



NATIONAL
ARCHIVES

OFFICE *of* INSPECTOR GENERAL

Audit of NARA's Holdings
Protection Program (22-AUD-06)

April 25, 2022






Inspector General

April 25, 2022

TO: David Ferriero
Archivist of the United States

FROM: Dr. Brett M. Baker 
Inspector General

SUBJECT: *Audit of NARA's Holdings Protection Program*
OIG Audit Report No. 22-AUD-06

Attached is the Office of Inspector General's final report of our *Audit of NARA's Holdings Protection Program*. The report contains four recommendations intended to strengthen the protection of NARA's holdings. Agency staff indicated they had no comments for inclusion in this report.

Please provide planned corrective actions and expected dates to complete the actions for each of the recommendations within 30 days of the date of this report. As with all OIG products, we determine what information is publicly posted on our website from the attached report. Consistent with our responsibility under the *Inspector General Act of 1978, as amended*, we may provide copies of our report to congressional committees with oversight responsibility over NARA.

We appreciate the cooperation and assistance NARA extended to us during this audit. Please contact Jewel Butler, Assistant Inspector General for Audits, with any questions.

cc: Debra Wall, Deputy Archivist of the United States
William Bosanko, Chief Operating Officer
Meghan Guthorn, Deputy Chief Operating Officer
Shawn Smith, Supervisory Archives Specialist
Kimm Richards, Accountability
Jewel Butler, Assistant Inspector General for Audits
Kimberly Boykin, Audit Director
Teresa Rogers, Senior Program Auditor
United States House Committee on Government Reform and Oversight
Senate Homeland Security and Governmental Affairs Committee

Table of Contents

Executive Summary	3
Summary of Recommendations	4
Background	5
Objective, Scope, Methodology	8
Audit Results.....	10
Finding 1. Holdings Protection and Recovery Staff Walkthrough, Mail Inspection, and Verification Processes Need Improvement.....	10
Recommendations.....	13
Finding 2. Holdings Protection and Recovery Staff Incident Reporting Process Needs Improvement.....	15
Recommendation	16
Finding 3. Oversight of Holdings at Affiliated Archives Needed.....	17
Recommendation	17
Appendix A – Acronyms	18
Appendix B – Prior Audit Recommendations	19
Appendix C – Agency Comments	22
Appendix D – Report Distribution List	23

Executive Summary

Audit of NARA's Holdings Protection Program

OIG Audit Report No. 22 AUD 06

April 25, 2022

Why Did We Conduct This Audit?

As the National Archives and Records Administration (NARA) makes records available to the public, the risks increase in protecting these records from theft or vandalism. An effective Holdings Protection program is key to prevent loss, theft, or damage in a timely manner.

The Office of Inspector General (OIG) conducted this audit to determine whether NARA has controls in place to reasonably secure and protect holdings from theft or vandalism.

What Did We Recommend?

We made four recommendations to strengthen the protection of NARA's holdings. Management concurred with the recommendations in this report.

What Did We Find?

NARA has substantially increased holdings security, monitoring, and screening at NARA's facilities since 2016 to reasonably secure and protect holdings from theft or vandalism. NARA has also taken steps to establish a comprehensive Holdings Protection program. However, the Holdings Protection and Recovery Staff, which is responsible for overseeing and implementing the Holdings Protection program, needs to improve its walkthroughs, mail inspections, verifications, and incident reporting processes. Specifically, Holdings Management System's verification samples were not selected in accordance with standard operating procedures; walkthrough, inspection, and verification findings were not adequately tracked; and corrective actions were not fully documented. In addition, we found NARA does not currently provide oversight of holdings at its Affiliated Archives.

Collectively, these challenges exist because NARA has not yet fully developed and implemented appropriate management and internal controls to ensure program effectiveness. As a result, NARA has limited assurance its Holdings Protection program is as comprehensive as it could be and operating optimally. Without an effective and comprehensive Holdings Protection program, NARA will continue to report agency-wide deficiencies in holdings protection controls as part of its annual internal control assurance statements, and holdings may continue to be at risk.

Summary of Recommendations

Finding 1: Holdings Protection and Recovery Staff Walkthrough, Inspection and Verification Processes Need Improvement

Number	Recommendation	Responsible Office
1	Ensure Holdings Protection and Recovery Staff Holdings Management System verifications samples are selected as required.	Chief Operating Officer
2	Update standard operating procedures for the Holdings Protection and Recovery Staff walkthroughs (stack, research room, and processing area), outgoing mail inspections, and Holdings Management System verifications to include: (a) quality reviews of staff checklists and tracker spreadsheets for completeness and accuracy, (b) consistent definitions of similar issues, and (c) requirements to follow-up on repeated findings.	Chief Operating Officer

Finding 2: Holdings Protection and Recovery Staff Incident Reporting Process Needs Improvement

Number	Recommendation	Responsible Office
3	Update NARA 1572, <i>Preventing Theft and Vandalism of NARA Holdings in NARA Facilities</i> , and its Supplement(s) to include documented procedures that include simplified reporting of internal incidents of loss, theft, or damage of NARA holdings.	Chief Operating Officer

Finding 3: Oversight of Holdings at Affiliated Archives Needed

Number	Recommendation	Responsible Office
4	Update NARA 1572, <i>Preventing Theft and Vandalism of NARA Holdings in NARA Facilities</i> , to include Holdings Protection and Recovery Staff oversight of the affiliated archives.	Chief Operating Officer

Background

According to Title 44 United States Code, Section 2903, the Archivist of the United States has custody and control of the National Archives Building and its contents, and may operate, protect, and improve buildings used by him for the storage of records of Federal agencies in the District of Columbia and elsewhere. The National Archives and Records Administration's (NARA) 2018-2022 Strategic Plan identifies "Make Access Happen" as NARA's first strategic goal. As NARA makes records available to the public, the risks increase in protecting these records from theft or vandalism.

In fiscal year (FY) 2001, NARA declared a Federal Managers Financial Integrity Act (FMFIA)¹ Material Weakness² in the area of Holdings Protection. At that time, NARA identified specific actions to be taken in five areas: Policies and Procedures, Training, Security for Records Storage, Internal Control, and Theft Prevention and Response.

In FY 2009, NARA established the Holdings Protection program and team within the Security Management Branch^{3,4}. The program was designed to address holdings protection agency-wide through the development of training and establishing holdings protection policies and procedures. The Holdings Protection Team (HPT) was formed to, among other things, work with agency offices providing assistance and advice, conduct inspections to ensure staff followed holdings protection policies and procedures, and conduct risk assessments.

In FY 2015, Holdings Protection was downgraded to a reportable condition. Since then, NARA has chosen to maintain oversight into this area via the FMFIA process based, in part, on the need to continually analyze threats that could result in the loss of holdings, assess potential actions to mitigate those threats, and assess the sufficiency and effectiveness of controls.

In 2016, the HPT (now the Holdings Protection and Recovery Staff (CH)) was transferred to the Office of the Chief Operating Officer (COO) with the responsibility for overseeing and implementing the Holdings Protection program. CH also develops policies, procedures, and training for NARA staff, conducts announced and un-announced verification and compliance inspections, and advises other NARA offices on securing materials on exhibit or loan. Through the inspections and quarterly walkthroughs, CH proactively engages with NARA offices to

¹ FMFIA requires the agency head to provide an annual *Statement of Assurance* on whether the agency's internal controls provide reasonable assurance for effective and efficient operations, compliance with regulations and applicable laws, and reliability of financial reporting.

² A deficiency the agency head determines to be significant enough to be reported outside the agency.

³ The program was established within the Office of Administration (NA), Space and Security Management (NAS), Security Management Branch (NASS).

⁴ The Security Management Branch name changed to Security Management under Business Support Services.

determine whether they are in compliance with agency directives aimed at safeguarding holdings. Under the COO, the Holdings Protection and Recovery program has expanded and matured holdings security, monitoring, and screening activities at NARA’s facilities. NARA has also,

- implemented credit checks for employees with access to Specially Protected Holdings (SPH),⁵
- installed research room cameras, monitors, and associated equipment,
- implemented refile quality control,
- supported the Office of Inspector General (OIG) in investigations related to the recovery of loss, theft, or damaged items.

Holdings protection directives include NARA 1572 *Preventing Theft and Vandalism of NARA Holdings in NARA Facilities* and its six supplements. At NARA facilities, CH inspects holdings areas such as research rooms, stack areas, processing areas, and exhibit areas. To facilitate these reviews, the CH developed checklists for each type of walkthrough, verification, and inspection. See Table 1 for the types of monitoring.

Table 1: CH Monitoring

Types of CH Monitoring	Description of Monitoring
Holding Protection Inspection	Inspect facility’s research rooms including researcher registration, pull/refile processes and refile audits, stack areas, processing areas, exhibit areas, verification of SPH and/or Vulnerable & Valuable items, certification of SPH storage areas, loaned holdings, exit inspection, and verification of Holdings Management System (HMS) items.
Stack Walkthrough	Walk around the perimeter and main aisle(s) of the stack area using a checklist to perform visual review of shelved records and identify anything unusual.
Research Room Walkthrough	Observes research room procedures and practices of research room attendants and researchers, as well as checks the placement of security cameras.
Processing Area Walkthrough	Walk around archival processing area to check for controlled access points, safe storage of records, and proper removal of trash and non-record materials.
HMS Container Location Verification	Verify that HMS inventory data matches the physical locations of randomly selected boxes in the stack. In addition, verify the physical locations of randomly selected boxes in the stack matches HMS inventory data.
Outgoing Mail Inspection	Inspect the contents of randomly selected mail, at the National Archives buildings at Washington, DC (A1) and College Park, MD (A2), for original documents, and documents/copies containing classification markings that are not properly stamped or marked.

Source: CH Standard Operating Procedures

⁵ Unclassified holdings to which extra physical, intellectual and access controls are assigned because they bear exceptional intrinsic or monetary value, and are therefore subject to heightened risk of theft or vandalism.

Some federal records are excluded from the Holdings Protection program and likewise from CH monitoring. These records include classified national security information, and incumbent Presidential and Vice-Presidential records. The vast records entrusted to NARA illustrate the importance of good inventory management in the fight against loss, theft, and damaged holdings.

A 2015 OIG report⁶ identified several internal control deficiencies related to NARA's SPH. Specifically, we found,

- (1) SPHs were not always properly monitored as security guidelines were inadequate in some cases;
- (2) SPHs inventory listings were not always fully documented, at the item level, or accurate;
- (3) SPHs inspections were not always properly completed and recorded;
- (4) Access to SPH storage areas was not always properly controlled; and
- (5) SPH procedures were outdated, not documented, or not comprehensive.

Due to their exceptional intrinsic or monetary value, SPHs are subject to heightened risk of theft or vandalism. We made 22 recommendations to several offices to strengthen NARA's internal controls and management of SPHs. When the OIG initiated this audit, several of the 22 recommendations were open. We closed 10 recommendations and partially closed⁷ 12 recommendations (see Appendix B).

⁶ Audit of NARA's Specially Protected Holdings, OIG Audit Report No. 15-03, dated February 6, 2015.

⁷ Recommendations were addressed to three offices. The Executive for Legislative Archives, Presidential Libraries, and Museum Services has not implemented all of its recommendations.

Objective, Scope, Methodology

Objective

The objective of this audit was to determine whether NARA has controls in place to reasonably secure and protect holdings from theft or vandalism.

Scope and Methodology

To accomplish our audit objective, we performed audit procedures from the auditor's approved COVID-19 public health emergency telework location. The audit was performed from April 2020 through December 2021.⁸ Specifically, we performed the following:

- Reviewed NARA Directive 101 to gain understanding of Holdings Protection and Recovery roles and responsibilities.
- Interviewed NARA's Chief Operating Officer, Deputy Chief Operating Officer, Senior Security Officer, and CH personnel from A2 to gain an understanding of holdings protection control activities.
- Reviewed NARA policies and procedures in place to reasonably secure and protect holdings from theft or vandalism, including CH standard operating procedures (SOPs) for conducting holdings protection walkthroughs, inspections, and verifications.
- Reviewed management's self-identified internal control weaknesses, holdings protection FMFIA action plan, and internal control reports for any systemic Holdings Protection program weaknesses.
- Reviewed holdings security practices from related sectors, such as Internal Council of Museums (ICOM), Society of American Archivists, and the Association of College & Research Libraries (ACRL).
- Examined documentation from CH stack walkthroughs, research room walkthroughs, processing area walkthroughs, HMS container location verification checks (HMS verifications), and outgoing mail inspections at A1, A2, and Washington National Records Center (WNRC) from fiscal years 2018-2020.
- Reviewed holdings protection inspection reports for various NARA field locations from fiscal years 2018-2020.

This performance audit was conducted in accordance with *Generally Accepted Government Auditing Standards*. Those standards require we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our

⁸ The audit was delayed/impacted by the COVID-19 pandemic and other unforeseen circumstances.

audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

In planning and performing this audit, we identified the following internal control components and underlying internal control principles as significant to the audit objective:

- Risk Assessment – Define Objectives and Risk Tolerances
- Controls Activities – Design Control Activities and Implement Control Activities
- Monitoring – Perform Monitoring Activities

We assessed the design, implementation, and/or operating effectiveness of these internal controls and identified deficiencies that we believe could affect NARA's ability to reasonably secure and protect holdings from theft or vandalism. The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to aspects of these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

Kimberly Boykin, Audit Director; Teresa Rogers, (Lead) Senior Program Auditor; and Andrew Clements, Senior Information Technology Auditor (Referencer) made key contributions to this report.

Audit Results

NARA has substantially increased holdings security, monitoring, and screening at NARA's facilities since 2016 to reasonably secure and protect holdings from theft or vandalism. NARA has also taken steps to establish a comprehensive Holdings Protection program. However, CH, which is responsible for overseeing and implementing the Holdings Protection program, needs to improve its walkthroughs, mail inspections, verifications, and incident reporting processes. Specifically, HMS verification samples were not selected in accordance with SOPs; walkthrough, inspection, and verification findings were not adequately tracked; and corrective actions were not fully documented.

We also found NARA does not currently provide oversight of holdings at its Affiliated Archives. Collectively, these challenges exist because NARA has not yet fully developed and implemented appropriate management and internal controls to ensure program effectiveness. As a result, NARA has limited assurance its Holdings Protection program is as comprehensive as it could be and operating optimally. Without an effective and comprehensive Holdings Protection program, NARA will continue to report agency-wide control deficiencies in holdings protection as part of its annual internal control assurance statements, and holdings may continue to be at risk.

Finding 1. Holdings Protection and Recovery Staff Walkthrough, Mail Inspection, and Verification Processes Need Improvement

We examined inspection reports, checklists, and spreadsheets used for the CH monitoring activities, such as HMS verifications, stack walkthroughs, research room walkthroughs, processing area walkthroughs, and outgoing mail inspections. We found,

- samples were not selected in accordance with SOPs,
- findings were not adequately tracked, and
- corrective actions were not fully documented.

A key reason for these weaknesses is that CH did not have adequate SOPs to ensure its walkthroughs, inspections, and HMS verifications were adequately implemented and operating as intended. CH also did not always adhere to draft or interim SOPs or have effective oversight of activities.

The Government Accountability Office's (GAO's) *Standards for Internal Controls in the Federal Government* states control activities are the actions management establishes through policies and procedures to achieve objectives and respond to risks in the internal control system. CH control activities include announced and unannounced verification and compliance inspections to mitigate internal and external threats to NARA holdings by improving oversight,

surveillance, and access controls agency wide. Without adequate procedures and effective controls, CH cannot ensure internal and external threats to NARA holdings are successfully mitigated.

HMS Verification Samples Were Not Selected in Accordance with SOPs

CH performs HMS verification as part of formal holdings protection inspections and routine holdings protection walkthroughs. When holdings are removed from secure storage locations, NARA documents the removal via the Pull Slip-Item (an HMS Form). To ensure the physical control of records in HMS, CH selects sample items to verify the inventory data (e.g., location, record group, box number) matches HMS data. CH HMS verifications have procedures, which stipulate sample size. However, we found CH staff did not always sample a sufficient number of HMS containers in accordance with SOPs. For example, CH did not always select the required sample number of boxes/items for HMS Verification Checks. CH procedures require staff to select a random sample of 20 boxes at various locations in the stack. In FY 2018, CH performed 382 HMS verifications at A1 and A2, and sampled an average of 14.5 boxes/items.

Walkthrough, Mail Inspection, and Verification Findings Were Not Adequately Tracked

CH did not adequately track inspection findings from its compliance walkthroughs, outgoing mail inspections, and HMS verifications. We found inspection findings tracked under incorrect categories, findings of similar issues, but with inconsistent descriptions, and incomplete checklists and tracking spreadsheets. This occurred because CH did not establish or implement adequate internal procedures to ensure completeness and accuracy of the inspection information.

Incorrect Categorization as a Major Issue or Non-Major Issue

When conducting a stack walkthrough, CH staff performs a visual inspection of certain stacks—examining those stacks pre-selected for review, noting any issues on the shelves and any potentially missing records/boxes, and documenting the walkthrough results on their stack walkthrough checklist. During the walkthrough, staff complete compliance related questions and indicate “yes or no” on their checklist if findings/issues are major or non-major. Upon completion, staff copied their checklist information onto the stack walkthrough tracker spreadsheet.

We found CH staff did not always track stack walkthrough issues concerning pull slips⁹ over 60 days correctly. This was evident by the tracker spreadsheet whereby some staff tracked the 60-day issue as major while some tracked it as non-major. Although CH specified in SOPs that any boxes charged out for 60 days or more was a finding, it did not distinguish whether such issues were major or not. In FY 2020, CH conducted 289 stack walkthroughs of which 35, or 12 percent, were tracked as major issues, and 84 or 29

⁹ HMS Form.

percent were tracked as non-major issues. However, given CH's inconsistencies for tracking findings, these stack walkthrough statistics may not have been accurate. In addition, the SOPs for processing area walkthroughs did not define which issues were major or non-major. Although the majority of the walkthroughs identified no issues, those that identified issues were not labeled as major or non-major issues as required. Labeling issues allows NARA to prioritize and address issues and ensure threats to NARA holdings are successfully mitigated. We found CH did not label any findings in FY 2019 for their processing area walkthroughs.

Finding Categories Were Not Always Consistent with Descriptions of Issues on Walkthrough Checklists

In addition to stack walkthroughs, CH staff performs HMS container location verification checks (HMS verifications) at A1, A2, and archival field locations. Although we reviewed all SOPs of HMS verifications, we only assessed those HMS verifications conducted at A1 and A2 as part of CH's walkthrough checks. HMS is the agency's primary inventorying system. To perform HMS verifications, CH selects a random sample of 20 boxes at various locations in the stacks. For each container selected, staff identifies the Record Group, entry, box number, and stack locations then search HMS to verify that the locations for all 20 boxes are accurately recorded in HMS. While CH often found holdings were in the wrong location as a result of these HMS verification checks, they tracked these findings in different ways. For example, CH used mixed descriptions such as,

- box on wrong shelf,
- box is on the next shelf,
- incorrect location,
- location off by a shelf,
- boxes appear to be in previous shelf, and
- location is wrong by one compartment.

This variation in descriptions may unnecessarily burden any efforts to effectively track potential systemic issues in the Holdings Protection program.

Incomplete Tracking Spreadsheets

We found CH did not record 12 of 39 processing area walkthroughs on the corresponding tracker spreadsheet as required. Two of these walkthroughs had inspection findings noted as major issues. For another tracker spreadsheet, CH did not consistently record checklist data to the tracker spreadsheet. Specifically, we found,

- Six research room walkthrough checklists were not recorded on the corresponding tracker spreadsheet.

- Six research room walkthrough checklists were logged on the corresponding tracker spreadsheet, but staff's comments were not recorded on it.
- Six research room walkthrough checklists were logged, and staff's comments were recorded on the corresponding tracker spreadsheet, but the comment details on the checklist and tracker were different.

In one example, we found 29 outgoing mail inspection checklists that were not recorded on the corresponding tracker spreadsheet. In addition, there were 35 outgoing mail inspections recorded on the tracker spreadsheet but with no corresponding inspection checklists. These missing checklists included inspection results of 486 pieces of outgoing mail, and should have provided evidence of the inspection data recorded on the tracker spreadsheet. By not maintaining checklists, and/or maintaining incomplete tracking spreadsheets, CH cannot effectively monitor compliance of holdings protection controls.

Corrective Actions Not Fully Documented

CH did not always fully document actions taken to address issues identified during walkthroughs. For example, of the 20 stack walkthroughs conducted at the WNRC during the first quarter of FY 2020, CH found 7 stacks had problems such as missing or misplaced boxes. However, corrective actions for four of seven stacks were not documented. CH documented remediation efforts for three of the seven stacks, but they did not ensure the issues were fully addressed. CH also found issues related to abandoned boxes where one of the boxes was badly torn and exposing records. According to CH, the box was returned to its stack location. However, the corrective action status did not include whether records exposed in the torn box had been addressed.

In another example, CH provided corrective actions of stack walkthroughs in which no issues were reported on the tracker spreadsheet. While stack walkthrough SOPs require CH to record results and any potential issues of concern, CH does not have procedures for tracking corrective actions. Monitoring is a key component of an effective internal control system. GAO's *Standards for Internal Control in the Federal Government* specify that management should monitor internal controls, evaluate the results, and timely remediate identified issues. Without effective monitoring activities, including documenting the status of corrective actions, CH may not provide the information needed to help management address outstanding issues in the Holdings Protection program.

Recommendations

We recommend the Chief Operating Officer:

Recommendation 1: Ensure Holdings Protection and Recovery Staff Holdings Management System verification samples are selected as required.

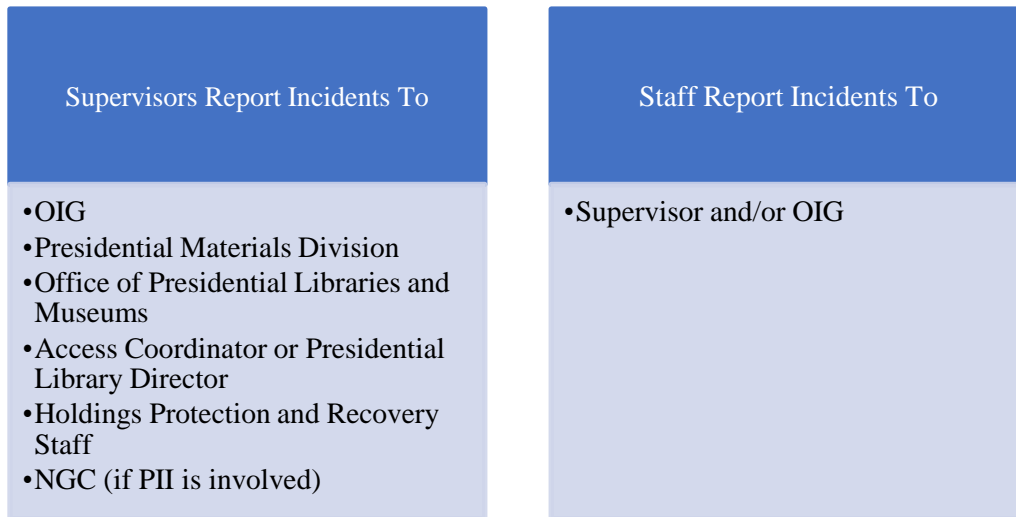
Recommendation 2: Update standard operating procedures for Holdings Protection and Recovery Staff walkthroughs (stack, research room, and processing area), outgoing mail inspections, and Holdings Management System verifications to include: (a) quality reviews of staff checklists and tracker spreadsheets for completeness and accuracy, (b) consistent definitions of similar issues, and (c) requirements to follow-up on repeated findings.

Finding 2. Holdings Protection and Recovery Staff Incident Reporting Process Needs Improvement

The process for reporting loss, theft, or damage of NARA’s holdings was not efficient. CH’s procedures required the reporting of incidents by multiple people to several NARA offices. This weakness exists due to ineffective reporting requirements related to incident reporting. Under NARA 1572, *Preventing Theft and Vandalism of NARA Holdings in NARA Facilities*, individuals are required to report the discovery of theft, damaged, missing, or vandalized holdings to their supervisor or to the Office of Inspector General. In addition, supervisors are required to report missing items to CH, the appropriate access coordinator *or* the Presidential Library Director, the Office of Presidential Libraries, and the Presidential Materials Division Director within three business days if they determine that something is missing. In addition, if missing materials are suspected to contain Personal Identifiable Information (PII), it must be reported within one hour to the Senior Agency Official for Privacy (NGC). Supervisors also must report suspected theft, vandalism or accidental removal of holdings to the OIG and CH. Without effective procedures that include simplified reporting of incidents of loss, theft, or damage, NARA has limited assurance that holdings can be adequately protected and quickly recovered.

Current requirements for staff and supervisors to report potential loss, theft, or damage to NARA holdings rely heavily on the individual reporting an incident to contact multiple NARA offices in addition to CH. See Figure 1.

Figure 1: Incident Reporting



Source: NARA 1572, Supplement 1

Furthermore, if within those three days, the supervisor learns of, or has reason to suspect that the missing item is potential theft of the holdings, they must report this to the OIG and CH within 24 hours. Given supervisors must notify up to six separate NARA offices for a single holding’s

protection incident, increases the likelihood of miscommunications, missed communications, and other unintentional mistakes that could delay prompt recovery actions.

Recommendation

We recommend the Chief Operating Officer:

Recommendation 3: Update NARA 1572, *Preventing Theft and Vandalism of NARA Holdings in NARA Facilities*, and its Supplement(s) to include documented procedures that include simplified reporting of internal incidents of loss, theft, or damage of NARA holdings.

Finding 3. Oversight of Holdings at Affiliated Archives Needed

Although NARA assigned CH responsibilities for administering a comprehensive agency-wide Holdings Protection program, oversight and inspections of holdings at NARA's affiliated archives^{10,11} are not occurring. This condition is due to management's decision to cease conducting onsite reviews of NARA's affiliated archives holdings during the reorganization of the Affiliated Archives program. Without continued oversight by CH, to include onsite reviews, holdings located at the NARA's affiliated archives remain at risk for loss, theft, or damage.

NARA 101, *NARA Organizational and Delegation of Authority - Office of the Chief Operating Officer*, CH administers the comprehensive Holdings Protection program. NARA currently has nine affiliated archives, which through formal written agreements maintain physical custody of records that are accessioned into the legal custody of NARA. Per the agreement, these entities must agree to follow NARA's security guidance in the event of a theft, permit NARA to examine how records are being managed, and notify NARA immediately of any substantial risk to security over the records.

Since transferring the Holdings Protection program from Security Management (BX) to the COO in 2016, inspections of covered holdings have not occurred at NARA's affiliated archives. According to NARA officials, the agency plans to reorganize the Affiliated Archives program and therefore, a management decision was made to not conduct onsite reviews of the affiliated archives until that time. Further, NARA indicated that future oversight activities of NARA-affiliated archives, particularly CH onsite inspections, would be subject to available resources.

Recommendation

We recommend the Chief Operating Officer:

Recommendation 4: Update NARA 1572, *Preventing Theft and Vandalism of NARA Holdings in NARA Facilities*, to include Holdings Protection and Recovery Staff oversight of affiliated archives.

¹⁰ As of February 2022, affiliates archival holdings accounted for 9,549 cubic feet or .17% of all NARA records.

¹¹ NARA gets expert partners, affiliates, who use their repository's resources in support of NARA's mission. The affiliates include federal agencies and state-operated institutions.

Appendix A – Acronyms

A1	National Archives Building, Washington D.C.
A2	National Archives Building, College Park, M.D.
ACRL	Association of College & Research Libraries
BX	Security Management
CH	Holdings Protection and Recovery Staff
COO	Chief Operating Officer
FMFIA	Federal Managers Financial Integrity Act
FY	Fiscal Year
GAO	Government Accountability Office
HMS	Holdings Management System
HPT	Holdings Protection Team
ICOM	Internal Council of Museums
L	Legislative Archives, Presidential Libraries, and Museum Services
NA	Office of Administration
NARA	National Archives and Records Administration
NAS	Space and Security Management
NASS	Security Management Branch
OIG	Office of Inspector General
SOP	Standard Operating Procedures
SPH	Specially Protected Holdings
WNRC	Washington National Records Center

Appendix B – Prior Audit Recommendations

The status of the recommendations from the *Audit of NARA's Specially Protected Holdings* (OIG Audit Report No. 15-03, February 6, 2015).

Rec No.	Recommendation Text	Status
1	The Chief Operating Officer should ensure NARA 1572 is updated to require custodial units to report (1) their storage methods and exact container's locations to BX to compile and maintain a central list of all SPHs storage areas and containers and (2) names of staff members and the specific areas (vault or safe location) to which they have access to BX (those that receive the combination or key to the stack, vault, or safe containing holdings under protection).	Closed
2a	The Executive for Business Support Services should ensure Security Management performs initial certifications of SPHs storage areas.	Closed
2b	The Executive for Business Support Services should ensure Security Management performs security inspections of SPHs storage areas.	Closed
2c	The Executive for Business Support Services should ensure Security Management develops guidelines for SPHs security inspections, including timeframes, criteria, documenting requirements, and reporting requirements. The reporting requirements should include details on the inspections, including observations, findings, and recommendations identified from the inspections.	Closed
3	The Chief Operating Officer should ensure an analysis is performed to determine if staff with access to SPHs, positions should be designated higher than low risk (non-sensitive) positions. Based on the analysis, nominate selected staff for required background investigations	Closed
4	The Executive for Business Support Services should ensure Security Management maintains copies or obtains access to SPHs inventory listings and use them to randomly select records and verify their condition and location during inspections.	Closed
5a	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services (L) should ensure SPHs inventory listings are completed at the item level. Establish a timeframe for when the listings must be completed. Additionally, communicate with other offices to identify best practices used in documenting their inventories.	Partially Closed (Open-L only)
5b	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure Inventory listings are reviewed to determine their accuracy and update as necessary.	Partially Closed (Open-L only)

Rec No.	Recommendation Text	Status
5c	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure a finding aid is created for the agency's entire SPHs collection at the item level.	Partially Closed (Open-L only)
5d	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure locked hard copies of the inventory listings are maintained.	Partially Closed (Open-L only)
5e	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure SPHs inventory listings are maintained in HMS. Until HMS is implemented by all offices, all electronic versions of the listings are password protected and access limited to authorized employees.	Partially Closed (Open-L only)
6	The Chief Operating Officer should ensure NARA 1572 is updated to include (1) responsibilities for Security Management to review annual inspections, including documenting the review, for compliance with NARA 1572, (2) timeframes for when Presidential Libraries and Field Office Archives should complete annual inspections, and (3) the amended requirement for annual inspection reports to include the date of the inspection, individuals that complete the inspections, and a listing of items inspected, including their location and physical condition.	Closed
7	The Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure all Presidential Libraries are in compliance with NARA 1572 policy of conducting annual inspections.	Closed
8a	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure initial inspections of SPHs inventory are completed.	Partially Closed (Open-L only)
8b	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure custodial units are in compliance with NARA 1572, including randomly inspecting at least 3% of SPHs inventory annually on a rotating basis and using one individual that does not work for the individual responsible for the inspection.	Partially Closed (Open-L only)
8c	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure annual inspection reports include at a minimum date of inspection, individuals that complete the inspections, and a listing of items inspected, including their location and physical condition.	Partially Closed (Open-L only)

Rec No.	Recommendation Text	Status
8d	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure annual inspection results are adequately documented and communicated to Security Management and office heads.	Partially Closed (Open–L only)
9a	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure staff is properly trained or retrained to use charge out cards whenever records are removed from SPHs storage areas.	Closed
9b	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure access to SPHs storage areas is properly monitored, including keeping the list for who has access to the SPHs areas updated at all times and restricting access to only authorized staff.	Closed
10a	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure required elements for the handling of SPHs for each record storage area should be communicated to each custodial unit.	Partially Closed (Open–L only)
10b	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure detailed procedures are documented for each custodial unit.	Partially Closed (Open–L only)
10c	The Executive for Research Services and Executive for Legislative Archives, Presidential Libraries, and Museum Services should ensure a process is in place for periodic review of procedures and updates are made as needed.	Partially Closed (Open–L only)

Appendix C – Agency Comments

Agency management reviewed a discussion draft and provided no comments to this report. Agency management stated their general agreement with the findings and recommendations and opted not to provide formal comments for inclusion in this report.

Appendix D – Report Distribution List

Archivist of the United States

Deputy Archivist of the United States

Chief Operating Officer

Deputy Chief Operating Officer

Supervisory Archives Specialist

Accountability

United States House Committee on Government Reform and Oversight

Senate Homeland Security and Governmental Affairs Committee

OIG Hotline

The OIG Hotline provides a confidential channel for reporting fraud, waste, abuse, and mismanagement to the OIG. In addition to receiving telephone calls at a toll-free Hotline number and letters to the Hotline post office box, we also accept emails through the Hotline email system and an online referral form. Walk-ins are always welcome. Visit www.archives.gov/oig/ for more information, or contact us:

By telephone

Washington, DC, Metro area: 301- 837-3500

Toll-free: 800-786-2551

By mail

NARA OIG Hotline

P.O. Box 1821

Hyattsville, MD 20788-0821

By email

oit.hotline@nara.gov

By facsimile

301-837-3197

By online referral form

www.archives.gov/oig/referral-form/index.html

Contractor Self-Reporting Hotline

As required by the Federal Acquisition Regulation, a web-based form allows NARA contractors to notify the OIG, in writing, whenever the contractor has credible evidence a principal, employee, agent, or subcontractor of the contractor has committed a violation of the civil False Claims Act or a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations in connection with the award, performance, or closeout of a contract or any related subcontract. The form can be accessed through the OIG's home page or found directly at www.archives.gov/oig/contractor-form/index.html.