

Madison Council Bulletin Spring 2008

Annual Report 2007





Головной убора и украшения одежд жрицы Димитры,  
найденные в ее гробнице.

Лит. В. Сурганова



Madison Council **Bulletin** Spring 2008

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In 2007, the Junior Fellow Summer Interns, funded in part by the James Madison Council, mined the Library's rich collections to bring to light previously uncataloged items. The vivid, detailed drawings featured throughout this issue are from a late-19th-century book of four volumes showing accessories used by Russians from the 7th century through the tsarist era. The illustrations allow the viewer to connect in a tangible way with the vast span of Russian history, from objects of national life including jewelry, dress, textiles, weapons, saddles, and architectural details.

*A.V. Prokhorov. Materialy po istorii Russkikh odezhd i obstanovki zhini narodnoi. St. Petersburg: 1884. The Library of Congress, European Division*



Уборы царских лошадей  
 на разных торжественных выездах

Лит. I. Липовская

Headgear and other items for the tsar's horses, for use on various ceremonial occasions



Letter from  
the **Librarian**

We are indebted to Chairman Lenfest and Council members for supporting this critical period in the history of the Library of Congress. We are putting the final touches on the Jefferson Building transformation, designed to make the Library a leading destination for those students, teachers, and lifelong learners visiting the nation's capital.

Through the support of many Council members, Library visitors will now be treated to a stunning array of new exhibitions and innovative displays designed to give them firsthand interaction with priceless primary materials in their original form, and lead them seamlessly onto our massive online resources for K-12 education.

John Kluge got us started on this Jefferson Building project and we thank him and Tussi as well as the other key benefactors: Gerry and Marguerite Lenfest, Jay and Jean Kislak, Ray and Phyllis Smith, Peter and Julie Cummings, Marjorie S. Fisher, Marjorie M. Fisher, Nancy Jewell, Bea and Tony Welters, Consuelo Duroc-Danner, David H. Koch, Glenn Jones and Dianne Eddolls, Dennis and Susan Shapiro, and Ed and Joyce Miller.

We are also grateful to Gerry Lenfest for his lead benefaction in support of the Library's long-envisioned goal of establishing a Visiting Scholars Center in Washington, D.C. With his support and that of Marjorie M. Fisher, we are within sight of raising the remaining funds needed to renovate the nearby building. The center will not only have inexpensive accommodations otherwise unattainable in Washington, but it will offer access to the Library's unparalleled resources to scholars, teachers, and specialists from cultural institutions.

Thanks to the generosity of Council member Betsy DeVos, the Library is developing a business plan for a state-of-the-art National Education Center to complement the new interactive educational experience in the Jefferson Building. We are grateful to our Education Committee, ably led by Glenn Jones, whose advice will be invaluable as we move forward with this important undertaking.

In December, we were glad to have so many members join us to celebrate the opening of the Early Americas Gallery of the Thomas Jefferson Building, featuring unique treasures from the remarkable collection given to the nation by Jay and Jean Kislak. This exhibition will have a far-reaching impact on the many visitors who will visit the Library or access the collection online, and we are grateful to Jay and Jean for their generosity.

Under the leadership of the Acquisitions Committee, the Council has put in place a special acquisitions fund, which will allow the Library to take advantage of time-sensitive opportunities to build the national collection. Special thanks to Bea Welters and Nancy Jewell for leading this effort, and to John Medvekis for his generous inaugural contribution to the fund.

We welcome a number of new members to the Council: Sheila Labrecque of New York City, who was introduced to many of you at the 2007 fall meeting by Norma Dana; Geoffrey T. Boisi of New York City, who was recommended by Ray Smith; Caren Prothro of Dallas, who was recommended by Ruth Altshuler; Martha Hamilton Morris, who was recommended by Gerry Lenfest; and Kathryn and Craig Hall of Dallas and Napa Valley, who were recommended by Teresa and John Amend. We look forward to the involvement and counsel of these esteemed new members.

Our Membership Committee, led by Ray Smith and Peter Cummings, and our Events Committee, chaired by the indefatigable Mitzi Perdue, are working together on a number of events, building on the success of our "Central Park" program, organized by Norma Dana and Mitzi Perdue this past November. I hope that many of our members will join us as we reach out to prospective members from across the nation and the world.

We are deeply grateful for the support and enthusiasm of the Madison Council. The Council is a much-admired model of the way in which the private sector can effect real and constructive change and momentum within a public institution. Thank you for joining with me in making a significant, tangible difference in our nation's library.



Петлицы, пуговицы и другіе украшенія царскихъ становойхъ кафтановъ.

Зитъ Я. Прохорова.

Hasps, fasteners, and other decorations for the tsar's ordinary cloaks



Letter from  
the **Chairman**

Looking back on the many accomplishments of the Madison Council this past year, I am especially proud to be the chairman of this group that has come to mean so much to the national library. As a contributor, I am pleased that the Library has stayed true to its mission to share its unmatched resources with people throughout the world. As a businessman, I am satisfied that the Council's financial resources are sound and managed responsibly. For the 14th consecutive year, the Madison Council Fund has received an unqualified favorable opinion by the auditors.

During 2007, the Madison Council continued to provide substantial support for a number of key Library initiatives. Our audited financial statement is presented in the final section of this publication, but I would like to share a few highlights with you. In Fiscal Year 2007, Council members made gifts and pledges of more than \$6 million, bringing the total support from 1990 through 2007 to more than \$179 million. Most recently, Council support has been invaluable to the Library's efforts to create a unique, interactive educational experience for the millions of students, teachers, and lifelong learners who will visit the Library in person or virtually. This achievement represents the latest accomplishment for the Council, and I thank you.

Our membership, acquisitions, education, and events committees have made important contributions to the Council. I am especially grateful to Ray Smith, Peter Cummings, Bea Welters, Nancy Jewell, Glenn Jones, and Mitzi Perdue for stepping forward to chair these committees, and hope that committee membership will continue to grow.

Please join me in welcoming our esteemed new members, whose biographies are presented in this publication. I encourage each of you to nominate additional prospects for Council membership.

The Madison Council is, as Jim Billington has said, a crown jewel of the nation's library. I thank you for all you have done and hope that your commitment to this worthy institution will only grow as we help the Library reach its ambitious and inspiring goals.

A handwritten signature in black ink, which appears to read "Gary H. Smith". The signature is written in a cursive, flowing style.



COURTESY UNESCO

Dr. and Mrs. Billington; Koïchiro Matsuura, Director-General of UNESCO; U.S. Ambassador to UNESCO Louise Oliver; Laura Campbell, Associate Librarian for Strategic Initiatives; and John Van Oudenaren, Senior Advisor, World Digital Library

“As ideas go,  
they don’t come  
much bigger.”



## World Digital Library Prototype Presented at UNESCO Conference

The *Washington Post* summed up the Library's prototype of a World Digital Library (WDL), presented in Paris during the 34th UNESCO General Conference in mid-October: "As ideas go, they don't come much bigger."

Under the leadership of Dr. Billington, Library of Congress staff demonstrated the prototype of the World Digital Library, and the Librarian, along with Abdul Waheed Khan, UNESCO Assistant Director-General for Communication and Information, signed a memorandum of understanding pledging UNESCO support for the World Digital Library.

UNESCO Director-General Koïchiro Matsuura spoke at an evening reception on October 17 to celebrate the presentation of the prototype, which he said "is a truly remarkable achievement and clearly illustrates the project's enormous potential."

Madison Council members present with the Librarian and Mrs. Billington were Glenn Jones, Dianne Eddolls, Raja Sidawi, and Monique Duroc-Danner.

Remarking on the long-standing relationship between the Library and UNESCO, Matsuura noted that Archibald MacLeish, Librarian of Congress from 1939 to 1944, was one of the main architects of UNESCO's constitution.

Dr. Billington explained the role of the World Digital Library. "The key objective of the World Digital Library ought to be to promote international and intercultural understanding and awareness. We can pursue this objective by using electronic technologies to give as many people as possible access to important and interesting primary source materials from and about every country," he said.

The Librarian originally proposed the concept for a World Digital Library in a speech to the U.S. National Commission for UNESCO in June 2005, when he said: "Libraries are inherently islands of freedom and antidotes to fanaticism. They are temples of pluralism where books that contradict one another stand peacefully side by side on the shelves just as intellectual antagonists work peacefully next to each other in reading rooms."

In December 2006, Dr. Billington and other Library staff met with UNESCO and the International Federation of Library Associations and Institutions (IFLA) representatives and agreed to present the WDL prototype at this year's UNESCO General Conference.

The mission of the World Digital Library is to make available on the Internet, free of charge and in multilingual format, significant primary materials from cultures around the world, including manuscripts, maps, rare books, musical scores, recordings, films, prints, photographs, architectural drawings, and other significant cultural materials.

As the Librarian said, the objectives are to promote international and intercultural understanding, increase the quantity and diversity of cultural materials on the Internet, contribute to education and scholarship, and build digital conversion capacity in developing nations. The prototype draws upon the contributions of the Library of Congress and five partner institutions — the Bibliotheca Alexandrina of Alexandria, Egypt; the National Library of Brazil; the National Library and Archives of Egypt; the National Library of Russia; and the Russian State Library.

The WDL multilateral partner approach builds on the Library's long experience with bilateral digital conversion partnerships that are presented in the Global Gateway portion of the Library's Web site.

**John Van Oudenaren demonstrates the prototype to U.S. Secretary of Education Margaret Spellings.**



The Library has significant experience in one important aspect of the World Digital Library—that of building digital library capabilities in the developing world. The Library loaned digitization equipment to the Russian State Library and the National Library of Russia, the National Library of Brazil, and more recently the National Library and Archives of Egypt. Library staff also provided training on how to use the equipment, create appropriate metadata, and manage digital conversion projects in general.



**John Van Oudenaren, Laura Campbell, Glenn Jones, Dianne Eddolls, Dr. and Mrs. Billington, Raja Sidawi, Monique Duroc-Danner, and Jo Ann Jenkins**

WDL partners contributed to the successful launch of the prototype in various ways. They provided content, language expertise, and were particularly effective in conducting presentations in Paris in Arabic, French, Portuguese, Russian, and Spanish. The Bibliotheca Alexandrina played a unique role by hosting a mirror site of the prototype to reinforce the ultimate goal of developing a network of WDL mirrors around the world.

The prototype was built by a team from the Office of the Librarian, the Office of Strategic Initiatives, Library Services, contractors, and representatives from partner institutions. More than 100 individuals, some volunteers and some part-time, contributed to the prototype. John Van Oudenaren led these efforts as director of the World Digital Library.

Development of the prototype was completed in seven months. One of the objectives was to create a fully functioning application that demonstrated the goals, potential, and required technical capabilities of the World Digital Library. This experience allowed the WDL team to learn

more about issues inherent in delivering content in multiple languages and to test new approaches in digital library development. The site supports searching and browsing in seven languages: Arabic, Chinese, English, French, Portuguese, Russian, and Spanish. The interface is designed to help users find what they are looking for and to encourage exploration.

These features depend on consistent, high-quality metadata. Existing metadata records were enhanced by Library catalogers to ensure that each item could be fully integrated into the prototype. Each metadata record was then translated into the required languages and integrated into the Web application.

Van Oudenaren said that the prototype seeks to create “an equivalent user experience, no matter what language you are using; too many sites are multilingual in a very superficial sense.”

Following the signing of the agreement with UNESCO, Billington and representatives of the partner organizations spoke at a well-attended press conference, including TV crews from Russia and Egypt. Van Oudenaren presented the prototype by emphasizing the various ways to discover the spectacular content. In the days after the press event, stories appeared throughout the world, which indicates broad interest in the World Digital Library concept.

During UNESCO’s General Conference, Library staff and World Digital Library partners demonstrated the prototype to a steady stream of interested world leaders, including U.S. Secretary of Education Margaret Spellings and ambassadors and ministers from around the world.

The future of the WDL will certainly involve fundraising. A gift of \$3 million from Google has supported the planning and prototype development process. In-kind support was provided by Apple, Intel, One Laptop per Child, and the dotMobi Foundation for the prototype launch. These organizations sent representatives to Paris to demonstrate the prototype and related applications.

Working groups for content selection, technical architecture, and digital library guidelines have been established to assist with moving World Digital Library from a prototype to production. The prototype is not available to the public. Present plans are to make a production version available in late 2008 or early 2009.



## Evening Performance

## Madison Council Meeting Fall 2007



From the top:

Yuja Wang;

Joyce Miller, Dr. Billington, Ed Miller,  
and Marjorie Billington;

Elizabeth Warshawer, Marina Kats,  
Barbara Guggenheim, George Jewell,  
and Dennis Shapiro





Madison Council Meeting Fall 2007

Evening Performance



Row 1: Trio performing in the Great Hall; Dennis Shapiro, Dr. Billington, Albert Small, Julie Baskes, and Roger Baskes; Yuja Wang and Cindy Wu; Glenn Jones

Row 2: Yanique Moore and Steve Perry; Jeff Fox, Susan Shapiro, and Ann Marie Fox; Raymond White, Music Specialist and Gershwin Curator, and Nancye Miller

Row 3: George and Nancy Jewell, Dr. Billington, and Norma Dana; Dr. Billington, Gerry Lenfest, and Rep. Zach Wamp; Nancye Miller, Mitzi Perdue, Albert Small, and Jeff Fox; Mitzi Perdue, Yuja Wang, and Sheila Labrecque

Row 4: Norma Dana, Norma Asnes, and Consuelo Duroc-Danner; John Medveckis and Barbara Guggenheim; Dr. Billington, Joan Wegner, and George and Nancy Jewell.



## Madison Council **Business** Meeting Fall 2007

Above: Dr. Billington with Marguerite Lenfest

Row 1: Dr. Billington; Pam Van Ee, Cartographic Specialist, and George Jewell; Bea Welters and Nancy Jewell; Brian Lamb, Ray Smith, and Dr. Billington

Row 2: Bea Welters and Mark Dimunation, Chief, Rare Book and Special Collections; Jo Ann Jenkins, Chief Operating Officer; Sheila Labrecque, Ray Smith, and Norma Dana; Glenn Jones

Row 3: Janell Blackmon, Summer Intern Class of 2007; Joyce Miller, Joan Wegner, and Gerry Lenfest; Mitzi Perdue; Dianne Eddolls and Marguerite Lenfest

Row 4: Brian Lamb; Ray Smith; Grant Hamming, Summer Intern Class of 2007; Madison Council with Library curators and collection items.



## The **Jay I. Kislak** Collection Exhibit Opens with a Celebration



Top left: Dr. Billington and Jay Kislak

Bottom left: Sen. Frank Lautenberg and Prince Waldburg-Wolfegg

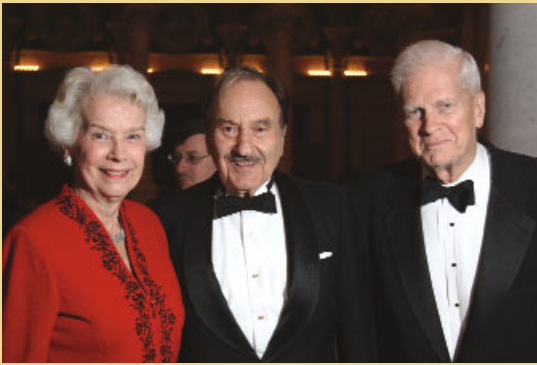
Center: The *Conquest of Mexico* paintings displayed

Right: Dr. Billington

**E**xploring the Early Americas is a multimedia presentation in the Thomas Jefferson Building and features selections from the more than 3,000 rare maps, documents, paintings, prints, and artifacts that make up the Jay I. Kislak Collection at the Library of Congress. It provides insight into indigenous cultures, the drama of the encounters between Native Americans and European explorers and settlers, and the pivotal changes caused by the meeting of the American and European worlds. The exhibition includes two extraordinary maps by Martin Waldseemüller created in 1507 and 1516, which depict a world enlarged by the presence of the Western Hemisphere. Additionally, the exhibition includes rare and unique items such as the Tortuguero Box, a seventh-century Maya wood artifact; 17th-century murals depicting Cortes' conquest of Mexico (1519-1522); and Alexandre Exquemelin's "Buccaneers of America" (1678), an eyewitness account of the daring deeds of French, Dutch, and English pirates raiding Spanish ships and colonies in the Caribbean.

"This exhibition is a preview of the type of high-tech experience we plan for visitors to the Library. It is a fascinating and thought-provoking journey through early chapters in our history, using an illuminating variety of formats," said Dr. Billington.





The new display, which allows online tours, audiovisual explanations, and interactive exploration, is an example of how the Library will be transforming its public spaces to present its resources. It contains a number of precious artifacts that are made more accessible through the new technology.

The collection includes *Historia Naturae Maxime Peregrinae Libris*, a book written by Juan Eusebio Nieremberg in 1635. The volume was the first attempt to describe and categorize the flora and fauna of North and South America.

After looking at the centuries-old book in a display case, visitors can virtually turn its pages in an interactive display to view the early words and drawings depicting the animals and plants discovered in the New World and learn about the customs and rites of the Aztecs and Incas. With a point of a finger, the Latin text can be translated into English or Spanish. Interactive displays enable visitors to touch a screen to zoom in or out on specific parts of maps and access insights from curators.

The exhibit opened with a memorable celebration on December 12, 2007. Jay Kislak and his family joined Dr. and Mrs. Billington for the evening. Also attending was Prince Waldburg-Wolfegg, whose family owned the Waldseemüller map. Members of Congress present included Rep. Debbie Wasserman Schultz, D-FL, Rep. Ileana Ros-Lehtinen, R-FL, Rep. Ron Klein, D-FL, and Rep. Tim Mahoney, R-FL. Sen. Frank Lautenberg, D-NJ, also participated in the evening activities.

**Top row: Musicians; Rep. Debbie Wasserman Schultz, Jay Kislak, Rep. Ileana Ros-Lehtinen, Rep. Tim Mahoney, and Rep. Ron Klein; Secretary of Housing and Urban Development Alphonso Jackson and Jay Kislak**

**Bottom row: Marjorie Billington, Jay Kislak, and Dr. Billington; Gilbert Griffin, Vice President, Terremark Worldwide, Jo Ann Jenkins, and Manuel Medina, Chairman, Terremark Worldwide; Mitzi Perdue**



PHOTO BY MICHAELA MCNICHOL

Sam Renick and "Sammy, the Saver Rabbit" teach children about money management.

# Festival

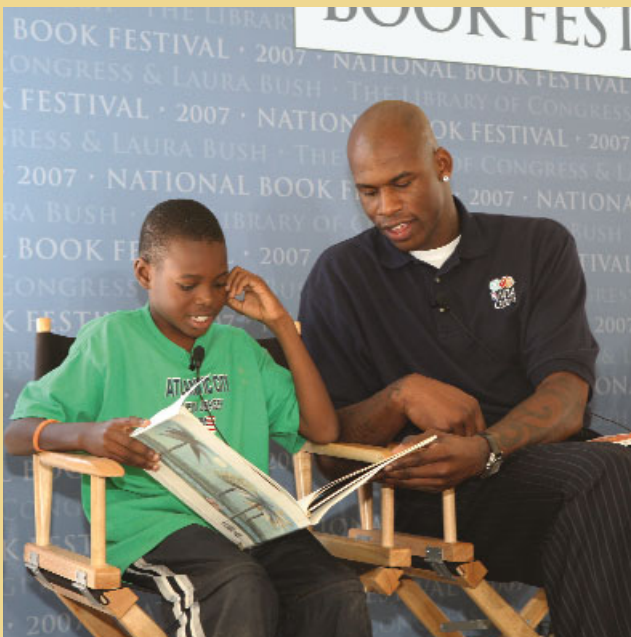


PHOTO BY MICHAELA MCNICHOL

Golden State Warrior Al Harrington reads aloud in the Children's pavilion as part of the NBA/WNBA's "Read to Achieve" program.

## The 2007 National **Book** Festival

The National Book Festival celebrates the joy of reading and the creativity of America's authors, illustrators, and poets. Celebrating its eighth year, this popular event has brought hundreds of thousands of book lovers to the National Mall to see and hear their favorite writers and to get their books signed.

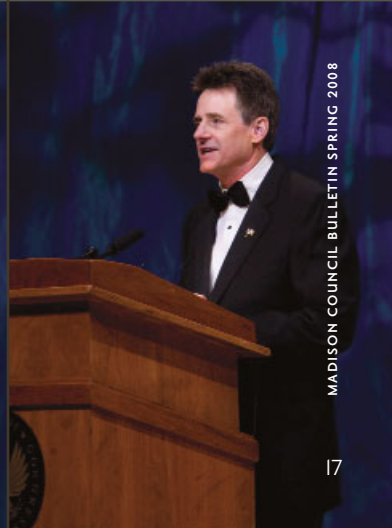
The 2007 Festival drew the largest crowd ever. More than 100,000 were estimated to have participated in the activities. The Library is grateful to Jeffersonians Teresa and John Amend for their support as Charter Sponsors. Support was also provided by the Madison Council and by Marshall and Dee Ann Payne.

Over the years such luminaries as David McCullough, Doris Kearns Goodwin, Khaled Hosseini, Sue Grafton, Terry Pratchett, Geraldine Brooks, Julie Andrews, Michael Connelly, Kareem Abdul Jabbar, Barbara Taylor Bradford, Mary Pope Osborne, and Marc Brown have been featured at the festival. The 2008 National Book Festival will be held on September 27.

Opposite Page:

Top left: The President and Mrs. Bush, Dr. and Mrs. Billington  
 Clockwise from top right: Dr. Billington and Mrs. Bush;  
 Shelia P. Moses; John Amend, Mrs. Bush and President Bush, and  
 Teresa Amend; James L. Swanson; Laysha Ward, Vice President  
 Community Relations, Target; the Bushes and the Billingtons;  
 Jeff Shaara (center)

# Gala



## William F. May Foreign Policy Lecture

William F. May, holder of the Cary and Ann Maguire Chair in American History and Ethics, discussed “Containing Fear in Foreign Policy” at the Library of Congress in November.

In his presentation, May discussed the religious apprehensions, such as good versus evil, embedded in American politics. He looked at American foreign policy during the last 60 years, as political anxieties in the West shifted from the mind-set during the Cold War (the West vs. tyranny) to the current apprehensions (the West vs. anarchy).

May was appointed to the Maguire Chair by Librarian of Congress James H. Billington for a three-month tenure from September to December. He is a leading scholar in the field of medical ethics who has taught at Smith College and at Indiana, Southern Methodist, and Georgetown universities. Upon his retirement at SMU, May also served a year as a visiting professor at the Institute for Social and Policy Studies, Yale University.

Through a generous endowment from John W. Kluge, the Library of Congress established the Kluge Center in 2000 to bring together the world’s best thinkers to stimulate, energize, and distill wisdom from the Library’s rich resources and to interact with policymakers in Washington.



PHOTO BY JANE SARGUS

l-r: William May, Cary Maguire, and Dr. Billington

## Barbara Taylor Bradford Awarded an Order of the British Empire



Council member Barbara Taylor Bradford was awarded her OBE (the Order of the British Empire) by Queen Elizabeth II on June 10, 2007. The official Investiture took place at Buckingham Palace in

London. This award recognizes Mrs. Bradford for her services to Literature. Her husband, Robert Bradford, accompanied her to the Investiture.

Barbara Taylor Bradford was born in Leeds, Yorkshire, and started her professional writing career on the *Yorkshire Evening Post*. She is the author of twenty-two international bestsellers. Her twenty-third novel, *The Heir*, was published by St. Martin’s Press on October 30th in North America. More than 81 million copies of her books have been sold worldwide in 90 countries and over 40 languages.

“I am thrilled and excited, as well as very honored to receive the OBE from the Queen,” said Mrs. Bradford. “Going to Buckingham Palace and accepting this award from Queen Elizabeth was a very special occasion.”

## Ed Miller Book Lecture

On Tuesday, January 15, in the Whittall Pavilion in the Thomas Jefferson Building, Council member Edward S. Miller discussed his recent book *Bankrupting the Enemy: The U.S. Financial Siege of Japan Before Pearl Harbor*. Sponsored by the Humanities and Social Sciences Division, the event drew a capacity audience. A webcast of Ed’s lecture can be found on the Library’s Web site at [www.loc.gov/today/cyberlc/](http://www.loc.gov/today/cyberlc/)



## A Warm Welcome to **New Members**

**Geoffrey T. Boisi** is chairman and chief executive officer of Roundtable Investment Partners LLC, a private investment firm with interests in various private equity, money management, real estate and corporate advisory organizations including Carleon Capital Partners LLC, a leading wealth management firm.



Mr. Boisi is a member of the board of directors of Freddie Mac serving on its governance, nominating and risk oversight committee, mission, sourcing & technology committee as well as chairman of the compensation and human resources committee.

In May 2002, Mr. Boisi retired as vice chairman of JPMorgan Chase, where he served as co-CEO of JPMorgan, the firm's investment bank, and a member of the JPMorgan Chase's executive and management committees.

Prior to joining JPMorgan Chase, Mr. Boisi was founding chairman and senior partner of The Beacon Group, a premier merger and acquisition advisory and private investment firm, which was acquired by Chase in July 2000. Prior to the formation of The Beacon Group, Mr. Boisi was a senior general partner of Goldman, Sachs & Co. where he served as a member of the firm's management committee and head of the global investment banking business, which included worldwide mergers and acquisitions, real estate, corporate finance, capital markets and principal investment activities. In addition, Mr. Boisi held numerous other positions during his 22 years at Goldman Sachs, including: chairman of strategic planning, co-chair of the international management committee, partner in charge of global finance, head of investment banking services, and partner in charge of mergers and acquisitions.

Mr. Boisi is chairman and co-founder of MENTOR/National Mentoring Partnership. Founded in 1989, MENTOR ranks as one of the top 100 charities in the U.S. and is leading the movement to connect America's young people with caring adult mentors.

He is an overseer of The Wharton School;

serves Boston College as a trustee, member of the academic affairs committee and founding sponsor of the Center for Religion and American Public Life; trustee of the Carnegie Corporation of New York where he is chairman of the investment management committee;

trustee of The Brookings Institution; director of Joseph P. Kennedy Enterprises; advisory director of Oxford Analytica; director of America's Promise; and serves the Catholic Church as chairman and founding board member of the National Leadership Roundtable on Church Management (NLRMC); trustee of the Saint Thomas More Chapel & Center at Yale University; trustee of the Papal Foundation; director of FADICA; and a Knight of Malta.

Mr. Boisi has served as chairman of the board of trustees, Boston College, co-chair of the University's capital campaign and chair emeritus of the Boston College Wall Street Council; chairman of the graduate executive board, The Wharton School and co-chair of its capital campaign; member of the international advisory board of Grupo Santander (Spain); member of the investment banking committee, American Stock Exchange; member of the Trilateral Commission; director of Communities in Schools; and a trustee of Friends Academy.

Mr. Boisi has been the recipient of numerous awards, including the Wharton School's Joseph Wharton Award; the American Red Cross of Greater New York's Humanitarian Award; the Cancer Research Institute's Oliver R. Grace Award for Distinguished Service in Advancing Cancer Research; the National Catholic Educational Association's Elizabeth Seton Award and honored by Pope John Paul II as a Steward of St. Peter. He is also the recipient of an honorary Doctor of Humane Letters degree from Sacred Heart University as well as the 2006 Lewis Hine Distinguished Service Award for outstanding service on behalf of children.

Mr. Boisi is a graduate of The Wharton School of the University of Pennsylvania (M.B.A.) and Boston College (B.A.).

**Kathryn Walt Hall** began her public career as assistant city attorney in Berkeley, California, then joined Safeway Stores, where she was responsible for developing and administering one of the nation's first and largest affirmative action programs. Subsequently she worked as an attorney in private practice and as president of Walt Management, an inner city development company.



**Craig Hall** is chairman and founder of Dallas-based Hall Financial Group, which he formed at age 18 with money saved from small ventures begun at age 10. A life-long entrepreneur and investor, his professional interests today include real estate, venture capital, software, the vineyard and winery business, and hotels in the U.S. and Europe.

Ambassador Hall has been involved in the California wine industry since her family first purchased a vineyard thirty-five years ago and is currently, with husband Craig Hall, co-owner of HALL Wines, a premier vineyard and winery company in Napa, California.

From 1997 to July 2001, she served as the United States Ambassador to Austria where she led the Embassy team in the negotiation of resolutions relating to holocaust restitution. She also led a successful effort to enhance opportunities for American businesses operating in Austria.

Ambassador Hall has served on numerous non-profit and institutional boards. She co-founded the North Texas Food Bank and served on the U.S. House of Representatives Hunger Advisory Committee. She has served on the National Advisory Council for Violence Against Women and as a trustee of the Woodrow Wilson International Center for Scholars. Currently, she is trustee of the University of California, Berkeley Foundation and a director of the Northern California World Affairs Council.

She holds an A.B. in Economics and a J.D. from the University of California, and an MBA from the University of California, Berkeley and Columbia University. She is married to Craig Hall and is the mother of two children and two stepchildren.

Craig Hall is the author of five books, including *The Responsible Entrepreneur*.

An avid lifelong art collector, Mr. Hall's collection includes contemporary art from former communist Central and Eastern European countries. A portion of his collection was loaned to the Jeu de Paume Museum in Paris as part of a show on Central and Eastern European art. He also recently developed and assembled the Texas Sculpture Garden featuring 40 contemporary sculptures by living Texas artists, the largest of its kind open to the public.

Mr. Hall actively supports new entrepreneurs and often speaks publicly about the importance of encouraging entrepreneurship worldwide. He and his wife funded the Fulbright-Kathryn and Craig Hall Distinguished Chair for Entrepreneurship to teach entrepreneurship in Eastern Europe and founded the National Foundation for Teaching Entrepreneurship branch in Dallas, Texas.

While living in Vienna from 1997 to 2001, Mr. Hall served on the board of the Fulbright Austrian-American Educational Commission. He was also a consultant to the United States State Department and became one of the first Americans to obtain a degree in International Studies from the Diplomatic Academy, Vienna. He also served as Director and Chair of the Investment Committee for the American University in Bulgaria. In 2007, he was inducted into the Horatio Alger Association of Distinguished Americans, which honors those who have overcome adversity to achieve success.



**Sheila Labrecque** has been dedicated to women's issues, education, peace and New York City. Currently, she is Trustee of the Central Park Conservancy and is also a member of the Board of the

Women's Committee. She is also chair of the Adopt-a-Bench program of the Women's Committee which has annually raised over 1 million dollars and some years close to 2 million dollars for the Park. She served as President of the Women's Committee from 1995 to 1997 and has served on numerous committees of both the Women's Committee and the Central Park Conservancy Board.

In addition to her dedication to the Central Park Conservancy, she recently retired as a trustee of the Women's Commission for Refugee Women and Children. She continues her work for peace as a trustee of the Path to Peace Foundation, which is the Papal Office at the United Nations. Sheila is an Advisory Board member of the Breast Cancer Research Foundation, a member of the President's Council of Villanova University, and an Advisory Board Member of Classroom, Inc. In Florida she was on the board of the Boca Grande Health Clinic and in April will accept the challenge of joining the Gasparilla Island Conservation Association which oversees the preservation and development of the island.

Sheila grew up in Ardmore, Pennsylvania, and graduated from Rosemont College, where she met her husband Thomas G. Labrecque while he was a student at Villanova University. Both have always felt strongly about giving back to the community and both have served on the Boards of their respective colleges. As the Chairman of the Chase Manhattan Corporation he was instrumental in establishing scholarship and mentoring programs to help those in need rather than solely focusing on the Bottom Line. He felt he could make a difference in the lives of Chase employees and the community. Tom was also a forerunner in

promoting women through that "glass ceiling." He also served on the Board of Trustees of the Central Park Conservancy.

Following his death in 2000, the family founded the Thomas G. Labrecque Foundation to raise money for lung cancer research and awareness of the disease. There are two annual events in New York and Washington, D.C. that accomplish the dual goals of the Foundation.

Sheila resides in New Jersey and in Florida and has four married children and nine grandchildren. She spends her time playing with her grandchildren, attending meetings, addressing correspondence, and playing golf.



**Caren Prothro** is a resident of Dallas, Texas, where she is an active supporter of the arts and higher education. Currently serving on the Board of the Dallas Center for the Performing Arts Foundation

she chairs the Development Committee charged with raising over \$300 million to design and construct a new opera hall, theater, and park located in the Dallas Arts District.

She also serves as a trustee of SMU and chairs the Academic Affairs Committee. She is co-chair of SMU's Centennial Campaign Committee and is a member of the Dedman College Executive Board.

Ms. Prothro has been the recipient of many awards, including the 2007 Boys and Girls Club Robert H. Dedman Award for Philanthropy, the 2006 Linz Award, and the Southwestern Medical Foundation Charles Cameron Sprague Community Service Award.

She currently serves on the Hoblitzelle Foundation and Southwestern Medical Foundation, and was a past chairman of the Board of Governors of the Dallas Foundation. Ms. Prothro is a member of the Salvation Army Advisory Board and is a past chairman.

She received a B.A. degree from Mills College.

## In Memoriam

**KIMBALL LAURITZEN**, a longtime Omaha volunteer and wife of Bruce Lauritzen, passed away on January 14, 2008, after battling cancer since 1999.

The Lauritzens were members of the Madison Council from 1998 to 2004.

Lauritzen was actively involved in a number of Nebraska philanthropic and civic organizations including the Nebraska Community Foundation, the Project Harmony Child Protection Center, the (Omaha) Preserve Our Schools Committee, and the AkSar-Ben Women's Ball Committee.

Among other groups in which she held office or assisted: Junior League of Omaha, Henry Doorly Zoo, Clarkson Hospital Service League, Omaha Community Playhouse, University of Nebraska Foundation, Camp Fire USA, Meyer Children's Rehabilitation Institute, Friends of Brownell-Talbot School, Omaha Symphony Guild, Friends of Children's Hospital, Joslyn Women's Association, and the Opera/Omaha Guild.

On November 5, 2007, Bruce and Kimball Lauritzen received the Omaha Award for Corporate Citizenship from the Woodrow Wilson International Center for Scholars in Washington, D.C.



**DIANE WOLF**, 53, a lawyer, fund-raiser for political causes, activist, and patron of the arts in New York and Washington, D.C., passed away on January 10, 2008, in New York City.

Diane was actively involved in a number of philanthropic and civic causes in Washington, D.C. They include the John F. Kennedy Center for Performing Arts, the National Archives, the Smithsonian Council of American Art, the Washington National Opera, the National Symphony Orchestra, and National Public Radio. In New York, she was a benefactor of the Metropolitan Museum of Art, the Frick Collection and Frick Art Reference Library, the Whitney Museum of American Art, and The Rockefeller University Council, among many other organizations.

Additionally, she served on the U.S. Commission of Fine Arts and actively worked for the redesign of U.S. coins. She was a former president of the Federal Bar Association's Capitol Hill chapter.

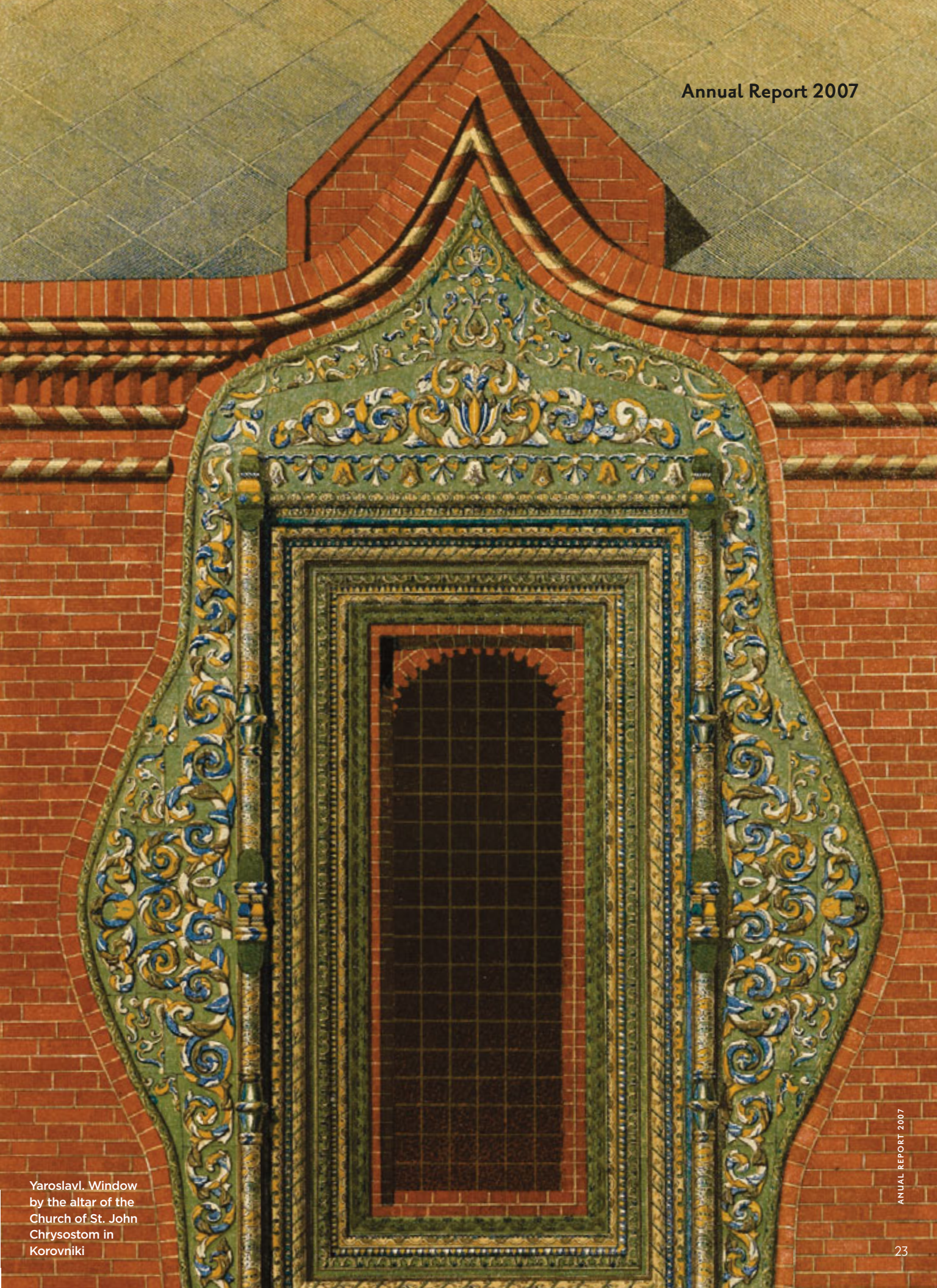
Dr. Billington said, "Diane was a very special friend of the Library. She made many strong and enduring friendships among other Council members, our staff, and our curators."

Diane made many important contributions during her time at the Library. She served a key role on the Art and Architecture Committee championing the curator's efforts to enrich the collections. On a personal level, Diane's generosity made it possible for the Library to acquire such treasures as four Samuel Gottscho photographic albums, Longchamps Restaurant drawings, a rare Martin Luther King photograph, and the North French Hebrew Miscellany (c. 1280), among others.

Diane was born in Cheyenne, Wyoming, and raised in Denver, Colorado. She was a 1976 cum laude graduate of the University of Pennsylvania. In 1980, she received a master's degree in early childhood education from Columbia University. She was a 1995 graduate of Georgetown University's law school.

Survivors include her parents, Erving and Joyce Wolf of New York City, and two brothers.





Yaroslavl. Window by the altar of the Church of St. John Chrysostom in Korovniki

## 2007 Financial Statements

JAMES MADISON NATIONAL COUNCIL FUND

### Statement of Financial Position

SEPTEMBER 30, 2007

#### ASSETS

Cash	\$ 24,751
Investments: (Note 2)	_____
U.S. Treasury Market Based Securities	3,685,083
Growth and Income Pool	925,011
Total investments	<u>4,610,094</u>
Receivables:	
Pledges (Note 3)	880,740
Accrued interest	<u>6,706</u>
Total receivables	<u>887,446</u>
<b>Total assets</b>	<b>\$ <u>5,522,291</u></b>

#### LIABILITIES AND NET ASSETS

Accounts payable	\$ 277,661
Accrued payroll and annual leave	<u>48,578</u>
<b>Total liabilities</b>	<b><u>326,239</u></b>

#### Net assets (Note 4)

Unrestricted-Undesignated	2,060,104
Unrestricted-Council designated for projects	180,441
Temporarily donor restricted for projects	<u>2,955,507</u>
<b>Total net assets</b>	<b><u>5,196,052</u></b>

<b>Total liabilities and net assets</b>	<b>\$ <u>5,522,291</u></b>
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These financial statements should be read only in connection with the accompanying notes to financial statements.

JAMES MADISON NATIONAL COUNCIL FUND

### Statement of Activities

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2007

#### CHANGES IN UNRESTRICTED NET ASSETS

##### Revenues

Membership contributions	\$ 1,130,950
Miscellaneous gifts	36,185
Temporarily restricted donations	79,000
Interest	191,783
Net unrealized gain and realized gain on investments (Note 2)	131,295
Imputed financing for cost subsidies (Note 5)	31,921
Dividends	13,452
Net assets released from restrictions	<u>185,851</u>
<b>Total revenues</b>	<b><u>1,800,437</u></b>

##### Expenses (see Schedule B)

Personnel costs	683,654
Travel and transportation and subsistence/support persons	52,211
Other services	66,451
Books and library materials	81,100
Exhibit opening events, receptions, and Madison Council meetings	198,637
Contractual and personnel services	752,906
Office supplies, printing and materials	<u>17,244</u>
<b>Total expenses</b>	<b><u>1,852,203</u></b>
<b>Decrease in unrestricted net assets</b>	<b><u>(51,766)</u></b>

#### CHANGES IN TEMPORARILY RESTRICTED NET ASSETS

Contributions	268,168
Net assets released from restrictions (185,851)	
<b>Increase in temporarily restricted net assets</b>	<b><u>82,317</u></b>
<b>Increase in net assets</b>	<b><u>30,551</u></b>
<b>Net assets at beginning of year</b>	<b><u>5,165,501</u></b>
<b>Net assets at end of year</b>	<b>\$ <u>5,196,052</u></b>

These financial statements should be read only in connection with the accompanying notes to financial statements.

JAMES MADISON NATIONAL COUNCIL FUND

Statement of **Cash Flows**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2007

Cash flows from operating activities:

Donations Received	\$ 1,344,590
Interest Received	182,362
Cash paid to others	(1,230,888)
Cash paid to employees	(669,198)
<b>Net cash provided by (used by) operating activities</b>	<b>\$ (373,134)</b>

Cash flows from investing activities:

Investment in U.S. Treasury Market Based Securities	\$ (2,543,520)
Investment in U.S. Treasury Permanent Loan	0
Redemption of Investment in U.S. Treasury Market Based Securities	2,838,437
Redemption of Investment in U.S. Treasury Permanent Loan	0
<b>Net cash provided by (used by) investing activities</b>	<b>\$ 294,917</b>

**Net Increase (decrease) in Cash** (78,217)

**Cash at beginning of year** 102,968

**Cash at end of year** \$ 24,751

Reconciliation of Changes in Net Assets to Net Cash From Operating Activities

**Change in Net Assets** \$ 30,551

Adjustments to reconcile changes in net assets to net cash provided from operating activities

Non-cash gain on mutual fund investments	(131,295)
Decrease in investment discount	(15,242)
Decrease in pledges receivable	(183,165)
Increase in accrued interest receivables	5,821
Decrease in accrued payroll and annual leave	(17,465)
Decrease in accounts receivable	135
Decrease in accounts payable	(62,474)
Total Adjustments	(403,685)
<b>Net Cash provided by (used by) Operating Activities</b>	<b>\$ (373,134)</b>

These financial statements should be read only in connection with the accompanying notes to financial statements.



Cornice of the entryway of the Church of St. Nicholas the Wonderworker in Yaroslavl.

## Notes to Financial Statements

SEPTEMBER 30, 2007

### Note 1 – Reporting Entity and Summary of Significant Accounting Principles

#### A. DESCRIPTION OF FUND

The James Madison National Council Fund (JMNC Fund) was initiated by the Librarian of Congress, accepted through a poll vote by the Library of Congress Trust Fund Board in July 1989 and reaffirmed October 7, 1989. A gift of \$100,000 from Robert Gwinn, Chairman of the Board of Encyclopedia Britannica, established the Fund. The JMNC Fund is reported in the Library of Congress gift and trust funds.

The James Madison National Council is an advisory board of business people and philanthropists that contribute ideas, expertise, and financial backing to support the Library's collections and programs. The Council is open to persons from the private sector interested in advancing the Library's outreach mission. There are 94 members of the Council.

Significant accounting policies followed by the JMNC Fund are presented below.

#### B. BASIS OF ACCOUNTING AND PRESENTATION

The Fund's financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles.

The Fund adopted financial reporting standards applicable to not-for-profit organizations. The financial statements are prepared in accordance with Financial Accounting Standards No. 117, and recognizes net assets based on the existence of applicable restrictions limiting their use.

Temporarily restricted net assets result from donor-imposed restrictions that permit the Fund to use or expend the assets after the restriction has been satisfied. When a donor-imposed restriction is satisfied, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Unrestricted net assets result from the receipt of unrestricted contributions, the expiration of donor-imposed restrictions on contributions, and changes in other assets and liabilities. These assets are available to the Fund for use in support of current and future operations. The Library of Congress provides support services to the James Madison National Council. The cost of these services are, by their nature, indirect, difficult to quantify, and financed with appropriated funds of the Library. To the extent that these services are provided, they are not considered operating expenses of the James Madison National Council.

#### C. USE OF ESTIMATES

The preparation of the Fund's financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

#### D. CONTRIBUTIONS AND REVENUE RECOGNITION

The Fund records as contribution revenue amounts received in the form of cash, promises or pledges to give. Unconditional promises or pledges to give are recognized as a contribution receivable. Multi-year pledges or promises due over a period of time are discounted to their present value, based upon prevailing interest rates, and recognized in the period of initial pledge.

#### E. INCOME TAX

The JMNC Fund operates for the benefit of the Library of Congress, which is an instrument of the United States and, as such, is not subject to income tax.

#### F. INVESTMENT POLICY

The Library of Congress Trust Fund Board determines the investment policy for the Library's trust funds. The policy provides three options for investment of the JMNC Fund funds:

- a permanent loan with the U.S. Treasury
- a pool of U.S. Treasury market-based securities
- a private investment pool consisting of five stock funds and one money market fund. The funds recommended by the Library of Congress Trust Fund Board's investment committee and approved by the Board are:
  - Vanguard Institutional Index Fund
  - Vanguard Capital Opportunity Fund
  - Fidelity Blue Chip Growth Fund
  - Fidelity Capitol Appreciation Fund
  - Fidelity Growth Company Fund
  - Fidelity Dividend Growth Fund

Investments in U.S. market-based securities are stated at cost net of any unamortized premium or discount, which approximates market value at September 30, 2007. The permanent loan is an interest bearing par value investment which equals the market value. Stock and money market mutual funds are stated at current market value.

### Note 2 – Investments

#### A. U. S. TREASURY

An act of Congress approved March 3, 1925, and subsequently amended, permits up to \$10 million of trust funds to be invested with the United States Treasury as a perpetual loan, at a floating interest rate, adjusted monthly, but no less than four percent per annum. Other investments with U.S. Treasury were as follows:

Investment	Non-Marketable, Market Based Government Securities
Par	\$ 3,706,371
Unamortized Premium	\$ 0
Unamortized Discount	\$ (21,288)
Amortized Cost	\$ 3,685,083

## B. MUTUAL FUNDS

The JMNC Fund invested \$500,000 in the growth and income pool (non-Treasury mutual fund investments) in 1996. Market value of the growth and income pool as of September 30, 2007, totaled \$925,011.

The net gain on investments of \$131,295 consists of the following: \$12,153 realized gain of mutual fund capital gains distributions and \$119,142 unrealized gain on the growth and income pool.

### Note 3 - Pledges

Contributions of unconditional promises to give (pledges) to the JMNC Fund are recognized as temporarily restricted revenue in the period received. They are recorded at their present value using a market discount rate. Accretion of the discount in subsequent years is also recorded as contribution revenue. Outstanding pledges of \$1,271,693 at September 30, 2007, were discounted through fiscal year 2017 at a market discount rate and are included in the statement of financial position at their discounted present value of \$880,740. The amounts due in future years at their current discounted value are: \$89,357 in fiscal year 2008; \$41,347 in 2009; \$39,698 in 2010; \$38,000 in 2011; \$36,338 in 2012; and \$636,000 in fiscal year 2017. The Library regularly monitors the status of all pledges and adjusts accordingly; therefore no allowance for uncollectible pledges has been established.

### Note 4 - Net Assets

The JMNC Net Assets of \$5,196,052 are classified as Unrestricted-Undesignated, Unrestricted-Council Designated for Projects or Temporarily Donor Restricted for Projects. Of this total amount, \$2,060,104 is classified as Unrestricted-Undesignated. The balance of \$3,135,948 consisting of \$180,441 (Unrestricted-Council Designated for Projects) and \$2,955,507 (Temporarily Donor Restricted for Projects) is earmarked for initiatives such as the rebuilding of Jefferson's library, the purchase of overseas rare publications and other rare publications that may become available, international digitization of the Library's collections, a summer internship program, funds to make copies of films for donors who give the original version to the Library, and an amount that is restricted to be used at the discretion of the Librarian of Congress for projects that arise that do not have funding or the time horizon to raise money for the project.

Ending Net Assets includes undelivered orders of \$325,743 which are funds that have been obligated for budgetary purposes for goods and services not yet received for JMNC Fund operations and designated projects.

### Note 5 - Imputed Financing for Cost Subsidies

An adjustment of \$31,921 was recorded as an imputed financing source and a corresponding expense in the accompanying financial statements. This adjustment recognizes the full cost of pensions and other health and life insurance benefits incurred by the Office of Personnel Management during the employees' active years of service.

### Note 6 - Expenses by Functional Classification

As permitted by SFAS No. 117, the Library has elected to present its operating expenses by natural classification in its Statements of Activities for the period ending September 30, 2007. The functional breakdown of these expenses is as follows (see Schedule B):

Fiscal Year 2007 Expenses by Functional Classification	Amount
JMNC Fund Projects and Programs	\$ 182,450
Members' Specific Projects	181,329
Supporting Activities - Fundraising	1,488,424
Total Expenses	<u>\$ 1,852,203</u>

### Note 7 - Retirement Plans

Employees of JMNC Fund participate in two different retirement plans. Civil Service employees participate in the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). FERS is the system in effect for most employees hired after December 31, 1983.

In fiscal year 2007, the JMNC Fund paid approximately \$57,096 to fund retirement benefits, excluding FICA taxes.

This information is an integral part of the accompanying financial statements.

## Independent Auditor's Report



TO THE STEERING COMMITTEE JAMES MADISON NATIONAL COUNCIL FUND

We have audited the accompanying statement of financial position of the James Madison National Council Fund (the Fund) as of September 30, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.



OFFICE OF THE INSPECTOR GENERAL

March 14, 2008

To the Steering Committee  
James Madison National Council Fund

We contracted with the independent public accounting firm of Kearney & Company to audit the Fund's financial statements. The firm is responsible for the attached auditor's report and the opinion and conclusions expressed in that report.

We reviewed Kearney & Company's report and related documentation. Our review was not intended to enable us to express, and we do not express, an opinion on the Fund's financial statements, conclusions on internal control, or compliance with laws and regulations. Our review disclosed no instances in which Kearney & Company did not materially comply with U.S. generally accepted government auditing standards.

Karl W. Schornagel  
Inspector General

### Summary

As stated in our opinion on the financial statements, we have concluded that the Fund's financial statements for the year ended September 30, 2007, are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

Our consideration of internal control over financial reporting (including safeguarding of assets) disclosed no material weaknesses.

The results of our tests of compliance with certain provisions of laws and regulations disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards* issued by the Comptroller General of the United States.

The following sections discuss our opinion on the Fund's financial statements, our consideration of the Fund's internal control over financial reporting, our tests of the Fund's compliance with certain provisions of applicable laws and regulations, and management's and our responsibilities.

### Opinion on Financial Statements

We have audited the accompanying statement of financial position of the Fund as of September 30, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by management, as well as an evaluation of the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of September 30, 2007, and the changes in its net assets and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements referred to in the first paragraph. The accompanying supplemental information contained in Schedules A and B is presented for the purpose of additional analysis, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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### Internal Control over Financial Reporting

In planning and performing our audit, we considered the Fund's internal control over financial reporting by obtaining an understanding of the design effectiveness of the Fund's internal control, determining whether internal controls had been placed in operation, assessing control risk, and performing tests of the Fund's controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide an opinion on the internal controls. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting.

We limited our control testing to those controls necessary to achieve the following OMB control objectives that provide reasonable, but not absolute assurance, that: (1) transactions are properly recorded, processed, and summarized to allow the preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition; (2) transactions are executed in compliance with laws governing the use of budget authority, government-wide policies and laws identified in Appendix E of OMB Bulletin No. 07-04, and other laws and regulations that could have a direct and material effect on the financial statements; and (3) transactions and other data that support reported performance measures are properly recorded, processed, and summarized to allow the preparation of performance information in accordance with criteria stated by management. We did not test all internal controls relevant to the operating objectives broadly defined by the Federal Managers' Financial Integrity Act of 1982.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Funds's ability to initiate, authorize, record, process, or report financial data reliably, in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Fund's financial statements that is more than inconsequential will not be prevented or detected by the Fund's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Fund's internal control. Our consideration of internal control was for the limited purpose described in the second paragraph of this report and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We noted no matters involving internal control and its operations that we consider to be material weaknesses.

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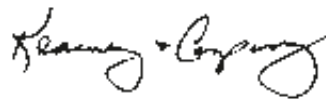
### Compliance and Other Matters

The management of the Fund is responsible for complying with laws and regulations applicable to the Fund. As part of obtaining reasonable assurance about whether the Fund's financial statements are free of material misstatement, we performed tests of its compliance with laws and regulations, including laws governing the use of budgetary authority, laws, regulations, and government-wide policies identified in Appendix E of OMB Bulletin No. 07-04, and other laws, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. We limited our tests of compliance to these provisions, and did not test compliance with all laws and regulations applicable to the Fund. However, providing an opinion on compliance with certain provisions of laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our tests of compliance with the laws and regulations described in the preceding paragraph disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards* and OMB Bulletin No. 07-04.

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This report is intended solely for the information and use of the Steering Committee, management of the Fund, and Congress, and is not intended to be and should not be used by anyone other than these specified parties.



February 27, 2008  
Alexandria, Virginia

**Supplemental** Information

**SCHEDULE A**

**Schedule of Net Assets Available for Designation**

Total Net Assets	\$ <u>5,196,052</u>
Net assets restricted by donors for projects	(2,955,507)
Net assets designated by the Council for projects	<u>(180,441)</u>
Total restricted or designated net assets	<u>(3,135,948)</u>
<b>Net Assets Available for Designation</b>	<b>\$ <u>2,060,104</u></b>

**SCHEDULE B**

**Schedule of Expenditures**

	Fund Projects and Programs	Members' Specific Projects	Supporting Activities— Fundraising	Total
Personnel costs	\$ 81,324	\$ (234,293)	\$ 836,623	\$ 683,654
Travel and transportation and subsistence/support persons	198	0	52,013	52,211
Other services	946	2,920	62,585	66,451
Books and library materials	0	80,064	1,036	81,100
Exhibit Opening Events, Receptions, and Madison Council Meetings	3,096	61,245	134,296	198,637
Contractual and personnel services	96,349	271,393	385,164	752,906
Office supplies, printing and materials	<u>537</u>	<u>0</u>	<u>16,707</u>	<u>17,244</u>
<b>Totals</b>	<b>\$ <u>182,450</u></b>	<b>\$ <u>181,329</u></b>	<b>\$ <u>1,488,424</u></b>	<b>\$ <u>1,852,203</u></b>





Old smaller carriage; old carriage for the tsar



16th century head gear



1,2,3: Goblets of Grand Duke Ivan Vasil'evich III;  
4: goblet of tsar Mikhail Feodorovich; 5: silver wine bowl of Peter Alakseevich Tret'iakov; 6: Basin goblet



Embroidered gloves, boot

The James Madison Council of the Library of Congress  
Washington, DC 20540

