



Office of the Inspector General
Semiannual Report to Congress
March 2018



LIBRARY OF
CONGRESS



This edition of the Office of the Inspector General's Semiannual Report to Congress highlights Library of Congress collection materials related to pictorial maps. Maps and atlases have been an important part of the collections of the Library from its beginning when a congressional committee purchased three maps and an atlas from a London dealer. Currently, the Library has over 5.5 million maps in its collections. Instructive, amusing, colorful—pictorial maps have been used and admired since the first medieval cartographer put pen to paper depicting mountains and trees across countries, people and objects around margins, and sea monsters in oceans. The images in this report are holdings in the Geography and Map Division and included in the 2017 Library of Congress publication entitled, *Picturing America: the Golden Age of Pictorial Maps*, by Stephen J. Hornsby.

FRONT COVER: EDWIN B. OLSEN AND BLAKE E. CLARK, *MAP OF THE CITY OF WASHINGTON*, 1926, 71.2 x 92.9 cm. OLSEN, WHO LATER WORKED FOR SEVERAL LEADING ARCHITECTURAL FIRMS, DID MUCH OF THE DESIGN WORK ON THIS MAP, WHICH IS REFLECTED IN THE NUMEROUS DRAWINGS OF BUILDINGS.

REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

ABOVE: CHARLES R. PARSONS, *A CITY OF SAN FRANCISCO. BIRD'S EYE VIEW FROM THE BAY LOOKING SOUTH-WEST*, [CIRCA 1878].

LATE-NINETEENTH AND EARLY-TWENTIETH CENTURY BIRD'S-EYE VIEWS PROVIDED INSPIRATION TO PICTORIAL MAP MAKERS.

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March 30, 2018

MESSAGE FROM THE INSPECTOR GENERAL

Librarian Dr. Carla Hayden is currently guiding the Library of Congress through the creation of a new strategic plan. OIG first identified strategic planning and performance management-related issues as a top management challenge in our September 2011 Semiannual Report to Congress and in every such report since; OIG has issued other reports and given testimony on problems in this area since 2006.

During the relatively short period of time since her arrival, Dr. Hayden has initiated the development of a Library-wide strategic plan focused on the customer experience and supported by aligned service unit plans, among other positive steps that demonstrate a new commitment to strategic planning and performance management. In the top management challenges section of this report, we offer guidance that can be used to help the Library focus its continuing efforts to strengthen strategic planning and performance management. The top management challenges section also includes an update on the status of the Library's efforts to address its information technology infrastructure challenges. The Library has made good progress, but certain challenges remain.

During this semiannual period, we issued reports in several areas, including information technology, contracting, and financial management, including reports on the Library's purchase card program and on improper payments.

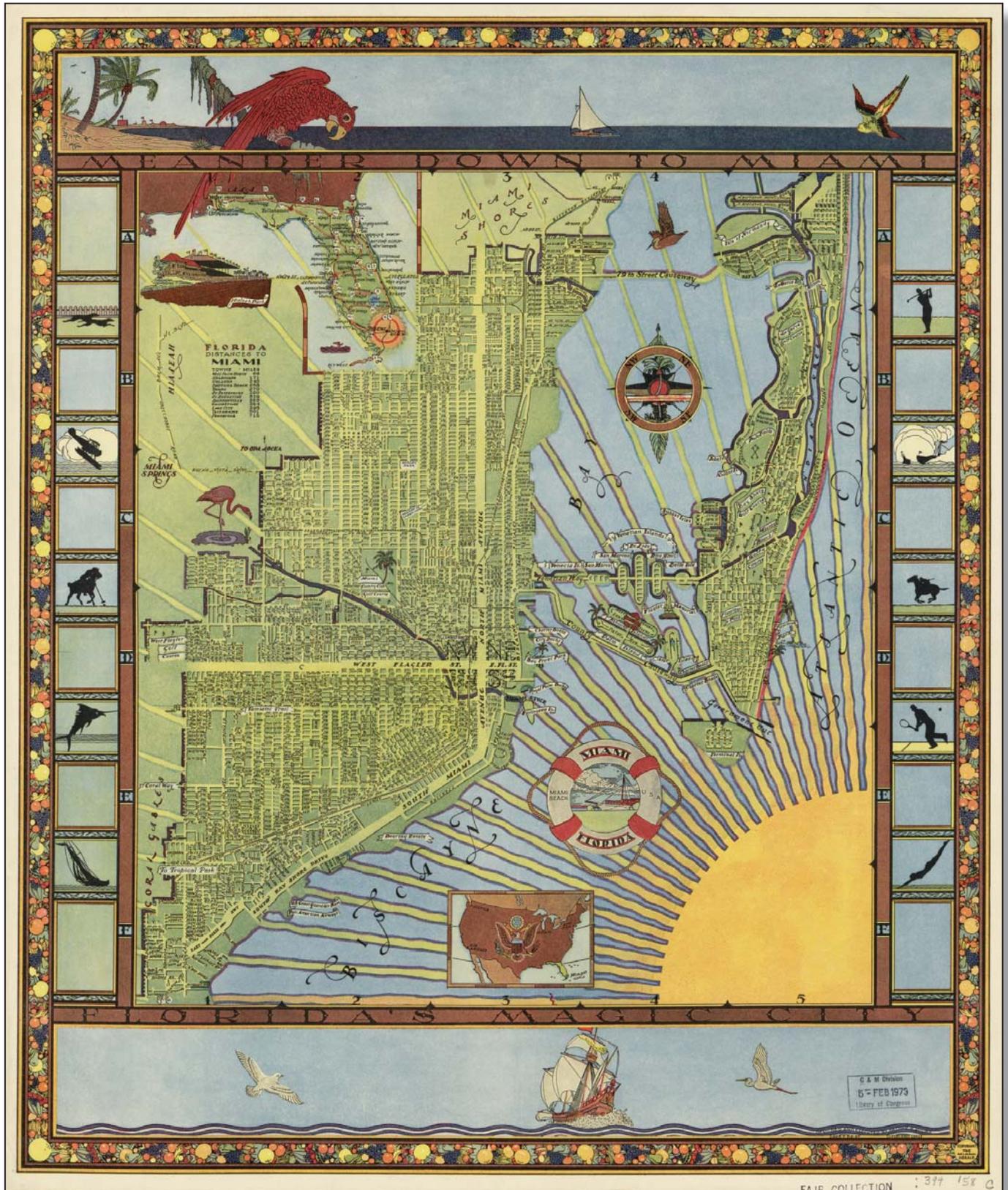
The Library implemented 21 of our recommendations from prior semiannual periods. Fourteen of the recommendations are not identified here because they were in reports that were not released publicly.

A handwritten signature in blue ink, appearing to read "Kurt W. Hyde".

Kurt W. Hyde
Inspector General

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ABOVE: ARTHUR B. SUCHY, *MIAMI, FLORIDA*, 1935, 57 x 48.2 cm. PUBLISHED BY THE *MIAMI HERALD* TO LURE TOURISTS TO "FLORIDA'S MAGIC CITY."
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 Library of Congress

PROFILES

LIBRARY OF CONGRESS

The Library is the research and information arm of the United States' national legislature and the world's largest storehouse of knowledge. The Library's mission is to provide Congress, the federal government, and the American people with a rich, diverse, and enduring source of knowledge that can be relied upon to inform, inspire, and engage them, and support their intellectual and creative endeavors. This mission is accomplished through the work of approximately 3,100 permanent employees.

Founded in 1800, the Library is also the nation's first federal cultural institution, holding more than 167 million physical items on approximately 838 miles of bookshelves. These items include books and other print materials, recordings, photographs, maps, sheet music, and manuscripts. 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, Illinois, and at the Packard Campus of the National Audio-Visual Conservation Center in Culpeper, Virginia.

The Library has eight primary components:

- The Office of the Librarian
- The Office of the Chief Operating Officer
- The Office of the Chief Information Officer
- Library Services
- The U.S. Copyright Office
- The Congressional Research Service
- The Law Library
- National & International Outreach

The Office of the Librarian provides leadership and executive management to the Library, overseeing the implementation of the Library's mission. It includes the Deputy Librarian, the Office of the Chief of Staff, the Office of the Chief Operating Officer, and the Office of the Chief Information Officer.

The Office of the Chief Operating Officer manages and administers the Library's infrastructure functions and daily operations, including oversight of Human Resources Services, the Office of the Chief Financial Officer, Contracts and Grants Management, Integrated Support Services, and Security and Emergency Preparedness.

The Office of the Chief Information Officer ensures that the Library’s information technology (IT) resources meet current and future mission requirements and operate effectively to serve Congress and the American people, while also providing IT services, security, and expert guidance on IT matters within the Library.

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 Audio-Visual Conservation Center and the American Folklife Center, among other programs.

The U.S. Copyright Office administers the nation’s copyright laws for the advancement of the public good; offers services and support to authors and users of creative works; and provides expert impartial assistance to Congress, the courts, and executive branch agencies on questions of copyright law and policy.

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

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

National & International Outreach manages and develops programs that have a national scope, such as the National Library Service for the Blind and Physically Handicapped; those that operate as cost recovery services; and those that foster access to the Library’s collections for research, teaching, and visitor education.¹

In fiscal year (FY) 2017, the Library

- drew nearly 1.9 million visitors to its Capitol Hill buildings;
- responded to more than 1 million reference requests from Congress, the public, and other federal agencies;
- circulated approximately 21 million copies of braille and recorded books and magazines to more than 470,000 blind and physically handicapped reader accounts; and
- registered over 450,000 copyright claims.

¹ The Librarian announced in April 2018 organizational changes that will reassign offices and programs within National & International Outreach to other parts of the Library, which will result in National & International Outreach being discontinued. The change will be phased-in starting May 2018.

OFFICE OF THE INSPECTOR GENERAL

The Library's Office of the Inspector General (OIG) was established in 1988 as a non-statutory office deriving its authority from the Librarian of Congress. OIG became statutory with the passage of the Library of Congress Inspector General Act of 2005 (2 U.S.C. § 185), with a mandate to

- independently conduct and supervise audits and investigations of fraud, waste, and abuse relating to the Library;
- lead, coordinate, and recommend policies to promote economy, efficiency, and effectiveness; and
- keep the Librarian of Congress and the Congress fully and currently informed about problems and deficiencies relating to the administration and operations of the Library.

The Inspector General is a member of the Council of the Inspectors General on Integrity and Efficiency, a unified council of all federal statutory Inspectors General. This semiannual report is part of OIG's statutory reporting requirements and presents information on

- the Library's top management challenges;
- significant audits, investigations, and other activities of the OIG;
- OIG's review of legislation and regulations affecting the Library; and
- Library decisions on OIG recommendations and the status of implementation, along with any resulting monetary benefits.

The Audits Division conducts in-depth reviews that address the efficiency, effectiveness, and economy of the Library's programs, activities, and functions; provides information to responsible parties to improve public accountability; facilitates oversight and decision-making; and initiates corrective action as needed.

The Audits Division also contracts with an independent accounting firm that examines whether financial statements fairly present financial positions, results of operations, and budgetary resources. The firm also assesses whether the Library and other entities have adequate financial reporting internal control systems that comply with applicable laws and regulations.

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

The Investigations Division addresses alleged or suspected wrongdoing by agency employees, contractors, or others responsible for handling federal resources. Violations of Library regulations or fraud committed against the Library can result in administrative sanctions and criminal or civil prosecution.

Contact information for the OIG Hotline is located on the inside back cover of this report.



ABOVE: ARTHUR B. SUCHY, CAYO HUESO KEY WEST, FLORIDA, 1938, 54.5 x 75.7 cm.
 REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

TOP MANAGEMENT CHALLENGES

This section summarizes activities taken by the Library to address its top management challenges, as identified by OIG. The Library has five ongoing top management challenges:

- **Strategic Planning and Performance Management.** Many of the Library's management challenges over the years have flowed from a historic lack of proper strategic planning and performance management.
- **Collections Storage.** The Library has historically acquired materials faster than they can be processed, made accessible, and safely stored.
- **Digital Strategic Planning and Execution.** A more strategic approach to digital services and collections is necessary because of the pace of digital innovation and the need for the Library to act on many fronts to execute a timely digital transformation.
- **Information Technology (IT) Infrastructure.** The absence of an IT strategic vision resulted in substandard accountability for IT investments, poor IT governance, and an absence of IT best practices.
- **Contracting.** An area of long-standing challenge, the Library needs to prioritize the importance of an effective organization-wide procurement function.

OIG selects certain top challenges to evaluate, assesses the Library's activities to address them, and presents findings in our semiannual report. For this semiannual period ending in March 2018, we focused on: (1) strategic planning and performance management and (2) information technology infrastructure. In addition to the summaries provided below, OIG will issue reports that provide more detailed information on the results of our evaluations. Conducting more formal assessments of progress made is in line with the direction provided by the Chairman of the Committee on House Administration, who stated that he wanted the Library to address and resolve the top management challenges identified by OIG. OIG plans to evaluate the collections storage top management challenge in our September 2018 semiannual report.

STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

OIG has identified the strategic planning and performance management area as a top management challenge since our September 2011 Semiannual Report to Congress. We believe that many of the Library's management challenges over the years have flowed from a historic lack of proper strategic planning and performance management. More recently, especially with Dr. Hayden's arrival, this area has improved. OIG commended the Library in our September 2015 Semiannual Report for engaging a special consultant to address its strategic planning and performance management issues; the Librarian has since hired the consultant to serve as Director of the Office of Strategic Planning and Performance Management (SPPM) and elevated the office to report directly to her.

The Librarian tasked SPPM with strengthening strategic, directional, and operational planning. Further, as noted in the Inspector General's testimony before the Committee on House Administration, the Library has taken steps to improve the delivery of information technology services, a vital link for a successful strategic plan.² The Library hired its first professional Chief Information Officer (CIO) and the Librarian elevated the CIO position to report directly to her. This gave the CIO position recognition as a Library-wide strategic and operational partner.



ABOVE: MIGUEL COVARRUBIAS, *PAGEANT OF THE PACIFIC*; *THE FAUNA AND FLORA OF THE PACIFIC*, 1939, 53.9 x 83 cm. THE RENOWNED MEXICAN ARTIST PRODUCED SIX *PAGEANT OF THE PACIFIC* MURALS FOR THE GOLDEN GATE INTERNATIONAL EXPOSITION IN SAN FRANCISCO IN 1939. *THE FAUNA AND FLORA OF THE PACIFIC* WAS THE MOST COLORFUL OF THE SERIES AND DEMONSTRATED THE VALUE OF PICTORIAL MAPPING OF THE NATURAL WORLD FOR A POPULAR AUDIENCE.

REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

² *Oversight of the Library of Congress' Information Technology Management*, testimony of Inspector General Kurt W. Hyde, June 8, 2017.



ABOVE: ALICE YORK AND ILONKA KARASZ, *A CHILD'S MAP OF THE ANCIENT WORLD*, 1926, 58.8 x 80.2 cm. VIVID COLORS, BORDERS THAT PROVIDE INFORMATION, AND FIGURES AND ANIMALS RANGING ACROSS THE ANCIENT WORLD MAKE THIS ONE OF THE MOST STRIKING PICTORIAL MAPS OF THE ERA. REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

Under the Librarian's leadership, high-level executives are also discussing the status of high priority annual performance goals (APGs) at monthly Executive Committee meetings, something that had not been happening previously. SPPM told OIG that the practice facilitates communication among executives responsible for APGs that cut across their services units. With the launch of Envisioning 2025, an initiative to inform the development of a new five-year strategic plan, the Librarian has also directed SPPM to develop a Library-wide strategic plan supported by aligned service unit plans.

In preparation for this Semiannual Report, OIG conducted an evaluation of the Library's strategic planning and performance management activities; the report will be issued over the next semiannual period. As part of the evaluation, we identified practices that can be utilized by the Library to further strengthen its strategic planning and performance management. We intend to refer to these practices in future OIG evaluations and Semiannual Reports that address this area.

OIG believes that the Library's strategic planning and performance management processes are thus far being revamped appropriately to conform to the spirit of the Government Performance and Results Act of 1993 (GPRA).³ As a legislative branch agency, the Library is exempt from GPRA, but has historically held itself to the spirit of GPRA. Congress has expressed its expectation that this would be the case. OIG has issued several reports relevant to the Library's implementation of the GPRA, including the implementation of performance-based budgeting,^{4,5} development of credible performance data,⁶ and implementation of other GPRA-related principles.⁷

However, it will take the Library years to successfully develop and implement a more robust strategic planning framework, one that includes goals with specific and aggressive outcomes that can be used to evaluate performance using verifiable performance metrics. An enormous amount of quality data will have to be collected, analyzed, and reported as part of this process. Finally, a clear roadmap for accomplishing this major change will be needed.

OIG identified six practices that would help the Library focus its continuing efforts to strengthen its strategic planning and performance management activities:

- Improve the Library's focus on customers/users;
- Implement a planning and performance culture at the executive level;
- Create a strategic plan that meets federal government standards;
- Create a better human capital linkage to strategic planning and performance management;
- Link budgetary resources to expected performance results; and
- Manage risk across the Library's service units when planning and conducting performance management.

For the purpose of this semiannual report, our comments will elaborate on the first four practices and summarize the last two practices.

Improve the Library's focus on customer/users – OIG has stated previously that the Library needs to prioritize identifying and addressing the needs of customers as part of strengthening its strategic planning and performance management.⁸ The Library has no current, comprehensive data on customers' needs, feedback, and experience and has no strategy to collect such data on an on-going basis; some data has been collected in the past, but they need to be updated. Identifying the needs of customers is necessary for the Library to properly structure its current and future strategic plans

³ Government Performance and Results Act of 1993. Pub. L. 103-62, 107 Stat. 285 (1993).

⁴ *Performance-Based Budgeting at the Library: A Good Start, but Much Work Remains*, 2004-FN-502, October 2006.

⁵ *Performance-Based Budgeting: Working Toward the Spirit of GPRA - Library Services: Commendable Progress with Room for Improvement*, 2010-PA-107, January 2011.

⁶ *Managing in the Spirit of GPRA: Developing Credible Performance Data is the Next Step*, 2009-PA-104, March 2010.

⁷ *Working Toward the Spirit of the Government Performance and Results Modernization Act*, 2013-PA-101, March 2013.

⁸ *OIG Semiannual Report to Congress*, March 2017.

and, ultimately, define and achieve its intended user experience. The Library needs to know how its services look and feel from its customers' perspectives, whether they are members of Congress, customers of the Copyright Office, or academic researchers delving into the Library's collection materials.

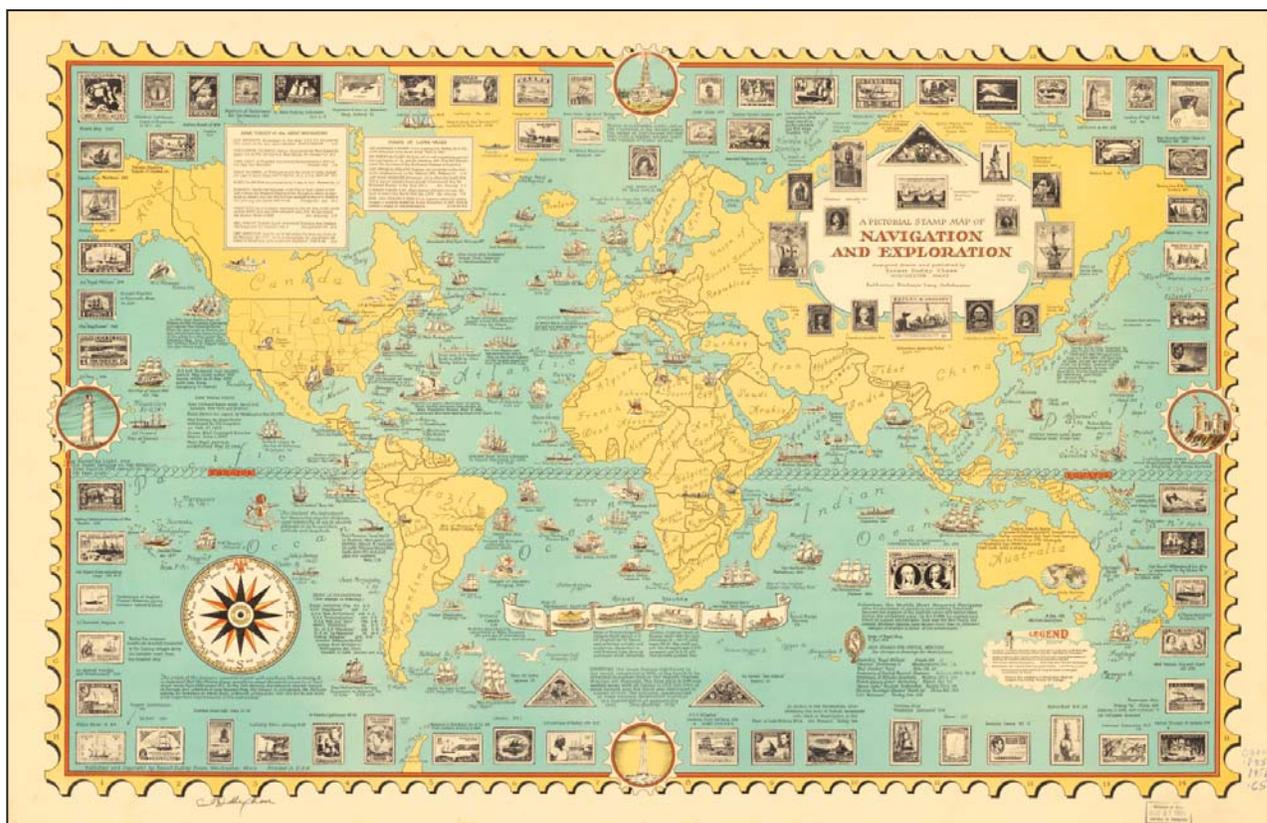
To develop a strategy for the collection of user data, the Library may need, in the short term, to utilize contractor services and then, over the longer term, to grow its in-house capability to collect, assess, and respond to user data. An effective strategy would identify the Library's needs for collecting, assessing, and responding to user data, such as the personnel, IT, and other needs. Further, the strategy would lay out the critical path of how and when the Library intends to operationalize its data collection. The Library would also integrate these activities into its strategic planning and performance management framework; this would help the Library measure performance and identify adjustments needed to improve customer services and related service unit performance.

Implement a planning and performance culture at the executive level— Effective strategic planning and performance management requires committed leadership at the topmost executive levels. As stated earlier, the Librarian has already demonstrated a commitment to planning, performance, and accountability, such as by implementing the practice of discussing high priority cross-Library goals at Executive Committee (EC) meetings, something OIG identified as being needed. In April 2015, OIG issued a report on the eDeposit program (eDeposit), a digital collections initiative implemented in 2010 that involved five service units. The audit highlighted the importance of leaders staying involved and focusing on accountability. OIG reviewed more than nine years of EC meeting agendas and minutes regarding eDeposit, and other related projects, and found only one occasion in which the EC performed monitoring activities. OIG could not determine whether progress had met management's expectations after five years of progress because Library leadership had not established quantifiable expectations related to cost, performance, and project completion. This demonstrated the need for a stronger planning and performance culture at the executive level.⁹

The Library needs to determine how to make top executives more accountable for planning and performance, such as by setting expectations that make executives responsible for achieving strategic goals. To help ensure effective implementation of a new culture, the Library should also consider taking other steps, such as instituting an oversight process that incorporates planning, performance management, and reporting processes into significant decision-making; holding executives accountable for performance variances; and analyzing and correcting performance shortfalls on a real-time basis.

⁹ *The Library Needs to Determine an eDeposit and eCollections Strategy*, 2014-PA-101, April 2015.

Create a strategic plan that meets federal government standards – After the previous Librarian retired, the Library’s then-Acting Librarian issued the current strategic plan. It was known as a “living” strategic plan because the plan was intended to guide the Library during a time of leadership transition and be revised once a new Librarian arrived. With Dr. Hayden now in place, the Library has the opportunity to use the strategic planning effort to implement results-oriented management at the Library.



ABOVE: ERNEST DUDLEY CHASE, *A PICTORIAL STAMP MAP OF NAVIGATION AND EXPLORATION*, 1951, 52 x 82 cm. CHASE COMBINES THE HISTORY OF WORLD NAVIGATION AND EXPLORATION WITH COMMEMORATIVE STAMPS ILLUSTRATING EXPLORERS AND VESSELS. AS BEFITS SUCH A MAP, THE MARINER’S COMPASS IS ACCURATELY DEPICTED.

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As noted earlier, the Librarian has made initial progress in making the Library more results-oriented. To ensure continued progress, the Library should look to practices considered to be standards for results-oriented management in the federal government, as identified by Government Accountability Office (GAO) in its analysis of federal government strategic plans¹⁰ and OIG in our previous analyses of the Library’s strategic planning and performance management activities:

- Planning elements should be linked;
- Strategic goals should be results-oriented to the extent feasible;
- Strategies explaining how long-term strategic goals will be achieved should be fully developed;

¹⁰ *Critical Issues for Improving Federal Agencies’ Strategic Plans*, GAO/GGD-97-180, September 1997.

- The capacity to gather performance information to identify appropriate goals and assess performance should be developed; and
- Evaluations should be utilized.

The Library hired management consultant Deloitte in December 2017 and Deloitte initiated the first phase of its work to assist the Library with creating a new strategic plan. In the second phase, because the Library does not have sufficient expertise in this area, the Library will need help to develop an implementation plan to guide, for example, the Library's service units in effecting the changes required to enact the central strategic plan and meet its goals. Using the implementation plan's guidance, service units are to develop directional plans to facilitate the execution of the Library's central strategic plan. SPPM told OIG that requiring service units to complete directional plans was new; although some service units have created similar plans in the past, all service units have not been required to do so. Based on OIG's evaluation, the Library's intention to develop an implementation plan and directional plans is in line with federal government standards for strategic plans. OIG also believes that obtaining contracted expertise to develop the strategic plan and the implementation plan was needed, but that the Library should also determine how to develop its human capital capacity to execute a quality strategic planning and performance management system, as discussed in the next section.

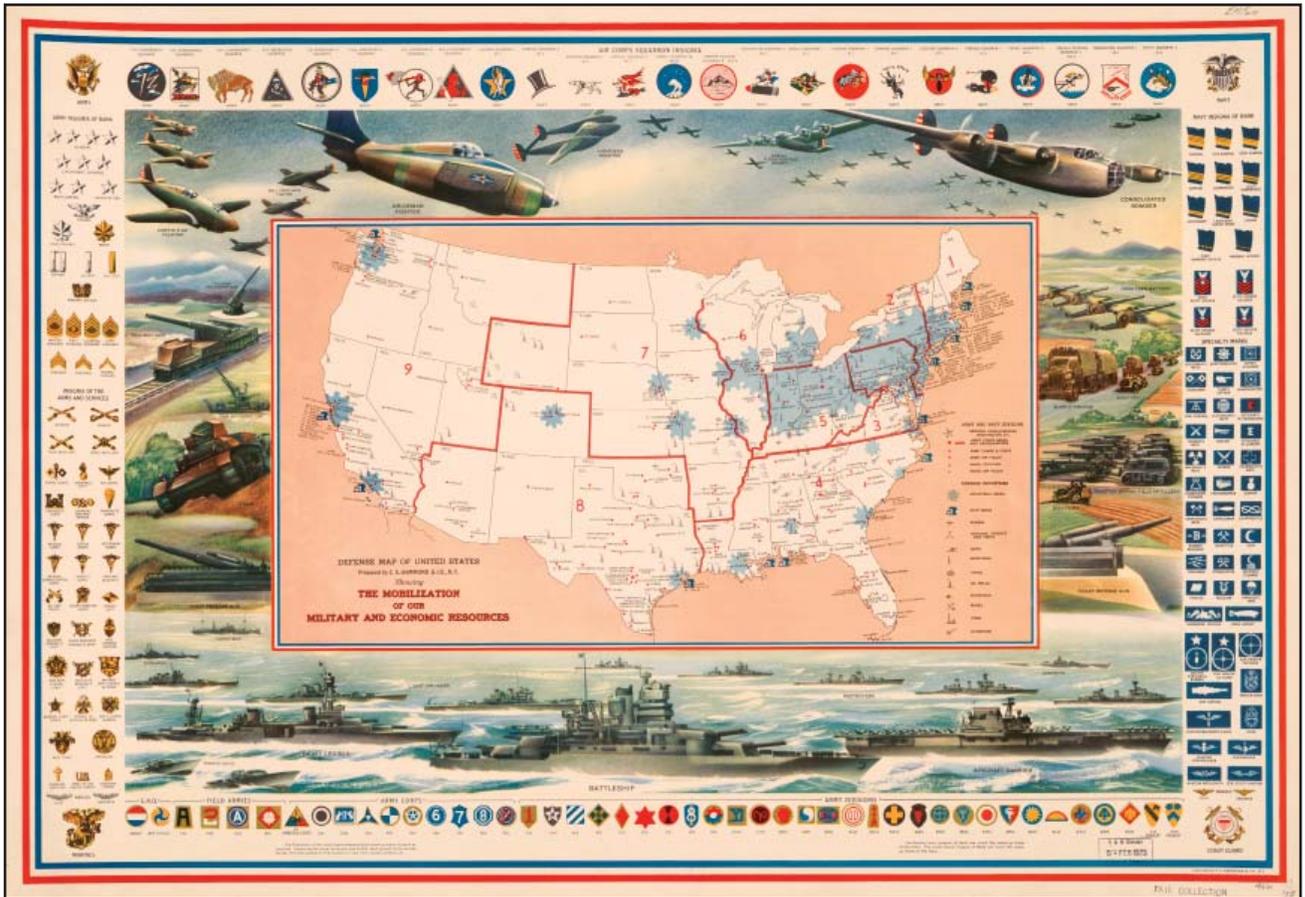
Create a better human capital linkage to strategic planning and performance management – Good managers understand that many forces—both inside and outside their organizations—can influence their ability to achieve goals and that successful organizations monitor their internal and external environments continuously and systematically. Organizations that do this have shown an ability to anticipate future challenges, make adjustments to potential problems, and prevent them from becoming crises.

To attain the highest level of performance and accountability, federal agencies depend on three enablers: people, process, and technology. All three are important, but the people dimension is the most critical internal resource. We believe that the successful implementation of stronger strategic planning and performance management at the Library will principally depend on the efficiency and effectiveness of the Library's workforce, especially since payroll costs are approximately 65% of the Library's costs overall.¹¹ Accordingly, the Library should determine how Human Resources Services (HRS) office can help to strengthen strategic planning and performance management, such as by conducting a human capital analysis to identify what skills are needed organization-wide among the Library's executives, in its service units, etc. This would enable HRS to assess where the Library has human capital skill gaps and develop a plan to hire and train personnel to address the gaps. The Library also has an opportunity to build its planning capabilities by leveraging the expertise of its contractors supporting the strategic planning work and capitalizing on the knowledge transfer requirement included in their contract; SPPM can use this time to strengthen its strategic planning

¹¹ According to the Library's Fiscal 2019 Budget Justification, payroll-related costs are approximately 65% of total costs under the Library's FY 2018 operating plan.

capability and develop the skills and expertise needed to transition to performing an in-house consultative role.

Link budgetary resources to expected performance results – Adopting performance budgeting and linking budget needs to the performance planning process would help the Library achieve better results. OIG recognizes that this would take years to refine, but this approach would

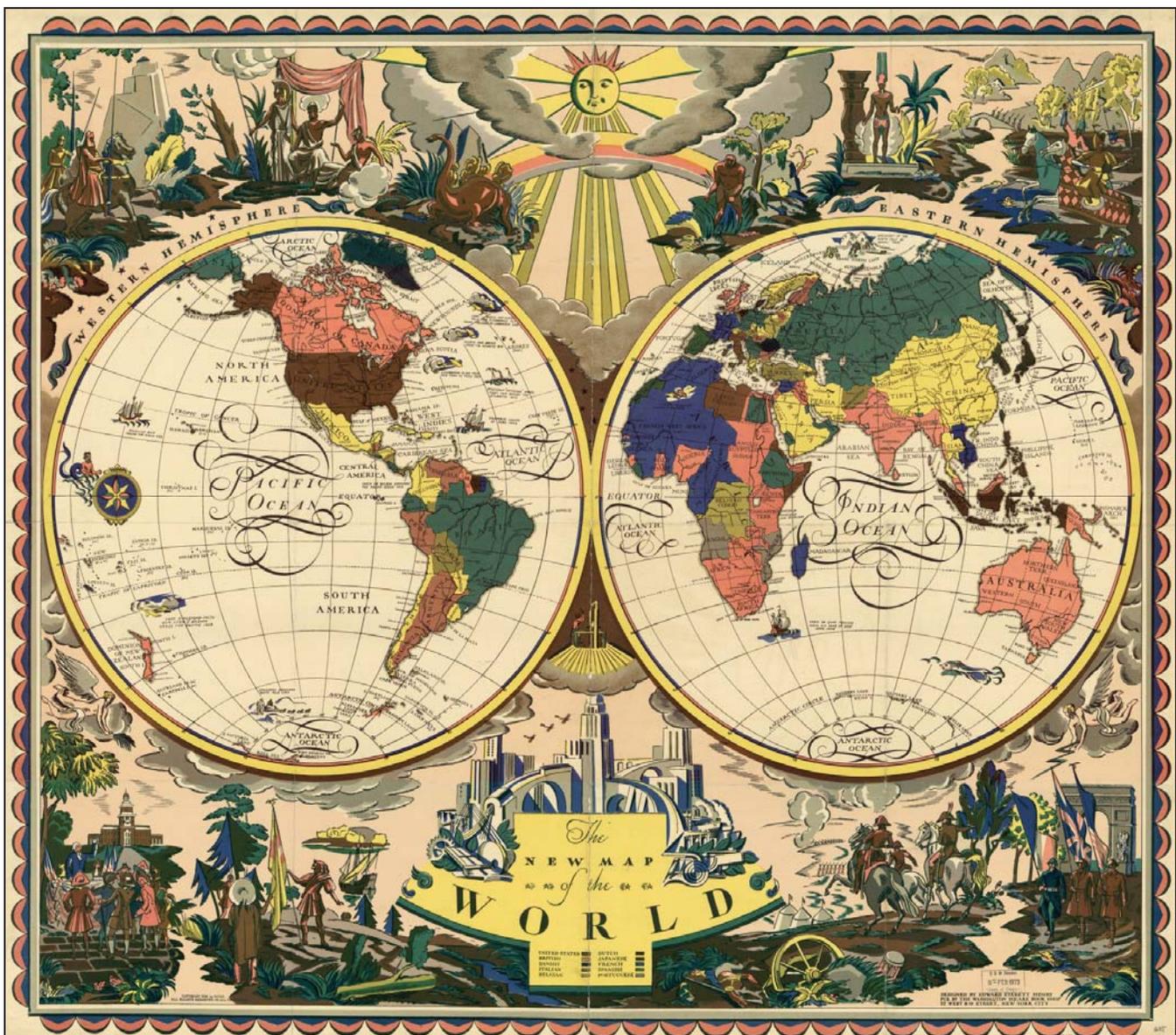


ABOVE: C.S HAMMOND & COMPANY, *DEFENSE MAP OF THE UNITED STATES*, [CIRCA 1940], 53.6 x 78.8 cm. THE *DEFENSE MAP* SHOWS THE MOBILIZATION OF AMERICA'S MILITARY AND INDUSTRIAL MIGHT IN PREPARATION FOR WAR.

REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

ultimately provide great insight into programmatic-like areas that may warrant further cost-benefit analysis. Congress enacted GPRA to improve the effectiveness, efficiency, and accountability of federal programs by having agencies focus their management practices on results. With regard to spending decisions, GPRA aims for a closer and clearer linkage between resources and results. Closer and clearer association between expected performance and budgetary requests can more explicitly inform budget discussions and shift the focus to achieving results. As the Library becomes more results-oriented, it may become necessary to fundamentally alter activities so that they more effectively and efficiently produce services needed by users.

Manage risk across the Library's service units when planning and conducting performance management – OIG learned from SPPM that the Library determined in 2016 that it needed to redesign its internal control program into an enterprise risk management (ERM) program to align with Office of Management and Budget Circular No. A-123. Since then, SPPM has developed, piloted, and launched a new Library-wide risk and internal controls approach. Although the Library is years away from having a fully mature ERM, the approach aligns with APGs and key business processes; includes the identification and assessment of risks and the development of responses to the risks, which are incorporated into risk management plans; incorporates the monitoring of risks and risk responses on an ongoing basis; and involves ongoing reporting of risks, risk responses, and corrective actions. OIG noted that the risks will need to be reexamined after the Library completes its new strategic plan, directional plans, and APGs.



ABOVE: EDWARD EVERETT HENRY, *THE NEW MAP OF THE WORLD*, 1928, 80.2 x 91.6 cm. SHOWS THE INFLUENCE OF ART-DECO, PARTICULARLY THE RADIANT SUN AND SKYSCRAPER CITY.

REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

INFORMATION TECHNOLOGY INFRASTRUCTURE

To address the Library's ongoing top management challenge for developing and implementing a modern IT infrastructure, OIG has initiated a series of evaluations to report on the Library's progress. We will conduct our evaluations on an ongoing basis focusing on the status of development activities, the adequacy of development plans, and the associated transparency provided by the Office of the Chief Information Officer (OCIO).

The key to the Library successfully developing a modern IT infrastructure is for OCIO to use a strategic approach to improving its IT governance, establishing accountability for IT investments, implementing a well-designed and functioning primary computing facility, and employing IT best practices. In order for OCIO to be successful in this approach, an essential element involves establishing short-, mid-, and long-term goals for the IT infrastructure development. A well-designed development plan also provides OCIO with an effective format for conveying what progress has been made to Library management and informing key stakeholders, such as Congress, about the resources needed and the level of effort required to accomplish the desired result. Maintaining vital stakeholder and congressional support will depend on OCIO effectively communicating development progress along with encountered impediments and other risks.

OIG believes that it is essential to establish a baseline from which we will measure OCIO's progress going forward. To establish an effective baseline we need to identify accomplishments made to date along with critical elements required for successfully moving forward toward a defined modern IT infrastructure. Progress will not occur with the delivery of random and unconnected tasks. Movement towards a modern and efficient IT infrastructure can only occur when planning links required tasks along a pathway that progresses logically and orderly through interfaces that act as stepping stones to the next layer of infrastructure. The plotting of the plan's pathway from initiation of the development to completion and delivery is in actuality the project's critical path. The delivery of OCIO's project plan comprised of a defined critical path, work breakdown structures (i.e., a parceling of development activities into smaller activities to enable accountability and status updates), goals and milestones, along with performance measurements will provide accountability for overcoming this top management challenge. This will also identify the key performers, thereby establishing the basis for performance management while providing stakeholders and Library leadership with the necessary accountability to assess OCIO's progress going forward.

Baseline Key Initiatives

We have identified six key initiatives that will demonstrate important progress by OCIO toward a modern IT infrastructure and are vital foundational elements in its development. We have included in our baseline the current state of those initiatives. They include OCIO's remediating a significant number of open OIG and GAO's audit recommendations; implementing an IT Strategic Plan; issuing the IT Program Modernization Plan; centralizing the Library's IT function in OCIO; upgrading the authority and span of control of the Project Management Office; and initiating Technology Business Management as OCIO's business analysis and cost accounting methodology.

Our baseline includes the following status for each initiative:

Remediating Open Audit Recommendations – OCIO advises us that it has remediated over 60 recommendations in the period of March 2017–February 2018. OCIO has demonstrated a focused effort on remediating fundamental policy and operational weaknesses. These improvements largely affect the ability of the Library to plan, track, and execute on investment projects. During the same period, OCIO implemented nine of 31 remediation activities reported by GAO’s report *Strong Leadership Needed to Address Serious IT Management Weaknesses*, March 31, 2015. Additionally, OCIO closed 58 of OIG’s 74 non-public recommendations.

Implementing an IT Strategic Plan – OCIO created and implemented an IT Strategic Plan spanning 2016–2020. Specific IT strategic goals include: (1) providing strategic direction and leadership; (2) improving IT investment management; (3) delivering business-driven capabilities; and (4) strengthening protection for systems and information.

Issuing the IT Program Modernization Plan – OCIO intended for the recently released IT Program Modernization Plan (Modernization Plan) to serve as a roadmap for achieving the goals set forth in the Library’s 2016–2020 IT Strategic Plan. It presents 15 key projects, initiatives, and activities underway or planned for fiscal years 2018–2020 classified under one of the four IT strategic goals in the Library’s IT Strategic Plan. OCIO has advised us that it will use the Modernization Plan as its project plan for OIG tracking and reporting for this top management challenge.

Centralizing of the Library’s IT Function in OCIO – One of the most significant accomplishments of recent years was the consolidation of IT responsibilities into OCIO. For the first time, IT supervisory personnel report to a central office instead of individual service units, setting the stage for a more coordinated and consistent approach to addressing IT issues. An example of one of the most important roles is the information system security officer (ISSO). With ISSOs now residing in OCIO’s IT Security Directorate the expected results include improved system security plans for new and enhanced business applications, higher quality continuous monitoring, and better assessments of the risks and vulnerabilities confronting each business application. Centralizing this important security function will allow for pooling of resources, thereby reducing the gaps and overlaps of skills that occurred under the prior, more dispersed, organizational model.

Project Management Office – OCIO created a centralized IT Project Management Office (PMO), broadened the scope of project reporting to include IT projects Library-wide, and implemented a uniform system development methodology

for the Library. The PMO now manages the Library's large and medium IT projects throughout the project management life cycle. Additionally, OCIO conducted a review of all IT projects in process across all service units, providing a baseline for the management and oversight of ongoing IT initiatives throughout the Library.

Initiating Technology Business Management (TBM) – OCIO took its first steps toward initiating TBM, a comprehensive approach to categorizing, collecting, and analyzing IT cost data, in FY 2018. We agree that TBM is a good model to use because it serves as a vital step toward developing an effective IT cost accounting methodology. TBM is essential to improving IT investment decision making, analyzing period costs, and maximizing return on all IT expenditures. When fully implemented, TBM will provide Library management with the capability to improve financial analysis for IT investment planning, system development performance, system period performance, operating performance by functional area, and system rationalization.

An essential ingredient for achieving a modern IT Infrastructure, integrating TBM throughout the Library, will not be easy. Successful implementation will require a major financial management commitment, including a partnership with the Office of the Chief Financial Officer (OCFO) and HRS, to ensure a sustained culture is implemented and compliance from all service units expending funds on IT. Anything less than OCFO's full partnership in the development of TBM will diminish its chances of succeeding and result in a ripple effect that will undermine the Library's management of IT.

Gaps in the Modernization Plan and Baseline

Although we believe OCIO and the CIO have made progress towards improving IT operations and movement towards a modern and efficient IT infrastructure, we also feel they have not adequately articulated their plans and vision to that end. Over the course of developing a modern IT infrastructure, OCIO must address gaps in the Modernization Plan and in other initiatives that are part of the current baseline. As currently structured, the Modernization Plan lacks important categories of details necessary for it to be useful in understanding how its 15 key projects, initiatives, and activities develop, interact, and progress to deliver a modern IT infrastructure. The addition of a description of a critical path for developing the key modernization projects, details of the specific activities, the time needed to complete each activity, and the dependencies between activities are essential for assessing development progress. The Modernization Plan does not present expected deliverables nor does it explain, in general terms, how they will be accomplished. The Modernization Plan does not describe the dependencies between the various activities resulting in the appearance that each activity is an isolated task instead of part of a larger, integrated IT infrastructure.

The Modernization Plan does not present work breakdown structures that apportion projects into smaller, more manageable sections (i.e., work packages) so that a project manager and stakeholder can assess what costs and resources are required. The Modernization Plan would be more useful if it included cost estimates for individual initiatives and for the modernization effort as a whole. In addition to the absence of cost information, the current Modernization Plan does not identify the risks involved, describe how OCIO will address those risks, or include consideration of the Library's tolerance for risk.

We believe that the CIO must enhance his communication with service unit heads and their management teams by implementing a well thought out communication plan and disseminating it to the EC. This communication plan should leverage our recommended format of a strategically designed plan that provides a roadmap to follow OCIO's progress along with the recommended project management elements and the vision of what OCIO should accomplish in the short-, mid-, and long-term.

The Library must establish a reliable system of accountability for development resources. Reliable information about costs is critical for evaluating progress on individual targets and milestones. Accurate and reliable cost accounting data is needed for effective project management. Such data allows management to project the resources required to accomplish a particular task, as well as evaluate any variances, and develop necessary steps to remedy variances. The Library is in the infancy of developing cost accounting, required organizational frameworks, and data to establish its approach to IT cost accounting. Because cost accounting is a necessary tool for evaluating progress and demonstrating accountability in the execution of detailed project plans, the implementation of a valid and reliable cost accounting system is a prerequisite for effective IT investment planning and for capital planning and investment control. Poor cost accounting data will inhibit effective decision-making, increasing the risk of cost overruns or reductions in project scope due to unexpected limitations on capital resources. OCFO and HRS will need to be leading partners in this effort.

OCIO must also factor risk into the development process. The documentation and assessment of the impact of identified risks should include consideration of the Library's tolerance for risk. Throughout the development of a modern IT Infrastructure, the CIO and OCIO should identify, evaluate, and document the sources and level of risk for each area of development. Developing a risk management plan and associated risk mitigations are key factors for responding to target/milestone variances, minimizing delays and financial losses, and reducing exposure to project failure.

Finally, one of the areas largely ignored in the past has been the harvesting of customer data. OCIO and the Library in general do not have adequate customer data to assess customer expectations, needs, or requirements. In order to measure and improve their delivery of services, the Library and OCIO must develop a strategy for collecting, analyzing, responding to, and storing customer data. GAO research has shown that

to be successful, IT organizations should measure (which requires obtaining good customer data) the satisfaction of their users and take steps to improve it. GAO's survey of IT customers found five factors leading to dissatisfaction with IT: lack of transparency, poor quality of service, inconsistent implementation of IT management processes, inconsistent communication, and use of outdated technology. These factors provide ground floor issues requiring focus and follow-up by OCIO in its customer data analysis.¹²

RIGHT: RAY D. HANDY, PAUL BUNYAN'S PICTORIAL MAP OF THE UNITED STATES DEPICTING SOME OF HIS DEEDS AND EXPLOITS, 1935, 47.6 x 72.8 cm. HANDY DESIGNED THIS MAP OF THE LEGENDARY HERO FOR CLASSROOMS AND CHILDREN'S BEDROOMS. PAUL'S BLUE OX SERVES AS THE CENTER OF THE COMPASS ROSE. REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS



In summary, OCIO must give special attention going forward to transforming the Modernization Plan into a more thorough vehicle for informing stakeholders and Library senior management about the full details of its plans for developing a modern IT infrastructure. Without attention to the items we have discussed, the OCIO will struggle to obtain the credibility needed to convincingly convey OCIO's progress in implementing the Modernization Plan and progressing towards a modern IT Infrastructure or provide support for its funding requirements.

In discussions with OCIO about our concerns, they have responded by taking the initiative to assign a Senior Program Manager to develop a project plan and related documentation that will ensure coordination and full communication of the components of IT modernization at the Library. During the next semiannual period, OCIO will deliver the project plan and commence reporting periodically to management and stakeholders the status of OCIO's IT infrastructure modernization efforts. OIG will continue following OCIO's efforts to address and resolve this top management challenge and report on its progress going forward.

¹² Library of Congress, *Strong Leadership Needed to Address Serious Information Technology Management Weaknesses*, GAO-15-315, March 2014.

AUDITS, SURVEYS, AND REVIEWS

FY 2017 AUDIT OF THE LIBRARY OF CONGRESS MOMENTUM CLOUD GENERAL SYSTEM AND APPLICATION CONTROLS

AUDIT REPORT No. 2017-FN-102

NOVEMBER 2017

OIG contracted with the independent public accounting firm of Kearney & Company (Kearney) to perform an audit of the Library's FY 2017 financial statements and to provide a report on the effectiveness of general and application controls for the Library's Momentum Cloud and related Momentum support systems (Momentum). The contract required that Kearney perform the audit in accordance with Generally Accepted Government Auditing standards; the GAO's Financial Audit Manual; GAO's Federal Information Systems Controls Audit Manual; National Institute of Standards and Technology Special Publication 800-53, Recommended Security Controls for Federal Information Systems; the Computer Security Act of 1987; and Library Information Technology Security Standards.

Kearney's audit did not identify any material weaknesses or significant deficiencies for Momentum.¹³ During its audit, Kearney identified and conveyed to Library management certain control weaknesses it did not deem significant. Kearney described those weaknesses in the report, which was not issued for public release because of the sensitive nature of the information contained in the report.

AUDIT OF MOMENTUM UPGRADE TESTING

AUDIT REPORT No. 2017-FN-104

NOVEMBER 2017

As part of the Library's FY 2017 financial statement audit, OIG contracted with Kearney to assess the effectiveness of controls related to the upgrade of Momentum and its support systems. More specifically, Kearney designed tests of the major upgrade of Momentum to assess for significant effects to various financial, acquisition, and reporting processes, modules, and other applications. The goal of Kearney's testing was to assess new audit risks introduced by the Momentum upgrade and determine whether additional control verifications were needed to assess and report on residual risks to the financial statement's accuracy due to the upgrade.

¹³A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Library's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

Kearney did not identify any exceptions to the Momentum upgrade and noted minimal modifications to workflow, roles, and administrative functionality. Kearney described test results in a report, which was not issued for public release.

LIBRARY MANAGEMENT NEEDS TO EXERCISE STRONGER OVERSIGHT OF THE LIBRARY GIFT SHOP'S PARTICIPATION IN THE PURCHASE CARD PROGRAM

INTERIM REPORT No. 2015-PA-102

JANUARY 2018

OIG initiated the audit to determine whether the Library's internal controls over its purchase card program were appropriately designed and the controls were effectively working. In the course of conducting the audit, OIG determined that OCIO needed to strengthen the purchase card program's internal control environment. OIG issued an interim report on that topic in March 2017.

As part of our continuing audit, OIG identified problems involving the Library gift shop's participation in the purchase card program that warranted the issuance of another interim report in January 2018. OIG determined that the gift shop needed to stop using smaller purchases to circumvent the purchase card program's single-transaction limits (i.e., split purchases), a practice prohibited by the Federal Acquisition Regulation and Library policy; strengthen its independent receipt and acceptance practices, activities that prevent and detect fraudulent, improper, and abusive transactions; and uphold internal controls for the proper functioning of the obligation reconciliation process, which helps to ensure that purchases are appropriate and legitimate. For the three-month period under review, OIG identified split purchases involving nine transactions representing approximately \$22,000 in purchases or about 14 percent of the gift shop's purchases for the period; eight instances that lacked evidence of independent receipt and acceptance representing approximately \$17,000 in purchases or about 10 percent of purchases for the period; and approximately 36 percent of the gift shop's reconciliations were performed improperly representing about \$23,800 or about 14 percent of the gift shop's transactions for the period. Given the audit's findings, OIG made recommendations for the Library to strengthen its oversight of the gift shop's involvement in the purchase card program, such as by monitoring the gift shop's involvement in the program more closely and holding gift shop personnel accountable for upholding program requirements.

Library management agreed with all of the findings and recommendations in the report. It should be noted that before the issuance of the report Library management started to implement corrective actions.

INCREMENTAL IMPROVEMENT HAS BEEN MADE TO MODERNIZE THE OFFICE OF CONTRACTS AND GRANTS MANAGEMENT

REPORT No. 2016-PA-101

FEBRUARY 2018

OIG engaged an IPA to conduct a performance audit of the Library's procurement function. The objective of the performance audit was to evaluate the actions taken by Library management to remedy deficiencies identified in OIG Special Report No. 2011-SP-106, *Ongoing Weaknesses in the Acquisition Function Require a Senior Management Solution*, March 2012. At that time, the audit found long-standing systemic breakdowns throughout the management of the procurement function. It reported 51 recommendations in three areas (management of the contracting function, technical issues, and customer service and communication) and resulted in a hearing before the Committee on House Administration, Subcommittee on Oversight, U.S. House of Representatives.

During the current follow-up audit, the IPA identified several areas in which Library management made progress. However, OIG concluded that only incremental progress occurred. OIG reported that in light of the incremental progress, Library management still needed to take further steps to attain the full benefits of a truly modernized procurement operation. OIG determined that the procurement function continues to pose ongoing systemic risks to Library programs and its mission. Those risks exist because Library management had difficulty implementing a strategic, integrated, and agency-wide vision for the procurement function; lacked a sustainable workforce plan; needed improvements in the management of procurement data; and did not track progress in remedying original audit findings to ensure successful results. In summary, to permanently remedy the long-standing systemic breakdowns identified in the original audit, agency leadership needed to develop a strategic plan for the procurement function that promoted integration and coordination among the agency's human capital, procurement, and financial management functions.

In all, the IPA made 20 recommendations for long-term improvement to the procurement function. As a result of the audit findings, the OIG recommended that the Librarian require the Chief Operating Officer (COO) to articulate a strategic, integrated, and agency-wide vision for the procurement function where it holds managers accountable for their assigned roles for improving the procurement process. This vision should define short-, mid-, and long-term goals. As part of the plan, the COO should also place a priority on diminishing average vacancy terms, reducing attrition, emphasizing position longevity, installing critical quality assurance and control processes, and implementing an effective contract file filing system. In developing the procurement strategic plan, the COO should collaborate with other key stakeholders to define strategic goals and obtain Librarian and EC buy-in.

Library management agreed with all of the findings and recommendations in the report. It should be noted that before the issuance of the report Library management started to implement corrective actions.

LIMITED NUMBER OF IMPROPER PAYMENTS FOUND DURING NINE-MONTH PERIOD

REPORT No. 2017-SP-101

MARCH 2018

OIG initiated the evaluation to review a nine-month period, October 1, 2016, through June 30, 2017, for split purchase card payments, duplicate payments, and payments to employees and contractors with a conflict of interest. OIG assessed approximately \$149 million in accounts payable expenditures, including purchase card transactions, and identified a limited number of infractions that equaled about \$48,000. OIG identified seven split purchases involving 17 purchase card transactions totaling approximately \$35,000, no duplicate payments, and four separate purchase card transactions totaling about \$5,800 that did not have sufficient documentation for determining whether payments were properly made, making them improper payments. Given the results of OIG's interim audit report on the Library gift shop's involvement in the purchase card program, OIG concluded that the gift shop's transaction data was unreliable and therefore wasn't reviewed as part of the evaluation.

Library management agreed with all of the findings and recommendations in the report. It should be noted that before the issuance of the report Library management started to implement corrective actions.

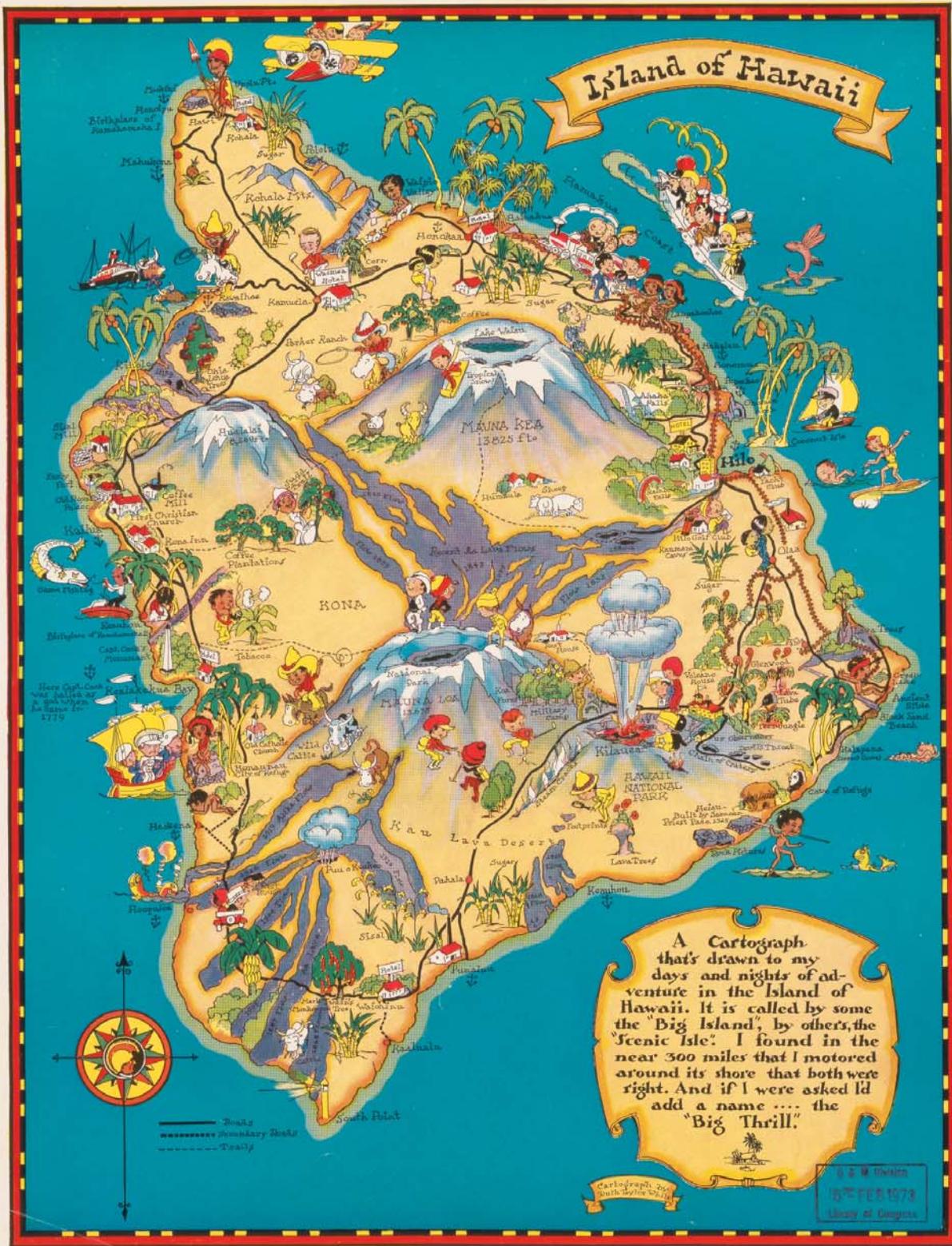
AUDIT OF SELECTED NLSBPH CONTRACTS AND TASK ORDERS

REPORT No. 2017-SP-104

MARCH 2018

OIG, through an engagement with an IPA, conducted a series of audits of the Library's contracts and task orders. For the first of a series of reports on this engagement, OIG selected four contracts and three task orders from the National Library Service for the Blind and Physically Handicapped (NLSBPH) for review. The engagement objective required the IPA to evaluate NLSBPH's compliance with the Library of Congress Federal Acquisition Regulation Supplement (LCFARS), which provides guidance for the solicitation, award, administration, and closeout of Library contracts. The IPA conducted the audit in accordance with generally accepted government auditing standards.

The IPA's audit determined that for the four contracts and three task orders audited, NLSBPH complied with Library policies and procedures in all areas examined resulting in a no exception report.



FAIR COLLECTION

OTHER OIG AUDIT ACTIVITIES

There was no additional audit activities during this reporting period.

REVIEW OF LEGISLATION AND REGULATIONS

There were no review activities during this reporting period.



ABOVE: DON J. EMERY, *A MAP OF FLORIDA FOR GARDEN LOVERS*, 1934, 56.4 x 62.4 cm. EMERY'S ART-DECO INSPIRED PICTORIAL MAP CAPTURES THE VIBRANT COLORS OF THE STATE'S BIRDS AND FLOWERS AND THE DEEP BLUE OF THE GULF OF MEXICO.

REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

OPPOSITE: RUTH TAYLOR WHITE, *ISLAND OF HAWAII*, 1941, 26.5 x 20.3 cm. ISSUED BY THE HAWAII TOURIST BUREAU, EMPLOYS A LIGHT-HEARTED GRAPHIC STYLE TO DEPICT THE NATURAL WONDERS OF THE ISLAND.

REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

INVESTIGATIONS

As shown in table 1, during this reporting period, OIG issued eight investigative reports and one referral. We opened three investigations, closed nine, and forwarded two to Library management for administrative action. No complaints were opened, closed, or converted to investigations. With regard to our hotline program, we received sixty-six hotline communications. Twenty-seven hotline communications were referred to management. Two hotlines were converted to investigations.

TABLE 1: INVESTIGATIVE DATA¹⁴

ACTIVITY	TOTAL
Investigative Reports Issued (selectively summarized below) ¹⁵	8
Referrals to the Department of Justice	1
Referrals to State and Local Authorities	0
Indictments/Criminal Informations Resulting from Prior Referral to Prosecuting Authorities	0
Investigations Opened	3
Investigations Closed	9
Investigations Forwarded to Library Management for Administrative Action	2
Complaints Opened	0
Complaints Closed	0
Complaints Converted to Investigations	0
Hotline Communications Converted to Investigations	2
Hotline Communications Received	66
Hotline Referrals to Management	27

EMPLOYEE MISCONDUCT, MISUSE OF GOVERNMENT TRAVEL CARD

As reported in our March 2017 Semiannual Report, OIG received a referral from the Library travel office concerning the possible misuse of an employee's official travel card. The investigation determined that there were numerous unauthorized cash withdrawals from the card totaling approximately \$4,000. The employee also gave conflicting statements to OIG investigators and local law enforcement. The employee entered into a settlement agreement with the Library, whereby the employee agreed to serve a five-workday suspension over a six month period.

¹⁴Data in this table were compiled from a review of the Office of Investigation's database and files.

¹⁵Seven reports were issued, two of which were forwarded to Library management.

EMPLOYEE MISCONDUCT, MISUSE OF A LIBRARY COMPUTER AND MOBILE PHONE

As reported in our September 2017 Semiannual Report, OIG received information concerning an employee who was possibly misusing their Library-issued computer and mobile phone. OIG conducted an investigation and determined that the employee misused the computer to visit inappropriate Internet sites and the mobile phone to place personal calls. When interviewed, the employee admitted that they spent a considerable amount of time engaging in non-work related activities while on duty. During the OIG investigation, the employee retired, and the case was closed without action.

ALLEGED FALSE BILLING BY LIBRARY VENDOR

OIG closed an investigation into the billing practices of a Library vendor. The investigation revealed a significant number of instances where the vendor billed the Library for labor-hours charged that were not supported by timesheets. It was also determined that the vendor billed the Library for a level of expertise it did not provide. The vendor entered into a settlement agreement with the U.S. Attorney's Office for the District of Columbia in the amount of \$93,676.42 for overbilling on task orders.

EMPLOYEE MISCONDUCT, TIME AND ATTENDANCE IRREGULARITIES

The OIG Hotline received notification that a Library employee was leaving work to engage in personal activities without taking adequate leave. OIG reviewed leave and other records and, when presented with the evidence, the employee admitted to leaving work daily for personal activities over the past year without taking appropriate leave. An investigative report was issued and referred to Library management for action.

OTHER INVESTIGATIVE ACTIVITY

There was no additional investigational activity during this reporting period.

INVESTIGATIONS INVOLVING A SENIOR GOVERNMENT EMPLOYEE WHERE ALLEGATIONS OF MISCONDUCT WERE SUBSTANTIATED

There were no such investigations during this reporting period.

INSTANCES OF WHISTLEBLOWER RETALIATION

There were no instances of whistleblower retaliation during this reporting period.

CLOSED, UNDISCLOSED INVESTIGATIONS INVOLVING SENIOR LEVEL EMPLOYEES

There were no such investigations during this reporting period.



ABOVE: J. SCHEUERLE, *RECREATIONAL MAP OF GLACIER NATIONAL PARK*, [CIRCA 1941], 45.5 x 80.3 cm. THE MAP PRESENTS AN IDYLIC PICTURE OF OUTDOOR LIFE IN THE ROCKIES, COMPLETE WITH SNOWSHOEING MOUNTAIN GOATS, HIKING BEARS, AND DANCING INDIANS.
 REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

OPPOSITE: J. SCHEUERLE, *VACATIONS FOR ALL*, [CIRCA 1941], 45.5 x 80.3 cm. A TOURIST BROCHURE [REVERSE SIDE OF THE MAP SHOWN ABOVE] COMMISSIONED BY THE GREAT NORTHERN RAILWAY'S PUBLICITY DEPARTMENT.
 REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

UNIMPLEMENTED RECOMMENDATIONS¹⁶

We obtained comments from Library management on the status of all open recommendations. OIG summarized the comments provided for recommendation made in our publicly released reports and placed them in tables 2A and 2B. The assertions made in tables 2A and 2B are the representations of Library management and not of the OIG. OIG periodically performs follow-up audits to verify implementation.

TABLE 2A: 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 / Development Office				
The Library's Controls for Three Gift Funds	2016-PA-102 January 2018	Development Office	3	Report summary: OIG examined whether the Library's internal controls for three gift funds were designed, implemented, and working effectively. The Development Office should update its procedures manual to include a requirement for timely and periodic reconciliations of Raiser's Edge and Momentum data on donations, and then adhere to it—The Development Office is working with the Office of the Chief Financial Officer (OCFO) and Office of the General Counsel (OGC) to update the Library's financial policies and procedures regarding receipt, administration, and oversight of gifts and grants. The estimated completion date is the fourth quarter of fiscal year (FY) 2018.
The Library's Controls for Three Gift Funds	2016-PA-102 January 2018	Development Office	4	The Development Office, in consultation with OCFO and OGC as appropriate, should update its procedures manual to include guidance on how to handle a donor's request to change a grant agreement's terms and conditions, and then adhere to it. The guidance should address how and by whom the request would be reviewed and how it would be memorialized, such as in a new grant agreement and/or in Raiser's Edge— Changes to gifts or grant agreement terms and conditions must be in writing and authorized by the Librarian or delegated official. The Development Office is working with OCFO and OGC to update the Library's financial policies and procedures regarding oversight of gifts and grants and clarify the processes for amendments. The estimated completion date is the fourth quarter of FY 2018.
The Library's Controls for Three Gift Funds	2016-PA-102 January 2018	Development Office	5	The Development Office, in consultation with OCFO and OGC as appropriate, should develop a systematic approach to assigning gift requirement responsibilities to stakeholders, update its procedures manual to include guidance on how to implement the approach, and then adhere to it. As part of the approach, assignments should be made soon after a grant agreement has been established, such as at an orientation meeting among stakeholders— The Development Office is working with OCFO and OGC to update the Library's financial policies and procedures regarding receipt, administration, and oversight of gifts and grants. The estimated completion date is the fourth quarter of FY 2018.

¹⁶These status updates are management assertions and have not been audited.

TABLE 2A: 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
The Library's Controls for Three Gift Funds	2016-PA-102 January 2018	Development Office	6	The Development Office, in consultation with OCFO and OGC as appropriate, should develop a systematic approach to monitoring stakeholders' compliance with gift requirements, update its procedures manual to include guidance on how to implement the approach, and then adhere to it. As part of the approach, compliance should be tracked using an electronic database. The Library should also consider whether OCFO and/or OGC should perform general oversight on a periodic basis considering the risks associated with noncompliance—The Development Office tracks gifts and grants to the Library of Congress in Raiser's Edge, a separate fundraising database. Pursuant to updates of the Library's policies on gift and grant oversight, the Development Office will coordinate with OCFO to reconcile the information in Raiser's Edge with information in the Library's financial management system to ensure compliance with relevant milestones, monitoring of terms and conditions, and successful completion of gift purposes and grant projects. The estimated completion date is the fourth quarter of FY 2018.
Office of the Librarian / Office of the Chief Information Officer				
Maturity of System Development Life Cycle Processes and Procedures	2013-IT-105 February 2015	Office of the Chief Information Officer	4	<p>Report summary: OIG evaluated the Library's System Development Life Cycle methodology for acquiring, designing, implementing, and maintaining information technology (IT) systems.</p> <p>Establish a budget methodology to track project development costs and measure variances against approved costs—On March 15, the Project Management Office released a new version of its Project Access reporting tool to allow project managers to enter planned project hours for each allocated staff member by month. These resource allocation estimates will serve as a baseline for all approved FY 2018 projects and will be compared to actual project hours when actual hours are available. Office of the Chief Information Officer (OCIO) management is continuing to work with the Library's Workforce Management office to obtain agreement with the Labor Unions to collect actuals from staff. The estimated completion date is the third quarter of FY 2018.</p>
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	IV.1.B	<p>Report summary: OIG reviewed the Library's internal controls for tracking IT investments.</p> <p>Provide training and awareness of the IT Steering Committee (ITSC) oversight process for mid- and senior-level managers across the Library (all services units)—The Information Technology Investment Management (ITIM) Library of Congress Regulation (LCR) that describes the oversight role of the ITSC was signed by the Librarian in June 2017. The ITIM Portfolio Office (ITIMPO) has also conducted training for mid- and senior-level resource and project managers. ITIMPO continues to provide ITIM process training, such as at ITSC and Web Governance Board meetings. Following the promulgation of the ITIM LCR, process training was added to the agenda at the fall 2017 IT Collaborative Forum. OIG is currently reviewing evidence provided by the Library and considering this recommendation for closure.</p>

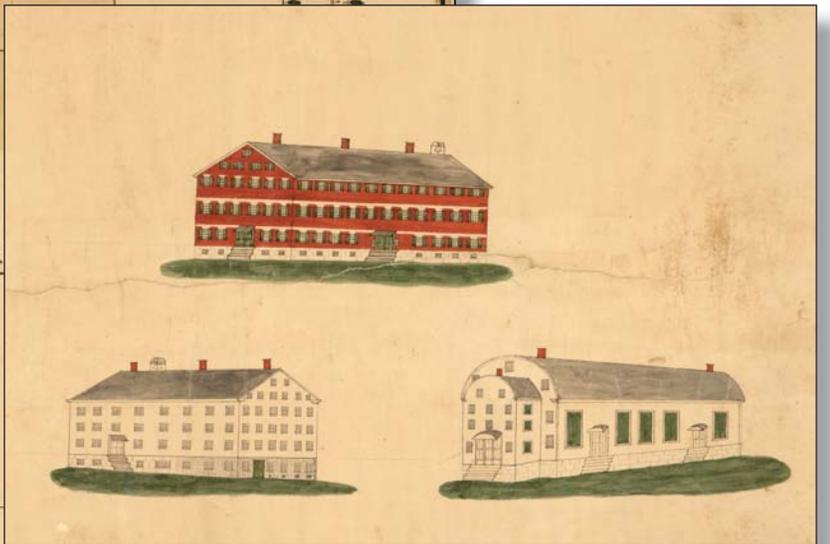
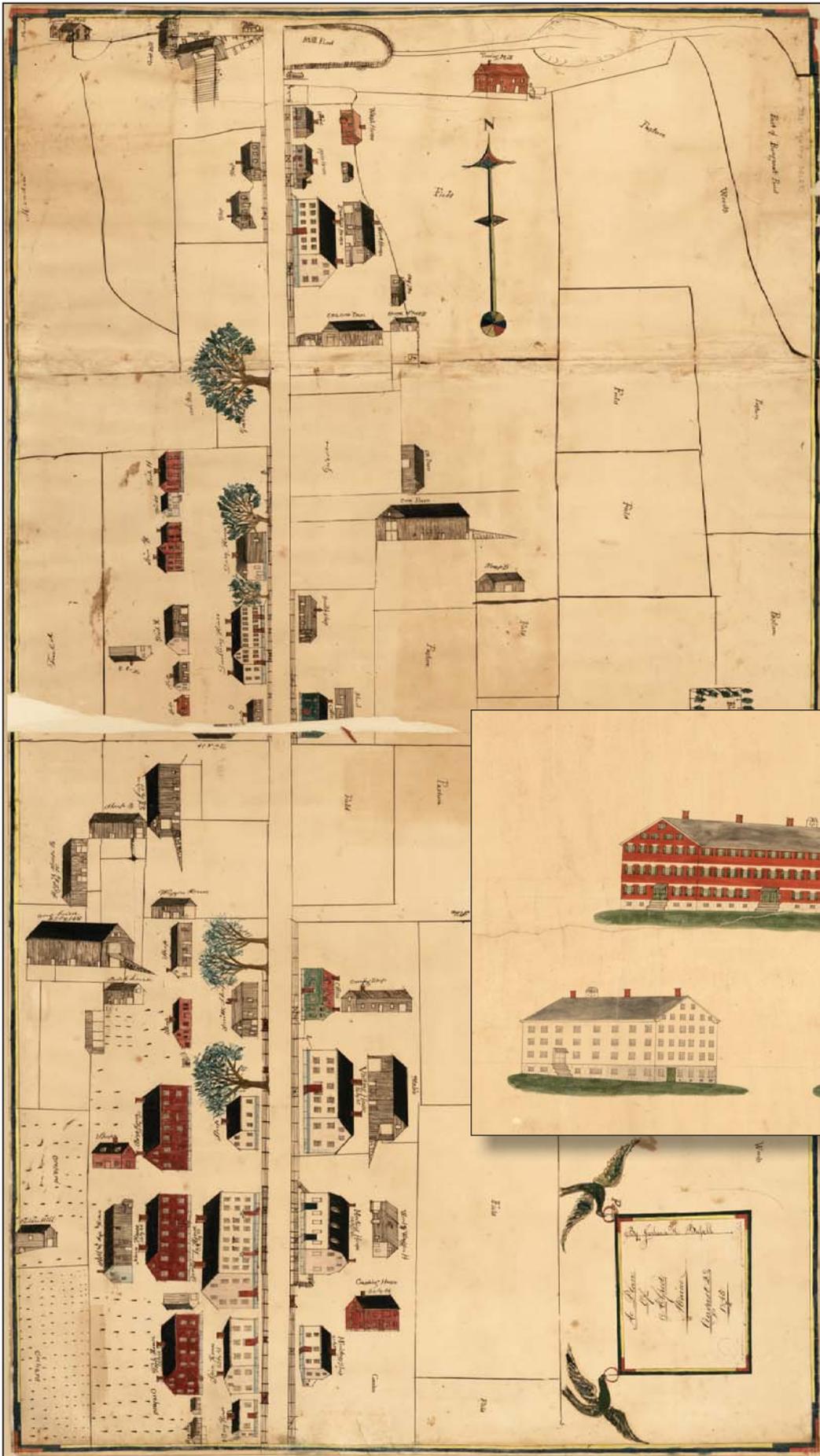
UNIMPLEMENTED RECOMMENDATIONS

TABLE 2A: 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
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.1.A	Align current cost development processes for IT investments to coincide with requirements for OMB reporting, such as the use of an earned value management system to track costs on high-risk projects, as discussed in Capital Programming Guide, V.3.0, Supplement To OMB Circular A-11: Planning, Budgeting, and Acquisition of Capital Assets—ITIM planning for FY 2019 has begun, leveraging and building upon the cost development processes implemented for FY 2018 planning. Primary system reporting of actual IT expenditures against the plan has begun as part of FY 2018 plan execution reporting. Issues as they are identified will be investigated and appropriate corrective actions will be taken. This reporting will provide a baseline. The estimated completion date is the fourth quarter of FY 2019.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.1.B	Implementation of these practices may require procedural changes used by the service units for reporting expenditures and systemic modifications to Momentum and the budget system (Clarity) that are used for tracking costs—From October 2017 to March 2018, the primary IT investment management focus was to consistently capture the total planned FY 2018 non-personnel agency investment spending at a sufficient level of granularity to allow for detailed monitoring and tracking through OCFO’s Library of Congress Budget System (LCBS) and Momentum, the Library’s financial management system. The FY 2018 IT Investment Plan was approved by the Librarian in February 2018. In anticipation of syncing the approved FY 2018 IT Investment Plan with data in LCBS, OCFO and OCIO will issue a joint call to the ITSC to ensure LCBS spending data recorded for the full fiscal year reconciles with the approved IT Investment Plan. The reconciled spending data captured in LCBS, anticipated to be completed by the end of March, will then allow subsequent monitoring of IT investments within Momentum. The estimated completion date is the fourth quarter of FY 2018.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.2.A	Use primary source documentation throughout the ITSC process. Part of the ITSC package should include financial system information, budgetary information, acquisition system information, as well as performance monitoring information—The ITIMPO has begun to generate reports from the budget system of actual FY 2018 IT expenditures across the Library. These reports will be used to track actual spending against planned spending for ITIM reporting purposes and to allow the phase out of self-reporting on non-personnel resources. OIG is currently reviewing evidence provided by the Library and considering this recommendation for closure.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	V.2.C	Institute better tracking of IT investments through changes in the Momentum and Clarity financial systems—See the status update provided for recommendation V.1.B of 2014-IT-101. The estimated completion date is the fourth quarter of FY 2018.

OPPOSITE [RIGHT]: JOSHUA H. BUSSELL, *CA PLAN OF ALFRED, MAINE*, 1845, 55 x 99 cm. BUSSELL’S MAP SHOWS BUILDINGS PICTORIALLY, ORIENTED WITH NORTH TO THE RIGHT. [IMAGE HAS BEEN ORIENTED TO REFLECT NORTH TO THE TOP FOR THIS REPORT.]
REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

OPPOSITE [INSET DETAIL]: JOSHUA H. BUSSELL, *CA PLAN OF ALFRED, MAINE*, 1845. ACCOMPANYING BUSSELL’S MAP, THIS DRAWING SHOWS THREE SHAKER BUILDINGS, ANNOTATED, PROBABLY INCORRECTLY, IN PENCIL IN LOWER MARGIN AS: 1) HANCOCK MASS. ; 2) MT. LEBANON, SOUTH FAMILY, NY. ; 3) MT. LEBANON, NY., SHAKER MEETING HOUSE.
REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS



UNIMPLEMENTED RECOMMENDATIONS

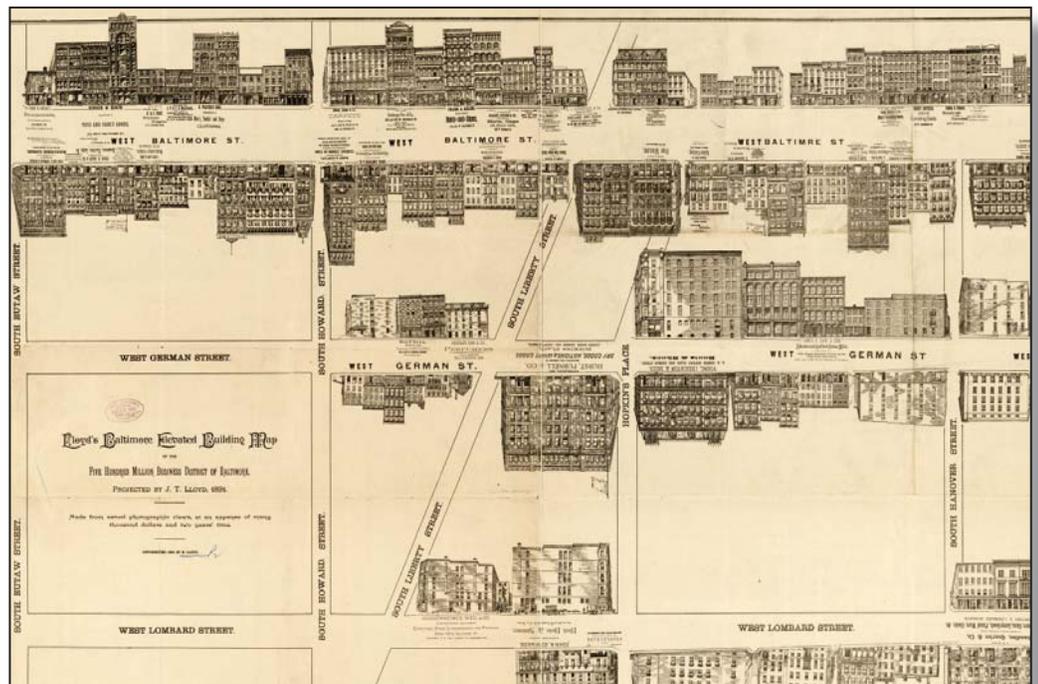
TABLE 2A: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY AND STATUS OF RECOMMENDATION
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VII.1.A	<p>The Chief of Staff should implement a continuous improvement program within the Executive Committee and ITSC to identify opportunities for process improvement in the areas of cost accounting, performance management, and all areas of the ITSC—The Library has been continually improving the processes associated with cost accounting, performance management, and all areas of the ITSC. As discussed in previous status statements, costs for IT investments are now estimated by OCIO to ensure a level of consistency in estimating techniques. OCIO is leading the implementation of a technology business management (TBM) model at the Library, which is intended to put metrics in place to improve performance management and decision-making. For the FY 2019 ITIM process, Enterprise Architecture data will be better integrated with the business proposals and IT investments, thus improving the linkage between business needs and IT investments as well as highlighting possibilities for consolidation or sharing efforts. The estimated completion date is the third quarter of FY 2018.</p>
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library-wide	2	<p>Report summary: OIG evaluated the Library’s efforts to ingest and make available for use electronic works (born-digital content).</p> <p>Recommendation: The Librarian should require the Architecture Review Board (ARB) to: ensure that the eCollections Strategy and related activities are sufficiently addressed in the Enterprise Architecture’s current or “as-is” environment, the target or “to-be” environment, and the roadmap leading from the “as-is” to the “to-be” environment; sufficiently address and reduce the risk of implementing duplicative, poorly integrated, and unnecessarily costly eCollection activities; and sufficiently address the need for “robust security” to prevent “loss, alteration, and unauthorized access” of eCollections items—Processes are being established. First, the Cyclical Enterprise Architecture (EA) Development process requires the current state to be documented/validated and that a future state, linked to business outcomes, be planned. A transition plan for moving from the current to the future state is also required. The ARB now reviews future state and transition plans to ensure sufficient planning has occurred. Second, the Cyclical EA Development process requires that all future state elements be linked to business outcomes. This allows the ARB to review all future state activities to identify potentially duplicative functions and recommend that they be merged to the ITSC. Third, the Library’s IT Security Program and Systems Development Lifecycle addresses the need for robust security to prevent loss, alteration, and unauthorized access of all Library IT systems and electronically stored information. The estimated completion date is the fourth quarter of FY 2018. This date has been set to align with the estimated completion date of Recommendation 1 of this audit. Recommendation 2 is dependent upon completion of Recommendation 1.</p>

TABLE 2A: 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
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library-wide	4	The Librarian should take the following steps to implement better governance and accountability in order to ensure timely implementation of the Librarian's vision to acquire digital works: create a mechanism for the Librarian and his immediate leadership team to receive executive-level reports on a regular basis on eCollection activities, mandate their review, and take timely action as necessary to ensure that such activities stay in-line with the Librarian's vision and with senior leadership's cost, schedule, and performance expectations; provide greater clarity on the role of the Executive Committee (EC) in monitoring and overseeing cross-cutting IT programs; and ensure the EC's consistent involvement, support, and oversight of the eDeposit Program and the eSerials Project—The eCollections Steering Group provides a report to the EC and the Librarian as described in this recommendation on a quarterly basis; the report was last provided in January 2018. The continuing business strategies, goals and requirements for eCollections are coordinated with the existing strategic documents created and maintained by the Library Services Collections Development Office. The full universe of IT investments budgeted in each fiscal year is also being coordinated with the evolving OCIO processes for ensuring that IT investment resources (estimated and actual) are appropriately linked to business investments, annual performance goals, and requirements. The estimated completion date for this recommendation is dependent upon the completion of the Library's new strategic plan. This will allow appropriate coordination of activities. Until the Library's new strategic plan is in place, the eCollections Steering Group will continue to coordinate with existing strategic documents and business requirements, and will continue to report to the EC and the Librarian regularly so that they can initiate and provide appropriate involvement, support, and oversight of eCollections. The estimated completion date is the third quarter of FY 2018.

RIGHT: [DETAIL OF] JAMES T. LLOYD, LLOYD'S BALTIMORE ELEVATED BUILDING MAP: OF THE FIVE HUNDRED MILLION BUSINESS DISTRICT OF BALTIMORE, 1891, 80 x 188 cm. AND 79 x 117 cm. LLOYD'S PICTORIAL MAP CONTAINS 3-DIMENSIONAL DRAWINGS OF NUMEROUS OFFICE BUILDINGS. "MADE FROM ACTUAL PHOTOGRAPHIC VIEWS AT AN EXPENSE OF MANY THOUSAND DOLLARS AND TWO YEAR'S TIME."
REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS



UNIMPLEMENTED RECOMMENDATIONS

TABLE 2A: 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
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library-wide	5	<p>ITSC does not have the necessary data to align information technology goals, objectives, and priorities with the strategic needs and plans of the Library. The Librarian should do the following to correct this: direct the CFO to provide information on the full universe of IT investments budgeted in each fiscal year for eCollection activities to the ITSC on an ongoing basis, as well as provide actual year-to-year costs for budget versus actual comparisons; require ITSC to formulate approval and monitoring criteria that align with the Library’s organizational priorities as stated in an eCollections Strategy and associated enterprise architecture, as well as with common requirements spanning the Library’s service units for ingesting and protecting electronic works; and require the chair of the ITSC to report regularly to the Librarian, her designee, and/or the EC about ITSC decisions and oversight issues related to the schedule, cost, and performance of eCollection activities—The eCollections Steering Group provides a report to the EC and the Librarian as described in this recommendation on a quarterly basis; the report was last provided in January 2018. The continuing business strategies, goals and requirements for eCollections are coordinated with the existing strategic documents created and maintained by the Library Services Collections Development Office. The continuing common requirements spanning the Library’s service units for ingesting and protecting electronic works are coordinated with the existing strategic documents created by, and maintained by, the Library Services Collections Development Office and the Library Services business requirements under development. Activities are also being coordinated with the evolving OCIO processes for ensuring that IT investment resources are appropriately linked to business investments, annual performance goals, and requirements. The estimated completion date for this recommendation is dependent upon the completion of the Library’s new strategic plan. This will allow appropriate coordination of activities.</p> <p>Until the Library’s new strategic plan is in place, the eCollections Steering Group will continue to coordinate with existing strategic documents and business requirements, and will continue to report to the EC and the Librarian regularly so that they can initiate and provide appropriate involvement, support, and oversight of eCollections. The relationship of the IT investment process to the eCollections activities has been documented and posted on the eCollections Steering Group confluence page for reference by stakeholders. The estimated date of completion is the third quarter of FY 2018.</p>

TABLE 2A: 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
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library-wide	6	To improve the organizational and financial management of its eCollection activities, the Librarian needs to require that service units: adopt and implement Library-wide best practices for standardizing program and project management to increase the likelihood of delivering effective digital transformations on time and on budget; and collect, track, and use quantitative data demonstrating variances in project delivery and investment targets to inform management oversight and reporting, including budget, planning, and investment decision-making going forward. This information should be used as part of the Library’s performance management process— To ensure the Library’s Project Management Life Cycle (PMLC) and Systems Development Life Cycle (SDLC) methodologies are being followed, PMO has expanded its project reporting to include all projects library-wide. For each project, the cost, schedule and scope baselines are established and linked to an approved IT investment during the formal initiation of the project. As projects are executed, PMO then collects weekly project updates which include a current status on the project schedule, scope, and cost health, along with the overall project risk. All projects with yellow or red health status are based on variances from approved baselines. Troubled and at risk projects are reviewed during a monthly PMO project status review meeting with OCIO management and project stakeholders to discuss the mitigation and contingency plans to move the projects to green health status. PMO also tracks and reports actual versus planned completion dates for all completed projects to show final schedule variances across the portfolio. OIG is currently reviewing evidence provided by the Library and considering this recommendation for closure.
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library-wide	7	For all technology investments, the Librarian should: (1) require service units and sponsors of significant IT investments (regardless of funding source) to complete a business case document that demonstrates how each IT project would meet organizational needs; outlines benefits, estimated costs, and risks, including the results of a cost-benefit analysis; and establishes a preliminary schedule for implementation; (2) require the business case document to be submitted to the ITSC for review during an early phase of product development and require the business case to be periodically reviewed and verified by ITSC with respect to the business need(s) being supported; (3) direct the CFO to develop the capability to fully project, capture, and track the actual costs of IT-related activities, including payroll costs; and (4) require the SPO or another unit to develop the capability for the Librarian and her immediate leadership team to monitor significant IT investments across the Library’s various planning, budgeting, program/ project management, and financial accounting systems to reveal inefficiencies and ineffectiveness in order to address problems in a timely manner—ITIM planning for FY 2019 has begun, leveraging and building upon the business case and cost development processes implemented for FY 2018 planning. Primary system reporting of actual IT expenditures against the plan has also begun, as part of FY 2018 plan execution reporting. As issues are identified, they will be investigated and appropriate corrective actions taken. This reporting should provide a baseline for activities going forward. The estimated date of completion is the fourth quarter of FY 2018.



UNIMPLEMENTED RECOMMENDATIONS

TABLE 2A: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMI-ANNUAL 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 / Office of the Chief Operating Officer				
The Library's Controls for Three Gift Funds	2016-PA-102 January 2018	Office of the Chief Financial Officer	1	OCFO should update Directive 6-320.1 to include a timeliness requirement for the deposit of gifts. The Disbursing Office should also update its procedures manual to include the requirement and then adhere to it—OCFO will update Directive 6-320.1 to include the requirement that checks \$5,000 and under will be deposited within 5 business days and checks over \$5,000 within 3 business days. The estimated date of completion is the fourth quarter of FY 2018.
Library Services				
eDeposit and eCollections Strategy	2014-PA-101 April 2015	Library Services	1	<p>To become more cost efficient and to ensure that eCollection activities are meeting the Library's strategic business objectives, the Library needs an overarching, transformative eCollections Strategy for collecting electronic works that does the following: groups programs, projects, and other IT work together to facilitate effective portfolio management of activities related to collecting electronic works, including born-digital works; identifies the Library's organizational priorities related to these programs and projects and other IT work, makes investment decisions, and allocates resources accordingly; and focuses on meeting common requirements that span across the Library's service units—The Library's collecting of electronic content is now aligned under the approved Digital Collecting Plan (DCP) and made more effective and efficient by the work of the eCollections Steering Group (eCSG). The eCSG is comprised of representatives from OCIO, Library Services, the Law Library and the U.S. Copyright Office, the four service units with digital collecting responsibilities, and has focused on specific targets in the DCP that require a high level of coordination between service units. Quarterly reports from the group are submitted to the Library's Executive Committee.</p> <p>Fifteen DCP target actions were begun in FY 2017. Twelve were completed, and three were partially completed; the estimated completion date is the fourth quarter of FY 2018. A full report was submitted to the EC. Some of the completed actions were the following:</p> <ul style="list-style-type: none"> • Explore the feasibility of receiving newspaper e-prints under group registration. (A pilot was successful, and plans are in place to implement this capability.) • Increase the number of Cataloging in Publication publishers participating in the e-books program. (139 new publishers were added, bringing the total to 854.) • Conduct an assessment of the Library's e-resources collection and provide a final report with recommendations. • Draft and finalize standard electronic resource license agreements. • Create and have approved a collecting policy related to data sets.

OPPOSITE [UPPER LEFT]: MELANIE ELIZABETH LEONARD, *A MAP OF CAPE COD*, 1926, 60.9 x 87.5 cm. THE MAP IS BOLDLY COLORED AND IS A LATE EXAMPLE A ART NOUVEAU, ESPECIALLY THE SINUOUS SEA SERPENT AND THE RIBBONS FORMING THE LEGEND.
REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

OPPOSITE [MIDDLE]: COULTON WAUGH, *CAPE ANN AND THE NORTH SHORE: A MAP DISPLAYING THE HARDY MARITIME DEVELOPMENT OF THESE HISTORIC PARTS*, 1927, 58.5 x 48.6 cm. WAUGH'S MAPS OF CAPE ANN AND CAPE COD WERE HAND COLORED, GIVING RISE TO NOTICEABLE VARIATIONS BETWEEN COPIES.
REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

OPPOSITE [LOWER LEFT]: JACK ATHERTON, *CAPE COD*, 1937, 54 x 70 cm. THIS MAP OF CAPE COD WAS ADVERTISED AS HAVING "RICH COLORS AND THE MAP BOARDER OF TYPICAL HOMES, UNMISTAKABLE LANDMARKS AND LEISURELY SEAGULLS."
REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

IMPLEMENTED AND CLOSED RECOMMENDATIONS¹⁷

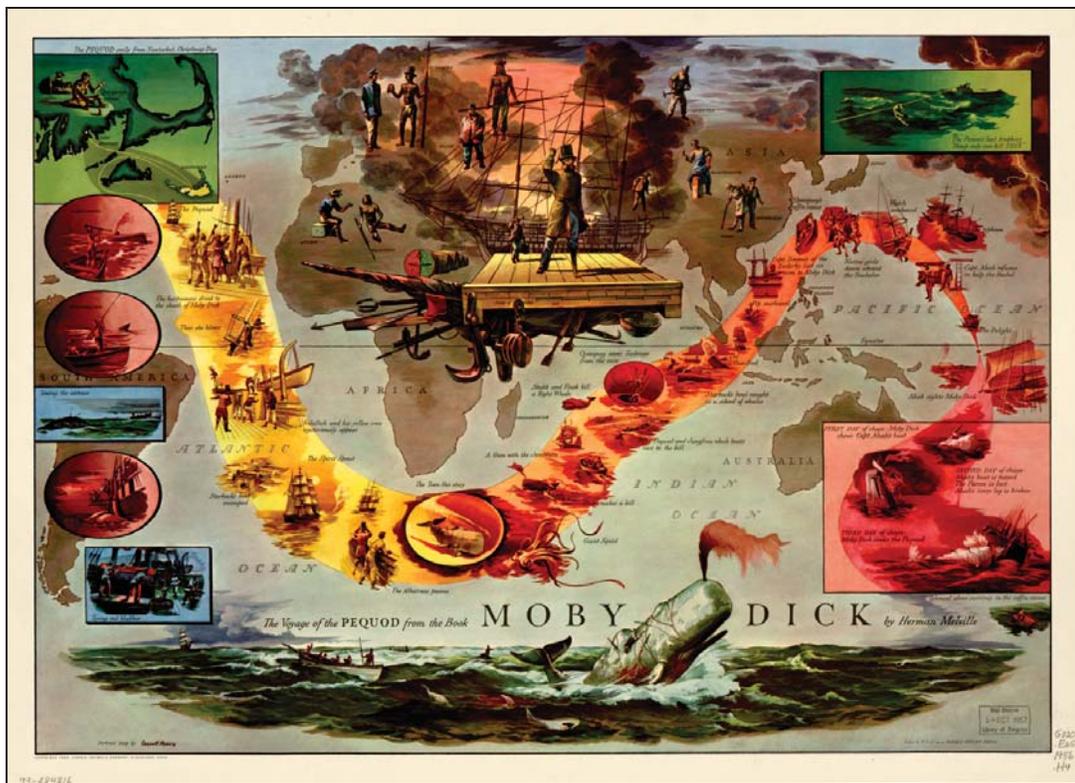
TABLE 2B: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS WHICH WERE IMPLEMENTED OR CLOSED DURING THIS PERIOD

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY OF RECOMMENDATION AND ACTION
The Library's Controls for Three Gift Funds	2016-PA-102 January 2018	Library Services	2	The Prints and Photographs (P&P) Division should review all of its public-facing websites and update them to direct donors to send donation checks to the Disbursing Offices, as required by Directive 6-320.1—Prior to the issuance of the report, P&P informed us that they had conducted the review, did not find any other issues of this kind, and had updated the website in question as needed.
Information Technology Strategic Planning Follow-Up	2011-IT-103 December 2011	Office of the Chief Information Officer	I.2.C	Report summary: OIG evaluated the Library's IT strategic plan as a follow-up to a review completed in 2009. Recommendation: Account for all IT costs, including computer security, as part of the IT budgetary process—The final Non-Personnel IT Expenditures Report was published in March 2017 and made available to the technology business management working group and the ITSC. The Library also submitted the report to the Government Accountability Office (GAO) and OIG for review. GAO closed a related recommendation.
Design of Library-Wide Internal Controls for Tracking IT Investments	2014-IT-101 March 2015	Office of the Chief Information Officer	VII.2.B	Define benchmarks for ITSC management processes against appropriate public and private sector standards, organizations, and/or processes in terms of costs, speed, productivity, and quality of outputs and outcomes to measure steering committee effectiveness—The ITSC LCR, which defines benchmarks for ITSC management processes against appropriate public and private sector standards, organizations, and/or processes, was signed by the Librarian in May 2017. In FY 2017, the ITSC and TBM Working Group adopted a benchmarking framework. The ITSC established a benchmark for spending on new IT initiatives and capabilities and a benchmark for spending on operations and maintenance activities. Data to support reporting on these benchmarks was gathered as part of FY 2018 IT investment planning. Regular reporting against other Federal agencies will occur in FY 2018.
Purchase Card Program	2015-PA-102 March 2017	Office of the Chief Financial Officer	2	Report Summary: OIG completed an interim report to alert Library management of improvements that needed to be made to the purchase card program's internal controls. The Program Coordinator and OCFO management should assess the purchase card program's risks and internal controls, update internal controls that are critical to the program's proper performance, and outline these controls in updated policies and procedures. This includes incorporating the purchase card program within the Internal Control Program as appropriate—The Risk Analysis and Management Plan review for Q1 2018 has been performed and will be done quarterly to ensure the response plans are being followed.

¹⁷These status updates are management assertions and have not been audited.

TABLE 2B: SIGNIFICANT RECOMMENDATIONS FROM PREVIOUS SEMIANNUAL REPORTS WHICH WERE IMPLEMENTED OR CLOSED DURING THIS PERIOD

SUBJECT	REPORT NO. ISSUE DATE	OFFICE	REC. NO.	SUMMARY OF RECOMMENDATION AND ACTION
Purchase Card Program	2015-PA-102 March 2017	Office of the Chief Financial Officer	4	The Program Coordinator and OCFO management should assess the purchase card program's risks and internal controls, update internal controls that are critical to the program's proper performance, and outline these controls in updated policies and procedures. This includes incorporating the purchase card program within the Internal Control Program as appropriate—FY 2017 data was collected and reported to OCFO and Office of Contracts and Grants Management. The reports will be distributed annually.
Prints and Photographs Division	2014-PA-106 August 2016	Library Services	5	Report summary: OIG audited the Prints and Photographs (P&P) Division's administrative and accounting controls over its collection. The Library and the P&P Division should conduct an assessment of the risks posed by the P&P Division's growing arrearage and respond accordingly with a mitigation plan—An arrearage mitigation plan was completed.
Prints and Photographs Division	2014-PA-106 August 2016	Library Services	7	The Library should provide the P&P Division's arrearage data along with the Library's other arrearage data in its Annual Reports to Congress—The annual report, starting with the annual report for FY 2017, will now include such data.



ABOVE: EDWARD EVERETT HENRY, *THE VOYAGE OF THE PEQUOD FROM THE BOOK MOBY DICK BY HERMAN MELVILLE*, 1956, 42.8 x 60.4 cm.

REPOSITORY: GEOGRAPHY AND MAP DIVISION, LIBRARY OF CONGRESS

BELOW AND OPPOSITE: Andrew Ellicott, Thomas Dobson, and Budd and Bartram, *The Journal of Andrew Ellicott: Late Commissioner on Behalf of the United States During Part of the Year 1796, 1798, 1799, and Part of the Year 1800, for Determining the Boundary between the United States and the Possessions of His Catholic Majesty in America*, 1803, 26 x 21 cm. Two maps from Ellicott's journal [Image No. 2 (below), Image No. 3 (opposite top)]. The journal contains occasional remarks on the situation, soil, rivers, natural productions, and diseases of the different countries on the Ohio, Mississippi, and Gulf of Mexico; with six maps comprehending the Ohio, the Mississippi from the mouth of the Ohio to the Gulf of Mexico, the whole of West Florida, and part of East Florida. It includes an appendix containing all the astronomical observations made use of for determining the boundary.

Repository: Rare Book and Special Collections Division, Library of Congress



Note. In order to render
this Plate from
laid down by a scale
down by a scale

Note. The offsets between the guide line and parallel of latitude were too small to be laid down on this part of the boundary.



FUNDS QUESTIONED OR PUT TO BETTER USE

TABLE 3: FY 2002–PRESENT FUNDS QUESTIONED OR PUT TO BETTER USE

FUNDS QUESTIONED AND PUT TO BETTER USE	RATIO: FUNDS QUESTIONED AND PUT TO BETTER USE TO OIG DISCRETIONARY BUDGET ¹⁸
\$74,549,355	2.11:1

TABLE 4: FY 2018 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:	-	-
Value of recommendations not agreed to by management:	-	-
No management decision made by the end of the reporting period:		
Less than six months old:	-	-
More than six months old:	-	-

TABLE 5: FY 2018 AUDITS WITH QUESTIONED COSTS

	NUMBER OF AUDIT REPORTS	TOTAL QUESTIONED COSTS	UNSUPPORTED 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 six months old:	-	-	-
More than six months old:	-	-	-

¹⁸Total budget minus (1) unreimbursed cost of mandatory financial statement audits, including the cost of OIG staff to oversee financial statement activity, and (2) any unobligated funds returned to the Library for resource reallocation.

INSTANCES OF THE LIBRARY REFUSING TO PROVIDE INFORMATION OR ASSISTANCE OR INTERFERING WITH OIG'S INDEPENDENCE

During the reporting period, there were no instances in which the Library refused to provide information or assistance or interfered with OIG's independence.

STATUS OF REPORTS OR RECOMMENDATIONS

During the reporting period, there were no reports or recommendations more than six months old without management decisions. There were also no reports or recommendations for which no management comment was made within 60 days.

SIGNIFICANT REVISED MANAGEMENT DECISIONS

There were no significant revised management decisions during the reporting period.

SIGNIFICANT MANAGEMENT DECISIONS WITH WHICH OIG DISAGREES

There were no significant management decisions with which we disagreed during the reporting period.

INSTANCES IN WHICH AN INSPECTION, EVALUATION, OR AUDIT WAS COMPLETED AND NOT DISCLOSED TO THE PUBLIC

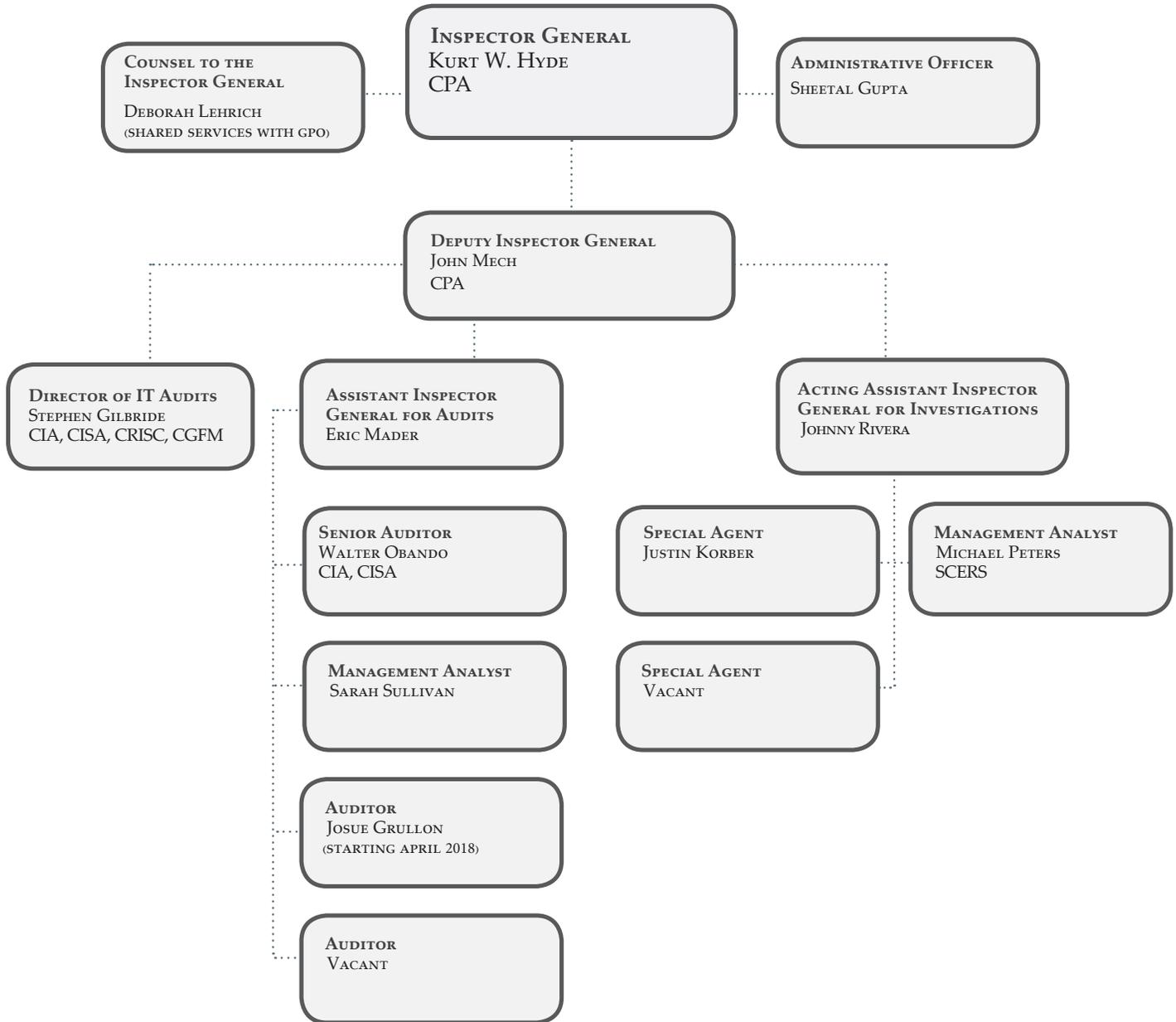
There were no instances during the reporting period in which we completed an inspection, evaluation, or audit without disclosing it to the public. All such products are listed on our website at www.loc.gov/about/oig.

PEER REVIEW REPORTING

OIG's audit division undergoes an external peer review at least once every three years. OIG was most recently the subject of a Council of the Inspectors General on Integrity and Efficiency (CIGIE) peer review by the Peace Corps OIG for the period ending March 31, 2016. Peace Corps OIG concluded that the audit division's system of quality control has been suitably designed and complied with to provide reasonable assurance of conforming with applicable professional standards in all material respects. Accordingly, the Peace Corps OIG provided a "pass" rating and no recommendations were made. The audit division does not have any outstanding recommendations from a peer review.

OIG completed its last peer review of the Corporation for National and Community Service OIG in April 2016. OIG did not make any recommendations in the peer review and does not have any outstanding recommendations from past peer reviews conducted of other audit organizations.

OIG ORGANIZATIONAL CHART



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Office of the Inspector General
101 Independence Avenue SE
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Tel 202.707.6314 Fax 202.707.6032
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