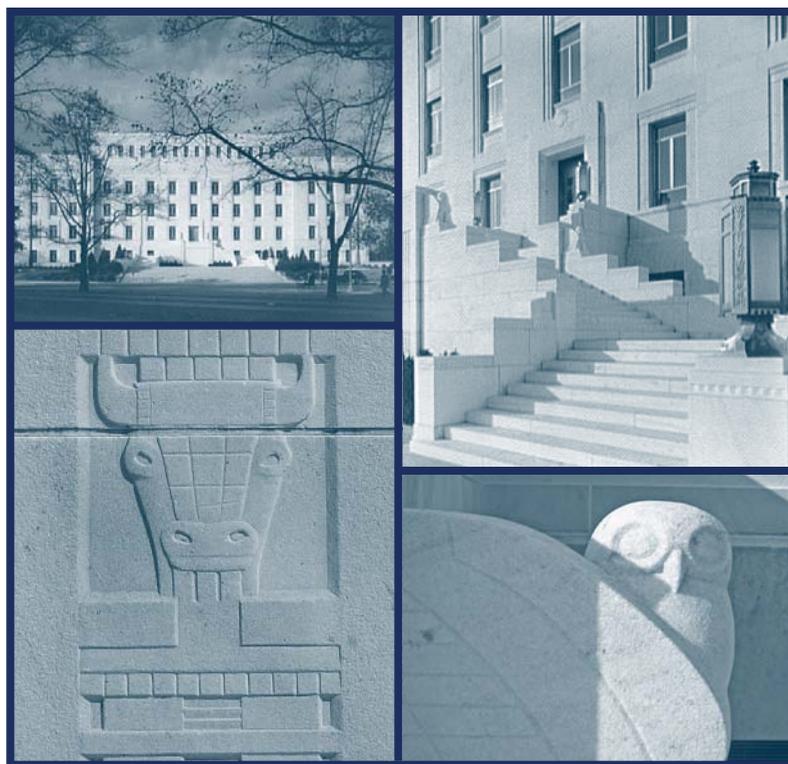# LIBRARY OF CONGRESS

SEMIANNUAL REPORT TO THE CONGRESS

Office of the Inspector General

October 1, 2009 – March 31, 2010

This issue of our Semiannual Report to the Congress features highlights from the John Adams Building. Inspired by the *Exposition des Arts Décoratifs* held in Paris in 1925, the Library of Congress's John Adams Building opened to the public on January 3rd, 1939. The exterior of the building is faced with white Georgia marble and sculptures by artist Lee Lawrie which depict figures associated with the history of the written word.

The photograph featured on our cover, taken by Carol Highsmith, is one example of the many Art Deco styled owls that one might encounter in the Adams Building. Known throughout history as a symbol of wisdom, the owl motif is fitting considering the remarkable business, science, and technology collections which are housed there. In fact, the interior of the building contains 12 tiers of stacks, extending from the cellar to the fourth floor with 13 acres of shelf space per tier. These stacks comprise 180 miles of shelving (compared to 104 miles in the Jefferson Building) and can hold ten million volumes.

By providing access to collections like those found in the John Adams Building, the Library seeks to spark imagination and creativity, and to further human understanding and wisdom. Many of the Library's rich resources can also be accessed through its Web site at www.loc.gov and via interactive exhibitions on a personalized Web site at myLOC.gov.

LIBRARY OF CONGRESS

A Message From the Inspector General

I am pleased to present our Semiannual Report to the Congress for the period ended March 31, 2010.

In the last six months we prepared reports on performance-based budgeting, workforce acquisitions, travel charge cards, records management, the August 2009 data center power outage incident, and an in-depth follow-up on copyright claims processing. We also reported on the Library and Madison Council's fiscal year (FY) 2009 financial statements. In addition, we conducted investigations on topics such as fraud in the surplus books program and copyright applications, network security violations, compromised purchase cards, and misuse of Library property and time.

We are pleased to report that Library management implemented 39 of our recommendations in this reporting period. In the next six months, we will report on in-progress reviews of the Library's use of flexibilities and incentives in human resources, multi-function device contract, a contract settlement, rare book inventories, management of our multi-sector workforce, the Open World Leadership Center FY 2009 financial statements, and other topics.

During this semiannual period, we continued fulfilling Congress's request to post publicly available reports on our Web site. Many of our reports can now be found at www.loc.gov/about/oig/.

Karl W. Schornagel
Inspector General

Table of Contents

We perform many types of services; among them:

Attestations, which involve examining, reviewing, or applying agreed-upon procedures on a subject matter, or an assertion about a subject matter. Attestations can have a broad range of financial or nonfinancial focuses, such as the Library's compliance with specific laws and regulations; assertions or assumptions made in a cost/benefit, break even, or requirements analysis; validation of performance against performance measures; or reasonableness of cost.

Financial Audits, which determine whether financial statements present fairly the financial position, results of operations, and cash flows in conformity with generally accepted accounting principles, and whether an entity has adequate internal control systems and complies with applicable laws and regulations.

Investigations, which are conducted based on alleged or suspected wrongdoing by agency employees, contractors, recipients of financial assistance, and others responsible for handling federal resources. Violations of Library regulations or fraud committed against the Library can result in administrative sanctions and/or criminal or civil prosecution.

Nonaudit Services, which are equivalent to consulting services in the private sector and usually involve providing advice or assistance to Library managers without necessarily drawing conclusions, or making recommendations. Auditors are cautious when performing nonaudit services because providing them may jeopardize the independence needed to later audit that subject area.

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

Introduction and Definitions

The mission of the Office of the Inspector General is to promote economy, efficiency, and effectiveness by detecting and preventing waste, fraud, and abuse.

To accomplish our mission, we conduct audits and investigations.

Our philosophy is to be proactive. We believe this approach results in a more efficient use of resources by detecting and preventing problems early. Accordingly, we are following several key projects throughout the Library and rendering assistance and making recommendations as needed.

Our staff is educated and certified in various disciplines. We are, collectively, four certified public accountants (CPA), three attorneys, two certified internal auditors (CIA), one certified information systems auditor (CISA), three special agents, two investigators, one Master of Library Science, and other highly qualified staff.

Our goals, objectives, strategies, and performance indicators can be found in our Strategic Plan, available on our Web site at www.loc.gov/about/oig.

Above: Ornamental Transom above Double Doors,
Photograph by Carol Highsmith
Left: Marbel and Metalwork ,
Photograph by Carol Highsmith

The Librarian's FY 2010 Management Agenda

In July 2009, the Librarian issued his Management Agenda to the Executive Committee. The Agenda provides a framework for implementing objectives and specific tasks to be accomplished during FY 2010 and beyond, and was written to align with the Library's FY 2008-2013 Strategic Plan. We commend the Librarian for incorporating in the Agenda a number of significant recommendations we have made in previous audit reports.

In January 2009, we made several recommendations regarding information technology (IT) (report No. 2008-PA-105: *Information Technology Strategic Planning: A Well-Developed Framework is Essential to Support the Library's Current and Future IT Needs*). The recommendations were aimed at helping the Library begin a high-level process to align its IT strategic plan with organizational strategic plans. In the same report, we also recommended that the Library establish clear linkages between its IT strategic plan and an IT investment planning process. We are pleased to see that task 2A-1 in the Agenda responds to these recommendations by directing an alignment of IT activities with the Library's mission, strategic goals, and performance targets. A better set of linkages between organizational plans and IT plans will result in a more targeted and effective delivery of IT resources.

In the same report, we recommended that the Library realign its organizational structure to foster better strategic planning and IT governance. We also recommended that the Library adopt a formal IT investment process, similar to the best practices available in the executive branch. In task 2A-2, the Librarian requests the outline of an IT governance structure and organization that allows for an independent internal IT investment review board and effective enterprise architecture oversight.

Finally, in the same report, we recommended the adoption of an enterprise architecture program, to help the Library better plan, deploy, and monitor its IT resources. In task 2B, the Librarian directs the Library to begin the processes necessary to establish such a program.

In other Office of the Inspector General (OIG) reports, we made recommendations about human capital and succession planning: in July 2008, we reviewed the Library's diversity management program (report No. 2008-SP-104: *Review of the Library's Diversity Management Program*).

In that report, we recommended that the Library identify critical senior level, supervisory, and management positions, as well as the skills and abilities required for a successful future workforce. A skills gap analysis is critical to identifying the human resources the Library is likely to need in the future. In task 2C-2, the Librarian lays the groundwork for a succession planning program and ongoing staff training.

Finally, we are pleased that the Librarian is strongly addressing recommendations from report No. 2004-PA-104, *Opportunities Exist to Improve Space Management*. In that report, we recommended the establishment of standards conducive to productivity for work environments. In task 2D-2, the Librarian directs management to describe current and anticipated work environment and productivity improvement requirements in the Library's Capitol Hill buildings.

Above: Detail of Metalwork and Marble
Photograph by Carol Highsmith

Audits, Surveys, and Reviews

Library-Wide

Managing in the Spirit of GPRA: Developing Credible Performance Data is the Next Step

Audit Report No. 2009-PA-104
March 2010

Congress enacted the Government Performance and Results Act (GPRA) in 1993 to improve the management of the Federal Government. The basic premise of GPRA is to tie funding to program performance. Initially, the Act only applied to executive branch agencies, but Congress subsequently directed legislative branch agencies to comply with the spirit of the act and embrace its performance management principles.

Our report provided the results of the OIG audit of the Library's implementation of GPRA-styled performance management principles. It represents the second of a series of audits that OIG is performing on this topic. Our first audit focused on the Library's initial implementation of performance management activities which took place between October 2004 and June 2006.

We found that the Library has made good progress in addressing the spirit and intent of GPRA. However, it must develop and implement additional processes to fully meet Congress's expectations and comply with its own policy on planning, budgeting, and program performance assessment. Using sound budgeting operations as a cornerstone, the Library is developing strategic planning and performance management processes which effectively provide a GPRA-styled management approach.

The following is a summary of our findings and recommendations.

The Library Needs to Improve the Quality of Performance Target Data—We reviewed FY 2009 annual program performance plans and assessments for a limited sample of Library service units. Our review revealed that the quality of performance data that those service units collected and used to support their program performance strategies varied significantly and data supporting performance targets did not, in some cases, exist. Inadequate and unreliable data will inhibit program performance decision-making and related fiscal decisions. We recommended that the Library establish a system that will assure program performance assessment data is both valid and independently verified.

Left: Egyptian God Thoth, Inventor of Language and Lord of Books, Part of a Pictoral History of the Written Word by Artist Lee Lawrie. West Entrance Bronze Doors, Photograph by Tara Logan

The Library Needs to Promote Linkages Between Performance Assessments and Budgets—Like many federal agencies, the Library has found it difficult to closely link its program performance assessments with its budgeting activities. With the exception of the Management Decision Package process, in which program performance assessments have had a recognizable effect, we did not see significant evidence of linkage in the formulation or execution processes.

Without making connections between its program performance assessments and budgeting data, Library management is deriving marginal benefit from its program performance assessment effort. We recommended that the Library increase its efforts to identify and document connections between its program performance assessment activities and budgeting processes.

The Library Should Develop a Plan for Periodically Evaluating Its Activities—The Library's GPRA management process has not matured to the stage where GPRA-envisioned evaluations could occur. Recognizing that program evaluations are a tangible benefit of performance activities and are mandated both in GPRA and Library policy, we believe the Library should begin planning and designing a format for an evaluation process. Without adequate planning and development, a meaningful and efficient program evaluation process cannot occur. We recommended that the Chief Financial Officer establish a working group to begin developing a GPRA-styled program evaluation process.

Library management substantially agreed with our findings and recommendations.
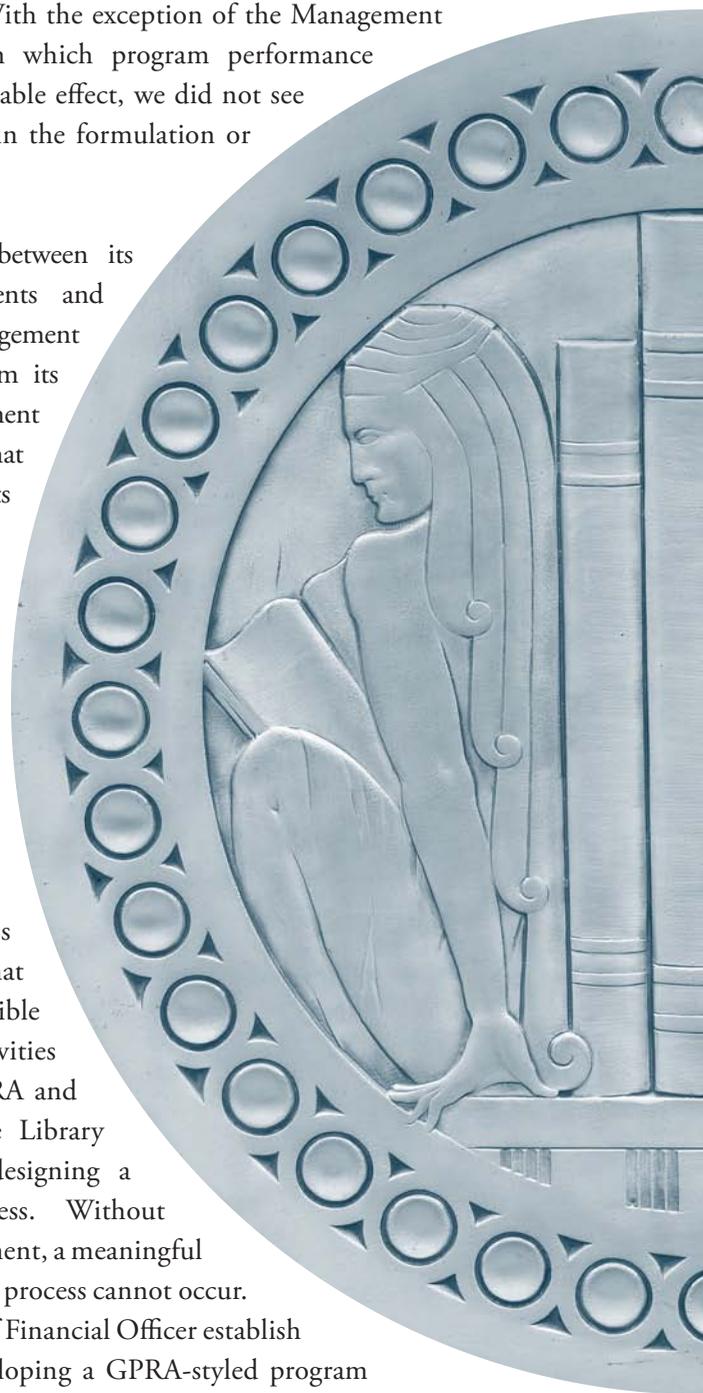
Human Resources Services Office of Workforce Acquisitions

HRS Has Made Strides in Improving Recruiting and Hiring, but Opportunities for Improvement Still Exist

Audit Report No. 2009-PA-101
November 2009

Human Resources Services (HRS) works with, and provides management strategies for, the Library's service and infrastructure units to plan for, obtain, 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.

This report provided the results of our audit of the recruiting and hiring activities performed by the Office of Workforce Acquisitions (WFA). The principal objectives of this audit were to determine whether 1) processes applicable to recruiting and hiring Library staff were efficient and effective and 2) internal controls for recruiting and hiring activities adequately assured timely, accurate, and high-quality services. Overall, we concluded that the WFA specialists provided timely and courteous service and some specialists performed their duties extremely well. However, the hiring process is not as efficient and effective as possible because WFA has not fully implemented internal controls to adequately assure timely, accurate,

and high-quality services. Additionally, WFA has neither determined whether the Library's recruitment efforts are efficient and effective, nor designed the Library's career Web page to attract job seekers.

HRS should adopt a stronger oversight role for those WFA activities to ensure that the hiring process meets the needs of 1) the Library's various missions; 2) managers, who are responsible for filling positions with talented staff; and 3) job applicants, who deserve a timely, efficient, transparent, and merit-based hiring process. The following paragraphs provide summaries of significant issues we identified through our audit and key recommendations to improve the WFA's recruiting and hiring activities.

Steps WFA Should Take to Further Improve the Hiring Process—The hiring process effectively provides qualified candidates for Library employment and HRS has had success in reducing the time it takes the Library to hire a new employee. Still, the length of the Library's hiring process is nearly 30 days longer than the goal applicable to other federal agencies. The additional time it takes to hire increases the likelihood that the best-qualified candidates will no longer be available, especially in the competitive IT field.

We believe the WFA can effectively reduce the time it takes the Library to hire a new employee by implementing stronger controls and oversight. We recommended that WFA 1) require its staffing specialists to consistently enter complete hiring data into the employee data system EmpowHR and periodically assess the extent to which goals are met for each hiring step and make needed adjustments; 2) reevaluate the process needed for each hiring step, with specific emphasis on eliminating non-value added steps; 3) ensure that staffing specialists are properly trained and knowledgeable about recruitment issues and the hiring process including hiring flexibilities; and 4) develop a "Satisfaction Survey" to determine managers' satisfaction levels with the hiring process and identify strategies for making process improvements.

WFA Staff Performance is Not Adequately Measured—Performance appraisals of WFA staff are based neither on performance metrics nor accomplishments, because staff are not consistently entering complete data pertaining to their work into the employee data system, EmpowHR. As a result, the evaluations of staff performance are highly subjective. We recommended that the WFA Director require staff to consistently enter complete hiring data in EmpowHR and prepare performance appraisals which are based on actual metrics and staff accomplishments.

Recruitment Efforts Need Strengthening—WFA had neither determined whether the Library's recruitment efforts were efficient and effective, nor designed the Library's career Web page to attract job seekers. We recommended that WFA coordinate with the Library's Office of Opportunity, Inclusiveness and Compliance; begin tracking and analyzing recruiting and hiring data; and that HRS redesign the Library's career Web page.

HRS generally concurred with our findings and recommendations. However, HRS management disagreed with our conclusion that the hiring process included non-value added steps, and asserts that hiring delays are caused by the panel process rather than its staff.

Office of the Chief Financial Officer

Travel Credit Card Program: Controls Generally Effective, but Some Improvements Are Needed

Audit Report No. 2009-PA-106
February 2010

The Library of Congress makes travel credit cards available to staff who are expected to travel on official business at least once a year. Such cards provide a convenient means for the Library to pay for travel expenses and effectively manage its travel costs. The Library also benefits from rebates that the card provider offers.

This report provided the results of our audit of the Library's travel credit card program. The program is managed by the Library's Office of the Chief Financial Officer (OCFO). The principal purpose of the audit was to determine whether the Library operates an effective program to control the use of the travel credit cards by Library staff members.

We concluded that OCFO effectively monitors employees' card use, detects instances when cards are misused, and reports instances of improper use to appropriate parties, including the OIG. We also concluded that the vast majority of Library employees have used their travel cards appropriately and paid their bills on time.

However, we further concluded that OCFO has neither performed timely audits to identify improper transactions nor conducted semi-annual reviews to identify inactive cards that should be deactivated. The following paragraphs provide summaries of significant issues we identified through our audit and key recommendations to improve the Library's travel card program.

OCFO Travel Credit Card Policies and Procedures Generally Comparable to Best Practices—In general, the Library's travel credit card program controls favorably compare to best practices suggested by the Federal Government's Office of Management and Budget. We recommended that OCFO include more details in its internal written procedures. Doing so would better ensure that staff are fully aware of and consistently apply the control procedures, and have a written document to reference.

When Performed, OCFO Reviews Effectively Detect Card Misuse—Reviews performed by OCFO's Travel Card Coordinator were effective in detecting improper travel credit card use and, when card misuse was identified, the coordinator reported it to appropriate parties, including the OIG. However, OCFO's card transaction reviews were not occurring on a consistent basis due to problems with the transition to a new card contractor and unexpected Travel Office staff absences. If travel card transactions are not reviewed consistently and thoroughly, the likelihood increases that improper and/or fraudulent transactions or delinquent accounts will not be detected. This may affect the Library's relationship with the vendor and decrease its rebates. We recommended that OCFO ensure that the Travel Office thoroughly reviews travel credit card transactions every month.

The Library's Delinquent Accounts are Minimal—Only 2 of 805 active cardholder accounts were more than 60 days past due as of August 31, 2009, amounting to a total of $1,503.85. No account was more than 90 days old. This excellent record is attributable to the level of oversight that OCFO provides to ensure that cardholders pay outstanding balances on their individually billed accounts on time.

OCFO Needs to be More Proactive in Minimizing the Number of Active Cards—OCFO was not performing the travel card account activity reviews that it needed in order to identify inactive accounts for deactivation and to prevent improper card transactions in the future. According to OCFO, it did not consistently perform this control review partly because it views it as a low priority due to the Library's minimal levels of card abuse and delinquent accounts. We recommended that OCFO (1) perform periodic reviews to identify inactive cards and coordinate with the service unit to determine the appropriate action to

take and (2) periodically remind supervisors and cardholders of their responsibilities such as notifying OCFO when an employee's job duties change and no longer include traveling.

OCFO concurred with our findings and recommendations.

INTEGRATED SUPPORT SERVICES

The Library's Records Management Program needs to be Overhauled

Audit Report No. 2009-PA-104
March 2010

Every federal agency has a responsibility to create and maintain records regarding its existence and operations. Doing so enables agencies to protect the legal and financial rights of the government, taxpayers, and other stakeholders; ensure continuity and consistency in the agency's administration; assist agency officials and their successors in making informed decisions; and provide information required by Congress and agencies which perform oversight functions.

Federal agencies are required to manage their records according to the Federal Records Act and corresponding regulations. The Act requires each agency to establish and maintain an active, continuing program for economically and efficiently managing the agency's records. Among other things, the program must provide effective controls over the creation, maintenance, and use of the records involved in conducting business.

This report provided the results of our audit of the Library's program for managing official records. The Library's Integrated Support Services (ISS) organization administers the program. Our principal objective was to determine whether ISS was providing direction, oversight, and support to Library organizations and employees to help them comply with the Federal Records Act and corresponding regulations. Our scope included records in both hard-copy and electronic formats.

We determined that the Library's records management program is not in compliance with the Federal Records Act. As a result, the Library has no assurance that service and support units are appropriately managing the records in their custody and that important records are not lost.

The following is a summary of our findings and recommendations.

The Library's Records Management Program is Deficient—The Library lacks records management directives that establish record-keeping requirements, including records created or received using email and distinguishing records from non-records. As a result, there is a lack of consistency in record-keeping practices. In addition, ISS's Records Management Section does not play an active role in ensuring that service and support units are aware of and complying with the Library's record-keeping policies. The Records Management Section neither performs inspections nor surveys service units' record-keeping practices to determine if the Library complies with its own record-keeping policies.

Lastly, the Library lacks an employee records management training program designed to inform Library employees of required record-keeping policies, responsibilities, and techniques.

We recommended that ISS promptly 1) develop and implement records management policies and procedures which will provide an organized means for the Library to conform to federal records management requirements; 2) initiate active oversight of the Library's record-keeping practices; and 3) develop and implement, in coordination with HRS, a training program on federal records management.

The Library Should Assess the Need for an Electronic Record-Keeping System—As the volume of electronic records increases, the Library should weigh the costs and benefits of implementing an electronic record-keeping system. Therefore, we recommended that the Library conduct a cost/benefit analysis of an electronic record-keeping system.

ISS concurred with our recommendations.

Library-Wide
Information Technology Services,
Facility Services, and
Office of Security and Emergency Preparedness

Review of August 2009 Data Center Power Outage Incident

Review Report No. 2009-SP-102
December 2009

We conducted a review of the data center power outage incident that occurred on August 17, 2009. On that day, the Library's main data center lost power when the Architect of the Capitol (AOC) attempted to switch from primary to backup power in an effort to conserve energy during peak hours. The backup power equipment maintained by the AOC malfunctioned, which resulted in an immediate power loss and sudden shutdown of the Library's main data center.

Although the power outage lasted only 45 minutes, we found that it had a substantial and prolonged impact on the Library's operations. Specifically,

- internal and external users, including congressional staff and members of the public, were unable to access the Library's systems and Web sites for at least 12 hours;

- unanticipated IT hardware and software failures caused critical systems to be unavailable for at least16 hours, and in one case, nearly three and a half days; and

- email and cell phone services were temporarily unavailable, making it difficult for key personnel to effectively communicate during the power outage.

We made several recommendations to help mitigate the impact of any future disruptions to the Library's IT operations. The Office of Security and Emergency Preparedness and Facility Services agreed with our recommendations.

Class _____

Book _____

Right: Book Plate From Rare Book Collection
Opposite: Decorative Metalwork Owl Figure,
Photograph by Carol Highsmith
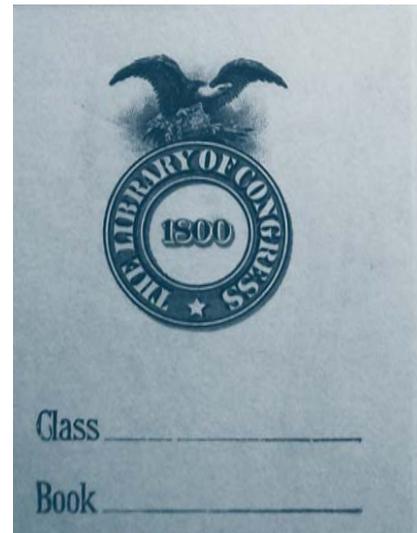
ITS has developed an improvement plan to address many of the issues that we identified during this review. However, it disagreed with some of our statements and recommendations, despite the fact that they mirrored those identified in both its own improvement plan and in a briefing that it provided to the Executive Committee regarding the power outage and the limitations of the Alternate Computing Facility (which we reported in 2009-IT-101, *Improvements are Needed to Bolster the Readiness of the Alternate Computing Facility,* released in September 2009).

Copyright Office

Copyright Claims Processing Follow-Up

Report No. 2010-PA-104
March 2010

In March 2010, we completed a second follow-up review on our September 2008, *Review of the Copyright Claims Backlog Issue* (report No. 2001-IT-304). This follow-up focused on the Copyright Office's efforts to reduce its backlog of claims during the period of October 2009 to January 2010.

In July 2008, Copyright fully implemented its new online copyright registration system, eCO. The system was a result of an initiative that Copyright embarked on in 2000 to reengineer its public services, and was developed to capture claim applications, prospective copyright material, and application fees in electronic form. In theory, using eCO would reduce processing times for copyright claims and greatly improve Copyright's efficiency and service to the public. However, Copyright encountered significant problems with the system's implementation and, by September 2008, approximately 397,000 unprocessed claims had accumulated in a backlog. The size of the backlog was largely the result of long claims processing times. Key factors responsible for the long processing times included unreliable technology–optical character recognition (OCR)–used to "read" paper applications and the slow operating response time of eCO.

We initially reported on the claims backlog issue in September 2008. That report included three recommendations to 1) increase incentives offered to the public to reduce the volume of paper claims; 2) promptly fill the office's vacant registration specialist positions; and 3) seek the staffing resources the office needs over the next few years to simultaneously process incoming claims and eliminate the backlog of unprocessed claims.

In our first follow-up, issued in September 2009, we reported that Copyright had filled the office's vacant registration specialist positions and introduced a new fee schedule that provided a financial incentive for electronic submissions of claims. We also reported actions that Copyright had taken to remedy issues traceable to the use of OCR and eCO's slow operating response time, noting significant improvements in registration specialists' productivity levels which resulted from the Copyright's actions. However, despite these positive developments, the backlog of claims had grown to approximately 533,000 as of the end of July 2009.

In this, our second follow-up, we were pleased to report that since September 2009, the number of claims in the backlog had consistently declined, the productivity of registration specialists had significantly increased, and the percentage of claims submitted electronically had increased. Additionally, in January 2010, 51 staff members from throughout the Library were detailed to Copyright for 60 days to help the office reduce its backlog.

Given the further increase in productivity by registration specialists, we reiterated our September 2009 recommendation that Copyright reevaluate the registration specialist's performance standard to ensure that it was based on current operating conditions. We also reiterated our September 2008 recommendation that Copyright seek the staffing resources the office needs over the next few years to simultaneously process incoming claims and eliminate the backlog of unprocessed claims.

We continue to be impressed by the commitment of Copyright staff members to their responsibilities. We also commend the Library's senior officials for helping Copyright address the backlog. We will continue to monitor the claims backlog and report periodically on its status.

Library of Congress
Fiscal Year 2009 Financial Statements

Audit Report No. 2009-FN-101
March 2010

Under contract with our office, Kearney & Company, an independent public accounting firm, audited the Library's Consolidated Balance Sheets as of September 30, 2009 and 2008; the related Consolidated Statements of Net Costs, and Changes in Net Position; and the Combined Statements of Budgetary Resources for the fiscal years then ended. In the auditor's opinion, the financial statements, including the accompanying notes, presented fairly, in all material respects, the financial position of the Library and its net costs, changes in net position, and budgetary resources for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In planning and performing the audit, the auditors considered and tested for compliance of internal controls over financial reporting and compliance with laws and regulations where noncompliance would have a direct and material effect on the financial statements. The auditors noted no matters involving internal control and its operations that they considered material weaknesses or significant deficiencies. They also found no instances of noncompliance with laws and regulations or other matters requiring reporting under Generally Accepted Government Auditing Standards (GAGAS).

James Madison Council Fund
Fiscal Year 2009 Financial Statements

Audit Report No. 2009-FN-101
March 2010

The James Madison Council is an advisory body of public-spirited individuals who contribute ideas, expertise, and financial support to promote the Library's collections and programs. The James Madison Council Fund (Fund) was established in 1989 to encourage contributions not only for current programs, but permanent endowments that will impact the collections and programs in the future.

Under contract with our office, Kearney & Company audited the Fund's FY 2009 financial statements and issued its Independent Auditor's Report. The audit included the Fund's statement of financial position as of September 30, 2009, and the related statements of activities and cash flows. The auditors concluded that the financial statements were presented fairly, in all material respects, and in conformity with generally accepted accounting principles. The auditors found no material weaknesses or significant deficiencies in internal control over financial reporting, nor any instances of noncompliance with laws and regulations that are required to be reported under GAGAS.

For both the Library of Congress and Fund financial statements audits, we performed the following steps to ensure the quality of Kearney & Company's work:

- reviewed the auditor's approach and planning of the audits,

- reviewed significant workpapers,

- evaluated the qualifications and independence of the auditors,

- monitored the progress of the audits at key points,

- coordinated meetings with Library management to discuss progress, findings, and recommendations,

- performed other procedures we deemed necessary, and

- reviewed and accepted Kearney & Company's report.

INVESTIGATIONS

During the reporting period we opened 64 investigations and closed 40. We forwarded 11 cases to Library management for administrative action and two cases were accepted by the Department of Justice for criminal prosecution. Case and Hotline activity are detailed below:

TABLE 1:   INVESTIGATION CASE ACTIVITY

	CRIMINAL/CIVIL	ADMINISTRATIVE	TOTAL
From Prior Reporting Period	19	35	54
Opened	20	44	64
Closed	8	32	40
End of Period	31	47	78

TABLE 2:   HOTLINE ACTIVITY

	Count
Allegations received	20
Referred to management for action	0
Opened as investigations	9
Closed with no action	11

Significant Criminal and Administrative Investigations

Surplus Books Program Fraud

An employee in the Library's Surplus Books Program alerted the OIG to an individual who had submitted a questionable program application. Our investigation revealed that the individual had fraudulently represented his organization as a non-profit organization, which allowed him to obtain more than 300 books from the program. Although sales of books obtained through the program are prohibited, the subject attempted to sell some of the books online, and to recruit a Library contractor working in the Surplus Books Program to facilitate future illegal acquisitions.

The individual was prosecuted for misdemeanor theft of government property and was sentenced to 36 months probation, as well as treatment for substance abuse and a mental condition. The investigators recovered all the books obtained.

Copyright Application Fraud

We received information from the Copyright Office that a third-party copyright registration business had submitted numerous registration applications on behalf of clients without sufficient funds in its copyright deposit account. For these applications, the registration business had charged its clients sums totaling approximately $78,000.

Our investigation revealed that two copyright registration companies, both owned by the same individual, had submitted approximately 750 paper registration applications without adequate funds in its deposit account. As a matter of practice, for businesses which maintain a deposit account with the Copyright Office, the Office processes paper applications before withdrawing payment for the registration fee, and accordingly, processing costs of $15,000 were incurred before payment was technically "received." Additionally, applications without accompanying fees are not registered, so hundreds of registrations languished for more than a year.

The OIG interviewed the owner of the companies, who subsequently paid the amount owed to the Copyright Office for processing fees. The Department of Justice declined prosecution.

Network Security Violations

A Library computer security liaison reported to the OIG a suspected compromise of an employee's login information. Our investigation determined that the Library employee had given her login information to a contractor who used it for several months to access the Library's network and download pornography. We also determined that the Library employee had more than 200 pornographic images stored on her computer.

The matter was referred for administrative action to Library management, who proposed terminating the employee's employment. The contractor receiving the login information was the victim of a homicide before action could be taken against him.

Pornography

The Director, Integrated Support Services, reported that an ISS employee allegedly used his computer to send pornographic material. While reviewing the employee's email activity, we obtained evidence affirming the allegation and found four additional employees that had used government computers to send or receive pornography. Administrative action on all five employees is pending.

We investigated another employee for downloading pornography from a Library computer. The employee admitted to viewing pornography, but retired before administrative action could be taken.

Check Fraud

The Library's Disbursing Office reported that two counterfeit checks for $2,500 each purporting to have been issued by the Library were received by individuals in Kansas and Texas. The checks were not printed on the United States Treasury paper stock used by the Library, and neither check was cashed. The investigators determined that both check recipients were victims of an employment scam traced to the Craigslist Web site.

Purchase Card Compromise

In this reporting period, numerous Library purchase cards were compromised and used to attempt unauthorized Internet purchases. Although some small charges were approved, the majority were denied. There was no loss of Library funds. We are monitoring the situation and working with JP Morgan Chase & Co., the Library's purchase card vendor, to determine a common point of compromise.

Misuse of Library Property and Time

A Congressional Research Service employee complained to the OIG that reports he had authored were not given proper attribution when a Law Library employee allegedly used information from them in a publication written for the employee's personal gain.

Although we determined that no violation of Library regulations occurred as a result of the improper attribution, our investigation revealed that the Law Library employee had engaged in improper conduct by not clearly distinguishing in the publication between his private and public role as an author. The Law Library employee received a Memorandum of Admonishment.

Follow-up on Investigative Issues from Prior Semiannual Reports

Misuse of Travel Cards

As previously reported, our investigations of three Library employees suspected of misusing their government travel cards to make unauthorized cash withdrawals or purchases were referred to management.

In the first case, we determined that the employee knowingly used his travel card to withdraw $1,303 from automated teller machines (ATMs) for personal use. The employee was subsequently suspended for 10 days.

In the second case, an employee used two travel cards to make unauthorized ATM withdrawals and purchases totaling $12,715. The subject's employment was terminated by Library management during this reporting period.

In the third case, a financial management specialist in the Travel Office, with a history of travel card abuse, made 16 unauthorized charges totaling $2,794. The subject's employment was terminated by Library management during this reporting period.

After we initiated our investigations, all three employees reimbursed the Library for their unauthorized charges.

Other Activities

Inspector General Requests Statutory Law Enforcement Authority

January 2010

In our last Semiannual Report to the Congress, we reported that the Librarian had sent correspondence to House and Senate committees asking for an amendment to our statute, the *Library of Congress Inspector General Act of 2005*, to explicitly authorize the OIG to apply to the U.S. Attorney General for law enforcement authority.

During this reporting period, in correspondence with the Chairman of the Committee on House Administration, we explained that the lack of explicit language authorizing OIG criminal investigators to obtain law enforcement authority resulted in a disruption of OIG criminal investigations for several months in 2009. Further, the missing language casts doubt on our ability to maintain law enforcement authority in the future. The proposed amendment to our statute is needed to ensure the continuity and effectiveness of OIG investigations of collection thefts and other crimes.

Inspectors general in agencies comparable to the Library of Congress have for decades obtained their law enforcement authority through special deputation from the U.S. Marshals Service or the U.S. Attorney General because of an implicit responsibility to conduct criminal investigations. The *Inspector General Reform Act of 2008* made explicit executive branch agencies' authorization to obtain law enforcement authority, but excluded the legislative branch agencies. Library investigators require this authority as well because other law enforcement organizations lack either the jurisdiction or ability to commit sufficient resources to meet the Library's investigative needs.

Peer Review of the Investigations Division

October 2009

In cooperation with the Council of the Inspectors General on Integrity and Efficiency (CIGIE), our Investigations Division was peer reviewed during the reporting period by the Peace Corps Office of the Inspector General. Peer reviews are conducted every three years to ensure that the policy and practices necessary to perform high-quality investigations are in place.

In its peer review report, the Peace Corps OIG opined that the Investigations Division system of internal safeguards and management procedures for investigations was in compliance with CIGIE quality standards and U.S. Attorney General guidelines.

OIG Reports Now Available Online

October 2009

In June 2008, the Chairman of the Committee on House Administration expressed appreciation for OIG efforts in reviewing operations of the Library. At the same time, he requested copies of all OIG reports dating back to March 2001 and articulated his belief that the Library would benefit from wider dissemination of OIG findings. In response, we provided copies of reports, and began an effort to post those reports for public release on our Web site. This effort continued throughout the semiannual period.

Selected digital postings of reports are now complete and available at www.loc.gov/about/oig.

OIG Review of Integrated Support Services
Draft Directive - Asset Management Tracking System

December 2009

At the request of ISS management, our office reviewed a draft of the ISS Logistics Asset Control Team's directive for the Asset Management Tracking System. ISS designed the directive to improve internal control for property and equipment in response to a material weakness previously reported as a result of the annual audit of the Library's financial statements.

During our review we identified and recommended several revisions and enhancements designed to improve the effectiveness of those controls. Our recommendations encompassed the entire fixed asset management process including receiving, movement, disposal, and subsidiary system accounting. Examples of our recommendations included enhancing procedures for transferring assets between service units, documenting procedures for receiving direct deliveries of assets at locations other than the central receiving site, and documenting the process for reconciling the subsidiary fixed asset management system to the general ledger.

Management took our recommendations under advisement.

Both Images: From Rare Book Collection

Review of Legislation and Regulations

Table 3:   Review of Library of Congress Regulations (LCRs)

LCR Reviewed	Comments by the Office of The Inspector General
LCR 2015-14 Absence Without Official Leave	We offered no comment regarding this LCR.
LCR 2015-21 Family and Medical Leave Act	We offered no comment regarding this LCR.
LCR 211-6 Functions, Authority, and Responsibility of the Inspector General	We continued working with this LCR, commenting that the regulation should rephrase key words to more fully describe its intent. We also commented that a section of this LCR notes incorrect references to another LCR (2023-9) on the same subject. We added that the regulation should delete language to clarify the authority in staffing the Inspector General's Office and declined a suggestion to omit language regarding the notification of Library employees who are under OIG investigation.
LCR 2023-9 Rights and Responsibilities of Library Employees to the Inspector General	We continued working with this LCR as well, commenting that the regulation should rephrase key words to more fully describe its intent.
LCR 2140 Miscellaneous Delegations	We offered no comment regarding this LCR.
LCR 1220 Social Media Services	We offered no comment regarding this LCR.
LCR 315 Evaluation of Library Material	We commented that the regulation should be revised to include "experts" within groups evaluating materials valued over $10,000 and that these "experts" could include outside contractors.
LCR 316 Acquisition of Materials by Exchange	We commented that the regulation should include specific language pertaining to the timing of the reviews.
LCR 321-1 Handling Collections on Approval	We commented that the regulation should include procedures for tracking and documenting the movement of materials and establishing accountability over the collections. We also suggested that language defining what is deemed "expensive" remain consistent throughout all LCRs. It was defined in this regulation as "in excess of $1,000," but other LCRs defined it as "in excess of $10,000."
LCR 411-1 Priorities and Cataloging Levels	We commented that the regulation add additional guidelines for determining what is "rare" under its priorities and additional language to better define other key terms such as "major" and "substantial."
LCR 414-1 Marking of Library Materials	We suggested that the regulation require any violation be promptly reported to the OIG.
LCR 2101 Delegation to Sign Agreements	We commented on the authority of the OIG to sign interagency agreements.
LCR 318-1 Acquisition by Purchase	We commented that language defining what is deemed "expensive" remain consistent throughout all Library LCRs. It was defined in this regulation as "in excess of $1,000," but other LCRs defined it as "in excess of $10,000."

TABLE 3: REVIEW OF LIBRARY OF CONGRESS REGULATIONS

LCR REVIEWED	COMMENTS BY THE OFFICE OF THE INSPECTOR GENERAL
LCR 2142 Revolving Fund Customer Agreement	We offered no comment regarding this LCR.
LCR 313 Statistics of Acquisitions	We offered no comment regarding this LCR.
LCR 317-1 Acquisitions of Collections by Gift	We offered no comment regarding this LCR.
LCR 317-2 Acquisitions of Collections by Deposit	We offered no comment regarding this LCR.
LCR 318-1 Acquisitions of Collections by Purchase	We offered no comment regarding this LCR.
LCR 319 Recommending and Selecting Collections Materials	We offered no comment regarding this LCR.
LCR 515 Disposal of Surplus Collection Materials	We offered no comment regarding this LCR.
LCR 611-5 Repair of Privately Owned Materials	We offered no comment regarding this LCR.
LCR 1613 Use of Library Motor Vehicles	We recommended that the regulation clearly state that any violation should be reported to the OIG.
LCR 1710 Travel at the Expense of the Library	We commented that this regulation more clearly define "electronic equipment supplied by the government." We also commented that this would be a good opportunity to address talking on cell phones while driving.
Human Resources Directive on Personnel Files	We offered no comment regarding this Directive.

Unimplemented Recommendations

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

Subject	Report No. and Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Office of the Chief Financial Officer (OCFO)				
Disbursing Office Controls	2007-PA-103 September 2008	Disbursing Office	II.d	Automate the interface for transmitting electronic payments–OCFO research determined there is no system solution to this issue, however, OCFO will pursue other means of file transmittal during FY 2010.
Disbursing Office Controls	2007-PA-103 September 2008	Disbursing Office	IV-1	Seek funding to ensure backup power is available at the alternate facility–The Library determined that a backup power source would be cost-prohibitive and continues to explore options for relocating the site to a facility which already has backup power.
Integrated Support Services (ISS)				
Requirements Analysis for the Proposed Fort Meade Logistics Center	2006-SP-802 March 2008	Integrated Support Services	III	Reevaluate three questionable surge allowances– ISS Logistics is following up with a systemic survey of service/support unit stakeholders for their input to predict future surge space requirements at the warehouse, based on their needs.
Requirements Analysis for the Proposed Fort Meade Logistics Center	2006-SP-802 March 2008	Integrated Support Services	IV	Recalculate the growth factor and consider leasing storage space on an as-needed basis to accommodate potential growth in storage requirements–AOC awarded a contract to study and work with the Library to evaluate storage requirements and solutions; completion targeted for FY 2010.
Federal Employees' Compensation Act Program	2008-PA-102 September 2008	Health Services Office	II	Implement an automated system that includes components for tracking Federal Employees' Compensation Act claims and alerting ISS of upcoming reporting deadlines–System has been procured and installation scheduled for summer 2010.
Federal Employees' Compensation Act Program	2008-PA-102 September 2008	Health Services Office	IV	Revise Library of Congress Regulation (LCR) 2018-5– The revised draft has been approved by the Librarian and targeted for issuance during the summer of 2010.
Energy Conservation Efforts	2009-PA-103 July 2009	Facility Services	II.c	ISS management should undertake more initiatives to increase awareness among Library staff of the importance of energy conservation and recycling programs–ISS is developing initiatives with a completion target of September 2010.
Copyright Office (CO)				
Copyright Claims Processing	2001-IT-304 September 2009	Copyright	III	Reevaluate operating conditions and adjust the specialists' performance requirements accordingly–CO is conducting a major software/hardware upgrade of eCO to be completed July 2010. The upgrade should improve performance along with efficiencies derived from eService filings. Performance metrics will be reevaluated after measuring these results.
Library Services (LS)				
Utilization of Reading Rooms	2003-PA-104 March 2004	Library Services	II.1	Develop a decision model for determining reading room space requirements–LS has developed an electronic decision model for determining current and future research center space requirements, with implementation planned for FY 2010.

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

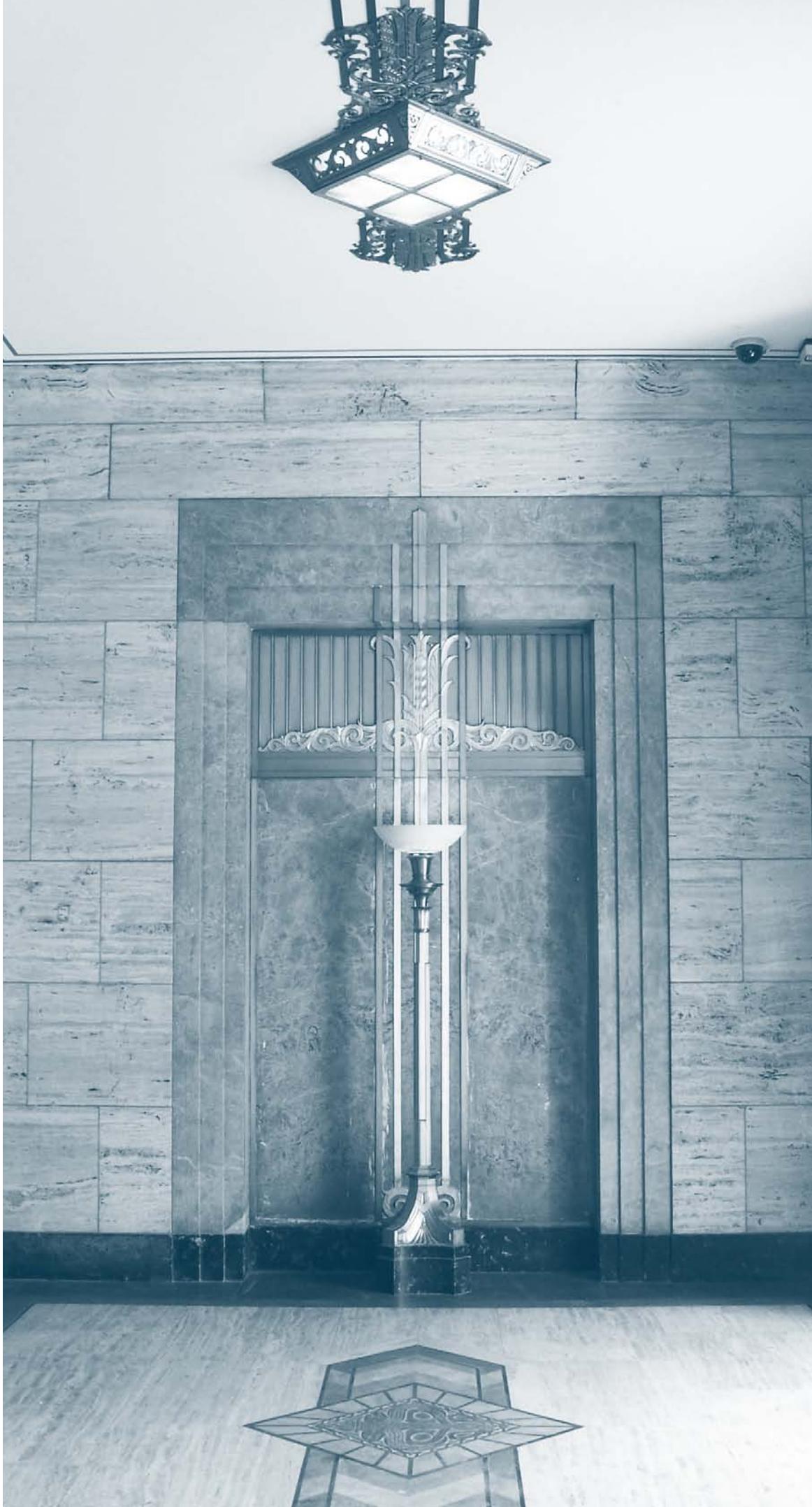| Subject	Report No. and Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Utilization of Reading Rooms	2003-PA-104 March 2004	Library Services	II.2	Use the decision model to make decisions about reading room, office space, and storage requirements–The decision model will be implemented in FY 2011. LS will relocate the Motion Picture and Television Reading Room adjacent to the Performing Arts Reading Room in the coming months.
Top Treasures Security and Preservation Controls	2008-PA-103 January 2009	Library Services	I.a	Establish criteria for specifically defining Top Treasure collection items and clearly define a process to nominate/transfer collection items to the Top Treasure category–The Associate Librarian for Library Services is reviewing a draft policy approved by the Collections and Services Division; if acceptable, to be submitted to the General Counsel by June 15, 2010.
Top Treasures Security and Preservation Controls	2008-PA-103 January 2009	Library Services	I.c	Reevaluate the position designations of staff members with authorized vault access who occupy non-sensitive positions and revise LCRs dealing with sensitivity designations for positions with access to priceless collection items–The Conservation Division and the Office of Personnel Security are discussing the ramifications of implementing this recommendation.
Rare Book and Special Collections Security	2008-PA-101 March 2009	Library Services	I.a	Develop and implement an automated system to track and account for new acquisitions and establish adequate segregation of duties–LS has not progressed beyond discussing requirements with Rare Book and Special Collections (RBSC) for an automated tracking system.
Rare Book and Special Collections Security	2008-PA-101 March 2009	Library Services	I.c	Develop and document new policies and procedures for authorizing, tracking, and reviewing collection material on loan–LS management is in the process of updating the manual files for materials on loan and revising procedures. LS has not progressed beyond discussing requirements with RBSC for an automated tracking system.
Rare Book and Special Collections Security	2008-PA-101 March 2009	Library Services	I.d	Develop and document procedures for outgoing mail to prevent unauthorized removal of collection items–The RBSC chief has drafted new procedures in an update of the RBSC policy and procedures manual to be completed Spring 2010.
Rare Book and Special Collections Security	2008-PA-101 March 2009	Library Services	I.f	Reevaluate background investigation procedures for Rare Book management and periodically update background investigations–The Executive Committee (EC) is considering changes to LCR 2024-2 Position Sensitivity Designations made by the Office of Security and Emergency Preparedness (OSEP) consistent with this recommendation. Once the federal community obtains a consensus on re-investigations for public trust positions, OSEP will submit further revisions to the EC.
Office of the Librarian				
Office of Contracts–Service Remains Less Than Satisfactory	2007-PA-102 September 2007	Office of Contracts	IV	Coordinate with OCFO to identify opportunities for modifying/improving Momentum–Office of Contracts and Grants Management (OCGM) is working with OCFO and ITS to develop in Momentum acquisition planning data for tracking procurements from initiation to award. Target implementation is FY 2011.

Unimplemented Recommendations

Subject	Report No. and Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Office of the Librarian Continued				
Lack of Compliance with Library Contracting Policy is Widespread	2008-SP-101 March 2008	Office of Contracts	Non-Compliance Reason IV	Lack of compliance with certain Federal Acquisition Regulation requirements–OCGM continues to work with the Office of the General Counsel (OGC), OCFO, and the service/support units to develop sound procurement policies and procedures. It coordinated and posted to its Intranet Web site Library-wide guidance on interagency agreements with other topics to follow.
Raiser's Edge Software Program	2006-IT-302 December 2007	Development Office	I	The Development Office (DO) should: document its access control policy, and revise password access to comply with IT Security Directive 02–The DO has documented its access control policy and password updates have been successfully tested. The DO is awaiting ITS scheduling for final installation.
Raiser's Edge Software Program	2006-IT-302 December 2007	Development Office	II	The DO Director should ensure that the Raiser's Edge system undergoes Certification and Accreditation (C&A)–ITS and the DO are currently conducting the C&A.
Raiser's Edge Software Program	2006-IT-302 December 2007	Development Office	III	System managers for Raiser's Edge should regularly review the system's transaction logs for suspect data events–System upgrades required to facilitate this recommendation have been tested and approved. The DO is awaiting ITS scheduling for final installation.
Dispute Resolution Center	2002-PA-104 September 2003	Office of Opportunity, Inclusiveness and Compliance	III	Revise LCR 2020-7 to allow complainants to use dispute resolution during the formal complaint process–The Director of Opportunity, Inclusiveness and Compliance (OIC) is drafting a new LCR with a target date of first quarter FY 2011 for issuance.
Equal Employment Opportunity Complaints Office	2001-PA-104 February 2003	Office of Opportunity, Inclusiveness and Compliance	I	Evaluate and revise LCR 2010-3.1–The Director of OIC is drafting a new LCR with a target date of first quarter FY 2011 for issuance.
Diversity Management Program	2008-SP-104 July 2008	Office of Opportunity, Inclusiveness and Compliance	II.1	The Library should assess its diversity program annually using the EEOC's MD-715 criteria and develop a plan to achieve essential elements in the model–OIC is in the process of hiring staff to perform this function, purchasing statistical analysis software, and acquiring access to the National Finance Center (NFC) data. Will implement by the end of FY 2010.
Diversity Management Program	2008-SP-104 July 2008	Office of Opportunity, Inclusiveness and Compliance	II.3	The Library should develop a tracking system that will notify the OIC when an employee is promoted to a supervisor and then disseminate the EEO policy statement to newly appointed supervisors on an ongoing basis–OIC has partnered with ITS and has developed an interim tracking system. OIC plans to have all the changes to the system completed by the end of FY 2010.

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

Subject	Report No. and Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Diversity Management Program	2008-SP-104 July 2008	Office of Opportunity, Inclusiveness and Compliance	II.5	Track promotions and performance evaluations to determine whether there is consistency among groups–OIC has partnered with ITS and has developed an interim tracking system. OIC plans to have all the changes to the system completed by the end of FY 2010.
Diversity Management Program	2008-SP-104 July 2008	Office of Opportunity, Inclusiveness and Compliance	II.6	Develop a means to conduct an in-depth analysis of separations to identify trends that will assist management in determining reasons behind the separation rates of minorities and females–OIC is in the process of hiring staff to perform this function, purchasing statistical analysis software, and acquiring access to the NFC data. OIC plans to fully implement this recommendation by the end of FY 2010.
Diversity Management Program	2008-SP-104 July 2008	Office of Opportunity, Inclusiveness and Compliance	II.7	Organize a facilitative workshop with program supervisors, HRS, and OIC staff to discuss identified barriers–Contingent on fully implementing recommendation II.1, OIC will make presentations to the EC, Operations Committee, managers, and supervisors on the results of the diversity assessments, including analysis of the workforce, job groups, availability, utilization, impact, and barriers.
Diversity Management Program	2008-SP-104 July 2008	Office of Opportunity, Inclusiveness and Compliance	II.8	Convene a Hispanic employment work group to develop strategies to improve Hispanic representation–OIC is in the process of hiring staff to perform this function and plans to fully implement this recommendation by the end of FY 2010.
Diversity Management Program	2008-SP-104 July 2008	Office of Opportunity, Inclusiveness and Compliance	II.9	Conduct exit interviews to determine why staff leave and identify employee perceptions about organizational commitment to diversity–OIC is scheduling meetings with HRS to discuss how best to implement this recommendation.
Diversity Management Program	2008-SP-104 July 2008	Office of Opportunity, Inclusiveness and Compliance	III	Identify critical senior level and management positions and focus training, career development, and mentoring programs–The Library is designing a senior level development program as one of the components of its succession management plan. HRS also plans to work with the OIC Director on other relevant training, development, and/or mentoring initiatives.
Diversity Management Program	2008-SP-104 July 2008	Office of Opportunity, Inclusiveness and Compliance	IV	The Library should make its "No Fear" data available to staff via the Library's Staff Intranet Web site and benchmark this data against other federal agencies of similar size–OIC is in the process of hiring additional staff who will be responsible for updating the OIC Intranet including adding "No Fear" data. OIC plans to implement this recommendation by December 2010.
Personally Identifiable Information	2008-PA-104 September 2009	Office of the Chief Operating Officer	II.c	Develop and implement a policy that specifically addresses worksite files, supervisory notes, and ghost files for non-bargaining unit employees–HRS has drafted a Directive to accomplish this and has submitted it to the General Counsel for approval.

Unimplemented Recommendations

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

Subject	Report No. and Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Office of Strategic Initiatives (OSI)				
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	1.D	Produce a transformational guide that contains a plan of execution to ensure that the Library moves forward as a total institution with one voice–This will be accomplished through the Enterprise Architecture (EA) effort currently in process.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	3.A	Separate the IT function from OSI and have the Chief Information Officer (CIO) report directly to the Librarian or Chief Operating Officer–Library management is still considering this recommendation in light of new governance processes.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	5.D	Implement a commercial-off-the-shelf help desk system that includes metrics–ITS will address this when both human and capital resources are available.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	5.E	Negotiate a new help desk contract to meet service level requirements of all service/support units and eliminate duplicative services–The Library disagreed with this recommendation (duplicative costs were addressed in Implemented Recommendation number 2.B).
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	5.F	Develop dynamic, evolving metrics to measure performance–ITS has reviewed and revised metrics for several help desk functions, is expanding its analysis, and investigating the benefits of dashboards for monitoring performance.
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	I.a.1	ITS should conduct a comprehensive needs assessment of the hardware, software, and equipment and ensure an adequate infrastructure is in place to mirror and recover the Library's critical systems–ITS is developing procedural steps to address this recommendation.
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	I.a.2	ITS should ensure the Library's critical systems are fully mirrored at the Alternate Computing Facility (ACF)–ITS has identified gaps between critical systems and ACF backup. Mirroring those systems is the next step.
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	I.b.1	Ensure that the availability and functionality of the Library's critical systems at the ACF are periodically tested, documented, and reviewed–ITS is in the process of developing testing plans along with service unit agreements for contingency situations.
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	I.b.2	Develop and implement procedures to periodically test the backup media, such as backup tapes, at the ACF–Standard operating procedures for testing backup media are being drafted.
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	I.c.1	Conduct a comprehensive evaluation of remote access and connectivity to the ACF–ITS completed a comprehensive evaluation that revealed the current ACF connectivity could not accommodate the 4,000 identified users. Funding is required to provide full connectivity.

Unimplemented Recommendations

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

Subject	Report No. and Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Office of Strategic Initiatives (OSI) Continued				
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	I.c.2	Coordinate with the Library's service units and divisions to develop and conduct tests to verify that users can directly access and use the systems and data at the ACF from remote locations–ITS has developed a methodology for testing outside access on a "rolling basis."
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	II.1	Identify and classify the Library's mission essential functions and critical systems–ITS has drafted recommendations for presentation to the EC.
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	II.2	Establish procedures to ensure that the list of systems, classified by tier level, is complete and kept up-to-date–Based on the EC response to the presentation in II.1 above, ITS will submit a standard operating procedure for EC approval.
Alternate Computing Facility	2009-IT-101 September 2009	Information Technology Services	III	Ensure written agreements with service units are standardized and current–ITS is redrafting service level memorandums of understanding (MOUs) for service units that will include standardized contingency services.
Human Resources Services (HRS)				
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	I.a.1	Establish procedures for the point of contacts (POC) to make leave bank (LB) adjustments in WebTA–HRS is in the process of developing written procedures for the POCs and timekeepers.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	I.c.1	Provide training and written procedures for timekeepers on leave discrepancies–Training has been developed and scheduled for April 2010.

Above: Metalwork Ornamentation, Photograph by Tara Logan

IMPLEMENTED RECOMMENDATIONS

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

SUBJECT	REPORT NO. AND ISSUE DATE	OFFICE	REC. NO.	SUMMARY AND STATUS OF RECOMMENDATION
Office of the Chief Financial Officer (OCFO)				
Disbursing Office Controls	2007-PA-103 September 2008	Disbursing Office	II.a	Revise Financial Services Directive 05-02–Directive was revised and issued December 2009.
Integrated Support Services (ISS)				
Landover Center Annex Warehouse Inventory Controls	2009-PA-102 March 2009	Integrated Support Services	II	Develop an inventory retention policy–ISS has developed and communicated the policy to service/support units and ISS Logistics is implementing the policy at the warehouse.
Copyright Office (CO)				
Conditions in the Processing of Copyright Claims	September 2008	Copyright	III	Determine the staffing level needed to process incoming claims and eliminate the backlog–Since reengineering implementation in August 2007 the number of registration specialists in CO has grown by nearly 20 percent. As CO's business model changes it continues to shift resources to address incoming claims and the backlog.
Library Services (LS)				
Rare Book and Special Collections Security	2008-PA-101 March 2009	Library Services	II	Library management should work with U.S. Capitol Police (USCP) to identify areas where the collections require special coverage–Library management has established an emergency water response team to work with USCP including special procedures for USCP inspections of collections during inclement weather.
Office of Security and Emergency Preparedness (OSEP)				
Emergency Preparedness Program	2005-PA-104 March 2006	Office of Security and Emergency Preparedness	III	Develop or obtain a threat/risk assessment–Library management now relies on the USCP to conduct threat/risk assessments of the Library.
Office of the Librarian				
Personally Identifiable Information	2008-PA-104 September 2009	Office of the Chief Operating Officer	I	The Library should designate a Chief Privacy Officer (CPO)–LCR 1921 issued October 2009 designated the Library's General Counsel as the CPO.
Personally Identifiable Information	2008-PA-104 September 2009	Office of the Chief Operating Officer	II.a	The CPO should be assigned overall responsibility for managing protection of personally identifiable information (PII) including the Library's manual systems and files–Accomplished with issuance of LCR 1921 in October 2009.
Personally Identifiable Information	2008-PA-104 September 2009	Office of the Chief Operating Officer	II.b	Identify PII in legacy systems and conduct privacy impact assessments–ITS is assisting the CPO in completing this.
Personally Identifiable Information	2008-PA-104 September 2009	Office of the Chief Operating Officer	III	Develop policy that requires PII incidents to be reported to the OIG–Accomplished with issuance of LCR 1921 in October 2009.

Implemented Recommendations

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

Subject	Report No. and Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Office of Strategic Initiatives (OSI)				
Long-Distance Telephone Service	2007-CA-101 March 2008	Information Technology Services	I	Compare the cost of alternative service providers to find the best value to the Library–ITS conducted a comparison and determined that the current rate package has the optimum rate mix for domestic/international long distance service when factoring-in installation charges associated with changing carriers.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	1.A	Create a process to ensure that the IT strategic plan aligns directly with the Library's strategic plan–The Librarian's Management Agenda, issued July 2009, initiated a process for Library-wide involvement (including addressing IT requirements) in updating the Library's strategic plan.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	1.B	Involve line employees in the Library's strategic planning process–The Library involved managers and staff in the update of the strategic plan. A total of 73 people (46 managers, 25 senior analysts/staff, and 2 Career Development Program graduates) participated in drafting the next strategic plan.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	1.C	Ensure that all initiatives concerning future Library technology are shared Library-wide–This is a principal objective of the updated strategic plan and will be ensured through the new IT Governance Process, IT Investment Management Process, collaborative informational meetings, and through the Library Gazette.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	1.E	Form a cohesive, integrated, and centrally managed Digital Strategy Plan (DSP) with roles and responsibilities of relevant service/support units clearly defined–The Library's revised strategic plan includes the DSP and will integrate it under the performance management system.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	2.A	Inventory and prioritize existing systems that require upgrade and new IT projects to create an IT portfolio–ITS has an inventory of all existing systems and on-going projects with priorities addressed by the IT Steering Committee.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	2.B	Develop a plan to review and eliminate duplicative costs including help desks, technical liaisons in service units, and coordinate purchases–A methodology has been developed and the Budget Office and ITS are analyzing for duplicative costs.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	2.C	Account for all IT costs including computer security as part of the IT budgetary process–A methodology has been developed as recommended.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	2.E	Develop a methodology to maintain and track all IT expenses–A methodology has been developed as recommended.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	2.F	Review and plan for moving forward through the stages of the Information Technology Infrastructure Management Model–The EC has selected and implemented an IT governance model.

Implemented Recommendations

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

Subject	Report No. and Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Office of Strategic Initiatives (OSI) Continued				
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	3.B	Endow the CIO with authority and responsibility for IT strategic planning, capital planning, asset management, enterprise architecture, and establish a Customer Advocate role to ensure accountability–The CIO now has the recommended authorities and responsibilities; the Library believes the Customer Advocate is unnecessary at this time.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	3.C	Endow organizational functions such as IT security with appropriate enforcement authority and policy responsibilities–The IT Security Staff operate with the recommended authorities through the Director of ITS and the CIO.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	4.A	Follow Federal Segment Architecture Management (FSAM) templates as a model for developing the architecture segments and use federal agency best practices for enterprise architecture (EA) using mainstream tools and processes–The EA program will use FSAM and the associated templates to develop architecture segments.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	4.B	Evaluate proposed plans for the development of an EA with the Enterprise Architecture Management Maturity Framework (EAMMF) to ensure the plans are in complete alignment–The Library is using the EAMMF as recommended.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	4.C	Keep the process for developing an EA in line with similar agencies to avoid a process that is too complex or out of scope with agencies of similar size–The Library's EA development processes have been modeled for simplicity after the National Institutes of Health, Government Accountability Office, and Government Printing Office using FSAM as recommended.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	4.D	Include all EA costs in a single budget line item for the entire Library to avoid a burdensome or costly process for system owners–The OSI budget funds EA contract costs and the program office. Individual service units will fund the human resource costs of participating on domain teams.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	4.E	Involve all service/support unit system/business process owners in implementing EA–The EC named an Architecture Review Board comprised of support unit representatives and Architecture Domain Teams (with subject matter experts from service/support units) to achieve Library-wide participation in EA.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	5.A	Implement service level agreements to manage customer expectations–ITS developed a Master Service Level Agreement to be used as a template for MOUs with each service unit.
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	5.B	Review the performance metrics, system development life cycle, IT security, and help desk processes and obtain feedback to improve efficiency and effectiveness–Reviews have been completed and through the Workstation Configuration Control Committee, the IT Collaborative Forum, and ad hoc meetings with service units, ITS has created formats for continuous feedback to initiate improvements.

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

Subject	Report No. and Issue Date	Office	Rec. No.	Summary and Status of Recommendation
Information Technology Strategic Planning	2008-PA-105 March 2009	Information Technology Services	5.C	Use best practices for service management from organizations such as the Help Desk Institute, Information Technology Infrastructure Library (ITIL), and other organizations– ITS reviewed ITIL guidance and developed a plan for identifying and implementing best practices for the help desk.
Human Resources Services (HRS)				
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	I.a.2	Review WebTA accounts of leave bank (LB) recipients to ensure awards have been properly applied, used for the purposes intended, and unused balances recovered–HRS standard operating procedures (SOPs) now require review of WebTA accounts of LB recipients as recommended.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	I.a.3	Revise program procedures to require email notifications to applicants, timekeepers, and corresponding POCs regarding award decisions; require notification confirmation by timekeepers and corresponding POCs–Notifications now sent as recommended. HRS SOPs were revised to comply with recommendation.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	I.b	Establish LB procedures for timekeepers–HRS SOPs now require review of WebTA accounts of LB recipients as recommended.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	I.c.2	Periodically monitor leave error reports for timely error resolution–HRS implemented SOPs for biweekly monitoring of leave error reports and correction procedures.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	II.a	Restrict master timekeepers' access rights to confidential pay and leave information–HRS has implemented an alternative solution to reduce the exposure by reducing the master timekeeper role to only essential personnel.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	II.b.1	Evaluate staff access rights to key HRS IT systems–HRS has reviewed all access rights to ensure that access is in accordance with business and operational needs.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	II.b.2	Require the Worklife Services Center to review the audit trail of leave update reports to identify invalid transactions-HRS has implemented the review as recommended.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	II.c.1	Establish a policy for personnel actions processed through EmpowHR–All but the most sensitive actions are now processed through EmpowHR work-in-progress. Actions processed outside of this method are reviewed by at least one level of authority higher than the person processing the action.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	II.c.2	Review transactions initiated and processed outside the EmpowHR work-in-progess process resulting in a change in pay or disbursement of funds–Actions processed outside of EmpowHR are reviewed by at least one level of authority higher than the person processing the action.
Worklife Services Center	2009-PA-101 June 2009	Worklife Services Center	III	Revise the employees' performance plans and hold employees accountable for their work–HRS has implemented this recommendation by revising the performance plans to include understandable and measurable terms that provide sufficient detail to hold employees accountable for their work.

Instances Where Information or Assistance Requests Were Refused

No information or assistance requests were refused during this period.

Status of Recommendations Without Management Decisions

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

Significant Revised Management Decisions

During the reporting period there were no significant revised management decisions.

Significant Management Decisions With Which OIG Disagrees

During the reporting period there were no significant disagreements with Library management about decisions on OIG recommendations.

Follow-up on Prior Period Recommendations

In this semiannual period, we followed up on all open recommendations from our prior semiannual period. Management's comments on the status of individual recommendations appear in table 4A. Recommendations management asserts it has implemented during the period appear in table 4B. In order to confirm that recommendations have been implemented as reported, we perform periodic follow-ups of selected projects.
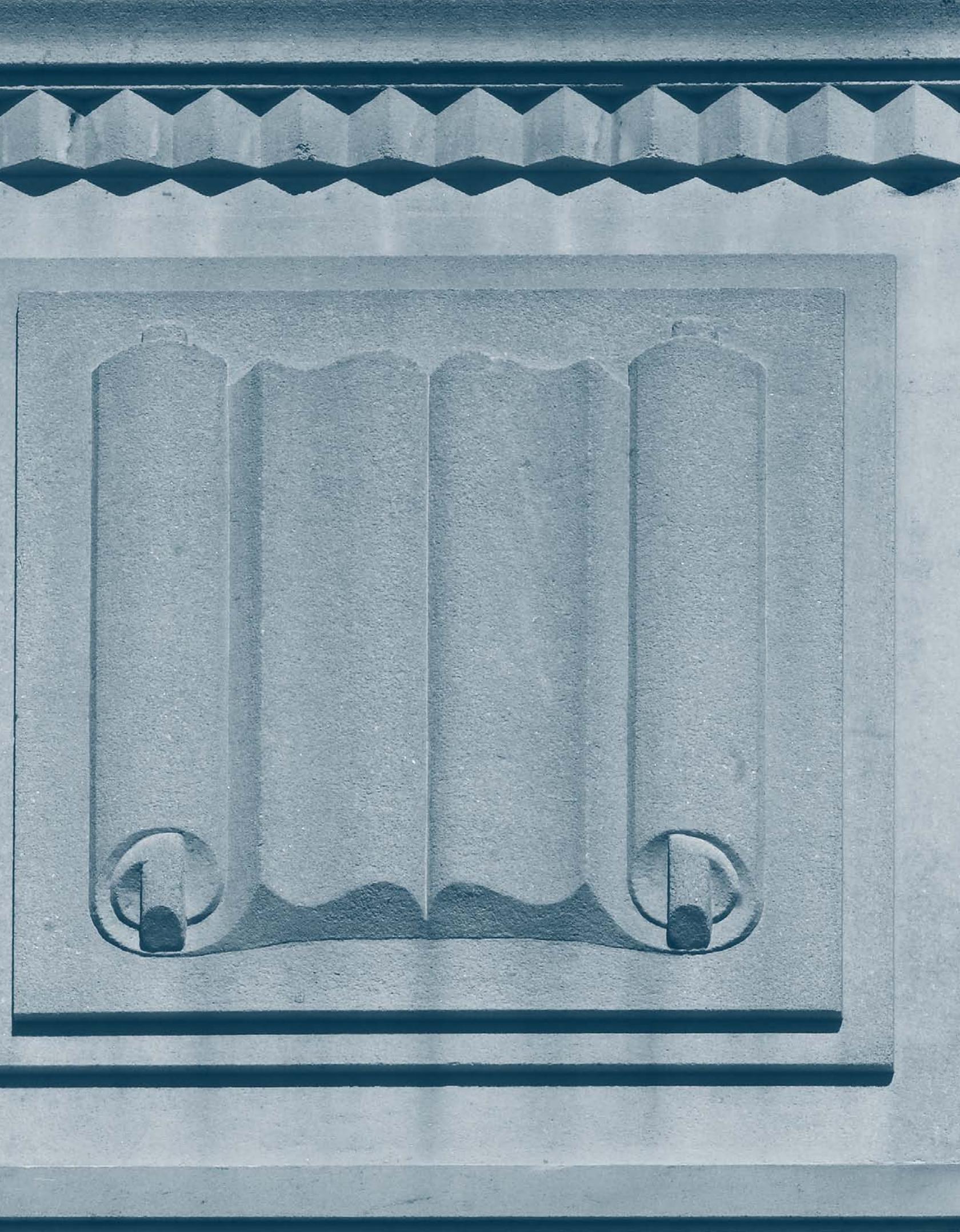
Left: Marble and Metalwork Stairs, Photograph By Carol Highsmith

Funds Questioned or Put to Better Use

Table 5:   Audits with Recommendations for Better Use of Funds

Reports…	Number	Value
…for which no management decision was made by the start of the period:	-	-
…issued during the period:	-	-
Subtotal	-	-
…for which a management decision was made during the reporting period:		
value of recommendations agreed to by management	-	-
value of recommendations not agreed to by management	-	-
…for which no management decision was made by the end of the reporting period:	-	-
…for which no management decision was made within six months of issuance:	-	-

Table 6:   Audits with Questioned Costs

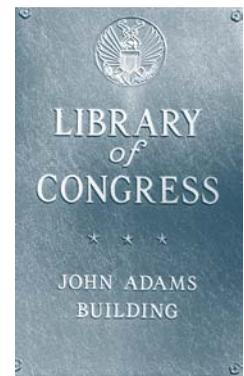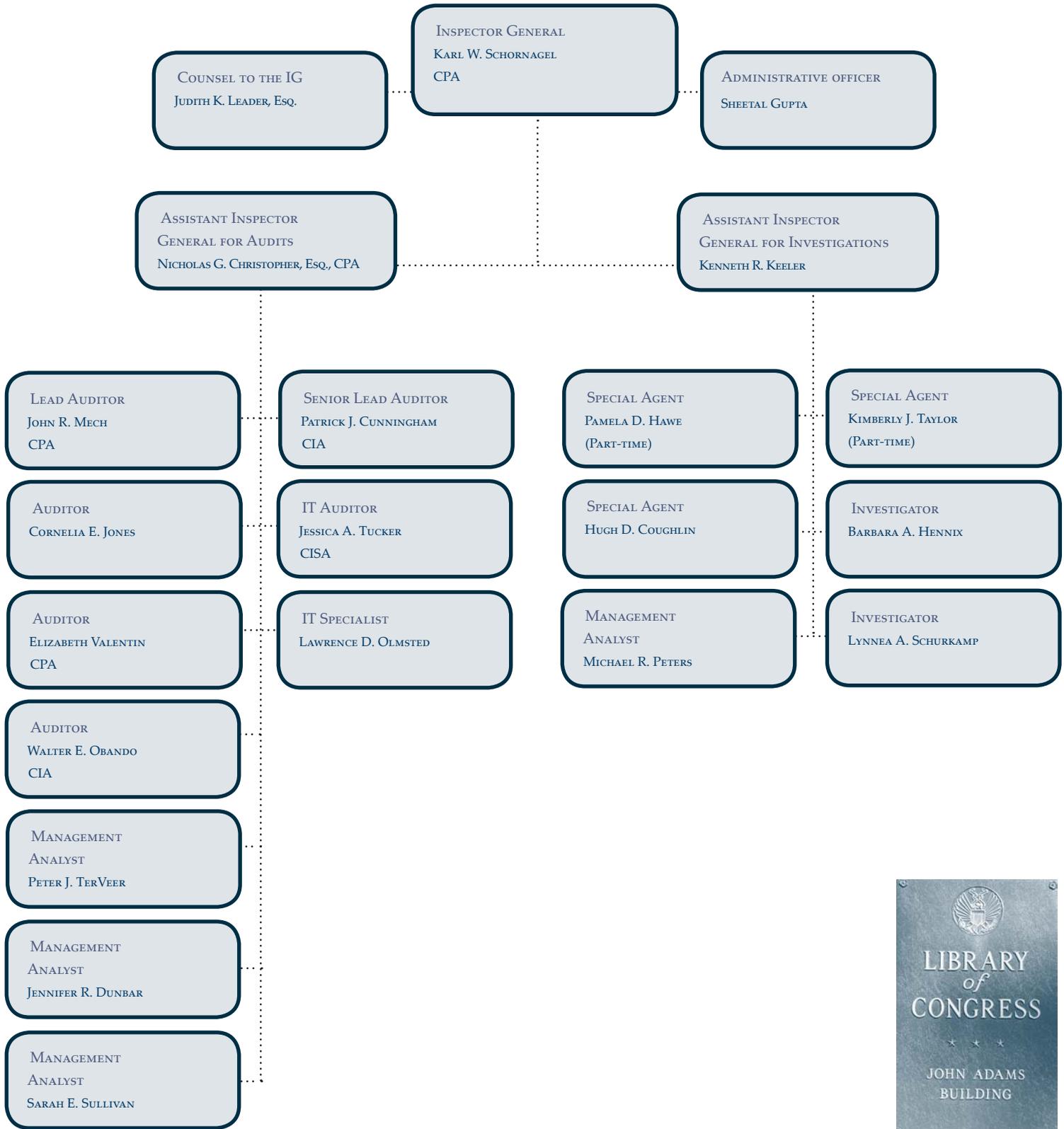| Reports…	Number	Value
…for which no management decision was made by the start of the period:	-	-
…issued during the period:	-	-
Subtotal	-	-
…for which a management decision was made during the reporting period:		
value of recommendations agreed to by management	-	-
value of recommendations not agreed to by management	-	-
…for which no management decision was made by the end of the reporting period:	-	-
…for which no management decision was made within six months of issuance:	-	-

Organizational Chart

Inspector General
Karl W. Schornagel
CPA

Counsel to the IG
Judith K. Leader, Esq.

Administrative officer
Sheetal Gupta

Assistant Inspector General for Audits
Nicholas G. Christopher, Esq., CPA

Assistant Inspector General for Investigations
Kenneth R. Keeler

Lead Auditor
John R. Mech
CPA

Senior Lead Auditor
Patrick J. Cunningham
CIA

Special Agent
Pamela D. Hawe
(Part-time)

Special Agent
Kimberly J. Taylor
(Part-time)

Auditor
Cornelia E. Jones

IT Auditor
Jessica A. Tucker
CISA

Special Agent
Hugh D. Coughlin

Investigator
Barbara A. Hennix

Auditor
Elizabeth Valentin
CPA

IT Specialist
Lawrence D. Olmsted

Management Analyst
Michael R. Peters

Investigator
Lynnea A. Schurkamp

Auditor
Walter E. Obando
CIA

Management Analyst
Peter J. TerVeer

Management Analyst
Jennifer R. Dunbar

Management Analyst
Sarah E. Sullivan

LIBRARY
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CONGRESS
★ ★ ★
JOHN ADAMS BUILDING

Above: Exterior Metal Plaque, Photograph by Tara Logan

INSPECTOR GENERAL HOTLINE

HELP PROMOTE INTEGRITY, ECONOMY, AND EFFICIENCY

REPORT SUSPECTED FRAUD, WASTE, ABUSE, OR MISMANAGEMENT

COMPLAINTS MAY BE MADE ANONYMOUSLY

INSPECTOR GENERAL

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ANY INFORMATION YOU PROVIDE WILL BE HELD IN CONFIDENCE.
HOWEVER, PROVIDING YOUR NAME AND A MEANS OF COMMUNICATING
WITH YOU MAY ENHANCE OUR ABILITY TO INVESTIGATE.