



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
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DEC 13 2004

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

References: (a) Inspector General Act of 1978, as amended
(b) through (h) Attachment

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

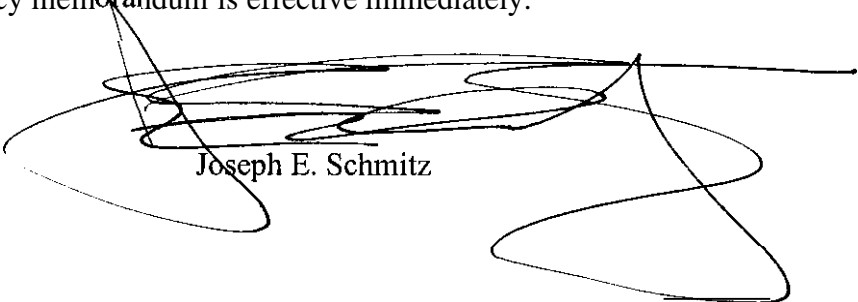
Policy: In accordance with DoD OIG Policy Memorandum No. 2004-11, "Independence of the Office of the Inspector General and its Staff Policy Guidance," March 22, 2004, each OIG officer and employee is responsible for ensuring that any MOU or MOA with another government activity or individual shall be free from any personal, external or organization impairments to the independent OIG or any of its officers and employees. Any and all future proposed MOUs and MOAs with anyone other than another IG or OIG will be signed by either the IG or Deputy Inspector General (DIG), and 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.

Within 30 days of the issuance of this memorandum, all OIG components shall provide copies of existing MOUs and MOAs under their cognizance to the DIG-I&P for review for independence implications. The DIG-I&P will document this review within 30 days and provide results and any recommended actions to the originator. If an independence issue exists, the OIG proponent shall renegotiate the MOU and MOA, if necessary, to eliminate the independence impairment.

Effective Date: This policy memorandum is effective immediately.

Attachment: as stated


Joseph E. Schmitz

REFERENCES continued

- (b) Quality Standards for Federal Offices of Inspector General, President's Council on Integrity and Efficiency (PCIE), October 2003.
- (c) Government Auditing Standards Revision 3, Independence (Comptroller General of the United States), January 2003
- (d) Quality Standards for Inspections, PCIE, March 2003.
- (e) Quality Standards for Investigations, PCIE, September 1997.
- (f) Principles and Standards for Offices of Inspector General, Association of Inspectors General May 2001.
- (g) 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).
- (h) Federal Conflict of Interest laws: 18 USC sections 202-209.