

Restoring Public Trust in Government



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Midwestern Intergovernmental Audit Forum
November 13, 2024

Today's Agenda

- What is government?
- Who do you trust?
- How do trust deficits impact America?
- Public trust in the federal government
- Global lack of trust in government
- How can U.S. governments reduce trust deficits?
 - Theme 1: Provide the best customer service
 - Theme 2: Foster agreement on facts
 - Theme 3: Defend against fraud, waste and abuse
 - Theme 4: Strength intergovernmental collaboration
- Ethics matter in restoring trust
- Your Questions

What is Government?

“The Great Compromiser” of the 19th century, Henry Clay said:

“Government is a trust, and the officers of the government are trustees. And both the trust and the trustees are created for the benefit of the people.”

In the words of Barack Obama:

“If people cannot trust their government to do the job for which it exists – to promote their common welfare – all else is lost.”

Who Do You Trust?

It is not the federal government!

- Pew Research Center
 - 20% vs 77%
 - 32% vs 54% and 66%

It is not each other!

- Gallup
 - 55% vs 80+%
- Pew
 - 79% worry
 - 70% harder to solve problems: Social and policy issues, polarization, gridlock, overall poor performance
 - 85% tone of political debate / less on issues
 - Political compromise impaired

What is the Impact of Trust Deficits?

Partnership for Public Service and Freedman Consulting

“Trust in Government: A Close Look at Public Perceptions of the Federal Government and Its Employees”

- 53%: Negatively impacts the country
- 55%: Negatively impacts them personally
- Principle sources of distrust include:
 - Serving some communities better than others
 - Too much bureaucracy and waste
 - Negative personal experiences

Public Trust in the Federal Government

	Agree (%)	Disagree (%)
Too bureaucratic	75	11
Wasteful	75	17
Corrupt	69	19
Incompetent	59	31
Is effective	41	52
Is accountable	37	54
Listens to the public	27	65
Is transparent	23	67

Source: Partnership for Public Service and Freedman Consulting

Global Lack of Trust in Government

Organization for Economic Co-operation and Development (OECD): 50,000 respondents / 22 Countries

- Trust and distrust: 40%/40%
- Unresponsive to public feedback
- A high-level public official would grant a favor in exchange for a well-paying private sector job: 50%
- Misinformation/disinformation fuel mistrust and disengagement: 40% do not trust the news media and turn to social media
- Lower trust levels: Disadvantaged groups/younger people

OECD Trust Framework

- Public governance trust drivers: Reliability, responsiveness, openness, integrity, and fairness
- Cultural, socioeconomic, and political drivers
- Government action on intergenerational and global challenges



How Can U.S. Governments Reduce Trust Deficits?

No magic wand, only hope.

Pew found that 84% of Americans believe it is possible to increase confidence in the federal government, and 86% to increase trust in each other.

Four themes:

- Provide the best customer service
- Foster agreement on the facts
- Defend against, fraud, waste, and abuse
- Strengthen intergovernmental collaboration

Theme 1: Provide the Best Customer Service

- Aim to be #1
- Understand why the federal is in dead last out of 100 U.S. sectors surveyed
- Identify and embrace role models
- Commit to making innovative changes
- Establish three fundamental conditions
 - Incentives and resources for organizations and people to do the right thing in the right way
 - Transparency to help ensure they do
 - Accountability mechanisms when they don't

Customer Service Continued

– Does Your Agency

- View and treat the public as customers?
- Set quantitative and qualitative customer service goals and have valid measurement systems, anchored by customer surveys?
 - Overall customer satisfaction
 - Timeliness
 - Accuracy
 - Ease of obtaining service
 - Adequacy of follow up
 - Employee knowledge, responsiveness, professionalism, helpfulness, and caring attitude

Customer Service Continued

– Does Your Agency

- Use performance results in decision-making and accountability?
- Publish candid, easily understood, widely disseminated, readily obtained performance reports?
- Subject customer service data to independent third-party validation to ensure veracity and build public trust?

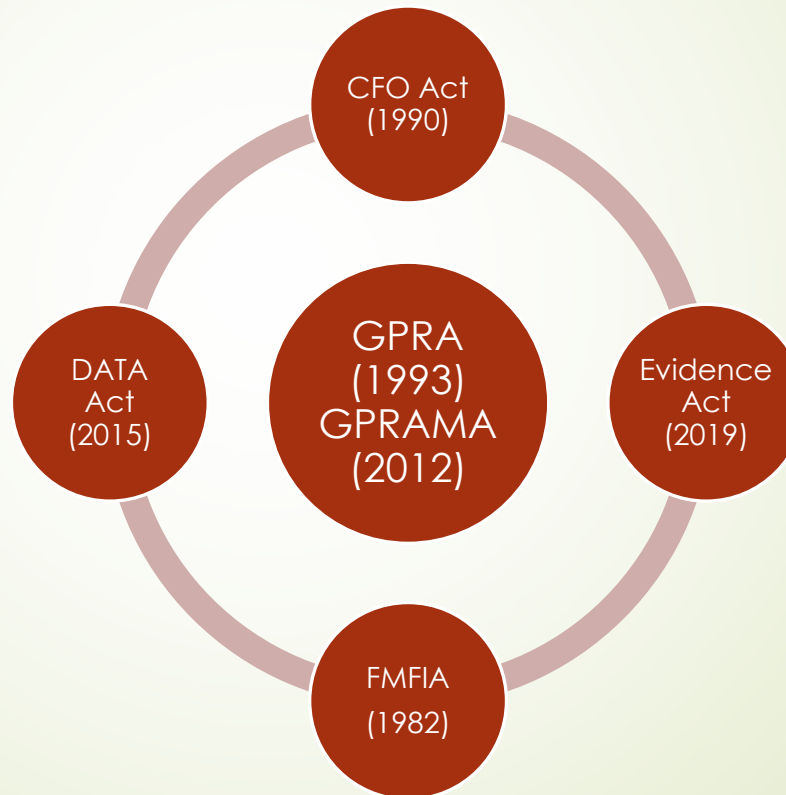
Theme 2: Foster Agreement on Facts

- The proliferation of internet news and data sources spreads unsupported opinions and theories.
- Calculated misinformation and disinformation can now immediately enter vast distribution networks.
- Pew found that:
 - 68% of Americans believe “made up” news and information greatly affect confidence in government institutions.
 - There is a widespread lack of confidence in a “common set of [American] truths and ideals.”
 - 73% believe partisan voters disagree not only on only plans and policies but on the basic facts.
 - 76% say the public discourse is less fact-based.

Accountability Community Must Make Its Voice Heard

- Provide unassailable facts and analysis that are non-partisan and non-ideological
- Continually report on program costs and impacts in ways that increase public understanding and credibility
- Demonstrate ROI, program effectiveness and efficiency, and asset protection
- Pivot when performance is not meeting expectations
- Use information to attack program fragmentation, overlap, and duplication
- Build a structure of third-party assurance over integrated performance and financial information
- Remember the statutory framework

Statutory Framework Legislation



Supporting Legislation

Accountability and Transparency

Federal Funding Accountability and Transparency Act (2006)
Federal Financial Management Improvement Act (1996)
Government Management Reform Act (1994)
Grant Reporting Efficiency Agreements Transparency Act (2019)
Accountability of Tax Dollars Act (2002)

Information Technology

The Federal Information Technology Acquisition Reform Act (2014)
Federal Information Security Management Act (2002)
E-Government Act (2002)
Government Information Security Reform Act (2000)
Privacy Act (1974)

Asset Management

Debt Collection and Debt Collection Improvement Acts (1982, 1996)
Payment Integrity Information Act (2019)
Federal Credit Reform Act (1990)
Cash Management Improvement Act (1990)
Prompt Payment Act (1982)

Credible Citizen Scorecards

- Applicable to all level of U.S. Government
- Demonstrate accountability and transparency
- AGA's Certificate of Excellence in Accountability Reporting (CEAR) Program
- Obtain routine citizen input and track responsiveness
- Use of an ombudsperson
- Strive for more innovative reporting
- Experiment, share, and adopt leading practices
- Standardized data
- Standard systems
- Appearance matters
- Market results and plans for improvement
- Avoid a compliance orientation
- Don't just check boxes

Theme 3: Defend Against Fraud, Waste, and Abuse

- Devastating headlines
- Blurry lines / intertwined concepts
- Does the public understand the difference between fraud, waste, and abuse?
- Do they care how it is categorized when they say the federal government is corrupt by a margin of 69% to 19%?
- From ACFE: Fraud is “any activity that relies on deception in order to achieve a gain. Fraud becomes a crime when it is a “knowing misrepresentation of the truth or concealment of a material fact to induce another to act to his or her detriment” (Black’s Law Dictionary). In other words, if you lie in order to deprive a person or organization of their money or property, you’re committing fraud.”
- From GAO: Fraud is “willful misrepresentation to obtain something of value.”

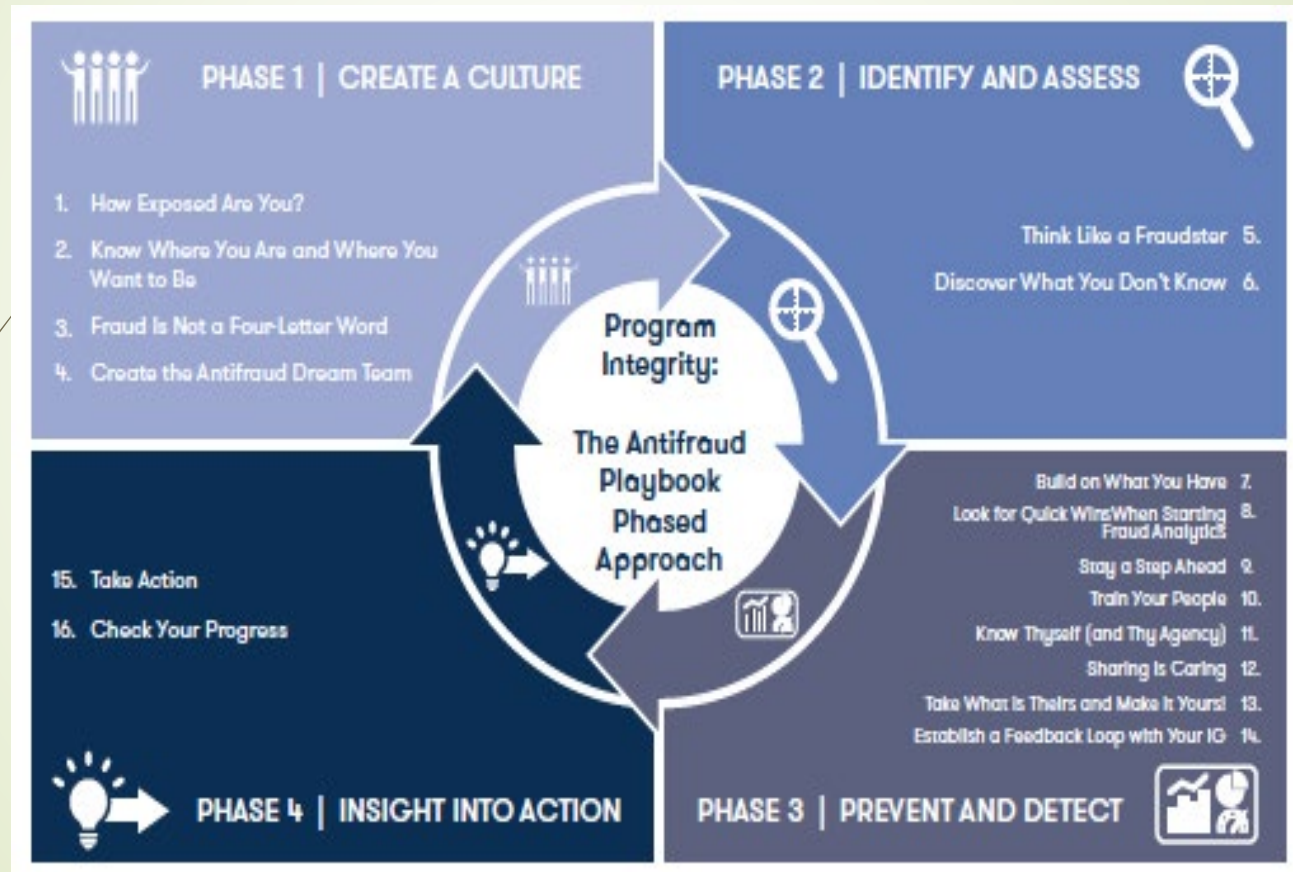
Where There's a Will, There's A Way

- Enterprise risk management (ERM) and fraud risk management (FRM) required by law
- Extensive implementing standards, regulations, guidelines, leading practices, playbooks, and tools
- What will it take for ERM/FRM to become priorities?
- Who is accountable?

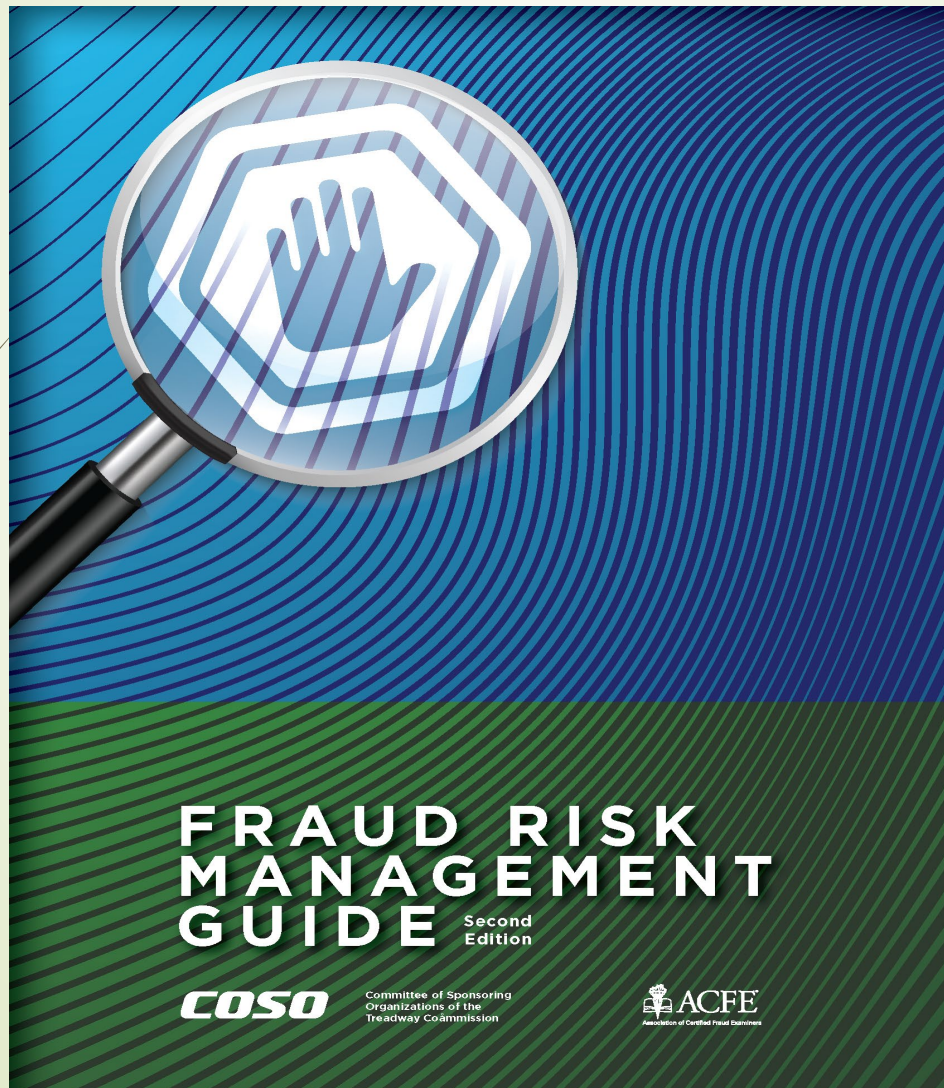
GAO's Framework for Managing Fraud Risks in Federal Programs



CFO Council / Treasury Program Integrity: Antifraud Playbook



COSO/ACFE *Fraud Risk Management Guide*, Second Edition



Rampant Fraud in COVID-19 Programs a Certainty

- Déjà vu all over
- Fraudsters follow the money, laying in wait and better prepared than governments when crisis hits.
 - Normal procedures to prevent fraud secondary to helping people in need.
 - Expedited relief payments/procurement of lifesaving goods/services bypass normal processes and controls.
 - Antiquated systems and processes that lack integration and basic controls used to disburse payments.
 - New programs immediately created to meet urgent needs, such as the Paycheck Protection Program (PPP), which fraudsters immediately attacked.
 - Benefits are not denied when applicants do not have eligibility documentation, and self-certification, or the honors system, generate payments.

What Needs to Happen?

- Hold program managers accountable for ERM/FRM
- Use ERM/FRM to address the present and the future
- Prioritize risk preparedness
- Continually measure the impacts of spending
- Never allow weaknesses to linger
- Reduce fragmentation, duplication, and overlap
- Make the Pandemic Response Accountability Committee (PRAC), established to oversee the government COVID-19 response and to fight fraud, a permanent intergovernmental resource
- Aggressively build on the Chief Risk Officer concept
- Strengthen cybersecurity
- Combat identity theft
- Establish robust fraud risk maturity models

Theme 4: Strengthen Intergovernmental Collaboration

- Many federal domestic programs are implemented in partnership with state/local governments, with federal grants totaling \$1.2 trillion for FY 2022.
- The effectiveness of these partnerships impacts trust.
- Pew: "... half of Americans express concern both about states not working with the federal government and about the federal government doing too much that should be done at the state level."
- The National Academy of Public Administration (NAPA): "The relationships among our levels of government have become more horizontal and intersectional and, at the same time, increasingly fractious and contentious ... A wide range of issues must be addressed if our intergovernmental system is to function more efficiently and effectively."

NAPA's Four Primary Policy Proposals and Outcomes

- Comprehensive national solutions
- Cross-government and cross-sector collaboration
- Administrative simplification and accountability
- Data-driven decision-making

Lines of Communication and Structures for Collaboration

Examples of successful intergovernmental partnerships involving the accountability community.

- The National Intergovernmental Audit Forum
- Development and wide acceptance of *Government Audit Standards*
- PRAC

Ethics Matter in Restoring Trust – What Does It Mean to Be Ethical?

- Public interests and not personal interests always prevail.
- Be aware of appearances – laws, regulations, and standards are merely the floor.
- Rules should be in the service of principles – not the other way around.
- Don't look for gray areas, loopholes or uncertainty to hide behind – substance over form is what matters.
- If you say you'll do something, do it – even if it doesn't benefit you.
- Always put yourself in the other person's shoes – are you being fair, equitable, and empathetic?
- Don't ask or expect others to do something you wouldn't do yourself.
- Never rationalize unethical behavior.
- Liar, liar pants on fire – tell the truth.
- Live by the Golden Rule – treat others as you want to be treated.

Supreme Court Justice Potter Stewart

“Ethics is knowing the difference between what you have a right to do and what is right to do.”

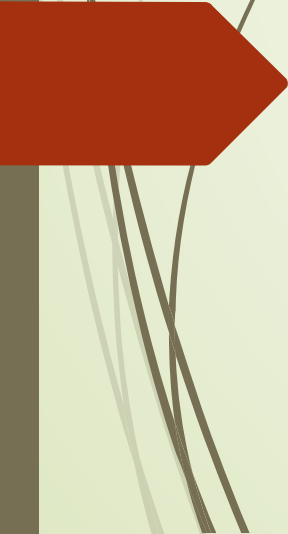
In Closing – From the Pen of Mark Twain

“Always do right. This will gratify some people and astonish the rest.”



Your Questions

Thank you so much for
your time today! It has
been a privilege to share
my perspectives.



**Take care and stay
safe!**