

The image shows a detailed view of a dome ceiling. At the center is a circular light fixture with a glowing sunburst design. Surrounding it are several concentric rings of decorative panels. The innermost ring consists of triangular panels with light green backgrounds and gold borders. The next ring out contains square panels with intricate gold and blue designs. The outermost ring features larger, more complex panels with blue and gold motifs. The ceiling is highly ornate, with gold leaf accents and classical architectural details.

Annual Audit Plan

Fiscal Year 2008

The Library of Congress
Office of the Inspector General



Office of the Inspector General
Annual Audit Plan
Fiscal Year 2008

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Introduction and Definitions

This plan identifies the audits of Library of Congress programs, operations, and financial activities that we anticipate beginning or completing during the fiscal year. A one-page description of each assignment is included after the summary pages for new (page 9) and carryover (page 39) projects. The descriptions provide an overview of the audit topic, identify the type of audit planned, and indicate the objectives of the engagement. 'New Projects' are expected to begin in FY 2008 and may include assignments that were in last year's audit plan that had not started by the beginning of FY 2008. Carryover audits are those that are in progress at the beginning of FY 2008. Given our limited resources and the extensive analysis required to conduct audits, this plan is ambitious; accordingly, we expect to start most, but not all, of the audits in this plan. We may also conduct unscheduled reviews that delay starting planned projects.

In the overviews, we refer to relevant Library strategic goals that correspond to the audit described. For your reference, the mission, goals, and outcomes contained in the Library of Congress Strategic Plan, Fiscal Years 2008-2013, are summarized on pages 3 and 4.

We may conduct the following types of reviews:

Attestation Engagements—Evaluations to examine, review, or apply agreed-upon procedures and report on a subject matter or an assertion about a subject matter that is the responsibility of Library management. An assertion means any declaration about whether the subject matter is based on or in conformity with the criteria selected. The subject matter of an attestation would likely be more limited than that of an audit and could take several forms including: historical or prospective performance or condition, historical events, physical characteristics, analyses, systems and processes, or behavior. An attestation may involve projections of collection asset losses based on sampling, assertions made in a cost/benefit or breakeven analysis, validation of performance against performance measures, compliance with particular laws or regulations, evaluation of specific internal controls, or analysis of human resource issues. Some of the new audits identified in this document may be performed as attestations instead of audits. We will notify managers of any such change in an engagement memorandum before beginning the review.

Financial Audits—Assessments to provide reasonable assurance about whether the financial statements of an entity present fairly the financial position, results of operations, and cash flows in conformity with generally accepted accounting principles or other comprehensive basis for accounting.

Introduction and Definitions

Nonaudit Services—Professional services, other than audits and attestation engagements, which may support operations or gathering, providing, and explaining information requested by decision makers. These services may also involve providing advice or assistance to Library managers without necessarily drawing conclusions, or making recommendations. Auditors are cautious when performing nonaudit services because providing them may jeopardize independence needed to later audit that subject area. Nonaudit services in the private sector are known as consulting services.

Performance Audits—Assessments of the performance of a government organization, program, activity, or function in order to provide information to improve public accountability and facilitate decision making by parties with responsibility to oversee or initiate corrective action. These audits may focus on economy, efficiency and/or program results and include the acquisition, utilization, and security of information technology resources.

Single Audits—The Single Audit Act requires that state and local governments and nonprofit organizations expending \$500,000 or more in federal financial assistance in a single year be audited in accordance with the act and its implementing regulation, Office of Management and Budget (OMB) Circular A-133. Single audits are generally conducted by either state audit agencies or private certified public accounting firms and play an integral role in the government's efforts to provide oversight and ensure accountability for federal assistance funds. As the audit oversight component for the Library of Congress, we conduct quality control reviews of single audits performed on organizations that receive most of their funding from the Library (as in the Adventure of the American Mind grant program). The objective of these reviews is to determine whether the nonfederal audit was conducted in accordance with Generally Accepted Government Auditing Standards and OMB Circular A-133 requirements.

The Library's Strategic Plan – FY 2008-2013: Summary

The Library's mission is to make its resources available to the Congress and the American people and to sustain and preserve a universal collection of knowledge and creativity for future generations.

We commend the Library's efforts to revise its strategic planning process. For FY 2008 and beyond, the Library has adopted a new planning process which includes participation and input from key stakeholders at every step along the way. As compared to the Library's previous strategic plan, this one has drastically pared down the number of goals. At the same time, the plan strives to implement achievable, measurable goals – the key to any realistic strategic plan. In its FY 2008 strategic plan, the Library has articulated five key strategic goals it intends to address in the coming years: *content, customers, outreach, organization, and workforce*. For each of these, the Library has focused on specific, measurable outcomes and strategies to achieve them.

Content: Expand and preserve in accessible form a unified and universal body of knowledge and creativity.

- Outcome 1 Sustained and expanded Library content, in traditional and new formats.
- Outcome 2 Enhanced preservation and accessibility.
- Outcome 3 Increased shared content stewardship among libraries and other cooperating bodies.
- Outcome 4 Increased creative and intellectual output.

Customers: Improve internal and external customers' experiences in seamlessly finding and using Library resources. The Library will strive to put knowledge and information at the fingertips of all customers. In addition, the Library's resident experts and scholars provide a wide variety of products and services to Congress and the nation.

- Outcome 1 Improved customers' ability to get what they need, when they need it, with minimal effort.
- Outcome 2 Increased use of Library resources to inform scholarly, educational, and public policy discourse.
- Outcome 3 Increased use of the Library's digital resources to promote knowledge and better world understanding.

The Library's Strategic Plan – FY 2008-2013: Summary

Outreach: Increase awareness of the value and utility of the Library. By reaching out and building broad public awareness of its services and resources, the Library will increase use of its collections.

Outcome 1: Increased congressional use of the Library as its first choice when in need of authoritative research, services, and programs.

Outcome 2: Maximized use of the Library.

Outcome 3: Improved quality of life-long learning and creativity through use of the Library's services and resources.

Organization: Increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. The Library will enhance its internal culture and business processes to ensure their mutual support. The Library will strengthen its purposeful collaboration, leading to more efficient and effective programs and processes.

Outcome 1: Optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity.

Outcome 2: Improved decision-making processes.

Workforce: Cultivate a talented diverse community of innovators devoted to public service. The Library will refine its workforce by fostering diversity and improving and sustaining the skills of its staff.

Outcome 1: Recognized as an employer of choice for public service through realization of human potential and high performance.

New Projects

Type	Name	Priority	Anticipated Start Date	Page
Performance Audits	Energy Consumption at the Library	Low	2 nd Quarter	9
	Human Resources Services	Medium	TBD	10
	Information Technology Strategic Plans and Approach	High	2 nd Quarter	11
	Protection of Personally Identifiable Information	Medium	3 rd Quarter	12
	Collections Security (Physical Security)	High	3 rd Quarter	13
	Federal Employees' Compensation Program	Medium	3 rd Quarter	14
	Budget/Performance Management	Medium	4 th Quarter	15
	Alternate Computing Facility Testing	Medium	3 rd Quarter	16
	Warehouse Operations	Medium	3 rd Quarter	17
	Center for Learning and Development	Low	TBD	18
	Information Technology Application Controls (Selected Reviews)	Low	TBD	19
	Contracts (Selected Reviews)	Medium	4 th Quarter	20
	Budget Reallocation Procedures	Medium	TBD	21
	Filling Vacancies	Medium	TBD	22
	Audit Follow-up – Space Management	Medium	2 nd Quarter	23
	Audit Follow-up – Emergency Preparedness Program	Medium	TBD	24
	Audit Follow-up – Transit Subsidy Program	Medium	4 th Quarter	25

New Projects

Type	Name	Priority	Anticipated Start Date	Page
Financial Audits	FY 2008 Library Financial Statements	High	3 rd Quarter	27
	FY 2007 Madison Council Fund Financial Statements	High	1 st Quarter	28
	FY 2007 Open World Leadership Center Financial Statements	High	2 nd Quarter	29
	Revolving Gift and Trust Funds (Selected Reviews)	Low	TBD	30
Attestations	Collections Security (Verification of Treasures)	High	3 rd Quarter	32
	Collections Security (Rare Books)	High	2 nd Quarter	33
	Overseas Offices' Internal Control Reviews	Low	TBD	34
	Visitor Tunnel Preparations/New Visitor's Experience	Medium	2 nd Quarter	35

Carryover Projects

Type	Name	Anticipated Completion	Page
Performance Audits	Logistics Center	1 st Quarter	37
	Compliance with Acquisition Criteria	2 nd Quarter	38
	Raiser's Edge Application Controls	1 st Quarter	39
	Disbursing Office	2 nd Quarter	40
	Mail Services	2 nd Quarter	41
Attestation	Copyright Reengineering and IT Initiative	2 nd Quarter	42
Financial Audits	Telephone Contract	2 nd Quarter	43
	FY 2007 Library Financial Statements	2 nd Quarter	44
	FY 2006 Open World Leadership Center Financial Statements (resolution of outstanding issues and audit wrap-up)	1 st Quarter	45

New Audits

<i>Audit Name</i>	Energy Consumption at the Library
<i>Activity Description</i>	The Library operates three buildings on Capitol Hill, in addition to several off-site facilities, such as the storage modules at Fort Meade, and the Little Scholars Child Care Center. These facilities consume large quantities of electrical power in an effort to heat and cool, as well as operate equipment within the buildings.
<i>Audit Type and Objectives</i>	This will be a performance audit of energy consumption at the Library. The project will focus on identifying potential cost savings resulting from decreased energy consumption at the Library, particularly in areas with the highest cost/benefit potential.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services; and contribute to Outcome 1, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity. It will also support the strategies to improve the quality of products and services, and the efficiency of delivery; and to provide a safe, secure, well-designed physical environment.
<i>Importance/Justification</i>	Mounting concerns over the government's "carbon footprint" dictate that agencies attempt to reduce their energy consumption in an effort to reduce emissions of pollutants and greenhouse gasses. Furthermore, continuing budget restraints are forcing agencies to look for savings in every possible way.

<i>Audit Name</i>	Human Resources Services
<i>Activity Description</i>	HRS is one of the key components of the Library's enabling infrastructure. HRS' function is to provide leadership and service to Library managers and supervisors in personnel management by serving the personnel needs of managers and supervisors arising from daily Library operations; by establishing appropriate policies, regulations, and programs and ensuring their communication throughout the Library; by taking appropriate personnel actions; by advising or representing management on labor relations matters; and by assisting employees in resolving work-related and/or behavioral or medical problems that may affect their performance.
<i>Audit Type and Objectives</i>	This is a performance audit and includes assessing the management of HRS, timeliness, quality, and accuracy of personnel actions and related function. In addition, this audit will focus on evaluating the Library's new performance management system. The audit will focus on FY 2006 and 2007 activities.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Workforce, to cultivate a talented diverse community of innovators devoted to public service; and contribute to the Outcome that the Library is recognized as an employer of choice for public service through realization of human potential and high performance. It will also support the strategies to foster a learning environment that encourages employees to contribute to the success of the organization; to improve human resources systems to support organizational missions as they respond to changing work environments and customer needs; to ensure continuity of needed skills and expertise; to collaborate with forward-thinking human resources networks to incorporate best practices; and to increase availability and breadth of learning and development programs that enable the workforce to excel.
<i>Importance/Justification</i>	In a 2003 audit report, we identified significant problems with the quality of HRS services related to performance management and the accuracy and validity of processing personnel actions.

<i>Audit Name</i>	Information Technology (IT) Strategic Plans and Approach
<i>Activity Description</i>	The Library has acquired and continues to invest in information technology systems that support its various programs and activities. Its policy calls for a structured approach in the development, operation, maintenance, and replacement of these systems.
<i>Audit Type and Objectives</i>	This audit will review the Library's plan for managing its IT infrastructure investments. We will evaluate: (1) short and long-term planning for technology; (2) capacity planning and analysis; (3) enterprise architecture, architectural development, infrastructure design, and migration strategies; (4) system development and acquisition controls; (5) the organization and management of ITS; (6) adherence to security policy, procedures, and practices; and (7) the application of evolving standards. We will also focus on the architecture established for collecting digital-born content.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes and also support strategies to improve the quality of products and services, and the efficiency of delivery; to improve Library-wide business functions to minimize workflow; to develop an integrated, robust information architecture; and to improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	As technology advances, wise IT investment decision-making requires a continuous cycle of analysis and evaluation. In the past, many IT investments were based on unrealistic claims by technology providers. Large budget outlays were made with little accountability for results and, in many cases, payoff was an afterthought. In today's budget environment, agencies must follow a sophisticated approach to plan and evaluate the return on their investments. This audit will determine whether the Library has an adequate IT strategic planning mechanism.

<i>Audit Name</i>	Protection of Personally Identifiable Information
<i>Activity Description</i>	The Library significantly relies on its computerized information systems in managing its operations and personnel. Many of those systems store personally identifiable information that the Library has collected and uses to conduct official business. Personally identifiable information refers to any information about an individual that can be used to distinguish or trace an individual's identity, such as their name, social security number, and date and place of birth. As an institution of trust, the Library must adequately control and protect this sensitive personal information against risks of loss or theft due to negligence or malicious intent.
<i>Audit Type and Objectives</i>	This will be a performance audit to evaluate how the Library collects, stores, and manages personally identifiable information. The principal objective is to determine whether the Library's controls and procedures provide adequate protection for this sensitive information against risks of theft or loss. Audit procedures will include benchmarking with other comparable agencies.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcome 1, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity. It will also support the strategy to provide a safe, secure, well-designed physical environment.
<i>Importance/Justification</i>	Over the last few years, federal agencies have reported numerous security incidents that have put sensitive data at risk, including the theft, loss, or improper disclosure of personally identifiable information. Such incidents could expose persons to the loss of privacy and the harm associated with identity theft.

<i>Audit Name</i>	Collections Security (Physical Security)
<i>Activity Description</i>	The Library's physical security protection plan for its collection items is based on a multi-tiered concept which assigns protection prioritization according to an item's assessed risk of loss. The plan involves multiple layers of physical controls. Among other measures, such controls include the use of intrusion detection systems, reading room surveillance, and conducting entrance and exit inspections. The synergy of the multiple controls is designed to provide differentiated degrees of assurance that theft and mutilation of collection items will be deterred. The Office of Security and Emergency Preparedness (OSEP) is primarily responsible for implementing the physical security protection plan for the collections. The OSEP Director chairs the Collections Security Oversight Committee which advises and supports the Director on his collections security responsibilities.
<i>Audit Type and Objectives</i>	This audit will determine whether the Library has an adequate and effective physical security protection plan for its collections. We will look closely at the risk-management trade-offs inherent in the plan's strategy, give special emphasis to the strategy for protecting platinum collection items, review access controls, and test the effectiveness of the exit inspection process.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcome 1, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity. It will also support the strategy to provide a safe, secure, well-designed physical environment.
<i>Importance/Justification</i>	The Library estimates that it possesses over 135 million items in its collections. Some of the items date back centuries and many of them are priceless or have prohibitively high replacement costs. The extraordinary value, size, and, in some cases, historic significance of the collections pose a wide array of vulnerabilities to theft and mutilation. A well-designed and effectively implemented strategy is critical to counter the threats associated with these vulnerabilities.

<i>Audit Name</i>	Federal Employees' Compensation Act (FECA) Program
<i>Activity Description</i>	The FECA provides compensation and medical care for all civilian U.S. Government employees for disability due to personal injuries sustained while in the performance of duty. The term "injury" includes a disease proximately caused by employment in addition to injury by accident. The FECA program is administered by the Office of Workers' Compensation Programs (OWCP) of the Department of Labor. The Library's Health Services Office coordinates the program's administration within the Library. LCR 2018-5 specifies additional roles and responsibilities for the program's operation within the Library.
<i>Audit Type and Objectives</i>	This will be a performance audit designed to determine whether the program is effectively managed within the Library and conforms to FECA's requirements and regulations. Special emphasis will be given to the Library program's policy, structure, and associated internal controls.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcome 1, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity. It will also support the strategy to provide a safe, secure, well-designed physical environment.
<i>Importance/Justification</i>	The Library's mission and core purpose are inextricably linked to a dedicated workforce. Fair and effective administration of this program provides respect for the highly important role that the workforce plays in the Library's operations.

<i>Audit Name</i>	Budget/Performance Management
<i>Activity Description</i>	Library operations comprise 28 budget organizations and 414 funding codes. For the most part, the base funding for these operations was established sometime in the past, adjusted as new initiatives were added, and escalated by an inflation factor. Under the Library's budget system, annual requests for new funding are required as part of the Annual Program Performance Plan (AP3) process via a management decision package justification for activities such as developing new systems. We brought basic performance budgeting issues to light in a FY 2006 audit report.
<i>Audit Type and Objectives</i>	This will be a performance audit focusing on the relationship between budgeting and performance management. The Library's intention is to move its budget process toward the spirit of GPRA. This audit will evaluate the Library's efforts to set strategic priorities, recognize budgetary constraints, and link its budget to performance-based metrics. In addition, this audit will explore whether or not Library managers make use of financial information in managing their operations.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It will also support the strategies to improve the quality of products and services, and the efficiency of delivery; improve Library-wide business functions to minimize workflow; improve planning/decision-making within and among service and support units; and to promote and maintain a culture that conveys an expectation of, and reinforces, open and collaborative relationships within and among service and support units.
<i>Importance/Justification</i>	The Senate Appropriations Committee has expressed concern with the Library's budget development process, noting that the Library has not routinely "scrubbed" its "base" budget, effectively set priorities, or developed "transparent" budget justifications. Insufficient improvement in the Library's strategic planning process could threaten the Library's future funding levels.

<i>Audit Name</i>	Alternate Computing Facility Testing
<i>Activity Description</i>	An up-to-date, detailed, and fully tested continuity of operations plan for computerized information systems is an essential management element in today's environment. Such a plan should document the means for reestablishing and operating the Library's internal and external systems and interfaces at an alternate computing facility in the event a disaster disables the Capitol Hill computing facilities and networks. To ensure that the plan is complete and fully understood by all key staff, it should be periodically tested – including surprise tests – and test plans and results should be documented to provide a basis for improvement.
<i>Audit Type and Objectives</i>	This will be a performance audit to evaluate the quality of the Library's continuity of operations plan for its computerized information systems. Particular attention will be focused on testing the efficiency of reestablishing the systems/networks at the Library's alternate computing facility.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It will also support the strategies to evaluate the quality of products and services, and the efficiency of delivery; provide a safe, secure, well-designed physical environment; improve planning/decision-making within and among service and support units; and maximize use of and seek to enhance authorities/flexibilities.
<i>Importance/Justification</i>	If continuity of operations planning is inadequate for the Library's computerized information systems, even relatively minor interruptions could result in lost or incorrectly processed data. The inability to efficiently reestablish these systems could result in financial losses and inaccurate or incomplete mission-critical information and require expensive recovery efforts.

<i>Audit Name</i>	Warehouse Operations
<i>Activity Description</i>	The Logistics Services Division of Integrated Support Services (ISS) manages the Library’s warehouse and inventory functions. Responsibilities for these activities include managing the receipt, storage, re-utilization, and disposal of Library property. Approximately 92,000 square feet of a leased warehouse facility in Landover, Maryland is devoted to ISS/Logistics warehouse operations. An OIG audit report, issued in March 2005, concluded that about 20 percent of the warehouse space was not efficiently used and that excess and obsolete inventory, valued at about \$1.5 million, was stored in the warehouse.
<i>Audit Type and Objectives</i>	This will be a performance audit principally focused on ISS/Logistics’ response to our March 2005 audit report. We will determine whether warehouse space is currently used efficiently and the extent that progress has been made to reduce the amount of excess and obsolete inventory. We will put audit emphasis on the Library’s policy for buying and storing goods and give special attention to the acquisition of computers and the effects of year-end spending on warehouse inventory levels.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It will also support the strategy to improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	The substantial annual costs that the Library incurs to lease space for ISS/Logistics’ warehouse operations demands that warehouse space be efficiently used and inventory materials be effectively controlled. The effects attributable to absent/ineffective inventory controls are documented in our March 2005 audit report. The space needed for the Library’s inventory requirements is particularly important considering plans being developed for the Fort Meade Logistics Center.

<i>Audit Name</i>	Center for Learning and Development
<i>Activity Description</i>	The Center for Learning and Development was established in 2005 to succeed the Library of Congress Internal University. This reorganization was undertaken to meet performance objectives stated in the Library's FY 2004-2008 Strategic Plan. Principal responsibilities of the Center include providing Library-wide training services and leadership development. The Center works with service and support units in performing training needs assessments and identifying solutions to address training requirements. Solutions generally include internal or external courses that are Web-based or provided by an instructor.
<i>Audit Type and Objectives</i>	This will be a performance audit designed to determine whether the Center for Learning and Development provides adequate direction and coordination of training and development activities for Library employees. We will put audit emphasis on the extent that the Library's leadership development objectives have been achieved.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Workforce, to cultivate a talented diverse community of innovators devoted to public service; and contribute to the Outcome that the Library is recognized as an employer of choice for public service. It will also support the strategies to foster a learning environment that encourages employees to contribute to the success of the organization; to ensure continuity of needed skills and expertise; to collaborate with forward-thinking human resources networks to incorporate best practices; and to increase availability and breadth of learning and development programs that enable the workforce to excel.
<i>Importance/Justification</i>	Effective training and development programs are essential to the Library's mission. In a 2003 audit report, we identified significant issues affecting the administration of the Library's training program. We concluded that roles and responsibilities for training staff needed to be defined, incorporated into policy, and enforced. In addition, standards were needed for course design, content, and delivery; measuring the effectiveness and value of courses; and increasing involvement of the service units in identifying training needs.

<i>Audit Name</i>	Information Technology Application Controls (Selected Reviews)
<i>Activity Description</i>	The Library has numerous automated systems that collect, process, transmit, and/or disseminate data. These systems are subject to human errors, malicious attacks, natural catastrophes, and other disruptive events. Accordingly, various management, operational, and technical controls must be applied to their operations. Library organizations that are principally involved with developing policy for the systems' controls include the Office of Strategic Initiatives, Information Technology Services, and the Office of Security and Emergency Preparedness.
<i>Audit Type and Objectives</i>	This is a series of performance audits of the Library's various applications/systems. Information systems will be selected based on perceived risk and objectives for selected system audits will be determined based on specific circumstances. In general, audit objectives will focus on management controls (e.g., certification and accreditation, security plans, etc.), operational controls (e.g., physical protection, incident response, etc.), and technical controls (e.g., identification and authentication, audit trails, etc.).
<i>Related Strategic Plan Goals and Strategies</i>	These audits will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, they will contribute to Outcome 1, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity.
<i>Importance/Justification</i>	In recent years, the Library has become more and more dependent on electronic information. System information in this form is continuously subject to new threats, especially when it is introduced through the Internet. Accordingly, a system's management, operational, and technical controls must be continuously reviewed and reaffirmed to ensure the system's protection is adequately maintained.

<i>Audit Name</i>	Contracts (Selected Reviews)
<i>Activity Description</i>	The Chief of the Office of Contracts is responsible for ensuring that the acquisition of supplies and services is efficiently and effectively executed, and in accordance with applicable regulations. In addition to warranted officers of the Office of Contracts, other positions in the Library have been delegated contracting authority for specific situations.
<i>Audit Type and Objectives</i>	These are performance audits. Contracts will be chosen for review based on the contract type, dollar amount, and other factors. The Defense Contract Audit Agency Contract Audit Manual will be used as guidance in conducting these audits. Contract audit activities may include reviewing accounting and financial matters to assist in the negotiation, award, administration, pricing, and settlement of contracts. Audits may also include a determination of whether the Library receives full benefits for its contracting expenditures.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It will also support the strategies to improve the quality of products and services, and the efficiency of delivery; to improve Library-wide business functions to minimize workflow; to improve planning/decision-making within and among service and support units; and to promote and maintain a culture that conveys an expectation of, and reinforces, open and collaborative relationships within and among service and support units.
<i>Importance/Justification</i>	On average over the last couple of years, the Office of Contracts awarded contracts valued at \$189 million annually. Agreed upon procedures audits have been periodically performed by DCAA as requested by the contracting officers prior to negotiation. However, no post award audits have been performed. This has left the Library's contracting activities vulnerable to waste, fraud, and abuse.

<i>Audit Name</i>	Budget Reallocation Procedures
<i>Activity Description</i>	The Library implements end-of-year procedures every year to ensure that its budget is not significantly under-executed. Such procedures include, but are not limited to, establishing deadlines for obligating funds and identifying areas in need of resource reallocation. The procedures are intended to identify programs/areas that may not be able to fully execute their funds for a particular spending period and to approve the use of reallocated funds for high priority projects.
<i>Audit Type and Objectives</i>	This will be a performance audit designed to determine whether the Library's budget reallocation procedures provide management adequate assurance that (1) all Library programs/areas will be identified which are not able to fully obligate their funding for a particular spending period, (2) programs/areas will be identified which need reallocated funding, and (3) reallocated funding is only approved for authorized, high priority projects.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcome 2, improved decision-making processes. It will also support the strategy to improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	The Library has a management responsibility to fully execute its appropriations on a timely basis for authorized mission requirements. Appropriated funds that are not used before they expire raise questions regarding the intended purpose and fiscal management of those funds.

<i>Audit Name</i>	Filling Vacancies
<i>Activity Description</i>	This review will focus on the recruitment of staff to fill Library vacancies. It involves any Library unit filling a vacancy and support provided by Human Resources Services (HRS).
<i>Audit Type and Objectives</i>	This is a narrowly focused attestation to determine impediments to filling critical Library vacancies. We will utilize processing time frames already documented by HRS and determine the timeliness of processing in the service/infrastructure units.
<i>Related Strategic Plan Goals and Strategies</i>	This project will support the Goal on Workforce, to cultivate a talented diverse community of innovators devoted to public service; and contribute to the Outcome that the Library is recognized as an employer of choice for public service through realization of human potential and high performance. It will also support the strategies to improve human resources systems to support organizational missions as they respond to changing work environments and customer needs; to ensure continuity of needed skills and expertise; and to collaborate with forward-thinking human resources networks to incorporate best practices.
<i>Importance/Justification</i>	Under good circumstances, it can take a long time to fill vacancies in the federal government. A recent audit by the OIG on succession planning found that many critical vacancies take over six months to fill; some take as long as a year. HRS is leading an effort with the service/infrastructure units to streamline the hiring process to make it as efficient as possible. While it is easy to blame the rules we must follow, it could also be that recruitment is not prioritized and initiated when needed or that there are avoidable delays in job analysis, interviewing, or elsewhere. Given the substantial number of Library staff who are or will soon be eligible for retirement, compounded by recent observations about a Library-wide (excluding CRS) problem with succession planning, we are impelled to determine whether inefficiencies exist in the hiring process that could be overcome. Another potential issue is under-execution of budget resources if vacancies remain unfilled due to delays.

<i>Audit Name</i>	Audit Follow-up - Space Management
<i>Activity Description</i>	The Library's Facility Design and Construction, Facility Services (FD&C) is responsible for coordinating all space utilization in Library facilities. In a 2005 report we concluded that many areas within the Library were under- and over- utilized and that the Library would benefit from a long-term planning strategy for utilizing its space.
<i>Audit Type and Objectives</i>	This will be a performance audit evaluating actions taken by Facility Services since 2005 to improve the Library's space management practices. Among other things, we will determine whether (1) consistent space utilization metrics have been established for the service units; (2) office and workstation configuration standards have been developed; (3) a space use concept plan has been developed for positioning conference rooms and other support spaces; and (4) a long-term strategic plan has been developed that effectively deals with projected space and staffing changes.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcome 1, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity. It will also support the strategies to evaluate the quality of products and services, and the efficiency of delivery; provide a safe, secure, well-designed physical environment; and improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	Changes over time may require operational shifts and adjustments to space utilization. Space utilization requires continuous monitoring and evaluation to ensure the most efficient use is made of the Library's scarce space.

<i>Audit Name</i>	Audit Follow-up - Emergency Preparedness Program
<i>Activity Description</i>	The Office of Emergency Preparedness manages the Library's Emergency Preparedness Program. The office's responsibilities include responding to incidents, coordinating recovery operations, managing the Emergency Operations Center, training staff, and conducting exercises. In a 2006 report, we concluded that the program was still in initial development and had achieved several accomplishments. However, we identified several areas in which improvement was needed.
<i>Audit Type and Objectives</i>	This will be a performance audit evaluating actions taken by the Emergency Preparedness Office since 2006 to improve the Library's program. Among other things, we will identify current emergency planning initiatives affecting Federal elements Capitol Hill-wide and evaluate the (1) Library's progress in developing a threat/risk assessment; (2) scope and development status of the Library's comprehensive emergency preparedness plan; (3) functionality of the Library's Emergency Preparedness Decision Matrix; (4) status of emergency training for staff; (5) status of communications and training for disabled staff and disability monitors; and (6) coordination status between the Library and emergency first responders.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcome 2, improved decision-making processes, and also support the strategies to evaluate the quality of products and services, and the efficiency of delivery; provide a safe, secure, well-designed physical environment; improve planning/decision-making within and among service and support units; and promote and maintain a culture that reinforces open and collaborative relationships within and among service and support units.
<i>Importance/Justification</i>	The threat of terrorism continues to be a major concern, especially on Capitol Hill. Emergency planning and execution of safeguards continues to be critically important for the safety of staff and the Library's visitors. The Library was undertaking several emergency preparedness initiatives as we completed our program review in 2006. This audit will evaluate the Library's progress.

<i>Audit Name</i>	Audit Follow-up - Transit Subsidy Program
<i>Activity Description</i>	The Library's Transit Subsidy Program is intended to reduce employees' contribution to traffic congestion and air pollution by expanding their use of public transportation. Through the program, the Library provides qualified employees with a tax-free transit subsidy to be used to pay for public transportation to and from work. The subsidy's value covers an employee's transportation expenses not to exceed the maximum amount allowed by law. The Director of Human Resources Services (HRS) establishes policies for the Library's program in coordination with the Department of Transportation. In a 2005 audit report, we concluded that the Library needed to improve is oversight of the program.
<i>Audit Type and Objectives</i>	This will be a performance audit evaluating actions taken by the Library in response to our 2005 audit and recent federal changes applicable to the program. Among other things, we will (1) evaluate the effectiveness of HRS' policies on program eligibility; (2) evaluate controls to prevent employees who participate in the Library's Parking Program from receiving Transit Subsidy Program benefits; and (3) evaluate Library procedures for discontinuing Transit Subsidy Program benefits when an employee separates from Library employment.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization – to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services – and the Goal on Workforce – to cultivate a talented diverse community of innovators devoted to public service. It will also contribute to various Outcomes and Strategies related to these Goals.
<i>Importance/Justification</i>	Inspectors General of various agencies have identified numerous problems associated with this federally-based program including ineligible employees receiving benefits and a lack of essential policies and procedures for preventing fraud, waste, and abuse. Moreover, the Government Accountability Office recently found that federal employees of various agencies deliberately requested transit benefits they were not entitled to and then sold or used the benefits for personal gain.

Financial Audits

<i>Audit Name</i>	FY 2008 Library of Congress Financial Statements
<i>Activity Description</i>	The Library's programs and operations are subject to oversight by the Joint Committee on the Library which is comprised of members of the U.S. House of Representatives and the Senate. The Library relies primarily on appropriated funds to support its programs and operations. However, the Library also receives funds from other agencies for services provided under the Economy Act and other statutes, and from the public in the form of gifts and trusts. The Chief Financial Officer's Act of 1990 was enacted to improve accounting, financial management, and internal controls to assure the issuance of reliable financial information, and to deter fraud, waste, and abuse of government resources. The Library has elected to comply with the CFO Act, which requires annual audits of financial statements.
<i>Audit Type and Objectives</i>	This will be a financial audit conducted by an independent accounting firm under contract. The audit will cover the FY 2008 accounting period. The OIG will provide contract oversight and perform quality assessments of the contractor's work.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It will also support the strategies to evaluate the quality of products and services, and the efficiency of delivery; improve Library-wide business functions to minimize workflow; and improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	The audit will provide reasonable assurance that the financial statements are free of material misstatement, fulfill the requirements of the CFO Act of 1990, and will provide the Joint Committee on the Library and the public with information on all funds and resources provided to the Library.

<i>Audit Name</i>	FY 2007 Madison Council Financial Statements
<i>Activity Description</i>	The James Madison National Council is an advisory board of business people and philanthropists who contribute ideas, expertise, and financial support to the Library’s collections and programs. The James Madison National Council Fund was initiated by the Librarian of Congress to account for the financial support, and was accepted by the Library of Congress Trust Fund Board in July 1989. A gift of \$100,000 from Robert Gwinn, chairman of the board of Encyclopedia Britannica, established the fund.
<i>Audit Type and Objectives</i>	This is a financial audit to be conducted by an independent accounting firm. The audit will cover the Madison Council’s financial statements and activities for FY 2007. The OIG will oversee the contract and perform quality assessments of the contractor’s work.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It will also support the strategies to evaluate the quality of products and services, and the efficiency of delivery; improve Library-wide business functions to minimize workflow; and improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	The results of the financial audit are published in the Madison Council’s annual report. The audit provides accountability for the funds donated by the current Madison Council members, and provides information to potential donors on the Library’s use of resources.

<i>Audit Name</i>	FY 2007 Open World Leadership Center Financial Statements
<i>Activity Description</i>	The Open World Leadership Program was established in 1999 by Congress to bring emerging Russian political and civic leaders to the United States to meet their American counterparts to observe American style democracy and free enterprise in action. The objective was to increase mutual understanding between Russia and the United States in support of Russia's efforts to create a civil society. In December 2000, Congress established a permanent independent agency to house the program now known as the Open World Leadership Center at the Library of Congress (Open World). In February 2003, Congress expanded the scope of Open World to include the 11 other Freedom Support Act countries, as well as the Baltic republics, and authorized a new initiative for Russian cultural leaders.
<i>Audit Type and Objectives</i>	Open World relies on the Library of Congress through an interagency agreement to provide accounting services and support, financial reporting, and financial statements. This is a financial audit to be conducted by an independent accounting firm. The OIG will oversee the contract and perform quality assessments of the contractor's work.
<i>Related Strategic Plan Goals and Strategies</i>	Inasmuch as the Library performs certain functions on behalf of the Center, including accounting and budget function, this audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It will also support the strategies to evaluate the quality of products and services, and the efficiency of delivery; improve Library-wide business functions to minimize workflow; and improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	Open World's FY 2007 funding was approximately \$14 million. The annual appropriation is augmented by private donations from the business and philanthropic communities. Providing independent assurance of Open World's accountability for its funds and resources is important for its continued support.

<i>Audit Name</i>	Revolving Gift and Trust Funds (Selected Reviews)
<i>Activity Description</i>	In accordance with the provisions of the Trust Fund Board Act of 1925, the Library is authorized to accept gifts, bequests, or devises of property. These are to be used for the benefit of the Library, its collections, or its services. In general, the principal amount of Gift and Trust Funds is either restricted, in that it may not be spent, or unrestricted. Donors may also impose additional restrictions which often relate to purpose or time. Library fund managers administer and oversee the funds to ensure they are used as directed by the donors and in accordance with laws, regulations, and Library policy.
<i>Audit Type and Objectives</i>	This is a series of audits that the OIG may perform on the revolving Gift and Trust Funds. The objectives of the audits are to determine whether: (1) financial information is accurate and complete; (2) expenditures are in compliance with all applicable laws and regulations; and (3) the fund manager is adequately performing his or her fiduciary duties. Audits may cover the last one to three fiscal years.
<i>Related Strategic Plan Goals and Strategies</i>	These audits will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services.
<i>Importance/Justification</i>	Utilizing a portion of our audit resources periodically to review selected gift and trust funds will ensure that gift and trust funds are properly managed and that financial information about the funds is fairly presented.

Attestations

<i>Project Name</i>	Collections Security (Verification of Treasures)
<i>Activity Description</i>	The security plan for safeguarding the Library’s collections is based on a multi-tiered concept that assigns protection priorities according to an item’s assessed risk of loss. The plan assigns the greatest level of protection to the platinum collections, the Library’s most priceless items. The “Treasures” are the quintessential components of this category. Two key components of the security plan are inventory and preservation controls for collection items, and are therefore applicable to the “Treasures.” Inventory controls uniquely identify an item and specify its location to allow for an item’s retrieval, tracking, and verification. The preservation controls fall across seven different categories which are each individually designed to eliminate or reduce deterioration and loss of collection items.
<i>Audit Type and Objectives</i>	This will be an attestation designed to determine whether the Library has adequate and effective inventory and preservation controls for safeguarding the “Treasures.” Among other procedures, we will compare acquisition information to actual items in inventory to confirm their existence. We will also record the condition of collection items via digital photography to use for future reference.
<i>Related Strategic Plan Goals and Strategies</i>	This project will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcome 1, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity. It will also support the strategy to provide a safe, secure, well-designed physical environment.
<i>Importance/Justification</i>	The Library’s mission and core purpose are inextricably linked to effective security controls for safeguarding the Library’s collections including its “Treasures.” Inventory and preservation controls are two integral components of the Library’s strategic plan for collections security.

<i>Project Name</i>	Collections Security (Rare Books)
<i>Activity Description</i>	<p>The Library has made a considerable investment in physical security to safeguard its collections over the past several years and, in 1997, began performing comprehensive risk assessments to identify significant vulnerabilities and threats. Parallel to those assessments, we began to explore sampling methods for examining the condition of collection items, tracking their existence, and establishing baselines for future reviews. The Prints & Photographs Division was selected as a pilot project in 1999. Five years later, we continued working with the Collections Security Oversight Committee and KPMG, the contractor originally hired to conduct sampling and testing, to perform a follow-up sample in the Prints & Photographs Division. In 2006, we established a new baseline for the Manuscript collections. Through this project, a baseline for the Library’s rare book collections will be established.</p>
<i>Audit Type and Objectives</i>	<p>This will be an attestation engagement. Our objectives will be to evaluate existing internal controls for collections security, and to confirm the existence and examine the condition of sampled items to establish a baseline for future reviews. Because OIG worked closely with KPMG to learn the sampling techniques used in past examinations, statistical validity for future reviews will be assured when the same techniques are applied.</p>
<i>Related Strategic Plan Goals and Strategies</i>	<p>This attestation will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcome 1, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity. It will also support the strategy to provide a safe, secure, well-designed physical environment.</p>
<i>Importance/Justification</i>	<p>Measuring the effectiveness of the Library’s physical security controls depend on developing credible baselines. Conducting regular inventories and/or sampling items using statistically valid techniques can create baselines capable of measuring the effectiveness of internal controls.</p>

<i>Project Name</i>	Overseas Offices' Internal Control Reviews
<i>Activity Description</i>	Properly managing Library assets requires managers to minimize the risks of fraud, waste, abuse, and mismanagement that threaten an asset's purpose or existence. Internal control procedures must be actively applied and continuously evaluated to ensure that assets are adequately protected. In recent reviews, we brought to light several internal control weaknesses affecting three of the Library's overseas offices.
<i>Audit Type and Objectives</i>	These internal control reviews are part of our continuing effort to be proactive in the Library's management activities. They will be conducted as attestations. The principal objective is to determine whether Library offices overseas have basic internal controls in place to protect the offices' assets. Information will be collected and evaluated through a questionnaire based on the Government Accountability Office's <i>Standards for Internal Control in the Federal Government</i> , among other references. The questionnaire will focus on the management of payroll, purchasing, time and attendance, petty cash, and other areas.
<i>Related Strategic Plan Goals and Strategies</i>	These attestations will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It will also support the strategies to improve the quality of products and services, and the efficiency of delivery; and to improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	Internal controls are a major part of managing an organization. They provide the first lines of defense in safeguarding an organization's assets. When properly implemented, internal controls prevent and detect fraud and help Library managers of overseas offices achieve desired results for their programs with minimal, if any disruptions.

<i>Project Name</i>	Visitor Tunnel Preparations/New Visitor's Experience
<i>Activity Description</i>	<p>The Visitor Services Office is the Library's welcome center for its constituencies including Members of Congress, important guests, and the general public. The office operates and maintains the Library's Visitors' Center to meet and greet more than one million visitors annually. Through the Center, visitors have access to two information desks, eight interactive computer terminals that provide general information and the online catalog, and the Visitors' Theater. The office relies on approximately 170 volunteers, including Library staff, to accomplish its work. The Capitol Visitors' Center is currently under construction and scheduled to open in 2008. The Center is being connected to the Library's Thomas Jefferson building via an underground tunnel. The Library is embarking on a program called the "New Visitor Experience" that will reconfigure space in the Jefferson building to add and significantly enhance exhibits and the experience of visiting the Library. Project management for this program is under the Chief Operating Officer.</p>
<i>Audit Type and Objectives</i>	<p>In FY 2005, we performed an audit survey of preparations for the tunnel and found that activities requiring long lead-times were being planned and executed to prepare the tunnel's opening to the public. Our survey follow-up work in FY 2006 included a review of the "New Visitor Experience" project plan. We will follow up again in FY 2008 to evaluate progress.</p>
<i>Related Strategic Plan Goals and Strategies</i>	<p>This project will support the Goal on Customers – to improve our internal and external customers' experiences in seamlessly finding and using Library resources – and the Goal on Organization – to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. It will also contribute to various Outcomes and Strategies related to these Goals.</p>
<i>Importance/Justification</i>	<p>Opening the Capitol Visitors' Center could dramatically increase the number of visitors to the Library. Inadequate facility, staffing, and training preparations could delay the tunnel's opening and/or exacerbate the ability of the Visitor Services' staff to handle an increased volume of visitors. Delays in progress on the "New Visitor Experience" could have an equally disruptive effect.</p>

Carryover Projects

<i>Audit Name</i>	Logistics Center
<i>Activity Description</i>	The Library currently operates a warehouse in Landover, Maryland, where it stores a variety of materials, such as office supplies, surplus furniture, computers, and several collections, among other things. As the Landover warehouse is nearing the end of its useful life, the Library has designed a plan to replace it with a new, state-of-the-art facility in Fort Meade, Maryland.
<i>Audit Type and Objectives</i>	The Library has been planning this project for several years, and has conducted several analyses to justify the project. This attestation will examine the Library's planning process for the planned Fort Meade Logistics Center. We will critically review the cost/benefit analyses and compare with best practices and industry benchmarks.
<i>Related Strategic Plan Goals and Strategies</i>	This audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services; and contribute to Outcome 1, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity. It will also support the strategies to improve the quality of products and services, and the efficiency of delivery; and to provide a safe, secure, well-designed physical environment.
<i>Importance/Justification</i>	This is a high profile, high priority project for which requested funding exceeds \$40 million. In order to provide the best value to the taxpayer, a well-designed and justified plan and cost benefit analysis are required.

<i>Audit Name</i>	Compliance With Acquisition Criteria
<i>Activity Description</i>	The Chief of the Office of Contracts is responsible for ensuring that the acquisition of supplies and services is executed in accordance with applicable regulations and determining when exceptions are appropriate. Positions outside the Office of Contracts have contracting authority for specific situations. The Office of General Counsel provides legal assistance for all Library contracting activities. Management officials are responsible for authorizing requirements, providing technical support, and ensuring adequate funding is allocated.
<i>Audit Type and Objectives</i>	This is a performance audit to evaluate the extent to which the Library conforms to applicable federal regulations and guidance in its acquisition contracts for goods and services.
<i>Related Strategic Plan Goals and Strategies</i>	This audit supports the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it contributes to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It also supports the strategies to improve the quality of products and services, and the efficiency of delivery; to improve Library-wide business functions to minimize workflow; to improve planning/decision-making within and among service and support units; and to promote and maintain a culture that conveys an expectation of, and reinforces, open and collaborative relationships within and among service and support units.
<i>Importance/Justification</i>	Past OIG work raised concerns about Library contracting, specifically questioning whether the Library actually conforms to federal acquisition criteria and achieves associated benefits. Disregard of the FAR and other criteria leaves Library contracting activities vulnerable to abuse and wasteful spending. For example, failing to compete contracts may result in a less-than-ideal price for goods and services purchased by the Library.

Audit Name Raiser’s Edge Application Controls

Activity Description The Development Office’s primary mission is to seek private resources to support a broad range of Library activities. The Office uses a commercial off-the-shelf software product named Raiser’s Edge to track its fundraising activities. The Office also uses this software to record and track relationship information for the individuals, corporations, and foundations that provide the Library with donations. This software records and tracks information related to constituents (individuals, corporations, and foundations), gifts, campaigns, funds, and appeals. The fund raising information that is recorded and tracked by Raiser’s Edge for financial statement purposes is manually posted to the Library’s Momentum financial system.

Audit Type and Objectives The objectives of this IT application controls audit over the input, processing, and output functions of Raiser’s Edge are to ensure that: (1) only complete, accurate, and valid data are entered into the computer system, (2) processing of constituent, gift, campaign, fund, and appeals information by the application is accurate, (3) processing efficiency meets management expectations, and (4) data is maintained securely.

Related Strategic Plan Goals and Strategies This project supports the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it contributes to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It also supports the strategies to improve the quality of products and services, and the efficiency of delivery; and to improve planning/decision-making within and among service and support units.

Importance/Justification The application tracks significant funds coming into the Library, in addition to maintaining a database of critical importance to the Library’s fund-raising program. As such, an assessment of the controls over the application is of high importance; this audit will provide assurance that adequate controls are in place to ensure that the integrity and confidentiality of Raiser’s Edge data is maintained.

<i>Audit Name</i>	Disbursing Office
<i>Activity Description</i>	The Disbursing Office (DO) controls and operates the Library’s cash management function. The core operations of the DO include the disbursement and collection functions. Unlike those at most other Federal agencies, the Library’s DO has the authority to issue its own checks and electronic funds transfers. The DO is the consolidation point for the Library’s various cash collections. Funds received through the Library’s operations such as Copyright, Photoduplication, and Catalog Distribution Service are forwarded to the DO for verification and deposit. The DO reports the results of its operations to the Library’s financial management system and the Department of the Treasury.
<i>Audit Type and Objectives</i>	We are conducting a performance audit of the DO. The objectives include an evaluation of the design of, and compliance with, DO internal controls, the adequacy of physical security and asset protection practices (including fraud prevention and detection), compliance with IT security, compliance with personnel requirements, the accuracy and reliability of Treasury reporting, activity reconciliation and variance follow-up, and the adequacy of continuity of operations planning and compliance.
<i>Related Strategic Plan Goals and Strategies</i>	This project supports the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it contributes to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It also supports the strategies to improve the quality of products and services, and the efficiency of delivery; and to improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	The DO is considered a high risk area based on its handling of highly liquid assets and the need for accurate and timely recording of the results of its operations. Breakdowns in the safe handling of assets and the recording of transactions could negatively impact Library assets, financial reporting, and the Library’s image.

<i>Audit Name</i>	Mail Services
<i>Activity Description</i>	Mail security and integrity have remained as a high priority for Capitol Hill government offices after the discovery of anthrax in a letter delivered to a Senate office building. In November 2001, the House contracted with a vendor to screen all incoming Capitol Hill mail at an off-site center. Because of its proximity to Congress, the Library was asked to adopt the same procedures. Most mail addressed to the Library is screened and diverted for irradiation.
<i>Audit Type and Objectives</i>	This is a performance audit of this function. Office Systems Services, a Library unit, is in charge of this vendor contract and mail processing. Our objectives in this audit are to (a) review the timeliness of mail delivery, (2) check the quality of mail service, and (3) determine if management has established effective controls over the process, in order to determine the effects of the current mail processing procedures on the Library's collections acquisitions.
<i>Related Strategic Plan Goals and Strategies</i>	This project supports the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it contributes to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It also supports the strategies to improve the quality of products and services, and the efficiency of delivery; and to improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	The Library depends on daily mail deliveries to conduct business. In particular, the Acquisitions section depends on daily deliveries of materials from around the globe, all of which must be screened on arrival. A disruption in mail service, inefficient or ineffective service from the vendor, or damage to incoming collections materials could harm the Library's accomplishment of its mission.

<i>Project Name</i>	Copyright Reengineering
<i>Activity Description</i>	The Copyright Office recently redesigned its workflow and defined its information technology (IT) requirements necessary to implement new processes. With assistance from IT procurement experts at the General Services Administration, Copyright selected a vendor to build a new systems infrastructure. Their goal is to take advantage of state-of-the-art technology to streamline current processes.
<i>Audit Type and Objectives</i>	As part of our ongoing effort to be proactive in significant Library projects, we are reviewing the management, technical, and operational controls that will be built into Copyright's redesigned production systems. Our review is based on control objectives defined by the Information Systems Audit and Control Association guidelines for federal automated information systems issued by the National Institute of Standards and Technology, and the U.S. Government Accountability Office's Business Process Reengineering Assessment Guide.
<i>Related Strategic Plan Goals and Strategies</i>	This project supports the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it contributes to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It also supports the strategies to improve the quality of products and services, and the efficiency of delivery; and to improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	The Copyright Office relies on its systems to carry out its mission as the agency of public record for the registration of claims to copyright, the recordation of documents pertaining to copyrighted works and statutory licenses.

<i>Audit Name</i>	Telephone Contract
<i>Activity Description</i>	The Library conducts its daily business supported by telecommunications networks that form the enabling infrastructure for voice and data service. In FY 2006, the Library incurred over \$1 million in telecommunications costs. The Information Technology Services division at the Library handles all aspects of the telecommunications process, from contracting to distribution and billing.
<i>Audit Type and Objectives</i>	This performance audit assesses the adequacy of the process for monitoring telephone billing at the Library and evaluates the reasonableness of the charges.
<i>Related Strategic Plan Goals and Strategies</i>	This project supports the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it contributes to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It also supports the strategies to improve the quality of products and services, and the efficiency of delivery; and to improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	The Library relies heavily on telecommunications to transact business, devoting significant dollars and resources to acquiring and distributing service. Given the multiplicity and complexity of telecom options and highly competitive nature of the market, it is possible that better and more economical options for service exist. This audit explores the Library's process for discovering them.

<i>Audit Name</i>	FY 2007 Library of Congress Financial Statements
<i>Activity Description</i>	The Library's programs and operations are subject to oversight by the Joint Committee on the Library which is comprised of members of the U.S. House of Representatives and the Senate. The Library relies primarily on appropriated funds to support its programs and operations. However, the Library also receives funds from other agencies for services provided under the Economy Act and other statutes, and from the public in the form of gifts and trusts. The Chief Financial Officer's Act of 1990 was enacted to improve accounting, financial management, and internal controls to assure the issuance of reliable financial information, and to deter fraud, waste, and abuse of government resources. The Library has elected to comply with the CFO Act, which requires annual audits of financial statements.
<i>Audit Type and Objectives</i>	This will be a financial audit conducted by an independent accounting firm under contract. The audit will cover the FY 2007 accounting period. The OIG will provide contract oversight and perform quality assessments of the contractor's work.
<i>Related Strategic Plan Goals and Strategies</i>	This audit supports the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it contributes to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It also supports the strategies to evaluate the quality of products and services, and the efficiency of delivery; improve Library-wide business functions to minimize workflow; and improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	The audit provides reasonable assurance that the financial statements are free of material misstatement, fulfill the requirements of the CFO Act of 1990, and will provide the Joint Committee on the Library and the public with information on all funds and resources provided to the Library.

<i>Audit Name</i>	FY 2006 Open World Leadership Center Financial Statements
<i>Activity Description</i>	The Open World Leadership Program was established in 1999 by Congress to bring emerging Russian political and civic leaders to the United States to meet their American counterparts to observe American style democracy and free enterprise in action. The objective was to increase mutual understanding between Russia and the United States in support of Russia's efforts to create a civil society. In December 2000, Congress established a permanent independent agency to house the program now known as the Open World Leadership Center at the Library of Congress (Open World). In February 2003, Congress expanded the scope of Open World to include the 11 other Freedom Support Act countries, as well as the Baltic republics, and authorized a new initiative for Russian cultural leaders.
<i>Audit Type and Objectives</i>	Open World relies on the Library of Congress through an interagency agreement to provide accounting services and support, financial reporting, and financial statements. This is a financial audit being conducted by an independent accounting firm. The OIG is overseeing the contract and performing quality assessments of the contractor's work.
<i>Related Strategic Plan Goals and Strategies</i>	Inasmuch as the Library performs certain functions on behalf of the Center, including accounting and budget function, this audit will support the Goal on Organization, to increase Library-wide synergies and flexibilities to continuously improve quality and efficiency of delivery of products and services. Moreover, it will contribute to Outcomes 1 and 2, an optimized cultural, physical, and technological environment maximizing quality, efficiency, and creativity; and improved decision-making processes. It will also support the strategies to evaluate the quality of products and services, and the efficiency of delivery; improve Library-wide business functions to minimize workflow; and improve planning/decision-making within and among service and support units.
<i>Importance/Justification</i>	Open World's FY 2006 funding was approximately \$14 million. The annual appropriation is augmented by private donations from the business and philanthropic communities. Providing independent assurance of Open World's accountability for its funds and resources is important for its continued support.

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