Semiannual Report to the Congress

Office of the Inspector General

March 2012

This semiannual report features the art and architecture of the Library of Congress, including exterior images which show its proximity to the United States Capitol and interior photographs of the ornamental details contained in the Librarian's Ceremonial Office.

The vintage photograph of the Main Reading Room in the Thomas Jefferson Building, above, was taken by Peter C. Costas in 1961. The photographer used a fish-eye lens, giving the image its characteristic circular view. (Prints and Photographs Collection)

LIBRARY OF CONGRESS

March 31, 2012

A Message From the Inspector General

In the last six months we prepared reports on an assessment of the Library's information technology (IT) security program (including penetration testing), progress on IT strategic planning, management and cost containment on a large IT contract for help desk services, IT controls for the Librarian's document and correspondence tracking system, the performance of the Contracts Office, funds lost through expiration at the end of fiscal year (FY) 2011, the sufficiency of the Library's fire suppression systems, the operations of the acquisitions fiscal office, the Library's FY 2011 consolidated financial statements, and other reviews. During this period, investigations focused on misuse of public workstations in reading rooms and other computers, a missing artifact, and several other matters.

In the next six months, we will report on in-progress reviews of IT workstation management, collections development, Asian Division collections security and management, criteria for internal control reviews of field offices, potential contractor overcharges, thefts, and FY 2011 financial statements of the Open World Leadership Center and James Madison Council.

This period, our reviews identified $771,163 in questioned costs and $55,220 in funds to be put to better use. We are pleased to report that the Library implemented 30 of our recommendations from prior semiannual periods.

Our publicly released reports are available online at www.loc.gov/about/oig. We appreciate the cooperative spirit Library staff have shown during our reviews.

Karl W. Schornagel
Inspector General

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Left: Dome of the Capitol with information kiosk of the James Madison Memorial Building in the foreground.

Photograph by Charles Gibbons

In Summary . . .

Audits, Surveys, and Reviews

The Library has a well-documented history of contracting problems, as repeatedly reported by the Office of the Inspector General (OIG) over the last 10 years. Based on our ongoing concerns, we initiated two projects in this area during this semiannual period: a review of staffing and an evaluation of the performance of the Office of Contracts Management (OCM).

The staffing review was conducted in response to a OCM request for assistance in evaluating its staffing levels. We compared recent workload and staffing data of the office with corresponding data from six other federal agency procurement organizations. Our review provided no significant indications that the Library's contract specialists managed a greater or more difficult workload during fiscal years (FYs) 2009 and 2010 than their counterparts in other agencies. Nevertheless, the results of our review, taken into consideration with other factors, provided information which the OCM could use in making appropriate decisions regarding future staffing levels.

We also engaged Jefferson Solutions (Jefferson), a consulting firm with expertise in the federal acquisitions process, to perform an evaluation of the current state of the OCM as a follow-up to our 2008 report. Jefferson identified many deficiencies and weaknesses in the OCM management, including problems with infrastructure and numerous technical deficiencies at critical steps in the contracting process. Additionally, Jefferson reported problems with the OCM's interactions with customers in the areas of planning, knowledge, responsibilities, and service. These issues involved poor communication and cooperation between the OCM and its customers.

Despite bringing problems with the contracts function to management's attention repeatedly over the past 10 years, our assessment of Jefferson's report is that senior Library management's corrective efforts have been unsuccessful and the performance of the OCM has further deteriorated.

In our view, if the Library is to be accountable for its annual expenditures of about 210 million taxpayer dollars, executive leadership must fully commit to developing a corrective action plan that specifically and thoroughly addresses the more than 50 recommendations provided in Jefferson's report, and make it a top management priority to aggressively implement the plan. Also during this semiannual period we followed up on our 2009 assessment

of the Library's Information Technology (IT) strategic plan. That report had concluded that the Library's IT strategic plan was not adequately integrated with its overall strategic plan, and that essential planning components were lacking. The report also identified improvements needed in five key areas: strategic planning, IT investment, enterprise architecture, organizational structure, and customer service.

Although we found that the Library had implemented many recommendations from that report, we expected that the Library would have made further progress.

The Library's Information Technology Services (ITS) directorate has overall administrative and technical responsibility for managing the Library's IT and telecommunication programs, systems, and services. To meet this responsibility, ITS relies heavily on contractors for many functions, including crucial IT help desk services.

During this period we reported on the results of our audit of ITS' administrative and management controls over the November 2008 IT help desk contract.
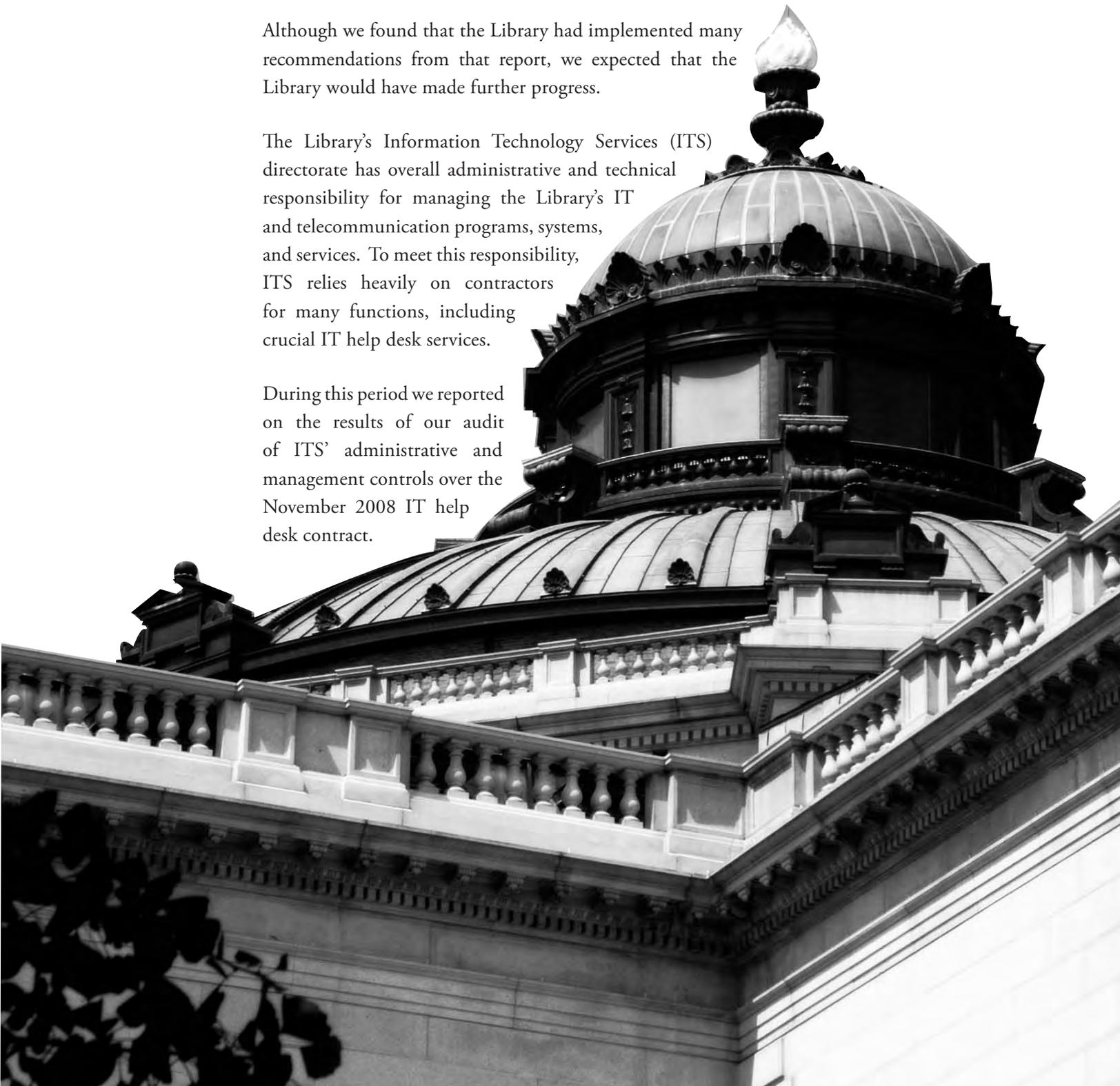
Our audit found that ITS did not adequately monitor the contractor's billings for two significant help desk task orders. As a result, ITS improperly paid for inflated overtime rates, unauthorized overtime, and charges to incorrect labor categories. We identified $55,220 that ITS is currently trying to recoup from the vendor and $771,163 in unsupported charges that it is attempting to substantiate. Additionally, ITS took no action to avoid the appearance of a conflict of interest which arose in the time leading up to and following the contract award.

We also contracted with the consulting firm of CliftonLarsonAllen, LLP (CLA) to perform an assessment of the Library's IT security program. CLA's primary tool was the use of penetration testing to assess the Library's vulnerabilities.

CLA conveyed its findings to Library management, which analyzed the results and submitted a corrective action plan.

We evaluated the quality and management of the Library's fire suppression systems during this period. We found that the Library's systems are similar to those in use by other, similar institutions, and that an appropriate testing protocol was in place. We made no recommendations in this report.

We also initiated an audit to assess application controls and user access rights for ccmMercury, a document and correspondence tracking software application managed by the Office of the Librarian. Based on our audit survey, we concluded that further review was unnecessary. We may revisit this area after Library management performs a certification and accreditation on a major upgrade to the program, that was tentatively scheduled for March 2012.

Lastly, under contract with our office, CLA issued a "clean" opinion on the Library's FY 2011 consolidated financial statements.

Investigations

In this period, OIG investigators worked with the U.S. Capitol Police to arrest a patron searching for child pornography on a public workstation in a Library reading room. The individual, previously convicted of a sex offense, was later extradited to Pennsylvania on an outstanding warrant for a parole violation. An employee of another federal agency, assigned workspace and a computer at the Library, was removed from their position following an OIG investigation into persistent malicious computer code infestation related to downloading large amounts of pornography on their Library workstation.

Due to the significant number of OIG investigations concerning pornography, we conducted a project to bring together the results of several recent related investigations involving the Library's public workstations. The resulting report recommended measures to further enforce the Library's policy on the use of public workstations. The Library is researching options and taking steps to respond to the issue.

We investigated a report of a valuable scroll found to be missing from a secured area in the Library's Asian Division. Although the scroll was later inexplicably found, the investigation revealed several collections security vulnerabilities. OIG auditors are now conducting an audit to further explore collections security and management issues in that Division.

The OIG is cooperating with the FBI concerning a denial of service attack on the U.S. Copyright Office Web site related to pending intellectual property legislation. This follows similar attacks reported in our March 2011 Semiannual Report to Congress and may be related to global cyber-attacks.

We conducted an investigation that confirmed allegations from a contractor that the Library initially failed to evaluate its bid in a contract award. Aware of the issue, the Library re-bid the contract. We determined that the second award was properly made. We, however, recommended that the OCM establish stronger controls to ensure all bids are received, accounted for, and evaluated prior to award. These actions will ensure the Library always receives the best value for its contracting dollars and is shielded from bid protests.

In a previously reported case concerning overseas pirating of talking books produced by the Library's National Library Service for the Blind and Physically Handicapped, the Library confirmed that there was no legal basis for distributing the books to parties other than U.S. citizens living abroad and suspended their distribution.

OTHER ACTIVITIES

We reviewed and analyzed the work flows and related systems of internal control of the acquisition processes within Library Services' (LS) fiscal office.

As part of this project, we reviewed acquisition transaction flows, constructed detailed flowcharts, and explained each step within the charts with a supplemental narrative. While we made no recommendations, we did assist LS in targeting areas to strengthen by identifying areas of weakness within these processes.

Also during this semiannual period we determined that more than $1 million in FY 2011 funds expired due to various coordination and communication problems related to the OCM and, in some cases, the Facilities Design and Construction Office.

Our review led us to believe that with better planning and communication from the OCM, the Library could have redirected these funds instead of losing them.

Lastly, based on an inquiry from the Library's General Counsel regarding OIG access to Library employee email, we communicated the duties and statutory rights of the OIG, as well as the practices the Library and our office have put into place for initiating and carrying out investigations.

SCIENCE

LIBRARIAN

LIBRARIANS OF CONGRESS

JOHN BECKLEY 1802-1807
PATRICK MAGRUDER 1807-1815
GEORGE WATTERSTON 1815-1829
JOHN SILVA MEEHAN 1829-1861
JOHN G. STEPHENSON 1861-1864
AINSWORTH RAND SPOFFORD 1864-1897

JOHN RUSSELL YOUNG 1897-1899
HERBERT PUTNAM 1899-1939
ARCHIBALD MacLEISH 1939-1944
LUTHER HARRIS EVANS 1945-1953
LAWRENCE QUINCY MUMFORD 1954-1974
DANIEL J. BOORSTIN 1975-1987
JAMES HADLEY BILLINGTON 1987

Top Management Challenges

This section provides a collective summary of issues that have been covered over several years of OIG reviews that in our view represent long-term challenges for the Library.

Facilities

Collections Storage—The Library currently faces a challenge in its mission to properly store and preserve its collections. The floors in the stacks of the Jefferson and Adams buildings are now being used to store the general collections and the Library is double- and triple-shelving materials. There are upwards of a million overflow volumes. The original construction schedule for Fort Meade collection storage modules would have provided space to house these collections and space for continuing expansion, but the last module intended to store general collections was completed in 2005 and filled in 2011. Modules 3 and 4, completed in 2009, were intended for special format collections, which include items such as maps, globes, manuscripts, prints and photographs, sheet music, and more. The modules are currently on track to be filled by October 2012. No funding has been appropriated for future modules at this time.

Although the Library is seriously addressing the overflow issue by installing shelving for high-density storage at its Landover warehouse, this facility will only be able to house about a million volumes. As the Library adds about 250,000 books and periodicals to the collections each year, the shortage of space will continue to grow. Further exacerbating this issue is the lack of secure storage for some rare and valuable collections. The Law Library, and the Music and Asian Divisions, among others, have been forced to store some of their rare materials in less-than-optimal conditions from a security and environmental point of view.

Reading Room Space Allocations—The Internet age has allowed the Library to increase public access to its collections by digitizing and placing them online. The Library, through various cutting-edge programs, including the National Digital Information Infrastructure and Preservation Program is at the forefront of preserving and making accessible digital content. Today, the Library's Web site, www.loc.gov, is among the Internet's most visited, with billions of page hits annually, and unrivaled depth and richness of content. However, this shift in access modalities has resulted in a significant decrease in the in-person use of Library materials and resources.

Consequently, there is a significant amount of underutilized reading room space. Despite the downward trend in readership, the Library has delayed making decisions about possibly consolidating reading rooms. Better utilization of reading room space could result in significant economy and efficiency by shifting space to collections storage.

Conference and Training Rooms—An OIG audit identified an increasing number of conference and training facilities in the Library's James Madison Memorial Building. In 2008 there were more than 120 such facilities in the building totaling more than 42,000 square feet which were, in many cases, underutilized. Consolidating and centrally locating and managing conference and training rooms, as the Copyright Office has done, would make a substantial contribution toward efficiency in the Library's use of floor space.

Information Technology Infrastructure

In 2009 we issued an audit report that focused broadly on the Library's plan for managing its IT infrastructure investments. The audit looked at 1) whether the Library's IT strategic plan aligned with its overall strategic plan, 2) the validity and integrity of the IT plan, 3) the appropriateness and effectiveness of the Library's IT organizational structure and placement, and 4) the extent to which relevant recommendations made by the National Research Council in a 2000 report were implemented by the Library. We made a series of recommendations about 1) maturing the Library's IT strategic planning process, 2) making IT investments from a cost/benefit and institution-wide perspective, 3) considering organizational changes, 4) implementing an Enterprise Architecture program for planning future technology, and 5) improving customer service.

In FY 2010, the Library obligated $107 million for IT related expenditures (37% of its discretionary budget) for services, hardware, software, and maintenance. We followed up in detail on this report during the semiannual period. In general, we found that the Library had implemented, or was implementing, most of our recommendations, although progress was
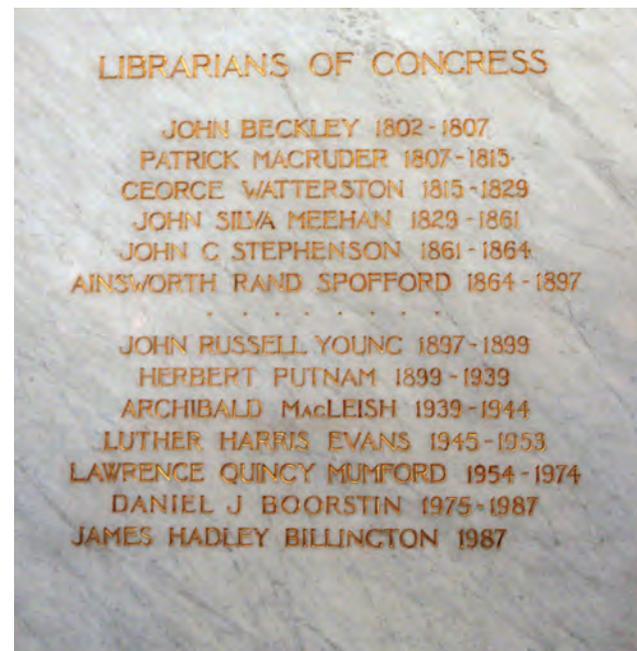
slower than we had expected. We believe Library management's continued focus on implementing these recommendations will result in substantial long-term efficiencies.

In 2002, the Library opened a new Alternate Computing Facility (ACF). The purpose of the facility was to provide backup storage for data located on Capitol Hill and a recovery mechanism for important software applications so that the Library could resume business in at least a limited capacity in the absence of its Capitol Hill data center. In 2009, we reported that it was unclear whether or not the ACF could successfully provide service to its customers in the event of a catastrophic failure of the main data center. Although the Library has developed plans for testing, there have been significant delays, and exceedingly restricted resources could result in further delays. As the Library's financial system is now cross-servicing four external clients, delays in failover testing become increasingly important.

Four OIG reports were issued during this semiannual period to address these and other IT related management challenges. A detailed description of this work begins on page 19 of this report.

Performance-Based Budgeting

As a result of an OIG audit, and at the direction of Congress, the Library is adopting a performance-based budgeting system loosely related to the Government Performance and Results Act. Previously, the Library was using a budgeting system that primarily analyzed only incremental additions to the base, or new initiatives. Modern budgeting systems require that programs be evaluated each budget cycle, and funds be allocated based

Center: Librarian's Ceremonial Office showing two of four circular murals by Edward J. Holslag.

Photograph by Carol Highsmith

on this analysis. The adoption of performance-based budgeting will allow the Library to better analyze and report its activities and more successfully compete for diminishing discretionary funding. The Library has revamped its strategic planning model and updated its policy on planning, budgeting, and program performance assessment. Library Services has implemented notable improvements. However, there is still much more work to be done. The Library has not yet developed a mechanism for evaluating programs, developing consistent, valid, and verifiable metrics, or a methodology that would at least begin to relate resource allocations to program performance.

Contracting

A series of OIG reports dating back to 2002 document weaknesses that have beset the Library's contracting function. Principal areas of concern include questionable understanding of federal contracting by participants in the contracting chain from the service units to the contracting office; poorly trained staff; a lack of continuity in leadership in the OCM; a technically questionable financial system contracting module; and ineffective contract review procedures. These deficiencies may prevent the Library from obtaining the best value in contracts and expose the Library to an unacceptably high risk of inefficiency and waste of funds.

Work we conducted during this semiannual period concluded that the weaknesses we have reported in the Library's contracting function continue, and in fact, the function has further deteriorated since our last report in 2008. We believe that total improvement in the Library's contracting function is the only acceptable outcome. We will actively monitor and report on progress in this area. We released two reports regarding this challenge during this period. Detailed descriptions of these reports begin on page 15 of this semiannual report.

Profiles

Library of Congress

The Library of Congress is the research and information arm of the United States' national legislature and the world's largest storehouse of knowledge. The mission of the Library is to support the Congress in fulfilling its constitutional duties and to further the progress of knowledge and creativity for the benefit of the American people. The mission is accomplished through more than 4,000 employees and contractors, and $800 million in annual appropriated funds and other financing sources.

Founded in 1800, the Library of Congress is also the nation's oldest federal cultural institution, holding more than 151 million items on 838 miles of shelves. These items include books, manuscripts, maps, prints and photographs, printed music, sound recordings, films, and microforms. Half of the Library's collections are from outside the United States, representing 470 languages. In addition to its three Capitol Hill buildings and Taylor Street Annex in Washington, DC, the Library operates six overseas offices and stores collections material in purpose-built facilities in Maryland and at the National Audio Visual Conservation Center in Culpeper, Virginia. Nearly 31.4 million original source analog items have been digitized and are accessible at www.loc.gov. The Library also holds an exponentially expanding collection of digital-born content.

The Library's core organizational components are:

- The Office of the Librarian,
- Library Services,
- The U.S. Copyright Office,
- The Congressional Research Service,
- The Law Library,
- The Office of Strategic Initiatives, and
- The Office of Support Operations.

The Office of the Librarian provides leadership and executive management to the Library, overseeing the implementation and management of the Library's mission to support the Congress in fulfilling its constitutional duties and to further the progress of knowledge and creativity for the benefit of the American people.

Right: Detail of a decorative mural inside the Librarian's Ceremonial Office.

Photograph by Carol Highsmith

Library Services performs the traditional functions of a national library: acquisitions, cataloging, preservation, and reference services for both digital and conventional collections. It operates the National Library Service for the Blind and Physically Handicapped and the American Folklife Center, among other programs.

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

The Congressional Research Service supports the legislative process by providing exclusively to Congress objective, confidential assessments of public-policy issues, and legislative options for addressing those issues.

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

The Office of Strategic Initiatives directs the national program for long-term preservation of digital cultural assets, leads a collaborative institution-wide effort to develop consolidated digital future plans, and integrates the delivery of IT services.

The Office of Support Operations provides centralized leadership and oversight of infrastructure services and includes: Human Resources Services, Integrated Support Services, the Office of Security and Emergency Preparedness, the Office of Contracts and Grants Management, and the Office of Opportunity, Inclusiveness, and Compliance.

Last year, services provided by the Library included:

- Fulfilling 508,830 reference requests,
- Circulating 25 million disc, cassette, and Braille items to more than 800,000 blind and physically handicapped patrons,
- Registering 670,044 copyright claims,
- Receiving 22,000 items daily and adding more than 10,000 items daily to its collections,
- Responding to more than 763,000 congressional reference requests and delivering to Congress more than 1 million research products and approximately 30,000 volumes from the Library's collections, and
- Providing to Congress access to more than 7,400 reports on legislative issues and preparing more than 1,700 tailored analyses.

The Library of Congress also recorded 73.4 million visits and 512 million page-views of its primary source files on its Web site, and received 1.7 million on-site visitors.

Office of the Inspector General

The establishment of statutory federal Inspectors General began in 1978 to empower independent audit and investigative organizations to focus on fraud, waste, and abuse within federal agencies. The Library of Congress OIG was established in 1988 as a non-statutory office deriving its authority from the Librarian of Congress. The OIG became statutory with the passage of the Library of Congress Inspector General Act of 2005, with a mandate to:

- Conduct and supervise audits and investigations relating to the Library of Congress,
- Lead, coordinate, and recommend policies to promote economy, efficiency, and effectiveness, and
- Keep the Librarian of Congress and the Congress fully and currently informed about problems and deficiencies relating to the administration and operations of the Library of Congress.

The OIG is a member of the Council of the Inspectors General on Integrity and Efficiency, a unified council of all federal statutory Inspectors General, and serves on the council's audit and investigations committees.

This Semiannual Report to the Congress is a part of the OIG's statutory reporting requirement and is organized to address the major functions of the office including:

- Significant audits, investigations, and other reviews and activities of the OIG,
- Review of legislation and regulations affecting the Library, and
- Library decisions on OIG recommendations and the status of implementation, along with any resulting monetary benefits.

Audits are in-depth reviews that address the efficiency, effectiveness, and economy of the Library's programs, activities, and functions; provide information to responsible parties to improve public accountability; facilitate oversight and decision-making; and initiate corrective action as needed.

Some audits address whether financial statements fairly present financial positions, results of operations, and cash flows. They also assess whether an entity has adequate internal control systems and complies with applicable laws and regulations. The OIG also performs related types of reviews such as inspections and attestations.

Investigations are typically based on alleged or suspected wrongdoing by agency employees, contractors, or others responsible for handling federal resources. Violations of Library regulations or fraud committed against the Library can result in administrative sanctions and criminal or civil prosecution. Contact information for the OIG Hotline is located on the inside rear cover of this report.

Our staff is educated and certified in various disciplines. We are, collectively, five certified public accountants (CPA), two attorneys, one certified internal auditor (CIA), two certified information systems auditors (CISA), three special agents, an investigator, and other highly qualified staff.

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

Audits, Surveys, and Reviews

Office of Contracts Management

Comparative Analysis of the Contracts Office's Workload and Staffing Levels

The Library of Congress' Office of Contracts Management (OCM), a component of the Office of Contracts and Grants Management, has a long history of poor performance and high staff turnover. Over the years, we have reported on the office's lack of compliance with guidelines, inadequate documentation, and numerous other issues. In the fall of 2010, a diverse group of Library managers took over the office and began attempting to repair the many problems we – and they – had identified.

In September 2010, OCM management requested that we assist them in evaluating its staffing levels. In response, we designed a review to compare recent workload and staffing data of the office with those of six other federal agency procurement organizations.

The results of our review provided no significant indications that the Library's contract specialists managed a greater or more difficult workload during fiscal years (FYs) 2009 and 2010 than their counterparts in other agencies. For example, the Library had a favorable ratio of total full-time equivalents to contract specialist positions – approximately 200 to one – during FYs 2009 and 2010. Moreover, even though the Library had the highest number of procurement actions among the agencies in FYs 2009 and 2010, over half of those actions were below the $100,000 simplified acquisition threshold. Actions below that dollar threshold are generally less difficult and time consuming for a contract specialist.

This report did not include any findings or recommendations requiring a management response.

Right: Light fixture in the Librarian's Ceremonial Office.

Photograph by Carol Highsmith

Library-Wide
Office of Contracts Management

Ongoing Weaknesses in the Acquisition Function
Require a Senior Management Solution

Audit Report No. 2011-SP-106
March 2012

To maintain public trust and fulfill public policy objectives, an effective contracting function should provide timely acquisition of the right goods and services while efficiently addressing customer needs and obtaining the best value for taxpayers. The success of any public contracting system is rooted in law and policies with appropriate internal controls, which if adhered to through effective management and oversight, promote transparency, accountability, competition, and ultimately protect resources from fraud, waste, abuse, and mismanagement.

The Library has a well-documented history of problems in OCM, as we have repeatedly reported over the last 10 years. Based on our ongoing concerns, we engaged Jefferson Solutions (Jefferson), a consulting firm with expertise in the federal acquisitions process, to perform an evaluation of the current state of the Library's OCM as a follow-up to our last report in 2008. The following summary provides the results of Jefferson's evaluation.

Management of the Contracting Function—Jefferson identified many deficiencies and weaknesses in the OCM's management, including problems with infrastructure; organizational misalignment and lack of definition of the OCM management structure; lack of continuity in executive leadership; absence of a management tool to measure the contracting function's performance; staff lacking sufficient contracting knowledge and experience; inadequate requirements for reviewing procurements under $100,000, coupled with an ineffective Contracts Review Board for contracts over $100,000 that fails to prevent or detect deficiencies in the contracting process; and a lack of supervision and training that likely contribute to an extremely high staff turnover rate and low morale.

Technical Issues—Jefferson identified numerous technical deficiencies at critical steps in the contracting process, such as the lack of adequate planning; failure to conduct market research; a gross lack of competition (of the 129 randomly selected contracts valued at $52 million, more than half were awarded noncompetitively); poorly defined requirements; inadequate (and

in some cases missing) government cost estimates needed to analyze the fairness and reasonableness of vendor quotes for goods and services; failure to justify the use of risky labor-hour contracts; overuse of non-personal services contracts, avoiding competition for readily available services; mischaracterization of contract types resulting in the exclusion of clauses that stipulate the government's rights and privileges; pervasive incorrect use and exercise of contract options; and an incorrectly configured contract writing tool for inserting critical clauses into Library contracts.

Customers—Jefferson's evaluation identified several problems relating to the OCM's interactions with customers in the areas of planning, knowledge, responsibilities, and service, involving poor communication and cooperation between the OCM and its customers (including instances where customers were discouraged from communicating with the OCM); customers lacking understanding of their roles and responsibilities related to planning and executing contracts; Contracting Officer's Representatives (COR) inadequately trained to perform their duties, no accountability for training and assigning COR responsibility; and a lack of current and useful policies and procedures to guide OCM staff and customers.

Further, this review revealed that the Library does not track any performance metrics related to effective procurement and administration of the OCM, even though Library management knows about these long-standing problems and is aware that program managers and staff receive poor quality services from the OCM.

An area that stands out in particular is the OCM's failure to consistently obtain full and open competition or ascertain whether or not it is receiving the best price. By not taking advantage of opportunities for competition, the Library is likely paying more for services and supplies and/or limiting access to offerors who may provide superior technical approaches and solutions.

Despite bringing these and other problems to management's attention repeatedly over the past 10 years, we conclude that senior Library management's corrective efforts have been unsuccessful and that there has been further deterioration in the function. The extent of deficiencies and weaknesses found during this review is troubling considering Library management asserted that it had corrected the vast majority of the conditions identified in this and our 2008 report.

The government has established procurement regulations and best practices for competing contracts, comparing costs, and determining price reasonableness for the express purpose of maximizing the taxpayer's purchasing dollar. These guidelines, which focus partly on ensuring fair competition:

- help reassure the public that taxpayer dollars are not wasted,
- promote fairness and openness leading to public trust, and
- prevent fraud, waste, and abuse because contractors know they must perform at a high level or be replaced.

Healthy competition is the lifeblood of commerce: it increases the likelihood of efficiencies and innovations, and reduces waste and inefficiencies. The Library's continued failure to comply with these guidelines, along with ineffective management in the OCM and lack of accountability, expose the Library to a high risk of costly inefficiencies and waste of funds.

In addition, with the multitude of issues and a flawed culture in the OCM, the Library cannot claim that it is paying fair and reasonable prices for its goods and services, or even that it is not making improper or inappropriate purchases. The Library may very well be paying a high or unreasonable price for the supplies and services it purchases.

In our view, if the Library is to be accountable for its annual expenditure of $210 million in taxpayer dollars, executive leadership must fully commit to developing a corrective action plan that specifically and thoroughly addresses the more than 50 recommendations provided in the report, and make it a top management priority to aggressively implement the plan.

Management concurred with all recommendations except four regarding the Momentum Financial System.

Office of Strategic Initiatives Information Technology Services

Inadequate Contract Oversight Exposed The Library to Questionable Contractor Payments

Audit Report No. 2011-PA-109
March 2012

Information Technology Services (ITS) has overall administrative and technical responsibility for managing the Library's IT and telecommunication programs, systems, and services. To fulfill this responsibility, ITS relies heavily on contractors. On November 25, 2008, the Library's OCM awarded a contract valued at almost $40 million on behalf of ITS. Through the contract, ITS and other Library service units receive a multitude of IT services, including IT operations and maintenance services, hardware and software support, and IT help desk support.

This report presented the results of our audit of ITS' administrative and management controls over the contract. Our objective was to determine whether the controls were appropriately designed and were effectively implemented by ITS to ensure cost-effective contractor services under the contract. To accomplish this objective, we focused our work on the controls ITS implemented for managing the contract's first two task orders for IT help desk services issued respectively in December 2008 and March 2010, valued at $15 million. Summaries of significant issues we identified through our audit follow.

Erroneous Contractor Charges Approved by ITS—ITS improperly approved payments for some IT help desk services. Those payments involved contractor charges for overtime that was unauthorized and/or charged at inflated rates, as well as charges to incorrect labor categories. We identified 12,412.20 hours billed under the first help desk task order by the contractor, approved for payment by ITS, and costing $771,163 which we were unable to substantiate. We also identified a contractor invoice for charges totaling $10,771 that was processed under the task order, but not related to help desk services. These actions illustrate inadequacies in the preventive and detective controls which were involved in ITS' invoice review process. We recommended that ITS design sufficiently detailed, risk-based invoice processing procedures to ensure that complete, effective, and documented reviews are performed prior to approving payments.

Inadequate Monitoring of Contractor's Costs and Performance—ITS did not adequately monitor the contractor's billings during the first two help desk task orders. The only oversight by ITS over contract billings

consisted of reviewing the contractor's monthly progress reports and the "burn rate" at which money was being spent. However, little or no review was performed on the invoices that the contractor submitted, or on the methods that the contractor was using to perform the task orders' requirements. The inadequate level of oversight exposed millions of dollars to an unnecessarily high risk of waste and/or improper payments. We recommended that ITS develop a written plan for monitoring the contractor's billings and performance.

Conflict of Interest—ITS took no action to avoid the appearance of a conflict of interest which arose in the time leading up to and following the contract award. We recommended that the OCM develop and implement procedures for screening for potential conflicts of interest.

Management concurred with our recommendations.

OFFICE OF STRATEGIC INITIATIVES INFORMATION TECHNOLOGY SERVICES

IT SECURITY ASSESSMENT

REPORT NOS. 2011-IT-104 & 105
MARCH 2012

The Library of Congress relies on its IT systems and information to achieve its mission. Within ITS, the IT Security Group operates the Library's IT Security Program. Its mission is to provide IT security education and awareness at all levels and to provide the Library with assurance that its systems and data are appropriately protected without impairing the Library's mission.

Under contract with the OIG, the consulting firm of CliftonLarsonAllen, LLP (CLA) assessed the extent to which the Library's IT security program complies with best practices in the government and industry. Their objectives were to 1) access the Library's technical security controls by performing coordinated network security tests, 2) determine the effectiveness of the Library's security program in preventing and detecting unauthorized external and internal access to IT assets, and 3) opine on the effectiveness of the Library's security administration and logical access controls.

Above: ORNAMENTAL METALWORK IN THE LIBRARIAN'S CEREMONIAL OFFICE.

PHOTOGRAPH BY CAROL HIGHSMITH

CLA conducted vulnerability assessments to find technical weaknesses in the Library's IT systems. The vulnerability assessments involved performing internal and external scanning of the Library's IT security environment using industry-standard tools which gather information on vulnerabilities in the Library's network.

Based on the results of these vulnerability assessments, CLA then used commercially available tools and customized scripts to conduct internal and external penetration testing. Penetration testing involves attempting to exploit the vulnerabilities identified during the scanning phase.

The results of CLA's tests and its findings were conveyed in two reports: one was issued to the Congressional Research Service and one presented to Library and ITS management followed by detailed testing results. Library managers analyzed the results and submitted corrective action plans for addressing CLA's findings.

Library-Wide
Office of Strategic Initiatives

Follow-Up Review: Information
Technology Strategic Planning

Report No. 2011-IT-103
December 2011

Using the services of a consulting firm, we reported on the effectiveness of the Library's IT strategic plan in early 2009. The report's overall conclusion was that the Library's IT strategic plan was not adequately integrated with its overall strategic plan, and that essential planning components were lacking. The report identified improvements needed in five key areas: strategic planning, IT investment, enterprise architecture, organizational structure, and customer service.

In December 2011, we performed an in-depth follow-up, intended to assess the Library's progress in addressing the issues presented in our 2009 report. Overall, we found that although the Library made progress towards implementing our 2009 recommendations, we expected that it would have made further progress by now. Summaries of our findings are as follows:

An Updated OSI Strategic Plan is Needed—The Office of Strategic Initiatives (OSI) should update its strategic plan and ensure that it is in line with the Library's *Fiscal Year 2011-2016 Strategic Plan*. Additionally, the Library should continue developing its enterprise architecture (EA),

with the goal of creating a transformational guide designed to move Library organizations strategically and technologically forward in unison. We were informed that since our report was published, OSI updated its strategic plan.

Better Data for IT Investments is Needed—Library management must improve the quality of data it maintains for the agency's IT investments. More accurate data on the current state of the Library's technology will enable effective management decision-making as the Library develops its IT portfolio. The data improvement effort should ensure that all IT costs (including computer security costs) are tracked and analyzed when required, and taken into account as part of standard IT budgeting procedures.

The IT Function and OSI Need to be Organizationally Separate— The organizational placement and structure of the IT function in the Library is limiting effective strategic planning and proper governance for IT. Accordingly, the IT function should be removed from OSI and an Office of the Chief Information Officer should be established to manage the Library's IT function. Moreover, the Enterprise Architect and the EA program should be organizationally moved to the Office of the Librarian, and the Enterprise Architect should report directly to the Chief of Staff.
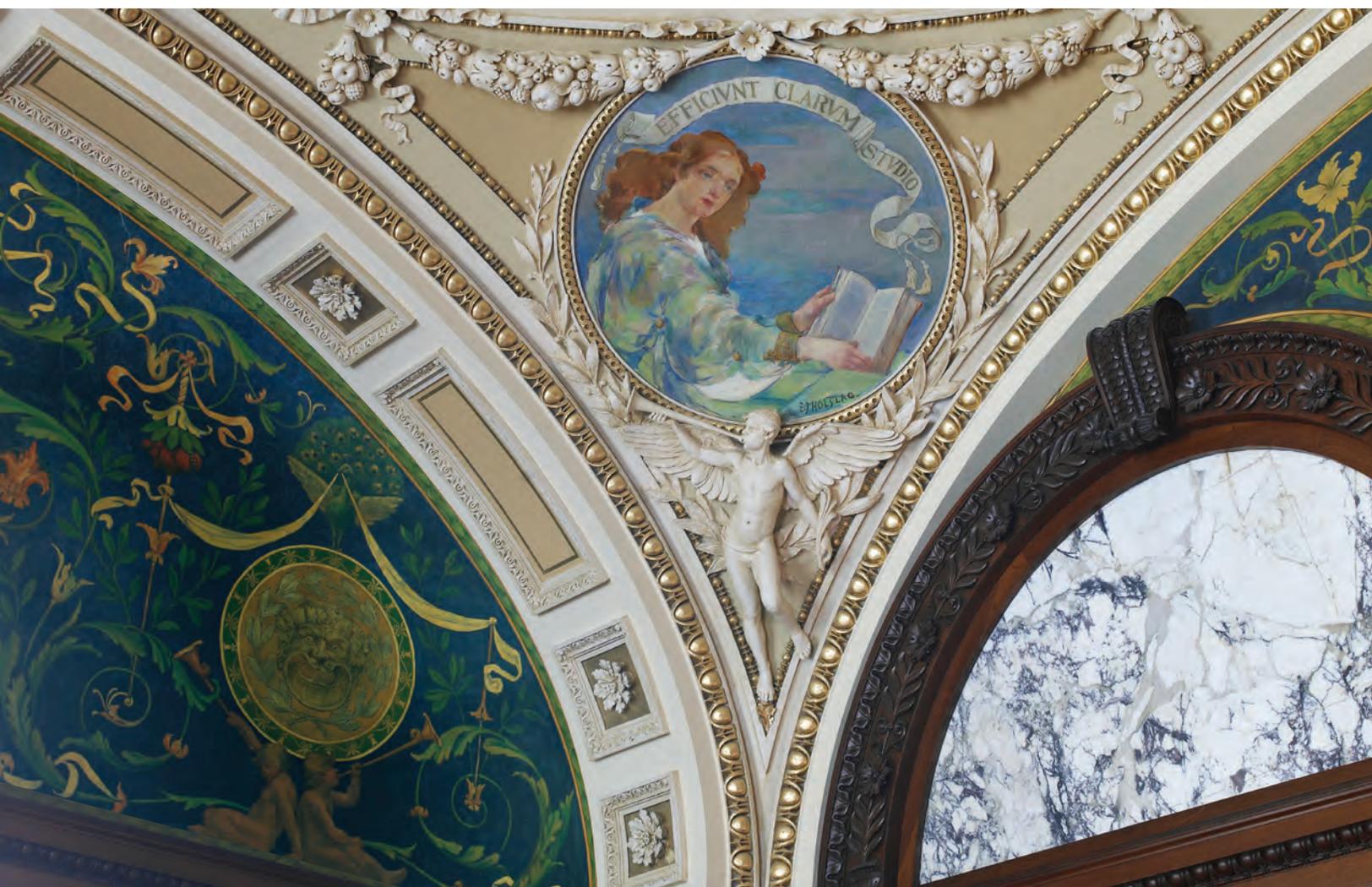
Increased Oversight of EA Development is Needed— Management oversight of the early stages of EA development has been too limited. Therefore, the IT Steering Committee should re-energize its relationship with the Architecture Review Board (ARB) and increase its oversight of the ARB's EA-development activities. Additionally, all of the Library's EA costs, including development costs, should be budgeted separately.

Customer Service Needs to be Strengthened— The level of dissatisfaction throughout the Library with IT customer service can be reduced. To do so, the Library should 1) utilize Service Level Agreements to manage service unit expectations, 2) require all service units to use a standard help desk system, 3) develop a set of metrics to measure ITS' customer service performance over time, and 4) conduct regular surveys to monitor satisfaction with IT customer service.

In FY 2010, the Library obligated $107 million (37% of its discretionary budget) for IT related expenditures, including services, hardware, software, and maintenance. We believe Library management's continued focus on effective IT management will result in substantial long-term efficiencies.

Management concurred with 17 of our 21 recommendations, disagreed with one, and stated that their response to three of our recommendations was pending further review of the implementation of the information resources management plan issued in December 2010.

Office of the Librarian

Survey of ccmMercury IT System

[Survey Report No. 2011-IT-102](#)
[March 2012](#)

The Office of the Librarian is responsible for managing ccmMercury, a document and correspondence tracking software application. We initiated an audit to assess controls and user access rights for this application.

Based on our audit survey, we concluded that further review was unnecessary. We may revisit this area after Library management performs a certification and accreditation (C&A) on the major upgrade to ccmEnterprise, that was tentatively scheduled for March 2012. Summaries of the survey work we performed follow.

The Library's Currently Installed Version of ccmMercury Cannot Address Some Overdue POAMs—A Plan of Action and Milestones (POAM) is the corrective action plan for addressing weaknesses identified during the C&A process. In 2009, a C&A of ccmMercury resulted in several POAMS, five of which remain unresolved. Three POAMS are due to system limitations with the current version of the application and two are due to inadequate management controls. This year's planned upgrade to ccmEnterprise will address three POAMs.

User Access Controls are Manually Intensive—The process of removing a user's access to ccmMercury is labor intensive and susceptible to human error. Similarly to the management control POAMs, this weakness is not dependent upon an upgrade, and adequately addressing it is management's responsibility. We identified one former employee with access to the system for over a year after their separation.

Management concurred with the results of our audit survey.

Library-Wide

Survey of the Library's Fire Suppression Systems

[Survey Report No. 2011-PA-103](#)
[January 2012](#)

The vast collections the American people have entrusted to the Library deserve to be protected in the best and most efficient way possible. Because great quantities of collection materials are flammable, the risk of a fire starting and rapidly spreading at the Library is especially high. The Library employs a variety of means by which it seeks to protect human life and prevent or mitigate damage to the collections. Significant among these are the Library's fire alert and suppression systems. Such systems can broadly be classified in two categories: smoke detectors and sprinkler systems. In addition, the Library has installed clean agents that suppress fires through chemical and physical systems to provide fire protection for its "Top Treasures" and its Stradivarius and other valuable instruments.

We initiated this audit to evaluate the quality and management of the Library's fire suppression systems. Our survey work provided indications that the internal controls for managing the Library's fire suppression systems were properly designed and functioning as intended. Therefore, we concluded that additional audit work on this project would be unnecessary. We made no recommendations in the report. Details of significant results we obtained through our survey are provided in the following sections.

Library's Fire Suppression Systems Compare Favorably to Other Cultural Institutions—The fire suppression systems installed in the three Library buildings on Capitol Hill are comparable, with some exceptions, to those used by similar, world-class cultural institutions we selected for our survey (the Smithsonian Institution's National Air and Space Museum's Steven F. Udvar-Hazy Center, National Archives and Records Administration, New York Public Library, and the United Kingdom's British Library). After discussing the exceptions with officials from the Architect of the Capitol (AOC), Office of Compliance (OOC), the Library's Safety Services Office, and Preservation Directorate, we concluded that they do not materially affect overall fire protection, and that the AOC has implemented adequate controls to compensate for any significant system shortcomings.

Office of Compliance Inspections Ensure AOC is Complying with NFPA Standards—The OOC, an independent agency established through the Congressional Accountability Act of 1995, is responsible for, among other things, inspecting legislative branch facilities for compliance with occupational safety and health standards at least once each Congress. OOC staff includes a fire protection engineer to provide expertise for these inspections. We met with OOC officials to discuss their inspections and we reviewed the OOC's *Biennial Report on Occupational Safety and Health Inspections*, June 2009, conducted in the legislative branch for the 109th and 110th Congress. We concluded that through its program of comprehensive inspections, the OOC currently provides assurance that AOC is examining,

testing, and maintaining the Library's fire suppression systems according to applicable fire codes and regulations including the National Fire Protection Association (NFPA) standards. Additionally, we believe that the OOC has in place an effective follow-up system for corrective action of deficiencies.

Library Services and Integrated Support Services submitted written comments on our draft report. Management concurred with our findings.

Library of Congress
Fiscal Year 2011 Financial Statements

Audit Report No. 2011-FN-101
March 2012

We are pleased to report that for the 16th consecutive year, the Library has received a "clean" opinion on its consolidated financial statements. Under contract with our office, the independent accounting firm of CliftonLarsonAllen, LLP audited the Library's FY 2011 consolidated financial statements. In the auditor's opinion, the financial statements, including the accompanying notes, present fairly, in all material respects, the financial position of the Library and its net costs, changes in net position, and budgetary resources for the year then ended, in conformity with accounting principles generally accepted in the U.S.

The auditor's consideration of internal controls over financial reporting (including the safeguarding of assets) resulted, however, in the identification of one significant deficiency: the Library's internal controls were not effectively designed to ensure the accurate and complete recording of pledges. Weaknesses were noted with the proper identification of conditional pledges, lack of sufficient documentary evidence to support the recording of pledges, and lack of valuation of annual income payments from a pledge to determine if the beneficial interest was material to the financial statements.

The auditors found no instances of noncompliance with laws and regulations or other matters requiring reporting under generally accepted government auditing standards.

Left: Mural by Edward J. Holslag in the Librarian's Ceremonial Office.
Photograph by Carol Highsmith

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Investigations

During this reporting period, we opened 36 investigations and closed 47. We forwarded one investigation to Library management for administrative action. One investigation was forwarded to the Department of Justice for criminal prosecution and none are pending. Investigation case and Hotline activities are detailed below.

Table 1: Investigation Case Activity			
	Criminal/Civil	Administrative	Total
From Prior Reporting Period	27	19	46
Opened	2	34	36
Closed	3	44	47
End of Period	26	9	35

Table 2: Hotline Activity	
	Count
Allegations received	25
Referred to management	7
Opened as investigations	7
Opened as audit	0
Closed with no action	11

Right: Dome of the Librarian's Ceremonial Office with stuccoed relief of a ring of Grecian girls by Albert Weinert and a central mural by Edward S. Holslag.

Photograph by Carol Highsmith

LITERA SCRIPTA MANET

Significant Criminal and Administrative Investigations

Reading Room Arrest

The OIG's routine monitoring of Internet logs revealed searches associated with child pornography, which we tracked to a public computer in a Library reading room. OIG agents identified the computer user as a patron who had been previously convicted of a sex offense, and for whom a warrant was outstanding in Pennsylvania for a probation violation related to his previous offense.

The OIG worked with the U.S. Capitol Police to arrest the individual, who was later extradited to Pennsylvania. A subsequent forensic investigation of the computer revealed many searches for child pornography. In addition, several images that may depict child pornography were found on the computer. The evidence has been presented for possible prosecution.

Misuse of Government Computer and Investigative Assistance to Outside Agency

During routine network monitoring, the Library's Computer Security Operations Center identified a computer persistently infected with malicious code. Further analysis showed that the computer was used to access and download large amounts of pornographic material. The computer was assigned to an employee of another agency working at the Library of Congress. At the request of the agency head, we conducted an administrative investigation which eventually led to the employee's dismissal.

Abuse of Reading Room Workstations

Due to the significant number of OIG investigations concerning Internet pornography, we initiated a project to bring together the results of several investigations involving the more than 150 public workstations in the Library's reading rooms. We concluded that enforcement of the Library's policy concerning the use of workstations varied considerably between reading rooms.

We are concerned that in addition to creating an uncomfortable or harassing atmosphere for others, pornographic Web sites frequently contain malware, viruses, and tracking programs which can affect the workstation, and/or the Library's network.

We recommended that the Library consider certain measures to help enforce existing policy.

In response to our report, the Associate Librarian for Library Services—who is coordinating efforts to respond to the issue—is benchmarking with other research libraries, improving signage, and performing other measures to improve awareness of, and compliance with, Library policy regarding use of public workstations.

Missing Artifact

A Library employee reported a valuable scroll missing from a secure cage in the Asian Division. While conducting an extensive search with Library staff, we became aware of many valuable items in the Division stored with inadequate security. We immediately coordinated with the Library's Office of Security and Emergency Preparedness to move the items to secure locations. We also identified poor internal control practices and provided guidance to management for improving safeguards for the collections.

Later, the scroll was discovered in an area that had previously been searched. This suggested to us that it was placed there after our search. The incident was referred to the OIG's Audits Division, which is now conducting a more thorough review of Asian Division collections controls to be reported in our next Semiannual Report to Congress.

Denial of Service Attacks

The Library of Congress was one of the agencies targeted during the January 9, 2012 denial of service attacks launched in protest of the pending PROTECT IP Act and Stop Online Piracy Act legislation and the arrest of "Kim Dotcom," an individual accused in a federal criminal case of sharing copyrighted files. While the Library's outward-facing Internet sites were slowed down, no actual damage or security breaches were reported. OIG agents coordinated in providing the Library's security logs to the FBI to assist with their identification of the suspected attackers and potential links to global cyber-attacks.

Inspector General Threatened

The Inspector General received a package typical of those sent by various "Sovereign Citizen" groups, who often harass and threaten public officials using various legal instruments. This package was reviewed and forwarded to the FBI's domestic terrorism section for further threat analysis and intelligence purposes.

Contract Award Complaint

In May 2011, the Office of Contracts Management (OCM) awarded to a vendor a fixed-price contract valued at $1,530,480. After the contract was awarded, one of the bidders inquired about the status of its bid. As a result of this inquiry, the OCM found that in addition to the four bids it reviewed during the evaluation process, the complainant's and one other bid proposal that had been timely submitted had not been included in the evaluation process.

To remedy the situation, the Library re-issued the solicitation and asked the six vendors to resubmit their proposals. The six bids it subsequently received were evaluated and the contract was again awarded to the same vendor.

In September 2011, we received a complaint against the contract award. The complaint alleged that the OCM failed to evaluate a bid proposal and respond to the contractor in a timely manner. We investigated the complaint partly because of our ongoing concerns with OCM management. We concluded that:

- the OCM did not violate procurement laws,
- there was no evidence of intentional misconduct by the OCM, and
- all bids were properly evaluated in the second solicitation.

Although we did not substantiate the allegations, we found weaknesses in the bid solicitation and collection process which expose the Library to the possibility of legitimate bid protests. We recommended that the OCM establish stronger controls to ensure all bids are received, accounted for, and evaluated prior to award in order to ensure the Library always receives the best value for its contracting dollars and is shielded from bid protests.

Misuse of Computer

We initiated an investigation after receiving an allegation that a Library employee used their computer to log on to a U. S. Copyright Office limited-access database to change the status of their personal copyright application from unpaid to paid. Our investigation confirmed that the employee did, in fact, change the payment status. The matter was referred to management and the employee served a 5-day suspension.

Follow-up on Investigative Issues from Prior Semiannual Reports

Pirated NLS Talking Books

As previously reported, we investigated the Internet sales of several talking books which we believed were copies, pirated overseas, of books produced by the Library's National Library Service for the Blind and Physically Handicapped (NLS). We determined that there were no contractual agreements between the NLS and foreign libraries enabling them to receive NLS talking books, and no apparent authority to distribute the books to parties other than U.S. citizens living abroad. The Library's General Counsel concurred with this finding and the acting director of NLS suspended the loan of materials to foreign libraries.

Above: Detail of a stuccoed owl, the symbol of wisdom, from the dome of the Librarian's Ceremonial Office.

Photograph by Carol Highsmith

Other Activities

ILS Acquisition Workflow and Related System of Internal Control

October 2011

We reviewed and analyzed the work flows and related system of internal control of Library Services' (LS) Integrated Library System Voyager acquisition process. Our objectives included identifying existing internal control weaknesses that should be addressed by LS for the Library's Internal Control Program, providing essential documentation of the acquisition process for the Library's independent public accountants, and establishing a formal document for use by LS in future system analyses.

As part of this project, we reviewed the transaction flows of firm orders, approval plans, subscription plans, bibliographic services, and credit memos. We constructed detailed flowcharts for each process flow and explained each step within the charts with a supplemental narrative. While we made no recommendations, we did assist LS in targeting areas to strengthen.

Letter to the Library's General Counsel on OIG Investigations, Procedures, and Responsibilities

November 2011

Based on an inquiry from the Library's General Counsel about OIG access to Library employee email, we communicated the duties and rights of the OIG, as well as the practices we have put into place for initiating and carrying out investigations. We outlined our responsibility under the Library of Congress Inspector General Act of 2005 (2 U.S.C. §185) to conduct and supervise independent investigations relating to the Library of Congress. We also identified specific provisions of Library of Congress regulations relating to investigations concerning possible violations of laws, rules, or regulations, mismanagement, gross waste of funds, fraud, abuse of authority, or a substantial and specific danger to public health and safety.

In responding to the General Counsel's request, we explained internal OIG policies regarding the initiation of investigations and collection of employee email and the criteria used to initially evaluate complaints, allegations, or other information suggesting violations of laws or regulations. We further explained the responsibility of all Library officers, managers, and employees to cooperate with OIG investigations by furnishing all information that may be needed in the course of an investigation and protections and penalties relating to Library employees in relation to OIG investigations.

Office of Support Operations Lost Funds Review

March 2012

We recently engaged a consulting firm to conduct an in-depth follow-up of our 2008 report on the OCM. During this project, the firm found indications that funds appropriated for use by the Library expired and went unused at the end of FY 2011 primarily because the OCM failed to execute requisitions that had been timely entered by the service units. We followed up on these findings.

To minimize funds lost due to expiration, the Library has established a process that reallocates unobligated funds, including amounts the OCM cannot award before year-end, to purchasing pre-planned collection materials, improving public areas, and addressing other service unit needs. This process successfully applied more than $2.275 million in available funds during September 2011.

Despite this process, the Library lost approximately $3 million in FY 2011 funds through expiration. Our objective was to determine what, if any, portion of this $3 million was directly due to delay or inaction by the OCM.

We concluded that more than $1 million in FY 2011 funds expired due to various coordination and communication problems related to the OCM, and in some cases, the Library's Facilities Design and Construction Office.

We believe that with better planning and communication from the OCM, the Library could have redirected these funds instead of losing them. We reemphasized the recommendations regarding communications and organization made in our March 2012 report, *Ongoing Weaknesses in the Acquisition Function Require a Senior Management Solution* (Special Report No. 2011-SP-106).

TABLE 3:   **REVIEW OF LIBRARY OF CONGRESS REGULATIONS (LCRs)**

LCR REVIEWED	COMMENTS BY THE OFFICE OF THE INSPECTOR GENERAL
LCR 321-2 Transportation of Materials to and from the Library of Congress	We suggested that exchange materials be included in this LCR. We also suggested including Interpretive Programs Office in the list of offices that may be involved in facilitating transportation of materials. Further, we suggested mentioning the standard form required for mailing and the dual signature requirement.
LCR 1525 Indemnification of Library of Congress Employees	We recommended clarification on what 'former employee' means, e.g. individuals that were employees during an incident giving rise to adverse action. We suggested that a minimum notification time-frame be stated, e.g., within 5 calendar days of receipt of an adverse action. We also suggested adding 'settlement proposal' to the phrase "…; a copy of the verdict, judgment, or other monetary award..." We recommend adding language for circumstances when the employee is incapacitated or deceased, e.g., action to be executed by employee's legal representative.
LCR 1916-2 Customs Clearances and Government Bills of Lading	We suggested adding that recipient units are required to follow guidance from the Office Systems Services division (OSS), including providing the sender with instructions for addressing the package and notifying OSS as to when the package is expected to arrive.

Above: Detail of a stuccoed book relief from the dome above the Librarian's Ceremonial Office.

Photograph by Carol Highsmith

Unimplemented Recommendations

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

Subject	Report No. Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Office of the Librarian				
Raiser's Edge Software Program	2006-IT-302 December 2007	Development Office	III	System managers for Raiser's Edge should regularly review the system's transaction logs for suspect data events—Purchase of a stand alone product for log reviews was cost prohibitive. The Library is exploring Arcsite, a product for continuous monitoring. The target date for a decision is June 2012.
Information Technology Strategic Planning	2008-PA-105 March 2009	Office of the Librarian	3.A	Separate the IT function from the Office of Strategic Initiatives and have the Chief Information Officer report directly to the Librarian or Chief Operating Officer—There has been no resolution on this recommendation.
Multi-Sector Workforce	2010-PA-105 March 2011	Office of the General Counsel	III.1	Create a policy using Internal Revenue Service rules to properly classify workers as independent contractors or employees and require service units to submit documentation on the test to the Office of Contracts Management (OCM) for nonpersonal contract services—The Office of Support Operations (OSO) expects to deliver recommended revisions to LCR 2111 to the Office of the General Counsel (OGC) by April 2012 to initiate the LCR review process.
Improper Payments II	2011-SP-101 May 2011	Office of Contracts Management	I.2	OCM and the Office of the Chief Financial Officer (OCFO) should update directives to officially reflect the current spending limit for micro purchases of $3,000—OCFO and OCM are in the process of updating Directive 06-01 and anticipate completion by September 2012.
Office of Support Operations (OSO)				
Telework Program	2010-PA-102 June 2011	Office of Support Operations	I.1	The Library should determine if centralizing teleworking policy-making authority in a Telework Coordinator would add value to the program—The Operations Committee (OC) is collecting information to make recommendations to the Executive Committee (EC) in FY12.
Telework Program	2010-PA-102 June 2011	Office of Support Operations	I.3	The Library should collect data on, and evaluate the costs and benefits of, teleworking to determine whether it provides a cost-effective means to perform specific work requirements—The OC is collecting data for presentation to the EC by April 2012 for evaluating the cost/benefit of telework.
Telework Program	2010-PA-102 June 2011	Office of Support Operations	I.4	The Library should develop a telework health and safety checklist and incorporate it into its telework agreement forms—It is anticipated that the OC will complete its review of the proposed health and safety checklist in June 2012.
Telework Program	2010-PA-102 June 2011	Office of Support Operations	I.5	The Library should develop an interactive telework training program and require teleworkers and their managers to successfully complete it before beginning telework—The Library will develop and deploy two online telework training courses, one for supervisors in FY12, and the other for staff in early FY13.

Unimplemented Recommendations

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

Subject	Report No. Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Office of Support Operations (OSO) Continued				
Telework Program	2010-PA-102 June 2011	Office of Support Operations	I.6	The Library should revise LCR 2014-8 to address the permissibility of accessing sensitive unclassified and "For Official Use Only" data at offsite locations—The OC will review this regulation by June 2012 and other regulations delineating IT security policies to determine if revisions are required.
Telework Program	2010-PA-102 June 2011	Office of Support Operations	II.1	The Library should review positions to determine if they are prone to telework and do not create an additional burden on other areas—The EC will be briefed by April 2012 on telework survey results that assess telework benefits, costs, and effects.
Telework Program	2010-PA-102 June 2011	Office of Support Operations	II.2	The Library should institute policies requiring the availability of teleworkers by email, telephone, and in person when needed including the use of remote call coverage for positions involving frequent telephone use—Requirements for teleworker availability will be made a part of the telework training program under design in Human Resources Services (HRS). Training implementation is targeted for early FY13.
Telework Program	2010-PA-102 June 2011	Office of Support Operations	IV.1.a	The Library should require employees who are expected to telework during a Continuity of Operations (COOP) event to have adequate training, infrastructure support, and practice—Target date for the COOP roll-out is September 2012. As part of the roll-out, the Office of Security and Emergency Preparedness (OSEP) envisions a series of briefings to address requirements for all COOP telework staff.
Telework Program	2010-PA-102 June 2011	Office of Support Operations	IV.1.b	The Library should have a telework agreement in place that provides for a COOP event—To ensure staff readiness, service units will be reminded to ensure their COOP staff have telework agreements in place. The target date for the COOP roll-out is September 2012.
Telework Program	2010-PA-102 June 2011	Office of Support Operations	IV.2	The Library should incorporate teleworking scenarios in the Library's COOP exercises—COOP telework training scenarios will be included in the Library-wide roll-out as well as service unit-specific COOP planning by September 2012.
Office of Contracts Management (OCM)				
Improper Payments II	2011-SP-101 May 2011	Office of Contracts Management	I.1	OCM should assist the Office of Business Enterprises (OBE) by providing alternative ordering methods such as blanket purchase agreements that will meet their purchase turnaround requirements, or grant OBE the authority to make purchase card transactions beyond the micro-purchase limit—The OCM is working with OBE to set up the necessary controls to implement blanket purchase agreements by April 2012.

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY AND STATUS OF RECOMMENDATION
Improper Payments II	2011-SP-101 May 2011	Office of Contracts Management	II	HRS and OCM should enhance information they collect and maintain on employees and contractors and develop internal control procedures to identify situations where a conflict of interest may exist— HRS will test National Finance Center (NFC) software to track and identify conflicts of interest and anticipates implementation by May 2012. HRS and OCM will continue to follow interim procedures to identify potential conflicts of interest until then.
Human Resources Services (HRS)				
Recruiting and Hiring	2009-PA-101 November 2009	Workforce Acquisitions	II.1	Prepare performance appraisals which compare employees' actual accomplishments with corresponding performance requirements—The Director of Workforce Acquisitions has formed a committee to develop improved plans with a target date for completion in April 2012.
Multi-Sector Workforce	2010-PA-105 March 2011	Human Resources Services	I	Develop and implement a structured procedure that provides a uniform method for making in/outsource personnel determinations. This procedure should provide the means to identify which activities are inherently governmental and which service provider represents the best value to the Library—OSO is developing recommendations to submit to the EC by September 2012 for insourcing/outsourcing work.
Multi-Sector Workforce	2010-PA-105 March 2011	Human Resources Services	II	Establish a system to collect and maintain data representing the total composition of the Library's direct hire and contractor workforce. Ensure that the data maintained in the system is current, complete, and accurate at all times—HRS anticipated testing of the NFC's "Person Model" within EmpowHR to track employee and non-employee information in March 2012, and implementation by May 2012.
Employment Incentives and Flexibilities	2010-PA-103 July 2010	Human Resources Services	I.1.b	Require managers to complete on-line refresher training annually on material in the Supervisors Handbook, similar to the annual training required of all Library employees on IT security awareness—The OC approved the recommendations of the Library's Human Capital Management Flexibilities Working Group (HCMFWG) to enhance first-level supervision at the Library. The Human Capital Planning Board will implement these recommendations in FY12 and FY13. The Library will continue quarterly Supervisor Forums to update supervisors on new and changing information, ideas, and procedures.
Integrated Support Services (ISS)				
Retention of Federal Records	2009-PA-104 March 2010	Office Systems Services	I.c	Develop and implement a training program on federal records management for Library staff— In February 2012, an online federal records management training program was tested and completed. This training program will be introduced to senior management and unions in March 2012 with an anticipated Library-wide roll out in the third quarter 2012.

Unimplemented Recommendations

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

Subject	Report No. Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Integrated Support Services (ISS) Continued				
Retention of Federal Records	2009-PA-104 March 2010	Office Systems Service	I.b	Initiate a program to provide active oversight of service units' record keeping practices. Ensure that the oversight program's design provides adequate assurance that service units' practices comply with the Federal Records Act and National Archives and Records Administration regulations—Program developed with implementation scheduled for third quarter 2012.
Retention of Federal Records	2009-PA-104 March 2010	Office Systems Services	II	Perform a cost/benefit analysis to determine whether the Library should implement an electronic record-keeping system—This project is in initial stages, including determination of the service unit requirements. ISS is looking at available electronic records management systems and defining requirements. The cost/benefit analysis is targeted for completion in September 2012.
Office of Opportunity, Inclusiveness, and Compliance (OIC)				
Equal Employment Opportunity Complaints Office	2001-PA-104 February 2003	Office of Opportunity, Inclusiveness, and Compliance	I	Evaluate and revise LCR 2010-3.1—Proposed revisions were submitted to the Library's LCR working group and Library unions. The target for implementation is September 2012.
Dispute Resolution Center	2002-PA-104 September 2003	Office of Opportunity, Inclusiveness, and Compliance	III	Revise LCR 2020-7 to allow complainants to use dispute resolution during the formal complaint process—Proposed revisions submitted to the Library's LCR Working Group for review and comment. Target date for implementation is September 2012.
Follow-Up Review of the Office of Opportunity, Inclusiveness, and Compliance	2011-PA-106 June 2011	Office of Opportunity, Inclusiveness, and Compliance	II.1	OIC in collaboration with the HCMFWG should: Implement our 2008 recommendation to track performance evaluations to determine whether there is consistency among groups—The EC will reconsider this based on the recommendations of the newly hired Director of OIC and have a target date of September 2012.
Follow-Up Review of the Office of Opportunity, Inclusiveness, and Compliance	2011-PA-106 June 2011	Office of Opportunity, Inclusiveness, and Compliance	II.2.b	OIC in collaboration with the Library's HCMFWG should: Complete the barrier identification and elimination process initiated with the Multi-Year Affirmative Employment Program Plan (MYAEPP) by assessing the success of the plan—OIC and the HCMFWG devised and implemented an action plan for conducting barrier identification and its elimination. They will assess its progress in the relevant areas. The target date for implementation is March 2013.
Follow-Up Review of the Office of Opportunity, Inclusiveness, and Compliance	2011-PA-106 June 2011	Office of Opportunity, Inclusiveness, and Compliance	V	OIC should make the Library's "No Fear" data available to staff—The EC will reconsider this based on the recommendations of the newly hired Director of OIC; target date is September 2012.
Library Services (LS)				
Top Treasures Security and Preservation Controls	2008-PA-103 January 2009	Library Services	I.a	Establish criteria for specifically defining Top Treasure collection items and a clear process to nominate or transfer collection items to the category—In April 2011, the draft LCR was revised, updated, and finalized. It is now under review by the LCR Working Group with a target completion date of October 2012.

TABLE 4A: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

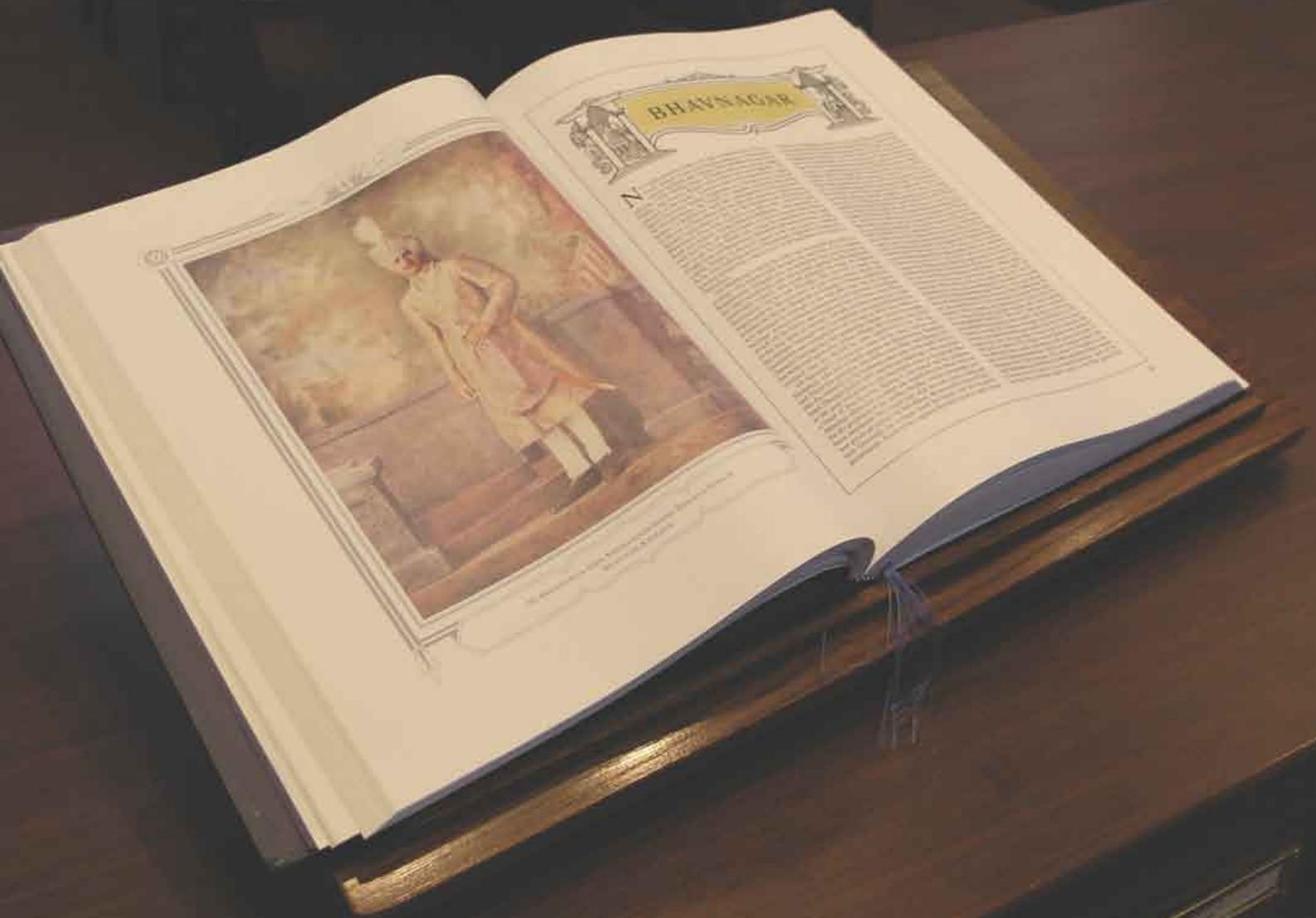| SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY AND STATUS OF RECOMMENDATION
NLS Requirements	2011-PA-104 October 2011	Library Services	IV	The National Library Service for the Blind and Physically Handicapped (NLS) should apply Statement of Federal Financial Accounting Standards Number 4, *Managerial Cost Accounting Concepts and Standards for the Federal Government* to reports it develops regarding the Talking Book Program's cost—NLS has not started on this recommendation.
NLS Requirements	2011-PA-104 October 2011	Library Services	V	NLS should explore the cost/benefits of testing Digital Talking Book Machine (DTBM) inventories as part of its periodic site visits to network regional libraries to ensure that the machines provided to the agencies are being appropriately accounted for—NLS developed a methodology for this testing and plans to explore the cost/benefits of testing DTBM inventories as part of its periodic site visits to network regional libraries in the second half of FY12.
Surplus Books Program	2010-PA-106 September 2011	Library Services	I.a.2	Develop and implement a uniform program participant application that requires completion of all eligibility information, including the applicant's IRS-issued tax identification number—This requirement will be integrated into the automated system to be developed. Detailed system requirements to be completed by fourth quarter FY12.
Surplus Books Program	2010-PA-106 September 2011	Library Services	I.b.2	Create and maintain a perpetual inventory listing of all Congressional franking labels on hand with management periodically physically inventorying the labels—Inventory requirements have been completed and will be integrated into the developing automated system. The detailed system requirements are scheduled for completion by fourth quarter FY12.
Surplus Books Program	2010-PA-106 September 2011	Library Services	I.c.1	Update LCR 1816 to include designing a serialized document that is counterfeit resistant, reassigning the responsible office to ensure oversight, documenting accountability, and implementing procedures to more appropriately account for and retire used passes. Also revise the LCR to implement a pass designed for specific Surplus Books Program (SBP) use—LCR 1816 is under review for updating due to the police merger. OGC is working on this and several other regulations affected by the merger with a target for completion in first quarter 2013.
Surplus Books Program	2010-PA-106 September 2011	Library Services	II.a.1	SBP management should implement the use of a software application to collect and analyze program operating data—SBP management presented ITS with a high-level requirements document to be followed by a detailed requirements document. The resulting automation project is in the ITS work plan for the coming months. The target date for a detailed requirements document is fourth quarter FY12.

Unimplemented Recommendations

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

Subject	Report No. Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Surplus Books Program	2010-PA-106 September 2011	Library Services	II.c.1	LS management should collect the required data to conduct an analysis to determine whether the Library derives tangible benefits from processing other agencies' surplus material transfers—No action will be taken on this recommendation until the SBP moves back to its permanent space in FY13.
Library Services (LS) Continued				
Performance-Based Budgeting	2010-PA-107 January 2011	Library Services	II.2	Design and implement an internal control system that will ensure that valid and verifiable data will be collected and used to measure program performance—Work continues on a list of definitions that will be used for reporting with all controls over data completed in 2013.
Rare Book and Special Collections Security	2008-PA-101 March 2009	Library Services	I.f	Reevaluate background investigation procedures for Rare Book and Special Collections Division (RBSCD)'s management and periodically update background investigations—OSEP will initiate periodic updates of background investigations when the Office of Personnel Management issues implementing guidance for recent changes to 5 Code of Federal Regulations Part 731, *Regulations for Conducting Periodic Reinvestigations for Public Trust Positions.*
Office of Strategic Initiatives (OSI)				
Information Technology Strategic Planning	2008-PA-105 March 2009	Office of Strategic Initiatives	1.D	Produce a guide to ensure that the Library moves forward as a total institution with one voice—Production of a transformation guide that moves the Library forward with one voice is expected when the Enterprise Architecture is further developed. Development will continue through FY12.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	5.D	Implement a commercial "off-the-shelf" (COTS) enterprise help desk system that includes metrics—The Library is planning to replace its current IT help desk system with a COTS system with enhanced metrics. Service units will have the choice to participate in the COTS system or to interface their existing systems. Target date for completion of software testing is April 2012.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	5.E	Negotiate a new help desk contract to meet the different service level requirements of all service units to eliminate duplicative services—ITS and OCM plan to solicit a new help desk contract during FY12 and not exercise option year four of the current contract.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	5.F	Develop dynamic, evolving metrics to measure performance—Service Level Agreements and end-user surveys will be developed to provide the means to measure ITS' customer service, and used to determine ITS' customer service performance in specific areas. ITS management is developing a plan with target dates yet to be established.

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Implemented Recommendations

Table 4B: Significant Recommendations from Previous Semiannual Reports for Which Corrective Action Was Completed During This Period

Subject	Report No. Issue Date	Office	Rec. No.	Summary of Recommendation and Action
Office of the Librarian				
Raiser's Edge Software Program	2006-IT-302 December 2007	Development Office	II	The Development Office should ensure that the Raiser's Edge system undergoes certification and accreditation (C&A)—Raiser's Edge C&A was completed in October 2011.
Multi-Sector Workforce	2010-PA-105 March 2011	Office of Contracts Management	III.2	Promptly identify nonpersonal services contracts where employer/employee relationships have been established between the Library and contractors and consult with OGC about terminating those contracts—OGC confirmed a service unit review of nonpersonal service contracts resulting in the termination of one contract.
Office of Support Operations (OSO)				
Telework Program	2010-PA-102 June 2011	Office of Support Operations	I.2	The Library should ensure all telework agreements are complete, accurate, and adequately describe the work and how it will be measured—HRS has implemented this recommendation including a guidance memorandum issued to service units in March 2012.
Human Resources Services (HRS)				
Recruiting and Hiring	2009-PA-101 November 2009	Workforce Acquisitions	I.c.2	Develop a survey modeled after the Office of Personnel Management's Management Satisfaction Survey to determine managers' satisfaction with the hiring process and identify strategies for making process improvements—HRS implemented a management satisfaction survey during the first quarter FY12.
Follow-Up Review of the Office of Opportunity, Inclusiveness, and Compliance	2011-PA-106 June 2011	Human Resources Services	VI	HRS should revise its automated exit interview questionnaire to include asking the former employee to voluntarily identify his or her racial background—HRS revised the automated exit interview questionnaire as recommended.
Employment Incentives and Flexibilities	2010-PA-103 July 2010	Human Resources Services	I.1.a	Require managers to attend quarterly HRS forums and supervisors to attend at least once per year—The OC has approved and implemented this recommendation via the Human Capital Planning Board (HCPB).
Employment Incentives and Flexibilities	2010-PA-103 July 2010	Human Resources Services	I.2	Assign a point-person responsible for ensuring that members of the HCMFWG pass the group's information on to their respective managers—The HCPB has taken on this role effective March 2012.
Multi-Year Affirmative Action Employment Program Plan	2011-PA-106 August 2011	Human Resources Services	III	HRS should ensure appropriate controls are in place to protect personally identifiable information (PII), and that social security numbers are excluded from data provided to service units outside of HRS—HRS has reinforced controls to ensure that data provided outside of HRS does not contain PII.
Office of Opportunity, Inclusiveness, and Compliance (OIC)				
Follow-Up Review of the Office of Opportunity, Inclusiveness, and Compliance	2011-PA-106 June 2011	Office of Opportunity, Inclusiveness, and Compliance	II.2.a	OIC should complete the barrier identification and elimination process initiated with the MYAEPP by pinpointing barriers and determining causes—OIC and the HCMFWG collaborated to devise and implement an action plan for conducting barrier identification and elimination.

TABLE 4B: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION WAS COMPLETED DURING THIS PERIOD

| SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY OF RECOMMENDATION AND ACTION
Follow-Up Review of the Office of Opportunity, Inclusiveness, and Compliance	2011-PA-106 June 2011	Office of Opportunity, Inclusiveness, and Compliance	IV	OSO should seek commitment from the Librarian and other senior officials to include the OIC Director in senior-level discussions and decisions which involve workforce diversification issues—The OIC Director is included in senior-level discussions and decisions which involve Library workforce diversification issues.
Multi-Year Affirmative Action Employment Program Plan	2011-PA-106 August 2011	Office of Opportunity, Inclusiveness, and Compliance	I	OIC should strengthen its quality controls for assembling MYAEPP data as necessary and ensure that those controls are effectively applied when updating data and analyses for future plans—This is the first fiscal year of gathering data using the Monster application system. To ensure quality control, HRS verifies the Monster data by comparing the Monster reports to the NFC data and EmpowHR for Library employees.
Integrated Support Services (ISS)				
Federal Employees' Compensation Act Program	2008-PA-102 September 2008	Health Services Office	IV	Revise LCR 2018-5—Revised LCR 2018-5 was issued in November 2011 clarifying benefits available, deadlines for filing, and responsibilities of certain Library offices.
Retention of Federal Records	2009-PA-104 March 2010	Office Systems Services	I.a	Develop and implement policies and procedures that provide an organized means for Library organizations and employees to conform to federal records management requirements—LCR 1920 was issued in February 2012 to conform to federal records management requirements.
Library Services (LS)				
Rare Book and Special Collections Security	2008-PA-101 March 2009	Library Services	I.a	Develop and implement an automated system to track and account for new acquisitions and establish adequate segregation of duties—Records reflecting the books acquired and received by RBSCD will be annotated as received by the Acquisitions and Bibliographic Access directorate. RBSCD will designate a staff member, other than the curator, to assign a number to the item when it arrives at RBSCD. Books will then be listed and shelved in arrearage until retrieved by the Rare Book Cataloging team.
Surplus Books Program	2010-PA-106 September 2011	Library Services	I.a.1	Revise the guideline letter sent to interested organizations to ensure it clearly advises the reader of all eligibility requirements—SBP implemented a revised guidance letter in fall 2011.
Surplus Books Program	2010-PA-106 September 2011	Library Services	I.a.3	Include on the application wording that advises the participant that any fraudulent misrepresentations will be subject to prosecution under federal law—Implemented in fall 2011.
Surplus Books Program	2010-PA-106 September 2011	Library Services	I.a.4	Require selectors to complete all information on the registration form in a clearly written manner and require SBP staff to verify the registration form is complete and readable before permitting access to the participant—Procedure implemented fall 2011 requiring SBP staff to verify registration forms are legible and complete.
Surplus Books Program	2010-PA-106 September 2011	Library Services	I.b.1	Store Congressional franking labels in a locked and secure area—Congressional franking labels are now protected in a locked cabinet.

Implemented Recommendations

TABLE 4B: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION WAS COMPLETED DURING THIS PERIOD

Subject	Report No. Issue Date	Office	Rec. No.	Summary of Recommendation and Action
Library Services (LS) Continued				
Surplus Books Program	2010-PA-106 September 2011	Library Services	I.d.1	SBP management should continue to pursue the door lock and alarm repairs with the Architect of the Capitol (AOC)—AOC is now remodeling the SBP area, including replacing the broken door.
Surplus Books Program	2010-PA-106 September 2011	Library Services	II.b.1	SBP management should fully document SBP policies and operating procedures—SBP management has fully documented SBP policies and operating procedures in an operations manual.
Performance-Based Budgeting	2010-PA-107 January 2011	Library Services	I	Prepare future Annual Performance Budgets with format/terminology consistent with eLCplans—LS' eLCplans targets are now consistent with LS' performance budget targets.
Performance-Based Budgeting	2010-PA-107 January 2011	Library Services	II.1	Develop more outcome-related performance strategies and targets—With guidance provided by the Strategic Planning Office, LS rewrote as outcome related most strategies and targets in FY11.
NLS Requirements	2011-PA-104 October 2011	Library Services	II.1	Reevaluate projections of DTBM requirements—NLS reduced by almost 200,000 its projections of DTBM requirements and determined that the approximately 545,000 on hand would be adequate to meet demand through FY13.
NLS Requirements	2011-PA-104 October 2011	Library Services	II.2	Encourage all network regional libraries/Machine Lending Agencies (MLAs) to periodically review their patron records and remove inactive accounts—NLS encourages all MLAs to periodically review their patron records and remove inactive accounts. NLS incorporated this recommendation into the biennial consultant reports and cover letters.
NLS Requirements	2011-PA-104 October 2011	Library Services	III	NLS should amend its FY12 and 13 budget requests at least 15 percent each year by reducing the requested funding for duplicating new titles—NLS reduced FY12 and 13 budget requests as recommended.
Follow-Up Review of Not-on-Shelf Rate	2011-PA-107 May 2011	Library Services	II.1	Collections Access and Loan Management (CALM) should correct items, such as foreign materials, shown with incorrect location—CALM has implemented changes including training emphasis to identify and correct catalog location errors for foreign materials.
Follow-Up Review of Not-on-Shelf Rate	2011-PA-107 May 2011	Library Services	II.2	CALM should track whether there is a correlation between Not-on-Shelf items and cluttered deck shelving—Management has implemented alternative procedures.
Office of Strategic Initiatives (OSI)				
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	I.a.1	Conduct a comprehensive needs assessment of hardware, software, and IT equipment and ensure adequate infrastructure is in place to mirror and recover the Library's critical systems—The initial Continuity of IT Operations Readiness Assessment is completed. ITS found that the necessary resources were in place to support the Library's tier 1 and 2 systems.

TABLE 4B: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION WAS COMPLETED DURING THIS PERIOD

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY OF RECOMMENDATION AND ACTION
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	I.c.2	Coordinate with the service units to develop and conduct tests to verify that users can directly access and use the systems and data at the Alternate Computing Facility (ACF) from remote locations—ITS tested remote access to email during the scheduled power outage in October 2011. ITS also conducted a Momentum failover exercise last November and an eCO failover in February 2012. Additional testing will occur at the direction of the Library's COOP Working Group.
Data Center Power Outage Incident	2009-SP-102 December 2009	Information Technology Services	III.3	Continue to improve the readiness and functionality of the ACF data center—The two remaining findings/recommendations from the ACF audit have been fully implemented: 1) conducting a comprehensive needs assessment to implement the ACF; and 2) coordinating with service units to test using the ACF from remote locations.
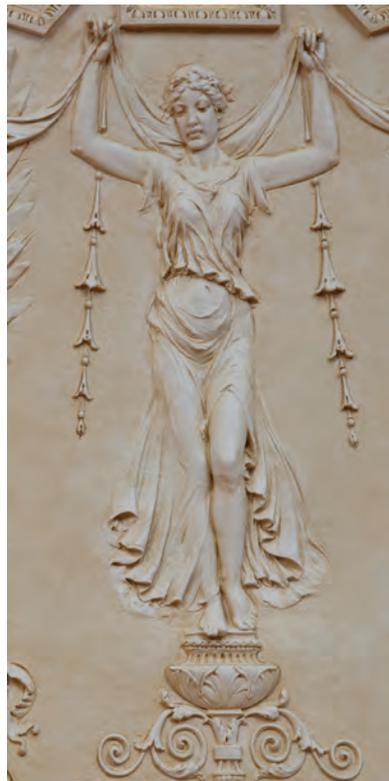
Above: Detail of a stuccoed Grecian girl by Albert Weinert from the dome of the Librarian's Ceremonial Office.

Photograph by Carol Highsmith

Funds Questioned or Put to Better Use

Table 5: Audits with Recommendations for Better Use of Funds

	Number of Audit Reports	Total Funds Put to Better Use
No management decision was made by the start of the period:	-	-
Issued during the period:	-	-
In need of management decision during the period:	-	-
Management decision made during the reporting period:		
Value of recommendations agreed to by management	1	$55,220[*]
Value of recommendations not agreed to by management	-	-
No management decision made by the end of the reporting period:		
Less than 6 months old:	-	-
More than 6 months old:		

Table 6: Audits with Questioned Costs

	Number of Audit Reports	Total Questioned Costs
No management decision made by the start of the period:	-	-
Issued during the period:	-	-
In need of management decision during the period:	-	-
Management decision made during the reporting period:		
Value of recommendations agreed to by management	-	-
Value of recommendations not agreed to by management	-	-
No management decision made by the end of the reporting period:		
Less than 6 months old:	1	$771,163[*]
More than 6 months old:	-	-

[*]Office of Strategic Initiatives, Information Technology Services: *Inadequate Contract Oversight Exposed the Library to Questionable Contractor Payments,* Audit Report No. 2011-PA-109, March 2012 (see page 19).

Instances Where Information or Assistance Requests Were Refused

No information or assistance requests were refused during this period.

Status of Recommendations Without Management Decisions

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

Significant Revised Management Decisions

During the reporting period there were no significant revised management decisions.
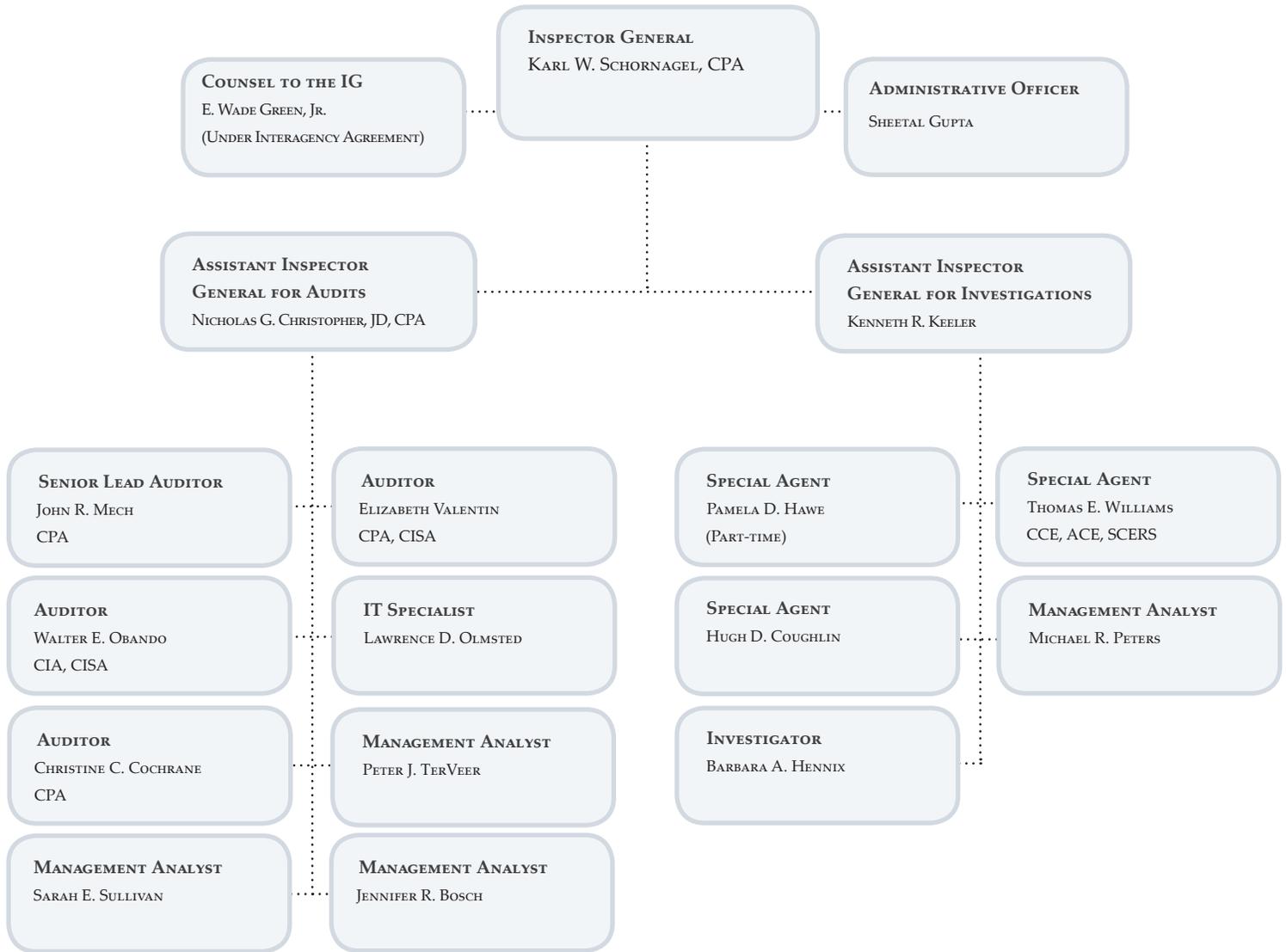
Significant Management Decisions With Which OIG Disagrees

During this reporting period there were no significant management decisions with which OIG disagreed.

Follow-up on Prior Period Recommendations

In this semiannual period, we followed up on all open recommendations from our prior semiannual period. Management's comments on the status of individual recommendations appear in table 4A. Recommendations management asserts it has implemented during the period appear in table 4B. In order to confirm that recommendations have been implemented as reported, we perform periodic follow-ups of selected projects to verify implementation; however, all assertions contained in table 4B are the representations of management.

Organizational Chart

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E. Wade Green, Jr.
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Barbara A. Hennix

Management Analyst
Sarah E. Sullivan

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Jennifer R. Bosch

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Any information you provide will be held in confidence.
However, providing your name and a means of communicating
with you may enhance our ability to investigate.

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