



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
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ARLINGTON, VIRGINIA 22202-4704

FEB 23 2005

MEMORANDUM FOR CIVILIAN AND MILITARY OFFICERS AND EMPLOYEES
ASSIGNED TO THE OFFICE OF THE INSPECTOR GENERAL
OF THE DEPARTMENT OF DEFENSE

SUBJECT: Reviewing Office of Inspector General Memoranda of Understanding and
Memoranda of Agreement for Compliance with Independence Principles
(Revision 1)

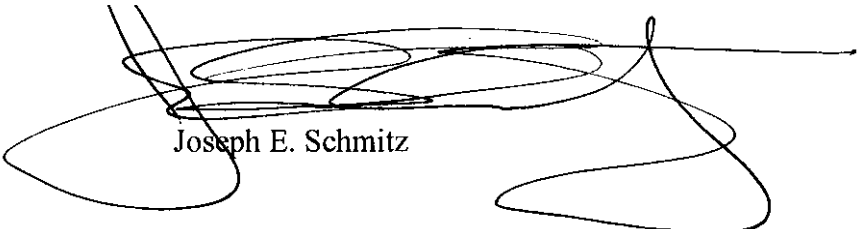
References: (a) IG Policy 2004-35, Reviewing Office of Inspector General Memoranda of
Understanding and Memoranda of Agreement for Compliance with
Independence Principles, December 13, 2004
(b) through (i) Attachment

Purpose: This directive-type memorandum updates policy for ensuring compliance with
references (b) through (h) when developing and approving Memoranda of Understanding (MOU)
and Memoranda of Agreement (MOA) between or among: (a) either the Department of Defense
Inspector General (IG) or the Office of the Inspector General (OIG); and (b) any entity,
component, activity, or individual officer not subject to OIG independence principles.
Reference (a) is hereby cancelled.

Policy: Each OIG officer and employee is responsible for ensuring that any MOU or MOA with
another government activity or individual shall be free from any personal, external, or
organization impairments to the independent OIG or any of its officers and employees.
Either the IG or Deputy Inspector General (DIG) will sign any and all future proposed MOUs
and MOAs with anyone other than another IG or OIG; the MOUs and MOAs will specifically
address IG independence, to include any safeguards deemed necessary to protect the
independence of the OIG and its offices pursuant to the standard in Reference (b) that, "The [IG]
and OIG staff be free in both fact and appearance from personal, external, and organizational
impairments to independence."

Each DIG shall forward all proposed MOUs and MOAs under their cognizance, following
staffing and legal review, to the Deputy Inspector General for Inspections and Policy (DIG-I&P)
for policy review. The DIG-I&P will review the proposed document for potential or actual
impairments to independence. The DIG-I&P will then prepare a memorandum for the cognizant
DIG (or the IG) summarizing the results of the review and any safeguards that the DIG-I&P
deems necessary. The memorandum should be maintained in the record file of the MOU/MOA.
Exceptions may be made for extremely sensitive or classified MOUs/MOAs that should not be
mentioned or filed in an unclassified compendium. DIGs may request exceptions through
DIG-I&P, who will recommend disposition to the IG. All MOUs/MOAs will undergo legal
review even if modified procedures are used for independence processing.

Effective Date: This policy memorandum is effective immediately.


Joseph E. Schmitz

REFERENCES continued:

- (b) Inspector General Act of 1978, as amended
- (c) *Quality Standards for Federal Offices of Inspector General*, (President's Council on Integrity and Efficiency), October 2003
- (d) *Government Auditing Standards 2003 Revision*, Independence, (Comptroller General of the United States), June 2003
- (e) *Quality Standards for Inspections*, (President's Council on Integrity and Efficiency), January 2005
- (f) *Quality Standards for Investigations*, (President's Council on Integrity and Efficiency, Executive Council on Integrity and Efficiency), December 2003
- (g) *Principles and Standards for Offices of Inspector General*, (Association of Inspectors General), May 2001
- (h) Standards of Ethical Conduct for Employees of the Executive Branch, codified in 5 C.F.R. 2635, as amended at 67 FR 61761-61762 (October 2, 2002)
- (i) Federal Conflict of Interest laws: 18 U.S.C. §§ 202-209