



JAMES MADISON COUNCIL OF THE LIBRARY OF CONGRESS ANNUAL REPORT 2004



MADISON COUNCIL BULLETIN SPRING 2005





FRONT COVER:
 (FROM TOP) ENTRANCE TO RIJKSMUSEUM;
 GROUP AT STOWE GARDENS, TEMPLE OF BRITISH WORTHIES;
 FRENCH SENATE RECEPTION ROOM
 (L) CHÂTEAU LA GRANGE



LETTER FROM THE LIBRARIAN	2
LETTER FROM THE CHAIRMAN	3
GREAT LIBRARIES OF THE WORLD EUROPEAN TOUR	4
THE LIBRARY OF CONGRESS TAKES THE JUILLIARD ON TOUR	9
“A HEAVENLY CRAFT” DEBUTS AT THE GROLIER CLUB	11
LIBRARIAN OF CONGRESS ANNOUNCES WINNERS OF SECOND JOHN W. KLUGE PRIZE FOR LIFETIME ACHIEVEMENT IN THE HUMANITIES AND SOCIAL SCIENCES	12
THE LIBRARY AND THOMAS HAMPSON LAUNCH “THE SPIRIT, THE SONG AND THE SOUL” CONCERT TOUR	14
A WARM WELCOME TO NEW MEMBERS	16
THE FOURTH ANNUAL HENRY A. KISSINGER LECTURE	18
MADISON COUNCIL ANNUAL REPORT 2004	19

LETTER FROM THE LIBRARIAN



In this issue we share with you highlights of our sixth Great Libraries of the World Tour, in which Madison Council members played an invaluable role as ambassadors for the nation's library. Our visits to leading cultural institutions in Amsterdam, Paris, and London were greatly enriched by the presence of David McCullough and his wife, Rosalee. David was an inspiring and informative guide to many of the places where our Founding Fathers visited and lived. He will visit the Library on the evening of June 10 to celebrate his much anticipated next book, which chronicles the extraordinary events in the year 1776.

We are indebted to Council members who have helped to make possible important new Library initiatives; Marie Smith and AARP have donated to the Library the *Voices of Civil Rights* archives, the world's largest permanent repository of firsthand accounts of the movement, and made possible an exhibition of these materials; Bud and Jane Smith, Fred Krimendahl, and Arthur Ortenberg supported *A Heavenly Craft: The Woodcut in Early Printed Books*, an exhibition of 84 rare items from the Library's Lessing J. Rosenwald Collection celebrating the often overlooked age of woodblock printing just before Gutenberg; Bea and Tony Welters and Marie Smith of AARP made possible the highly successful 2004 exhibition commemorating the landmark *Brown v. Board* case; Ed Cox and Buffy Cafritz provided support for the Development Office; and the annual contributions of all of you have made possible more than 305 initiatives including preservation of the collection, development of the Library's Web site, internships, exhibitions, symposia, and other important scholarly programs.

Looking forward to September 24, the Library will sponsor the fifth National Book Festival on the grounds of the National Mall, featuring more than 75 award-winning authors, poets, and illustrators. We are honored to again have First Lady Laura Bush cohost the festival.

We are happy to welcome six esteemed new Council members: Elihu and Suzy Rose, Charlotte Kessler, Sidney Lapidus, Sally Harris, Richard Fredericks, and James Clement. We look forward to introducing them to other members and to benefitting from their advice and counsel.

With deepest thanks for your unwavering support.

Sincerely,

A handwritten signature in cursive script that reads "James H. Billington". The ink is dark and the signature is fluid and legible.

James H. Billington
The Librarian of Congress

LETTER FROM THE CHAIRMAN



When the founding members of the Madison Council first convened in April 1990, Librarian of Congress James Billington challenged us to join together to make the vast resources of this great institution more accessible to the American people. Looking back over the past 15 years we can be proud of the remarkable work that has been accomplished because of the Council's committed involvement and financial support. Our numerous accomplishments have been ambitious and far-reaching and have taken us beyond what was initially envisioned. The Madison Council has become a model of how private sector involvement can create fundamental changes within a public institution.

As Chairman of the Council, it has been exciting to participate in and witness these changes. As a business person, I am pleased that the Council's financial standing continues to be solid. For the eleventh straight year, the auditors of the Madison Council Fund have once again given it an unqualified favorable opinion. I would like to thank the Library staff for the responsible way in which they continue to account for the fund's financial records and for the wise counsel of our treasurer Leonard Silverstein.

During 2004, the Madison Council continued to provide substantial support for a number of Library initiatives. Gifts from Madison Council members totaled \$5.9 million, bringing the Council's total support since 1990 to \$159.1 million. Highlights from the year include Jay Kislak's gift of a major collection of rare books, manuscripts, historic documents, maps, and art of the Americas; Jon and Lillian Lovelace's gift which allowed the Library to acquire the Alan Lomax Collection; the highly popular "From Haven to Home: 350 Years of Jewish Life in America" exhibition made possible by The Abby and Emily Rapoport Trust Fund, established by Bernard and Audre Rapoport; Dolly Parton's performance at the Library made possible by Glenn Jones and the Great American Country cable channel; and the "Churchill and the Great Republic" exhibition, the Summer Internship Program, and the Fourth National Book Festival, all supported by individual Madison Council members and the Madison Council.

As we look to the future, we cannot afford to rest on our past successes. I challenge each member to renew their commitment to the Library as it takes on new initiatives for the next decade, some that we cannot now even imagine. If we remain dedicated in our financial support and active participation, we will witness the unfolding of more wonderful success stories at the Library of Congress, and pass on to future generations a legacy that will never be forgotten.

A handwritten signature in black ink, which appears to read "John W. Kluge". The signature is fluid and cursive, written in a professional style.

John W. Kluge
Chairman



(TOP) SOCIETEIT DE WITTE STEPS AT THE HAGUE; (L) COBHAM MONUMENT; (R) PALAIS DU LUXEMBOURG



GREAT LIBRARIES OF THE WORLD EUROPEAN TOUR

The sixth Great Libraries of the World tour took the Librarian of Congress, James H. Billington, and his wife Marjorie along with forty-six members of the Madison Council and their spouses and guests to Amsterdam, Paris, and London. This time, the Council was also led by the noted American historian and biographer of John Adams, David McCullough, and his wife Rosalee. Having the McCulloughs join the Council for this trip gave each day a sparkling dimension, not only because of David's insightful and interesting comments, but also for their charming and bright presence. The theme for the Council's journey was to walk where John Adams and his family, Thomas Jefferson, and Benjamin Franklin had lived and worked as representatives of the fledgling American nation.

The Council gathered in Amsterdam in mid-September and began by taking in the sights from a private boat, departing from the canal side of the Amstel Inter Continental Hotel. At the Van Loon House, the trappings of the life of a very influential and successful merchant family were on display, and at the Netherlands Maritime Museum, once the arsenal of the navy, the historic impact of Dutch sea trade and exploration was charmingly evoked. The Council convened at a banquet in a gallery of the world-renowned Rijksmuseum, where masterpieces of the Dutch masters gazed down. Everyone was charmed to see the Vermeers and Rembrandt's masterpiece, *The Night Watch*. The next day, it was on to The Hague for a visit to the modern Royal Dutch Library, and a warm welcome from the staff and director Wim van Drimmelen. The Library's joint bilingual digital project, *The Atlantic World: America and the Netherlands*, provided a backdrop to the treasures specially selected for the Council's review, as well as maps and documents which demonstrated the Dutch perspective on the period of the American Revolution. The highlight in The Hague was, after much negotiation with the Dutch, a visit to the Treaty Room in the Binnenhof Palace, where John Adams saw the Netherlands sign the first treaty with the U.S. The Treaty Room is within the parliament complex and rarely, if ever, do visitors gain entrance. This opportunity was such a coup that our ambassador, Clifford Sobel, and his wife joined us to see the Treaty Room. After a warm welcome by the deputy prime minister, Wim Kuijken, we stepped back in time to see a gleaming 18th-century formal room, embellished with coats of arms and enormous portraits of Dutch royalty and government leaders. It is hard to relate the sense of history in such an experience. In the afternoon, the speakers of the First and Second Chambers of the Dutch Parliament greeted the Council and discussed the parliament's current interests and activities. Ambassador and Mrs. Sobel hosted the Council and invited Dutch guests at their residence in The Hague. CONTINUED ON PAGE 6



(L) CHAPEL AT MERTON COLLEGE; (R) NOTABLE UNIVERSITY OF LEIDEN ALUMNI AND FACULTY

GREAT LIBRARIES, CONTINUED FROM PAGE 5

The next day, guided by Dr. Jeremy Bangs, the Council walked the narrow streets of Leiden where John, John Quincy, and Charles Adams walked. Dr. Bangs also gave the Council a glimpse of the Pilgrim history of Leiden, which he is gathering in his Pilgrim Museum. Returning to Amsterdam, the Council was privileged to be given entrance to the private house where John Adams lived and almost died, 529 Keizersgracht, Amsterdam. The Amsterdam Historical Museum, a former convent and civic orphanage, was a most informative setting for a buffet dinner. That evening, the Council members were invited guests at a public lecture David McCullough gave at the University of Amsterdam, under the auspices of the John Adams Institute. Before the Council departed by high-speed Thalys train for Paris, they toured the restored Rembrandthuis, where the great painter lived and taught from 1639 to 1660.

After arriving at the Gare du Nord, the Council hurriedly settled into the Hotel Bristol before an early evening departure for the Palais Royal. At the invitation of the French Minister of Culture, Renaud Donnedieu de Vabres, the noted American lyric baritone Thomas Hampson gave a private American song recital. It was a remarkable welcome to the City of Light. The Council returned to the Bibliothèque nationale de France (BnF), where President Jean-Noel Jeanneney greeted the members before they inspected the massive modern building, examined specially selected treasures, and marked the Library's bilingual digital project with the BnF. The Librarian and M. Jeanneney signed our cooperative agreement before the Council enjoyed lunch in the Belvedere Room, on the 18th floor of one of the BnF towers.

As Alice Jouve added informative and delightful narration to David McCullough's comments, the Council traveled the Parisian streets, viewing the Hotel de Salm, which inspired Jefferson on his design for Monticello. David also took the group to the Hotel Antier where John and John Quincy Adams lived. The council had a private tour of the Bibliothèque Mazarine, the library connected with the French "académie." The vice-chairman of the U.S.-France Friendship group welcomed the Council on the floor of the French Senate in the Palais du Luxembourg. In the adjoining Senate library, overlooking the beautiful Luxem-



(L) VERMEER'S KITCHEN MAID (c. 1658); (R) TREASURES FROM THE FRENCH SENATE LIBRARY

bourg gardens, and in the adjoining archives, the Council once again reviewed specially selected treasures from the collections.

Madison Council Steering Committee member Raja Sidawi and Monique Duroc-Danner hosted the Council at Ms. Duroc-Danner's beautiful home adjoining the grounds of Château Malmaison, the residence of the Empress Josephine. Raja and Monique arranged a sparkling dinner under canopies in the garden. Preceding the Sidawi dinner, the Council toured the gardens and grounds of Malmaison, getting a taste of Empire culture and design.

During a tour of the Musée de Carnavelet, the Council examined an intriguing collection of paintings and prints which were contemporaneous representations of the Paris that Adams, Jefferson, and Franklin knew. David McCullough told the Council about the Marshall Plan, which was headquartered at the Hotel de Talleyrand, now the U.S. consulate, after which the Council saw the current restoration efforts underway. Ambassador and Mrs. Howard Leach hosted the Council at their residence near the Elysée Palace, on a very pleasant September evening. The Council dined aboard the yacht, *Le Bretagne*, floating on the Seine to see the Parisian sights glowing in the twilight and the brilliant light show of the Eiffel Tower.

Some of the Council took advantage of a special invitation to visit the restricted Cabinet des dessins in the Louvre. Other Council members traveled by private coach 30 miles east of Paris to visit Château LaGrange, where Lafayette lived out the last 53 years of his life. The 15th-century home is truly a step back in time. It has been lovingly and faithfully restored, and the Library, because of Dr. Billington's efforts, worked closely in 1995 to organize, preserve, and microfilm a vast treasure trove of original manuscripts. The 18th-century letters to the Marquis de Lafayette are in such fine condition today that they look like they have just arrived from America. The group saw and read Martha Washington's response to Lafayette's letter of condolence on the death of President Washington. David McCullough was heard to remark that the entire trip would have been worth it if the visit to Château LaGrange were the only thing on the tour.

CONTINUED ON PAGE 8



DISTINCTIVE CUPOLA OF THE INSTITUT DE FRANCE

GREAT LIBRARIES, CONTINUED FROM PAGE 7

The Council then traveled on to London by high-speed Eurostar train via the Chunnel, staying at Claridge's Hotel. At the new British Library (BL) at St. Pancras, they saw King George's library installed at the BL during our tour. Seeing the royal library had been such a high point for Adams that he had said he wished he could stay a week. Once again, BL curators arranged an insightful tour, exhibiting specially selected treasures which celebrated American-British relations and history and hosted the Council for lunch. David McCullough led a walking tour of Grosvenor Square, where John Adams lived at No. 8, before he and the Council met with the U.S. Embassy staff. At Windsor Castle, the Council participated in choral evensong in St. George's Chapel. The Constable and Governor of Windsor castle, Sir Richard Jones and Lady Johns, hosted the Council in their 11th-century Norman tower quarters, where prisoners' graffiti are still visible above the fireplace. Sir Richard joined the Council for dinner in Sir Christopher Wren's house along the nearby Thames.

During a visit to the picturesque Merton College, the oldest college at Oxford University, the Warden, Dame Jessica Rawson hosted the Council for lunch. Dame Jessica is a member of the Library's Scholars Council. The Merton College Library is still housed in a building completed in 1378, and it is described as the "earliest and most perfect example in England of a medieval library." Then it was on to the magnificent 350-acre Stowe Gardens, which Adams and Jefferson visited together in 1782. The gardens were designed by many of the 18th century's finest architects and designers, such as "Capability" Brown. On foot and by golf cart, the Council was guided by landscape architect Richard Wheeler, learning about many of the "temples of delight."

Madison Council member Susie Sainsbury hosted the Council for dinner at Trinity House, the historic headquarters of a unique British maritime organization incorporated by Royal Charter in 1514, dedicated to the safety of shipping and the welfare of seafarers. In stunning rooms overlooking the Tower and Tower Bridge, the Council celebrated its international dimension. After the Council's long full-day excursion to Oxford and back, Susie truly made everyone feel as though they had come home again.

CONTINUED ON PAGE 18

MASTER PERFORMERS...MASTER TEACHERS...

THE LIBRARY OF CONGRESS TAKES THE JUILLIARD ON TOUR



JON LOVELACE AND JON NEWSOM INSPECT
A MOZART MANUSCRIPT FROM THE
LIBRARY'S COLLECTION.

With the generous support of Council Members Jon and Lillian Lovelace, the Juilliard String Quartet traveled to southern California for one week in October as ambassadors of the Library of Congress, offering a series of free concerts and master classes. Library staff, including Music Division Chief Jon Newsom, joined them with complementary educational activities, including displays of music manuscripts and workshops on the Library's online resources.

The first stop was Idyllwild Arts Academy located high up in the San Jacinto Mountains east of Los Angeles. Talented high school students from all over the world live in residence in Idyllwild pursuing an intense program of arts and academics. Four separate master classes by Juilliard members Joel Smirnoff (violin), Ron Copes (violin), Joel Krosnick (cello), and Sam Rhodes (viola) were crowded with young musicians eager to receive the musical insights and practical advice of the master teachers. Violin students were permitted to play the Library's Amati (1654), which had been specially shipped to Idyllwild along with music manuscripts. The manuscript display in Idyllwild's Krone Museum attracted nearly every student and teacher on campus. They stood spellbound before music in the hands of Bach, Mozart, Beethoven, Brahms, Clara Schumann, Stravinsky, and Bernard Herrmann, displayed openly on tables and close enough to touch.

A series of workshops, presented by Digital Reference Librarian Danna Bell-Russel, introduced teachers and librarians to the LC Web site and its many online performing arts collections. Educators from 14 school districts, many having traveled long distances to attend the workshops, were rewarded with a new teaching tool and the skill to use it. That evening, local concertgoers enthusiastically received the Juilliard in a concert featuring Haydn's Quartet in D major, Op. 76, No. 5, and Bartók's Quartet No. 3. The Juilliard's superb performance for a packed auditorium brought together in a meaningful and inspirational way all the reasons for studying classical music. Summarizing the evening, Idyllwild Librarian Jane Craford said, "One of my favorite memories was seeing the expressions of joy, gratitude, release from tension, and of delight transforming the faces of the audi-

CONTINUED ON PAGE 10



STUDENT YORDAN TENEV WITH
THE LIBRARY'S AMATI VIOLIN.

JUILLIARD, CONTINUED FROM PAGE 9

ence attending the Quartet's concert Friday evening. Everyone—from two little local girls in the first row who spontaneously gave standing ovations after each piece, to the seasoned chamber music lovers enjoying a quality performance—all may cherish the memory of that special evening given to us by the Juilliard String Quartet and the Music Division of the Library of Congress.”

The University of California at Santa Barbara was the next stop, where the concerts, master classes, Web site workshops and other educational activities reached entirely new audiences. In addition, Jon Newsom gave a lecture for faculty on the importance of primary resources in music research. Using manuscripts by Bach, Mozart, Beethoven, Bartók, Louis Armstrong, and David Raksin as examples, Mr. Newsom described how handwriting; paper, ink, and book-binding; annotations and changes all yield important insights into a composer's creative processes. Members of the Juilliard offered four separate master classes, two at UC Santa Barbara, and others at Ventura High School and the Music Academy of the West. The Juilliard gave back-to-back performances of the Bartók Quartet No. 3 and Mozart's Quartet in D Major, K. 499, at the beautiful nearby Montecito House. All the manuscripts were on display in an adjacent atrium with a stunning backdrop of windows overlooking the Pacific Ocean. Concertgoers crowded around the manuscripts, some nearly moved to tears at the privilege of seeing the original work of a great composer.

The new Disney Concert Hall in Los Angeles was the final tour stop. Here the Juilliard played a big program—repeating the Haydn and Bartók quartets and adding Beethoven's Quartet No. 8 (“Rasumovsky”). The local concert staff had worked hard to take advantage of a free concert by the eminent Juilliard to bring in new audiences. People of all ages were in attendance—young children, high school and college students, groups of senior citizens—some who had never before been in a concert hall. The Juilliard's master classes and an open rehearsal took place at the Colburn School for the Performing Arts, a high school for the arts located right across the street from the Disney Concert Hall. These master classes, as well as those in Idyllwild and UC Santa Barbara, were videotaped and, after editing, will be made available on the Library's Web site.

Although the tour lasted only one week, the new friendships formed between the Library and students, teachers, librarians, and concertgoers in Southern California continue to grow. The events generated such enthusiasm among all the participants that we plan to do it again. We found a successful combination of activities that reinforce each other and create a richer, deeper musical experience.



SAINT BIRGITTA BESTOWING THE REVELATIONS ON MONKS AND NUNS, WOODCUT FROM HER *REVELATIONES*, NUREMBERG, SEPTEMBER 21, 1500

“A HEAVENLY CRAFT” DEBUTS AT THE GROLIER CLUB

“A Heavenly Craft” made its debut at the Grolier Club in New York on December 8, 2004, where it remained on view through February 7, 2005. Founded in 1884, the Grolier Club is America’s oldest and largest bibliophilic society dedicated to the history of the book and printing.

The exhibition highlights include a 1484 edition of Juan de Torquemada’s *Meditationes*, printed in Rome by Stephan Planck. This book is illustrated with 33 half-page woodcuts, the first series of woodcut images to appear in a book printed in Italy. The exhibition also includes the very rare 1495 Florentine *Epistole e Evangelii*, an Italian-language edition of the gospels, illustrated with 144 woodcuts. Many scholars consider this edition to be one of the most important illustrated books printed in Florence in the 15th century,

because it typifies the Renaissance style that developed in the 1490s.

Also included are books that are known in only a few copies. This group includes Johann Schönsperger’s *Passio domini Jesu Christi*, printed in Ausburg in 1491; *Dye Siben Cursz*, a rare German book of hours printed in Ulm by Conrad Dinckmut, also in 1491; Johann Landen’s Cologne edition of *Zeitlöcklein des Lebens und Ledens Christi*, printed around 1498; Antoine Verard’s *L’Art de bien vivre et de bien mourir*, printed in Paris, 1493-1494; Gerard Leeu’s very rare edition of *Mediationes de vita et passione Jesu Christi*, printed in Antwerp in 1498; and Jacobus Wolff de Pforzheim’s well-illustrated edition of Aesop’s fables, printed in Basel in 1501.

The exhibition, “A Heavenly Craft: The Woodcut in Early Printed Books,” is made possible by the generous support of Arthur Ortenberg and Elisabeth Claiborne, the Long Island Community Foundation-Krasnoff Family Fund, Fred Krimendahl and Emilia Saint-Amand, and Mr. and Mrs. Henry J. (Bud) Smith.

The exhibition will be on display from April 7 through July 9 in the South Gallery of the Great Hall of the Library’s Thomas Jefferson Building, 10 First St. S.E., Washington, D.C.

Following its showing at the Library of Congress, the exhibition will travel to Dallas, its final venue, where it will be on view from September 15 to December 9, 2005, at the Bridwell Library of the Perkins School of Theology at Southern Methodist University.

LIBRARIAN OF CONGRESS ANNOUNCES
WINNERS OF SECOND JOHN W. KLUGE PRIZE
FOR LIFETIME ACHIEVEMENT IN THE HUMANITIES
AND SOCIAL SCIENCES



FROM TOP: DR. BILLINGTON, PAUL
RICOEUR, JAROSLAV PELIKAN

On November, 29, 2004, Dr. Billington announced the award of the second John W. Kluge Prize for Lifetime Achievement in the Human Sciences to Jaroslav Pelikan of New Haven, Connecticut, and Paul Ricoeur of Paris, France. The Librarian presented the shared award at a formal ceremony at the Library of Congress on December 8, in the Coolidge Auditorium of the Thomas Jefferson Building.

The Kluge Prize of one million dollars is given for lifetime achievement in the humanities and social sciences—areas of scholarship for which there are no Nobel Prizes. These disciplines include anthropology, criticism in the arts and literature, history, linguistics, philosophy, political science, psychology, religion, and sociology. Nominators for the prize were asked to recommend preeminent scholars in any of these or other closely related fields whose work was recognized as outstanding by their peers.

In announcing the award, the Librarian said: “Jaroslav Pelikan is an historian who deals with the whole of the Christian tradition from the ancient Near East to the present. He began his deep scholarship on Luther, having been brought up in a Lutheran household, and he has moved over time to consider the whole history of church doctrine, both through the Western Roman Catholic Church and the Eastern Orthodox Church. He is concerned with the history and practice of worship in its doctrinal and creedal forms over two millennia.

“Paul Ricoeur is a philosopher who draws on the entire tradition of Western philosophy to explore and explain common problems: What is a self? How is memory used and abused? What is the nature of responsibility? He is a constant questioner—always pressing to understand the nature and limits of what constitutes our humanity.”

Jaroslav Pelikan and Paul Ricoeur, two scholars of enormous and wide-ranging accomplishment, will divide between them the second John W. Kluge Prize for lifetime achievement in the study of humanity. Ricoeur insists on the centrality of interpretation for humanistic learning; he has rehabilitated the Western humanistic tradition as an interconnected fabric of meaning. Pelikan has drawn together and commented upon two millennia of documents concerning the doctrines and the practice of Christian worship, from the early Middle East through European and American Catholicism and Protestantism to the Orthodoxy of churches of the East.

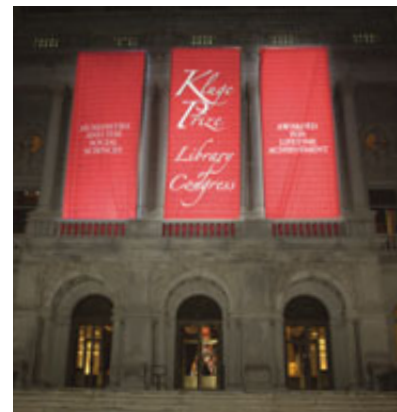
These two scholars, one an historian, the other a philosopher, demonstrate the rich and complex legacies of humanistic learning and the unremitting effort required to master these resources and make them available to contemporary readers.



(TOP) JAROSLAV PELIKAN
 (ROW 2) SENATOR TED STEVENS;
 THE BILLINGTONS, DIANNE
 EDDOLLS, GLENN JONES,
 THE PELIKANS, SWEDISH
 AMBASSADOR JAN ELIASSON,
 AND FRENCH AMBASSADOR
 JEAN-DAVID LEVITTE; THOMAS
 JEFFERSON BUILDING WEST FRONT
 (ROW 3) DR. BILLINGTON,
 JAROSLAV PELIKAN AND
 SEN. STEVENS; DAVID PELLAUER
 (ACCEPTING THE KLUGE PRIZE ON
 BEHALF OF PAUL RICOEUR) AND
 DR. BILLINGTON; DR. BILLINGTON
 AND JAROSLAV PELIKAN

Ricoeur's journey of interrogation through a wide variety of contemporary thought and Pelikan's journey through diverse linguistic frameworks and religious traditions represent the lifetime of achievement in the study of humanity that the Kluge Prize seeks to honor.

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 distill wisdom from the Library's rich resources and to stimulate and energize interaction with policymakers in Washington. The Kluge Center houses five senior Kluge Chairs, other senior-level chairs, and nearly 25 postdoctoral fellows.



THE LIBRARY AND THOMAS HAMPSON LAUNCH “THE SPIRIT, THE SONG AND THE SOUL” CONCERT TOUR



SUZANNE HOGAN



(FROM TOP) THOMAS HAMPSON,
HIS WIFE, ANDREA HERBERSTEIN, WITH
THE BILLINGTONS; THOMAS HAMPSON,
JUSTICE GINSBURG, AND DR. BILLINGTON

Grammy-award winning baritone Thomas Hampson is one of the world's greatest vocal talents. As a renowned performer, scholar, and teacher there exists an almost holy symbiosis between Hampson and song. He does not merely sing a song; he commits a full measure of scholarship, passion, energy, interpretation, movement, emotion, spirit, and respect to the poetry of music. He has the rare ability to sing every song as though he wrote each word and note himself.

Beginning in the fall of this year, Thomas Hampson, in collaboration with the Library of Congress, will launch an 11-city concert tour. *The Spirit, The Song and the Soul* will celebrate the world of American song as drawn from the unparalleled music collections of the Library of Congress. From 1759 to the present, this passionate musical journey will celebrate the spirit of the people whose courage and imagination inspired the songs that reveal the soul of America. These songs, many of the best of them long forgotten, often chronicle great events in America's history—this nation's wars, the building of its railroads, the gold rush, the cattle drives of the West, and the invention of radio and its early influence in bringing great music into American homes. Whether they celebrate history, nature, or love, these songs are a testament to the creative spirit of America, and a manifestation of true freedom and personal determination.

Hampson Performs in Paris and at the Coolidge

During the past few months, Thomas Hampson has performed twice for the Library. The first performance was at the Palais Royal in Paris, during the Madison Council's tour of Amsterdam, Paris, and London. As the incomparable Jim Billington introduced Thomas Hampson to American historian David McCullough along with more than 70 members of the Madison Council and the staff of the French Ministry of Culture, everyone sat poised for a remarkable evening of song. From the nostalgic yearning of one missing the beloved "Shenandoah" to the romantic pleadings of a "Beautiful Dreamer," Hampson delivered an added measure of welcome and comfort to the Americans in Paris.

The second performance occurred this past December in the Library's acoustically superior Coolidge Auditorium. Once again, Hampson's performance was intimate and arrestingly beautiful. *Washington Post* writer Joe Banno offered this assessment: "...the program found the singer in top form—his voice virile and incisive, with its accustomed darkly handsome tone, his nuanced interpretations set off with crystal-clear diction." Thomas Hampson celebrates American music in the best ways possible: he believes in the majesty of a beautiful melody, and he respects the power of a simple lyric, well sung. Bravo, Thomas Hampson, Bravo.



THOMAS HAMPSON | THE SPIRIT, THE SONG AND THE SOUL | CONCERT TOUR SCHEDULE

NOVEMBER 12, 2005	KANSAS CITY, KANSAS CARLSEN CENTER YARDLEY HALL
NOVEMBER 15, 2005	FORT WORTH, TEXAS BASS HALL FOUNDERS THEATRE
JANUARY 8, 2006	PHILADELPHIA, PENNSYLVANIA KIMMEL CENTER VERIZON HALL
JANUARY 17, 2006	MINNEAPOLIS, MINNESOTA ORDWAY THEATRE MAIN HALL
JANUARY 19, 2006	NEW YORK, NEW YORK CARNEGIE HALL ISAAC STERN AUDITORIUM
MARCH 15, 2006	DETROIT, MICHIGAN ORCHESTRA HALL
MARCH 19, 2006	WEST PALM BEACH, FLORIDA KRAVIS CENTER DREYFOOS HALL
MARCH 21, 2006	OXFORD, MISSISSIPPI UNIVERSITY OF MISSISSIPPI FORD CENTER MAIN HALL
MAY 28, 2006	CHICAGO, ILLINOIS ORCHESTRA HALL
MAY 30, 2006	OMAHA, NEBRASKA HOLLAND PERFORMING ARTS CENTER CONCERT HALL
JUNE 3, 2006	SAN JOSE, CALIFORNIA FOX THEATRE



(CLOCKWISE FROM TOP LEFT)
DR. BILLINGTON, JULIE CUMMINGS, AND
THOMAS HAMPSON; THOMAS HAMPSON
WITH THE LIBRARIAN AND NANCY JEWELL;
THOMAS HAMPSON, POET LAUREATE
TED KOOSER AND HIS WIFE KATHLEEN
RUTLEDGE, AND THE LIBRARIAN; COUNCIL
MEMBERS ANN MARIE AND JEFF FOX
WITH ROGER AND JULIE BASKES

A WARM WELCOME TO NEW MEMBERS

JAMES H. CLEMENT, JR.

Mr. Clement graduated in 1979 from the University of Texas at Austin with an M.B.A. in Finance and in 1976 from Tulane University with a B.A. in Economics. He then held various positions with First City National Bank of Houston (including the Corporate Finance department and, ultimately, the Petroleum and Minerals group). In 1984, he joined King Ranch, Inc., a multinational agribusiness and energy company, where he attained the title of VP/Treasurer. From 1989 until today he has acted in the capacity of an independent financial consultant. Since 1992 he has served on the board of King Ranch, Inc., and from October 1994 until May 1995, Mr. Clement acted as interim CEO of King Ranch, Inc., during its search for a full-time CEO. From 1999 until today he has served as Chairman of the Board of King Ranch, Inc. He serves on the boards of King Ranch, Inc.; Episcopal School of Dallas; Chairman of the Management Council of the King Ranch Institute for Ranch Management (a graduate degree program at Texas A&M University-Kingsville).

J. RICHARD FREDERICKS

Ambassador J. Richard Fredericks, of San Francisco, California, spent nearly 30 years in the brokerage industry, specializing in Investment Research Analysis and Investment Banking, with a specific focus in the field of commercial banking and finance. He began his career with Dean Witter in 1970 as a securities analyst and joined Shuman, Agnew and Company five years later as a partner in the same capacity. In 1977, he joined Montgomery Securities (now Banc of America Securities) as a partner and later Senior Managing Director in Investment Research, covering the banking and financial service area. For 17 consecutive years, Mr. Fredericks was chosen by *Institutional Investor* Magazine as an "All-American" Research Analyst, covering the commercial banking industry. In 1995, Mr. Fredericks formally changed roles to oversee the firm's investment banking effort for the financial industry in the areas of commercial banking, thrifts, and financial technology. In that position, he played a leading advisory or managerial role in numerous merger and acquisition transactions, many of which were the largest ever completed at the time.

Ambassador Fredericks served as United States Ambassador to both Switzerland and Liechtenstein from 1999 to 2001.

Ambassador Fredericks currently serves as Chairman of Dionis Capital, a New York based hedge fund focusing on the financial services industry; as a Managing Director of Main Management, a money management firm which invests exclusively in Exchange Traded Funds (ETFs); and as an Entrepreneur in Residence at Weston Presidio, a Venture Capital firm.

Mr. Fredericks has served as a trustee for the Town School for Boys, and the Boards of Pacific Century Financial Corporation and its main subsidiary, Bank of Hawaii. He currently is on the Board of Directors of the Chiron Corporation; the Board of Regents of Georgetown University and Georgetown's Robert Emmett McDonough School of Business; the Board of Regents of St. Ignatius College Preparatory School; the International Advisory Board of Komatsu; the Advisory Board of Financial Technology Ventures; and the Board of the Swiss/American Chamber in San Francisco and serves as Chairman of the San Francisco-Zurich Initiative.

Mr. Fredericks was born in Detroit, Michigan. He received a Bachelor of Science in Business Administration from Georgetown University and an M.B.A. from Columbia University. He is married to Stephanie Sorensen Fredericks. They have three children: Matthew, Colleen, and Will.

SALLY HARRIS

Sally Harris serves on the board of several public service organizations including the National Advisory Board of The Salvation Army, the Albert Schweitzer Fellowship, and the Peter Pan Children's Fund. She is a native of Dallas and now lives in New York City and Great Barrington, Massachusetts.

Sally graduated from Southern Methodist University with a B.F.A. in theater. She is currently writing a screenplay that takes place during the American Revolution. She has written several screenplays and in 1981 produced a feature length film, "The End of August," an adaptation of Kate Chopin's feminist novel *The Awakening*. Her credits also include a documentary film, "Salvation Army 101," which tells the story of William Booth and the founding of the Salvation Army.

Sally is married to Fred Harris, a high-end residential general contractor in New York City. She has three grown children, Elena, Lucas, and Peter. Lucas and Peter are committed musicians and have formed the rock group Warren Charles. Sally's next challenge is to manage her boys' musical causes as much as they allow or listen to her.

SIDNEY LAPIDUS

Sidney Lapidus is a Managing Director and Senior Advisor of Warburg Pincus LLC, one of the country's leading private equity firms. He is a graduate of Princeton University, where he majored in American History, and Columbia University Law School. Thereafter, he was an attorney with the Securities and Exchange Commission in New York, and left the practice of law in 1967 to join Warburg Pincus. Mr. Lapidus currently serves on the board of directors of two New York Stock Exchange companies, Lennar Corporation, one of the nation's largest homebuilders, and Knoll Inc., a leading manufacturer of office furniture.

Sid is active in numerous charitable and philanthropic organizations, several of which concern American history and book collecting. He is a member of the American Antiquarian Society and was elected Vice Chairman in 2003.



The American Antiquarian Society, founded in 1812 in Worcester, Massachusetts, is one of the leading research libraries in America, focusing on American imprints before 1876, with its greatest strength prior to 1800.

He has served for many years on the Advisory Council of the Princeton University History Department. In 2003, he and his wife established the Sidney and Ruth Lapidus Professorship in the American Revolutionary Era at Princeton. Sid is an avid antiquarian book collector, with the focus on American and British books and pamphlets, principally concerning the politics and economics of the Revolutionary Era, 1750-1800. He has been a donor of selected historical items to both the American Antiquarian Society and the Firestone Library at Princeton.

In May 2003, he was elected President of the American Jewish Historical Society, the nation's oldest ethnic historical research organization, founded in 1892, and the largest repository of materials documenting the Jewish experience in the United States. The American Jewish Historical Society is one of four members of a Congressionally authorized Commission to commemorate 350 years of Jewish settlement in America. Other members of the Commission include the Library of Congress and the National Archives.

Among his other non-profit activities, Sid has, for many years, been President of United Neighborhood Houses, the federation of settlement houses in the City of New York, and has become an active trustee and member of the Executive Committee of the New York University School of Medicine.

He and his wife live in Harrison, New York. They have three married children and three grandchildren.



SUSAN AND ELIHU ROSE

Elihu Rose is Vice Chairman of Rose Associates, Inc., a New York real estate investment and management firm which builds, owns and operates residential and commercial properties in the metropolitan New York area, Boston, and Washington, D.C.

He holds an engineering degree from Yale University, and a master's and Ph.D. from New York University. He served to the rank of Captain in the U.S. Air Force. His board affiliations include WNET (New York Public Television), Library of America, Lincoln Center Theater, Council on Foreign Relations, National Museum of American History, and American Academy of Arts and Sciences. Elihu is an adjunct Associate Professor of History at New York University. Formerly, he taught at Columbia University and was a visiting lecturer at Yale University and University of Maryland.

Elihu's publications include, "Mutiny on the Potemkin," "The Anatomy of Mutiny," "The View from the Bottom; Morale as a Function of the Commander's Personality," "Wingate in Mid-Career," "Hard Liquor, Easy Duty: The 15th Infantry in China," and "The Court-Martial of Billy Mitchell."

An accomplished pianist, Susan Rose has performed on numerous occasions throughout the New York area. She is a graduate of Smith College and earned an advanced degree at Columbia University. She has performed in the Carnegie Recital Hall and with Paul Hall from the Juilliard School. Susan is a major supporter of music programs at the Juilliard School, Carnegie Hall, the Marlboro Music Festival, and the American Friends of the Israel Philharmonic. Susan and Elihu have three children and five grandchildren.

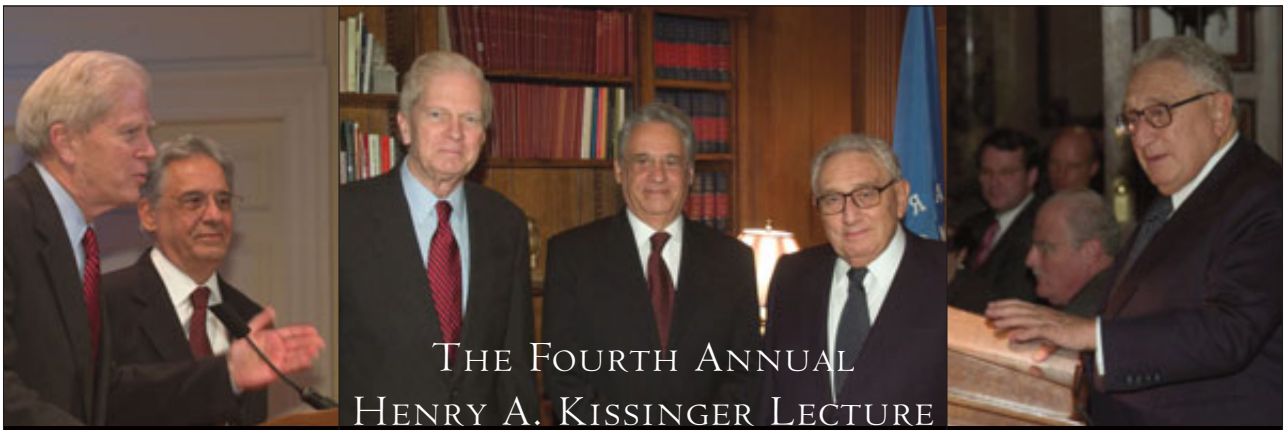


CHARLOTTE P. KESSLER

Charlotte's board memberships include Columbia Gas of Ohio, Inc., Wexner Center for the Arts Foundation, and Ohio Dominican University. She is a graduate of Denison University, where she is a lifetime trustee, and The Ohio State University.

She has been affiliated with numerous charitable and civic organizations including Columbus School for Girls, Columbus Symphony Orchestra, Greater Columbus Arts Council, Committee Franklin Park Conservatory, Players Theatre, Columbus Area Community Mental Health Center, Planned Parenthood, Ohio Arts Council (appointed by Gov. Bob Taft), Columbus Metropolitan Library Board, The Columbus Foundation Governing Board, General Chairperson of the Ladies Professional Golf Association to benefit The James Cancer Hospital, and Broad Street Presbyterian Church.

Charlotte and her husband John Kessler have three daughters.



THE FOURTH ANNUAL
HENRY A. KISSINGER LECTURE

On February 22, 2005, Fernando Henrique Cardoso, president of Brazil from 1994-2002, delivered the fourth annual Henry A. Kissinger Lecture at the Library of Congress. In his address, he discussed the direction of U.S. foreign policy and emphasized the need for the U.S. to participate, even lead the way, in global democratic governance. Following his discussion, he concluded by answering questions submitted by members of the audience. Council Members Ed Miller, Mitzi Perdue, Leonard and Elaine Silverstein, and Jeff and Ann Marie Fox attended.



CLOCKWISE FROM TOP LEFT: DR. BILLINGTON AND HENRIQUE CARDOSO; DR. BILLINGTON, HENRIQUE CARDOSO AND HENRY KISSINGER; HENRY KISSINGER AND HENRIQUE CARDOSO; THE BILLINGTONS WITH HENRY KISSINGER

GREAT LIBRARIES, CONTINUED FROM PAGE 8

On the final, full day, the Council began with a walking tour around St. James's, the residence of many royals. The Council purchased many hats at Lock's hat store, in the same location since 1676 on St. James's Place. The Council then toured both Houses of Parliament and Westminster Abbey. At 35 Craven Street, the Council toured the house under restoration where Benjamin Franklin lived and is reported to have sat in his living room en plein air. As a successor to the first American ambassador to the Court of St. James, the U.S. Deputy Chief of Mission David T. Johnson hosted the Council for a concluding dinner at the ambassador's residence, Winfield House. DCM Johnson's salute to the Council summed up the marvelous trip and captured the Council's purpose:

"It is the kind of public spirit and imagination that John Adams showed in his day that has caused the Madison Council to support Dr. Billington's vision, making the Library of Congress—our great national treasure—available as widely as possible using the magic of modern technology. From our perspective, there are few tools of 'public diplomacy' that can be as effective as sharing this American gift around the world. We are all grateful for your generosity."

Then it was back to the States and to the 21st century, with a renewed appreciation of American history and of the importance of international cooperation and friendship—between countries and peoples and among members of the Madison Council itself. Our sister national libraries in The Hague, in Paris, and in London appreciated the value and service such "ambassadors" for the Library of Congress provide.

THE JAMES MADISON COUNCIL
ANNUAL REPORT 2004



FOUNDING MEMBERSHIP

CHAIRMAN

Mr. John W. Kluge
Chairman and President
Metromedia Company
New York, NY

VICE CHAIRMAN

Mr. Edwin L. Cox
Chairman
Edwin L. Cox Company
Dallas, TX

TREASURER

Mr. Leonard L. Silverstein
Buchanan Ingersoll PC
Washington, DC

FOUNDING MEMBER EMERITUS

Mr. Robert P. Gwinn
Chairman Emeritus
Encyclopædia Britannica
Riverside, IL

Mr. Paul A. Allaire*
Former Chairman and CEO
Xerox Corporation
Stamford, CT

Mrs. Ruth S. Altshuler
Dallas, TX

Mr. and Mrs. John T. Amend
President
The Amend Group
Dallas, TX

Mrs. Norma K. Asnes
New York, NY

Mr. and Mrs. Roger S. Baskes
Managing Partner
ZB Associates
Chicago, IL

The Honorable Michael Bloomberg
Mayor of New York City
New York, NY

Mrs. Barbara Taylor Bradford
Director
Bradford Enterprises
New York, NY

Mrs. William N. Cafritz
Bethesda, MD

Mrs. D. Wayne Calloway
Greenwich, CT

Mr. James H. Clement, Jr.
Kingsville, TX

Mr. Lloyd E. Cotsen
President
Cotsen Management Corporation
Los Angeles, CA

Mr. Peter D. Cummings
Chairman
Ram Real Estate
Detroit, MI

Mr. Douglas N. Daft
Chairman and CEO
The Coca-Cola Company
Atlanta, GA

Mrs. Charles A. Dana, Jr.
New York, NY

Mrs. Gina H. Despres
Senior Vice President
Capital Research and Management
Company
Washington, DC

Mrs. Diane Duggin
Malvern, PA

Mr. Charles W. Durham*
Chairman of the Board
Durham Resources LLC
Omaha, NE

Mr. James A. Elkins, Jr.
Houston, TX

Mr. George L. Farias
President and CEO
International Finance Holding Corporation
New York, NY

Dr. Marjorie M. Fisher
Bloomfield, MI

Mrs. Marjorie S. Fisher
Palm Beach, FL

Mrs. Richard W. Fisher
Washington, DC

Mr. and Mrs. J. Jeffrey Fox
Annapolis, MD

The Honorable J. Richard Fredericks
San Francisco, CA

Mrs. Gay Hart Gaines
Palm Beach, FL

Mr. John K. Garvey
President and CEO
Petroleum, Inc.
Wichita, KS

Mrs. Nancy Glanville Jewell*
Glanville Family Interests
Houston, TX

Mr. Thomas H. Glocer*
Chief Executive Officer
Reuters Group PLC
London, England

Mr. Harry J. Gray
Chairman
Mott Corporation
Farmington, CT

Mr. Stein Erik Hagen
Grocer
ICA Norge AS
Oslo, Norway

Mrs. Sally Harris
New York, NY

Mr. John S. Hendricks
Chairman and CEO
Discovery Communications, Inc.
Silver Spring, MD

Mr. Leo J. Hindery, Jr.*
Chairman and CEO
YES Network
New York, NY

Ms. Caroline Rose Hunt
The Rosewood Corporation
Dallas, TX

Mr. Glenn R. Jones*
Chief Executive Officer
Jones International, Ltd.
Englewood, CO

OLD MERTON COLLEGE LIBRARY



Mr. Jerral W. Jones*
Owner and General Manager
Dallas Cowboys Football Club
Irving, TX

Mrs. Earle M. Jorgensen
Los Angeles, CA

Mrs. Charlotte P. Kessler
New Albany, OH

Mr. James V. Kimsey
Founding CEO & Chairman Emeritus
America Online, Inc.
Washington, DC

Mr. Jay I. Kislak*
Chairman
Kislak National Bank
Miami, FL

Mr. David H. Koch
Executive Vice President
Koch Industries, Inc.
New York, NY

Mr. and Mrs. Abraham Krasnoff*
Glen Cove, NY

Mr. H. Fred Krimendahl II
Chairman
Petrus Partners Ltd.
New York, NY

Mr. and Mrs. Sidney Lapidus
New York, NY

Mr. Bruce Lauritzen
President
First National Bank of Omaha
Omaha, NE

Mr. H. F. Lenfest*
President & CEO
The Lenfest Group
West Conshohocken, PA

Mr. and Mrs. Irvin L. Levy
President
NCH Corporation
Irving, TX

Mr. Ira A. Lipman
Owner and CEO
Guardsmark
New York, NY

Mr. Jon B. Lovelace*
Chairman Emeritus
Capital Research and Management
Company
Santa Barbara, CA

Mr. Thomas W. Luce, III
Of Counsel
Hughes & Luce
Dallas, TX

Mr. Cary M. Maguire*
President
Maguire Oil Company
Dallas, TX

Mr. and Mrs. Thomas B. Martin
Leawood, KS

Mr. and Mrs. Edward S. Miller
Washington, DC

Mr. Raymond D. Nasher
Chairman of the Board
The Nasher Company
Dallas, TX

Mr. Donald E. Newhouse
President
Advance Publications, Inc.
Newark, NJ

Mr. Arthur Ortenberg
New York, NY

Mrs. Frank Perdue
Salisbury, MD

Mrs. Shirley E. Phillips
Owner
Phillips Seafoods and Restaurants
Ocean City, MD

Mrs. Charles H. Price II
Kansas City, MO

Mr. Frederick H. Prince
Chairman
F. H. Prince and Company
Washington, DC

Mr. Bernard Rapoport
Chairman Emeritus and Founder
American Income Life Insurance Company
Waco, TX

Mrs. Catherine B. Reynolds
Chairman and CEO
Catherine B. Reynolds Foundation
McLean, VA

Mr. and Mrs. Elihu Rose
New York, NY

Lady Sainsbury of Turville
London, England

Mr. B. Francis Saul, II
Chairman and CEO
Chevy Chase Bank, F.S.B.
Bethesda, MD

Mr. Walter Scott, Jr.*
Chairman
Level 3 Communications, Inc.
Omaha, NE

Mr. L. Dennis Shapiro
Chairman
Lifeline Systems, Inc.
Chestnut Hill, MA

Mr. Raja W. Sidawi*
CEO/Owner
RWS Energy Services, Inc.
New York, NY

Mr. Albert H. Small
President
Southern Engineering Company
Bethesda, MD

Mrs. Elizabeth W. Smith
New York, NY

Mr. Frederick W. Smith*
Chairman and CEO
Federal Express Corporation
Memphis, TN

Mr. Henry J. Smith
President
Bud Smith Organization
Dallas, TX

Mrs. Marie F. Smith*
President
AARP
Washington, DC

Mr. Raymond W. Smith*
Arlington, VA
Dr. Paul G. Stern
Potomac, MD

Mr. John A. Thain
President and Co-Chief Operating Officer
The Goldman Sachs Group, Inc.
New York, NY

Mr. Alan M. Voorhees
Chairman
Summit Enterprises, Inc.
Woodbridge, VA

Ms. Thorunn Wathne
Wathne Ltd. - Polo Handbag
New York, NY

Ms. Joan M. Wegner
Chairman Emerita
Jel-Sert Corporation
West Chicago, IL

Mrs. Beatrice W. Welters
President
An-Bryce Foundation
Vienna, VA

The Honorable John C. Whitehead
New York, NY

Ms. Diane R. Wolf
New York, NY

Mr. Michael B. Yanney
Chairman
America First Companies
Omaha, NE

** Names of Jeffersonians, Madison Council members who have given \$1 million or more*

JAMES MADISON NATIONAL COUNCIL FUND
STATEMENT OF FINANCIAL POSITION
 September 30, 2004

ASSETS	
Cash	\$ 44,261
Investments: (Note 2)	
U.S. Treasury Market Based Securities	3,864,948
Growth and Income Pool	645,532
Total investments	4,510,480
Receivables:	
Pledges (Note 3)	1,803,176
Accrued interest	10,765
Accounts	17,822
Total receivables	1,831,763
Total assets	\$ 6,386,504

LIABILITIES AND NET ASSETS	
Accounts payable	\$ 40,158
Accrued payroll and annual leave	51,381
Total liabilities	91,539
Net assets (Note 4)	
Unrestricted-Undesignated	2,674,542
Unrestricted-Council designated for projects	82,356
Temporarily donor restricted for projects	3,538,067
Total net assets	\$ 6,294,965
Total liabilities and net assets	\$ 6,386,504

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, 2004

CHANGES IN UNRESTRICTED NET ASSETS	
Revenues	
Membership contributions	\$ 790,107
Miscellaneous gifts	16,880
Temporarily restricted donations	85,984
Interest	76,288
Net unrealized gain and realized gain on investments (Note 2)	82,251
Imputed financing for cost subsidies (Note 5)	28,606
Royalties	619
Net assets released from restrictions	264,739
Total revenues	\$ 1,345,474
Expenses (see Schedule B)	
Personnel costs	\$ 702,459
Travel and transportation and subsistence/support persons	10,255
Other services	63,803
Books and library materials	196,039
Exhibit opening events, receptions, and Madison Council meetings	170,486
Office supplies and materials	9,543
Printing, publishing, and photoduplicating	37,251
Total expenses	\$ 1,189,836
Other changes	
Transfer to other funds (Note 8)	100,000
Increase in unrestricted net assets	\$ 55,638

CHANGES IN TEMPORARILY RESTRICTED NET ASSETS	
Contributions	\$ 1,136,633
Net assets released from restrictions	(264,739)
Increase in temporarily restricted net assets	871,894
Increase in net assets	927,532
Net assets at beginning of year	5,367,433
Net assets at end of year	\$ 6,294,965

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, 2004

CASH FLOWS FROM OPERATING ACTIVITIES

Donations Received	\$ 1,996,625
Interest Received	76,204
Cash paid to others	(988,570)
Cash paid to employees	(636,344)
Transfer to other funds	(100,000)
Net cash provided by operating activities	\$ 347,915

CASH FLOWS FROM INVESTING ACTIVITIES

Investment in U.S. Treasury	
Market Based Securities	\$ (2,509,794)
Investment in U.S. Treasury Permanent Loan	(298)
Redemption of Investment in U.S. Treasury	
Market Based Securities	2,102,097
Redemption of Investment in U.S. Treasury	
Permanent Loan	62,592
Net cash used by investing activities	\$ (345,403)
Net Increase in Cash	2,512
Cash at beginning of year	41,749
Cash at end of year	\$ 44,261

RECONCILIATION OF CHANGES IN NET ASSETS TO NET CASH FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 927,532
-----------------------------	-------------------

ADJUSTMENTS TO RECONCILE CHANGES IN NET ASSETS TO NET CASH PROVIDED FROM OPERATING ACTIVITIES

Non-cash gain on mutual fund investments	(82,251)
Decrease in investment discount	(4,351)
Increase in pledges receivable	(33,598)
Decrease in accrued interest receivables	4,267
Decrease in accrued payroll and annual leave	37,509
Decrease in accounts receivable	(17,801)
Decrease in accounts payable	(483,392)
Total Adjustments	(579,617)
Net Cash from Operating Activities	\$ 347,915

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



(ABOVE) FRENCH SENATE CHAMBER
(BELOW) FIRST CHAMBER OF THE STATES GENERAL AT THE HAGUE



(BELOW) WINDSOR CASTLE, ST. GEORGES'S CHAPEL
ORDER OF THE GARTER HERALDIC FLAGS



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 from across the United States, along with members from England and Norway, 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 99 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 presents its fund balance with the Department of the Treasury (reported balances as of September 30, 2004) as cash on the statement of financial position.

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 Money Market Prime Fund
 - Fidelity Fifty Fund
 - Fidelity Stock Selector
 - Vanguard Total Stock Market Index Fund—Admiral Shares
 - Vanguard Institutional Index Fund
 - Vanguard Capital Opportunity 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, 2004. 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	\$ 3,869,210
Unamortized Premium	4,867
Unamortized Discount	(9,129)
Amortized Cost	<u>\$ 3,864,948</u>

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, 2004, totaled \$645,532.

The Fiscal 2004 net gain on investments of \$82,251 consists of the following: \$9,438 realized gain of mutual fund capital gains distributions; \$132 realized gain of money market dividends and \$72,681 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 \$2,091,635 at September 30, 2004, were discounted through fiscal 2012 at a market discount rate and are included in the statement of financial position at their discounted present value of \$1,803,176. The amounts due in future years at their current discounted value are: \$1,039,341 in fiscal 2005; \$14,247 in fiscal 2006; \$13,788 in fiscal 2007; \$735,800 in fiscal 2012.

NOTE 4. NET ASSETS

The JMNC Net Assets of \$6,294,965 are classified as Unrestricted-Undesignated, Unrestricted-Council Designated for Projects or Temporarily Donor Restricted for Projects. Of this total amount, \$2,674,542 is classified as Unrestricted-Undesignated. The balance of \$3,620,423 consisting of \$82,356 (Unrestricted-Council Designated for Projects) and \$3,538,067 (Temporarily Donor Restricted for Projects) is earmarked for initiatives such as the outreach program for the Hebraic section; illustrated guides to the special collections; Advertising Council campaign for the Library's web sites; digitization of materials for the Global Gateway, the

Library's international website; exhibitions; the Madison Council Fellow in Library and Information; a publication about the history of the United States House of Representatives; numerous curatorial projects; the Library's docent program; and the National Book Festival.

Ending Net Assets includes undelivered orders of \$188,879 which are funds that have been obligated for goods and services not yet received for JMNC Fund operations and designated projects.

NOTE 5. IMPUTED FINANCING FOR COST SUBSIDIES

An adjustment of \$28,606 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 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, 2004. The functional breakdown of these expenses is as follows (see Schedule B):

Fiscal Year 2004 Expenses by Functional Classification	Amount
JMNC Fund Projects and Programs	\$ 209,941
Members' Specific Projects	264,739
Supporting Activities—Fundraising	715,156
Total Expenses	<u>\$ 1,189,836</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 2004, the JMNC Fund paid approximately \$42,445 to fund retirement benefits, excluding FICA taxes.

NOTE 8. TRANSFER TO OTHER FUNDS

The fund transferred \$100,000 to the National Book Festival Gift Fund to comply with the Council's instructions.

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, 2004, 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.

Summary

As stated in our opinion on the financial statements, we concluded that the Fund's financial statements for the year ended September 30, 2004 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 disclosed no material weaknesses. However, since the Library of Congress (Library) processes all of the Fund's financial transactions, any Library systemic reportable conditions are applicable to the subsidiary Funds. We identified the implementation and development of Information Technology Security Programs and Disaster Recovery Plans as reportable conditions in our audit of the Library.

The results of our tests of compliance with certain provisions of laws and regulations disclosed an instance of non-compliance, described below, that is required to be reported herein under *Government Auditing Standards* issued by the Comptroller General of the United States:

- Non-compliance with the *Congressional Accountability Act of 1995*.

The results of our tests disclosed no other instances of non-compliance that are required to be reported under *Government Auditing Standards*.

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, 2004, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Fund's manage-

ment. 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, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 assessing the accounting principles used and the significant estimates made by management, as well as evaluating 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, 2004, and the changes in its net assets and its 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 basic financial statements taken as a whole. The accompanying supplemental information contained in Schedules A and B is presented for purposes 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 and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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 Fund's internal control, determined whether internal controls had been placed in operation, assessed control risk, and performed tests of controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements. We limited our internal control testing to those controls necessary to achieve the objectives described in OMB Bulletin No. 01-02. We did not test all internal controls relevant to operating objectives, as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*, such as those controls relevant to ensuring efficient operations. The objective of our audit was not to provide assurance on internal control. Consequently, we do not provide an opinion on internal control.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions. Under

standards issued by the American Institute of Certified Public Accountants, reportable conditions are matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the Fund's ability to record, process, summarize, and report financial data consistent with the assertions by management in the financial statements. Material weaknesses are reportable conditions in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Because of inherent limitations in internal controls, misstatements, losses, or non-compliance may nevertheless occur and not be detected. We noted certain matters discussed in the following paragraphs involving internal control and its operations that we consider to be reportable conditions. However, none of the reportable conditions is believed to be a material weakness.

The Fund is a component of the Library's consolidated financial statements. We identified two reportable conditions in performing our audit of the Library's financial statements for the year ended September 30, 2004. Both findings related to Information Technology and its role in financial transactions. The Library processes all of the Fund's financial transactions. Therefore, the weaknesses which we identified in the Library's financial audit also affect the Fund's internal control structure.

- The Library has not implemented an Entity-Wide Security Program in compliance with Library of Congress Regulation (LCR) 1620, "Information Technology Security Policy of the Library of Congress." LCR 1620 addresses risk management, system certification and accreditation, and security plans. The Library has not fully implemented LCR 1620 or developed an overall plan, procedures, security structure, or roles and responsibilities to implement, enforce, and monitor LCR 1620. We recommend that the Library develop a plan to implement, enforce, and monitor compliance with LCR 1620 and related directives. We also recommended that the Library develop an entity-wide security plan encompassing Policy Development, Roles and Responsibilities, Design, Implementation, Monitoring, and Awareness, Training, and Education.
- The Library has initiated development of both a Continuity of Operations Plan (COOP) and a Disaster Recovery Plan (DRP), but has not implemented or tested the plans. The Library is working to correct omissions of necessary elements in the COOP, and the DRP does not contain the FFS financial system. Since the Library uses the FFS system to process payments as well as maintain required accounting records, we believe that the Library

should include the core financial system when considering potential impact to ongoing operations. As a result, the Library and the Fund may not be able to effectively and efficiently continue critical operations in the event of a disaster. We recommended that the Library establish a contingency planning process which incorporates the National Standards and Technology methodology including a planning policy statement, business impact analysis, preventive controls, recovery strategies, IT contingency plans, plan testing, training, and exercises, and plan maintenance.

Compliance with Laws and Regulations

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 certain provisions of laws and regulations, non-compliance with which could have a direct and material effect on the determination of financial statement amounts and certain other laws and regulations specified in OMB Bulletin 01-02. We limited our tests of compliance to these provisions and we did not test compliance with all laws and regulations applicable to the Fund.

The results of our tests of compliance with the laws and regulations described in the preceding paragraph disclosed an instance of non-compliance, described below, with the following laws and regulations that are required to be reported under *Government Auditing Standards* and OMB Bulletin No. 01-02.

- The Fund was not in compliance with the *Congressional Accountability Act (CAA) of 1995*. In the CAA, Congress made its facilities and employees subject to the same safety laws that applied outside of the Legislative Branch. In 1997, other provisions of the CAA applied fire safety standards to Congressional buildings. The Office of Compliance conducted a year-long fire safety investigation that culminated in a report issued in January 2001 that identified numerous safety hazards in the three Capitol Hill Buildings utilized by the Fund.

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.

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



February 3, 2005
Alexandria, VA

JAMES MADISON NATIONAL COUNCIL FUND
SUPPLEMENTAL INFORMATION

SCHEDULE A

Schedule of Net Assets Available for Designation

Total Net Assets	\$ 6,294,965
Net assets restricted by donors for projects	(3,538,067)
Net assets designated by the Council for projects	(82,356)
Total restricted or designated net assets	(3,620,423)
Net Assets Available for Designation	\$ 2,674,542

SCHEDULE B

Schedule of Expenditures

	Fund Projects and Programs	Members' Specific Projects	Supporting Activities— Fundraising	Total
Personnel costs	\$ 93,014	\$ 1,564	\$ 607,881	\$ 702,459
Travel and transportation and subsistence/ support persons	933	16	9,306	10,255
Other services	104,612	6,293	(47,102)	63,803
Books and library materials	790	195,249	0	196,039
Exhibit Opening Events, Receptions, and Madison Council Meetings	6,935	61,617	101,934	170,486
Office supplies and materials	1,390	0	8,153	9,543
Printing, publishing, and photoduplicating	2,267	0	34,984	37,251
Totals	\$ 209,941	\$ 264,739	\$ 715,156	\$ 1,189,836

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



BACK COVER:
 (FROM TOP) BIBLIOTHÈQUE MAZARINE;
 CANAL BRIDGE IN AMSTERDAM;
 PARLIAMENT

CREDITS:
 DESIGNER: CARLA BADARACCO DESIGN
 MADISON COUNCIL BULLETIN PROJECT MANAGER: MARK CONNER
 ANNUAL REPORT PROJECT MANAGER: LARRY STAFFORD
 PHOTOGRAPHY: LYNN HORNOR KEITH, COVERS AND INSIDE COVERS, P. 1-8, 22; JOHN HARRINGTON P. 12-15, 18



JAMES MADISON COUNCIL OF THE LIBRARY OF CONGRESS



WASHINGTON, DC 20540

