

Testimony of Karl W. Schornagel
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Before the Committee on House Administration
United States House of Representatives

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Chairman Brady, Mr. Lungren, and members of the committee, thank you for inviting me to speak today about our audit of the Library's Worklife Services Center.

Human Resources Services (HRS) is a key component of the Library of Congress' enabling infrastructure. It works with, and provides management strategies for, the Library's service and infrastructure units to plan for, secure, and manage the human capital that the Library needs to fulfill its mission. The organization includes five offices: Strategic Planning and Automation, Workforce Acquisitions, Workforce Management, Workforce Performance and Development, and the Worklife Services Center (WSC).

We audited WSC with the principal objectives of (1) assessing the efficiency and effectiveness of the WSC's activities and services, (2) determining whether there were adequate internal controls to ensure timeliness, quality, and accuracy, and (3) evaluating the WSC's compliance with applicable laws and regulations.

We determined that the WSC had made great strides in improving customer service since we last reviewed it several years ago. We found that personnel actions were being processed in a timely manner. In addition, based on the results of a customer service survey we performed, we found that the Library's service and infrastructure units were generally satisfied with the level of service provided by the WSC. However, our audit also found that the WSC lacked some important controls to ensure efficient and effective operation of the Library's leave programs and to detect and prevent the occurrence of fraud and errors.

The following highlights our findings and recommendations:

Oversight of Leave Administration— There was a high volume of unresolved leave errors because error reports from the National Finance Center were not being utilized to make corrections. Timekeepers were not using the reports to resolve leave discrepancies because they had not been adequately trained on how to use them. If fully utilized, the approximately \$50K a year cost of the reports and unresolved errors could be substantially reduced. Over a five-year period, up to \$250,000 of Library funds could be put to better use by resolving the leave discrepancies in the leave error reports.

Neither the WSC nor the Library's timekeepers were effectively monitoring Leave Bank awards to ensure that the recipients (1) received the full leave amounts that were granted, (2) used awarded leave only for approved medical emergencies, and (3) returned any unused awarded leave to the Leave Bank. As a result, 28% of Leave Bank participant balances we tested were inaccurate. We recommended that the WSC adopt a more active oversight role for leave administration.

Controls for Access to Key HRS IT Systems – HRS had not restricted access to its automated systems to the extent necessary or established controls to effectively monitor the activities of employees with wide access privileges. Specifically, (1) Master Timekeepers had unnecessary access rights in the Library's timekeeping system to view and adjust the leave balances of employees outside of their supervision, (2) some employees had inappropriate access rights to critical HRS IT systems because system responsibilities had not been appropriately separated, and (3) activities of employees who had special access rights to the Library's HR management system were unsupervised. As a result, opportunities existed for fraud or abuse to occur. Due to missing controls, we were unable to test for fraud. We recommended that HRS implement safeguards to restrict the access rights of legitimate users to the specific systems and files the users need to perform their work.

Performance Standards for the WSC's Employees – The WSC had not developed adequate performance metrics to objectively and adequately evaluate the performance of its staff. The standards that were in use were broad and vague and did not clearly define the quality or quantity of work expected from the WSC's employees. Consequently, the performance evaluations were highly subjective and it was difficult for HRS supervisors to hold employees accountable for their work. We recommended that the WSC develop more objective and measurable requirements for its employees' performance standards.

The Library's Director for Human Resources concurred with our recommendations and has been very responsive in implementing corrective actions. I commend the Director not only for his cooperation during this audit, but also for the many improvements he has fostered in the Library's human resources operations since the beginning of his tenure in 2005.

Our complete report, *Human Resources Services, Worklife Services Center: Good Overall Service, but Weak Controls Leaves the Worklife Services Center Vulnerable to Abuse and Fraud*, June 2009, with the Library's response to our draft findings and recommendations, can be accessed on our Web site at www.loc.gov/about/oig or from the Library of Congress Web site at www.loc.gov under 'Inspector General.'