

*FRONT COVER: CEILING DETAIL, LIBRARY OF CONGRESS THOMAS JEFFERSON BUILDING
PHOTOGRAPH: CAROL HIGHSMITH
REPOSITORY: PRINTS AND PHOTOGRAPHS DIVISION, THE LIBRARY OF CONGRESS*

*ABOVE: VIEW FROM THE SECOND FLOOR SOUTH CORRIDOR OF THE GREAT HALL, LIBRARY OF CONGRESS THOMAS JEFFERSON BUILDING.
PHOTOGRAPH: CAROL HIGHSMITH
REPOSITORY: PRINTS AND PHOTOGRAPHS DIVISION, THE LIBRARY OF CONGRESS*



LIBRARY OF CONGRESS

September 30, 2015

MESSAGE FROM THE INSPECTOR GENERAL

The Library of Congress continues to experience a great deal of change. After appointing new individuals to a number of senior leadership positions during the last semiannual period, Librarian James H. Billington announced in May a realignment that, among other things, groups several offices within a newly formed Office of the Chief Operating Officer and creates an office of National & International Outreach. Then in June, after serving nearly 30 years, Dr. Billington announced his retirement, which became effective September 30, 2015. In early September, the Librarian also appointed a new Chief Information Officer.

During this semiannual period, we issued a report on the Library's need to determine an eDeposit and eCollections strategy and two reports on security at the Library's facility in Landover, Maryland. These reports highlighted a number of issues of significant importance to the Library. For example, the eDeposit audit report revealed that the Library lacks an overarching eCollections strategy for ingesting and protecting electronic works, which takes into account the unique business needs of the U.S. Copyright Office and the necessity to better manage critical financial management information. In addition, the Library's new senior leadership team provided OIG with significant additional funding to support contracting for a wide variety of information technology-related audit efforts.

For at least a portion of the next six months, the Library will have to function without a new Librarian. During this potentially challenging time, the Office of the Inspector General will continue to assist Library management by helping to identify ways for the Library to function more effectively and efficiently and by investigating alleged or suspected wrongdoing. We will also issue a final report on the Library's mechanisms for tracking and accounting for items acquired in its Prints and Photographs division, among other activities.

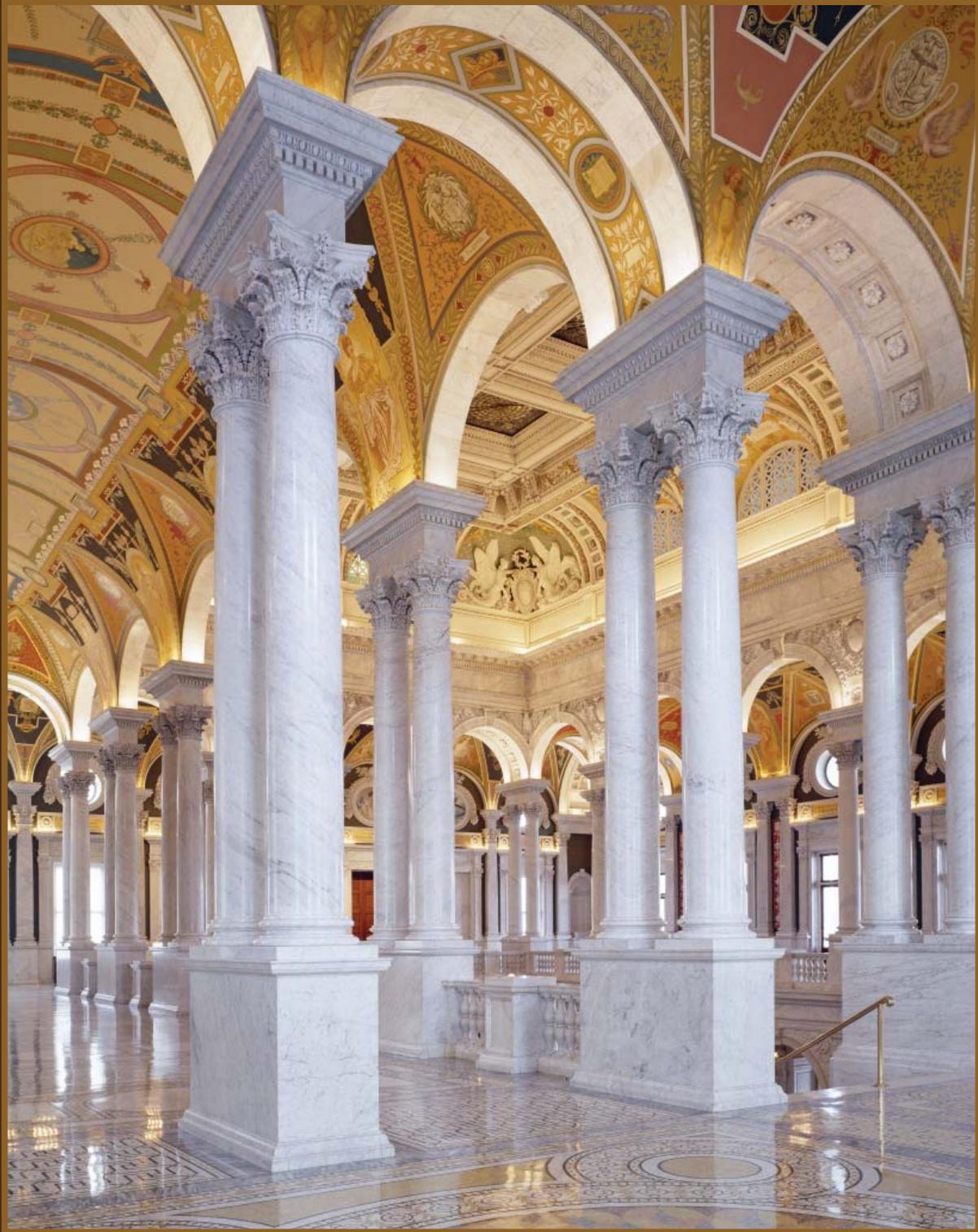
The Library implemented 17 of our recommendations from prior semiannual periods. Three of the recommendations are not identified here because they were in reports that were not released publicly. Our publicly released reports are available online at www.loc.gov/about/oig.

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

Kurt W. Hyde
Inspector General

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PROFILES

LIBRARY OF CONGRESS

The Library is the research and information arm of the United States' national legislature and the world's largest storehouse of knowledge. The Library's mission is to support the Congress in fulfilling its constitutional duties and to further the progress of knowledge and creativity for the benefit of the American people. This mission is accomplished through more than 3,100 employees and contractors.

Founded in 1800, the Library is also the nation's oldest federal cultural institution, holding more than 160 million physical items on 838 miles of shelves. These items include books and other print materials, recordings, photographs, maps, sheet music, and manuscripts. Half of the Library's collections are in languages other than English. Some 470 languages are represented in the collections. In addition to its three Capitol Hill buildings and Taylor Street Annex in Washington, DC, the Library operates six overseas offices and stores collections material in purpose-built facilities in Maryland, Illinois, and at the Packard Campus for Audio-Visual Conservation in Culpeper, Virginia. More than 52.3 million primary source files have been digitized and are accessible at www.loc.gov. The Library also holds an expanding collection of born-digital content.

The Library completed a realignment on September 1 that, among other things, grouped several offices within a newly formed Office of the Chief Operating Officer, which falls within the Office of the Librarian, and created an office of National & International Outreach. The Library will now have six primary components:

- The Office of the Librarian
- Library Services
- The U.S. Copyright Office
- The Congressional Research Service
- The Law Library
- National & International Outreach

The Office of the Librarian provides leadership and executive management to the Library, overseeing the implementation of the Library's mission. It includes the Office of the Chief of Staff and the newly created Office of the Chief Operating Officer.

Library Services performs the traditional functions of a national library:

acquisitions, cataloging, preservation, and reference services for both digital and conventional collections. It operates the National Audio-Visual Conservation Center and the American Folklife Center, among other programs.

The U.S. Copyright Office administers the copyright laws of the nation and registers copyrightable material; its deposits of intellectual material, such as books, music, and movies, substantially contribute to the Library's collections.

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.

The Law Library assists Congress and the legislative process by supporting comprehensive research on foreign, comparative, international, and U.S. law, and other legal reference services.

National & International Outreach manages and develops programs that have a national scope, such as the National Library Service for the Blind and Physically Handicapped; those that operate as cost recovery services; and those that foster access to the Library's collections for research, teaching, and visitor education.

In fiscal year 2014, the Library

- circulated approximately 23 million copies of Braille and recorded books and magazines to more than 890,000 blind and physically handicapped reader accounts;
- registered over 476,000 copyright claims;
- received about 15,000 items daily and added more than 12,000 items daily to its collections;
- responded to more than 593,000 congressional reference requests and delivered approximately 20,600 volumes from the Library's collections to congressional offices; and
- provided access to online research products and facilitated more than 656,000 views of the Congressional Research Service's website by congressional clients.

The Library also welcomed more than 1.5 million visitors on-site and served patrons worldwide by providing access to the Library's digital content through its websites (which garnered about 78.1 million visits and

489.3 million page views) and a number of approved third party websites, such as YouTube, Flickr, and HathiTrust.

OFFICE OF THE 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. The 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.

The Inspector General is a member of the Council of the Inspectors General on Integrity and Efficiency, a unified council of all federal statutory Inspectors General. This Semiannual Report to the Congress is part of the OIG's statutory reporting requirements and is organized to address the major functions of the office, including

- significant audits, investigations, and other activities of the OIG;
- 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 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.

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.

OIG reports are available at www.loc.gov/about/oig.



*ABOVE: AERIAL VIEW OF THE SOUTHWEST OF THE LIBRARY OF CONGRESS THOMAS JEFFERSON BUILDING
PHOTOGRAPHER CAROL HIGHSMITH
REPOSITORY: PRINTS AND PHOTOGRAPHS DIVISION, THE LIBRARY OF CONGRESS*

TOP MANAGEMENT CHALLENGES

This section provides a summary of issues covered by OIG that, in our view, represent long-term challenges for the Library.

COLLECTIONS STORAGE

A major component of the Library's mission is to properly store and preserve its collections. However, as outlined in OIG's September 2013 report,¹ the Library's collections storage efforts are neither sufficient for items currently stored sub-optimally, nor able to accommodate the Library's expected collections growth. Among its efforts, the Library has worked to optimize storage conditions and realize efficiencies in storage configurations by installing modern, high-density shelving where possible. The Library has also begun transferring materials to suitable storage areas in leased facilities.

The Library's three Capitol Hill buildings are above their optimal capacity, with the Jefferson and Adams building shelves at 110 percent capacity. As a result, the Library is forced to double- and triple-shelve materials, resulting in more than 800,000 items from the general collections stored on the floor or on booktrucks in the Jefferson and Adams Buildings. These workarounds make retrieving items more difficult, increase the potential of collection material damage and deterioration, and result in unacceptable stress on the building's structure to the point where the structural engineer for the Architect of the Capitol (AOC) has raised significant concerns. Even when there is shelf space, there is a lack of secure storage for some high-value collection materials. The Law Library and the Music and Asian Divisions, among others, are storing some of their rare materials in less-than-optimal conditions from security and preservation points of view.

The construction of new Fort Meade collections storage and preservation modules has helped. Four modules were built from 2002-2009, but they are now nearly filled to capacity. A fifth module is on the way. The fiscal year (FY) 2014 appropriation included funding for its construction, which is scheduled to begin in October 2015; the anticipated occupancy date is October 2017. To address the lack of adequate collection storage space in a more permanent way, the Library is working with the AOC to refine requirements for upcoming Fort Meade modules, such as by doubling their available storage space. The AOC has requested funds for FY 2016 to cover the costs of these design activities.

¹ The Library Collects Extensively but Faces Increasing Challenges in Processing, Controlling, Storing, and Making Accessible All It Collects, Report No. 2013-SP-102, September 2013.



ABOVE: MAYAN, AZTEC, AND OLMEC ARCHAEOLOGICAL OBJECTS FROM THE JAY I. KISLAK COLLECTION IN THE GEOGRAPHY AND MAP DIVISION VAULT, JULY 22, 2015
PHOTOGRAPH: SHAWN MILLER

Among the Library's interim measures was the introduction of a revised collections policy in 2014, whereby the Library retains only one copy of most new U.S. monographs received for the general collections and existing additional copies already in the general collections are considered for withdrawal. More than 90,000 volumes were withdrawn from the general collections during FY 2015.

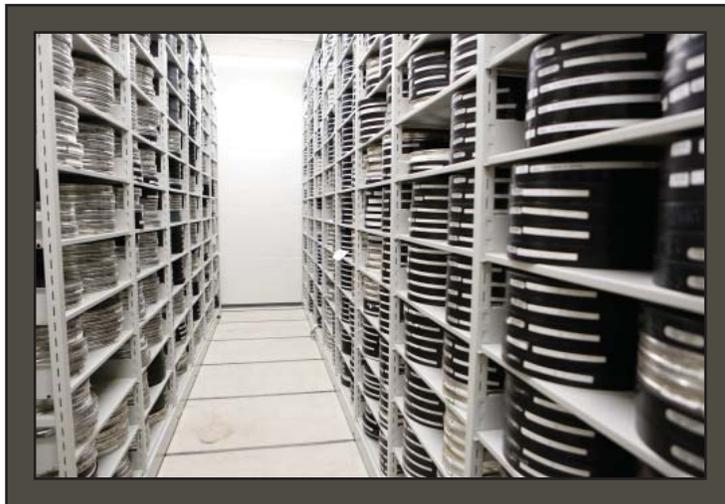
To make maximum use of storage space on Capitol Hill, the Library has also implemented a program to shelve selected categories of books by fixed location order rather than by subject classification.² To date, the Library has shelved approximately 750,000 items using this arrangement, which increases usable shelf space and expedites shelving in three ways: 1) Shelves can be filled to 100 percent capacity rather than 85 percent, which is considered a functionally full shelf load in a classified collection; 2) Items are shelved by size, thus optimizing shelf space; and 3) Newly acquired items are less likely to need to be shelved in the classified collection.

In areas that are structurally suitable, the Library has also begun to replace fixed shelving with movable or compact shelving, which increases the amount of space available for shelves. For example, in the Adams Building,

² In a classified collection area, empty spaces are left throughout the shelves to allow for newly published books to be inserted. A fixed location area is the opposite in that each book is added 'at the end.' As a result, there are no empty spaces and shelves can reach maximum capacity.

recently installed movable shelving is now housing about 400,000 former fixed location items. Also, over 32,000 linear feet of compact shelving was installed on the fifth floor of the Madison Building. Additionally, in FY 2015, the House of Representatives included language to provide funding for approximately 13,900 linear feet of movable shelving to be added to the special format vaults at the Packard Campus for Audio-Video Conservation in Culpeper, Virginia. Using FY 2015 funding, the Library will also start design work for approximately 14,000 linear feet of compact shelving on the ground floor of the Madison Building.

Pending additional permanent collections preservation storage at Fort Meade, the Library has also worked with the AOC to procure temporary leased storage space. Through an inter-agency agreement with the AOC, the Library obtained a five-year lease with option years. The AOC signed a lease in late FY 2015 and the Library plans to begin occupancy in the last quarter of FY 2016.



ABOVE: MOVABLE SHELVING UNITS ALLOW A MORE EFFICIENT USE OF SPACE IN THE FILM VAULT AT THE PACKARD CAMPUS
PHOTOGRAPH: SHAWN MILLER

INFORMATION TECHNOLOGY INFRASTRUCTURE

A series of audits conducted by OIG since FY 2009 and congressionally directed audits performed by the Government Accountability Office (GAO) have brought to light significant strategic and operational issues in the Library's information technology (IT) infrastructure and management. The audits identified IT planning, budgeting, governance, and organizational weaknesses that need corrective actions by the Library's senior leadership.

A recent event highlighted the Library's ongoing IT-related operational

challenges. On August 29, the AOC conducted scheduled annual maintenance that involved a building-wide power outage in the Library's James Madison Building. During startup after the shutdown, the Library experienced IT equipment failures that prevented access to shared drives, databases, and some IT systems, including the U.S. Copyright Office's electronic registration system, which was not operational for approximately one week.

The Library's new senior leadership team has initiated activities to remedy IT deficiencies, and the OIG will continue to conduct audits to monitor IT improvement efforts. In this vein, OIG completed a report in April on the Library's eDeposit Program that recommended, among other things, that the Library hire a strategic-thinking Chief Information Officer (CIO) with experience creating digital platforms and duties, responsibilities, and authority consistent with best practices. The Library subsequently appointed Bernard A. Barton Jr. to the position of Chief Information Officer on September 8, 2015, making him the first permanent CIO since June 2012. Mr. Barton most recently served as the chief information officer and deputy administrator of the Defense Technical Information Center. Mr. Barton will serve as the senior IT leader, responsible for IT operations, strategy, and alignment with the Library's mission. The OIG will monitor the activities of the new CIO, such as by examining whether Mr. Barton addresses the other recommendations made in our IT-related reports that remain unimplemented and, specifically, GAO's recommendation that the Library complete an IT strategic plan.

Additionally, the OIG's April eDeposit report recommended that the Library separate the Information Technology Services Directorate and other IT support functions from the Office of Strategic Initiatives to create an Office of the CIO (OCIO) that reports directly to the Librarian or his immediate leadership team. As a result of the Library's realignment, announced in May and now fully in effect, the Library addressed this recommendation by separating the two divisions and creating an OCIO under the Office of the Chief Operating Officer and within the Office of the Librarian. The OIG will monitor to see whether the creation of the OCIO facilitates the implementation of better IT-related governance and accountability.

BUILDING DIGITAL COLLECTIONS

The Library has taken steps in the digital area, but more needs to be done to ensure that the Library meets its strategic business objectives, as outlined in OIG's April report on the Library's eDeposit Program. The eDeposit

Program was one activity among several Library activities since 2000 related to collecting born-digital material (digital material that is available online only).

As discussed in OIG's eDeposit report, the Library needs an eCollections strategy for collecting electronic works that groups programs, projects, and other IT work together to facilitate effective portfolio management; identifies the Library's organizational priorities related to these programs and projects and other IT work to help the Library make investment decisions and allocate resources accordingly; and focuses on meeting common requirements that span across the Library's service units.

The Library must also use enterprise architecture to develop an efficient digital environment that positions the Library to accomplish its goals. Taking this approach can help the Library provide customers with the full breadth of its digital collections.

Additionally, the Library needs to adopt other practices to ensure the success of its digital collection efforts. For example, the Library's top leadership team should receive executive-level reports on a regular basis on eCollection activities and take timely action as necessary to ensure that such activities stay in-line with cost, schedule, and performance expectations.

From OIG's perspective, of all the top management challenges facing the Library, shortfalls in this area pose the greatest risk to the Library's reputation as an internationally renowned institution and, consequently, OIG will continue to review the Library's digital efforts. Because of the pace of digital innovation, the Library's new senior leadership team must act on many fronts in order to execute a timely digital transformation that will enable the Library to play a leadership role in this area.

PERFORMANCE MANAGEMENT

Strategic planning and performance management has been a long-term top management challenge. The Library's long delay in performing the required three-year cyclical review and update to its strategic plan has contributed to the problem. Other factors have made the challenge worse, such as breakdowns in the Library's software for tracking and reporting annual program goals and related metrics, along with infrequent senior leadership meetings to review performance.

However, the Library's new senior leadership team recognizes the

importance of strategic planning and performance management to maintaining operational stability, establishing programmatic improvement, and demonstrating progress in reaching the Library's goals to Congress and other stakeholders. The new senior leadership team has reinvigorated the Library's commitment to strategic planning and performance management and intends to develop a framework that will sustain the Library through ongoing change while providing transparency to Congress and others.

Senior leadership has demonstrated its commitment to addressing this challenge through various activities. It has completed and implemented a new five-year strategic plan and has engaged a special consultant to help with completing next steps, such as identifying and correcting gaps that may exist between the Library's strategic planning and performance management efforts. Senior leadership will also need to ensure that activities in key areas, such as in IT, facilities, and human capital, are linked to the Library's planning and budgeting efforts and are overseen as part of the new performance management system. As a practical matter, the Library is also developing a new performance management software application with a target delivery date of mid-FY 2016 to return to an electronic process for tracking and reporting on annual performance goals and related metrics.

To help senior leadership address this top management challenge, OIG will monitor the Library's implementation of its new strategic plan and provide periodic management alerts that track and inform senior leadership of its assessment of the process. This approach will provide immediate and unbiased information to senior leadership to ensure that it can take timely corrective action as it moves to recover lost ground in its performance management efforts.

CONTRACTING

To accomplish its strategic goals and maintain operational effectiveness, the Library needs a fully functioning contracting function, which requires Library-wide emphasis on procurement processes and contract administration. Over the last decade and a half, the OIG has reported on deteriorating operations in the Library's contracting function culminating in the then-Inspector General testifying before the Committee on House Administration's Subcommittee on Oversight about deeply rooted weaknesses in internal controls, quality assurance, and statutory compliance. In his testimony, the Inspector General emphasized that the root causes would continue to exist as long as there was a continued lack of continuity in the contracting function's senior executive position.

In 2013, the Library appointed a new contracting director with extensive federal contracting and legal experience. After a period of focused review and analysis, the newly appointed director developed a course of action to address the root causes of the Library's contracting dysfunction. His plan concentrates on implementing effective contracting policies and controls, reducing the use of high-risk contracting vehicles, recruiting and retaining the Library's contracting officers, training the Library's contracting officers and contracting officer representatives, and enhancing the availability and reliability of information about Library contracts.

The director's improvement efforts focus on stabilizing the Library's contracting operations, improving customer service, realizing operating efficiencies, and establishing a framework of persistent oversight and internal control. The OIG plans to conduct a follow-up audit during the next semiannual period to report on the Library's progress, as directed by the Subcommittee and as part of OIG's long-term commitment to monitor and report on this top management challenge.



ABOVE: LIBRARY OF CONGRESS MINERVA MOSAIC IN THE GREAT HALL OF THE THOMAS JEFFERSON BUILDING
 PHOTOGRAPH: CAROL HIGHSMITH
 REPOSITORY: PRINTS AND PHOTOGRAPHS DIVISION, THE LIBRARY OF CONGRESS

AUDITS, SURVEYS, AND REVIEWS

OFFICE OF THE LIBRARIAN

THE LIBRARY NEEDS TO DETERMINE AN eDEPOSIT AND eCOLLECTIONS STRATEGY

AUDIT REPORT No. 2014-PA-101
APRIL 2015

The OIG conducted an audit of the eDeposit Program and the eSerials Project. In March 2010, the Library established the eDeposit Program. It was one activity among several since 2000 related to collecting born-digital material. In April 2011, as part of the eDeposit Program, the Library formally established the eSerials Project. The project was established to ensure that electronic serials published in the United States and available online only would become part of the Library's permanent collections.

The OIG could not determine whether the Library's progress to-date on the eDeposit Program has met Library management's expectations. Because the Library's senior leadership in place at that time did not establish quantifiable expectations related to cost, performance, and project completion, OIG could not determine whether progress made to-date had met the Library's expectations; the Library has described its progress as "incremental."

There are a number of causes for the Library's lack of clarity around the success of eDeposit. Specifically, the Library has challenges pertaining to strategic planning, leadership, and governance, as well as organizational and financial management issues.

Management agreed with all of our findings and recommendations.

REPORT ON SECURITY OVER NON-COLLECTIONS INVENTORY AT THE LANDOVER CENTER ANNEX

AUDIT REPORT No. 2014-PA-108
JULY 2015

The OIG conducted an audit to assess the effectiveness of the management, control, and security over non-collections inventory at the Landover Center Annex. In 1976, the Library entered into an occupancy agreement with the General Services Administration to lease the facility. Although originally intended as interim storage space, 39 years later Landover continues to serve

as a multipurpose facility for the Library, storing non-collections inventory and irreplaceable collections items.

Library management agreed with all of our findings and recommendations, but we are not including details about them here because of the sensitive nature of the information contained in the report. The report was not issued for public release. The OIG will continue to monitor Library progress on our recommendations as part of our future semiannual reporting process.

REPORT ON SECURITY OVER COLLECTIONS INVENTORY AT THE LANDOVER CENTER ANNEX

AUDIT REPORT NO. 2014-PA-107
SEPTEMBER 2015

The OIG conducted an audit to assess the effectiveness of the security of collections inventory at the Landover Center Annex. General and special format collections materials occupy the majority of the facility's space. General collections mostly consist of monographs and serials; special collections primarily include prints, manuscripts, sheets of music, and artwork.

In recent years, in an effort to reduce overcrowding of collections materials on Capitol Hill, the Library has transferred general collections items to Landover for storage in high-density shelving. Additionally, the Library uses Landover to stage newly received special format collections awaiting processing by the appropriate division.

Library management agreed with several of the recommendations but not with all of them. We consider the recommendations with which management disagreed to be closed. We are not providing details about the report or its recommendations here because of the sensitive nature of the information contained in the report. The report was not issued for public release. The OIG will continue to monitor Library progress on our recommendations as part of our future semiannual reporting process.

OTHER OIG AUDIT ACTIVITIES

SAFETY DEFICIENCIES IN THE COLD STORAGE VAULTS AT THE LANDOVER CENTER ANNEX

In conducting our recent audit activity at the Landover Center Annex, OIG identified risks to the safety of the Library employees working in the cold storage vaults, such as the lack of written safety protocols and an emergency phone.

Given the nature of the observations, OIG did not wait until the end of the audit to address the identified health and safety risks; OIG's concerns were outlined at the time in a memorandum sent to Library management. In September 2015, the Library's Chief Operating Officer informed OIG via memorandum that improvements had been implemented to minimize the risks.

OPEN WORLD LEADERSHIP CENTER FISCAL YEAR 2014 FINANCIAL STATEMENTS

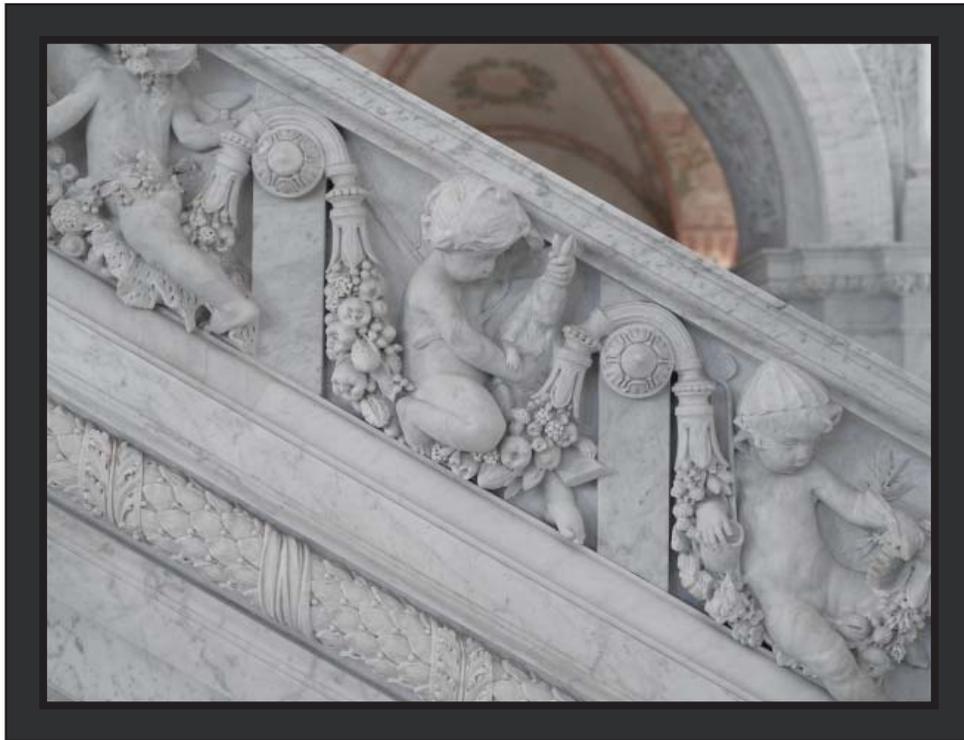
The Open World Leadership Center (Open World) hosts emerging political and civic leaders from Eurasia through its congressionally sponsored exchange program. The mission of Open World is to foster cooperation between the United States and the countries of Eurasia by developing a network of leaders in the region who have gained significant, firsthand exposure to America's democratic, accountable government and its free-market system.

Under contract with the OIG, the accounting firm CliftonLarsonAllen audited Open World's FY 2014 financial statements and issued its Independent Auditor's Report. The audit included Open World's balance sheets and the related statements of net costs, changes in net position, and combined statement of budgetary resources for FY 2014. The auditors concluded that the financial statements were presented fairly in all material respects and in conformity with U.S. generally accepted accounting principles.

CliftonLarsonAllen's examination of Open World's compliance with laws and regulations and its internal controls over financial reporting identified a material weakness. Open World did not have the proper internal controls in place to prevent obligations from being recorded when no documentary evidence existed to support such action. Open World concurred with the auditor's findings and has implemented a process to ensure full compliance in the future.

AUDIT PEER REVIEW ACTIVITIES

Government Auditing Standards require that each organization performing audits in accordance with these standards has an external peer review. The objectives of a peer review are to determine whether an effective quality control system has been established in the office and if policies, procedures, and applicable government auditing standards are followed. Peer reviews must be performed at least once every three years by reviewers independent of the audit organization being reviewed. The U.S. Securities and Exchange Commission Inspector General conducted the last peer review of the Library of Congress OIG in September 2013. The next peer review is scheduled to be conducted in FY 2016.



*ABOVE: GREAT HALL, DETAIL OF PUTTI (HUNTER) ON GRAND STAIRCASE BY PHILIP MARTINY
PHOTOGRAPH: CAROL HIGHSMITH
REPOSITORY: PRINTS AND PHOTOGRAPHS DIVISION, THE LIBRARY OF CONGRESS*

INVESTIGATIONS

As part of our investigation case activity, we opened seven investigations and closed nine. We forwarded four investigations this reporting period to Library management for administrative action. No investigations were forwarded to the Department of Justice for criminal prosecution. Table 1 below provides an overview of our investigation case activity. Table 2 provides an overview of our hotline activity, which was separate from our investigation case activity. No hotline complaints were opened as cases during this period.

TABLE 1: INVESTIGATION CASE ACTIVITY*

	CRIMINAL/CIVIL	ADMINISTRATIVE	TOTAL
From Prior Reporting Period	5	7	12
Opened	0	7	7
Closed	0	9	9
End of Period	5	5	10

*We note that the numbers reported in our March 2015 report were markedly higher than the numbers reported here. This is due to two factors: 1) In the last semiannual period, the Office of Investigations closed a number of older cases for which no additional action could be taken and 2) we are in the process of examining our policies with respect to when new cases should be opened.

TABLE 2: HOTLINE ACTIVITY

	COUNT
Allegations Received	36
Referred to Management	6
Opened as Investigations	0
Opened as Audit	0
Referred by Audit Division	0
Closed with No Action	30

SIGNIFICANT INVESTIGATIONS

STOLEN SHEET MUSIC RETURNED

The OIG investigated an instance of sheet music belonging to the Library's Music Division attempting to be sold on eBay. The seller, who allegedly found the 40-50 pieces of sheet music in a trash pile in New York City 20 years ago, said he did not realize the sheet music was still the property of the Library. The pieces had Library of Congress markings but also bore the signature of another individual. The OIG instructed the seller to stop the sale. The seller voluntarily complied and returned the material to the Library in June 2015.

EMPLOYEE MISUSE AND ABUSE OF GOVERNMENT RESOURCES

The OIG investigated an employee's allegation that she was being stalked by another employee. As part of the investigation, OIG identified misuse and abuse of Library computer equipment and a Library Federal Express account. Management action is pending.

Separately, OIG determined that an employee had accessed inappropriate material via the Internet from their Library computer during work hours. Library management suspended the employee without pay for 10 days.

CONTRACTOR MISUSE OF A LIBRARY OF CONGRESS COMPUTER SYSTEM

The OIG determined that a contractor inappropriately accessed a Library proprietary information system. The contractor was removed from employment at the Library. An employee admitted to having provided their password to the contractor and was orally counseled about violating the Library's IT security policy. Additionally, the investigation uncovered other system security issues that the Library has addressed.

CONTRACTOR MISCONDUCT

The OIG investigated an allegation of a contractor inappropriately touching a Library intern. After OIG corroborated the allegation, the contractor was removed from employment at the Library.

UNIMPLEMENTED RECOMMENDATIONS³

TABLE 3A: 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 of Staff				
Raiser's Edge Software Program	2006-IT-302 December 2007	Development Office	III	System managers for Raiser's Edge should regularly review the system's transaction logs for suspect data events—The solution that was being pursued has been deemed inadequate; a new solution will be implemented by the second quarter of FY 2016.
Weaknesses in the Acquisition Function	2011-SP-106 March 2012	Office of the General Counsel	II.G.1	Develop directives that clearly set forth the policy and constraints for using Library of Congress Regulation (LCR) 2111—The Office of the General Counsel will assess whether Internal Revenue Service independence factors can be put succinctly into a directive on constraints for using non-personal services contractors by the third quarter of FY 2016.
Office of the Librarian / Office of the Chief Operating Officer				
Information Technology Strategic Planning Follow-Up	2011-IT-103 December 2011	Office of the Chief Information Officer	I.2.C	Account for all information technology (IT) costs, including computer security, as part of the IT budgetary process—The Office of the Chief Information Officer (OCIO) developed IT expenditure categories for the financial management system (Momentum) that will be implemented in the first quarter of FY 2016.
Maturity of System Development Life Cycle Processes and Procedures	2013-IT-105 February 2015	Office of the Chief Information Officer	1	Issue a Library-wide policy that communicates the mandatory requirements of the System Development Life Cycle (SDLC) process outlined in the existing Information Technology Services (ITS) Project Management Guide to ensure consistent management of the Library's IT projects—The IT strategic governance documents that address this recommendation have been drafted and will be reviewed by the new Chief Information Officer (CIO) by the fourth quarter of FY 2016.
Maturity of System Development Life Cycle Processes and Procedures	2013-IT-105 February 2015	Office of the Chief Information Officer	2	Establish a centralized Library-wide Project Management Office (PMO) to communicate and enforce the Library's Project Management Life Cycle (PMLC)/SDLC methodology and to ensure the Library's major IT projects are effectively managed in a consistent manner across all service units. The central PMO should continuously monitor all SDLC projects and update all SDLC plans and instructions for Library-wide distribution—Library IT project management is being centralized in the new OCIO and the PMO created a charter to implement Library-wide use of the PMLC/SDLC methodologies. These efforts are being coordinated with the development of a new IT investment process through a pilot in FY 2016, which will incorporate instructions for the consistent use and monitoring of PMLC/SDLC. The estimated completion date is the fourth quarter of FY 2016.
Maturity of System Development Life Cycle Processes and Procedures	2013-IT-105 February 2015	Office of the Chief Information Officer	3	Perform disciplined uniform performance and quality reviews (preferably by the PMO) on all major SDLC projects in the Library—Reviews have begun for all OCIO-led projects. By the second quarter of FY 2016, the PMO will work with the IT governance program to develop a plan for extending these reviews Library-wide, and will also incorporate the review process into the FY 2016 pilot for a new IT investment process. The pilot will run from the first quarter of FY 2016 through the second quarter of FY 2017.
Maturity of System Development Life Cycle Processes and Procedures	2013-IT-105 February 2015	Office of the Chief Information Officer	4	Establish budget methodology to track project development costs and measure variances against approved costs—The OCIO will pilot a new IT investment process in FY 2016 that will coordinate with systems to collect and report on costs; The pilot will run from the first quarter of FY 2016 through the second quarter of FY 2017.

³ These status updates are management assertions and have not been audited.

TABLE 3A: 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
Maturity of System Development Life Cycle Processes and Procedures	2013-IT-105 February 2015	Office of the Chief Information Officer	5	Establish a central data repository with the Enterprise Architect (EA) and/or PMO to store all project artifacts, including cumulative cost and schedule data. In addition, periodically perform an internal and/or external inspection of the Library's IT projects and update the EA repository with the results of the inspection if necessary—The PMO now provides monthly updates to the EA based on project data for OCIO projects. By the second quarter of FY 2016, the PMO will work with the EA and IT governance programs to develop a plan for extending these Library-wide. The PMO updates will be coordinated with other updates as part of the IT investment process being piloted from the first quarter of FY 2016 through the second quarter of FY 2017.
Maturity of System Development Life Cycle Processes and Procedures	2013-IT-105 February 2015	Office of the Chief Information Officer	6	Centralize the assessment of the Library's IT portfolio with the PMO and prohibit the existing practice of service unit IT investment self-assessments—The OCIO will pilot a new IT investment process in FY 2016 that will incorporate IT portfolio assessments. The pilot will run from the first quarter of FY 2016 through the second quarter of FY 2017.
Maturity of System Development Life Cycle Processes and Procedures	2013-IT-105 February 2015	Office of the Chief Information Officer	7	Revise LCR 1600 to clearly delineate ownership and stewardship of IT assets—LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	I.1.A	Library policy documents (LCR 1600 and the Information Technology Steering Committee Charter) need to be updated with clear direction on members, roles, and responsibilities—LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	I.1.B	Assign financial responsibility to the Chief Financial Officer to strengthen accountability for enforcement of internal controls and linkage to the Library IT budget. Articulate the level and responsibilities of voting members from each service unit in the Information Technology Steering Committee (ITSC) Charter. The Director of Strategic Planning should also be consulted to ensure that all IT capital investments have goals and appropriate metrics have been defined—LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016.

UNIMPLEMENTED RECOMMENDATIONS

TABLE 3A: 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
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	I.2	The ITSC should report directly to the Chief of Staff or higher position. Clarify the roles and responsibilities of the Deputy Librarian/Chief of Staff in the ITSC policy/charter to strengthen ITSC oversight of IT investments—LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	I.3	Document the role and responsibilities of the CIO in the ITSC Charter. Restrict or eliminate the delegation of CIO responsibilities with respect to ITSC activities—LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	II.1.A	Implement a Capital Planning and Investment Control (CPIC) process, to include Office of Management and Budget (OMB) Exhibit 300 data and information to enable IT investment alignment with the Library mission and support business needs while minimizing risks and maximizing returns throughout the investment's life cycle—The OCIO will pilot a new IT investment process in FY 2016 that will address this recommendation. The pilot will run from the first quarter of FY 2016 through the second quarter of FY 2017.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	II.1.B	Research cost effectiveness of using the General Services Administration-managed eCPIC tools as a method for institutionalizing capital planning activities—Although an initial assessment indicated that these tools were too specific to the Executive Branch to apply to the Library, the tools will be considered further as part of the pilot program for a new IT investment process being run from the first quarter of FY 2016 through the second quarter of FY 2017.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	II.3.A	Document roles for the CFO, Budget Officer, and Director of Grants and Contracts Management in the development of the ITSC Charter and LCR 1600 (guidance documentation) in the Library's technology investment process—LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	II.3.B	Improve internal budget/project communications and training on how to develop, capture, and report project costs uniformly across the service units—The PMO created a charter that includes a training plan for how to develop, capture, and report on project costs as part of a comprehensive PMO training plan. The PMO charter is being reviewed by the new CIO and Library management. The estimated completion date is the second quarter of FY 2017.

TABLE 3A: 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
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	III.2.A	Appoint a permanent CIO responsible for IT investments, along with ensuring that OMB Exhibit 300-type information is included in budget requests for IT investments—The new CIO serves as ITSC chairman. IT strategic governance documents that address OMB 300-type information have been drafted and will be reviewed by the new CIO and Library management by the second quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	III.2.B	Adopt aspects of H.R. 1232 "Federal Information Technology Acquisition Reform Act"—a bill passed by the House of Representatives—that would have increased the power of existing CIOs within federal agencies so that they could be more effective. Each agency would also be reduced to having only one CIO in the agency, who is then responsible for the success and failure of all IT projects in that agency—The new CIO will work with the Library's Executive Committee to establish an appropriate balance between the role of the Library CIO and the roles of CIOs in Library component units. This relationship will be documented in IT strategic governance documents by the fourth quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	IV.1.A	The CFO (or higher) should ensure that the Information Technology Investment Management (ITIM) process is followed by all service units—LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	IV.1.B	Provide training and awareness of the ITSC oversight process for mid- and senior-level managers across the Library (all services units)—Training will occur in the quarter after the new IT strategic governance process is approved, which is estimated to be the third quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.1.A	Align current cost development processes for IT investments to coincide with requirements for OMB reporting, such as the use of an earned value management system to track costs on high-risk projects, as discussed in Capital Programming Guide, V.3.0, Supplement To OMB Circular A-11: Planning, Budgeting, and Acquisition of Capital Assets—To be reviewed by the new CIO; the estimated completion date is the fourth quarter of FY 2017.
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 financial system (Momentum) and budget system (Clarity) used for tracking costs—To be reviewed by the new CIO; the estimated completion date is the fourth quarter of FY 2017.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.1.C	Establish a formal process to reconcile cost variance reported by service units to the ITIM Portfolio Officer—The PMO will provide guidance and a reporting mechanism for cost variance reporting by the fourth quarter of FY 2016.

UNIMPLEMENTED RECOMMENDATIONS

TABLE 3A: 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
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.2.A	Use primary source documentation throughout the ITSC process. Part of the ITSC package should include financial system information, budgetary information, acquisition system information, as well as performance monitoring information—The OCIO will pilot a new IT investment process in FY 2016 that will address this recommendation. The pilot will run from the first quarter of FY 2016 through the second quarter of FY 2017.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.2.B	Include the Office of the Chief Financial Officer (OCFO) review of costs (in summary form) before approval of a new project, and at major checkpoints (milestones) throughout the project lifecycle—Beginning in the fourth quarter of FY 2016, the PMO will report actual project costs at major checkpoints in the investment management lifecycle as determined by the ITSC.
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 the Momentum and Clarity financial systems—The OCIO analyzed OIG’s recommendations and OMB Capital Planning Guidance for FY 2017 and developed IT expenditure categories for the financial management system (Momentum) that will be implemented in the first quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VI.1	Update the Library’s strategic plans as appropriate to show the linkage between strategy and investments, and focus on strongly defining the strategies and activities that will connect the five-year strategic plan to the services units’ annual plans—The Library has prepared a 2016-2020 Strategic Plan for discussion and deliberation. The plan will be connected to the Library’s IT strategic plan and service unit plans. The estimated completion date is the fourth quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VI.2	Document the role of the Strategic Planning Officer in the ITSC process to ensure a synchronized planning cycle. Develop a process for proper timing of strategic planning for investments (early) and a direct tie-in between strategic plans and the ITSC process—LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VI.3.A	Document a needed linkage between ITSC and the Strategic Planning Officer; including roles and responsibilities throughout the ITSC lifecycle—LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VI.3.B	Implement a portfolio process, similar to OMB Exhibit 53—The OCIO will pilot a new IT investment process in FY 2016 that will address this recommendation. The pilot will run from the first quarter of FY 2016 through the second quarter of FY 2017.

TABLE 3A: 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
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 Executive Committee and ITSC to identify opportunities for process improvement in the areas of cost accounting, performance management, and all areas of the ITSC—The OCIO will pilot a new IT investment process in FY 2016 that will address this recommendation. The pilot will run from the first quarter of FY 2016 through the second quarter of FY 2017.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VII.1.B	The Chief of Staff should take steps to update the Library's existing Information Resource Management, ITIM, and EA policies and practices. These existing standards need to be updated with lessons learned or improvements that are aligned with the Library's evolving strategic plan and leading or best practices—Two major activities will address this recommendation. LCR 1600 is being revised and directives are being developed to implement IT planning and management with a documented process that is driven by senior management and ensures that all IT expenditures and assets are reflected in a portfolio of IT investments; the estimated completion date is the second quarter of FY 2016. Also, the OCIO will pilot a new IT investment process in FY 2016. The pilot will run from the first quarter of FY 2016 through the second quarter of FY 2017.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VII.2.A	The CIO should champion a best practices governance methodology to build awareness and understanding of best practices in the areas of IT management and program governance—Best practices will be incorporated into IT strategic governance documents by the second quarter of FY 2017.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VII.2.B	Define benchmarks for ITSC management processes against appropriate public and private sector standards, organizations, and/or processes in terms of costs, speed, productivity, and quality of outputs and outcomes to measure steering committee effectiveness—The OCIO will pilot a new IT investment process in FY 2016 that will address this recommendation. The pilot will run from the first quarter of FY 2016 through the second quarter of FY 2017.
Library Services				
Surplus Books Program	2010-PA-106 September 2011	Library Services	I.c.1	Update LCR 1816. Revisions should include designing a serialized General Property Pass document that is counterfeit resistant; reassigning the responsible office to ensure oversight; documenting accountability; and implementing procedures to more appropriately account for and retire used passes. The revised LCR should also implement a pass designed for specific Surplus Books Program (SBP) use—The Library will assess the feasibility of implementing a serialized pass system for surplus materials. The Office of the General Counsel will help revise the LCR to reflect management's decision. The estimated completion date is the fourth quarter of FY 2016.
Surplus Books Program	2010-PA-106 September 2011	Library Services	II.a.1	SBP management should implement a software application to collect and analyze program operating data—The Library will assess the feasibility and priority of identifying, acquiring (or developing), and implementing such a system. The estimated completion date is the second quarter of FY 2016.

IMPLEMENTED AND CLOSED RECOMMENDATIONS⁴

TABLE 3B: 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 of Staff				
Equal Employment Opportunity Complaints Office	2001-PA-104 February 2003	Office of Opportunity, Inclusiveness, and Compliance	I	Evaluate and revise LCR 2010-3.1—The LCR was revised in May 2015.
Follow-Up Review of the Office of Opportunity, Inclusiveness, and Compliance	2011-PA-106 June 2011	Office of Opportunity, Inclusiveness, and Compliance	II.2.b	The OIC, in collaboration with the Library's Human Capital Management Flexibilities Working Group, should complete the barrier identification and elimination process initiated with the Multi-Year Affirmative Employment Program Plan by assessing the success of the plan—The Library's Human Capital Planning Board approved a new Strategic Diversity Plan that should increase the diversity of the Library's applicant pool and therefore increase the likelihood of statistically significant changes in the Library's workforce composition. This new plan will support the Library's new Strategic Plan for 2016-2020.
Office of the Librarian / Office of the Chief Operating Officer				
Improper Payments II	2011-SP-101 May 2011	Office of Contracts and Grants Management	I.2	The Office of Contracts and Grants Management (OCGM) and the OCFO should update directives to officially reflect the current spending limit for micro purchases of \$3,000—The OCFO issued interim guidance to reflect the change and will also rewrite the purchase card directive to reflect the change.
Weaknesses in the Acquisition Function	2011-SP-106 March 2012	Office of Contracts and Grants Management	I.A.2	Rewrite the Contracts Operating Instructions (COI) manual deleting those policies that merely restate the Federal Acquisition Regulations (FAR) and draft specific guidance geared toward the Library's acquisition activities. Organize the COI so that it is easily accessible—The OCGM Directive 6-110, Library of Congress FAR Supplement (LCFARS) was issued in June 2015 and replaced the COI.
Weaknesses in the Acquisition Function	2011-SP-106 March 2012	Office of Contracts and Grants Management	I.E.2	Rewrite COI 1003 to be a more comprehensive oversight policy and contract review process—The OCGM Directive 6-110, LCFARS incorporated technical guidance related to the Contract Review Board.
Telework Program	2010-PA-102 June 2011	Human Resources Services	I.3	Collect data on and evaluate the costs and benefits of teleworking to determine whether it provides a cost-effective means to perform specific work requirements—Costs and benefits were evaluated and the Library concluded that teleworking was effective.
Telework Program	2010-PA-102 June 2011	Human Resources Services	I.4	Develop a telework health and safety checklist and incorporate it into telework agreement forms—LCR 2014-8 requires a safety checklist to be completed by the teleworking employee and submitted to the supervisor for review.
Telework Program	2010-PA-102 June 2011	Human Resources Services	I.5	Develop an interactive telework training program and require teleworkers and their managers to successfully complete it before teleworking—Training was developed consistent with LCR 2014-8.

⁴ These status updates are management assertions and have not been audited.

TABLE 3B: 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
Telework Program	2010-PA-102 June 2011	Human Resources Services	IV.2	Incorporate teleworking scenarios in continuity of operations (COOP) exercises—The Library issued HRS Directive 2015-007, “Unscheduled Telework” in July 2015; this makes telework available for participating employees in a COOP situation.
Information Technology Strategic Planning Follow-Up	2011-IT-103 December 2011	Office of the Chief Information Officer	I.3.A	Separate IT support functions from the Office of Strategic Initiatives (OSI) and establish the Office of the Chief Information Officer separate from ITS and the other IT support functions of OSI. The CIO will report directly to the Librarian or Deputy Librarian with duties, responsibilities, and authority consistent with best practices—The Library hired a CIO and established an OCIO in-line with the recommendation.
Information Technology Strategic Planning Follow-Up	2011-IT-103 December 2011	Office of the Chief Information Officer	I.5.A	Implement service level agreements to manage customer expectations—Service level agreements were developed for implementation starting in FY 2016.
Library-Wide Computing Efficiencies	2013-IT-101 March 2013	Office of the Chief Information Officer	II.2	Instruct ITS to initiate evaluations of viable cloud computing solutions for the Library—The OCIO is leading an evaluation of cloud computing solutions with contractor support. The contract was awarded on September 30, 2015.
Design of Library- wide Internal Con- trols for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	II.2	The ITSC should provide the CFO, Budget Officer, and Acquisition Officer with quarterly reports to include summaries of costs and variances, so that there is internal assurance that all cost information on investments is captured—Reports will be provided starting in FY 2016.
Design of Library- wide Internal Con- trols for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	III.1	The permanent CIO should serve as the ITSC chairman in order to strengthen the ITSC process—The newly appointed permanent CIO serves as ITSC chairman.

FUNDS QUESTIONED OR PUT TO BETTER USE

TABLE 4: FY 2002-PRESENT FUNDS QUESTIONED OR PUT TO BETTER USE

FUNDS QUESTIONED AND PUT TO BETTER USE	RATIO: FUNDS QUESTIONED AND PUT TO BETTER USE TO OIG DISCRETIONARY BUDGET ⁵
\$62,550,770	2.26:1

TABLE 5: FY 2015 AUDITS WITH RECOMMENDATIONS FOR BETTER USE OF FUNDS

	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 reporting 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 reporting period:		
Less than six months old:	-	-
More than six months old:	-	-

TABLE 6: FY 2014 AUDITS WITH QUESTIONED COSTS

	NUMBER OF AUDIT REPORTS	TOTAL QUESTIONED 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 reporting 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 reporting period:		
Less than six months old:	-	-
More than six months old:	-	-

⁵ 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

INSTANCES WHERE INFORMATION OR ASSISTANCE REQUESTS WERE REFUSED

No information or assistance requests were refused during this period.

STATUS OF RECOMMENDATIONS WITHOUT MANAGEMENT DECISIONS

During the reporting period, there were no recommendations more than six months old without management decisions.

SIGNIFICANT REVISED MANAGEMENT DECISIONS

During the reporting period, there were no significant revised management decisions.

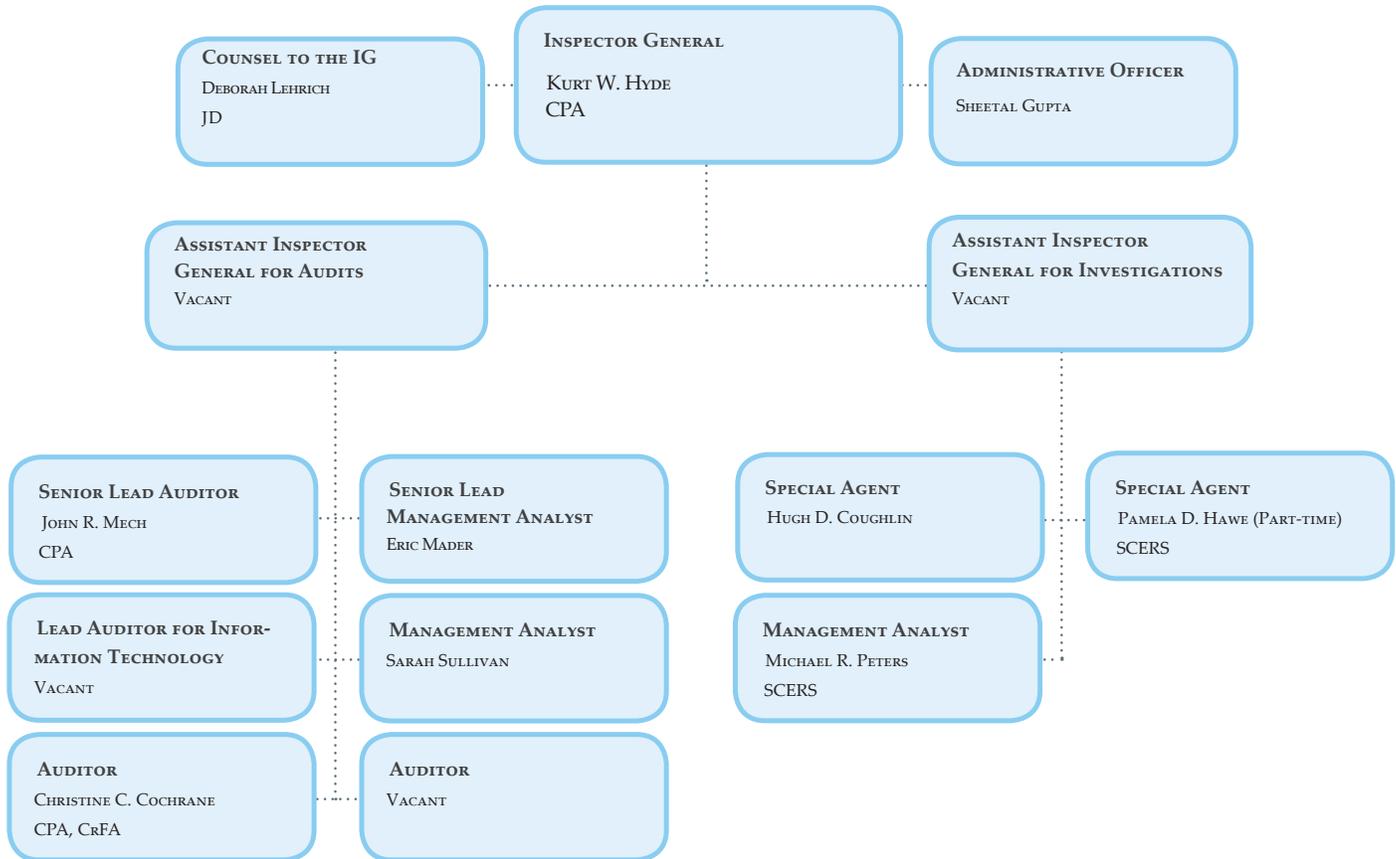
SIGNIFICANT MANAGEMENT DECISIONS WITH WHICH OIG DISAGREES

During the reporting period, there were no significant management decisions with which we disagreed.

FOLLOW-UP ON PRIOR PERIOD RECOMMENDATIONS

For this semiannual report, we followed-up with Library management on all open recommendations and received comments on the status of all of them. The OIG summarized the comments and placed them in tables 4A and 4B. The assertions made in tables 4A and 4B are the representations of Library management and not of the OIG. The OIG periodically performs follow-up audits to verify implementation.

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ANY INFORMATION YOU PROVIDE WILL BE HELD IN CONFIDENCE.
HOWEVER, PROVIDING YOUR NAME AND A MEANS OF COMMUNICATING
WITH YOU MAY ENHANCE OUR ABILITY TO INVESTIGATE.



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