

STATE OF INDIANA
EXECUTIVE DEPARTMENT
INDIANAPOLIS

EXECUTIVE ORDER _____ 05-03

FOR: CREATION OF THE OFFICE OF INSPECTOR GENERAL

TO ALL WHOM THESE PRESENTS MAY COME, GREETINGS.

WHEREAS, Hoosiers deserve to know that government decisions are being made in the public interest, not because of gifts, political contributions, or undue influence;

WHEREAS, it is imperative that clear ethics guidelines be developed and rigorously enforced to ensure that all state employees meet the highest standards of conduct;

WHEREAS, the federal government and many other states have created the position of Inspector General to root out fraud and ethical misconduct and serve as a public watchdog on behalf of taxpayers;

WHEREAS, Indiana must create the position of Inspector General and should model the position after that of the federal government, which annually recovers over \$5.5 billion as a result of its efforts;

WHEREAS, the Governor has proposed legislation to the General Assembly that would codify the creation of the Office of Inspector General;

WHEREAS, it is appropriate and necessary to give immediate effect to actions designed to address the need and implement the reforms described in this Executive Order;

NOW, THEREFORE, I, Mitchell E. Daniels, Jr., by virtue of the authority vested in me as Governor of the State of Indiana, do hereby order that:

1. The Office of Inspector General (OIG) is hereby created and shall be responsible for addressing fraud, waste, abuse, and wrongdoing in state government.
2. An Inspector General shall be appointed by and serve at the pleasure of the Governor. The Inspector General shall be an attorney licensed to practice law in Indiana.
3. The Inspector General shall be the director of the OIG and may appoint such additional staff of deputy inspectors general, investigators, auditors, and clerical employees as may be necessary to carry out the duties of the OIG.
4. The Inspector General shall:
 - a. Initiate, supervise, and coordinate investigations;
 - b. Recommend policies and carry out other activities designed to deter, detect, and eradicate fraud, waste, abuse, mismanagement, and misconduct in state government;
 - c. Receive complaints alleging the following:
 - i. A violation of the code of ethics referred to in subparagraph 4(e) below;
 - ii. Bribery (IC 35-44-1-1);
 - iii. Official misconduct (IC 35-44-1-2);
 - iv. Conflict of interest (IC 35-44-1-3);
 - v. Profiteering from public service (IC 35-44-1-7);
 - vi. A violation of the executive branch lobbying rules (Executive Order 04-11); and
 - vii. A violation of a statute or rule relating to the purchase of goods or services by a current or former state employee, state officer, special state appointee, lobbyist, or person who has a business relationship with an agency.
 - d. Report the suspected crime to the Governor and appropriate state or federal law enforcement agencies or prosecuting authorities having jurisdiction over the matter if the Inspector General has reasonable cause to believe that a crime has occurred or is occurring;

- e. Adopt a code of ethics for the conduct of state business in a manner consistent with Indiana law;
- f. Ensure that every state employee, state officer, special state appointee, and person who has a business relationship with an agency is properly trained in the code of ethics;
- g. Provide advice to agencies on developing, implementing, and enforcing policies and procedures to prevent or reduce the risk of fraudulent or wrongful acts within the agencies; and
- h. Recommend legislation to the Governor and the General Assembly to strengthen public integrity laws.

5. The Inspector General shall have such other powers, duties, and responsibilities as may be set forth by statute upon enactment of legislation or as may be designated from time to time by the Governor consistent with the exercise of executive authority under the Constitution and laws of the State.

6. If, after investigation, the Inspector General determines that there is specific and credible evidence that a current or former state employee, a current or former state officer, a current or former special state appointee, or a person who has or had a business relationship with an agency has violated the code of ethics, the Inspector General may file a complaint with the State Ethics Commission and represent the State in a public proceeding before such Commission or negotiate an agreed settlement for approval by such Commission, in each case according to its rules.

7. The State Ethics Commission shall continue to be the adjudicative body for all alleged ethics violations. The Inspector General shall provide staff for the State Ethics Commission and assume the responsibility for investigating and initiating administrative, civil recovery, or criminal actions for alleged misconduct.

8. All instrumentalities, agencies, authorities, boards, commissions, and officers of the executive, including the administrative, department of state government, as well as all bodies corporate and politic set up as instrumentalities of the State, shall cooperate and provide assistance to the OIG in implementing this Executive Order to the fullest extent permitted by law.

9. This Executive Order shall expire upon the enactment of legislation by the General Assembly to codify the measures described in this Executive Order.

10. Executive Order 04-09 establishing the Office of Chief Investigator is hereby superseded.



ATTEST: Todd Rokita
Secretary of State

IN TESTIMONY WHEREOF, I, Mitchell E. Daniels, Jr., have hereunto set my hand and caused to be affixed the Great Seal of the State of Indiana on this 10th day of January, 2005.

Mitchell E. Daniels, Jr.
Governor of Indiana