also discussed in chapter four is the relationship between ODNI/OIG and the U.S. Congress. To be an optimally effective Inspector General an appropriate level of independence is imperative.⁷ The level of independence an IG has is relational; it relies greatly upon the rapport between the OIG and the entity within which it functions. Chapter four examines whether the DNI, OIG has the requisite independence to effectively execute its mission within the ODNI and throughout the Intelligence Community.⁸

Chapter four of this thesis also examines the resources of the Office of the Inspector General for the ODNI. The term “resources” in this thesis includes experience,

⁵ Neely Moody, Inspector General at the Defense Intelligence Agency, interview by author, 7 March 2006.

⁶ John Helgerson, Inspector General at the Central Intelligence Agency, Interview by author, 4 June 2007.

⁷ (b) (6) Assistant Inspector General for Audits, Department of Defense, Office of the Inspector General Interview by author 2 February 2006.

⁸ Stephen Daniels, “Independence Officials Within the Executive Branch: Celebrating the Genius of the Inspector General Act and the Contract Dispute Act on Their 25th Anniversary.” *Journal of Public Inquiry* Fall/Winter (2003), 26.

knowledge, will, productivity, and dollars. The author devised the EKWP model and utilizes the model as a tool to analyze pertinent ODNI/OIG resource data. EKWP stands for experience, knowledge, will, and productivity. The first two components of the EKWP model are areas commonly assessed in quality assurance reviews to evaluate the effectiveness of an OIG. For example, the President's Counsel on Integrity and Efficiency (PCIE) and the Executive Counsel on Integrity and Efficiency (ECIE) identify experience and knowledge of an OIG staff as quality control assessment peer review areas.⁹ The last three components the author derives from private industry organizational assessments performed most frequently during times of organizational change. For example, the will, productivity, and dollars of an organization are also resources important to determining the effectiveness and the survival of the organization. In an era where "Doing more with less" has become a dubious motto for some agencies, having a staff with the resolve and motivation to support the mission of their organization even when the staff and budget are not ideal is imperative to the overall success of the organization.

The ODNI/OIG staff is devoted to the cause of improving the U.S. Intelligence Community¹⁰. In light of the ODNI/OIGs current budget and lean staff evaluating the will, productivity, and dollars of the office was useful in determining what recommendations were most appropriate regarding enhancing the ODNI/OIG's ability to accomplish its mission. This thesis examines whether the resources possessed by the

⁹ Presidents Council of Integrity and Efficiency and Executive Counsel of Integrity and Efficiency Guide for Conducting External Peer Reviews Of the Audit Operations of Offices of the Inspector General April 2005

¹⁰ Kurt, Senske, *Executive Values: A Christian Approach to Organizational Leadership* Augsburg Books: Minneapolis 34-35.

Office of the Inspector General for the ODNI are adequate to ensure that audits, investigations, and inspections of the ODNI and throughout the Intelligence Community can be effectively executed. Further, chapter four provides an overview of the professional background of the OIG, ODNI staff and evaluates the staff's motivation and level of productivity.

Chapter four also assesses the overall effectiveness of the Office of the Inspector General for the ODNI. The effectiveness of an OIG has been measured in many ways from the number of reports issued to the amount of potential cost saving to the government.¹¹ For the purposes of this thesis the author considers value added the customer and/or stakeholders to be key factors in determining effectiveness. Evaluating the rate at which the office executes audits, investigations, and inspections is one sound way to determine the effectiveness of an OIG.¹² Timely execution of IG efforts is important understanding the actual and potential effectiveness of an OIG because an IG's ability to add value to the organization or agency in which it operates is determined in part by whether the customer can use the product they issue.

For example, a financial audit with recommendations for improvement of an ineffective system, issued six months after that system was discontinued, would be pointless. The audit would add little to no value to the customer or the stakeholder. Evaluating the timeliness of IG recommendations can help the IG determine when, where, and how to use resources to better serve their customer. In fact, the IG for the ODNI can apply the A.I.R.E. quality assessment to identify and evaluate the possible and

¹¹ (b) (6) Interview

¹² Moody Interview

actual impediments to their ability to add value to the IC. This thesis will apply the A.I.R.E concept archetype to assess the current condition of the Office of the Inspector General for the ODNI and the ability of the Office of the Inspector General to accomplish its stated mission.

This thesis also discusses two options for enhancing the ODNI's, OIG ability to accomplish their mission. Option one is for the ODNI/IG to persuade the DNI to request that Congress consider establishing the Inspector General for the DNI as a statutory Inspector General. The second option is for the ODNI to establish guidance regarding the interaction between the ODNI/OIG and the Intelligence Community. Further, the DNI could promulgate guidance mandating that the OIG implement Memorandum of Agreements (MOAs) with each Intelligence Community element and their corresponding IGs. The MOAs would explicitly describe the cooperative inter-relationships between the ODNI/IG and the Intelligence community IGs. These Memorandums would explicitly address jurisdictional issues, access to information, distribution of resource, and reporting responsibilities of each Inspector General.

To perform an informed assessment of the ODNI/OIG background information in three areas pertinent to the research question is discussed in this thesis. The areas are as follows:

1. The Inspector General Concept
2. The mission and function of the ODNI
3. The stated mission of the ODNI/OIG

An explanation of the Inspector General concept is discussed in chapter two to provide a context for readers outside the Inspector General Community. The mission of

the ODNI; the entity within which the ODNI/OIG operates is also provided in chapter two to explain the rationale for the parameters of the scope of the ODNI/OIG. An explanation of the mission is discussed in this chapter to provide the reader a basic foundation for comprehension of the author's hypothesis. Understanding the mission of the office is necessary to determine what authority, level of independence, resources, and effectiveness are necessary to enhance the OIG's ability to accomplish its mission. The hypothesis of this thesis assumes the Director of National Intelligence intends to utilize his OIG as a tool to enhance efficiency, effectiveness, and economy throughout the Intelligence Community as well as within the ODNI. Moreover, this thesis assumes the mission of the ODNI/OIG will maintain its current scope, which is both ODNI oriented and Intelligence Community wide.

THE MISSION

The mission of the Inspector General of the ODNI according to ODNI Instruction Number 2005-10 is to:

Provide policy direction for, plan, conduct, supervise, and coordinate inspections, audits, investigations, and other inquiries relating to the programs and operations of the ODNI and the authorities and responsibilities of the Director of National Intelligence. The Inspector General is charged with detecting fraud, waste, and abuse; evaluating performance; and making recommendations to promote economy, efficiency, and effectiveness in the ODNI and the Intelligence Community.¹³

The current mission of the ODNI/OIG is three fold, requiring promotion of cost-effectiveness in programs in the ODNI and throughout the Intelligence Community, it also requires streamlining business processes, and ensuring program objectives are

¹³ ODNI Instruction No. 2005-10

adequately met.¹⁴ Intelligence Community Directive Number 1 prescribes a mission for the Office of the Inspector General for the ODNI which requires an Intelligence Community-wide scope for the Office of the ODNI/OIG and the IC spans across the federal government.¹⁵ The Intelligence Community consists of seventeen entities including the Office of the Director of National Intelligence, and with the exception of the CIA, each is also accountable to a cabinet level Secretary.¹⁶

Each of the IC organizations and agencies under the auspices of the DNI is responsible for Intelligence programs and the resources associated with those programs. However, the DNI provides funding to national level intelligence programs through the National Intelligence Program (NIP). The National Intelligence Program (NIP) sponsors intelligence funding for all seventeen of the Intelligence Community elements as well as national intelligence projects and programs administered through non-Intelligence Community entities. The NIP is under the exclusive direction of the Director of National Intelligence and funds all national-level intelligence, counterintelligence, reconnaissance programs in the U.S.¹⁷ For example; NIP funds sponsor National Regulatory Committee (NRC) projects and Federally Funded Research Facilities, if these entities perform work or research to support the ODNI. Thus, the responsibility and authority of the DNI extends beyond the CIA and ODNI. An entity with a responsibility of this magnitude

¹⁴ ODNI Instruction No. 2005-10

¹⁵ ODNI, *Intelligence Community Directive Number 1 Policy Directive for Intelligence Community Leadership* (Washington, DC: ODNI, May 2006), 15. Cited hereafter as ICD 1

¹⁶ U.S.C. Appendix § 2, Cited hereafter as IG Act of 1978

¹⁷ Dan Elkins, *Managing Intelligence Resources* (Alexandria: DWE Press, 2006), 4-4 Cited hereafter as Elkins

would benefit from having an OIG equipped to effectively operate across such a broad scope.

It is widely estimated that the Intelligence Community budget is over 40 billion dollars, all of which must be appropriately accounted for by the federal government.¹⁸ Specifically, The Intelligence Reform and Terrorism Prevention Act (IRTPA) makes the DNI responsible for the NIP.¹⁹ The National Intelligence Program (NIP) provides the funding from which resources for intelligence programs that serve a national mission are expended. The ODNI/OIG was established to detect fraud, waste, and abuse and to promote of effectiveness, economy, and efficiency in the Intelligence Community funded by the NIP²⁰. Therefore, programs funded by the NIP fall within the purview of the ODNI/OIG. However, the current authority and resources of the ODNI's, OIG does not allow for the OIG to adequately address issues from seventeen different organizations with varying level of NIP funding.

The NIP consists of fifteen total component programs which will be discussed in greater detail in chapter three. Figure 1-1 depicts the fifteen NIP programs, all of which are subject to the review of the ODNI/OIG.²¹

¹⁸ Stephen Daggett, "The U.S. Intelligence Budget: A Basic Overview" *CRS Report for Congress* RS21945. "CRS Intelligence and Related Issues" (Washington, DC: Congressional Research Service Library of Congress, 24 September, 2004. URL < <http://www.fas.org/irp/crs/RS21945.pdf> >, accessed 16 April 2007.

¹⁹ IRTPA §102A(c)

²⁰ ODNI Instruction No. 2005-10 Section 2

²¹ Elkins, 4-4 - 4-12

1. **Central Intelligence Agency Program (CIAP)**
 - a. **Intelligence Collection**
 - b. **Intelligence Production**
 - c. **Counter Intelligence**
 - d. **Covert Action**
 - e. **Research, development, and acquisition**
2. **Central Intelligence Agency Retirement and Disability Program (CIARD)**
3. **Community Management Account (CMA)**
4. **National Reconnaissance Program (NRP)**
5. **Consolidated Cryptologic Program (CCP)**
6. **General Defense Intelligence Program (GDIP)**
7. **National Geospatial Intelligence Program (NGP)**
8. **Foreign Counterintelligence Program (FCIP)**
9. **Special Reconnaissance Program (SRP)**
10. **Department of State's Bureau of Intelligence and Research (INR)**
11. **Department of Homeland Security Intelligence Program (HSIP)**
 - a. **Coast Guard Intelligence**
 - b. **Information Analysis and Infrastructure Protection (IAIP)**
12. **Department of Energy's Office of Intelligence (IN)**
13. **Department of Treasury's Office of Intelligence Support (OIS)**
14. **Federal Bureau of Investigation's National Security Division (NSD)**
15. **Drug Enforcement Agency's Office of National Security Intelligence (NN)**

Figure 1-1 The NIP COMPONENT PROGRAMS

Source: Elkins, 4-4 - 4-12

THE OFFICE OF THE INSPECTOR GENERAL OF THE ODNI

The OIG is included among the ODNI's "independent offices". Although, the OIG is not a statutory office within the ODNI, the OIG is considered a counterpart of two other statutory offices the Office of General Counsel (OGC) and the Civil Liberties and Privacy Protection Office (CLPO).²² These independent offices of the ODNI have duties and responsibilities that require them to have a degree of independence from the rest of ODNI. Each independent office adds value to the ODNI by providing to the Director assessments free from manipulation. Being an independent office affords offices the protection to speak the truth to the Director without the threat of reprisal when that truth is undesirable. Thus, the relationship between the ODNI/IG and the DNI is quite important and can significantly impact the effectiveness of the OIG.

In order to accomplish its stated mission the ODNI/OIG must first determine how best to carry it out the mission. Given the ambiguity of the authority of the ODNI/OIG accomplishing the mission of the office could become complicated if the Inspector General is challenged by an IC element. For example, if an IC element denies access to the Inspector General of the ODNI the ODNI/OIG cannot force an IC element outside of the ODNI to grant them access to information? Moreover, the ODNI, IG has no authority to compel an IC element to comply with any of their requests? The DNI does not have authority to direct any IC element that is not directly on his staff. At present the

²² ODNI Instruction No. 2005-10 5(a) (7) p. 3

Inspector General can notify the DNI of an IC elements refusal to cooperate in an effort to affect the DNI's allocation of funds to the uncooperative element.

However, the ability of the DNI to affect the budget of IC NIP funded elements is limited to no more than five percent of an elements annual NIP budget in a single fiscal year. Further, the reprogramming of an Intelligence Community element's funds can not exceed \$150 million in a fiscal year and cannot terminate an acquisition program.²³ Also important to consider is that a significant portion of intelligence programs are funded with Military Intelligence Program (MIP) funds over which the DNI has no control. MIP programs are under the auspices of the Department of Defense.²⁴

The authority of the Inspector General for the ODNI is only as good as the authority of the DNI. The ability of the ODNI/OIG to exact change relies in part upon the ability of the DNI to compel an entity to comply with his IG.²⁵ Thus far, the IG for the ODNI has been successful in accomplishing its objectives through the application of cooperative and tactful methods of dealing with its IC, IG cohorts and the IC. However, diplomatic savvy and a cooperative spirit are good to have, but not enough to rely on permanently. According to the Inspector General of the Central Intelligence Agency, a

²³ U.S. Senate Republican Policy Committee, *Highlights of Conference Report to Accompany S.2845 Intelligence Reform and Terrorism Prevention Act of 2004*
URL:<http://rpc.senate.gov/_files/CFRIntelReform120704DF.pdf>, accessed 14 April 2007

²⁴ Richard Best Jr. "Intelligence Issues Brief for Congress: Issues for Congress," CRS Issues Brief for Congress IB10012 (Washington, DC: Congressional Research Service, The Library of Congress, 10 April 10, 2006), CRS- 6

²⁵ Helgerson Interview

lack of authority combined with the current ambiguity of the language in the legislation establishing the OIG will inevitably become problematic.²⁶

Clearly defining the authority of the Inspector General of the ODNI is the first step toward ensuring the ODNI/OIG can achieve its stated mission. The Office of the Inspector General for the DNI is depicted below in Figure 1-2²⁷

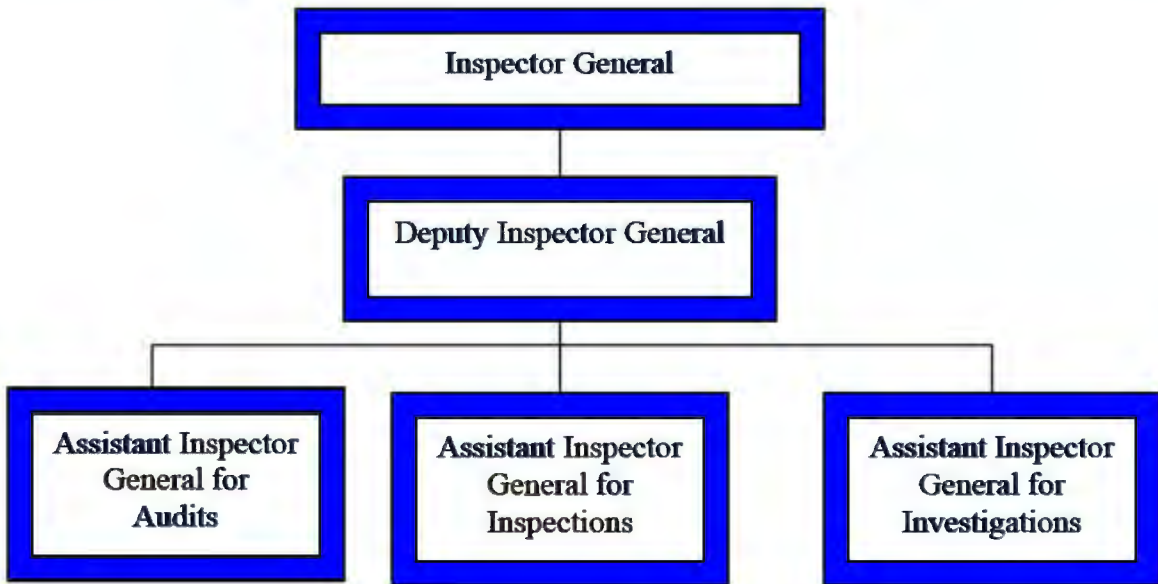


Figure 1-2 Office of the Inspector General of the ODNI

Source: ODNI Homepage

²⁶ Helgerson Interview

²⁷ "ODNI" *Office of the Inspector General* <<http://www.dni.gov/aboutODNI/organization.htm>>, accessed 27 February 2007.

At present the DNI is not required by law to maintain an Office of the Inspector General. The Inspector General for the ODNI is not confirmed by Congress. The ODNI/OIG is appointed by, reports to, and is under the direction and control of the DNI. Further, the Inspector General serves at the pleasure of the DNI and can be removed from office by the Director as long as the Director notifies Congress in writing when exercising his removal authority.²⁸ Were the Office Inspector General for the ODNI to become a statutory office, the IG would require Congressional confirmation and could only be removed by the President.²⁹ Establishing the ODNI/OIG as a statutory IG would also define the authority of the office more clearly.

Over the past two years members of Congress have taken issue with the ambiguity of the ODNI/OIG's authority.³⁰ Members of Congress have expressed concern with the current authority and charter of the ODNI/OIG in the Intelligence Authorization Act for Fiscal Year 2007, and some have called for the DNI's IG to become statutory.³¹ Although, the Intelligence Authorization Act for Fiscal Year 2007 was never passed, the issues addressed in the bill remain relevant and are again addressed in the Authorization Act of Fiscal Year 2008. Chapter four discusses these concerns in greater detail.

Given the unique role of the Inspector General for the ODNI, clearly defining the authorities of the office is critical. The Office of the Inspector General for the ODNI

²⁸ ODNI Instruction No. 2005-10

²⁹ IRTPA § 1078

³⁰ Senate Report 110-002 - *Intelligence Authorization Act for Fiscal Year 2007 with additional and supplemental views* section 408, January 24, 2007. Cited hereafter as SSCI IRTPA w/ comments.

³¹ "Rockefeller Announces Committee Passage of FY07 Intelligence Authorization Bill," URL: <<http://www.senate.gov/~rockefeller/news/2006/pr052606a.html>>, accessed 4 July, 2007.

could operate in one of three capacities (1) As an overarching Inspector General to the Intelligence Community Inspectors General serving as a non-operational oversight coordinating entity for the IC, IG Community (2) as a co-equal partner working in conjunction with other IC Inspectors General focusing on issues that impact the entire IC, or (3) as an internal IG for the ODNI focusing only on ODNI programs and offices directly and solely under the DNI's authority.

The authorities of the Inspector General for the ODNI as written in section 1078 of the IRTPA make no clear or definitive statement about the capacity in which the Inspector General should function. Further, a gap exists between the authority of the Inspector General for the ODNI and the mission of the ODNI/OIG as written in DNI Instruction 2005-10. Filling the gap between the Inspector's General authorities and the Inspector's General stated mission is necessary to avert future IC, IG Community jurisdictional problems. Chapter five will discuss the present condition of the Office of the Inspector General and will assess ways to fill the gap to ensure future success for the ODNI/OIG. To determine the most feasible remedy to the issues raised regarding the Inspector General of the ODNI's authority a review of applicable laws and regulations is necessary. The following chapter discusses the legislation, regulations, and directives pertinent to the Inspector General of the DNI.

CHAPTER 2

BACKGROUND AND SURVEY OF PERTINENT CRITERIA

THE INSPECTOR GENERAL CONCEPT

The current federal Inspector General system was codified through legislation, the 1978 Inspector General Act, which established twenty-nine Inspectors General appointed by the President and confirmed by the Senate. The appointees were given a mandate to prevent and detect fraud and abuse, and to recommend methods to promote economy, efficiency, and effectiveness.³² The concept of the Inspector General was based upon the notion that there exists a need to apply independent and objective criteria to the evaluation of the performance of government activities.³³ This concept remains an integral and significant component in modern government and has been relied upon for ensuring public trust in the federal government. However, the Inspector General concept predates the 1978 Act. The Inspector General concept dates back to the Continental Army's custom of having an independent party review the readiness of combat troops.³⁴

³² IG Act of 1978 § 2

³³ Florida Fish and Wild Life Conservation Commission Frequently Asked Questions “*What is an Inspector General?*” URL: < <http://myfwc.com/ig/IGFAQ.htm>>, accessed 12 June 2007.

³⁴ The Library of Congress, *Office of the Inspector General* URL: <<http://www.loc.gov/about/oig/index.html>>, accessed June 16, 2007

The first American Inspector General was Baron Friedrich Wilhelm Augustus Von Steuben. Pictured in Figure 2-1³⁵



Figure 2-1 Baron Friedrich Wilhelm Augustus Von Steuben

Source: Wilkins, Major Fred J., "Steuben Screamed but Things Happened and an Army Was Born at Valley Forge Just One Hundred and Seventy Years Ago," *The Picket Post*, January 1948,³⁶

General George Washington recommended the appointment of Steuben as Inspector General on April 30th, and on May 5th Congress approved the appointment. Baron Friedrich Wilhelm Augustus Von Steuben was appointed and confirmed in 1777 as

³⁵ Boatner, Mark M., III, *Encyclopedia of the American Revolution*, (Mechanicsburg, PA: Stackpole Books.), 1966. Publications" link from URL:<<http://www.ushistory.org/valleyforge/served/steuben.html>>, accessed June 16, 2007.

³⁶ Wilkins, Major Fred J., "Steuben Screamed And Things Happened And an Army Was Born at Valley Forge Just One Hundred and Seventy Years Ago", *The Picket Post*, January 1948, published by The Valley Forge Historical Society, under keyword "Von Steuben" URL:<<http://www.ushistory.org/valleyforge/served/steuben.html>>, accessed June 16, 2007

the Inspector General for the Continental Congress.³⁷ General George Washington, the first U.S. president recognized the need for oversight, evaluation, and accountability in his own army and designated Von Steuben to apply independent and objective criteria to the evaluation of the performance of Continental Army activities.

The contemporary Inspector General concept began in the federal government in 1959, when the Secretary of State appointed a federal Inspector General who reported to Congress on issues such as efficiency and economy in government. Also, in 1962 in the wake of the Billie Sol Estes scandal, in which John Marshall, a U.S. Department of Agriculture farmer was killed in connection with the Billie Sol Estes' cotton allotment scheme, allegedly involving Vice President Lyndon Johnson and various high level U.S. Department of Agriculture officials,³⁸ the Department of Agriculture appointed an Inspector General.³⁹

In 1978 the U.S. Congress enacted Public Law 95-452, 92 Stat 1101; commonly known as the Inspector General Act of 1978⁴⁰. This law created a “framework for attacking fraud, waste, and abuse in the federal government.”⁴¹ The Inspector General Act afforded Inspector General Offices the ability to be administratively and operationally independent from the departments or agencies with whom they are

³⁷ Historic Valley Forge “Who Served Here”

URL: < <http://www.ushistory.org/valleyforge/served/steuben.html>>, accessed June 16, 2007

³⁸ “Biography: Billie Sol Estes,” URL: < <http://www.spartacus.schoolnet.co.uk/JFKestes.htm>>, accessed June 16, 2007

³⁹ Florida Fish and Wild Life Conservation Commission, “Frequently Asked Questions” *What is an Inspector General?* URL: < <http://myfwc.com/ig/IGFAQ.htm>>, accessed 22 June 2007.

⁴⁰ *Inspector General Act of 1978*, 22 U.S. Code § 2384. Cited hereafter as IG Act of 1978

⁴¹ Daniels, Stephen M. , Chairman, General Services Board of Contract Appeals, *The Journal of Public Inquiry* Fall/Winter (2003) “Celebrating the Genius of the Inspector General Act and the Contract Disputes Act on Their 25th Anniversary. P 26

associated. Hence, while Inspectors General are responsible for keeping the agency heads informed of their audit, investigative, and inspection related findings, the Office of the Inspector General is an independent office.⁴² The Inspector General Act of 1978 also required Inspectors General to report their findings to Congress as well the agency heads. The act was an attempt by Congress to gain better control over the bureaucracy it was supposed to oversee and to get a handle on their senior executive branch policy-makers.

Inspectors General can be statutory, which requires they be established through the enactment of legislation, appointed by the President, and confirmed by Congress or Inspectors General can be non-statutory, selected by agency heads. Statutory Inspectors General are members of the Presidents Council on Integrity and Efficiency (PCIE). Non-statutory Inspectors General are members of the Executive Council on Integrity and Efficiency (ECIE). At present, sixty two Offices of the Inspector General exist throughout the U.S. federal government of which twenty nine are presidential appointment statutory Inspectors General.⁴³ These sixty two Inspectors General's are supported by combined staffs of over approximately 11,600 employees from multiple disciplines, at a cost of approximately \$1.9 billion annually and they oversee annual federal expenditures of over \$2.8 trillion.⁴⁴

⁴² President's Council on Integrity and Efficiency/Executive Council on Integrity and Efficiency A Progress Report to the President Fiscal Year 2004 "The Inspector General Community" p.1

⁴³ The Inspector General Community URL:< <http://www.ignet.gov/igs/igcommunity06.pdf>>, accessed 27 February 2007.

⁴⁴ Friedman, Gregory Vice Chair President Council on Integrity and Efficiency and Snyder, Barry, Vice Chair Executive Council on Integrity and Efficiency "The Inspector General Community" September 2006 < <http://www.ignet.gov/igs/igcommunity06.pdf>>, accessed 27 February 2007. Cited hereafter as *PCIE/ECIE Report to the Present 2006*.

The Role of the Inspector General

Inspectors General have two primary roles according to the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency. Their first role is to act as the stethoscope that amplifies the vitality or feebleness of a department or agency by detecting fraud, waste, and abuse in their agency's programs or operations. Once the IG has identified problems in their department/agency's programs or operations the, it makes recommendations on how to remedy the problematic issues identified. The second primary role of an IG is to report their findings. Inspector General findings are reported to multiple stakeholders who include Congress in many cases, the agency in all cases and the U.S. taxpayers in most cases depending on the classifications of the information entailed in the report.⁴⁵

Inspectors General independently evaluate problems and devise recommendations on how to remedy identified problems. IGs issue reports based on professional audit, investigative, and inspection standards as outlined in the Government Accountability Office's "Yellow Book."⁴⁶ IGs provide technical and/or consultative advice to their agencies; often offering consultation on best business practices and internal controls. They can also perform independent investigations of allegations, as requested by the agency head. Additionally, IG maintain Hotlines for both, employees of government

⁴⁵ President's Council on Integrity and Efficiency/Executive Council on Integrity and Efficiency *A Progress Report to the President Fiscal Year 2004* "The Inspector General Community" p.1. Cited hereafter as *PCIE/ECIE Report to the President 2004*.

⁴⁶ Government Accountability Office, *Government Auditing Standards* (Washington, DC: GPO, January 2007), 6. Cited hereafter as *Yellow Book*.

agencies and the general public to report confidential information regarding allegations of fraud and abuse in the federal government.⁴⁷

The Mission of the Inspector General

The mission of an Inspector General pursuant the Inspector General Act of 1978, as amended, is to conduct independent and objective audits, investigations and inspections, prevent and detect waste, fraud and abuse, promote economy, effectiveness and efficiency, review pending legislation and regulation, and keep the agency head and Congress fully and currently informed.⁴⁸

In keeping with the overall Inspector General mission, Inspectors General execute their responsibilities through four basic practices.⁴⁹ First, the IG conducts audits, inspections, and investigations agency programs. Second, they review existing and proposed laws and regulations relevant to their organization's programs and operations. They also, provide leadership for initiatives that promote efficiency and economy and reduce the vulnerability of their department or agency's to fraud, waste, misuse, and abuse/ Additionally, IGs inform Congress and their department or agency heads of programmatic problems and keep Congress and department or agency heads abreast of the progress of corrective actions being taken to address issues identified during the IG review.

⁴⁷ IGnet.gov, *IG Frequently Asked Questions* URL: <<http://www.ignet.gov/igs/faq1.html#mission>>, accessed 25 February 2007.

⁴⁸ IGnet.gov *IG~ Frequently Asked Questions* <<http://www.ignet.gov/igs/faq1.html#mission>> Accessed February 25, 2007

⁴⁹ President's Council on Integrity and Efficiency/Executive Council on Integrity and Efficiency A Progress Report to the President Fiscal Year 2004 "The Inspector General Community" p.1

Inspector General Responsibilities

Inspectors General have three principal responsibilities under the Inspector General Act of 1978, as amended.⁵⁰

1. *Conducting and supervising audits and investigations relating to the programs and operations of the establishment;*
2. *Providing leadership and coordination and recommending policies for activities designed to promote economy, efficiency, and effectiveness of such programs and operations, and detecting fraud and abuse in such programs and operations; and*
3. *Providing a means for keeping the establishment head and 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.*

The Inspector General Act was created by Congress to ensure the public's trust and confidence in the federal government. In an era marred by minimal government oversight and diminished trust in the federal government by the American citizenry, the climate in American politics in 1978 was ripe for the Inspector General concept. The creation of an independent entity charged with detecting fraud, waste, and abuse and promoting economy, efficiency, and effectiveness in the federal government was timely in 1978 because the Inspector General concept was codified in the aftermath of Watergate, the Church Committee, and the Pike Committee.⁵¹ Further, due to the controversy surrounding the U.S. government's activities regarding civil liberties of Americans, the public's trust in the federal government was at an all time low by the late 1970's when the Inspector General Act was enacted.

⁵⁰ IG Act of 1978 § 4

⁵¹ Knott, Stephen F, "Congressional Oversight and the Crippling of the CIA," George Mason University History News Network, URL: <<http://hnn.us/articles/380.html>>, accessed 14 May 2007.

IGs are authorized to have direct access to all records and information of the agency with which they are affiliated, unless the agency head has determined that access to agency information would compromise the sources and methods used to acquire the information requested. In cases when access to information is denied to a statutory IG, agency heads must justify to Congress their reason for doing so. Inspectors General also have access to the agency head to report their finding directly. Further, Inspectors General are authorized to conduct investigations and issue reports as the IG deems appropriate (with exceptions made regarding national security and law enforcement related matters in some instances). IGs can also issue subpoenas for information and documents beyond the agency (with national security and law enforcement exceptions), administer oaths for taking testimony, and hire and control their own staff and contract resources.⁵²

IGs are appointed without regard to their political affiliation and are not usually replaced with presidential or congressional elections. The appointment is based on integrity and ability in accounting, auditing, financial analysis; law, management analysis, public administration; or investigations. Due to the nature of the IG's responsibilities and duty to detect and report inefficiency, ineffectiveness, and malfeasance, independence is a critical attribute of the office. Inspectors General must have the requisite independence to report findings without fear of having their budgets and/or authority squelched if IG reports expose negative findings. For example, the Central Intelligence Agency's Office of the IG issued a report on the Central Intelligence

⁵²IGnet.gov IG~ Frequently Asked Questions <<http://www.ignet.gov/igs/faq1.html#mission>> Accessed February 25, 2007

Agency's Terrorist Watch List program in 2007; the reports publicized findings exposing the inadequacies of the Central Intelligence Agency's Watch List Program.⁵³

Although, the report publicized adverse information about the agency the Director of the Central Intelligence Agency could not remove the IG, reprogram the Office of the IG's budget, or altogether eliminate the Office of the IG. Had release of the information compromised Central Intelligence Agency's sources and methods, the Director could have provided justification to Congress for the removal of the IG; however only the president can actually remove the IG from the Central Intelligence Agency. The IG's independence is reinforced through the protection of their budget, qualifications on their appointment and removal,⁵⁴

Inspectors General communicate their findings, conclusions, and recommendations for corrective action by issuing a variety of written reports such as audit, investigative, and inspection/evaluation reports prepared in accordance with professional standards; semiannual reports to the Congress that describe the work of the Office of the Inspector General within the reporting period; and immediate correspondence to the agency head to report egregious and flagrant problems and/or abuses. Statutory Inspectors General prepare semiannual reports to Congress regarding their own activities and accomplishments. Although, the Office of the Inspector General prepares the report the Inspector General Act requires the report be submitted by the head of the department or agency in which the Inspector General operates. The department or agency head communicates the report along with their own comments; the "management

⁵³ Helgeson Interview.

⁵⁴ Congressional Research Report, The Library of Congress Order Code 98-379 GOV March 5, 2003 CRS-3

response”, stating the agency’s position on the issues identified and reported by the Office of the Inspector General to the Congress. By statute, congressionally confirmed Inspectors General have a dual and independent reporting relationship to the agency head and to the Congress.⁵⁵ Inspectors General are obligated to keep agency heads and Congress “fully and currently informed”⁵⁶

Appointment and Removal of an Inspector General

The president nominates statutory IGs at cabinet-level departments and major agencies with senate confirmation. Statutory Inspectors General can only be removed by the President. Further, if the president should decide to remove a congressionally confirmed Inspector General the president must notify Congress and relay to Congress his rationale for the removal.⁵⁷ Currently, the Intelligence Community has seven statutory Inspectors General nominated by the President and confirmed by the United States Senate. The ODNI, ODNI, at present is not a statutory IG. However, legislation establishing the Inspector General for the ODNI as a statutory Inspector General has been discussed since former DNI Negroponte established the office in 2005. In fact, the Fiscal Year 2008 Intelligence Authorization bill includes language about the IG for the ODNI becoming a statutory IG. Figure 2-2 lists all United States federal agencies with IGs appointed by the president and confirmed by congress.

⁵⁵ IG Act of 1978 *App.* 3 § 8G. 2 (e)

⁵⁶ Congressional Research Report, The Library of Congress Order Code 98-379 GOV March 5, 2003 CRS-2

⁵⁷ IG Act of 1978 § 1

Agency for International Development	Agriculture, Department of
Central Intelligence Agency	Commerce, Department of
Defense, Department of	Veterans Affairs, Department of
Education, Department of	Energy, Department of
Environmental Protection Agency	Federal Deposit Insurance Corporation
General Service Administration	Health and Human Services, Department of
Homeland Security, Department of	Labor, Department of
Interior, Department of	Justice, Department of
Nuclear Regulatory Commission	Office of Personnel Management
Railroad Retirement Board	Small Business Administration
Social Security Administration	State, Department of
Tennessee Valley Authority	Transportation, Department of
Treasury, Department of the	
Treasury for Tax Administration, Department of the	
National Aeronautics and Space Administration	
Housing and Urban Development, Department of	
Corporation for National and Community Service	

Figure 2-2 U.S. Federal Government Agencies with Statutory Inspectors General

Source: IGnet.gov

Most Inspectors General not established by statute are under the auspices of a statutory departmental Inspector General. For example, Air Force Intelligence, Army Intelligence, Marine Corps Intelligence, and Naval Intelligence are Intelligence Community components each within the scope of the Department of Defense Inspector General. Additionally, The Federal Bureau of Investigation's National Security Branch is within the scope of the Department of Justice's Office of the Inspector General. However, the ODNI is neither, statutory nor is it within the scope of any statutory Inspector General. "While, the authorities granted a statutory Inspector General may not need to be exercised daily there are instances when those authorities are necessary for an Inspector General to be effective, not having those authorities will inevitably become problematic."⁵⁸ Table 2-1 lists statutes establishing Intelligence Community Inspectors General nominated by the president and confirmed by the Senate.

⁵⁸ Helgerson Interview.

Year	Statute	Establishment
1977	P.L. 95-91	Department of Energy, Inspector General
1980	P.L. 96-465	Department of State, Inspector General
1982	P.L. 97-252	Department of Defense, Inspector General
1988	P.L. 100-504	Department of Treasury, Inspector General Department of Justice, Inspector General
1989	P.L. 101-193	Central Intelligence Agency, Inspector General
2002	P.L. 107-296	Department of Homeland Security, Inspector General

Table 2-1 Statutes Establishing Intelligence Community Inspectors General Nominated by the President and Confirmed by the Senate, 1976 to Present

Source: Congressional Research Report, the Library of Congress Order Code 98-379 GOV March 5, 2003 CRS-5

When Inspectors General are not congressionally confirmed they are appointed by agency heads. The agency heads can appoint and remove non-statutory Inspectors General. However, as in the case of removing a statutory Inspector General when an agency head decides to remove a non-statutory Inspector General Congress must be notified in writing.⁵⁹ Figure 2-3 depicts a listing of all non-statutory federal Inspectors General.

⁵⁹ Congressional Research Report, The Library of Congress Order Code 98-379 GOV March 5, 2003 CRS-6

Appalachian Regional Commission	National Credit Union Administration
Commodity Futures Trading Commission	National Endowment for the Arts
Consumer Product Safety Commission Humanities	National Endowment for the
Corporation for Public Broadcasting	National Labor Relations Board
Denali Commission,	National Science Foundation
Equal Employment Opportunity Commission	Office of the Director of National Intelligence
Farm Credit Administration	Pension Benefit Guaranty Corporation
Federal Communications Commission	Securities and Exchange Commission
Federal Election Commission	Smithsonian Institution
Federal Housing Finance Board	Special Inspector General for Iraq Reconstruction
Federal Labor Relations Authority	The Election Assistance Commission
Federal Maritime Commission	U.S. Capitol Police
Federal Trade Commission	U.S. International Trade Commission
Government Printing Office	U.S. Postal Service
Legal Services Corporation	

Figure 2.3 Designated Federal Entities and Agencies with Non-Statutory Federal Inspectors General

Source: Elkins

This thesis examines the authority of the DNI's IG. To evaluate his authority this thesis reviews information from four primary sources pertinent to the Inspector General of the ODNI's authority: congressional legislation and literature regarding the role and responsibility of the IG community, congressional legislation and literature regarding the ODNI, ODNI instructions, and interviews with federal Inspectors General. The first area of review is regarding the clarity of the ODNI/OIG's authority. At present, information regarding the role and responsibility of the Inspector General of the ODNI is addressed in the Intelligence Reform and Terrorism Prevention Act of 2004 Section 1078. This act granted the DNI the authority to establish an Inspector General for the ODNI. The Intelligence Authorization Act for FY 2007, which never passed, would have elevated the ODNI/IG to a statutory Inspector General.

The currently pending Intelligence Authorization Act for FY 2008 also recommends elevating the IG of the ODNI to a statutory level. However, legislation clearly defining the authority of the ODNI/IG has not been established to date. The legislation that does exist is ambiguous. In fact, the U.S. Congress itself has described the authorities of the ODNI/IG as "ambiguous"⁶⁰ To determine whether the authority is sufficient to accomplish the mission, this thesis will examine whether the ODNI/OIG is presently equipped with the appropriate authority to carry out its stated mission throughout the entire Intelligence Community. If the ODNI/OIG is not presently

⁶⁰ U.S. Congress, Senate Select Committee on Intelligence, *Report on Intelligence Authorization Act for Fiscal Year 2007 with Additional and Supplemental Views*. 110th Cong., 2nd sess., 2007. S. Rept 110-002, 6. Cited hereafter as U.S. Congress, SSCI, FY 07 Authorization Comments.

equipped with the necessary authority to carry out its stated mission how useful is the ODNI/OIG, and what purpose does an IG with a dearth of authority serve?

THE ODNI: A SYNOPSIS OF ITS PURPOSE AND UTILITY

To fully understand the Office of the Inspector General of the ODNI and its mission we must begin with an understanding of the function of the ODNI. The purpose and utility of the department in which an IG operates affects the scope and authority of an IG. In the case of the ODNI the rationale behind the existence of the Office, in and of itself has been debated. Hence, defining the appropriate scope and authority for the IG of the ODNI has proven to be quite a challenge for Congress and for the DNI. The ODNI was established in 2004 via the Intelligence Reform and Terrorism Prevention Act. Figure 2-4 depicts the ODNI. The mission of the ODNI involves the collection, analysis, and dissemination of intelligence to the president and to U.S. federal government national security decision makers. It also mandates that the IC perform their duties in an ethical and responsible manner.⁶¹

⁶¹ ODNI Homepage, URL: <<http://www.dni.gov/aboutODNI/mission.htm>>, accessed 27 February 2007.

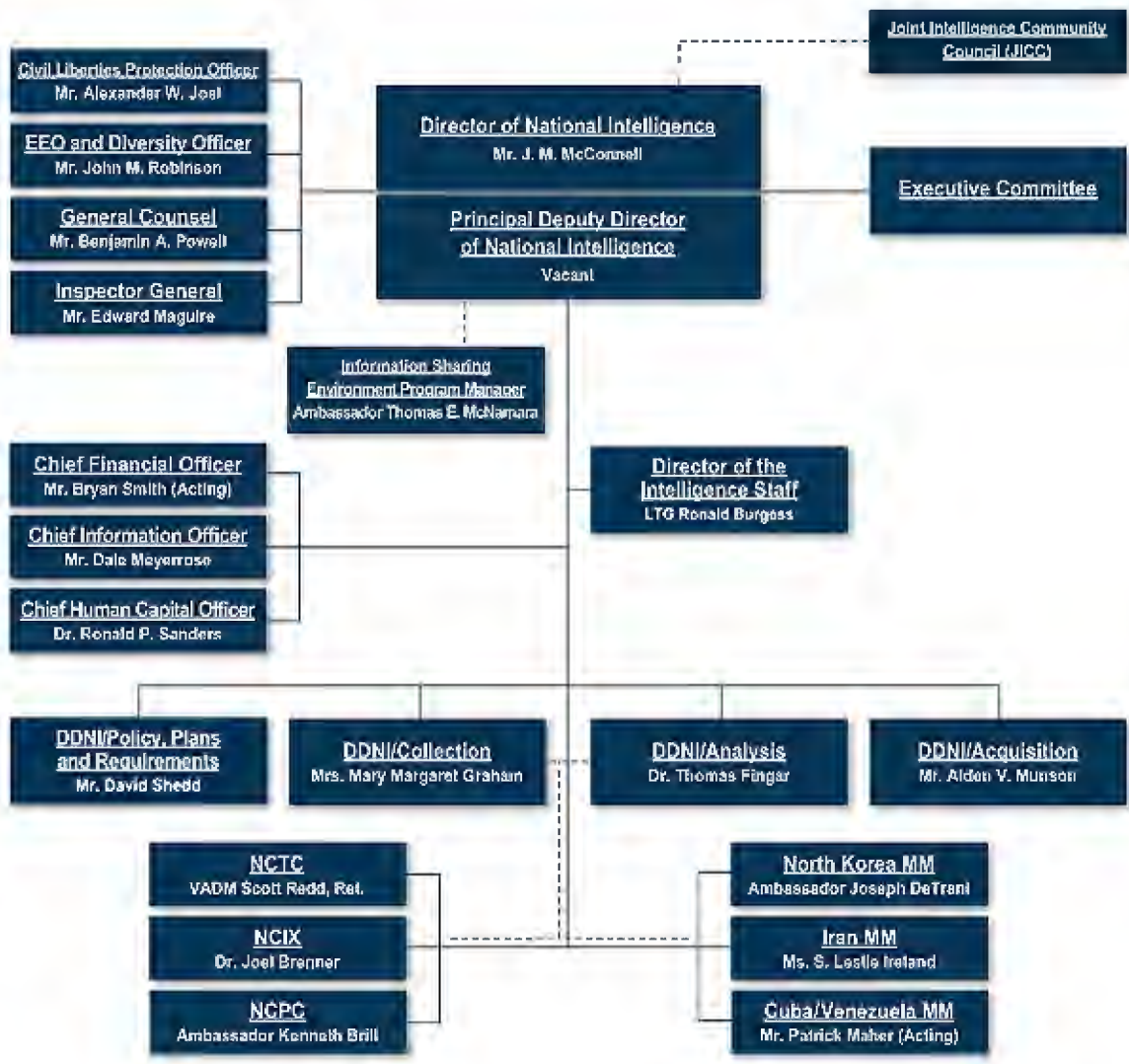


Figure 2-4 Organizational Chart of the ODNI

Source: DNI.gov ⁶²

⁶²DNI.gov Office of the DNI Organizational Chart” <<http://www.dni.gov/images>>Accesses 14 April, 2007

The IRTPA charged the ODNI with coordinating the U.S. Intelligence Community and managing its resources to include NIP budgets, personnel, acquisition, and the new National Counterterrorism Center (NCTC).⁶³ The duties and responsibilities of the ODNI span across the federal government. All federal agencies that manage, produce, and utilize intelligence are fully or partially under the auspices of the DNI. The DNI manages the source of funding for national intelligence programs and activities, the NIP.⁶⁴ Specifically, the DNI provides direction to the Office of Management and Budget (OMB) on the apportionment of National Intelligence Program funds. The DNI directs allotment and allocation of National Intelligence Program funds through department and agency heads whose budget contains National Intelligence Program funding.⁶⁵ Thus, the DNI has authority over future resources through his ability to” impose priorities, programmatic parameters, and fiscal limitations on National Intelligence programming and budgeting and consolidated input to formulate the National Intelligence Program portion of the presidents annual budget.”⁶⁶

⁶³ Strohm, Chris “Report highlights challenges facing new national intelligence director” April 15, 2005 < <http://www.govexec.com/dailyfed/0405/041505c1.htm>> Accessed February 14, 2007

⁶⁴ Elkins, Dan *Managing Intelligence Resources 2nd Editions* DWE Press, Alexandria, VA p.4-4

⁶⁵ Elkins, Dan *Managing Intelligence Resources 2nd Editions* DWE Press, Alexandria, VA p.4-4

⁶⁶ Elkins, Dan *Managing Intelligence Resources 2nd Editions* DWE Press, Alexandria, VA p.4-4

THE NATIONAL INTELLIGENCE PROGRAM

According to Executive Order 13355 the DNI is responsible for developing and determining the National Intelligence Program (NIP).⁶⁷ The NIP funds CIA programs, the General Defense Intelligence Programs, specialized Department of Defense reconnaissance activities, and the activities of staff elements of the ODNI. The NIP also funds national foreign intelligence and counter intelligence activities of agencies within the IC as designated by the President or by DNI in conjunction with the head of the department conducting the activity.⁶⁸ Some agencies are completely under the authority of the DNI, others have components of their department that are under the authority of the ODNI. For example the Central Intelligence Agency is funded completely by the NIP.⁶⁹

However, the NIP only funds two intelligence components of the Department of Homeland Security, the Office of Intelligence and Analysis (I&A) and U.S. Coast Guard Intelligence. Thus, by virtue of being funded by the NIP the Office of Intelligence and Analysis and U.S. Coast Guard Intelligence report to both, the ODNI and the Director of Homeland Security.⁷⁰ The Department of Homeland Security funds its two intelligence components through the Homeland Security Intelligence Program (HSIP) which is a

⁶⁷ U.S. President, Executive Order 13355, "Strengthened Management of the Intelligence Community," 27 August 2004, 3. Cited hereafter as U.S President, EO 13355.

⁶⁸ Elkins, Dan *Managing Intelligence Resources 2nd Editions* DWE Press, Alexandria, VA p.4-4

⁶⁹ Elkins, Dan *Managing Intelligence Resources 2nd Editions* DWE Press, Alexandria, VA p.4-5

⁷⁰ Elkins, Dan *Managing Intelligence Resources 2nd Editions* DWE Press, Alexandria, VA p.4-11 and 4-12

National Intelligence Program, making it a DNI Program. Figure 2-5 is a complete list of national intelligence components of federal departments and agencies. It lists the departments with intelligence components that are funded by the ODNI's National Intelligence Program (NIP). There are cases in which programs that use NIP funds also use Military Intelligence Program (MIP). For example, the National Reconnaissance Office (NRO) is funded by NIP and MIP dollars because its assets support a national-level satellite reconnaissance mission and provide support to DoD operations. The National Security Agency also supports national-level Signals intelligence (SIGINT) mission and a military SIGINT mission. Each of these agencies reports to the Director of National Intelligence and to the Secretary of Defense.⁷¹

⁷¹ Elkins 4-6

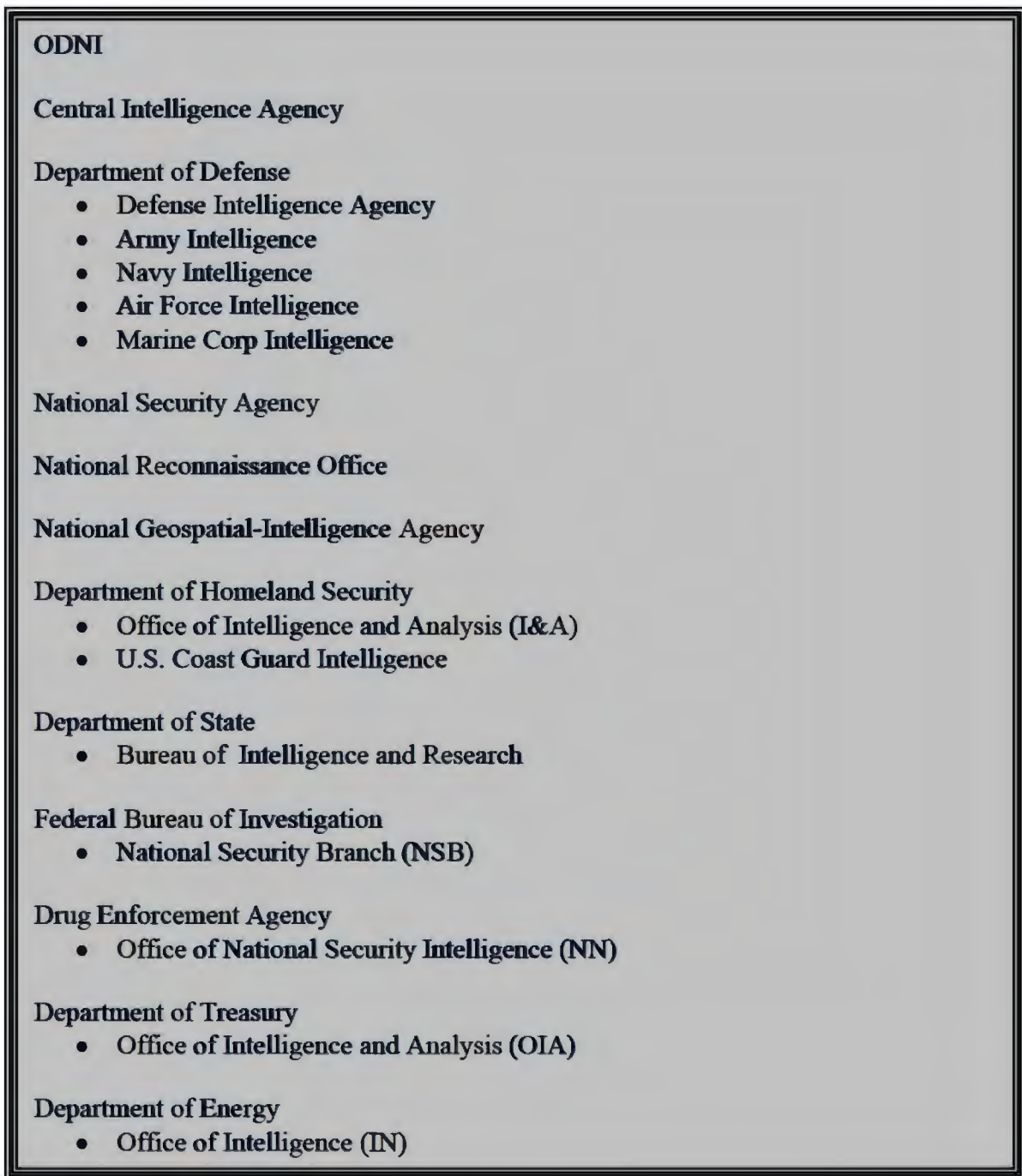


Figure 2-5 The U.S. National Intelligence Community

Source: "United States Intelligence Community," *Community Members, Who We Are*
URL: <<http://www.Intelligence.gov/1-members.shtml>>, accessed 10 July 2007.

CHAPTER 3

SCOPE AND METHODOLOGY

THE “A. I. R. E” CONCEPT

Evaluating the effectiveness of an IG office is a common practice throughout the community. For example the Institute of Internal Auditors (IIA) requires that OIG have external quality assurance reviews conducted every five years.⁷² The quality of an Inspector’s General office can be assessed based on its status in any combination or all of the four elements that are the principal contributors to the success or failure of an Inspector General office are authority, independence, resources, and effectiveness.⁷³ The acronym A. I. R. E stands for Authority, Independence, Resources, and Effectiveness. The A.I. R. E Quality assessment concept was developed by the author as a tool for examining the ability of the ODNI/OIG to accomplish its stated mission.

The IIA considers improving the ability of an OIG to accomplish its objectives a principle of value added governance.⁷⁴ Further, effectiveness of an OIG is defined as the ability to add value to the department or agency with which an OIG operates.⁷⁵

⁷² Institute of Internal Auditors, “Frequently Asked Questions about Quality Assessment.” *External QA Timing*, URL: < <http://www.theiia.org/guidance/quality/quality-faq/?C=1255>>, accessed 3 July 2007

⁷³ Maguire Interview.

⁷⁴ Institute of Internal Auditors, “Glossary,” *Standards for the Professional Practice of Internal Auditing*, URL: < <http://www.theiia.org/guidance/standards-and-practices/professional-practices-framework/standards/standards-for-the-professional-practice-of-internal-auditing/?i=2343>> accessed 3 July 2007.

⁷⁵ (b) (6) Interview.

Moreover, the inability to demonstrate value added to the department or agency within which the OIG operates is a possible indication of the IG's weakness in at least one of the four A.I.R.E assessment areas. Success in adding value to the stakeholders is the objective of the ODNI/OIG.⁷⁶ In this thesis "success" is defined as meeting the needs of the customers and stakeholders that is meeting the needs of Congress, the ODNI, the wider IC and the U.S. taxpayer are factors for OIG success. This chapter explains the A.I.R.E quality assessment concept and the research method applied to evaluate the ODNI/OIG. The information in this chapter not only provides a paradigm for analyzing the ODNI/OIG's effectiveness, but also provides a useful way to help the burgeoning office to determine and prioritize its future needs.

Assessment Limitations

From the interviews conducted the author gleaned ways to assess the effectiveness of an OIG. IC Inspectors General interviewed had various ways of assessing effectiveness. Among the ways given were; reviewing the number of IG report recommendations implemented by the entity being evaluated and the number of convictions and punitive actions resulting from an IG investigations. Other ways to measure IG effectiveness given were reviewing the amount of funds recovered, saved, or put to better use by the government as a result of an IG audit or inspections and assessing the past performance of the office regarding their ability to address congressional inquiries, mandates, and/or initiatives.

⁷⁶ Maguire Interview.

However, the A.I.R.E quality assessment applies each of these methods to the extent the information needed for evaluation was available. Due to the newness of the ODNI, OIG the information regarding actions resulting from ODNI, IG recommendations is not yet available. For example, the number of convictions and punitive actions resulting from the Office of the DNI, IG investigations at present is zero. Being only, two years old, the Office of the IG for the ODNI has been in existence for a shorter amount of time than the duration of time taken for a thorough investigation, trial, and conviction, which can take years to complete.

Research Method

The data used in chapters four and five is derived from interviews conducted with Inspector General Executives from the Intelligence Community and Senate Select Committee on Intelligence staff. Each interview question on the interview questionnaire correlates to one of the four A.I.R.E quality assessment concepts: authority, independence, resources, or effectiveness. The questionnaire was designed to provide a method for extracting corporate knowledge from OIG experts and OIG stakeholders.⁷⁷ The research method conducted in this thesis was designed to evaluate the actual and perceived ability of the ODNI/OIG to accomplish its stated mission and add value to the ODNI and to the IC. Examining the essential elements for determining the effectiveness of an OIG while the office is in its nascent stages is one way for the ODNI/IG to establish an internal mechanism for ensuring his office is developing well and continually improving its ability to accomplish its mission.

⁷⁷ Berge, Bruce, *Qualitative Research Methods for Social Science Third Edition*, (Needham Heights: Allyn and Bacon, 1998), 61.

To build and maintain an Office of the Inspector General that is able to accomplish its mission the IG must know the current condition of his office. This assessment is designed to provide a feasible mechanism through which the ODNI/OIG can make a sound evaluation of his office and its capabilities. Further, the ODNI/OIG can identify current and potential impediments to the ability of his office to execute duties and tasks by regularly assessing the A.I.R.E quality of his office. The ODN, OIG should establish a coherent mission and integrate strategic goals to guide the development and possible transformation of the office.

A poor A.I.R.E quality assessment can indicate an OIG's inability to add value the community in which it operates. There is an increased likelihood that effectiveness, economy, and/or efficiency of the department or agency in which the OIG operates is in jeopardy when any element of the assessment is lacking. The assessment is a reflection of the condition of the most vital facets of an effective Inspector's General office. If the Inspector General; as described in chapter two is the "stethoscope that amplifies the vitality or feebleness of a department or agency", the A.I.R.E quality assessment is the stethoscope for the stethoscope.

FIELD WORK: THE MECHANICS

Two data collection methods were used to collect data for this thesis. The primary data collection method was through conducting "depth interviews" with Intelligence Community, Inspectors General, Senior Executives and Congressional Staff. Depth interviews are one-to-one encounters in which the interviewer makes use of an unstructured or semi-structured set of issues/topics to guide the discussion. The object of

the exercises is to gather information regarding attitudes and motives.⁷⁸ These interviews are most effective for studying decision-making processes or complex behavior. Depth interviews are useful when the target respondents are difficult to gather together for a group interview and in situations where the interviewee wishes to remain anonymous.⁷⁹

The instrument developed to perform the depth interviews during the research portion of this thesis consists of fifteen standard questions and five questions tailored for the specific interviewee. The interview instrument was used to acquire general and normative information about the overall IC, IG and to acquire information about the Inspector General for the ODNI's authority, independence, resources, and effectiveness. The research involved conducting depth interviews with seven IC, IG executives representing six IC elements, three U.S. Senate Select Committee on Intelligence (SSCI) staff, and two IC professional from National Intelligence community agencies who wished to remain anonymous. Each interview was conducted using a series of questions addressing the four critical A.I.R.E quality assessment areas. The twelve interviews were conducted between February 2006 and June 2007. Of the twelve interviews conducted four interviews were with members of the Intelligence Community, Inspectors General forum; the Inspector General from the Office of the Director of National Intelligence, the Inspector General of the Central Intelligence Agency, the Acting Inspector General of the

⁷⁸ Ryerson University, "The Research Process," *The Depth Interview*, URL: <<http://www.ryerson.ca/~mjoppe/ResearchProcess/841TheDepthInterview.htm>>, accessed 9 July 2007.

⁷⁹ Food and Agriculture Organization of the United Nations, *Marketing Research And Information Systems: Marketing and Agribusiness Text 4* (Rome: FOA Regional Office for Africa, 1997), "publications" link from URL: <<http://www.fao.org/docrep/W3241E/w3241e06.htm#types%20of%20personal%20interview>>, accessed 17 June 17, 2007.

Department of Defense, and the Inspector General from the Defense Intelligence Agency, and the Deputy Inspector General from the National Geospatial-Intelligence Agency.

The author interviewed twelve IC executives during the research portion of this thesis. The organizations represented in this thesis are the Senate Select Committee on Intelligence (SSCI) Staff⁸⁰ and Inspectors General from ODNI⁸¹, DoD⁸², CIA⁸³ the Defense Intelligence Agency (DIA),⁸⁴ the National Security Agency(NSA)⁸⁵, and the Geospatial-Intelligence Agency.⁸⁶ Each senior executive was afforded the option of anonymity in their responses to particular interview questions. Thus, information provided in this thesis regarding opposition to the elevation of the Office of the Inspector General for the ODNI to a statutory level is not attributable to any one executive. Further, each executive provided “words of wisdom” to the Inspector General for the ODNI. The “Words of Wisdom” were provided pending non-attribution. Thus the words of wisdom provided were intertwined with the recommendations discussed in chapter five of this thesis and not attributed to any one senior executive or organization.

While this method of data collection was the most insightful method, this method also posed the greatest threat to the validity of my research because the information provided by each Inspector General interviewed was provided by individuals with

⁸⁰ Senate Select Committee on Intelligence Staff Interview

⁸¹ (b) (6) Interview

⁸² Maguire Interview

⁸³ Helgerson Interview

⁸⁴ Moody Interview

⁸⁵ (b) (6) Interview

⁸⁶ (b) (6) Interview

varying interests in the authority, independence, resources, and effectiveness of the Inspector General of the ODNI. Administrative, that is non-statutory Intelligence Community Inspectors General expressed concerns regarding the Inspector General for the ODNI becoming statutory. The primary concerns expressed included a concern that the Inspector General of the ODNI would have the ability to task administrative Inspectors General to perform certain audits, investigations, or inspections within a broad scope usurping agency priorities and leaving agency priority areas unaddressed.⁸⁷

For example, if the Congress tasks the Department of Defense Inspector General to assess the status of auditable financial statements within the Department of Defense Department of Defense, IG may request that Defense Intelligence Agency, Inspector General to focus all of its resources on evaluating the status of their financial statements. While the tasking may be important, resources initially devoted to a Defense Intelligence Agency specific audit would be shifted to the Department of Defense, Inspector General priority. While this situation already exists for Intelligence Community administrative Inspectors General, it would be exacerbated by being tasked by yet another statutory Inspector General, like the DNI Inspector General.

Statutory Intelligence Community Inspectors General were concerned about the impact of the IG of the DNI's authority on their jurisdiction. This concern was the catalyst for the notion shared by some statutory IGs that the ODNI's IG should not have statutory authority. Among the additional rational given by Intelligence Community Inspectors General against the IG of the ODNI becoming statutory was the notion that because the DNI is not a Presidential cabinet Secretary of a Department, the ODNI did

⁸⁷ (b) (6) Interview

not warrant a statutory IG. This rationale is problematic, because at present there are statutory IGs operating in agencies that are not cabinet departments with presidentially appointed secretaries. For example, the IG of the Central Intelligence Agency is a statutory IG of an agency that is not a cabinet department.⁸⁸

Another rationale against the IG of the ODNI involved the concern that jurisdictional issues between Inspectors General would arise, were the IG of the ODNI to become statutory. Some Intelligence Community, Inspectors General fear their jurisdiction would be encroached upon were the IG of the ODNI to become statutory. While the issue of jurisdictional encroachment is a valid concern, the issue already exists. At present there has been little push back from Intelligence Community Inspectors General who have engaged the IG of the ODNI. However, the IG of the DNI has not embarked upon an effort requiring them to operate within the jurisdiction of an unwilling and uncooperative IG.⁸⁹ The knowledge of the actual and perceived issues regarding the Office of the IG for the ODNI is invaluable. Understanding the true sentiments of the affected entities is accomplished best through conducting in-depth interviews. Depth interviews allows for the unique benefit of observing what is spoken and unspoken, which in many cases tells two distinctly different stories as was the case in a number of the interviews conducted during the research phase of this project.

The second method used to collect research data was review of pertinent legal, regulatory, and procedural guidance. The IG Act of 1978 as amended includes information about the duties and responsibilities of an IG pursuant the Act. Review of the

⁸⁸ Helgerson Interview

⁸⁹ Maguire Interview

IG Act was necessary to inform readers of this thesis of the parameters within which recommendations regarding the IG of the ODNI must remain. Each recommendation discussed in chapter five is offered with respect to the scope of IG duties, responsibilities, and authorities. For example, a recommendation made to remove the Secretary of State would be far beyond the scope and authority of an IG.

Also, review of the Intelligence Reform and Terrorism Prevention Act of 2004 section 1078 was necessary to provide for better understanding of the ODNI and the duties, responsibilities, scope, and authority granted to the Director regarding the IG. Section 1078 contains language granting the DNI the authority to establish an IG of the DNI.⁹⁰ Additionally, during the research portion of this thesis review of Presidential Executive Orders were included among the research of pertinent guidance. Specifically, review of Executive Orders 12333 and 13355 was included in the research to provide an overall understanding of the Intelligence Community's elements, role, authority, and responsibility.⁹¹

The review of pertinent criteria including laws, regulations, and directives is imperative to understanding the mission, intended purpose and function, and authority of an Office of the IG. A thorough review of the criteria is necessary to recognize gaps that may exist between the mission of the Office of the IG and the capability of the Office of the IG; which directly impacts the ability of an IG to accomplish the mission of the office. Without the necessary clout to carry out its mission, an IG is impotent and may face insurmountable challenges when trying to accomplish its stated mission.

⁹⁰ IRTPA § 1078

⁹¹ Executive Order 13355 "Strengthening Management of the intelligence Community," 27 August 2004 URL: < <http://www.fas.org/irp/offdocs/eo/eo-13355.htm>>, Accessed 16 June 2007

Other sources of data included multiple Congressional Research Service Reports regarding the Intelligence Community, the IG Community, and the IG of the DNI. Additionally, Senate Select Committee on Intelligence and House Permanent Select Committee on Intelligence reports regarding the Intelligence Authorization Acts for fiscal years 2004, 2007, and 2008 were reviewed. Also, reviewed were editorials authored by knowledgeable IG Community professionals and scholars from multiple issues of the Journal of Public Inquiry, a DoD professional journal. The Journal provides insight into the federal government from an IG perspective, multiple articles about the roles, responsibilities, duties, authorities, challenges, and successes of federal Inspectors General. Additionally, information maintained at IGnet.gov was reviewed during the research portion of this thesis. IGnet provides a vast repository of IG Community information from the origin of the IG concept to IG Community vacancy announcements, of value to both the novice and seasoned professional interested in obtaining IG community information.

THE A.I.R.E. QUALITY ASSESSMENT: DATA ANALYSIS

The A.I.R.E quality assessment is executed in four parts. The assessment involves a review of the authority, independence, resources, and effectiveness of the Office of the IG for the ODNI. The A.I.R.E Quality Assessment tool combines the standard federal government quality assurance review principles of the President's Council on Integrity and Efficiency (PCIE), GAO, and IIA with private industry organizational leadership philosophies applied by some of the nation's most successful executives from companies

like AT&T, Merck Pharmaceuticals, and Charles Schwab.⁹² The assessment includes a survey of the office. Specifically, the survey of the ODNI/OIG starts with a review of the current authority of the office. The authority of the office was then compared against the stated mission of the office. To conduct an accurate assessment of the office's effectiveness an examination of the stated mission it was necessary to understand the capacity in which the ODNI/OIG expected to function and to understand the scope in which the IG is expected to operate.

Reviewing the authority of the ODNI/OIG includes a review of legal, regulatory, and procedural guidance pertinent to the IG community, the IC, and the ODNI. Within the federal IG community legal, regulatory, and procedural guidance generally provides clearly defined jurisdictions for each IG. This is not the case for the IG of the ODNI. Chapter four will discuss the implications of the ODNI/OIG not having a clearly defined jurisdiction. Further, chapter five will discuss recommendations for alleviating the ambiguity surrounding the jurisdiction of the ODNI/OIG.

Authority

Authority, as defined by Princeton University's Wordnet is "the power or right to give orders or make decisions".⁹³ Authority is the first component of the A.I.R.E concept because authority establishes the ability of an IG to operate and make decisions. An IG's authority is essential for determining the scope of the IG. For example, the authority granted the Department of Defense IG through the IG Act established the parameters

⁹² Senske, Kurt, *Executive Values: A Christian Approach to Organizational Leadership* (Minneapolis: Augsburg Books, 2003), 35-37.

⁹³ *Princeton University Wordnet*, online ed., 2007, under the term "authority," URL: <<http://wordnet.princeton.edu/perl/webwn?s=authority>>, accessed 16 June 2007

within which the IG has jurisdictional authority.⁹⁴ The Department of Defense IG does not have the authority to conduct an audit of the Central Intelligence Agency, nor can the Central Intelligence Agency conduct an audit of the Department of Defense. The boundaries of the scope within which an IG can operate are determined by the legal authority granted an IG and without a clear understanding of its authority the ODNI/OIG cannot have a clear understanding of its legal boundaries. The findings discussed in chapter four confirm that the legal authority of the ODNI/OIG is ambiguous. The author contends that the ODNI/OIG's authorities being clearly defined in legislation will not become a priority until a crisis threatening the integrity of the ODNI or the IC occurs, as was the case during the establishment of the CIA, IG as a statutory IG.⁹⁵

Assessing the authority of an IG entails a review of the stated mission of the IG and a review of the scope of authority granted the IG. Once a clear understanding of the stated mission for the Office of the IG has been determined, the stated mission must be compared against the scope of authority granted an Office of the IG. If the scope of authority granted the Office of the IG is not adequate to accomplish the stated mission, the office's Authority component of the A.I.R.E. quality assessment is indicating that the authority of the office is not aligned with its mission, which is problematic because alignment of the mission and the authority of an IG is necessary for the IG to compel those it evaluates to comply with their recommendations. Alignment of the mission and

⁹⁴IG Act of 1978 as amended § 2

⁹⁵ Snider, Britt L, "A Unique Vantage Point" *Creating a Statutory Inspector General at the CIA*, URL: <<https://www.cia.gov/library/center-for-the-study-of-intelligence/kent-csi/docs/v44i5a02p.htm>>, accessed 5 July 2007.

authority is also useful for the IG's justification for access to information from entities within their scope of authority.

For example, if the mission of the Office of the IG for the ODNI requires detection of fraud, waste, abuse and misuse throughout the Intelligence Community the IG for the ODNI must have the authority to gain access to information across the entire Intelligence Community. Additionally, if the Office of the IG for the ODNI mission requires the office to promote economy, effectiveness, and efficiency in the Intelligence Community but the IG has no ability to affect Intelligence Community entities that do not practice, economy and efficiency and are not effective in the execution of their programs and/or operations, can the Office of the IG truly accomplish the stated mission?

Independence

The second part of the A.I.R.E assessment involves an evaluation of the Office of the IG's ability to maintain a proper and adequate level of independence from the head of the department or agency with which the IG operates. Maintaining adequate independence is imperative for an IG because of the nature of the Office of the IG's function. The function of the Office of the IG is considered by many to be inherently adversarial.⁹⁶ The Office of the IG is a mechanism through which public trust in the government can be directly affected. The Office of the IG is a mechanism through which the public trust in the government can be drastically decreased, as was the case when the

⁹⁶Helgerson Interview

Office of the IG for the Justice Department issued a report discussing the Federal Bureau of Investigation's misuse of National Security Letters (NSLs).⁹⁷

Moreover, the ability of the IG to establish a healthy professional level of independence from the department or agency within which the IG operates directly impacts the ability of the IG to gain access to information necessary to execute audits, inspections, and investigations. Further, the level of independence an IG has impacts how IG products are perceived by the department or agency within which the IG operates. The level of independence of the IG for the ODNI has yet to be tested. As a departmental Office of the IG the perception among some IC/IG's at present is that the Office of the IG for the ODNI may be prone to issue moderate reports regarding the ODNI and to carefully select Intelligence Community topics that will not objectively report findings in critical Intelligence Community areas.⁹⁸ To assess the independence of the Office of the IG for the ODNI interviews were conducted with Inspectors General from six Intelligence Community, Inspectors General offices. Inspectors General offices represented in this thesis are as follows included the ODNI, the Department of Defense, the Central Intelligence Agency, the Defense Intelligence Agency, the National Geospatial-Intelligence Agency, and National Security Agency.

⁹⁷ Department of Justice, *Semiannual Report to Congress, October 2 2006-March 31, 2007* (issued April 2007), URL:< <http://www.usdoj.gov/oig/semiannual/0705/fbi.htm>> Accessed 16 June 2007

⁹⁸ A source, senior-level intelligence professional at a national intelligence organization, who wishes to remain anonymous, interviewed by the author, 8 June 2007.

Resources

As with any organization, having adequate resources is essential to the success of the organization, and the Office of the IG for the ODNI is no exception. In performing an A.I.R.E quality assessment understanding the means through which an Office of the IG must execute its mission can provide keen insight into the ability of an Office of the IG to accomplish its mission. The three resource factors are discussed in this chapter. First, funding is discussed. Funding includes all budget information regarding both personal and nonpersonal services monies. Specifically funding also includes the total expenditures for the office; namely funds available for operations, training, travel and salaries. Next manpower is discussed in this chapter. Manpower represents the number of government employees and contractor employees of the office. Third, the quality of the staff is discussed. Each IC, IG interviewed provided information about building a quality OIG staff. According to the IC, IG's interviewed staff quality is analyzed by assessing the experience, knowledge, will, and productivity of a staff. The author devised a tool called EKWP based on the information provided and uses the tool to assess the ODNI, OIG staff.

For the purposes of this thesis the term "resources" encompasses only the three factors mentioned above. While, all the IC, IG executive identified various criteria they felt were inherent to an effective OIG staff, the elements of the staff quality model were identified by 100 percent of those interviewed.

All three elements funding, manpower, and staff quality of the office are necessary to maintain an apparatus for executing the mission and objectives of the office. An Office of

the IG lacking any combination of the three Resource components will inevitably face impediments to accomplishing their mission. The funding and manpower provide the mechanism through which a highly qualified staff can be optimized. At present the budget for the Office of the IG for the ODNI is sufficient to fund a departmental IG who operates within the scope of a single entity. Given the current stated mission of the IG for the ODNI the office will likely require an increase in its budget and personnel to adequately address the needs of the entire Intelligence Community. Further, the experience and knowledge of the IG staff will also need to become more expansive to effectively meet the demands of the various subject areas present throughout the Intelligence Community. Chapter five of this thesis provides recommendations regarding the resources Office of the IG for the ODNI.

Effectiveness

Assessing the effectiveness of audits, inspections, and investigations provides insight into the ability of an Office of the IG to add value to the community within which the Office of the IG operates. Determining the effectiveness provides a way to gauge the level of productivity of an Office of the IG. Chapter four discusses how the Intelligence Community Inspectors General interviewed assess the effectiveness of their offices. Inspectors General Interviewed identified four primary ways to assess the ability of their office to add value to the community in which they operate.

The four areas discussed in chapter four are the metrics used by Inspectors general to measure and to the extent possible quantify the effectiveness of their offices. The A.I.R.E. quality concept assessment is deigned to be the catalyst for contemplation about the ability of an Office of the IG to add value to the department or agency in which

the IG operates. The A.I.R.E quality assessment provides a mechanism through which effectiveness of an Office of the IG can be measure both quantifiably and conceptually. Chapter four applies the A.I.R.E. quality assessment to the Office of the IG for the ODNI to determine the effectiveness of the office at present.

CHAPTER 4

A. I. R.E QUALITY ASSESSMENT FINDINGS:

This chapter discusses my findings and provides the basis for the recommendations discussed in Chapter five, employing the A.I. R. E concept quality assessment explained in chapter three. The data and analysis are from three perspectives: the U.S. Congress, the office of the IG for the DNI, and an Intelligence Community, IG cohort. The analysis begins with an assessment of the authority of the Office of the IG for the DNI, followed by an assessment of its independence, and concludes with an assessment of its resources.

AUTHORITY

A clear understanding of the authority of the Office of the IG for the DNI can have both positive and negative implications. This chapter examines both the negative and positive implication of defining the authorities of the IG for the ODNI through statutory enactment. As for the matter of authority, Senator Rockefeller from the Select Committee on Intelligence, addressed the issue of the office of the IG of the ODNI's authority in a Fiscal Year 2007 Senate report stating

“The DNI has now appointed an IG and has granted the IG certain authorities pursuant to DNI Instruction No. 2005-10 (September 7, 2005). The duties, responsibilities, and authorities of the IG, and his ability to exercise his authorities across all elements of the Community, remain ambiguous”⁹⁹

⁹⁹ Senate Report 110-002 - Intelligence Authorization Act for Fiscal Year 2007 *with additional and supplemental views* section 408, 24 January 2007. Cited hereafter as SSCI IRTPA w/ comments.

Senator Rockefeller's concern is valid and is shared by others in the Intelligence Community including members of the Intelligence Community, IG Forum and Intelligence Community element heads that are subject to audit, investigation, and inspection by Inspectors General. Some Intelligence Community Inspectors General are concerned about the clarity of jurisdictional lanes in the road. A jurisdictional lane in the road refers to the scope and authority of an IG in relation to other Inspectors General.

The Intelligence Community spans across the entire federal government. Thus, not having the scope and authority or jurisdiction of the IG in the IC clearly defined will prove to be severely problematic over time.¹⁰⁰ Waiting until a crisis occurs to begin sorting out jurisdictional issues is one option, but not the best. Reacting to a crisis, instead of being proactive in averting or preparing for it, puts the government at a disadvantage which can have serious consequences. For example, when the Federal Emergency Management Agency (FEMA) of the state of Louisiana, and the city of New Orleans could not clearly define the responsibility and authority of each, the unnecessary loss of life, property, and public trust were the result. The Intelligence Community in a post 911 world cannot afford to lose life, property, or public trust.

An effective IG is critical in ensuring accountability, promoting effectiveness, economy, and efficiency within the federal government.¹⁰¹ Moreover, an effective IG is vital in establishing public trust in the federal government. A dearth in authority of the Office of the IG for the ODNI could render the office impotent and incapable of

¹⁰⁰ Helgerson Interview

¹⁰¹ SSCI Intelligence Authorization Act of 2007

accomplishing its stated mission and incapable of adding value to the stakeholders; the U.S. taxpayers, the Congress, the Intelligence Community, and the ODNI. Not having sufficient and appropriate authority be it operational or administrative authority, could calcify the office, making it another bureaucratic layer in the Intelligence Community. There are many views on how to address the ODNI Inspector's General authority. Among those with a vested interest in addressing this issue is the U.S. Congress.

As indicated in the Senate Select Committee on Intelligence, Intelligence Authorization Bill for Fiscal Year 2007, Senators Rockefeller, Levin, Feinstein, Bayh, Mikulski, Wyden, and Feingold contend the Intelligence Community should have a statutory IG housed within the ODNI. These Senators proposed an option that could either define the authority of the IG for the ODNI more clearly, or further complicate the issue of the IG's authority.¹⁰² While making the Office of the IG for the DNI statutory would accomplish the task of defining the authority of the Inspector more clearly, this option has negative aspects that warrant consideration as well. The IG for the ODNI discussed the benefits and drawback of his Office becoming statutory. He warned that defining the authorities of the office statutorily could be detrimental to the office if the legislation is not written broadly enough to provide the office the authority and flexibility it needs to operate Intelligence Community-wide, across the federal government.¹⁰³

At present the relationship between the ODNI/OIG and the Intelligence Community has been amenable, with the IC generally receptive according to the IG for

¹⁰²U.S. Congress, Senate, Select Committee on Intelligence, *Report on Intelligence Authorization Act for Fiscal Year 2007*, 109th Cong., 2nd sess., 2006, S. Rept, 109-259, 50. Cited hereafter as U.S. Congress, SSCI, Intelligence Authorization Act of 2007.

¹⁰³ Maguire Interview

the ODNI. There has been only one situation in which he met any resistance when attempting to gain access to information regarding an IC, program and that instance was quickly resolved without external involvement beyond the ODNI. However, the acquiescence of the Intelligence Community is perhaps due in part to the ambiguity of the full authority of the DNI. The full extent of the ability of the DNI to affect Intelligence Community elements has yet to be seen.¹⁰⁴ On the other hand, the present cooperation of the Intelligence Community with the IG for the ODNI is partly attributable to the fact that Intelligence Community elements are fully aware of the DNI's apportionment authority, allowing the DNI to impact the future funding of program funded by the National Intelligence Program, of which the DNI has full authority.¹⁰⁵ According to the IG for the ODNI the office met little resistance from the Intelligence Community while conducting their study on the Information Environment Sharing Environment.¹⁰⁶

The IG is an avenue through which the DNI can gain insight into the programs under his auspices. Consequently, IG reports could feasibly be used to justify changes in National Intelligence Programs apportionments. Intelligence Community component heads have been airing on the side of caution regarding the IG for the DNI for two reasons according to the IG for the DNI. First, Intelligence Community component heads realize that a vacuum existed in the Intelligence Community. There was no overarching entity that was capable of assessing Intelligence Community wide problems. Prior to the

¹⁰⁴ A Source, senior-level intelligence professional at a national intelligence organization, who wishes to remain anonymous, interviewed by the author, 14 May 2007.

¹⁰⁵ A Source, senior-level intelligence professional at a national intelligence organization, who wishes to remain anonymous, interviewed by the author, 16 May 2007.

¹⁰⁶ Maguire Interview

establishment of the Office of the IG for the DNI not only was there no mechanism for addressing Intelligence Community wide issues, there was no way to remedy Intelligence Community wide issues collectively. Now that an overarching Intelligence Community Office of the IG exist, how the Director will utilize this office is yet to be determined.

As for the matter of independence, making the Office IG for the DNI a statutory IG could fortify its independence within the Intelligence Community in that the IG can not be removed by the DNI. As a statutory IG the IG can only be removed by the president. Further, removal of a statutory IG requires that the president communicate to the Congressional Intelligence committees the rational behind the removal of the IG.¹⁰⁷ According to the IG for the ODNI, a statutory IG has a certain perception that bears with it a certain level of authority and responsibility.¹⁰⁸

INDEPENDENCE

A strong IG is vital to achieving the goal, set forth in the Intelligence Reform Act, of improving the operations and effectiveness of the Intelligence Community.¹⁰⁹ It is also vital to achieving the broader goal of identifying problems and deficiencies wherever they may be found in the Intelligence Community, including the manner in which elements of the Community interact with each other. The current IG for the ODNI describes his office as potentially the “most powerful asset the Director has;” the

¹⁰⁷ IG Act of 1978 § 1078

¹⁰⁸ Maguire Interview

¹⁰⁹ IRTPA § 1078

Director's "eyes and ears within the office and throughout the Intelligence community."¹¹⁰ He is expected to speak truth to power and to provide the Director "straight answers" about the effectiveness, efficiency, and economy of the ODNI and of the Intelligence Community. The relationship between the IG and the Director at present is a consultative relationship in which the IG's Office provides advice to the Director on how to manage Intelligence Community programs.

RESOURCES

Staff Quality: Experience Knowledge Will and Productivity (EKWP)

Experience and Knowledge. At present the Office of the Inspector General for the ODNI is comprised of about twenty individuals.¹¹¹ Although, the staff is relatively small, the experience and background of the IG's staff is wide-ranging encompassing legal, accounting, investigative, and audit skill sets. The staff brings experience and knowledge from private industry, Intelligence Community, and the federal government at large.¹¹² This professionally diverse staff has "worked diligently to fill a void in the Intelligence Community," according to the IG.¹¹³ Until the establishment of the ODNI there were few entities that could gain insight across the Intelligence Community and address issues that affect the entire Intelligence Community. Specifically, there was no oversight body investigating Intelligence Community-wide issues, nor was there an entity

¹¹⁰Maguire Interview

¹¹¹ Interview Edward Maguire, Inspector General for the ODNI 16 April 2007, Cited hereafter as Maguire Interview.

¹¹² Maguire Interview

¹¹³ Maguire Interview ODNI

designed and equipped with the requisite authority, resources, and will to conduct community-wide investigations, inspections, and audits.

Will. Based on interviews, personal observation of ODNI/OIG staff, and review of products produced by the office to date, the author considers the will of the ODNI/OIG staff to be commendable given their size and mandate. While the number of products released has been few; less than a half dozen, the effort of the small staff has had some impact on the IC. The office has been able to fill a void in the IC by providing a mechanism through which systemic IC issues can be identified and addressed by a disinterested party. The ODNI/OIG by design has the ability to be the ICs only nonaligned IG able to address issues from an IC instead of an agency viewpoint. To date the office has produced three significant projects. Among their IG projects was a project initiated by the IC Inspectors General Forum. The IG from the ODNI performed a comprehensive review of effectiveness and efficiency of contracting practices in the IC; an area in which the U.S. Congress has become increasingly interested.¹¹⁴ This effort involved an extensive review of over 100 IG reports addressing contracting and procurement issues in the Intelligence Community, and identified contracting and procurement issues systemic throughout the IC.¹¹⁵ This is one example of the type of void filled by the ODNI/OIG¹¹⁶

¹¹⁴ Edward Maguire, ODNI Inspector general, White Paper on Contracting in the Intelligence Community, Intelligence Community Inspectors General Forum 1 January 200 Report No. :ICIG-2007-001. 2

¹¹⁵Maguire Interview

¹¹⁶ Helgerson Interview

Productivity. The productivity of the IG's office was evaluated based on their effectiveness and the status of their major projects. Taking into consideration the newness of the office, a productivity assessment should consider the work performed in its activation. Over the last two years the IG has built a staff with a cadre of talented individuals, taken over the responsibility of Intelligence Community, IG Forum, conducted three significant Intelligence Community-wide projects, and hosted the 2007 Annual Intelligence Community Audit Conference. The Office of the IG for the ODNI has been relatively productive considering its current status. While the ability of the office to add value to the Intelligence Community has already been demonstrated through their willingness and ability to fill a void in the community, their operational effectiveness attesting to the productivity of the office regarding its audit, investigation, and inspection rates of execution and history of recommendation implementation by its auditees and inspection subjects is yet to be determined. Only time will tell if this office will continue to add value to the Intelligence Community or become another bureaucratic layer.

EFFECTIVENESS

The Office of the IG for the DNI has addressed Congressional inquiries regarding contract and procurement fraud in the Intelligence Community. As mentioned in earlier in this thesis, the Office of the IG for the DNI conducted a review of reports written by Intelligence Community, Inspectors General identifying contract and procurement issues. The Office of the IG for the DNI review provided insight to the Congress and the IC on contract and procurement issues that plague the Intelligence Community. Until the

existence of the Office of the IG for the DNI, a comprehensive look at contract and procurement issues across agency lines had never been conducted in the Intelligence Community since, no other entity was designated or designed to conduct such an endeavor. The true effectiveness of the office will be determined over time. However, the return on investment of the projects completed by the office to date has been good. The ODNI/OIG has not only provided greater insight into the systemic issues pertaining to contracting in the IC, but the office has educated the IC Inspector General community on these issues through issuing the report and through sharing some of their findings during the 2007 Intelligence Community Audit Conference. The ODNI/OIG has been as effective as possible given their resources, staff size, authority issues, and newness. However, implementing the recommendations in chapter five of this thesis would help the office become more effective.

CHAPTER 5

RECOMMENDATIONS

Anticipating a situation when the authority of an IG and the mission of the IG will not be compatible, both the authority and the mission of the Office of the IG should be reevaluated in order to avoid impediments to accomplishing the stated mission of the office. The current authority of the IG for the ODNI and the stated mission of the IG for the ODNI are not aligned. Thus, the authority of the ODNI/OIG at present is insufficient to accomplish the stated mission of the OIG for the ODNI. To accomplish the stated mission to detect fraud, waste, and abuse and to promote economy and efficiency in the ODNI the Congress, the DNI, and the ODNI/IG should consider the recommendations made in this thesis.

Recommendations for the Congress

Clearly identify and define the authorities of the IG of the Office of DNI in legislation. This legislation should define and discuss the relationship between the IG for the Office of Director of National other Intelligence Community Inspectors General. In particular the legislation should include language about the relationship between the Office of the Director National Intelligence, IG and the Inspectors General of the Department of Defense and the Central Intelligence Agency. Also, the legislation should

clearly define the ODNI, Inspector's General access to information throughout the Intelligence Community and the reporting requirements for the ODNI/IG. Further, the language in the legislation must be explicit enough to alleviate the jurisdictional ambiguity currently surrounding the IG for the ODNI. Clearly defining the authorities of the IG for the ODNI will alleviate jurisdictional ambiguity and allow the ODNI/IG to perform better strategic planning. Clear lines of authority will also help the IC/IG community and the Congress clearly determine the line of accountability in the event a void, violation, or oversight occurs in detecting fraud, waste, abuse, and/or misuse in the Intelligence Community. Further, clearly defined authorities will afford the Intelligence Community the ability to understand what to expect from the ODNI/IG and provide the Office of the Director of National Intelligence, IG the ability to delegate tasks and resources appropriately to adequately address issues within its scope.

Consider Elevating the ODNI/IG to a Statutory IG Level. The current IG of the ODNI/IG envisions his office as a "lean consultative body".¹¹⁷ Given the demands placed on an IG that operates in a community that spans across the federal government being a lean IG can only be effective if the IG has the authority to compel the acquiescence of Intelligence Community elements when necessary. By becoming statutory, the IG will have a budget that is protected from the reprisal from the Director in the event the IG reports findings that reflect the ODNI, or the Intelligence Community in an undesirable light. The IG will also have the necessary authority to audit, investigate, and inspect IC-wide problems without impediments to access to information or

¹¹⁷ Maguire Interview, 16 April 2007

jurisdictional squabbles. Additionally, a statutory status would bolster the IG of the ODNI's independence from Intelligence Community elements, providing the requisite independence to conduct audit, inspections, and investigations objectively throughout the Intelligence Community.

A second option for the Congress is to elevate the ODNI/IG to a statutory level with an internal ODNI scope. The scope of the Office of the DNI, IG would encompass the office of the ODNI business processes, programs, and components. For example the ODNI, Office of the IG would assess the auditability of ODNI's financial statements and evaluate the use of government travel cards by ODNI employees. Additionally, the ODNI IG would conduct audits, investigations, and inspections of ODNI programs to promoting economy, efficiency, and effectiveness of their programs. Further, the efficiency and effectiveness of the National Counter Terrorism Center (NCTC) and the National Counter Proliferation Center (NCPC) would be included within the scope of the ODNI/IG as well, but not the programs external to the ODNI proper.

As statutory IG operating internally within the ODNI proper the OIG could be of great benefit to the office. The authorities afforded a statutory IG are equally relevant and beneficial for an IG operating within a single entity, when that single entity is a cabinet-level oversight entity. Much like the Central Intelligence Agency, the ODNI has a unique command in which maintaining the public's trust is paramount. The integrity of an entity of this caliber and mandate warrants a strong internal oversight component. Fraud, waste, misuse, and/or abuse within the ODNI would have a particularly damaging effect on the public's perception of not, only the DNI but of the Intelligence Community, given the mission and echelon of the office. Should this option be exercised a second action should

be considered, strengthening the authority of the IC, IG forum in conjunction. The IC, IG forum could then serve as an overarching IG for the IC, IG Community.

While there are both negative and positive attributes of a statutory IG, in the case of the Office of the IG for the ODNI the benefits outweigh the negative aspects. Elevating the IG to a statutory level can establish the IG for the ODNI to function as an IG for the ODNI proper with the same type of authorities granted to the Central Intelligence Agency or establish the ODNI/IG or as the leading overarching IG for the IC, IG. In either situations the greatest challenges the ODNI, Office of the IG would face in becoming statutory is in trying to ensure that it does not become a Congressional lapdog, instead of an Intelligence Community watchdog, and in ensuring that it has adequate and appropriate resources to conduct audit, investigations, and inspections throughout the Intelligence Community should the IG function IC-wide. Thus a significant increase resources namely personnel and funding, would be required should the IG of the ODNI become statutory with an IC-wide scope.

Recommendations for the Director of National Intelligence

Increase the OIG Staff to Provide Adequate Coverage for an Intelligence Community-Wide Scope. Given the current stated mission of the Office of the IG for the ODNI the office will need to increase its staff to provide adequate coverage of an Intelligence Community-wide scope. Considering, the DNI was established to function as an oversight entity; vice an operational entity the structure of the Office of the IG need not mirror one in an operational environment like the Department of Defense. However,

to provide adequate coverage to all elements of the ODNI and Intelligence elements funded through the National Intelligence Program an increase in staff sufficient to cover the programs under the auspices of the ODNI component including, the National Counterterrorism and National Counter Proliferation Center and National Intelligence Programs is warranted.

Reevaluate the Use of the Office of the IG. Consider using IG as a tool to encourage public trust, and foster a fiduciary relationship among the Intelligence Community, Inspectors General. The Director should also consider utilizing the office as a business consultant to the DNI. The IG can offer unique perspective and special insight into the condition of the ODNI. Further, the Director should also consider using the IG as an objective and valuable management tool to help the Director manage resources and improve business process within the ODNI and the Intelligence Community.

Consider amending the current stated mission of the Office of the IG. The DNI should consider amending the current stated mission of the Office of the IG to limit the scope of the office to detecting fraud, waste, and abuse and promoting economy, efficiency, and effectiveness within the ODNI, if the DNI opts not to increase the resources of the OIG.

Recommendations for the Inspector General of the Office of the Director of National Intelligence

Establish Memorandums of Agreement (MOAs) with Fellow Intelligence Community Inspectors General. Whether the IG for the ODNI becomes statutory or

remains administrative the IG for the ODNI should develop Memorandums of Agreement with other Intelligence Community, Inspectors General stating how the Inspectors General plan to handle interagency issues. Establishing a series of Memorandums of Agreement among Intelligence Community Inspectors General is a recommendation that can be implemented relatively easily, cost-effectively, and expeditiously. Given the current debate over whether the IG for the DNI should or should not be elevated to a statutory level, implementing an easy, cost-effective, and expeditious option is beneficial for all interested parties to include Congress, the DNI, the Intelligence Community, and the IC, IG community.

CONCLUSION

The Deputy IG for the National Geospatial-Intelligence Agency put it best in her closing remarks of our interview when she quoted Cervantes stating “The ODNI, OIG can do a lot to strengthen and expand collaboration across the IC. He will need patience and perseverance, Rome was not built in a day...”¹¹⁸ Trying to manifest the vision of Congress can be a daunting task, particularly when the vision of Congress has not been explicitly articulated in legislation. However, while the letter of the Act granting the DNI the authority to establish an Office of the IG is ambiguous, the spirit of the section of the act is not. Establishing an entity within the office of the Director of Intelligence Community to detect fraud, waste, abuse and to promote economy, efficiency, and effectiveness is wise and judicious. The IG Community has played an integral role in improving government business processes, effectiveness, and ensuring government program cost-effectiveness. The efforts of federal IGs have yielded significant benefits to the federal government over time and over the last few years in particular.

The tables depicted on pages 73 and 74 provide pictorial examples of the quantifiable benefits provided to the federal government by the IG community between 2002 and 2006. Table 5.1 illustrates the amount of funds identified by the IG community as funds that could be put to better use by the federal government. Additionally, Table 5.2 shows the number of criminal prosecutions resulting from Inspectors General investigations conducted between 2002 and 2006. Further, Table 5.3 depicts the amount

¹¹⁸ (b) (6), Deputy Inspector General of the National Geospatial-Intelligence Agency Interview, 11 June 2007.

of investigative receivables and recoveries resulting from federal IG Community endeavors.¹¹⁹

Recommendations that Funds be Put to Better Use		
Reporting Year	Recommendations that Funds be Put to Better Use	Amount of Recommendations Agreed to by Management¹
FY 2002	\$ 15,153,564,400	\$ 64,899,592,469
FY 2003	26,458,286,927	11,334,893,561
FY 2004	14,938,468,879	12,503,502,362
FY 2005	13,851,596,950	15,708,882,069
FY 2006	16,434,386,326	9,982,235,555
FYs 2002-2006	\$ 86,836,303,482	\$ 114,429,106,016

¹ The amounts in this column may exceed the amounts in the preceding column because either management agreed to a higher dollar amount than an OIG recommended or it includes recommendations issued in previous reporting periods that were accepted in the current fiscal year.

Table 5-1

Source: Presidential Council on Integrity and Executive Council on Integrity and Efficiency, *A progress Report to the President*, Series, URL <<http://www.ignet.gov/randp/fy06apr.pdf>>, accessed 21 June 2007.

Criminal Prosecutions			
Reporting Year	OIG Investigations	Joint OIG Investigations	Total
FY 2002	10,459	231	10,690
FY 2003	6,051	557	6,608
FY 2004	5,928	547	6,475
FY 2005	6,626	1,077	7,703
FY 2006	7,370	1,040	8,410
FYs 2002-2006	36,434	3,452	39,886

Table 5-2

Source: Presidential Council on Integrity and Executive Council on Integrity and Efficiency, *A progress Report to the President*, Series, URL <<http://www.ignet.gov/randp/fy06apr.pdf>>, accessed 21 June 2007.

¹¹⁹ Presidential Council on Integrity and Executive Council on Integrity and Efficiency, *A progress Report to the President*, Series, URL <<http://www.ignet.gov/randp/fy06apr.pdf>>, accessed 21 June 2007. Cited hereafter as PCIE/ECIE Report to the President for FY 2006.

Investigative Receivables and Recoveries			
Reporting Year	OIG Investigations	Joint OIG Investigations	Total
FY 2002	\$ 4,608,962,268	\$ 16,177,145	\$ 4,625,139,413
FY 2003	3,264,413,948	1,203,628,314	4,468,042,262
FY 2004	2,587,322,748	895,715,469	3,483,038,217
FY 2005	2,777,558,301	1,483,062,002	4,260,620,303
FY 2006	3,348,177,094	3,434,571,754	6,782,748,848
FYs 2002-2006	\$ 16,586,434,359	\$ 7,033,154,684	\$ 23,619,589,043

Table 5-3

Source: Presidential Council on Integrity and Executive Council on Integrity and Efficiency, *A progress Report to the President*, Series, URL <<http://www.ignet.gov/randp/fy06apr.pdf>>, accessed 21 June 2007.

As illustrated in tables 5-1, 5-2, and 5-3 establishing an IG within an office or agency is in fact “beneficial to improving the operations and effectiveness” of an office or agency.¹²⁰ The IG community has the ability to ensure massive cost savings in the federal government. For example, in fiscal year 2006 alone the IG Community identified approximately \$9.9 billion in potential savings for the federal government from audit recommendations, \$6.8 billion in investigative recoveries, and 8,400 successful prosecutions resulting from Inspector’s General investigations.¹²¹ For example, in 2005 four defendants were indicted by a federal grand jury for defrauding the government of funds intended for Hurricane Katrina victims.¹²² The IG Community is an important component of the federal government and of the IC in particular. The U.S. Intelligence

¹²⁰ ODNI Instruction No. 2005-10

¹²¹ PCIE/ECIE Report to the President 2006, accessed 21 June 2007. 2

¹²² Alice. Martin, “Four Defendants Charged with Defrauding FEMA,” 30 November 2005, URL: <www.ignet.gov/pande/hrsfemapr1103.pdf>.accessed 11 July 2007.

Community requires the public's trust to be function optimally protecting this nation against foreign enemies. Without the trust of the public the IC is nothing more than a bureaucratic layer cloaked in suspicion.

The IC, IG community is imperative for maintaining the fiduciary relationship between the public and the Intelligence Community. That being the case the establishment of the OIG of the premier intelligence office should have a well defined and feasible mandate for its Inspector General. Ensuring tax payer dollars are put to the best use possible and promoting economy and efficiency of programs and processes of IC is as important to maintaining the public's trust in the Intelligence Community as protecting civil liberties and shrewdly interpreting the laws governing the activities of the Intelligence Community.

It is easy for the IC to lose the public's faith because it challenged with every instance of malfeasance. For the IC to continue to enjoy conducting its activities against the backdrop of public trust the confidence of Americans in the ability of the IC to conduct its affairs with integrity, professionalism, and business savvy is imperative. The function of the OIG is to help agencies perform better for the benefit of the organization and the U.S. taxpayer. A dearth of public support could cripple the IC; and make conducting intelligence activities, even for the security of the nation difficult.

The ODNI/IG can help the IC prioritize and focus its resources and avoid instances of misconduct. An IG with the authority and resources to operate IC-wide can help prevent reoccurrence of past IC abuses like the CIA infiltrating religious and academic organizations and the FBI maintaining illegal files on U.S. citizens. These

activities helped deplete the trust of U.S. citizens in the IC in the 1970s.¹²³ Further, establishing an optimally effective ODNI/OIG is a clear indication that roles, responsibilities, authorities, and relationships in the IC are being better defined for the fortification of the IC and the United States.¹²⁴ An effective IG can speak truth to power convincingly. The best way to ensure the ODNI/IG is effective is to clearly define its authority and scope so that it can devote its resources to efforts that can help the ODNI and the IC maintain the public's trust and protect national security. If the IC conducts its activities without an effective ODNI/IG it risks an increase possibility of malfeasance and inefficiency, which could easily result in the loss of trust, one of the most valuable assets of the U.S. Intelligence Community. Establishing an IG for the ODNI that has the requisite authority, quality staff, and necessary resource to accomplish its mission can ensure that asset is not lost.

¹²³ Elkins, 1-6.

¹²⁴ ODNI United States Intelligence Community, 100 Day Plan, 6a, 20.

APPENDIX A

AIRE	Authority, Independence, Resources, Effectiveness
CIA	Central Intelligence Agency
DIA	Defense Intelligence Agency
DNI	Director of National Intelligence
DoD	Department of Defense
ECIE	Executive Committee on Integrity and Efficiency
EKWP	Experience, Knowledge, Will, Productivity
GAO	Government Accountability Office
IC	Intelligence Community
IG	Inspector General
IIA	Institute of Internal Auditors
NGA	National Geospatial-Intelligence Agency
NSA	National Security Agency
NIP	National Intelligence Program
ODNI	Office of the Director of National Intelligence
OIG	Office of the Inspector General
PCIE	President's Council on Integrity and Efficiency
SSCI	Senate Select Committee on Intelligence

BIBLIOGRAPHY

- A source, Senior-level intelligence professional at the Senate Select Committee on Intelligence staff, who wishes to remain anonymous. Interview by author, 11 May 2007
- A source, Senior-level intelligence professional at the Senate Select Committee on Intelligence staff, who wishes to remain anonymous. Interview by author, 11 May 2007.
- A source, Senior-level intelligence professional at the Senate Select Committee on Intelligence staff, who wishes to remain anonymous. Interview by author, 16 May 2007.
- A source, Senior-level intelligence professional at a national intelligence organization who wishes to remain anonymous. Interviewed by the author, 8 June 2007.
- Berge, Bruce. *Qualitative Research Methods for Social Science Third Edition*. Needham Heights: Allyn and Bacon, 1998.
- Best, Richard A Jr. "Intelligence Issues for Congress." *CRS Issues Brief for Congress* IB10012. Washington, DC: Congressional Research Service, Library of Congress, updated 10 April, 2006. URL: <[wwwhttp://digital.library.unt.edu/govdocs/crs//data//2006/upl-meta-crs-8692/IB10012_2006Apr10.pdf](http://digital.library.unt.edu/govdocs/crs//data//2006/upl-meta-crs-8692/IB10012_2006Apr10.pdf)>
- (b) (6) Deputy IG of the National Geospatial-Intelligence Agency. Interview by author 11 June 2007.
- Comptroller General of the United States Pamphlet, *Government Auditing Standards. online ed.* January 2007. URL: <www.gao.gov/govaud/d07162g.html>. Accessed 4 July, 2007.
- Daggett, Stephen, "The U.S. Intelligence Budget: A basic Overview". *CRS Report for Congress* RS21945. "CRS Intelligence and Related Issues." Washington: DC Congressional Research Service, Library of Congress, Updated 24 September 2004

Daniels, Stephen, M. "Independence Officials Within the Executive Branch: Celebrating the Genius of the IG Act and the Contract Dispute Act on Their 25th Anniversary." *Journal of Public Inquiry* (Fall/Winter 2003). 26+.

(b) (6), Assistant IG for Audit of National Security Agency. Interview by author, 8 March 2006.

Department of Defense, Office of the IG. *Internal Audit Manual*. Washington, DC: Department of Defense, October 1999.

Department of Homeland Security, Office of General Counsel (Intelligence and Analysis). "Intelligence/National Security Legal Resource Material." Washington, DC October 2006. Washington, DC: DHS 2006.

Department of Justice. *Semiannual Report to Congress*, October 2 2006-March 31, 2007 (issued April 2007). URL :< www.usdoj.gov/oig/semiannual/0705/fbi.htm>. Accessed 16 June 2007

Dictionary.com, online ed., 2007. URL: < <http://dictionary.reference.com/>>. Accessed 15 June 2007

Elkins, Dan. *Managing Intelligence Resources*. 2d rev. ed. Alexandria: DWE Press, 2007.

Florida Fish and Wild Life Conservation Commission. "Frequently Asked Questions" *What is an IG?* URL: < <http://myfwc.com/ig/IGFAQ.htm>>. Accessed 22 June 2007.

Food and Agriculture Organization of the United Nations, *Marketing Research and Information Systems: Marketing and Agribusiness Text 4*. Rome: FOA Regional Office for Africa, 1997. "Publications" link from URL :< <http://www.fao.org/docrep/W3241E/w3241e06.htm#types%20of%20personal%20interview>>. Accessed 17 June 17, 2007.

Friedman, Gregory, Vice Chair President Council on Integrity and Efficiency and Snyder, Barry, Vice Chair Executive Council on Integrity and Efficiency "The IG Community" Briefing presented at the 25th Annual Institute of Internal Auditor Conference, Washington, DC, September 2006. URL :< www.ignet.gov/igs/igcommunity06.pdf>. Accessed February 27, 2007

(b) (6) Principle Deputy IG of the Department of Defense. Interview by author 28 February 2006.

Government Accountability Office (GAO) "Government Auditing Standards". *The Yellow Book*, GAO (Washington, DC: GPO) 2007issued update January 2007.

Government Performance and Results act of 1993. 5 U.S. Code § 306 (1993)

Helgerson, John. IG at the Central Intelligence Agency. Interview by author, 4 June 2007.

IGnet.gov, under “Frequently Asked Questions,” link accessed 25 February 2007.

Institute of Internal Auditors. “Frequently Asked Questions about Quality Assessment.” *External QA Timing*. URL: <www.theiia.org/guidance/quality/quality-faq/?C=1255>. Accessed 3 July 2007

Institute of Internal Auditors. “Glossary” *Standards for the Professional Practice of Internal Auditing*. URL: <www.theiia.org/guidance/standards-and-practices/professional-practices-framework/standards/standards-for-the-professional-practice-of-internal-auditing/?i=2343>. Accessed 3 July 2007

Institute of Internal Auditors, “Professional Guidance Setting the Standard”. *The Role of Auditing in Public Sector Governance*. November 2006. URL: <www.theiia.org/guidance/standards-and-practices/>. Accessed 3 July 2007

Johnson, Loch K. and James Wirtz. *Strategic Intelligence: Windows into a Secret World (An Anthology)*. Los Angeles: Roxbury Publishing Company, 2004.

Leedy, Paul D. *Practical Research: Planning and Design* 8th Edition. Upper Saddle River: Pearson Merrill Printice Hall, 2005.

Lowenthal, Mark M. *Intelligence: From Secrets to Policy*. Washington, DC: Congressional Quarterly Press, 2005.

Maguire, Edward. IG for the ODNI. Interview by author 16 April 2007.

(b) (6) . Assistant IG for Audit for the Defense Intelligence Agency. Interviewed by author 16 March 2007.

Marketing Research and Information Systems *Chapter 5.1 Personal Interviews*, Food and Agriculture Organization of the United Nations. URL :<www.fao.org/docrep/W3241E/w3241e06.htm#types%20of%20personal%20interview>. Accessed 17 June 17, 2007

Martine, Alice. “Four Defendants Charged with Defrauding FEMA.” 30 November 2005. URL:<www.IGnet.gov/pande/hrsfemapr1103.pdf>. Accessed 11 July 2007.

Moody, Neely. IG of the Defense Intelligence Agency. Interview by author 7 March 2006.

- National Commission on Terrorist Attacks Upon the United States. *The 9/11 Commission Report: Final Report of the National Commission on Terrorist Attacks Upon the United State*. Report ISNB 0-16-072304-3. U.S. Government Printing Office.
- ODNI Homepage. URL: <www.dni.gov/aboutODNI/mission.htm>. Accessed 27 February 2007.
- ODNI, *United States Intelligence Community 100 Day Plan*. Washington, DC: ODNI publication 2007.
- ODNI, Intelligence Community Directive Number 1. *Policy Directive for Intelligence Community Leadership*. Washington, DC: ODNI May 2006
- ODNI, *Director of National Intelligence Instruction Number 2005-10 dated September 7, 2005*
- ODNI, Independent Offices, Office of the IG” link accessed 18 January 2007.
- ODNI, Intelligence Community Directive Number 1. *Policy Directive for Intelligence Community Leadership*. Washington, DC: ODNI May 2006
- Office of the DNI Homepage *Organizational Chart. March 2007*.
URL: <www.dni.gov/images>. Accessed 14 April, 2007
- Pincus, Walter. “Increase In Contracting Intelligence Jobs Raises Concerns.”
Washington Post, 20 March 2006, 3.
- President’s Council on Integrity and Efficiency, *Guide for Conducting External Peer Reviews of the Audit Operations of an IG*. April 2005
URL: <www.ignet.gov/pande/faec/peerreview413.pdf>. Accessed 2 July 2007
- Presidents Council on Integrity and Efficiency Pamphlet. Quality Standards for Inspectors General, online ed. Washington, DC: PCIE, 2003. URL: <www.ignet.gov/pande/standards/igstds.pdf>. Accessed 4, July 2007.
- Presidents Council on Integrity and Efficiency Pamphlet. Quality Standards for Investigations, online ed. Washington, DC: PCIE, 2003. URL: <www.ignet.gov/pande/standards/igstds.pdf>. Accessed 4, July 2007.
- President’s Council on Integrity and Efficiency/Executive Council on Integrity and Efficiency *A Progress Report to the President Fiscal Year 2006 The IG Community*. URL: <www.ignet.gov/randp/fy06apr.pdf>. Accessed 21 June 2007.

Princeton University Wordnet.edu online, 2007

URL:< <http://wordnet.princeton.edu/perl/webwn?s=authority> >. Accessed 16 June 2007

Questionnaire respondents. Senate Select Committee on Intelligence Staff and Intelligence Community, IG Senior Executives “The IG for the ODNI.” Questionnaire conducted by the author February 2006-June 2007.

Ragley, Donald A., Department of Defense office of the Inspector General. Deputy Assistant Inspector General for Intelligence Evaluations. *Intelligence Reform in the Aftermath of the Attacks of September 11, 2001*. George Georgetown Masters Project. Washington, DC: Georgetown University, May 2006.

(b) (6) . Assistant IG for Audit for the Department of Defense. Interview by author 1 February 2006.

“Rockefeller Announces Committee Passage of FY07 Intelligence Authorization Bill,” URL:<<http://www.senate.gov/~rockefeller/news/2006/pr052606a.html>>. Accessed 4 July, 2007.

Ryerson University, “The Research Process.” *The Depth Interview*.

URL:<www.ryerson.ca/~mjoppe/ResearchProcess/841TheDepthInterview.htm>. Accessed 9 July 2007.

Schick, Allen. *The Federal Budget: Politics, Policy, Process Revised Edition*. Washington, DC: Brookings Institute Press, 2000

Senske, Kurt. *Executive Values: An Approach to Organizational Leadership*. Minneapolis: Augsburg Books, 2003.

Sims, Jennifer, and Burton Gerber *Transforming U.S. Intelligence*. Washington, DC: George Washington University Press, 2005.

Snider, Britt L. “A Unique Vantage Point” *Creating a Statutory Inspector General at the CIA*. URL: < <https://www.cia.gov/library/center-for-the-study-of-intelligence/kent-csi/docs/v44i5a02p.htm> >. Accessed 5 July 2007.

Strohm, Chris, “*Report Highlights Challenges Facing New National Intelligence Director*” April 15, 2005.

URL: < <http://www.govexec.com/dailyfed/0405/041505c1.htm> >. Accessed February 14, 2007

Summary of Laws Relevant to the Office of the IG Quick Reference Guide. Last Updated February 05.
URL: <[wwwhttp://www.ignet.gov/pande/lawsum0205.pdf](http://www.ignet.gov/pande/lawsum0205.pdf)>. Accessed 17 June 2007.

The 9/11 Commission. *Final Report of the National Commission on Terrorists Attacks Upon the United States*. New York/London: W.W. Norton & Company, 2004.

“United States Intelligence Community,” *Intelligence Community Members, Who We Are*. URL: <<http://www.Intelligence.gov/1-members.shtml>>. Accessed 10 July 2007.

U.S. Congress, Senate, Select Committee on Intelligence, *Report on Intelligence Authorization Act for Fiscal Year 2007*, 109th Cong., 2nd sess., 2006, S. Rept, 109-259.

U.S. Congress, Senate Select Committee on Intelligence, *Report on Intelligence Authorization Act for Fiscal Year 2007 with Additional and Supplemental Views*. 110th Cong., 2nd sess., 2007. S. Rept 110-002.

U.S. Congress, Senate, Republican Policy Committee Conference. *Highlights of Conference Report to Accompany S.2845 Intelligence Reform and Terrorism Prevention Act of 2004 filed December 7, 2004*. 109th
URL: <http://rpc.senate.gov/_files/CFRIntelReform120704DF.pdf>. Accessed 14 April 2007.

(b) (6) . Assistant IG for Audit for the ODNI. Interviewed by author 14 November 2006.

