LIBRARY OF CONGRESS

OFFICE OF THE INSPECTOR GENERAL
SEMIANNUAL REPORT TO CONGRESS
SEPTEMBER 2023

CELEBRATING THE MUSIC
GERSHWIN PRIZE FOR POPULAR SONG
The Office of the Inspector General is featuring the recipients of the Library of Congress Gershwin Prize for Popular Song, the nation’s highest award for influence, impact, and achievement in popular music. Established in 2007, the prize honors living musical artists whose contributions in the field of popular song exemplify the standard of excellence associated with George and Ira Gershwin. Criteria for selection include: artistic merit, influence in promoting music as a vehicle of cultural understanding, impact and achievement in entertaining and informing audiences, and inspiring new generations of musicians.

In making the selection, the Librarian of Congress consulted leading members of the music and entertainment communities, as well as curators from the Library’s Music Division, American Folklife Center, and National Audio-Visual Conservation Center.

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In June 2023, Dr. Hayden appointed me as the Library of Congress (Library) Inspector General. I am deeply honored to assume the role at this extraordinary organization with the Office of the Inspector General (OIG). I bring a wealth of experience, expertise, and achievements to spearhead my responsibilities. I come from the Department of Defense, where I oversaw operational and administrative effectiveness through audits, inspections, and investigations of waste, fraud, and mismanagement. More broadly, my career spans the public and private sector, academia, community outreach, and nonprofit board leadership.

This is an exciting time to come onboard as the Library adopts a new strategic plan. The Fiscal Year 2024–2028 Strategic Plan of the Library of Congress retains the Library’s focus on putting users first, a noteworthy part of fulfilling the Library’s mission of engaging, inspiring, and informing. The plan is also innovative in that it incorporates the Library’s Digital Strategy; the strategy will no longer be a separate complementary planning document. One success of the Digital Strategy was that it inspired the Library to leverage volunteer engagement via crowdsourcing to transcribe hundreds of thousands of pages of Library collection items, making the items more accessible. Incorporating the Digital Strategy is an important step given that digital planning will, in part, become even more important to the success of the Library’s operations. This was demonstrated, in part, by the Library’s decision to prioritize the acquisition of electronic copies over physical ones when both a digital and an analog (physical) format are available. It is worth noting that we initiated a new engagement this semiannual period to review the Library’s strategic planning, which we have identified as one of the Library’s top management challenges.

This semiannual period has been extraordinarily busy for us as many engagements came to a close. We issued ten audit reports on a wide range of topics. We issued three financial statement-related audit reports pertinent to the Library and another for the Congressional Office of International Leadership. We issued two reports on information technology (IT) modernization activities occurring in the Congressional Research Service and the U.S. Copyright Office (USCO) as well as reports on the Library’s digital strategy planning, cybersecurity, the Library’s transition to a new data center, and the
Library’s IT service desk contract. These reports collectively addressed several of the areas we consider top management challenges. As discussed in the top management challenges section, based on the work we conducted this semiannual period, we have decided to remove the USCO IT Modernization Program from our list of top management challenges. We also completed a report that identified steps for the Library to take to strengthen how it manages its most valuable collection items. Lastly, we completed an audit peer review of the Smithsonian OIG.

The Library implemented 25 of our recommendations from prior semiannual periods. One recommendation is not identified here in this report because it was in a report that was not released publicly. We opened 7 investigations, closed 5, and forwarded 1 investigation to Library management for administrative action.

We continue to engage with our congressional stakeholders and value their support for our work. And I would like to thank my OIG staff, especially during this transition, for their hard work and dedication.

Dr. Glenda B. Arrington
Inspector General
The George and Ira Gershwin Collection

The George and Ira Gershwin Collection, housed in the Library's Music Division, is the world's preeminent body of primary-source materials for the study of the Gershwin's life and work.

The first item came to the Library of Congress in 1939, two years after George's death. Ira's first gift to the Library: George's sketch for *The Crapshooter's Song* from *Porgy and Bess* with a promise he would "dig up something more satisfactory." In 1953 came the manuscripts of the large-scale works, including *Rhapsody in Blue*, *An American in Paris*, and the *Concerto in F*. These were followed by many generous gifts from other family members and friends. In 1987, Ira's widow, Leonore, donated the remaining music manuscripts and lyric sheets from her home. Until her death in 1991, she continued purchasing items for the collection, and today her generous bequest continues to support acquisitions and programs that extend the legacy of the Gershwin brothers.

About the Gershwin Prize

The Library's Gershwin Prize for Popular Song is the nation's highest award for influence, impact and achievement in the field of popular song. It was established in 2007 to recognize and honor the artists whose creative works, both printed and recorded, are collected, preserved, made accessible, and valued by the nation's library. It acknowledges the preeminent place of popular song in modern society and its vital role in expressing and deepening the personal and shared values of our time.

Gershwin Honorees are selected by the Librarian of Congress in consultation with music specialists within the Library, former Gershwin Prize Honorees, and eminent outside experts in the field, including scholars, publishers, producers, composers and performers.

The main criteria for selection include:

- Artistic merit
- Achievement and influence in promoting music as a vehicle for musical expression and cultural understanding
- Impact and achievement in entertaining and informing audiences
- Inspiration of a new generation of composers and performers

The Gershwin Prize honors the legacy of the great song-writing team George and Ira Gershwin. The Gershwin Prize medal awarded to each Honoree is fashioned after the Congressional Gold Medal awarded posthumously in 1985 to the Gershwin brothers for "outstanding and invaluable contributions to American music, theatre and culture."
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 175 million physical items on over 840 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 the 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 several other purpose-built facilities in Maryland.¹

The Library has six primary components:

- Office of the Librarian
- Chief Operating Officer Service Unit
- Office of the Chief Information Officer
- Library Collections and Services Group, which manages traditional library operations:
  - Law Library
  - Researcher and Collections Services
  - Discovery and Preservation Services
  - National Library Service for the Blind and Print Disabled
- U.S. Copyright Office
- Congressional Research Service

¹ The Library has materials stored (per interagency contracts) in Maryland, Massachusetts, and Virginia. The Library also has materials stored in its overseas offices.
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 of Congress, Strategic Planning & Performance Management (SPPM), Office of the General Counsel (OGC), Office of Communications and External Relations, Office of the Chief of Staff, and two 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.

The Chief Operating Officer Service Unit manages and administers the Library's non-IT infrastructure functions and daily operations—including oversight of the Human Capital Directorate, the Financial Services Directorate (FSD), the Contracts and Grants Directorate (CGD), the Integrated Support Services Directorate, the Security and Emergency Preparedness Directorate, and Library Enterprises—that operate on a cost recovery basis.

The Office of the Chief Information Officer (OCIO) has agency-wide responsibility for the Library's IT strategies and resources and manages the Library's Digital Strategy. This includes guiding Library leadership on digital futures, advising on the technology market, and serving as a solution broker for the agency. It also includes assessing, designing, developing, maintaining, standardizing, optimizing, and protecting the Library’s technology resources. Technology resources include all Library budgetary, personnel, equipment, data, and facilities resources and services that are primarily used for the management, operation, acquisition, disposition, and transformation or other activity related to the lifecycle of IT. The Library’s digital collections content is managed by the appropriate service unit with statutory or curatorial responsibilities for a given collection.

The Library Collections and Services Group (LCSG) oversees units responsible for acquiring, stewarding, describing, and serving Library collections. LCSG is comprised of:

- **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;

- **Researcher and Collections Services** (RCS), which links more closely the Library's researcher, reference, and public service work as well as collection development, processing, and selected preservation activities. RCS brings together the Collection Development Office, the National Audio-Visual Conservation Center, the John W. Kluge Center, the General & International Collections Directorate, and the Special
Collections Directorate, which includes programs such as the American Folklife Center and the Veterans History Project;

• **Discovery and Preservation Services** aligns with the Library's collection, acquisition, description, and stewardship activities and brings together the Acquisition and Bibliographic Access Directorate, the Digital Services Directorate, and the Preservation Directorate; and

• **National Library Service for the Blind and Print Disabled** 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.

**The U.S. Copyright Office** (USCO) promotes creativity and free expression by administering the nation’s copyright laws and by providing impartial, expert advice on copyright law and policy for the benefit of all.

**The Congressional Research Service** (CRS) 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.

**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. 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 Congress fully and currently informed about problems and deficiencies relating to the administration and operations of the Library.

At the end of 2019, the Library of Congress Inspector General Act was amended for the first time since its enactment, giving the office increased parity with executive branch IGs, statutory law enforcement authority, and defined independence with respect to budget and hiring.
Through the Council of Inspectors General on Integrity and Efficiency (CIGIE), we are part of a community of Inspectors General who collectively conduct and supervise audits and investigations relating to the programs and operations of their agencies in the executive and legislative branches.

Every six months we provide Congress with this report detailing our independent oversight of Library programs and operations. Our semiannual report presents information on:

- the Library’s top management challenges;
- significant audits, investigations, and other OIG activities;
- 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 Library management to improve accountability; facilitates oversight and decision-making; and recommends corrective action as needed.

The Audits Division also contracts with an independent public accounting firm that examines whether the Library’s financial statements fairly present financial positions, results of operations, and budgetary resources. The firm also assesses whether the Library and its various service units 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** investigates 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.
A primary responsibility of Offices of Inspectors General is to annually identify Top Management Challenges (TMC) for the agencies they oversee. We are committed to monitoring each of the current Library TMCs. For this report, we highlight USCO’s Information Technology (IT) Modernization Program, which we have decided to remove from our list of TMCs. We have identified five other TMCs for the Library:

- **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.

- **Collection Services Workflow.** The Library needs to broaden its capability to perform end-to-end monitoring of its collections services workflow in order to better manage its arrearage and number of items collected and stored. LCSG’s collections storage activities are part of a supply chain of processes that include selection, digitization, preservation, and storage services, among other processes.

- **Financial Management and Reporting.** A reliable system of internal controls over financial reporting is vital for an agency to accurately and reliably report on its financial transactions and position.

- **IT Modernization.** The key to the Library successfully developing a modern IT environment is OCIO using a strategic approach to improve its IT governance; establishing accountability for IT investments; implementing well-designed, secure, and business-driven networks and computing facilities; and employing IT best practices.
U.S. Copyright Office’s IT Modernization Program

Background

The USCO is headed by the Register of Copyrights, under the oversight of the Librarian of Congress, and subject to specific statutory authorities set forth in the U.S. Copyright Act. Among the services provided to the public are examination and registration of copyright claims and documentation related to a broad range of creative output; administration of deposit requirements; certification of copyright ownership; recordation of transfers, assignments, licenses, and other copyright transactions; and provision of general copyright information to registrants and the public at large, including through the operation of a call center available to the public. The USCO also administers statutory licensing royalties and distributes hundreds of millions of dollars in royalty payments annually.

Designating U.S. Copyright Office’s IT Modernization Program a Top Management Challenge

Modernizing IT systems has been among USCO’s top priorities since 2011, beginning with a detailed analysis and review of its systems. In fiscal year (FY) 2018, working with OCIO, USCO began the multi-year effort to transform its IT systems into a single, improved Enterprise Copyright System (ECS). The ECS development project has consisted of eight key subprojects: Registration; Recordation; the Copyright Public Records System; Licensing; Platform Services & Enablement; Service Request Processing; Integration with Momentum; and Design System and Accessibility Operations. In addition to adding value through the enhanced and new systems listed above, ECS aims to streamline business processes by centralizing the capabilities within a uniform user experience. It will also leverage an existing Library system to support financial management.

In our September 2019 Semiannual Report to Congress, we named the USCO IT Modernization Program a TMC separate and distinct from the Library-wide IT Modernization TMC. Identifying the program as a TMC was based in part on a report we issued in August 2019. We examined the program again in a report issued in November 2021. In light of our most recent audit report on the program issued this past May, we decided to remove the USCO IT Modernization Program from our list of TMCs. This development does not obviate the need for strong Library oversight as USCO transitions in FY 2024 from building new capabilities to keeping USCO’s new capabilities up-to-date and ensuring that evolving requirements for new features and functionality are addressed in a timely manner. The approximate accumulated budget costs for USCO’s modernization activities since FY 2020 have been $91 million.

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2 Library Working through Agile Delivery Method Challenges for Copyright IT Modernization Project, August 2019, 2018-IT-107.
As reported in our September 2019 *Semiannual Report to Congress*, we identified USCO’s IT modernization program as a top management challenge because of the complexity, magnitude, and importance of the program to fulfilling USCO’s mission. The Government Accountability Office (GAO) has noted that major IT efforts need greater monitoring because they often run into trouble, and Congress has expressed an interest in improving their outcomes. GAO states:

> While federal IT investments can improve operational performance and increase public interaction with the government, too often they incur too much risk, cost much more than expected, take much longer to complete, and do not meet their intended performance objectives. Over the past three decades, Congress has monitored IT investments and expressed interest in improving their outcomes.⁵

We also stated in our September 2019 report that Congress and the copyright community expressed concerns regarding the modernization effort and noted that USCO had trouble successfully completing a prior major IT investment.⁶

**Program and Project Management**

We have observed progress in program and project management. We noted in our September 2019 *Semiannual Report to Congress* that making effective use of project management tools, such as an Integrated Master Schedule and cost accounting methodologies, would be essential to monitoring progress and ensuring accountability for the modernization program. We stated that with successful use of these tools, USCO, OCIO, and FSD would be able to keep Library executives and stakeholders abreast of variances in scope, quality, schedule, and costs.

Based on the results of our recent audit, we identified significant progress. We determined that the Library categorizes work performed for USCO IT modernization program into projects for which the Library uses the Project Management Institute definition of:

> A temporary endeavor constrained by schedule, scope, and resources, with a defined beginning and end, which is undertaken to produce a unique result, and which is typically intended to bring about beneficial change or added value.

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⁶ USCO was previously unsuccessful in developing an electronic licensing system. The development effort started in 2010, took about three years longer than originally forecast, and resulted in an undelivered system. See *FY 16 Review of Systems Development Life Cycle*, February 2017, 2016-IT-102.
To ensure that the Library performs projects on time, within budget, and in accordance with the intended outcome, the Library has established IT directives to provide requirements for implementing the project management lifecycle (PMLC). The USCO, with the support of OCIO, also has several key baseline documents for tracking schedules and costs for IT projects, including the following:

- **Project Charter:** Establishes a project formally and authorizes the existence of the project;
- **Project Schedule:** Serves as the primary planning calendar and schedule baseline for the project;
- **Project Management Plan:** Defines how the Library will execute and monitor the project and identifies controls, including the project development methodology; and
- **Cost Estimate Documents:** Demonstrates the specific costs categorized by types of IT expenditure.

The ECS project includes multiple concurrent lines of work that required significant collaboration between development teams. To accommodate the tracking of these related projects, the Library adopted the Scaled Agile Framework (SAFe) for the project. SAFe is a set of principles and practices meant to streamline complex development processes. Within the Library's SAFe implementation, development efforts are organized into 12-week program increments and 3-week sprints. From a project management perspective, the main ECS project includes multiple sub-projects. The costs of these sub-projects are rolled into the main ECS project. Schedule, scope and costs are monitored on a weekly basis at the sub-project level. A Change Request is initiated to the ECS project when there is a cost variance of thirty-percent or more to the ECS project, either from a single sub-project or from multiple sub-projects.

**Our May 2023 Report on U.S. Copyright Office’s IT Modernization Program**

As part of our recent audit of USCO’s IT Modernization Program,7 we assessed whether its projects were on schedule and within budget, which involved performing a combination of inquiries, inspections of policies and procedures, and inspections of key project management and software development documentations.

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7 United States Copyright Office – IT Modernization Performance Audit, May 2023, 2022-IT-104.
Based on the results of our audit work, we found the ECS project:

- was approved by relevant personnel, as evidenced by signatures on the Project Charter;

- was monitored by an active governance structure, as evidenced by regular status updates to ensure projects are on schedule and within budget through USCO Modernization Governance Board meeting minutes. It was also on schedule and within budget as evidenced by status updates generated from the ServiceNow Project and Portfolio Management tool; and

- personnel were actively monitoring project costs and the project schedule in accordance with Library policies and PMLC guidance.

We did not have any findings or make any recommendations. Therefore, while we will continue our oversight, we are removing the USCO's IT Modernization Program from our list of TMCs.
"I am grateful to be the recipient of the Gershwin Prize and doubly honored to be the first. I look forward to spending an evening in the company of artists I admire at the award ceremony in May. I can think of a few who have expressed my words and music far better than I. I’m excited at the prospect of that happening again. It’s a songwriter’s dream come true."

— Paul Simon
"It’s an immense privilege to join such a remarkable roster of musicians and composers. I am touched to receive this honor, and look forward to creating music for the celebration."
— Stevie Wonder
"When I was a kid, I grew up listening to the music of the Gershwin brothers and loved it. I had no idea that one day I might be in such a place getting an honor such as this."
— Paul McCartney
"I've been fortunate to receive a number of music-industry honors during my career. However, the news of being awarded the Library of Congress Gershwin Prize was especially meaningful to me. I am humbled and excited at the same time to receive this prestigious award."
— Burt Bacharach

“It’s a great honor to receive this award and to follow the past recipients, Paul Simon, Stevie Wonder and Paul McCartney – it doesn’t get any better than this.”
— Hal David
"I was so pleased when the venerable Library of Congress began honoring writers of popular songs with the Gershwin Prize. I’m proud to be the fifth such honoree and the first woman among such distinguished company."
— Carole King
"The great composer, George Gershwin, has been a personal inspiration to me throughout my career. And the Library’s decision to include me among those songwriters who have been past recipients is a milestone for me."

— Billy Joel
"It is a great honor to be receiving the Gershwin award. I have been a fan of Ira and George Gershwin's music since I was a little guy and, in appreciation for the award—and also I wanted to make some great music—I’ve just recorded a complete Gershwin album. It’s called Summertime."
— Willie Nelson
"The Gershwins wrote music when the song was king. For me to even be mentioned in the same breath with the Gershwins as a songwriter is just incredible."
— Smokey Robinson
"The Gershwins created some of our most beautiful music. Their songs had gorgeous poetry and wonderful musicality. Their music is timeless and will live forever."
— Tony Bennett
"From the moment I started singing, I was drawn to the iconic songs of the immensely talented Gershwin brothers and have had the privilege to record several of them."
— Gloria Estefan
An award is only as good as the names on it. First off, for any musician, the name Gershwin says it all. Add to Ira’s and George’s names the names of the past recipients, and you have an award of the highest honor. I am truly humbled.

— Garth Brooks
"There are times in a person’s life when the gravity of what happens along the way of your journey happens to culminate to one particular place."
— Lionel Richie
"This is such a great honor; it’s so exciting to see all of these musicians I admire performing my music."
— Joni Mitchell
Assessment of the Library of Congress’s Digital Strategy
Report No. 2022-SP-103
September 2023

We contracted with Cotton & Company (Cotton) to assess the Library’s digital strategic planning; we have identified Digital Strategic Planning and Execution as a top management challenge since 2014. The Library’s related activities have resulted in numerous accomplishments. Nevertheless, more work remains to clearly connect the Digital Collections Strategy and the Digitization Strategy to the Library’s overall strategic planning and governance processes. In summary, Cotton recommended that the Library maintain a connection among the overall Library Strategic Plan goals and digital collections and digitization strategies and that the Library Collections and Services Group more prominently share its processes to enable reporting on annual performance outcomes. Management concurred with the recommendations.

Performance Audit of the Library of Congress Office of the Chief Information Officer Service Desk Contract
Report No. 2022-PA-101
July 2023

We contracted with KPMG to evaluate OCIO’s Service Desk contract and to assess compliance with contractual performance metrics. KPMG reported six findings that identified non-compliance with the OCIO Service Desk contract from October 2021 through September 2022 and questioned costs totaling between $413,736 and $435,781. KPMG made 25 recommendations aimed at strengthening monitoring of the contractor’s compliance with the Service Desk contract. This included a recommendation to perform an analysis to determine whether OCIO should recoup payment where the Service Desk contractor did not perform in accordance with the contract. Management concurred with the recommendations. We are not providing specific information about the findings because of the sensitive nature of the information contained in the report. The report was not issued for public release.

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8 A questioned cost is a cost that is questioned by the auditor because of an audit finding: (a) that resulted from a violation or possible violation of a statute, regulation, or the terms and conditions of a federal award, including for funds used to match federal funds; (b) where the costs, at the time of the audit, were not supported by adequate documentation; or (c) where the costs incurred appeared unreasonable and did not reflect the actions a prudent person would take in the circumstances.
Cybersecurity Review Performance Audit

Report No. 2022-IT-102
June 2023

We contracted with Cotton to audit the Library’s cybersecurity control maturity in the areas of: identification of high-value assets; data encryption for data at rest and in-transit; sanitization of media; detective and preventative controls for data exfiltration and enhanced network defenses; data breach response plans and readiness; and system backups and storage locations. IT Modernization and implementing well-designed, secure, and business-driven networks and computing facilities is a long-standing top management challenge for the Library. The results of this audit demonstrated that the Library was performing many control activities characteristic of a mature information security program. However, certain areas of improvement were identified for the Library to reach a higher maturity level. Cotton reported four findings and made ten recommendations. Management concurred with the recommendations. We are not providing specific information about the findings because of the sensitive nature of the information contained in the report. The report was not issued for public release.

Congressional Research Service – IT Modernization Performance Audits

Report No. 2022-IT-103
June 2023

We contracted with Cotton to audit the Library’s efforts to modernize IT supporting CRS. The objectives, in summary, were to: assess whether budgeting requests were both appropriately made and advanced in support of the CRS IT modernization effort; document a list of CRS IT systems and application components; evaluate whether the CRS systems needing modernization were compliant with appropriate requirements; and evaluate whether CRS modernization projects were compliant with Library project management directives and project management best practices. IT Modernization is a long-standing top management challenge for the Library. Cotton reported four findings and made eight recommendations. Management concurred with the recommendations. We are not providing specific information about the findings because of the sensitive nature of the information contained in the report. The report was not issued for public release.
Results of the Library of Congress’s FY 2022 Fiduciary Fund Financial Statements Audit
Report No. 2022-FN-103
June 2023

We contracted with Cotton to audit the Library’s fiduciary fund financial statements as of and for the FYs ending September 30, 2022, and 2021, and to provide a report on internal control over financial reporting and compliance with laws and other matters. Cotton reported the financial statements were fairly presented, in all material respects, in accordance with U.S. generally accepted accounting principles; no material or significant weaknesses in internal controls over financial reporting; and no reportable noncompliance with provisions of laws and regulations tested or other matters.

Results of the Library of Congress’s FY 2022 Financial Statements Audit
Report No. 2022-FN-101
May 2023

We contracted with KPMG to audit the Library’s financial statements for FY 2022; we have identified Financial Management and Reporting as a top management challenge since 2018. For the twenty-seventh consecutive year, the Library received an unmodified (clean) opinion on its financial statements. In KPMG’s opinion, the financial statements were fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Of note, KPMG’s consideration of internal control over financial reporting resulted in a material weakness concerning the Library’s ineffective financial statement review control to respond to certain risks of material misstatements in its consolidated financial statements. Lastly, KPMG found no instances of noncompliance with laws and regulations tested.

United States Copyright Office – IT Modernization Performance Audit
Report No. 2022-IT-104
May 2023

We contracted with Cotton to audit the USCO’s IT Modernization Program to determine whether projects were on schedule and within budget. The USCO embarked on a multi-year effort to transform USCO’s IT systems into a single, improved Enterprise

*9A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’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.
Copyright System. Cotton did not have any findings and, therefore, did not make any recommendations. Based on these results, we are removing the USCO IT Modernization Program from our list of top management challenges. For additional information, see the Top Management Challenges section in this report.

**Library Can Take Steps to Strengthen How it Manages Its Most Valuable Collection Items**

**Report No. 2022-SP-104**

**May 2023**

The Library identifies its most valuable items as platinum collection items. We performed an inspection of all platinum collection items to verify that the Library properly tracks and secures them. The custodial divisions presented all platinum items to us; however, we found the Library has not established clear roles and responsibilities for maintaining and updating the platinum list. As such, we determined there were collection items that may need to be added or removed from the platinum list. We also found the Library has not updated its *Strategic Plan for Safeguarding the Collections*. As a result, certain physical security requirements to safeguard the platinum collections were not fully met. We made three recommendations to address these weaknesses to enhance securing platinum collection items. Management concurred with the recommendations. We are not providing specific information about the findings because of the sensitive nature of the information contained in the report. The report was not issued for public release.

**Assessment of Strategy for Implementation of Tier III Data Center**

**Report No. 2022-IT-101**

**April 2023**

We contracted with Cotton to audit the Library’s strategy for and progress of implementation of a Tier III data center, which has redundant hardware capabilities, as part of its overall effort to modernize and strengthen its IT infrastructure. IT modernization is a long-standing top management challenge. Cotton found that the Library made progress regarding the migration of critical applications as well as the integration and utilization of Tier III data center and cloud technologies. Cotton reported five findings and made seven recommendations to strengthen controls and project management of the current data center transition efforts. Management concurred with the recommendations. We are not providing specific information about the findings because of the sensitive nature of the information contained in the report. The report was not issued for public release.
Results of the Congressional Office for International Leadership
FY 2022 Financial Statement Audit

The Congressional Office for International Leadership (COIL) hosts emerging political and civic leaders from post-Soviet countries through its congressionally-sponsored exchange program. COIL is not a Library service unit, however the Librarian of Congress sits on COIL’s Board of Trustees. Through an interagency agreement, we provided oversight of a contract with KPMG to audit COIL’s financial statements for FY 2022. In a report issued in May 2023, KPMG found COIL’s financial statements were fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. KPMG also examined internal controls over financial reporting and did not identify any reportable conditions, nor did it find any noncompliance with laws and regulations or other matters that were required to be reported in accordance with U.S. generally accepted government auditing standards.

Audit Peer Review of the Smithsonian Institution OIG

In September 2023, we completed a peer review of the Smithsonian Institution (Smithsonian) OIG’s system of quality control for the audit organization and assigned the Smithsonian OIG a rating of pass. In our opinion, the system of quality control has been suitably designed and complied with to provide the Smithsonian OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards and applicable legal and regulatory requirements in all material respects. As part of the peer review, we made one recommendation.
### Table 1: Review of Legislation

<table>
<thead>
<tr>
<th>Reviewed</th>
<th>Comments by the Office of the Inspector General</th>
</tr>
</thead>
<tbody>
<tr>
<td>A draft bill to correct technical errors in the codification of chapter 4 of title 5, United States Code</td>
<td>OIG reviewed the bill and provided technical amendments to the Library of Congress Inspector General Act of 2005, as amended.</td>
</tr>
</tbody>
</table>

### Table 2: Review of Library of Congress Regulations (LCRs) and Directives (LCDs)

<table>
<thead>
<tr>
<th>Reviewed</th>
<th>Comments by the Office of the Inspector General</th>
</tr>
</thead>
<tbody>
<tr>
<td>LCR 9-1211, Responsibilities of Employees with Security Clearances</td>
<td>OIG made clarifying edits and substantive comments and asked questions of a clarifying nature related to reporting requirements and authorities.</td>
</tr>
<tr>
<td>LCD 7-220.1, Government Purchase Cards</td>
<td>OIG made formatting and general editing comments.</td>
</tr>
</tbody>
</table>
Table 3\textsuperscript{10} provides an overview of our Investigations Division activities over the semiannual period.

**Table 3: Investigative Data\textsuperscript{10}**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investigative Reports Issued (significant investigations summarized in this report)\textsuperscript{11}</td>
<td>4</td>
</tr>
<tr>
<td>Management Impact Reports Issued</td>
<td>0</td>
</tr>
<tr>
<td>Referrals to the Department of Justice</td>
<td>0</td>
</tr>
<tr>
<td>Referrals to State and Local Authorities</td>
<td>0</td>
</tr>
<tr>
<td>Indictments/Criminal Informations Resulting from Prior Referral to Prosecuting Authorities</td>
<td>0</td>
</tr>
<tr>
<td>Suspensions and Debarments</td>
<td>1</td>
</tr>
<tr>
<td>Number of Convictions from Investigations</td>
<td>0</td>
</tr>
<tr>
<td>Investigations Opened</td>
<td>7</td>
</tr>
<tr>
<td>Investigations Closed</td>
<td>5</td>
</tr>
<tr>
<td>Investigations Forwarded to Library Management for Administrative Action</td>
<td>1</td>
</tr>
<tr>
<td>Complaints Opened</td>
<td>7</td>
</tr>
<tr>
<td>Complaints Closed</td>
<td>7</td>
</tr>
<tr>
<td>Complaints Converted to Investigations</td>
<td>3</td>
</tr>
<tr>
<td>Hotline Communications Received</td>
<td>54</td>
</tr>
<tr>
<td>Hotline Communications Converted to Investigations</td>
<td>4</td>
</tr>
<tr>
<td>Hotline Referrals to Management\textsuperscript{12}</td>
<td>29</td>
</tr>
</tbody>
</table>

\textsuperscript{10} Data were compiled from a review of the Investigations Division’s database and files.
\textsuperscript{11} Four reports were issued, one of which was forwarded to Library management.
\textsuperscript{12} This category includes referrals to OIG’s Audits Division, Library management, or entities outside the Library.
**Significant Investigations**

*Theft of Government Property*

As reported in previous semiannual reports, the OIG Hotline received notification of an alleged theft of a government laptop. The complainant related that the laptop in question was being sold on eBay. A review of eBay records revealed that a then-Library contractor employee listed Library and U.S. Department of Commerce (DOC) property, which prompted us to initiate a joint investigation with DOC OIG. The investigation determined that starting in November 2019, the Library contract employee sold at least 29 separate Dell laptops, which he knew belonged to the Library and were cumulatively worth a total of approximately $55,590. The investigation also determined that during a prior tenure with DOC, the contractor had engaged in the theft of at least one Microsoft Surface Tablet, worth $1,370, belonging to DOC. The contractor employee was terminated during the initial phase of the investigation.

In September 2022, the contract employee pleaded guilty in the U.S. District Court for the District of Columbia to one count of theft of government property. In January 2023, the contract employee was sentenced to one year of probation, to include six months of home confinement, for stealing government property from DOC and the Library. The contract employee will be required to pay $56,960 in restitution to the affected agencies, and a forfeiture order was issued for the same amount.

In August 2023, the contract employee was debarred from federal government contracts.

*Employee Misconduct, Misuse of Government Cell Phone*

As reported in previous semiannual reports, the OIG Hotline was notified by a Library supervisor that one of their employees was misusing their government-issued cell phone. We reviewed the employee’s Library phone records, which revealed that between August 2022 and November 2022, the employee misused their government-issued cell phone when they used it for personal use.

We interviewed the employee who maintained that they had after-hours official commitments. They also said that no instructions were given when the phone was provided and understood that there were no limits. Library management related that the employee had not been given permission to use the phone for any reason other than official use. An investigative report was issued and referred to Library management for action. The employee received a policy reminder.
Employee Misconduct, Time and Attendance Irregularities

The OIG Hotline was notified that a Library employee was not working their required onsite hours. We interviewed key witnesses, reviewed leave and other records, and identified 9.5 hours of time unaccounted for from January 2023 through March 2023, wherein the employee misrepresented their arrival or departure time. An investigative report was issued and referred to Library management for action.

Employee Misconduct, Alleged Improper Hiring

The OIG Hotline received an allegation that a Library manager selected an employee for a Library position based on a personal relationship, rather than the Library merit selection process. We interviewed key witnesses and reviewed hiring and other records. We also interviewed the selecting official and the panelists, all of whom maintained that they did not provide any favoritism toward the selected candidate. Investigation revealed no evidence to substantiate the allegation that the selection official or the panelists provided improper assistance to the selectee during the hiring process.

Closed, Undisclosed Investigations Involving Senior Level Employees

Employee Misconduct, Alleged Time and Attendance Irregularities by a Senior Level Employee

The OIG Hotline received notification that a Library Senior Level (SL) employee was working as an employee in an external museum, during the same core hours as the SL’s Library employment. We interviewed key witnesses, reviewed leave and other records, and determined that the allegation that the SL committed time and attendance fraud by concurrently working at the Library and the external museum was not substantiated by the evidence.

Semiannual Law Enforcement Certification

In accordance with the requirements of the Library of Congress Inspector General Act of 2005, as amended, the Inspector General hereby certifies that OIG’s law enforcement program has adequate internal safeguards and management procedures that comply with standards for investigations. All supporting documentation is maintained in our office.

The George and Ira Gershwin Room located in the Thomas Jefferson Building at the Library of Congress is a tribute to the creative legacy of the celebrated song-writing team. The permanent exhibition includes music, manuscripts, and other documents from the Gershwin collection.
We obtained comments from Library management on the status of all open recommendations. We summarized the comments provided for recommendations made in our publicly released reports and provide them in Table 4. Responses to recommendations are the representations of Library management, not OIG, although OIG may summarize the updates. The status of recommendation updates have not been audited. We periodically perform follow-up audits, inspections and evaluations, and reviews to verify implementation of our recommendations.

### Table 4: Significant Recommendations from Previous Semiannual Reports for which Corrective Action Has Not Been Completed

<table>
<thead>
<tr>
<th>Subject</th>
<th>Report No.</th>
<th>Office</th>
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</thead>
</table>
| Office of the Librarian / Strategic Planning & Performance Management Office (SPPM) |            |                                      |          | **Enterprise Risk Management**  
2020-PA-104  
June 2021  
COO/ FSD/ SPPM  
4  
Report Summary: We reported on the adequacy of the Library's Enterprise Risk Management policies and procedures maintained by the Strategic Planning & Performance Management Office (SPPM), including compliance with those procedures.  
Incorporate risk considerations into the Library's budgeting and resource approach—The Library modified the guidance for New and Expanded Program Requirements (NEPRs) to require a more detailed auxiliary funding breakdown schedule with supporting information. The guidance has now enhanced requirements for risk assessment and demonstration of a strong tie to the Library's strategic plan and operational directives.  
The Library is also implementing the Enterprise Planning and Management (EPM) project, which aims to link workstreams, such as planning, performance, and risk to budgeting. This effort is led by COO and OCIO, who expect to begin design and implementation activities for the Compass replacement system in the first quarter of FY 2024. Budget planning will be the focus of EPM Year 2 (FY 2025) implementation activities. The estimated date of completion is the third quarter of FY 2025. |
| **Enterprise Risk Management Audit**        |            | SPPM                                 | 7        | Revisit Library of Congress Regulations (LCRs) and Library of Congress Directives to ensure that any adjustments made to risk identification in the system are captured—SPPM has revised its LCR to include new risk management processes, including enterprise risk, the risk management council, and an emphasis on fraud risk. This revised LCR is currently under review by the Office of the General Counsel (OGC). The estimated date of completion is the first quarter of FY 2024. |
| Office of the Librarian / Equal Employment Opportunity & Diversity Programs |            |                                      |          | **Library's Anti-Harassment Policy**  
2020-PA-102  
June 2022  
EEO/DP and OGC  
14  
Report Summary: We evaluated the Library's anti-harassment policy administered by the Office of Equal Employment Opportunity and Diversity Programs (EEO/DP), assessed whether it adhered to best practices, and examined relevant training practices.  
Establish timeframes in Library policy for the Librarian to issue a final agency decision with or without a hearing—OGC will revise the LCR to include timeframes determined by the Librarian, but the OGC is still in the process of notifying the unions. The estimated date of completion is the second quarter of FY 2024. |
Library's Anti-Harassment Policy 2020-PA-102 June 2022 EEO/DP 16 Require EEO/DP to complete an annual self-assessment of its operations that includes evaluating compliance with Library EEO-related regulations and directives as appropriate and submit the assessment to the Chief of Staff for review. EEO/DP should document these activities in its standard operating procedures—EEO/DP drafted a new policy and submitted a request to close this recommendation. In response, we requested additional documentation. A new estimated date of completion has yet to be established.

Library's Anti-Harassment Policy 2020-PA-102 June 2022 EEO/DP 17 Require the Chief of Staff to determine the necessity of a qualified outside entity conducting periodic assessments of EEO/DP's compliance with the Library EEO-related regulations and directives as appropriate as well as with EEO/DP's own standard operating procedures—The Chief of Staff will continue oversight of EEO/DP. Compliance with all Standard Operating Procedures (SOP), including the SOP on reporting that establishes regular reviews of reports on office functions, along with regular meetings with the Chief of EEO/DP, will enable the Chief of Staff to provide effective oversight of the program ensuring compliance with Library regulations and directives as well as EEO/DP SOPs. No additional external assessment of EEOCP processes and procedures has been determined necessary at this time. Additionally, EEO/DP submitted a request to close this recommendation. In response, we requested additional documentation. A new estimated date of completion has yet to be established.

Library's Anti-Harassment Policy 2020-PA-102 June 2022 EEO/DP 23 Direct EEO/DP to develop an overall mission statement and then align whatever goals and performance measures it has in support of its stated mission—The EEO/DP mission is to advance equal opportunity for all, ensure compliance with Library regulations and directives to prevent, and remedy, unlawful employment discrimination and harassment, to provide resources on cultivating a culture of inclusion through robust alternative dispute resolution for staff at all levels. As planning has evolved under the new strategic plan commencing in FY 2024, EEO/DP has aligned its goals and performance measures to ensure robust and accurate reporting. Additionally, EEO/DP submitted a request to close this recommendation. In response, we requested additional documentation. A new estimated date of completion has yet to be established.
## Table 4: Significant Recommendations from Previous Semiannual Reports for which Corrective Action Has Not Been Completed

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<td><strong>Office of the Chief Information Officer (OCIO)</strong></td>
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<tr>
<td>Network File Shares Security Evaluation</td>
<td>2020-IT-102 February 2022</td>
<td>OCIO</td>
<td>1.2</td>
<td>Report summary: We assessed the protection of network file shares that store sensitive data, such as personally identifiable information (PII). Require service units to assess and catalog the data they maintain in accordance with the catalog scheme established from Recommendation 1.1—The Library completed the mapping of the Data Catalog against the Records Management schedules. The Library also established customized policies to allow mapping of PII discovered in Shared Drives to the Data Catalog. This required additional tool configuration to support shared drive mounting. The Library utilized Varonis, a data loss prevention tool, to identify High Value Asset data, which was categorized by Varonis on behalf of the Service Units. The Varonis tool is an IT security tool used to scan environments to detect sensitive data and catalog it into a data scheme and where on the network that the data is located. In September 2023, the Library submitted the mapping documentation to demonstrate this recommendation has been implemented. In response, we requested additional information, which OCIO provided, but is under review.</td>
</tr>
<tr>
<td>Cloud Service Provider Governance</td>
<td>2020-IT-103 January 2022</td>
<td>OCIO</td>
<td>4.2</td>
<td>Report summary: We tested the Library's practices in implementing cloud technology. Perform an OCIO-wide skills gap assessment in support of the Library cloud strategy—The Library continues to finalize the agreement with the U.S. Office of Personnel Management and will execute the agreement in FY 2024. The estimated date of completion is the fourth quarter of FY 2025.</td>
</tr>
<tr>
<td>Cloud Service Provider Governance</td>
<td>2020-IT-103 January 2022</td>
<td>OCIO</td>
<td>4.3</td>
<td>Based on the results of the OCIO-wide skills gap assessment, implement any necessary corrective actions—The Library will implement corrective actions that may result from the skills gap assessment being conducted in Recommendation 4.2 of this report. The Library has extended the date of completion to the first quarter of FY 2026.</td>
</tr>
<tr>
<td>Cloud Service Provider Governance</td>
<td>2020-IT-103 January 2022</td>
<td>OCIO</td>
<td>6.5</td>
<td>Conduct an analysis to determine if System Support Programs for other systems have insufficient tailoring or inheritance statements and create a plan to address any identified gaps—OCIO reviewed all the inherited controls in the System Security Plans (SSPs) and determined some inheritance was inaccurate. To address the identified gaps, the Information System Security Officers are currently amending the allocation status in Archer (and the SSPs) to accurately reflect what controls can be inherited. Upon completion of these amendments, OCIO will generate a report of inheritance controls to demonstrate that these inherited controls are accurately identified. The estimated date of completion is the first quarter of FY 2024.</td>
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</table>
## Subject Report No. Issue Date Office Rec. No. Summary of Recommendation and Action

### Cloud Service Provider Governance

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>2020-IT-103 January 2022</td>
<td>OCIO</td>
<td>7.3</td>
</tr>
</tbody>
</table>

Plan and monitor the implementation of its cloud IT investments and complete and submit quarterly and annual IT investment reports with documentation supporting the reported status, if necessary—OCIO analyzed the FY 2022 and FY 2023 actual Amazon Web Service (AWS) expenditures to help assess actual expenditure by Service Units. OCIO has also hired the role of Chief, Cloud Program Office and continues to interview additional staff. Based on those factors, OCIO will capture Infrastructure as a Service (IaaS) Cloud investments. The Library has contracted for IaaS from AWS, Google Cloud Platform, and in the near future from Microsoft Azure. OCIO will monitor actual cloud usage on a monthly basis and compare these to the plan, which was established prior to the acquisition for IaaS. The estimated date of completion is the second quarter of FY 2024.

### FY 2021 Cybersecurity Controls Maturity Evaluation

<table>
<thead>
<tr>
<th>Report No. Issue Date</th>
<th>Office</th>
<th>Rec. No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021-IT-101 July 2022</td>
<td>OCIO</td>
<td>2.1</td>
</tr>
</tbody>
</table>

Report summary: We evaluated selected cybersecurity control areas and the effectiveness of such control areas. Develop formal procedures for maintaining an up-to-date inventory of hardware assets and removing unauthorized or unmanaged hardware assets in a timely manner—The Library is developing formal procedures for maintaining an up-to-date inventory of hardware assets as part of the IT asset management tool implementation. The Library has awarded a contract to implement an IT Asset Management (ITAM) solution. The estimated date of completion is the fourth quarter of FY 2024.

### FY 2021 Cybersecurity Controls Maturity Evaluation

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>2021-IT-101 July 2022</td>
<td>OCIO</td>
<td>2.2</td>
</tr>
</tbody>
</table>

Implement tools to (a) track and monitor all authorized hardware assets on the Library network and (b) report or prevent unauthorized devices connecting to the network—The Library has awarded a contract to implement an ITAM solution. Planned enhancements will provide data to support identification and removal of unauthorized assets. The estimated date of completion is the fourth quarter of FY 2024.

### FY 2021 Cybersecurity Controls Maturity Evaluation

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</thead>
<tbody>
<tr>
<td>2021-IT-101 July 2022</td>
<td>OCIO</td>
<td>2.3</td>
</tr>
</tbody>
</table>

Maintain a complete, accurate, and centralized repository of all hardware assets connected to the Library network—The Library will maintain a centralized repository of all hardware assets connected to the Library network once an ITAM tool has been implemented. The estimated date of completion is the fourth quarter of FY 2024.

### FY 2021 Cybersecurity Controls Maturity Evaluation

<table>
<thead>
<tr>
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<th>Rec. No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021-IT-101 July 2022</td>
<td>OCIO</td>
<td>3.1</td>
</tr>
</tbody>
</table>

Develop formal policies and procedures over their process for maintaining an up-to-date software inventory that incorporates security controls requirements from National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53, Configuration Management (CM-8) and industry practices from NIST SP 800-37 and NIST SP 800-128—As part of the ITAM tool implementation, the Library is developing formal policies and procedures for maintaining a software inventory. These policies will incorporate security control requirements form NIST SP 800-53, CM-8, and industry practices from NIST SP 800-37 and NIST SP 800-128. The Library was awarded a contract to implement an ITAM solution. The estimated date of completion is the fourth quarter of FY 2024.
Complete the implementation of its Configuration Management Database (CMDB) to track and manage the inventory of software assets—The Library submitted the acquisition package for acquiring professional services to implement the IT Operations Management suite of tools and the project charter was completed. The estimated date of completion is the first quarter of FY 2026.

Chief Operating Officer (COO)

**Comprehensive Redesign Needed of Gift Shop Financial Management and Accounting**

<table>
<thead>
<tr>
<th>Report No.</th>
<th>Issue Date</th>
<th>Office</th>
<th>Summary of Recommendation and Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-PA-102</td>
<td>April 2019</td>
<td>COO/ Business Enterprises</td>
<td>Report summary: We audited the internal controls of the Library’s Gift Shop. The Gift Shop should comprehensively review and redesign the financial and accounting processes and systems. It should implement a financial reporting system for Gift Shop operations that includes an automated trial balance based on double entry accounting, and one that produces a full complement of financial statements (i.e., balance sheet, profit and loss (P&amp;L) statement, and cash flow statement) that is compliant with generally accepted accounting principles on a monthly, quarterly, and annual basis—The interface between Counterpoint (the retail enterprise resource planning system) and Momentum (the Library's financial system of record) has been designed, configured and functional testing has occurred with the programmers. User acceptance testing is in process, with testing occurring in the staging environments of the applications. The estimated date of completion is the fourth quarter of FY 2024.</td>
</tr>
</tbody>
</table>

**FEDLINK Hotline Complaint Regarding the Timeliness of Processing Customer Orders**

<table>
<thead>
<tr>
<th>Report No.</th>
<th>Issue Date</th>
<th>Office</th>
<th>Summary of Recommendation and Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-SP-104</td>
<td>May 2019</td>
<td>COO/ FEDLINK</td>
<td>Report summary: We evaluated a hotline complaint regarding the Federal Library and Information Network (FEDLINK) and two of its customers. FEDLINK serves federal libraries and information centers as a purchasing, training, and resource-sharing consortium. Create a formal process for tracking, reviewing, and resolving issues from customers and vendors. Implementing a formal process for centrally documenting customer issues could benefit FEDLINK, as it would allow FEDLINK to quickly identify and resolve systemic issues, thereby improving the services that FEDLINK provides to its customers. Implementing a formal process for tracking customer service issues related to contracts would also assist in ensuring that FEDLINK sufficiently documents issues to enable it to resolve the issues regardless of possible employee turnover. A formalized process would also assist in ensuring that all customer issues received are available to the FEDLINK personnel assigned to the relevant contract, regardless of the process by which the issue was submitted—The Customer Relationship Management (CRM) platform and implementation contract is scheduled to be awarded by September 30, 2023. By September 2024, FEDLINK will have a formal process in place to track, review, and resolve issues from members and vendors. The estimated date of completion is the fourth quarter of FY 2024.</td>
</tr>
</tbody>
</table>
Table 4: Significant Recommendations from Previous Semiannual Reports for which Corrective Action Has Not Been Completed

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</thead>
<tbody>
<tr>
<td>Library Collections Access Platform Project Cost Evaluation</td>
<td>2021-SP-102 June 2022</td>
<td>COO/FSD and Service Units</td>
<td>3</td>
<td>Report summary: We evaluated the cost estimate of the Library Collections Access Platform (L-CAP) project. Obtain additional resources and personnel with technical knowledge to enhance its NEPR review process and technical evaluations—The Library continues its efforts to launch the EPM project and expand its workforce with additional technical expertise to support cost estimation. The vacancy announcements for the full time equivalent IT Cost Estimators were issued and interviews were conducted. There were no suitable candidates from the pool of interviewees. OCIO will instead issue a support contract to assist in maturing cost estimating and establish processes and procedures. Due to this change, the estimated date of completion is now the fourth quarter of FY 2024.</td>
</tr>
<tr>
<td>Performance Audit of the Library of Congress Gift and Trust Funds</td>
<td>2021-PA-101 October 2022</td>
<td>COO/FSD and the Development Office</td>
<td>1.1</td>
<td>Report summary: We assessed the Library’s internal controls for gift and trust funds and whether the funds were managed and disbursed in accordance with requirements. Design and implement controls to strengthen communication and monitoring of grant agreement terms and create safeguards to prevent and detect noncompliance with the grant agreement—The Library is drafting a directive that, in addition to supporting current LCRs and policies and procedures within service units, will clarify and delineate the shared responsibility of soliciting, accepting, executing, modifying, and reporting donations. The directive has been submitted and is currently under review by OGC. The estimated date of completion is the first quarter of FY 2024.</td>
</tr>
<tr>
<td>Library Collections &amp; Services Group (LCSG)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Library Services Needs to Strengthen Its Performance Measurement of the Collection Services Workflow</td>
<td>2018-SP-101 August 2019</td>
<td>LCSG</td>
<td>5</td>
<td>Report summary: We assessed the Library’s capability to perform end-to-end monitoring of the effectiveness of its collections storage process across different collection formats through the use of performance measures. This included assessing activities in relation to performance targets for arrearage. Create a complete and accurate inventory of unprocessed electronic collection materials—Procedures for most general collections have been formalized, and procedures for developing repeatable, auditable processes for accurate and sustained measurement of special format collections are currently under review. Once approved, LCSG will submit the documentation and request closure of the recommendation. The estimated date of completion is the first quarter of FY 2024.</td>
</tr>
<tr>
<td>Library Services Needs to Strengthen Its Performance Measurement of the Collection Services Workflow</td>
<td>2018-SP-101 August 2019</td>
<td>LCSG</td>
<td>6</td>
<td>Use complete and accurate data to establish an outcome-oriented target for reducing the size of its inventory of unprocessed analog collection materials (e.g., using a ratio of unprocessed analog materials to analog collection materials overall) and use the target to measure performance—LCSG has reported that it will submit a request to close this recommendation in the next semiannual period.</td>
</tr>
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<tr>
<td>Library Services Needs to Strengthen Its Performance Measurement of the Collection Services Workflow</td>
<td>2018-SP-101 August 2019</td>
<td>LCSG</td>
<td>7</td>
<td>Use complete and accurate data to establish plans to set an outcome-oriented target for reducing the size of its inventory of unprocessed electronic collection materials (e.g., using a ratio of unprocessed electronic materials to electronic collection materials overall)—Procedures for most general collections have been formalized, and procedures for developing repeatable, auditable processes for accurate and sustained measurement of special format collections are currently under review. Once approved LCSG will establish and document a target, and request closure of the recommendation. The estimated date of completion is the first quarter of FY 2024.</td>
</tr>
<tr>
<td>Library Services Needs to Strengthen Its Performance Measurement of the Collection Services Workflow</td>
<td>2018-SP-101 August 2019</td>
<td>LCSG</td>
<td>8</td>
<td>Establish outcome-oriented measures focused on LS's performance related to meeting user needs associated with the collection services workflow—A closure request document is under review in LCSG. Once approved, it will be submitted to OIG. Over the last 5 years, a stable percentage of LCSG's measures have been user focused, related to the Collection Services Workflow, and outcome-oriented. During that time the number of applicable measures has increased, but growth is obscured by an accompanying increase in measures overall. However, with LCSG's FY 2024 pilot implementation of key performance indicators (KPIs), the Library expects a sharp decrease in performance measures, driven primarily by the conversion of output measures to KPIs and resulting in a greater percentage of the remaining measures being strategy driven and outcome-oriented. This change will make the outcome-oriented measures, and their results, more visible. The Library believes that these measures, their steadily growing number, and changes in the FY 2024 planning demonstrate LCSG's significant improvement with and continuing commitment to measures that are user focused, related to the Collection Services Workflow, and outcome-oriented. The estimated date of completion is the first quarter of FY 2024.</td>
</tr>
<tr>
<td>Library Services Needs to Strengthen Its Performance Measurement of the Collection Services Workflow</td>
<td>2018-SP-101 August 2019</td>
<td>LCSG</td>
<td>9</td>
<td>Adopt a cross-organizational approach to performance measurement related to the collection services workflow that facilitates collaboration across LS's organizational units—Closure request document is under review in LCSG, once approved it will be submitted to OIG. Between Annual Report statistics, Directional Plan elements, and documentation of progress on the Digital Collections Strategy, LCSG regularly and publicly documents its collaborative work on collection services workflow projects and programs. The Library believes that these examples and their accompanying baseline/trend data demonstrate LCSG's continuing commitment to collaborative measures in this area. The estimated date of completion is the first quarter of FY 2024.</td>
</tr>
<tr>
<td>Library Services Needs to Strengthen Its Performance Measurement of the Collection Services Workflow</td>
<td>2018-SP-101 August 2019</td>
<td>LCSG</td>
<td>10</td>
<td>Track the allocation of resources associated with outcome-based performance measures for all stages of the collection services workflow for analog and electronic collection materials—Data is largely complete, but methodology needs review by and approval of LCSG leadership. Once approved, LCSG will submit the documentation and request closure of the recommendation. The estimated date of completion is the first quarter of FY 2024.</td>
</tr>
</tbody>
</table>
Table 4: Significant Recommendations from Previous Semiannual Reports for which Corrective Action Has Not Been Completed

<table>
<thead>
<tr>
<th>Subject</th>
<th>Report No. Issue Date</th>
<th>Office</th>
<th>Rec. No.</th>
<th>Summary of Recommendation and Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Library Services Needs to Strengthen Its Performance Measurement of the Collection Services Workflow</td>
<td>2018-SP-101 August 2019</td>
<td>LCSG</td>
<td>11</td>
<td>Establish capacity utilization performance measures that track the effectiveness of the collection services workflow—Data is largely complete, but methodology needs review by and approval of LCSG leadership. Once approved, LCSG will submit the documentation and request closure of the recommendation. The estimated date of completion is the fourth quarter of FY 2024.</td>
</tr>
<tr>
<td>National Library Service for the Blind and Print Disabled’s IT Modernization Evaluation</td>
<td>2020-IT-105 September 2021</td>
<td>LCSG/NLS, COO/FSD, and OCIO</td>
<td>1.1</td>
<td>Report summary: We reported on the NLS’s IT modernization projects. FSD, in consultation with the OCIO PMO, continue efforts to align actual cost tracking practices with the GAO’s Cost Estimating and Assessment Guide, as previously recommended by OIG’s report 2019-IT-104, IT Modernization Evaluation Report, February 2021. Until such time that FSD can implement actual cost tracking practices that are aligned with GAO’s Cost Estimating and Assessment Guide Library-wide, we recommend that FSD implement cost accounting procedures to close the gap while the ideal solution is being designed—The evidence FSD will submit to close the recommendation will consist of a memo from the Chief Financial Officer (CFO) to the Library’s Operating Committee and CFO Advisory Group that includes new and existing procedures to help close the gap with how the Library tracks actuals against planned costs during IT project execution. This memo is planned to be distributed ahead of the next CFO Advisory Group that is tentatively set for October 25, 2023. The estimated date of completion is the first quarter of FY 2024.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IG Act Section</th>
<th>OIG Reporting Requirements</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>4(a)(2)</td>
<td>Review of legislation and regulations.</td>
<td>28</td>
</tr>
<tr>
<td>5(a)(1)</td>
<td>Significant problems, abuses, and deficiencies.</td>
<td>5–9, 23–31</td>
</tr>
<tr>
<td>5(a)(2)</td>
<td>Recommendations for which corrective action has not been completed, including potential associated cost savings, when applicable.</td>
<td>33–40</td>
</tr>
<tr>
<td>5(a)(3)</td>
<td>Significant closed investigations.</td>
<td>29–31</td>
</tr>
<tr>
<td>5(a)(4)</td>
<td>Number of convictions from investigations.</td>
<td>29</td>
</tr>
<tr>
<td>5(a)(5)</td>
<td>Listing of completed audits, inspections and evaluations, and associated information.</td>
<td>23–27</td>
</tr>
<tr>
<td>5(a)(6)</td>
<td>Management decisions made with respect to issued audits, inspections, or evaluations.</td>
<td>23–26</td>
</tr>
<tr>
<td>5(a)(8), (9), (10)</td>
<td>Information regarding peer reviews involving OIG.</td>
<td>42</td>
</tr>
<tr>
<td>5(a)(11)</td>
<td>Statistical tables pertaining to OIG investigations.</td>
<td>29</td>
</tr>
<tr>
<td>5(a)(12)</td>
<td>Description of the metrics for OIG investigative table.</td>
<td>29</td>
</tr>
<tr>
<td>5(a)(13)</td>
<td>Reports involving senior Government employees where allegations of misconduct were substantiated.</td>
<td>N/A</td>
</tr>
<tr>
<td>5(a)(14)</td>
<td>Instances of whistle-blower retaliation and related information.</td>
<td>N/A</td>
</tr>
<tr>
<td>5(a)(15)</td>
<td>Attempted agency interference with OIG independence and related information.</td>
<td>N/A</td>
</tr>
<tr>
<td>5(a)(16)</td>
<td>Circumstances of audits, inspections, and evaluations and investigations of senior Government employees undisclosed to the public.</td>
<td>23–31</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Library IG Act Section</th>
<th>OIG Reporting Requirements</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 U.S.C. § 185(d)(3)(c)(i)</td>
<td>Semiannual certification of law enforcement program.</td>
<td>31</td>
</tr>
</tbody>
</table>

¹⁴This section was derived from section 5 of the Inspector General Act of 1978 (IG Act), Pub. L. 95–452, which was set out in a former Appendix to Title 5. On December 23, 2022, the IG Act was amended by Pub. L. 117–263, div. E, title LII. On December 27, 2023, Congress enacted Pub. L. 117–286, which codified the IG Act at 5 U.S.C. §§ 401–424 (including the semiannual reporting requirements). For applicability of those amendments to this section, see section 5(b) of Pub. L. 117–286, Transitional and Savings Provisions. The semiannual reporting requirements of section 5 (except (a)(7)) apply to the Library’s OIG through the Library of Congress Inspector General Act of 2005, as amended, 2 U.S.C. § 185. Section 5 states, "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."
Our Audits Division undergoes external peer reviews at least once every three years for our compliance with GAO’s audit standards and standards set by CIGIE for inspections and evaluations.

We completed an audit peer review of the Smithsonian Institution OIG in September 2023 for the period ending September 30, 2023. We concluded that the OIG met the standards under review, issued a “pass” rating, and made one recommendation. See page 27 for additional details.

We underwent a peer review for compliance with audit standards by the U.S. Consumer Product Safety Commission (CPSC) OIG for the period ending March 31, 2022. The CPSC OIG concluded that we met the standards under review and made no recommendations. OIG’s system of quality control was suitably designed and complied with to provide reasonable assurance of conforming with applicable professional standards in all material respects. Accordingly, the CPSC OIG provided a “pass” rating, and no recommendations were made; this is the highest available rating. There were no outstanding recommendations from a previous peer review.

We underwent a peer review for compliance with inspection and evaluation standards by the Office of Personnel Management (OPM) OIG for the period ending March 31, 2021. The OPM OIG concluded that OIG met the standards under review. OPM OIG did not make any recommendations for improvement. There were no outstanding recommendations from the previous peer review.

We completed a peer review of the Department of Commerce OIG for compliance with inspection and evaluation standards for the period ending June 30, 2020. We determined that the Department of Commerce OIG met the standards under review and made no recommendations.
Inspector General
Dr. Glenda Arrington

Deputy Inspector General
Vacant

Assistant Inspector General
for Audits
Eric Mader

Assistant Inspector General
for Investigations
Johnny Rivera

Special Agent
LaTasha McClendon

Special Agent
Joseph Kurz

IT Audit Director
Stephen Gilbride

Audit Director
Walter Obando

Senior Auditor
Madeline Beasley

Senior Auditor
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Deborah Lehrich

Director, Management Services
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Auditor
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REPORT SUSPECTED FRAUD, WASTE, ABUSE, OR MISMANAGEMENT
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