



Office of the Inspector General Semiannual Report to Congress March 2019



March 29, 2019

MESSAGE FROM THE INSPECTOR GENERAL

Following more than a year of exploration, research, and input from staff and experts, Librarian of Congress Carla Hayden on October 1, 2018, announced the release of a new five-year strategic plan designed to create a more user-centered, digitally enabled, and data-driven institution. The Librarian also announced the release of a new digital strategy. These are significant developments for our current and future work.

As I noted during my testimony with the Librarian before the Committee on House Administration in July 2018, under Dr. Hayden's leadership and with the new strategic plan, the Library has an opportunity to better focus on results. However, the execution of the strategic plan will be more difficult than its creation, as demonstrated by our discussion of the collections storage area in the Top Management Challenges section of this report. Based on our review, Library Services needs to take action to strengthen its performance management in fulfillment of the new strategic plan.

I would also like to acknowledge former Librarian James H. Billington, who died during the past semiannual period. As Dr. Hayden said in announcing his passing on November 21, 2018, "Dr. Billington has left an indelible legacy on the institution he led passionately for 28 years...He will be remembered as a visionary leader, distinguished academic and, most of all, a great American." During Dr. Billington's tenure as Librarian, the Library created major new programs, restored the Jefferson Building, nearly doubled the size of its collections, and entered the digital age by placing significant portions of those collections on the Internet.

This semiannual period saw our continued focus in the high-priority area of information technology, and we issued reports related to information technology security. We also issued a report on the Library's purchase card program.

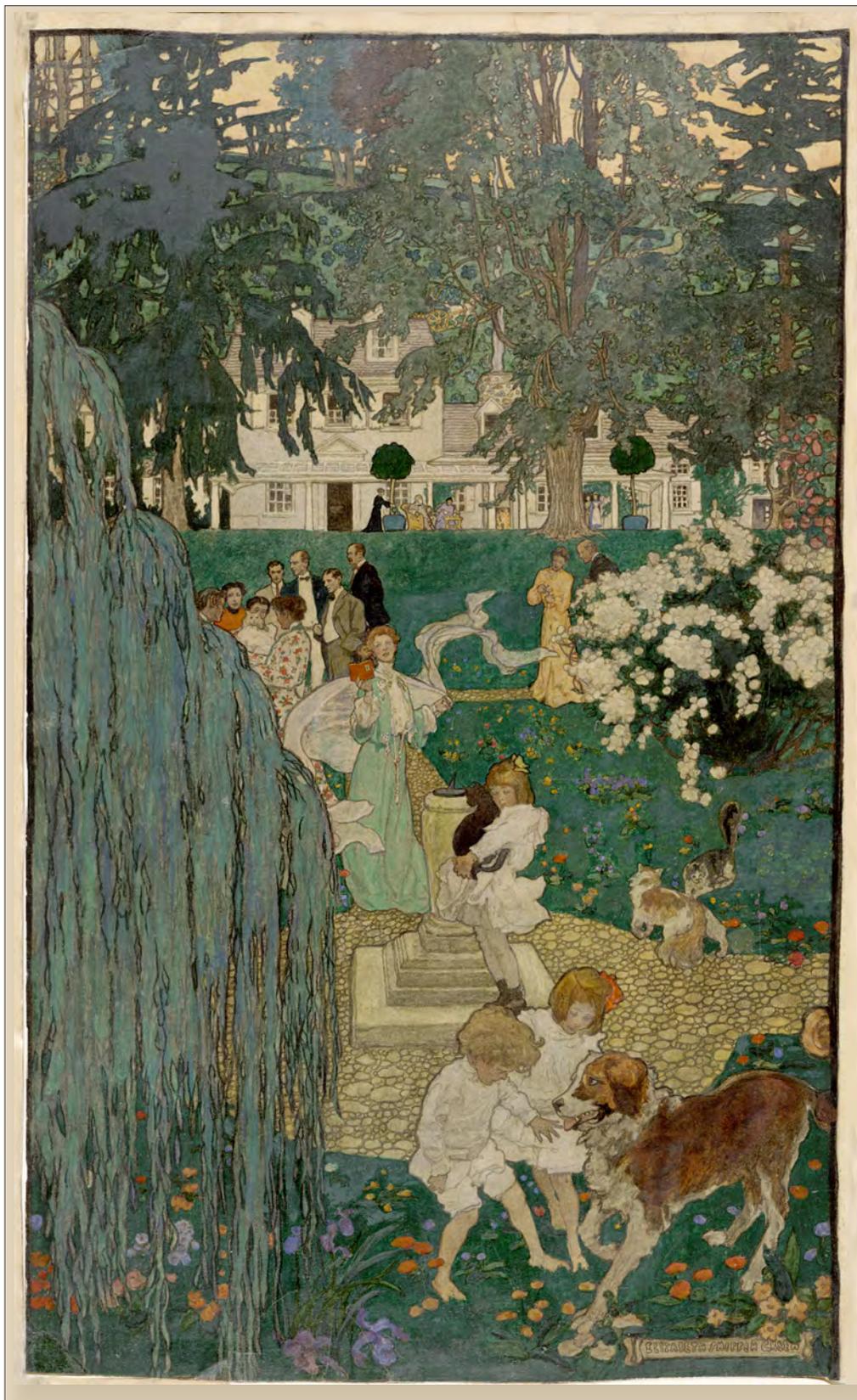
The Library implemented 24 of our recommendations from prior semiannual periods. Seventeen of the recommendations are not identified here because they were in reports that were not released publicly.

A handwritten signature in blue ink, appearing to read "Kurt W. Hyde".

Kurt W. Hyde
Inspector General

TABLE OF CONTENTS

PROFILES	1
TOP MANAGEMENT CHALLENGES	5
COLLECTIONS STORAGE	5
AUDITS, EVALUATIONS, AND REVIEWS	10
INFORMATION TECHNOLOGY SECURITY INFORMATION AND EVENT MANAGEMENT TOOLS REQUIRE IMPLEMENTATION IMPROVEMENTS	10
IMPLEMENT PURCHASE CARD CONTROLS FOR PURCHASES OF ADVERTISEMENTS	10
FY 2018 AUDIT OF THE LEGISLATIVE BRANCH FINANCIAL MANAGEMENT SYSTEM AND APPLICATION CONTROLS	12
OTHER AUDITS DIVISION ACTIVITIES	12
REVIEW OF LEGISLATION AND REGULATIONS	13
INVESTIGATIONS DIVISION	14
UNIMPLEMENTED RECOMMENDATIONS	17
IMPLEMENTED AND CLOSED RECOMMENDATIONS	23
UNIMPLEMENTED FINANCIAL STATEMENTS RECOMMENDATIONS	25
REPORTING REQUIREMENTS UNDER THE INSPECTOR GENERAL ACT	31
PEER REVIEW REPORTING	32
OFFICE OF THE INSPECTOR GENERAL ORGANIZATIONAL CHART	33
OFFICE OF THE INSPECTOR GENERAL HOTLINE	INSIDE BACK COVER



ABOVE: ELIZABETH SHIPPEN GREEN ELLIOTT, *LIFE WAS MADE FOR LOVE AND CHEER*, 1904. WATERCOLOR AND CHARCOAL. ILLUSTRATION DEPICTS GREEN, HER COLLEAGUES AND HOUSEMATES JESSIE WILLCOX SMITH AND VIOLET OAKLEY, AND OTHER FRIENDS ENJOYING ONE ANOTHER'S COMPANY AMID THE BLOSSOMS ON THE GROUNDS OF THE RED ROSE INN, ONE OF THE HOMES THAT THE THREE ARTISTS SHARED. CHILDREN PLAY WITH A DOG IN THE FOREGROUND. PUBLISHED IN *THE RED ROSE*, HARPER'S MAGAZINE, SEPTEMBER 1904.
REPOSITORY: PRINTS & PHOTOGRAPHS DIVISION, LIBRARY OF CONGRESS

PROFILES

LIBRARY OF CONGRESS

The Library is the research and information arm of the United States' national legislature and the world's largest knowledge reserve. The Library's mission is to engage, inspire, and inform Congress and the American people with a universal and enduring source of knowledge and creativity. This mission is accomplished through the work of approximately 3,200 permanent employees.

Founded in 1800, the Library is also the nation's first federal cultural institution, holding more than 167 million physical items on approximately 838 miles of bookshelves. These items include books and other print materials, recordings, photographs, maps, sheet music, and manuscripts. The Library occupies three buildings on Capitol Hill and Taylor Street Annex in Washington, DC and the Packard Campus of the National Audio-Visual Conservation Center in Culpeper, Virginia. In addition, the Library operates six overseas offices and stores collections material in purpose-built facilities in Maryland.¹

The Library has six primary components; the Library Collections and Services Group manages three traditional library operations:

- Office of the Librarian
- Chief Operating Office
- Office of the Chief Information Officer
- Library Collections and Services Group
 - Law Library
 - Library Services
 - National Library Service for the Blind and Physically Handicapped
- U.S. Copyright Office
- Congressional Research Service

The Office of the Librarian provides leadership and executive management to the Library, overseeing the implementation of the Library's mission. It includes the Principal Deputy Librarian, the Office of Communications and External Relations, and the Office of the Chief of Staff. The Office of the Chief of Staff includes two new centers that focus on user engagement and fostering access to the Library's collections for research, teaching, and visitor education: the **Center for Exhibits and Interpretation** and the **Center for Learning, Literacy, and Engagement**.

¹ Additionally, the Library has materials stored (per interagency contracts) in Cabin Branch and Landover, Maryland and Pittsfield, Massachusetts as well as per contract in Fredericksburg, Virginia. The Library also has materials stored in its overseas offices.

The Chief Operating Office manages and administers the Library's non-information technology infrastructure functions and daily operations, including oversight of the Human Capital Directorate, the Financial Services Directorate, the Contracts and Grants Directorate, the Integrated Support Services Directorate, the Security and Emergency Preparedness Directorate, and business enterprises that operate on a cost recovery basis.

The Office of the Chief Information Officer ensures that the Library's centrally managed information technology (IT) resources meet current and future mission requirements and operate effectively to serve Congress and the American people, while also providing IT services, IT security, and expert guidance on IT matters within the Library.

The Library Collections and Services Group (LCSG) oversees units responsible for acquiring, stewarding, describing, and serving Library collections and manages fellowships and internships. The LCSG includes: the **Law Library**, which assists Congress and the legislative process by providing comprehensive research on foreign, comparative, international, and U.S. law and other legal reference services; **Library Services**, which performs the traditional functions of a national library, such as acquisitions, cataloging, preservation, and reference services for both digital and conventional collections and operates the National Audio-Visual Conservation Center and the American Folklife Center, among other programs; the **National Library Service for the Blind and Physically Handicapped**, which is a national program that circulates books and magazines in braille and audio formats to people with temporary or permanent low vision, blindness, or a physical disability that prevents them from reading or holding the printed page; and the **John W. Kluge Center**, which brings together the world's best thinkers to contribute to the conversation about the challenges facing democracies in the 21st century through residential fellowships, lectures, and other research opportunities.

The U.S. Copyright Office administers the nation's copyright laws for the advancement of the public good, offers services and support to authors and users of creative works, and provides expert impartial assistance to Congress, the courts, and executive branch agencies on questions of copyright law and policy.

The Congressional Research Service supports the legislative process by providing, exclusively to Congress, objective, confidential, and nonpartisan assessments of public policy issues and legislative options for addressing those issues.

In fiscal year (FY) 2018, the Library

- drew nearly 1.9 million onsite visitors and recorded approximately 114 million visits and 497.9 million page views on the Library's web properties;
- responded to more than 1 million reference requests from Congress, the public, and other federal agencies;
- circulated nearly 21 million copies of braille, audio, and large-print items to about 973,000 blind and physically handicapped reader accounts; and
- issued more than 560,000 copyright registrations.

OFFICE OF THE INSPECTOR GENERAL

This year we mark the 40th anniversary of the Inspector General Act and the creation of the original 12 offices of inspector general. The Library's Office of the Inspector General (OIG) was established in 1988 as a non-statutory office deriving its authority from the Librarian of Congress. OIG became statutory with the passage of the Library of Congress Inspector General Act of 2005 (2 U.S.C. § 185), with a mandate to

- independently conduct and supervise audits and investigations of fraud, waste, and abuse relating to the Library;
- lead, coordinate, and recommend policies to promote economy, efficiency, and effectiveness; and
- keep the Librarian of Congress and the Congress fully and currently informed about problems and deficiencies relating to the administration and operations of the Library.

We are part of a community of Inspectors General through the Council of Inspectors General on Integrity and Efficiency (CIGIE) who collectively oversee operations in the executive and legislative branches. In the years to come, we look forward to continuing our efforts to provide independent and effective oversight, such as through our Semiannual Reports to Congress as required by the Inspector General Act. Every six months we provide Congress with this report detailing our independent oversight of the Library. The semiannual report presents information on

- the Library's top management challenges;
- significant audits, investigations, and other activities of the OIG;
- OIG's review of legislation and regulations affecting the Library; and
- Library decisions on OIG recommendations and the status of implementation, along with any resulting monetary benefits.

The Audits Division conducts in-depth reviews that address the efficiency, effectiveness, and economy of the Library's programs, activities, and functions; provides information to responsible parties to improve public accountability; facilitates oversight and decision-making; and initiates corrective action as needed.

The Audits Division also contracts with an independent public accounting firm that examines whether financial statements fairly present financial positions, results of operations, and budgetary resources. The firm also assesses whether the Library and other entities have adequate financial reporting internal control systems that comply with applicable laws and regulations. OIG reports are available at www.loc.gov/about/oig.

The Investigations Division addresses alleged or suspected wrongdoing by agency employees, contractors, or others responsible for handling federal resources. Violations of Library regulations or fraud committed against the Library can result in administrative sanctions and criminal or civil prosecution. Contact information for the OIG Hotline is located on the inside back cover of this report.



ABOVE: NELL BRINKLEY, *GOLDEN EYES WITH UNCLE SAM*, 1918. WATERCOLOR, INK, GOUACHE, AND OPAQUE WHITE OVER GRAPHITE. PUBLISHED AS A COVER IN *THE SEATTLE SUNDAY TIMES MAGAZINE*, APRIL 18, 1918. AS GOLDEN EYES BIDS FAREWELL, SHE PROMOTES LIBERTY BONDS TO SUPPORT THE WAR EFFORT. BRIGHT-EYED BUT SAD, SHE EMBODIES PATRIOTISM ON THE HOME FRONT.
REPOSITORY: PRINTS & PHOTOGRAPHS DIVISION, LIBRARY OF CONGRESS

TOP MANAGEMENT CHALLENGES

In addition to the **Collections Storage** top management challenge discussed in detail below, the Library has five other top management challenges:

- **Strategic Planning and Performance Management.** Many of the Library's management challenges over the years have flowed from a historic lack of proper strategic planning and performance management.
- **Digital Strategic Planning and Execution.** A more strategic approach to digital services and collections is necessary because of the pace of digital innovation and the need for the Library to act on many fronts to execute a timely and cost effective digital transformation.
- **Information Technology Infrastructure.** The key to the Library successfully developing a modern IT environment is the Office of the Chief Information Officer using a strategic approach to improve its IT governance, establishing accountability for IT investments, implementing a well-designed, secure, and business-driven primary computing facility, and employing IT best practices.
- **Contracting.** An area of long-standing challenge, the Library needs to prioritize the importance of an effective organization-wide procurement function.
- **Financial Management and Reporting.** This top management challenge was added in September 2018. The Library needs to take action to maintain an unmodified (clean) financial statement audit opinion. Further deterioration of the Library's financial reporting internal controls will increase the possibility for a material misstatement of the Library's financial statements and may jeopardize its twenty-two year history of unmodified audit opinions.

OIG assesses certain top management challenges for each semiannual report. For this semiannual period ending in March 2019, we evaluated collections storage. In addition to the summary provided below, OIG will issue a report that provides more detailed information on the results of our evaluation.

COLLECTIONS STORAGE

The Library's new strategic plan for FYs 2019–2023² offers focus and direction to Library Services' efforts to improve the collection services workflow. The new strategic plan places greater focus than the Library's previous strategic plan on expanding user access,

² *Enriching the Library Experience, the FY 2019–2023 Strategic Plan of the Library of Congress.*

the new plan's first strategic goal, and on making the Library's collections, experts, and services more readily discoverable and available for users.

After the creation of the Library's new strategic plan, its service units have been tasked with creating directional plans. The directional plans are expected to set the units' goals in service to the Library's strategic plan and to the units' unique missions. Importantly, the plans also identify the critical work to be performed towards those goals.

Collections storage is a long-standing area of concern. In 2013, we reported that the Library had a backlog of 28 million unprocessed analog and digital items, an increase of almost 50 percent since FY 2000. We explained that most unprocessed material is not readily available to users, and the bulk of this material lacked adequate collection controls, including bibliographic, inventory, and security controls. Bibliographic and inventory controls allow the Library to account for and track materials as well as connect users with the Library's resources. Security controls, such as marks and labels, are applied to newly acquired materials to help protect the collections from theft. The lack of these controls increases the risk of material being stolen, lost, or forgotten.³ OIG has also issued several other reports related to collections storage issues.⁴ As a result of our various findings, OIG has named the collections storage area one of the Library's Top Management Challenges since September 2011.

To better assess Library Services' management of collections storage, we applied certain principles and best practices of supply chain management. A supply chain is the structure through which inputs are acquired, transformed into an output, and then delivered to a customer.⁵ Using this approach, we examined Library Services' collections storage activities as being part of a supply chain of processes that include selection, cataloging, digitization, preservation, and storage services, among other processes.⁶ We refer to these processes collectively as the collection services workflow. Collection services are critical because they help to make collection materials accessible to users.

We determined that Library Services needs to expand its baseline and trend data. After linking its performance measures to the Library's new strategic plan, Library Services

³ *The Library Collects Extensively but Faces Increasing Challenges in Processing, Controlling, Storing, and Making Accessible All it Collects*, 2013-SP-102, September 2013.

⁴ *The Library's Collections Acquisitions Strategy: Effective, but Some Improvements Are Needed*, 2006-PA-104, December 2006; *Survey of Collections Access, Loan, and Management Division Service*, 2007-PS-101, March 2007; *Follow-up Review of the Not-on-Shelf Rate*, 2011-PA-107, May 2011; *Opportunities Exist to Improve the Security and Management of the Asian Division Collections*, 2011-PA-108, September 2012; *The Library Needs to Determine an eDeposit and eCollections Strategy*, 2014-PA-101, April 2015; *The Prints and Photographs Division Effectively Tracks Its Materials, But Needs to Assess the Risks Associated With Its Growing Quantity of Materials Not Fully Processed*, 2014-PA-106, August 2016; and *Analysis of Library of Congress Information Technology Storage Infrastructure*, 2015-IT-104, March 2017.

⁵ Sterman, J.D., *Business Dynamics: Systems Thinking and Modeling for a Complex World*. Boston: Irwin, 2000.

⁶ For information related to applying the supply chain perspective to collection services, see: Wang, Z., *Supply Chain Management for Collection Services of Academic Libraries: Solving Operational Challenges and Enhancing User Productivity*. Cambridge Mass.: Chandos Publ., 2017.

needs baseline and trend data to evaluate whether it is achieving results in relation to the Library's user access strategic goal. For example, Library Services could start measuring and monitoring cycle time, which relates to how quickly a supply chain can provide a product or service to users. In the case of Library Services and the collection services workflow, this would involve the production steps completed to make collection materials accessible in fulfillment of the first goal of the Library's strategic plan to expand user access. A shorter cycle time would represent greater responsiveness to making collection materials accessible and a longer cycle time would represent less responsiveness to making them accessible.

Library Services should also start measuring the age of unprocessed collection materials. As part of this evaluation, we learned that the Asian Division had 41 volumes of the Yongle encyclopedia that had not been catalogued for decades despite their extraordinary value and critical importance to the division's users. Division staff informed us that the volumes dated back to the 17th century and were worth approximately \$41 million. Collection materials that are not catalogued are not readily searchable by users in the Library's electronic Integrated Library System (ILS), making them less discoverable; ILS is the Library's primary system for storing bibliographic data. (Library Services management suggested that the Yongle encyclopedia was nonetheless discoverable through other means.) The volumes were catalogued by Library Services in November 2018, after we interviewed the Asian Division. We have previously identified unprocessed manuscripts that were decades old in 2013 and determined in 2016 that it would take approximately 40–60 years for the Prints & Photographs Division to fully process its backlog of collection materials.^{7,8}

Library Services also needs to strengthen its capability to identify, measure, and track its inventory of unprocessed collection materials. We believe this is necessary for Library Services to effectively measure and monitor progress towards fulfilling the Library's user access goal and its first objective to increase the discoverability and availability of collection materials. Library Services has historically reported on its backlog of unprocessed analog collection materials in a statistical table located in the appendix of the Library's *Annual Report of the Librarian of Congress (Annual Report)*. The table is entitled "Unprocessed Arrearages." The Library's documented definition is that "arrearages" refers to materials that have been "in an in-process state for longer than a reasonable amount of time..."⁹ However, when we were completing our 2013 report, we learned that Library Services had a practice of labeling certain unprocessed material differently and was not including the material in its arrearage figures, which resulted in Library Services understating the amount of its arrearage.¹⁰

⁷ 2013-SP-102, September 2013.

⁸ 2014-PA-106, August 2016.

⁹ According to Library Services, "Arrearages are items that have been in an in-process state for longer than a reasonable amount of time, or which are not expected to be processed within the foreseeable future. (The in-process state begins upon the Library's receipt of the item and ends when complete processing has been accomplished.) The "reasonable" time will vary according to the item's format, the extent of processing, or other factors." This definition was taken from *Special Collection Backlogs: An Assessment of Unprocessed Arrearages at the Library of Congress*, version 1.0, September 2017, pg 12.

¹⁰ 2013-SP-102, September 2013.



ABOVE: MARGARET ARMSTRONG. BOOK BINDING DESIGNS. [LEFT]: *THE VALLEY OF VISION* BY HENRY VAN DYKE; CHARLES SCRIBNER'S SONS, 1919. [MIDDLE]: *PIPPA PASSES* BY ROBERT BROWNING; DUNBAR, DOD, MEAD & CO., 1901. [RIGHT]: *CANDLE-LIGHTIN' TIME* BY PAUL LAURENCE DUNBAR; DUNBAR, DOD, MEAD & CO., 1901.
 REPOSITORY: RARE BOOK & SPECIAL COLLECTIONS, LIBRARY OF CONGRESS

Further, based on our interviews for this evaluation, we concluded that Library Services' definition was not effective for the purposes of performance management because it was imprecise and open to different interpretations. For example, under Library Services current approach, there is no definition for "a reasonable amount of time" and we found that staff in different divisions were using the term "arrearage" and "backlog"—a related term—inconsistently when describing materials that had not yet been fully processed. Consequently, we believe Library Services can not be assured of having a complete and accurate inventory of unprocessed collection materials until it creates a more precise definition of arrearage that it applies consistently across all areas within Library Services.

Library Services needs to then use this complete and accurate data to create performance targets that measure and monitor progress towards fulfilling the Library's user access goal and its first objective to increase the discoverability and availability of collection materials.¹¹ As part of its FY 2019 Budget Justification, the Library

¹¹ OIG has previously addressed the issue of needing to use quality data to implement an effective performance management system. See *Developing Credible Performance Data is the Next Step*, 2009-PA-104, March 2010; *Working Toward the Spirit of GPR A - Library Services: Commendable Progress with Room for Improvement*, 2010-PA-107, January 2011; and *Working Toward the Spirit of the Government Performance and Results Modernization Act*, 2013-PA-101, March 2013.

established a performance target to reduce the amount of Library Services' special collections arrearage from 16 to 10 percent of special collections material overall by FY 2028.¹² However, without making changes to how it monitors and measures arrearage, Library Services is at risk of appearing to make progress with regard to its target of reducing arrearage, while unprocessed collection materials labeled as a backlog grow and expand. This is demonstrated by our prior audit work. As part of our audit of the Prints & Photographs Division, we identified a 40–60 year “working backlog” of materials that had grown over time and yet was not being tracked as an arrearage in the *Annual Report's* table of “Unprocessed Arrearages” until we identified this as an issue.¹³

Library Services also needs to start tracking unprocessed electronic collection materials, as opposed to just the analog materials currently being tracked. OIG determined that Library Services is not tracking the amount of its unprocessed electronic collection materials across divisions. We believe that as the Library's digital content grows, which has been happening exponentially on a yearly basis, the challenge associated with processing these materials and making them readily available to users may increase commensurately.

We further identified several kinds of key performance indicators derived from a supply chain management perspective that could help Library Services monitor the efficiency and effectiveness of its collection services workflow. They could help Library Services address the needs of users, facilitate collaboration internally, monitor costs, and track capacity utilization.

The Library outlined a new mission and goals in its strategic plan for FYs 2019–2023, and Library Services now needs to define how it will implement them in its directional plan. OIG has previously reported on the importance of the Library establishing fully developed strategies that explain how long-term strategic goals will be achieved.¹⁴ Near the end of our fieldwork, Library Services' directional plan for FY 2019 had been completed, but had not been finalized for the other years covered by the new strategic plan. As such, Library Services has an opportunity to incorporate a supply chain perspective into its planning activities and identify steps to improve Library Services' monitoring and measurement of the collection services workflow, particularly in relation to fulfilling the Library's user access goal and related objectives.

¹²Library Services has a directorate named Special Collections that includes the following divisions: American Folklife Center, Veterans History Project, Music Division, Rare Book & Special Collections Division, Geography & Map Division, Manuscript Division, and Prints & Photographs Division.

¹³2014-PA-106, August 2016.

¹⁴*Continued, Persistent Focus Needed to Strengthen the Library's Strategic Planning and Performance Management*, 2018-SP-103, July 2018.

AUDITS, EVALUATIONS, AND REVIEWS

INFORMATION TECHNOLOGY SECURITY INFORMATION AND EVENT MANAGEMENT TOOLS REQUIRE IMPLEMENTATION IMPROVEMENTS

REPORT No. 2018-IT-105

FEBRUARY 2019

OIG engaged an IT contractor to perform an evaluation of the Library's implementation of its Security Information and Event Management (SIEM) functionality and response capabilities. The evaluation involved a review of the Office of the Chief Information Officer's (OCIO) SIEM implementation strategy and execution, internal controls, configuration, and incident detection and response.

Information security is a critical part of any agency that depends on IT systems and computer networks to carry out its mission and meet operating objectives. IT security information must be effectively and continuously collected and analyzed for the Library to identify and respond to new vulnerabilities and evolving threats. To protect the Library's digital assets and data entrusted to OCIO, the agency must employ robust vulnerability management tools to ensure IT devices are configured to detect and report events of interest. The Library uses SIEM technology to filter incident information into data that can be acted on for the purposes of incident response and forensic analysis. The use of these tools provides the Library with robust continuous monitoring capabilities and ongoing insight into IT security control effectiveness.

Library management agreed with all of our recommendations. We are not providing specific information about the findings and recommendations because of the sensitive nature of the information contained in the report. The report was not issued for public release.

IMPLEMENT PURCHASE CARD CONTROLS FOR PURCHASES OF ADVERTISEMENTS

REPORT No. 2015-PA-102

NOVEMBER 2018

OIG initiated an audit to determine whether the Library's internal controls over its purchase card program were appropriately designed and effectively working. This report pertained to the participation of the Library's Office of Communications in the purchase card program. For the three-month period under review (August 1, 2015 to October 31, 2015) we identified instances of noncompliance with the Library's agency-wide purchase card directive, a Class Determination and Findings document that gave Office of Communications purchase card holders the authority to buy advertisements up to \$25,000, and Office of Communications' standard operating procedures, which outline requirements for buying advertisements above the micro-purchase threshold.



ABOVE: JESSIE WILCOX SMITH, CA. 1916, *HE LOOKED UP AT THE BROAD YELLOW MOON AND THOUGHT THAT SHE LOOKED AT HIM*. CHARCOAL, WATERCOLOR AND OIL. PUBLISHED IN THE VICTORIAN CHILDREN'S CLASSIC, *THE WATER BABIES*, BY CHARLES KINGSLEY.
REPOSITORY: PRINTS & PHOTOGRAPHS DIVISION, LIBRARY OF CONGRESS

Of the 14 advertising purchases we reviewed totaling approximately \$132,900, we could not identify complete supporting documentation for 11 purchases totaling approximately \$60,900 and therefore concluded that the transactions were improper payments. Further, in the majority of the cases we examined, 11 purchases totaling approximately \$117,300, Office of Communications purchase card holders did not make the purchase card advertisement purchases as required. Of the 11 purchases, we could not locate documentation demonstrating that the Office of Communications approved six purchases totaling about \$32,800. The Director of Communications told OIG she was aware of and approved all of the transactions. We also identified three purchases totaling approximately \$15,500 that did not have advertisement justifications, six purchases totaling approximately \$35,700 that had incomplete information about the advertisements being purchased, and 11 purchases totaling approximately \$117,300 that did not include a copy of the Class Determination and Findings document.

Library management agreed with all of the findings and recommendations in the report. It should be noted that after preliminary discussions with the Office of Communications, the Director of Communications took immediate action to update their standard operating procedures.

FY 2018 AUDIT OF THE LEGISLATIVE BRANCH FINANCIAL MANAGEMENT SYSTEM AND APPLICATION CONTROLS

REPORT NO. 2018-FN-102

NOVEMBER 2018

OIG contracted with the independent public accounting firm of Kearney & Company (Kearney) to perform an audit of the Library's FY 2018 financial statements and to provide a report on the effectiveness of general and application controls for the Library's Legislative Branch Financial Management System (LBFMS) and related support systems; LBFMS is the financial management system for the Library and other legislative branch agencies. According to Kearney, the audit team completed testing using procedures based on guidance from the Government Accountability Office's (GAO) *Federal Information System Controls Audit Manual* and in accordance with Generally Accepted Government Auditing Standards. Additionally, Kearney evaluated selected LBFMS controls for compliance with National Institute of Standards and Technology's Special Publication 800-53, Rev. 4, *Security and Privacy Controls for Federal Information Systems and Organizations*. The objective of Kearney's testing was to provide timely identification of deficient controls and/or configurations that may impact the nature, timing, and extent of financial audit procedures to be performed, as well as timely recommendations.

Kearney's audit did not identify any material weaknesses or significant deficiencies for LBFMS.¹⁵ During its audit, Kearney identified and conveyed to Library management certain control weaknesses it did not deem significant. Kearney described those weaknesses in the report, which was not issued for public release because of the sensitive nature of the information contained therein.

OTHER AUDITS DIVISION ACTIVITIES

CONCEPTUAL FRAMEWORK FOR THE IT GOVERNANCE STRUCTURE

We received component pieces of the OCIO's new, high-level conceptual framework for the IT Governance Structure Review dated January 2, 2019. Although there was minimal information, the framework could close several gaps identified previously by OIG, as we stated in a memorandum to the Principal Deputy Librarian of Congress and the Chief Information Officer dated January 18, 2019. For example, the creation of a new Technology Strategy Board is critical to effectively moving out on the Library's IT strategy. After the Library implements the proposed IT governance changes and the new framework operates for a reasonable period, our office will conduct an evaluation of the effectiveness of the changes.

¹⁵ American Institute of Certified Public Accountants (AICPA) defines a material weakness as a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Library's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. See: AICPA's Statements on Standards No. 115, *Communicating Internal Control Related Matters Identified in an Audit*.

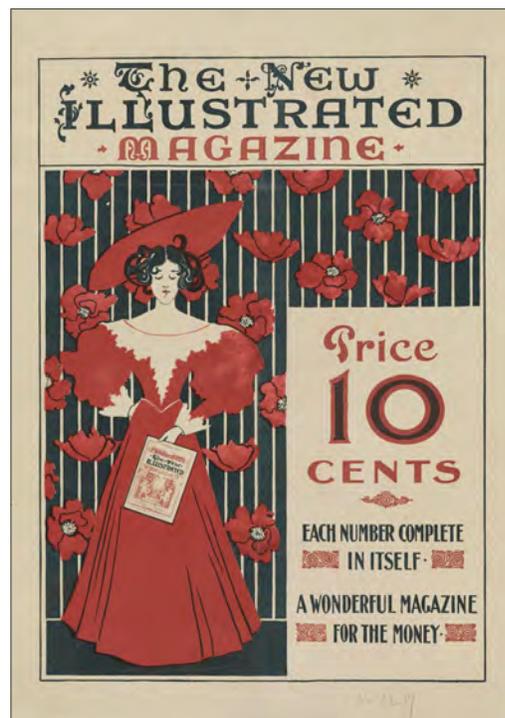
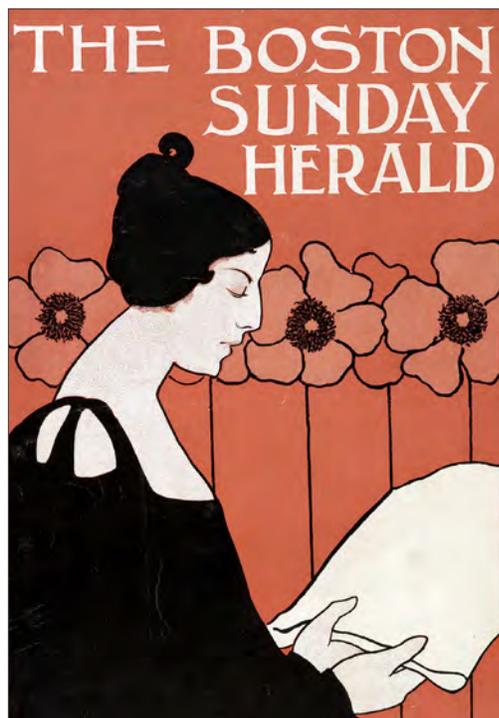
REVIEW OF LEGISLATION AND REGULATIONS

TABLE 1: REVIEW OF LEGISLATION

REVIEWED	COMMENTS BY THE OFFICE OF THE INSPECTOR GENERAL
S. 3748, a bill to amend the removal and transfer procedures for the Inspectors General of the Library of Congress, the Office of the Architect of the Capitol, and the Government Publishing Office.	We supported this legislation as it would harmonize the Library of Congress Inspector General Act, 2 U.S.C. § 185, with the Inspector General Act of 1978, as amended, 5 U.S.C. App, by requiring thirty days' notice by the agency head to congressional oversight and appropriations committee before the removal or transfer.

TABLE 2: REVIEW OF LIBRARY OF CONGRESS REGULATIONS (LCRs) AND DIRECTIVES (LCDs)

REVIEWED	COMMENTS BY THE OFFICE OF THE INSPECTOR GENERAL
LCR 7-140, <i>Suspension and Debarment</i>	We suggested defining key terms not in the LCR.
LCR 9-850, <i>Student Loan Repayment</i>	We posed questions for clarification purposes and made recommendations regarding certain calculations.
LCD 9-1330.1, <i>Coordinating Library-wide Training</i>	We suggested clarifying changes and editing changes for consistency.
LCR 5-520, <i>IT Business Continuity Disaster Recovery</i>	We suggested formatting changes.
LCD 9-110.6, <i>Converting Indefinite Appointments—Permanent</i>	We suggested clarifying changes.
LCR 9-1010, <i>Separation Procedures</i>	We offered no comments.



INVESTIGATIONS DIVISION

As shown in Table 3, during this reporting period, OIG issued thirteen investigative reports and twelve referrals. We opened eight investigations, closed one, and forwarded seven to Library management for administrative action. Four complaints were opened, two closed, and one converted to an investigation. With regard to our hotline program, we received thirty-eight hotline communications. Seventeen hotline communications were referred to management.

TABLE 3: INVESTIGATIVE DATA¹⁶

ACTIVITY	TOTAL
Investigative Reports Issued (selectively summarized in this report):	13
Referrals to the Department of Justice:	3
Referrals to State and Local Authorities:	0
Indictments/Criminal Informations Resulting from Prior Referral to Prosecuting Authorities:	0
Investigations Opened:	8
Investigations Closed:	1
Investigations Forwarded to Library Management for Administrative Action:	7
Complaints Opened:	4
Complaints Closed:	2
Complaints Converted to Investigations:	1
Hotline Communications Converted to Investigations:	5
Hotline Communications Received:	38
Hotline Referrals to Management:	17

OPPOSITE: ETHEL REED. PRINTS FOR MAGAZINE PUBLICATIONS. LITHOGRAPHS. *[LEFT]:* THE BOSTON SUNDAY HERALD - LADIES WANT IT, FEBRUARY 1895. PORTRAIT OF A WOMAN, HALF-LENGTH, RIGHT PROFILE, SITTING, READING A NEWSPAPER, WITH FLOWERS IN THE BACKGROUND. POSSIBLY A SELF-PORTRAIT BY THE ARTIST.

[RIGHT]: THE NEW ILLUSTRATED MAGAZINE, 1890. ADVERTISEMENT FOR MAGAZINE, ILLUSTRATED WITH FLOWERS AND A FASHIONABLY DRESSED WOMAN STANDING AND HOLDING COPY OF THE MAGAZINE.

REPOSITORY: PRINTS & PHOTOGRAPHS DIVISION, LIBRARY OF CONGRESS

¹⁶Data in this table were compiled from a review of the Office of Investigation's database and files.

SIGNIFICANT INVESTIGATIONS

EMPLOYEE MISCONDUCT, TIME AND ATTENDANCE IRREGULARITIES

The OIG Hotline received notification that a Library employee was leaving work early without taking adequate leave. OIG reviewed leave and other records and determined that the employee had been working at a second place of employment without taking appropriate leave. The employee retired while under investigation. Numerous witnesses interviewed communicated that the employee's supervisor was aware of the employee's routine absences from the Library. An investigative report was issued and referred to Library management for action.

Library Management, in conjunction with the National Finance Center, corrected the employee's timecards and charged him "Absent Without Official Leave" for over 694 hours. The employee was required to pay back approximately \$17,480 for having been overpaid. Management action on the supervisor is pending.

During the investigation of the initial allegation, OIG agents also found that another supervisor was leaving work early without taking adequate leave. OIG reviewed leave and other records and, when interviewed with the evidence, the supervisor admitted to leaving work daily for personal activities over the past year without taking appropriate leave. An investigative report was issued and referred to Library management for action.

EMPLOYEE MISCONDUCT, MISUSE OF LIBRARY COMPUTER

Pursuant to proactive efforts, OIG identified eight Library employees who were possibly misusing their Library-issued computers. OIG conducted investigations and determined that the employees had used Library computers to visit inappropriate Internet sites. Eight investigative reports were issued and referred to Library management for action.

EMPLOYEE MISCONDUCT, MISUSE OF TRANSIT SUBSIDY

The OIG Hotline received notification that a Library employee was possibly misusing their transit subsidy. OIG reviewed transit subsidy reports and other records and, when presented with the evidence, the employee admitted to voluntarily providing the transit subsidy card to another individual. The individual was a suspect in a robbery/theft by Washington Metropolitan Area Transit Authority police, who traced the employee's transit subsidy card back to the alleged crime. The employee stated that they had no knowledge or inclination of any illegal activity in which the suspect was involved while in possession of the card. An investigative report was issued and referred to Library management for action.



CLOCKWISE: MAGINEL WRIGHT BARNEY, *MOTHER, DAUGHTER AND SWALLOWS*, ca. 1920. WATERCOLOR, GOUACHE. PUBLISHED AS A COVER, *WOMEN'S WORLD*, JULY–AUGUST 1921.

ELIZABETH SHIPPEN GREEN ELLIOTT, *RISE VIGOROUSLY OUT OF THE EARTH WAS A LITTLE ROSE BUSH*, 1908. CHARCOAL AND WATERCOLOR. PUBLISHED IN *THE FLOWERS* BY MARGARITA BY SPALDING GERRY, *HARPER'S MAGAZINE*, AUGUST 1908.

ELIZABETH SHIPPEN GREEN ELLIOTT, *MAKING ISLANDS*, 1906. WATERCOLOR. PUBLISHED IN *THE MIND OF A CHILD* BY EDWARD S. MARTIN, *HARPER'S MAGAZINE*, DECEMBER 1906.

REPOSITORY: PRINTS & PHOTOGRAPHS DIVISION, LIBRARY OF CONGRESS

UNIMPLEMENTED RECOMMENDATIONS

We obtained comments from Library management on the status of all open recommendations.¹⁷ OIG summarized the comments provided for recommendations made in our publicly released reports and provide them in tables 4A and 4B. The assertions made in tables are the representations of Library management and not of the OIG. OIG periodically performs follow-up audits, inspections and evaluations, and reviews to verify implementation.

TABLE 4A: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY AND STATUS OF RECOMMENDATION
Office of the Librarian / Development Office				
The Library's Controls for Three Gift Funds Are Generally Working but Need to Be Enhanced	2016-PA-102 September 2017	Develop- ment Of- fice, Finan- cial Services Directorate	3	Report summary: OIG examined whether the Library's internal controls for three gift funds were designed, implemented, and working effectively. The Development Office should update its procedures manual to include a requirement for timely and periodic reconciliations of Raiser's Edge and Momentum data on donations, and then adhere to it—The Development Office, in collaboration with the Budget Office and Office of General Counsel (OGC), has updated its procedures manual and all offices have worked on necessary requirements for policies and procedures. Evidence will be provided shortly to the OIG. The estimated completion date is the second quarter of FY 2019.
The Library's Controls for Three Gift Funds Are Generally Working but Need to Be Enhanced	2016-PA-102 September 2017	Develop- ment Of- fice, Finan- cial Services Directorate, Office of General Counsel	4	The Development Office, in consultation with the Financial Services Directorate (FSD) and OGC as appropriate, should update its procedures manual to include guidance on how to handle a donor's request to change a grant agreement's terms and conditions, and then adhere to it. The guidance should address how and by whom the request would be reviewed and how it would be memorialized, such as in a new grant agreement and/or in Raiser's Edge—See the status update provided for recommendation 3 for report no. 2016-PA-102. The estimated date of completion is the second quarter of FY 2019.
The Library's Controls for Three Gift Funds Are Generally Working but Need to Be Enhanced	2016-PA-102 September 2017	Develop- ment Of- fice, Finan- cial Services Directorate, Office of General Counsel	5	The Development Office, in consultation with FSD and OGC as appropriate, should develop a systematic approach to assigning gift requirement responsibilities to stakeholders, update its procedures manual to include guidance on how to implement the approach, and then adhere to it. As part of the approach, assignments should be made soon after a grant agreement has been established, such as at an orientation meeting among stakeholders—See the status update provided for recommendation 3 for report no. 2016-PA-102. The estimated date of completion is the second quarter of FY 2019.
The Library's Controls for Three Gift Funds Are Generally Working but Need to Be Enhanced	2016-PA-102 September 2017	Develop- ment Of- fice, Finan- cial Services Directorate, Office of General Counsel	6	The Development Office, in consultation with FSD and OGC as appropriate, should develop a systematic approach to monitoring stakeholders' compliance with gift requirements, update its procedures manual to include guidance on how to implement the approach, and then adhere to it. As part of the approach, compliance should be tracked using an electronic database. The Library should also consider whether FSD and/or OGC should perform general oversight on a periodic basis considering the risks associated with noncompliance—See the status update provided for recommendation 3 for report no. 2016-PA-102. The estimated date of completion is the second quarter of FY 2019.

¹⁷ These status updates are management assertions and have not been audited.

UNIMPLEMENTED RECOMMENDATIONS

TABLE 4A: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY AND STATUS OF RECOMMENDATION
Office of the Librarian / Office of the Chief Information Officer				
Maturity of System Development Life Cycle Processes and Procedures	2013-IT-105 February 2015	Office of the Chief Information Officer	4	Report summary: OIG evaluated the Library's System Development Life Cycle methodology for acquiring, designing, implementing, and maintaining IT systems. Establish a budget methodology to track project development costs and measure variances against approved costs—In March 2019, the Library submitted project full time equivalent cost variance reports for the first quarter of FY 2019 to OIG with a request to close the recommendation.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.1.A	Report summary: OIG reviewed the Library's internal controls for tracking IT investments. Align current cost development processes for IT investments to coincide with requirements for Office of Management and Budget (OMB) reporting, such as the use of an earned value management system to track costs on high-risk projects, as discussed in <i>Capital Programming Guide, V.3.0, Supplement to OMB Circular A-11: Planning, Budgeting, and Acquisition of Capital Assets</i> —Project actuals are now being tracked on a monthly basis for all IT projects managed by the agency Project Management Office (PMO), which resides in the OCIO. The PMO is working to update their project tracking tool to calculate and report variance between actual versus budgeted personnel hours. Once the variance reporting has been implemented, the PMO will begin analyzing reasons for variance and be able to take steps to minimize project overruns. OCIO is reviewing OMB's Capital Planning Guidance for FY 2020 to begin adopting selected sections of that guidance to OCIO's FY 2020 IT financial planning and FY 2021 IT investment planning processes. The estimated date of completion is the fourth quarter of FY 2019.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.1.B	Implementation of these practices may require procedural changes used by the service units for reporting expenditures and systemic modifications to the Library's Legislative Brand Financial Management System (LBFMS) and the Library of Congress Budget System (LCBS) that are used for tracking costs—OCIO continues to work with the FSD to conduct quality reviews of data available and to extract data from its reporting systems, including the Financial Reporting System (FRS) and Library of Congress Budget System (LCBS). The estimated date of completion is the fourth quarter of FY 2021.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.2.C	Institute better tracking of IT investments through changes in LBFMS and LCBS—See the status update provided for recommendation V.1.B for report no. 2014-IT-101. The estimated date of completion is the fourth quarter of FY 2021.

UNIMPLEMENTED RECOMMENDATIONS

TABLE 4A: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY AND STATUS OF RECOMMENDATION
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Office of the Chief Information Officer	2	<p>Report summary: OIG evaluated the Librarian’s efforts to ingest and make available for use electronic works (born-digital content).</p> <p>Recommendation: The Librarian should require the Architecture Review Board to: ensure that the eCollections Strategy and related activities are sufficiently addressed in the Enterprise Architecture’s current or “as-is” environment, the target or “to-be” environment, and the roadmap leading from the as-is to the to-be environment; sufficiently address and reduce the risk of implementing duplicative, poorly integrated, and unnecessarily costly eCollection activities; and sufficiently address the need for “robust security” to prevent “loss, alteration, and unauthorized access” of eCollections items—As part of the Librarian’s recently updated IT Planning Process, service units will submit Business Proposals linked to their directional plans as well as to the Librarian’s Strategic Plan and its Digital Strategy. The process will identify a future state and roadmap to meet each Business Proposal determined to be well aligned by the Product Governance Board and/or Technology Strategy Board. The future state and roadmap, along with the Business Proposal, will become the basis of an IT Investment plan that will drive project charters and the future state. The Librarian’s IT Planning Process will also include a cross-Librarian analysis and review against the Service Portfolio to maximize reuse and avoid duplicative efforts. The estimated date of completion is the first quarter of FY 2020.</p>
Office of the Librarian				
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library-wide	4	<p>The Librarian should take the following steps to implement better governance and accountability in order to ensure timely implementation of the Librarian’s vision to acquire digital works: create a mechanism for the Librarian and the Librarian’s immediate leadership team to receive executive-level reports on a regular basis on eCollection activities, mandate their review, and take timely action as necessary to ensure that such activities stay in-line with the Librarian’s vision and with senior leadership’s cost, schedule, and performance expectations; provide greater clarity on the role of the Executive Committee (EC) in monitoring and overseeing cross-cutting IT programs; and ensure the EC’s consistent involvement, support, and oversight of the eDeposit Program and the eSerials Project—This recommendation is currently under review.</p>

UNIMPLEMENTED RECOMMENDATIONS

TABLE 4A: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY AND STATUS OF RECOMMENDATION
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library-wide	5	The Information Technology Steering Committee (ITSC) does not have the necessary data to align IT goals, objectives, and priorities with the strategic needs and plans of the Library. The Librarian should do the following to correct this: direct the Chief Financial Officer (CFO) to provide information on the full universe of IT investments budgeted in each fiscal year for eCollection activities to the ITSC on an ongoing basis, as well as provide actual year-to-year costs for budget versus actual comparisons; require ITSC to formulate approval and monitoring criteria that align with the Library's organizational priorities as stated in an eCollections Strategy and associated enterprise architecture, as well as with common requirements spanning the Library's service units for ingesting and protecting electronic works; and require the chair of the ITSC to report regularly to the Librarian, a designee, and/or the EC about ITSC decisions and oversight issues related to the schedule, cost, and performance of eCollection activities—In November 2018, the Library submitted evidence to OIG with a request to close the recommendation.
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library-wide	6	To improve the organizational and financial management of its eCollection activities, the Librarian needs to require that service units: adopt and implement Library-wide best practices for standardizing program and project management to increase the likelihood of delivering effective digital transformations on time and on budget; and collect, track, and use quantitative data demonstrating variances in project delivery and investment targets to inform management oversight and reporting, including budget, planning, and investment decision-making going forward. This information should be used as part of the Library's performance management process—In March 2019, the Library submitted project full-time-equivalent cost variance reports for the second quarter of FY 2019 to OIG with a request to close the recommendation.

UNIMPLEMENTED RECOMMENDATIONS

TABLE 4A: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY AND STATUS OF RECOMMENDATION
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library-wide	7	For all IT investments, the Librarian should: (1) require service units and sponsors of significant IT investments (regardless of funding source) to complete a business case document that demonstrates how each IT project would meet organizational needs; outlines benefits, estimated costs, and risks, including the results of a cost-benefit analysis; and establishes a preliminary schedule for implementation; (2) require the business case document to be submitted to the ITSC for review during an early phase of product development and require the business case to be periodically reviewed and verified by ITSC with respect to the business need(s) being supported; (3) direct the CFO to develop the capability to fully project, capture, and track the actual costs of IT-related activities, including payroll costs; and (4) require the Strategic Planning Office or another unit to develop the capability for the Librarian and her immediate leadership team to monitor significant IT investments across the Library's various planning, budgeting, program/project management, and financial accounting systems to reveal inefficiencies and ineffectiveness in order to address problems in a timely manner—Following recommendations from both OIG and GAO, the Library established LCR 5-130, <i>IT Investment Management</i> in June of 2017 that requires service units to submit business case documents that support and justify all technology investments. This LCR and associated directive and Information Technology Investment Management (ITIM) forms largely addressed OIG's recommendation. Subsequent to this LCR being issued, the Library executed this ITIM process for FY 2017, 2018, and 2019. As a result of execution and lessons learned, OCIO is updating governance structures and workflow for FY 2020 including future years and is updating the business case template, based on the updated OMB Capital Planning Guidance. The Library is expecting to improve upon multi-year investment information, including improvements to estimated lifecycle costs and schedule for implementation. The estimated date of completion is the fourth quarter of FY 2019.
Office of the Librarian / Chief Operating Office				
The Library's Controls for Three Gift Funds Are Generally Working but Need to Be Enhanced	2016-PA-102 September 2017	Financial Services Directive	1	FSD should update LCD 6-320.1 to include a timeliness requirement for the deposit of gifts. The Disbursing Office should also update its procedures manual to include the requirement and then adhere to it—As of May 2018, procedures were updated and provided to OGC for review and circulation to the LCR working group. Evidence of the change will be provided shortly to OIG. The estimated date of completion is the second quarter of FY 2019.
Library Management Needs to Exercise Stronger Oversight of the Library Gift Shop's Participation in the Purchase Card Program	2015-PA-102 January 2018	Financial Services Directive	4	Report summary: OIG completed an interim report to alert Library management that the Library gift shop's participation in the purchase card program needed greater oversight. Library gift shop management should conduct a review to determine whether other amounts were overpaid since August 2015, the start of OIG's period under review, and recover any overpayments as appropriate, in addition to the \$2,500 identified in this audit for the short time period selected—According to gift shop management, the vendor was not overpaid. The gift shop received additional items, although the quantity was not updated on the order or receipt. As a result, there was no overpayment to recover. OIG has requested documentation showing that there was no overpayment and that additional items were received.

UNIMPLEMENTED RECOMMENDATIONS

TABLE 4A: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

SUBJECT	REPORT No. ISSUE DATE	OFFICE	REC. No.	SUMMARY AND STATUS OF RECOMMENDATION
Library Services				
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library Services	1	To become more cost efficient and to ensure that eCollection activities are meeting the Library's strategic business objectives, the Library needs an overarching, transformative eCollections Strategy for collecting electronic works that does the following: groups programs, projects, and other IT work together to facilitate effective portfolio management of activities related to collecting electronic works, including born-digital works; identifies the Library's organizational priorities related to these programs and projects and other IT work, makes investment decisions, and allocates resources accordingly; and focuses on meeting common requirements that span across the Library's service units—This recommendation is currently under review.



ABOVE: F. (FANNY) PALMER, *THE CHAMPIONS OF THE MISSISSIPPI: "A RACE FOR THE BUCKHORNS,"* ca. 1866. LITHOGRAPH. PUBLISHED BY CURRIER & IVES. PRINT SHOWS STEAMBOATS IN A RACE ON THE MISSISSIPPI RIVER.

REPOSITORY: PRINTS & PHOTOGRAPHS DIVISION, LIBRARY OF CONGRESS

IMPLEMENTED AND CLOSED RECOMMENDATIONS¹⁸

TABLE 4B: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS WHICH WERE IMPLEMENTED OR CLOSED DURING THIS PERIOD

SUBJECT	REPORT No. ISSUE DATE	OFFICE	REC. No.	SUMMARY OF RECOMMENDATION AND ACTION
Office of the Librarian / Office of the Chief Information Officer				
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VII.1.A	The Chief of Staff should implement a continuous improvement program within the EC and ITSC to identify opportunities for process improvement in the areas of cost accounting, performance management, and all areas of the ITSC—OCIO addressed the recommendation.
Office of the Librarian / Chief Operating Office				
Incremental Improvement Has Been Made to Modernize the Office of Contracts and Grants Management	2016-PA-101 February 2018	Contracts and Grants Directorate	14	Report summary: The audit evaluated actions taken to remedy deficiencies previously identified by OIG. The Chief Operating Officer (COO) should conduct a full evaluation of the LBFMS acquisition module's internal control design to ensure the appropriate controls are implemented for assuring the reliability and accuracy of contract and related financial data—LBFMS Acquisition Module Assessment was delivered to the Library on July 16, 2018. Additional requirements and implementation reports were delivered and solicitations are underway to implement recommendations from the evaluation.
Incremental Improvement Has Been Made to Modernize the Office of Contracts and Grants Management	2016-PA-101 February 2018	Contracts and Grants Directorate	15	The COO should revise the Contracts & Grant's Directorate's (CGD) policies and procedures to require quality assurance processes for verifying that all systems are operating as designed and compliance is adequate—CGD revised the standard operating procedure for Contract File Review on Dec. 18, 2018 and provided an updated checklist to review systems compared to contract documents. Other quality assurance checks are being conducted to determine whether or not more formal practices need to be established (e.g., verifying if files are located).
Incremental Improvement Has Been Made to Modernize the Office of Contracts and Grants Management	2016-PA-101 February 2018	Contracts and Grants Directorate	16	The COO should develop and implement an CGD quality assurance program to assure the completeness of contract documentation and consistency between LBFMS data and hard copy contract files—See the status update provided for recommendation 15 for report no. 2016-PA-101.
Incremental Improvement Has Been Made to Modernize the Office of Contracts and Grants Management	2016-PA-101 February 2018	Contracts and Grants Directorate	18	The COO should develop and install a daily automated reconciliation process for balancing contract/task order open obligations by number and amount between LBFMSs acquisition and financial modules—FSD has developed a daily system assurance exception report that only shows differences and an Excel-based report with full document detail that runs about every three days. Any inaccuracies found on the report will be corrected.

OPPOSITE: ALICE BARBER STEPHENS. [LEFT]: SOMEBODY HAS TO RAISE EVERYTHING YOU EAT, DO YOUR SHARE, 1917. CRAYON. PUBLISHED IN RED CROSS MAGAZINE, NOVEMBER 1917.

[RIGHT]: SELMA THREW HERSELF AT FULL LENGTH ON THE GROUND, 1895. WATERCOLOR. PUBLISHED IN THREE CHAPTERS, BY GERTRUDE BLAKE STANTON, COSMOPOLITAN, 1895.

REPOSITORY: PRINTS & PHOTOGRAPHS DIVISION, LIBRARY OF CONGRESS

¹⁸ These status updates are management assertions and have not been audited.

IMPLEMENTED AND CLOSED RECOMMENDATIONS

TABLE 4B: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS WHICH WERE IMPLEMENTED OR CLOSED DURING THIS PERIOD

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY OF RECOMMENDATION AND ACTION
Incremental Improvement Has Been Made to Modernize the Office of Contracts and Grants Management	2016-PA-101 February 2018	Contracts and Grants Directorate	19	The COO should update the November 2014, LBFMS Acquisition System Gap Analysis by evaluating the design of system internal controls, the electronic audit trail\workflow, and data input validation—See the status update provided for recommendation 14 for report no. 2016-PA-101.
Incremental Improvement Has Been Made to Modernize the Office of Contracts and Grants Management	2016-PA-101 February 2018	Contracts and Grants Directorate	20	The COO should develop quality assurance program performance metrics—Contracting Officer Representative (COR) Checklist and Performance feedback process used for quarterly COR File reviews and a report is provided to CGD Management. The Solicitation Review Board/ Contract Review Board (SRB/CRB) process along with the Contracting Officer (CO) Contract File Reviews conducted in absence of an SRB/CRB assures quality of contract files. Additionally, current Key Business Processes track the progress quarterly.



UNIMPLEMENTED FINANCIAL STATEMENTS RECOMMENDATIONS

The objective of the financial statements audit is to obtain reasonable assurance that the Library's financial statements are free of material misstatements. OIG summarized the Library's FY 2017 financial statements audit recommendations and the Library's corrective action plan in table 4C.¹⁹ Details on recommendations are provided for the auditor's publicly released reports, but not for management letter comments distributed internally to Library management. The implementation of recommendations will be evaluated during the Library's FY 2018 financial statements audit.

TABLE 4C: FY 2017 FINANCIAL STATEMENTS RECOMMENDATIONS MADE BY THE INDEPENDENT PUBLIC ACCOUNTANT

SUBJECT	REPORT NO. ISSUE DATE	REC. NO.	SUMMARY OF RECOMMENDATION AND ACTION
Internal Control over Financial Reporting Reportable Findings			
Office of the Librarian / Office of the Chief Financial Officer			
Improper Reporting of Investments	2017-FN-101 August 2018	I.1	Perform an analysis of current financial reporting processes to identify any complex processes that could be simplified or eliminated, to include an analysis on how transactions are reported in the financial reporting system. If FSD does not have the bandwidth to perform such an analysis, it should consider hiring an outside consultant with expertise and knowledge of best practices in federal financial reporting processes—The Library will issue a contract to review accounts in LBFMS, uses for creation of financial reports, documentation of external financial reports, and to map General Ledger accounts to reports. The contractor is to provide analysis of methods to simplify processes. The Library will also consider hiring a contractor to analyze current financial reporting processes with an aim to streamline and gain efficiencies in accordance with Government best practices. The target for awarding a contract is November 15, 2018.
Improper Reporting of Investments	2017-FN-101 August 2018	I.2	Once financial reporting processes are reviewed and simplified, where possible, document all steps needed to report financial transactions in desk guides or procedures documents—The Financial Reports Office (FRO) is documenting procedures as needed.
Improper Reporting of Investments	2017-FN-101 August 2018	I.3	Perform an assessment of who should be performing the processes, such that procedures are assigned to the lowest level feasible, to allow for a detail review below the management level, where possible—FSD will perform an assessment of tasks to streamline processes, determine appropriate levels for review, complete standard operating procedures (SOPs) and desk guides, and identify skill gaps and positions needed in FRO. The estimated date of completion is the fourth quarter of FY 2019.
Improper Reporting of Investments	2017-FN-101 August 2018	I.4	Develop and establish high-level analytical procedures at the supervisor and manager level to facilitate the identification and correction of errors in financial reporting processes—See the status of recommendation update provided for recommendation I.3. FRO is also researching tools needed to monitor operations on an ongoing basis.
Improper Reporting of Investments	2017-FN-101 August 2018	I.5	Establish and document procedures to record corrections, including prior-period corrections, in accordance with United States Standard General Ledger guidance. The Library should use these procedures to ensure that corrections posted to the financial management system are properly reflected on the Balance Sheets, Statement of Changes in Net Position, and Statement of Budgetary Resources, as well as that current period results are not impacted by prior-period adjustments—The Library will hire an outside accounting firm to review investment process and general ledger posting models for investment with recommendation for future state. The Library will also compare best practices with Pension Benefit Guaranty Corporation and consult with an investment manager on potential software tools available to streamline processes. The estimated date of completion is the first quarter of FY 2019.

¹⁹ OIG contracted with an independent certified public accounting firm to complete the Library's FY 2017 financial statements audit.

UNIMPLEMENTED FINANCIAL STATEMENTS RECOMMENDATIONS

TABLE 4C: FY 2017 FINANCIAL STATEMENTS RECOMMENDATIONS MADE BY THE INDEPENDENT PUBLIC ACCOUNTANT

SUBJECT	REPORT NO. ISSUE DATE	REC. NO.	SUMMARY OF RECOMMENDATION AND ACTION
Improper Reporting of Investments	2017-FN-101 August 2018	I.6	Establish and document procedures to perform a quarterly reconciliation of non-Treasury investments, to include reconciling all investment, realized and unrealized gain and loss accounts. As part of the quarterly reconciliation, Library personnel should compare the market value of investment per statements received from the financial institutions with the investment balance recorded in the financial system. Any difference noted in the market value should be recorded as an adjustment to the balance of Market Adjustment-Investments account and the unrealized gain or loss accounts. The Library should also use this reconciliation to ensure the appropriate historical cost and current market value amounts are recorded in memo accounts used to create the investment footnote that accompanies the financial statements, as well as to ensure that current period realized and unrealized gains and losses are properly reported on the financial statements—See the status of recommendation update provided for recommendation I.5. The estimated date of completion is the second quarter of FY 2019.
Untimely Deobligation of Funds	2017-FN-101 August 2018	II.1	Strengthen the process to review open obligations and ensure that the status of open obligations, to include the identification of older obligations, is formally documented and reviewed by the appropriate personnel, as well as that action is taken to timely deobligate unneeded funds. One alternative that the FSD should explore is the possibility of using an unliquidated obligations aging report in LBFMS to identify all unliquidated obligations with no activity in the previous six months, filtered by obligation origination date. Working with the CGD, this report could be used as the basis for a periodic review of obligations. The COs or CORs, in conjunction with the service units, should perform this review to determine if obligations are still valid or to identify obligations that are no longer needed so that the COs and CORs can take action to deobligate the funds—CGD moved inactive contracts report to production on March 2, 2018. CGD uses this report to monitor reductions of backlogged unliquidated obligations a report per annual planning goal process. Also, CGD contracted for contract close-out support services. As of September 30, the backlog has been reduced by 60% from the beginning of the fiscal year. CGD and FSD will review current reports and procedures for monitoring unliquidated obligations and update documentation of the contract closeout process. A closeout procedure was published in September of 2018.
Untimely Deobligation of Funds	2017-FN-101 August 2018	II.2	Continue to train personnel, service units, the Office of Contracts, and the FSD on the unliquidated obligations review process, specifically on how to execute the review, in addition to understanding the importance of de-obligating unneeded funds in a timely manner—See the status of recommendation update provided for recommendation II.1.
Untimely Deobligation of Funds	2017-FN-101 August 2018	II.3	FSD should monitor the review process to ensure service units are providing an accurate status on open obligations in a timely manner and, when necessary, the COs are issuing contract modifications and de-obligating funds timely—The Library will deploy a de-obligation metric to measure the reduction of inactive contracts with unliquidated balances. The estimated date of completion is the first quarter of FY 2019.

UNIMPLEMENTED FINANCIAL STATEMENTS RECOMMENDATIONS

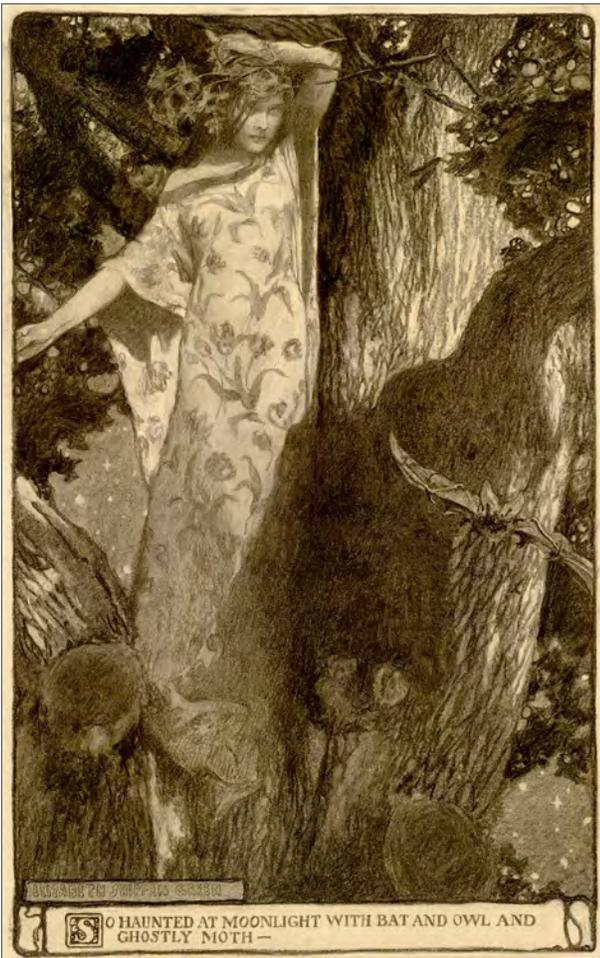
TABLE 4C: FY 2017 FINANCIAL STATEMENTS RECOMMENDATIONS MADE BY THE INDEPENDENT PUBLIC ACCOUNTANT

SUBJECT	REPORT NO. ISSUE DATE	REC. NO.	SUMMARY OF RECOMMENDATION AND ACTION
Untimely Deobligation of Funds	2017-FN-101 August 2018	III.1	Update the process for Acquisitions & Bibliographic Access (ABA) purchases to ensure that obligations are not recorded in LBFMS prior to the Library entering into a legally binding agreement to make a purchase. If the Library has a need to reserve funds prior to entering into a legally binding agreement, it should consider recording a commitment for these amounts—FSD, Library Services (LS), and OGC met to discuss solutions. For FY 2018, FRO will record a standard voucher to adjust ILS bulk obligation in LBFMS to actual open obligations on September 30, 2018 based on ILS reports and accrue invoices not received. For FY 2019, the Financial Systems Office (FSO) and LS will develop and test a new process to change the bulk purchase obligation to a requisition and implement obligate and pay. As the Library develops requirements for a replacement to ILS/Voyager, the Library will address current system limitations and ensure a new system provides flexibilities to accommodate all necessary recording, commitment, and obligation requirements. The estimated date of completion is the second quarter of FY 2019.
Untimely Deobligation of Funds	2017-FN-101 August 2018	III.2	Formally document the updated process for ABA purchases in Library policies and procedures, as appropriate, to ensure all Library employees understand and are recording commitments and obligations in accordance with the Library’s policies and procedures—FSD and ABA will update policies and procedures to incorporate the solution for FY 2018 and the revised processes for FY 2019 to reflect the changed recording, commitment, and obligation procedures. The estimated date of completion for FY 2018 and FY 2019 policies and procedures is the fourth quarter of FY 2018 and the second quarter of FY 2019, respectively.
Untimely Deobligation of Funds	2017-FN-101 August 2018	III.3	Strengthen and better integrate the obligation process for Federal Library and Information Network (FEDLINK) transactions to ensure there are no delays between the approval of a purchase order and the recording of obligations, as well as ensure all obligations are supported by an approved purchase order. This could be accomplished by implementing a periodic reconciliation between purchase orders that were approved in the FEDLINK system and obligations recorded in LBFMS—The Library will improve untimely recording of obligations by migrating to LBFMS, pending the availability of funding. FRO and FEDLINK will discuss performing monthly reconciliations between the System Management Information Network and LC
Untimely Deobligation of Funds	2017-FN-101 August 2018	III.4	Ensure that all Library personnel with the responsibility for recording obligations in LBFMS understand the importance of recording obligations timely. This could be accomplished through training and enforced through periodic reviews of obligations to ensure obligations are recorded promptly after approval—COO will identify obligating officials in LBFMS and, in coordination with the offices involved in obligating funds, develop and issue guidance on recording responsibilities.
Validation of Accounts Payable Accrual	2017-FN-101 August 2018	IV.1	Modify the FEDLINK processes and/or system to capture the date that customers receive goods or services—The Library will hire an outside accounting firm to review FEDLINK’s accrual methodology and recommend processes to validate and modify FEDLINK’s process or system to capture receipt date. The estimated date of completion is the second quarter of FY 2019.
Validation of Accounts Payable Accrual	2017-FN-101 August 2018	IV.2	Implement a process to regularly validate the accounts payable (AP) accrual methodology for FEDLINK by comparing the estimate to actual data. FSD should review the results of the validation and update the AP accrual methodology for FEDLINK, as necessary, to ensure estimates accurately reflect actual data—See the status of recommendation update provided for recommendation IV.1. In the interim, FRO will create the FEDLINK AP Accrual for June, July, August and September 2018. FEDLINK and FRO will manually validate the data for each month. FEDLINK and FRO will create a SOP for this new accrual methodology and validation process that will also reinstate prior procedures where FEDLINK was part of the validation process. The estimated date of completion is the second quarter of FY 2019.

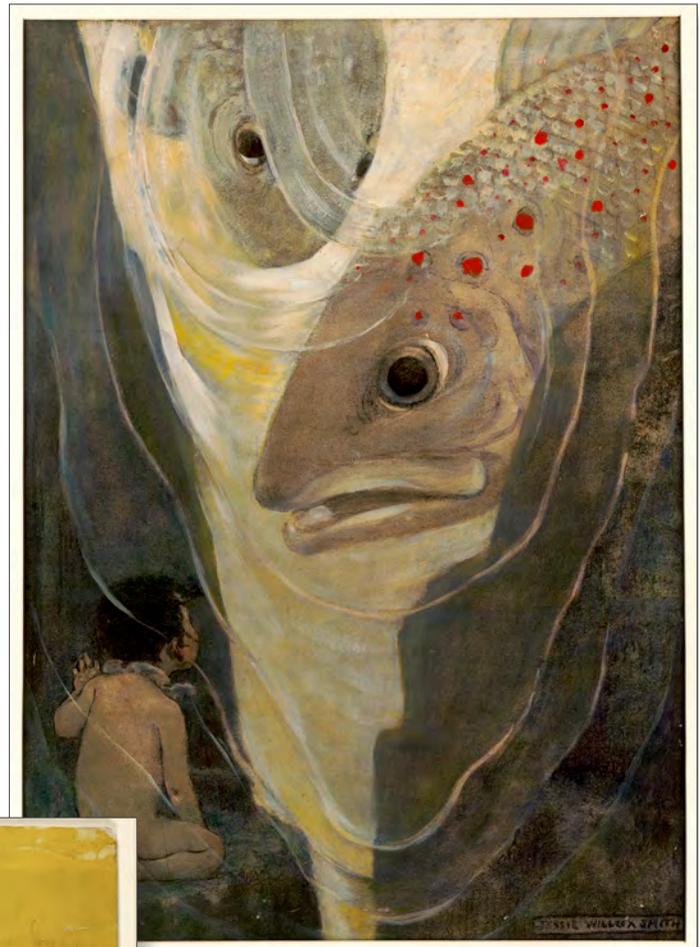
UNIMPLEMENTED FINANCIAL STATEMENTS RECOMMENDATIONS

TABLE 4C: FY 2017 FINANCIAL STATEMENTS RECOMMENDATIONS MADE BY THE INDEPENDENT PUBLIC ACCOUNTANT

SUBJECT	REPORT NO. ISSUE DATE	REC. NO.	SUMMARY OF RECOMMENDATION AND ACTION
Compliance with Laws, Regulations, Contracts, and Grant Agreements Reportable Findings			
Lack of Support for Bulk Obligations	2017-FN-101 August 2018	I.1	Update the process for ABA purchases to ensure that obligations are not recorded in LBFMS prior to the Library entering into a legally binding agreement to make a purchase. If the Library has a need to reserve funds prior to entering into a legally binding agreement, it should consider recording a commitment for these amounts—See the status of recommendation update provided for recommendation III.1.
Lack of Support for Bulk Obligations	2017-FN-101 August 2018	I.2	Formally document the updated process for ABA purchases in Library policies and procedures, as appropriate, to ensure all Library employees understand and are recording commitments and obligations in accordance with the Library’s policies and procedures—FSD and ABA will update policies and procedures to incorporate a solution for FY 2018 and revised processes for FY 2019 to reflect changes to recording, commitment, and obligation procedures.
Management Letter Comments (Internal control deficiencies not required to be included in the audit report)			
Office of the Librarian / Office of the Chief Information Officer			
IT-2017-01	2017-FN-102 December 2017	-	Not for public release.
IT-2017-02	2017-FN-102 December 2017	-	Not for public release.
IT-2017-03	2017-FN-102 December 2017	-	Not for public release.
IT-2017-04	2017-FN-102 December 2017	-	Not for public release.
IT-2017-05	2017-FN-102 December 2017	-	Not for public release.
IT-2017-06	2017-FN-102 December 2017	-	Not for public release.
IT-2017-07	2017-FN-102 December 2017	-	Not for public release.
Financial Services Directorate / U.S. Copyright Office			
-	2017-FN-103 June 2018	1	Not for public release.
-	2017-FN-103 June 2018	2	Not for public release.
-	2017-FN-103 June 2018	3	Not for public release.
-	2017-FN-103 June 2018	4	Not for public release.
-	2017-FN-103 June 2018	5	Not for public release.



HAUNTED AT MOONLIGHT WITH BAT AND OWL AND GHOSTLY MOTH—



NEIL WALKER'S FISH



August 1910

Price 25 cts.



-414- 3 color -



ABOVE [CLOCKWISE]: RITA SENGER, *WOMAN DANCING ON THE SHORE*, 1916. GOUACHE AND WATERCOLOR OVER PENCIL. PUBLISHED AS A COVER OF *VANITY FAIR*, JULY 1916.
 ANNE HARRIET FISH, *DANCING COUPLES, NO. 1*, 1920. INDIA INK, GOUACHE, AND WATERCOLOR WITH PAINTED OVERLAYS. PUBLISHED AS A COVER OF *VANITY FAIR*, MARCH 1920.
 ETHEL M'CLELLAN PLUMMER, *GIRL WITH KITE AND DOG*, 1917. INDIA INK, GOUACHE, AND WATERCOLOR OVER PENCIL. PUBLISHED AS A COVER OF *VANITY FAIR*, MAY 1917.

OPPOSITE [CLOCKWISE]: ELIZABETH SHIPPEN GREEN ELLIOTT, *SO HAUNTED AT MOONLIGHT WITH BAT AND OWL AND GHOSTLY MOTH*, 1902. CHARCOAL. PUBLISHED IN *OUR TREE-TOP LIBRARY* BY RICHARD LE GALLIENNE, *HARPER'S MAGAZINE*, MARCH 1902. ILLUSTRATION SHOWS A YOUNG WOOD NYMPH BALANCED IN TREETOP BRANCHES AMONG A BAT, OWL AND INSECTS.
 JESSIE WILLCOX SMITH, *OH, DON'T HURT ME! CRIED TOM. I ONLY WANT TO LOOK AT YOU; YOU ARE SO HANDSOME*, 1916. CHARCOAL, WATERCOLOR, AND OIL. PRODUCED FOR *THE WATER-BABIES*, A VICTORIAN STORY OF REDEMPTION BY CHARLES KINGSLEY. THE DRAWINGS BELONG AMONG HER MOST ADMIRED WORKS AND UPON HER DEATH, SHE BEQUEATHED THEM TO THE LIBRARY.
 MARGE, *LITTLE LULLU. AT THE BARBER SHOP*, 1942. INK AND GRAPHITE. THE CARTOON WAS CREATED IN 1935 BY MARJORIE HENDERSON BUELL (WHO SIGNED HER CARTOONS AS MARGE) AND WAS PUBLISHED FOR MANY YEARS IN *THE SATURDAY EVENING POST*.
 ETHEL M'CLELLAN PLUMMER, *COUPLE AT THE RACES*, 1916. INDIA INK AND GOUACHE OVER PENCIL. DRAWING SHOWS A YOUNG, WELL-DRESSED COUPLE WALKING THEIR DOG AT THE HORSE RACES. PUBLISHED AS A COVER OF *VANITY FAIR*, MAY 1916.

REPOSITORY: PRINTS & PHOTOGRAPHS DIVISION, LIBRARY OF CONGRESS

REPORTING REQUIREMENTS UNDER THE INSPECTOR GENERAL ACT

TABLE 5: REPORTING REQUIREMENTS UNDER THE INSPECTOR GENERAL ACT OF 1978, AS AMENDED²⁰

IG ACT SECTION	OIG REPORTING REQUIREMENTS	PAGE NUMBER
4(a)(2)	Review of legislation and regulations.	13
5(a)(1)	Significant problems, abuses, and deficiencies.	5-9, 10-12
5(a)(2)	Recommendations for corrective action.	17-22, 25-28
5(a)(3)	Significant outstanding recommendations.	17-22, 25-28
5(a)(4)	Matters referred to prosecutorial authorities.	14-15
5(a)(5)/6(c)(2)	Information or assistance unreasonably refused or not provided.	N/A
5(a)(6)	Listing of completed audit, inspection and evaluation, and investigative reports.	10-15
5(a)(7)	Summary of significant reports.	10-15
5(a)(8)	Statistical table pertaining to questioned costs for audits, inspections and evaluations, and investigations.	31-32
5(a)(9)	Statistical table pertaining to funds recommended to be put to better use for audits, inspections and evaluations, and investigations.	31-32
5(a)(10)	Prior OIG reports unresolved, uncommented upon, desired timetable for achieving a management decision.	N/A
5(a)(11)	Significant revised management decisions.	N/A
5(a)(12)	Management decision disagreements.	N/A
5(a)(13)	Information described under Section 804(b), Federal Financial Management Improvement Act of 1996.	N/A
5(a)(14)	Information regarding peer reviews involving the OIG.	32
5(a)(15)	List of any outstanding recommendations from any peer review conducted by another OIG.	32
5(a)(16)	List of any peer reviews conducted by the IG of another OIG during reporting period.	32
5(a)(17)	Statistical tables pertaining to OIG investigations.	14
5(a)(18)	Description of the metrics for OIG investigative table.	14
5(a)(19)	Reports involving senior Government employees where allegations were substantiated, including the facts and circumstances of the investigation and status and disposition of the matter.	N/A
5(a)(20)	Instance of whistle blower retaliation.	N/A
5(a)(21)	Attempted agency interference with OIG independence, including budget constraints designed to limit OIG capabilities; and incidents where agency has resisted, objected, or significantly delayed access to information	N/A
5(a)(22)	Inspections, evaluations, audits, and investigations of senior Government employees undisclosed to the public.	N/A

TABLE 6: FY 2002–PRESENT FUNDS QUESTIONED OR PUT TO BETTER USE

FUNDS QUESTIONED AND PUT TO BETTER USE	FUNDS QUESTIONED AND PUT TO BETTER USE TO OIG DISCRETIONARY BUDGET ²¹
\$74,849,430	1.96:1

²⁰ Each Inspector General shall, not later than April 30 and October 31 of each year, prepare semiannual reports summarizing the activities of the Office during the immediately preceding six-month periods ending March 31 and September 30.

²¹ Total budget minus 1) unreimbursed cost of mandatory financial statement audits, including the cost of OIG staff to oversee financial statement activity, and 2) any unobligated funds returned to the Library for resource reallocation.

TABLE 7: FY 2018 AUDITS WITH RECOMMENDATIONS FOR BETTER USE OF FUNDS

REPORTING PERIOD	NUMBER OF AUDIT REPORTS	TOTAL FUNDS PUT TO BETTER USE
No management decision was made by the start of the period:	-	-
Issued during the period:	-	-
In need of management decision during the period:	-	-
Management decision made during the period:		
Value of recommendations agreed to by management:	-	-
Value of recommendations not agreed to by management:	-	-
No management decision made by the end of the period:		
Less than six months old:	-	-
More than six months old:	-	-

TABLE 8: FY 2018 AUDITS WITH QUESTIONED COSTS

REPORTING PERIOD	NUMBER OF AUDIT REPORTS	TOTAL QUESTIONED COSTS	UNSUPPORTED COSTS
No management decision made by the start of the period:	-	-	-
Issued during the period:	-	-	-
In need of management decision during the period:	-	-	-
Management decision made during the period:			
Value of recommendations agreed to by management:	-	-	-
Value of recommendations not agreed to by management:	-	-	-
No management decision made by the end of the period:			
Less than six months old:	-	-	-
More than six months old:	-	-	-

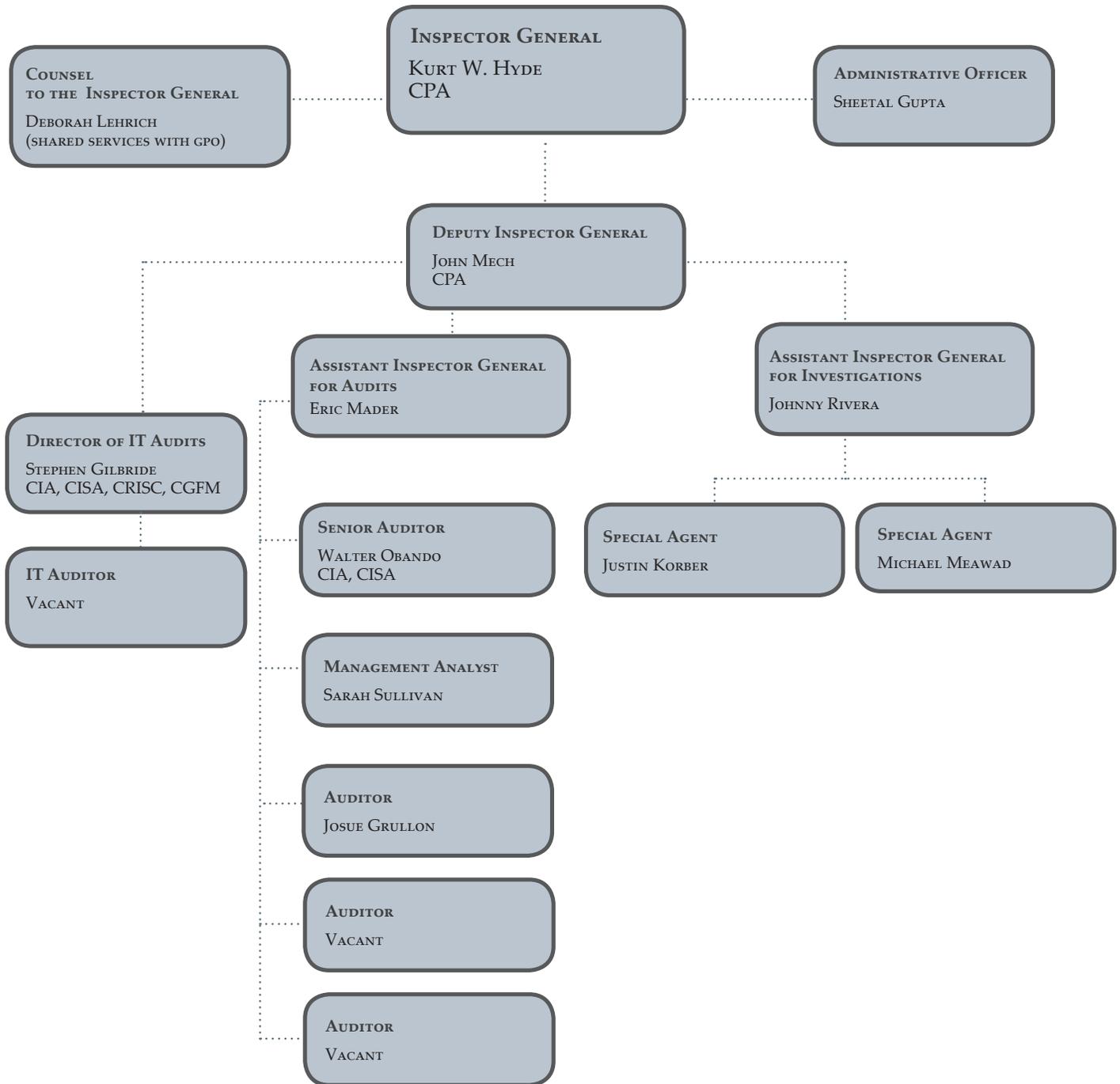
PEER REVIEW REPORTING

OIG's audit division undergoes external peer reviews at least once every three years. OIG was most recently the subject of a CIGIE peer review for compliance with CIGIE's standards for inspections and evaluations by the Securities and Exchange Commission OIG for the period ending May 1, 2018. The team focused on OIG's policies and procedures for conducting inspections and evaluations. The review determined that OIG generally met the standards under review, and no recommendations were made. Because this was our first inspection and evaluation peer review, there were no outstanding recommendations.

OIG was also the subject of a CIGIE peer review for compliance with audit standards by the Peace Corps OIG for the period ending March 31, 2016. Peace Corps OIG concluded that OIG's system of quality control has been suitably designed and complied with to provide reasonable assurance of conforming with applicable professional standards in all material respects. Accordingly, the Peace Corps OIG provided a "pass" rating, and no recommendations were made. There were no outstanding recommendations from a previous peer review.

OIG completed its last peer review of the Corporation for National and Community Service OIG in April 2016. OIG did not make any recommendations in the peer review and does not have any outstanding recommendations from past peer reviews conducted of other audit organizations.

OFFICE OF THE INSPECTOR GENERAL – ORGANIZATIONAL CHART



OFFICE OF THE INSPECTOR GENERAL HOTLINE

HELP PROMOTE INTEGRITY, ECONOMY, AND EFFICIENCY

REPORT SUSPECTED FRAUD, WASTE, ABUSE, OR MISMANAGEMENT

COMPLAINTS MAY BE MADE ANONYMOUSLY

OFFICE OF THE INSPECTOR GENERAL

LIBRARY OF CONGRESS

101 INDEPENDENCE AVENUE, SE

LM-630

WASHINGTON, DC 20540-1060

HOTLINE FORM MAY BE FOUND AT:

<https://www.loc.gov/about/office-of-the-inspector-general/contact-us/>

LIBRARY LIBRARY
OF CONGRESS

Office of the Inspector General
101 Independence Avenue, SE
Washington, DC 20540-1060