

ARTICLE 15. OFFICE OF INSPECTOR GENERAL
(Short, Charter Like Version)

Sec. 15-101. Establishment; Composition.

An independent Office of Inspector General is hereby created. The Inspector General shall head the office. The purpose of the Office of Inspector General is to ensure honesty and integrity in City government by rooting out waste, abuse and fraud, corruption and other misconduct.

The City Council shall implement this office by ordinance, consistent with state law.

Sec. 15-102. Inspector General Ordinance

Within one year after the effective date of this charter, the City Council shall adopt an ordinance implementing the Office of Inspector General, herein referenced as the Inspector General Ordinance. The Inspector General Ordinance shall include, but not be limited to, provisions consistent with Article 15 of this charter.

If the City Council fails to adopt such legislation within one year, a City resident may, by a ballot initiative per article 12 of this charter and applicable laws, initiate an Inspector General Ordinance consistent with this charter.

Sec. 15-103. Powers and Duties

In addition to other powers and duties which may be conferred by the Inspector General Ordinance or other City ordinance, the Inspector General shall assume the powers and duties provided to the:

1. Auditor General in article 4, chapter 2 of the 1997 charter. All such powers and duties are incorporated by reference and shall be included as powers and duties of the Inspector General.
2. Ombudsperson in article 4, chapter 3 of the 1997 charter. All such powers and duties are incorporated by reference and shall be included as powers and duties of the Inspector General.

Sec. 15.104. Funding.

Funds sufficient to enable the Office of Inspector General to perform its duties shall be appropriated annually.

**ARTICLE 15. OFFICE OF INSPECTOR GENERAL
(Long, Ordinance Like Version)**

Sec. 15-101. Establishment; Composition.

An independent Office of Inspector General is hereby created. The Inspector General shall head the office. The purpose of the Office of Inspector General is to ensure honesty and integrity in City government by rooting out waste, abuse and fraud, corruption and other misconduct.

The City Council shall implement this office by ordinance, consistent with state law.

Sec. 15-102. Inspector General Ordinance

Within one year after the effective date of this charter, the City Council shall adopt an ordinance implementing the Office of Inspector General, herein referenced as the Inspector General Ordinance. The Inspector General Ordinance shall include, but not be limited to, provisions consistent with article 15 of this charter.

If the City Council fails to adopt such legislation within one year, a City resident may, by a ballot initiative per article 12 of this charter and applicable laws, initiate an Inspector General Ordinance consistent with this charter.

Sec. 15-103. Appointment, Removal, Term of Office and Vacancy.

The Inspector General shall be appointed by the majority of City Council members. He or she may be removed for cause by a two-thirds (2/3) majority vote of City Council. He or shall be appointed for term of six (6) years.

If a vacancy occurs in the Office of Inspector General, the City Council shall, within sixty (60) days, fill the office for a full term.

Sec. 15.104. Minimum Qualifications.

The Inspector General shall be a person who:

1. Has at least ten (10) years of experience in any one, or combination of, the following fields:
 - a. As a federal, state or local law enforcement officer;
 - b. As a federal, state or local government attorney;
 - c. As a federal or state court judge;
 - d. Progressive supervisory experience in an investigative public agency similar to an inspector general's office;

- e. Has managed and completed complex investigations involving allegations of fraud, theft, deception and conspiracy;
- f. Has demonstrated the ability to work with local, state and federal law enforcement agencies and the judiciary; and
- g. Has a four-year degree from an accredited institution of higher learning.

Sec. 15-105. Vacancy.

If a vacancy occurs in the office of Inspector General, the City Council shall, within sixty (60) days, fill the office for a full term.

Sec. 15-106. Limitations; Prohibited Activities.

During his or her term, the Inspector General may not hold any other city, county, state or federal office or engage in any occupation for profit outside the duties of the Inspector General. The Inspector General shall not solicit votes, or raise monetary or in-kind contributions for a candidate for the office of Mayor, City Council or City Clerk. Any person who has held the position of Inspector General is not eligible for re-appointment. The Inspector General may not hold any city office until two (2) years after leaving the position.

Sec. 15-107 Jurisdiction.

The powers and duties of the Inspector General shall extend to the conduct of any Public Servant and City agency, department, program or official act, contractors and subcontractors providing goods and services to the City, business entities seeking contracts or certification of eligibility for City contracts and persons seeking certification of eligibility for participation in any City program.

Sec. 15-108. Employees.

The Office of Inspector General shall include an Inspector General. It may include such deputies, assistances and other employees as may be provided in the budget allotment. The Inspector General may hire, promote, discipline and remove employees of the office, assign duties to the employees and supervise the performance of those duties. The Office of Inspector General staff shall include an auditor who is a certified public accountant. The staff of the office may include persons who are both subject to, and exempt from, article 6, chapter 5 of this charter.

Sec. 15-109. Powers and Duties.

In addition to other powers which may be conferred by the Inspector General Ordinance, other City ordinance or applicable laws, the Inspector General shall:

1. Investigate the performance of any Public Servant and City agency, department, program or official act, contractor and subcontractor providing goods and services to the City, business entity seeking contracts or certification of eligibility for City contracts and person seeking

certification of eligibility for participation in any City program, either in response to a complaint or on the Inspector General's own initiative in order to detect and prevent waste, abuse and fraud, corruption and other misconduct;

2. Conduct criminal and administrative investigations including conducting audits of the financial transactions of all city agencies at least once every two (2) years or as otherwise directed by City Council or Mayor. The Inspector General shall have access to the financial, and other, records of all City agencies at any time.

3. As to financial audits, settle all disputed claims in favor of or against the City to the extent and in the manner provided by applicable law. All appeals from determinations made by the Inspector General shall be brought in a court provided by law. However, no proceedings may be brought upon a claim within the jurisdiction of the Inspector General until the claim is rejected by the Inspector General or until six (6) months have elapsed from the time of filing the claim with the Inspector General.

Sec. 15-110. Subpoena Powers.

1. The Inspector General may subpoena witnesses, administer oaths, take testimony, require the production of evidence relevant to a matter under investigation, enter and inspect premises within the control of any City agency during regular business hours.

2. Enforce a subpoena or order for production of evidence or to impose any penalty prescribed for failure to obey a subpoena or order, the Inspector General shall apply to the appropriate court.

Sec. 15.111. Cooperation in investigations; Obstruction.

It shall be the duty of every Public Servant, contractor and subcontractor and licensee of the City, and every applicant for certification of eligibility for a city contract or program, to cooperate with the Inspector General in any investigation pursuant to this Article.

The office or position of any elective officer or appointee who willfully and without justification or excuse obstructs any investigation of the Inspector General by withholding documents or testimony may be forfeited under section 2-107(2) of this charter.

Sec. 15-112. Consultation Required.

1. No report or recommendation that criticizes an official act shall be announced until every agency or person affected is allowed a reasonable opportunity to be heard with the aid of counsel.

2. After the hearing, if the Inspector General believes it necessary to make a formal report, a copy of any statement made by an agency or person affected shall accompany the report.

Sec. 15-113. Reports.

1. On a quarterly basis, the Inspector General shall make a full report to the City Council and Mayor concerning results of investigations and audits undertaken by the Office of Inspector General.

Such reports should include, but not be limited to, financial reports addressing the irregularities of practice and erroneous accounting methods with recommendations for improving the accounting procedures and systems of the agencies. Recommendations which are not put into effect by the agency shall be reviewed by the finance director, who shall advise the Inspector General, City Council and Mayor of action being taken with respect to the recommendations.

2. After the close of each fiscal year, the Inspector General shall make a report of the financial position of the City.

3. All reports shall be a public record and additionally published electronically on the world wide web or another format as to provide remote or on-line access to the reports.

Sec. 15-114. Conflict of Interest; Special Counsel.

Where there exists a conflict of interest between the Inspector General and another branch of City government, the Inspector General has the authority to retain an attorney licensed to practice law in Michigan who shall represent the Inspector General in legal proceedings. Such attorney shall not represent the City as a municipal corporation in any legal proceeding.

Sec. 15-115. Duty to Report Illegal Acts.

If the Inspector General has probable cause to believe that any Public Servant or any person doing or seeking to do business with the City has committed or is committing an illegal act, then he or she shall promptly refer the matter to the appropriate prosecuting authorities.

Sec. 15.116. Confidentiality.

All investigative files of the Office of Inspector General shall be confidential and shall not be divulged to any person or agency, except to the United States Attorney, the Michigan Attorney General or Wayne County Prosecutor's Office, or as otherwise provided in article 15 of this charter.

Sec. 15-117. Immunity.

The Inspector General and the staff shall be, to the full extent permitted by law, immune from any suit based on any report or communication within the scope of official duties.

Sec. 15.118. Retaliation Prohibited; Penalty.

No person shall retaliate against punish or penalize any other person for complaining to, cooperating with or assisting the Inspector General in the performance of his or her duties. Any person who violates this provision shall be subject to a fine of not less than \$300 and not more than \$500 for each violation and any other penalties under applicable law.

Sec. 15.119. Funding.

Funds sufficient to enable the Office of Inspector General to perform its duties shall be appropriated annually.

DRAFT

DISCUSSION TOPICS FOR ARTICLE 15. OFFICE OF INSPECTOR GENERAL

Short, Charter Like Version

- Reads like charter, not ordinance.
- Would allow City Council to draft ordinance.
- 1997 charter allowed this in regard to §2-106. Standards of Conduct.
- Some argue that the Ethics Ordinance lacks teeth primarily because elected officials will not voluntarily police themselves.
- References the 1997 charter, a separate document. Some argue that the new charter should be self contained and unlike the 1997 charter not reference old charter(s).

Long, Ordinance Like Version

- Reads like ordinance, not charter. Some may argue that it is too prescriptive.
- Combines Auditor General and Ombudsperson functions into the Office of Inspector General (“OIG”).
- Does not combine the Board of Ethics (“BOE”) into the OIG:
 - Some argue that the BOE shouldn’t be combined with Inspector General because some one has to keep an eye out on that office.
 - The OIG is concerned with fraud, corruption, misuse and abuse and illegality – where the Ethics Board is concerned with enforcing the “10 Commandments.”
- In FY 10/11 budget, Ombudsperson is funded at \$1,089,133 with 7 positions
- In FY 10/11 budget, Auditor General is funded at \$3,476,689 with 17 positions
- The OIG could assume these two budget/employee allocations. As such, it is possible that the creation of the OIG office will not carry any additional cost to the City.

Public Financing of Political Campaigns

- Corruption in municipal government is often linked to an elected official’s quest to be reelected and raise funds for his or her next campaign.
- Some argue that public financing of campaigns is a way to ferret out corruption.
- That issue is not addressed in this proposal.
- Executive Director Hicks will separately present us information on that issue.