PAR Says Maintain Support and Independence of the Office of Inspector General

Gov. Bobby Jindal made the right move soon after taking office in 2008 when he strengthened the powers of the Office of Inspector General, gave it greater independence, increased its focus on investigations as opposed to audits and helped provide reliable financial support. Highly qualified leadership took charge to restructure the agency and produced a track record of positive results.

Unfortunately, the Inspector General’s office is now under threat from the Legislature of being abolished or undermined. Funding for the agency beyond June 30 has been eliminated from the state budget bill, which is still being debated this session. This money should be restored. The role and skills of the Inspector General’s office are especially valuable during tight budget times. The state needs a self-motivated watchdog agency to stop waste, mismanagement, abuse and fraud in executive-branch government.

State leaders should continue to support the agency and its goals both financially and politically. As with the state ethics administration, the budget for this office should be adequately funded and its autonomy respected so that it can deliver its valuable services to the public.

The Office of State Inspector General was created in 1988 by executive order of Gov. Buddy Roemer and the office has been maintained by every governor and Legislature since. Gov. Jindal and the Legislature backed laws in 2008 to give the office statutory protections so that it could not be abolished overnight on a governor’s whim. Under those changes, the Inspector General issues reports of findings on investigations independently; no longer does the governor have the power to approve or prevent release of Inspector General reports.

Legislation in 2008 designated the office a law enforcement agency with investigative, subpoena and search and seizure powers. Its staff has expertise in both auditing and white-collar criminal investigation, offering an important combination of enforcement tools to obtain and analyze evidence. The Inspector General cooperates frequently with other law enforcement agencies. Its work has produced published reports as well as direct involvement in bringing corrupt individuals to justice.

The current Inspector General is Stephen Street, a lawyer who oversees an office of about a dozen employees. He is a former criminal staff lawyer with the Third Circuit Court of Appeal, a former public defender and a former Section Chief with the state Attorney General’s Insurance
Fraud Support Unit who handled white-collar prosecutions. He has extensive experience teaching courses on white-collar crime investigation.

In recent years his office has performed investigations revealing a range of problems, from mundane wasteful practices in state government to serious scams defrauding the public. The Inspector General has documented abuses, such as excessive overtime by government employees and the illegal use of confidential law enforcement databases. He has brought state employees to justice for theft, including individuals who stole from pension funds and others who were in the practice of selling state-owned copper and brass equipment to recycling centers. He caught university employees profiting from fraudulent invoices from fake companies and in several cases nabbed individuals who submitted false information for very substantial amounts of recovery and disaster relief. More than a dozen people have been arrested in the past couple of years due to the Inspector General’s investigations, and many of them already have been sentenced. Such investigations provide a deterrent effect on wrongdoing by other public servants.

All this is done on an annual agency appropriation of about $1.7 million. For such a small office on such a modest budget, these are strong results. The Legislature has a duty to question the efficiency and effectiveness of all state agencies. But there appears to be little merit to the argument that the Inspector General’s office is a wasteful expense, except perhaps for those who are discomforted by forceful investigations.

A sudden halt in funding of the Inspector General would terminate ongoing investigations and send a message nationwide that Louisiana government is open for corrupt or wasteful business. Lawmakers who oppose continued funding of the office while also criticizing particular ongoing investigations are running the risk of deeply politicizing the state’s law enforcement systems. If these efforts at shutting down the Inspector General’s office are successful, their effect will be to strongly encourage further political interference in the law enforcement profession throughout the state.

The governor, the Legislature and the public should support the funding, independence and integrity of the Office of Inspector General.