



NATIONAL  
ARCHIVES

OFFICE *of* INSPECTOR GENERAL

SEMIANNUAL REPORT

*to* CONGRESS

APRIL 1, 2021 *to* SEPTEMBER 30, 2021



---

---

## MESSAGE FROM THE INSPECTOR GENERAL

---

---

*On behalf of the U.S. National Archives and Records Administration (NARA) Office of Inspector General (OIG), I am pleased to present our Semiannual Report to Congress. This report summarizes the OIG's activities and accomplishments from April 1, 2021 through September 30, 2021. I am proud to have been appointed as NARA's permanent Inspector General during this period. I am also proud of the work this office has done and look forward to working with NARA officials and stakeholders to ensure the best outcomes in NARA's programs and operations.*

*The COVID-19 pandemic continues to affect NARA and the OIG, but there have been great strides to use alternative approaches to ensure the important work is accomplished. In the coming reporting period vaccination requirements are scheduled to take effect and we are looking forward to our work that helps NARA ensure the accessibility of government records with significant historical value.*

*As I assumed the role of permanent Inspector General, I reviewed the top management challenges facing NARA to ensure they are up to date and address challenges presented by the pandemic. Accordingly, they have changed slightly, as new topics rose in their risk to the agency. Most notable of the new issues is the backlog of veteran's records requests at the National Personnel Records Center. I encourage you to read our new top management challenges section as a preview of a separate report to come on them. Further, we have also changed the format of our Semiannual Report, to streamline it and make it easier for the reader to find information they need.*

*Despite the hardships imposed by the pandemic, the OIG continued our oversight work. In this period our office issued reports closing 11 investigative matters and five audit reports. I thank the OIG staff for their dedication and work through such challenging times.*

*I also know that no office is successful by itself. The Archivist of the United States, agency leadership and their staff, the Council of Inspectors General on Integrity and Efficiency, and Congress have all supported the OIG's mission and contributed to our successes. I express my gratitude to them all and look forward to working with them in the future.*



*Dr. Brett M. Baker  
Inspector General*

# Table of Contents

---

---

Message From the Inspector General .....	<i>i</i>
Executive Summary .....	2
Audits and Reports .....	4
Audit of NARA’s Controls over the Use of Information Technology Equipment and Resources .....	4
Audit of Controls Over Loans of NARA Holdings .....	4
Audit of NARA’s High Value Assets .....	5
Audit of NARA’s Records Disposal Processes .....	5
Audit of NARA’s Travel Card Program .....	6
Other Reports .....	7
Other Audits In Progress .....	7
Investigations .....	8
Significant Investigations and Updates .....	8
Investigations of Senior Government Employees .....	9
Significant Referrals .....	10
Oversight .....	10
Hotline Information .....	11
Other Activities .....	12
Top Management Challenges .....	13
Background Information .....	14
Reporting Requirements .....	15
Open Audit Recommendations .....	19

*Visit [www.archives.gov/oig/](http://www.archives.gov/oig/) to learn more about the National Archives Office of Inspector General.*

# *Executive Summary*

---

This is the 65th Semiannual Report to Congress summarizing the activities of the National Archives and Records Administration (NARA) Office of Inspector General (OIG).

## **Audits and Reports**

The OIG continued to assess the economy and efficiency of NARA's programs and operations and to examine NARA's Information Technology (IT) systems. During the reporting period, the OIG issued five audit reports:

1. Audit of NARA's Controls Over the Use of Information Technology Equipment and Resources;
2. Audit of Controls Over Loans of NARA Holdings;
3. Audit of NARA's High Value Assets;
4. Audit of NARA's Records Disposal Processes; and
5. Audit of NARA's Travel Card Program.<sup>1</sup>

At the end of the reporting period, seven audits were in process. The Office of Audits (OA) also issues other types of reports, such as quarterly summaries of open recommendations and special reports used to convey information or issues to management officials without the technicalities of an audit. These other reports do not follow the Government Auditing Standards. During this period, the OA tracked \$131,816 in questioned costs and \$45,352,745 in funds to be put to better use.

## **Investigations**

The Office of Investigations (OI) receives and evaluates complaints and conducts investigations related to fraud, waste, and abuse in NARA programs and operations. In this period, the OI received and reviewed 344 complaints and other intake actions, opened 16 new investigative matters, and issued 12 closing investigative reports. Investigation topics include unique issues such as identifying and recovering missing and stolen records. The OI may also issue special reports or other reports. These are limited overviews of potential vulnerabilities used to alert management to issues and do not follow any set standards or procedures. The Inspector General has decided not to post some of these reports online as they do not represent fully explored or detailed audit or investigative efforts. However, any special or other report issued is summarized in this report. These products contain observations but do not include recommendations for corrective action. OI highlights for this reporting period include:

- A NARA employee was terminated as a result of an OI referral concerning allegations of unauthorized outside employment in a separate state by an employee on weather and safety leave during the coronavirus pandemic.
- The OI identified continued inappropriate use of Information Technology systems by a NARA employee visiting a significant number of sexually explicit websites, which had been erroneously categorized as malware. As a result of OI's continued monitoring, NARA proposed terminating the employee.

---

<sup>1</sup> Each report portrays a snapshot in time at the end of the fieldwork, and may not reflect the current situation at the end of the reporting period. Only products labeled as audits are conducted in accordance with the Government Auditing Standards. All audits are posted online, while other reports may not be.

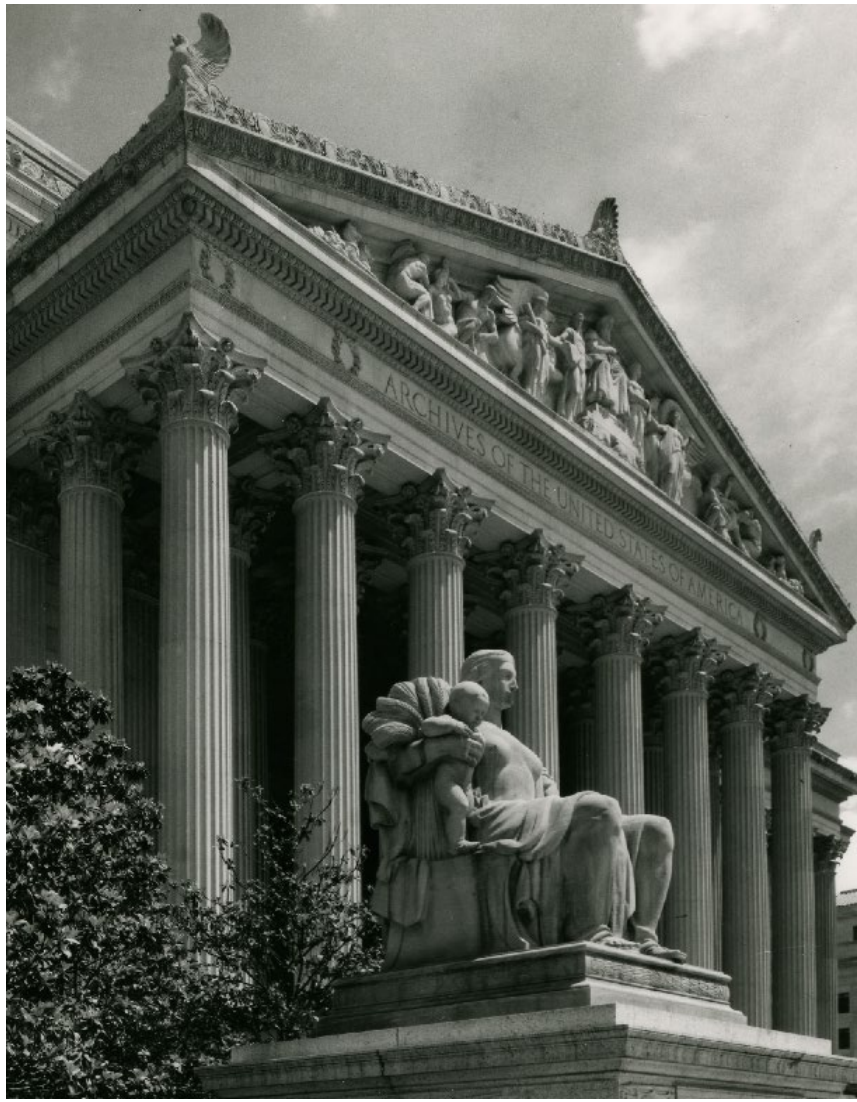
# *Executive Summary*

---

- OI completed 18 outreach briefings to include 12 briefings during new employee orientation and 6 nationwide briefings to employees in Presidential Libraries, Federal Records Centers, and Archival Units.
- Outreach by the OI resulted in an approximate 102 percent increase in volume of hotline complaints over this reporting period compared to last year.

## **Other Efforts With NARA**

In addition to audits and investigations, the OIG continued other work, including running the Whistleblower Protection Coordinator program, responding to nine requests for OIG records under the Freedom of Information Act (FOIA), providing suggestions to improve two NARA issuances, and responding to 29 requests for reviews of proposed legislation, Office of Management and Budget (OMB) regulations, congressional testimony, and other items.



# ***Audits and Reports***

---

During this reporting period, the OIG issued the following five final audits. The information below is based on results at the conclusion of field work, as depicted in the final reports. It is possible that NARA may have made improvements and/or addressed some of the issues after such time. Please click on the title of any audit below to be taken to the full report on our website.

## **Audit Summaries**

### **[Audit of NARA's Controls Over the Use of Information Technology Equipment and Resources](#)**

We conducted this audit to determine if controls were adequate and effective to prevent and deter inappropriate use of the internet on government-assigned computing resources and mobile devices. We found although NARA has established an informal interdisciplinary team to identify inappropriate internet use and address potential violations of NARA's Directive on appropriate IT use, NARA did not fully comply with the requirements documented in the directive, and the team was found to be ineffective due to a lack of management prioritization and ownership of the monitoring of inappropriate internet use. As a result, no office has responsibility for the effective and efficient management and oversight of NARA's inappropriate internet use.

Additionally, we found monthly inappropriate use reports and underlying data contained incomplete and inaccurate information. The Office of Information Services did not implement sufficient internal controls for the generation, review, and analysis of the monthly inappropriate use reports. Incomplete and inaccurate reports and underlying data to stakeholders hinder NARA's ability to: (1) determine the magnitude of inappropriate use cases; (2) determine the impact inappropriate use has on NARA IT resources; (3) determine potential time and attendance fraud; and (4) provide sufficient information to assist further analysis and investigation. Further, against its policy, NARA mobile devices do not display a user consent banner notifying the user of no expectation of privacy. NARA currently lacks the technical controls to enforce the policy. Without the consent banner, users may try to claim false expectations that the use of assigned mobile devices is private and secure. Also, NARA may have missed opportunities to detect and deter inappropriate use of mobile devices.

The OIG made nine recommendations, which NARA agreed with. (OIG Audit Report No. 21-AUD-08, dated June 14, 2021).

### **[Audit of Controls Over Loans of NARA Holdings](#)**

We conducted this audit to determine whether proper controls were in place for loans of NARA holdings. Specifically, to determine whether controls were sufficient to account for, safeguard, and preserve loaned NARA holdings. NARA did not have sufficient internal controls to effectively oversee and manage loaned holdings. Specifically, loaned holdings were not centrally tracked; overdue loans were not reported; loaned holdings were not always valued or insured; initial or periodic inspections of borrowing institutions exhibition areas were not required; policies and procedures related to the loan program were outdated; and a long-standing Memorandum of Understanding for loan requests was outdated.

# *Audits and Reports*

---

NARA did not have the appropriate oversight mechanisms in place to ensure management was performing and being held accountable for assigned responsibilities, including periodic reviews of policies and procedures. Without adequate oversight and management of the loan program, NARA lacks assurance that loaned holdings are adequately safeguarded and preserved for future generations.

The OIG made nine recommendations, which NARA agreed with. (OIG Audit Report No. 21-AUD-10, dated August 26, 2021).

## **Audit of NARA's High Value Assets**

We conducted this audit to determine whether NARA has controls in place to adequately protect its High Value Assets (HVAs). We found NARA did not fully implement the requirements in Office of Management and Budget (OMB) Memorandum 19-03, *Strengthening the Cybersecurity of Federal Agencies by enhancing the High Value Asset Program*. Specifically, NARA did not: (1) develop a process for designating NARA systems as HVAs; (2) evaluate all of its systems based on the most recent definition of an HVA; and (3) update the System Development Lifecycle (SDLC) methodology to incorporate National Institute of Standards and Technology (NIST) Special Publication (SP) 800-160 Volume 1 as required by OMB Memorandum 19-03. This occurred because NARA did not make it a priority to fully implement OMB Memorandum 19-03. As a result, NARA is vulnerable to unmitigated risks that may threaten NARA's HVA information systems and electronic data.

NARA's security documentation was outdated and did not reflect the current security environment for some systems. This occurred because NARA has not provided the necessary oversight to ensure up to date, complete, and accurate security documentation. NIST SP 800-137, *Information System Continuous Monitoring for Federal Information Systems and Organizations*, states timely, relevant, and accurate information is vital, particularly when resources are limited and agencies must prioritize their efforts. Without up to date and accurate security documentation, NARA Security Officials may not have the most current security status of the HVAs in order to make informed decisions about the security of the information systems, thus putting the systems and the agency at risk.

Further, NARA did not establish a system specific alternate processing site for some systems. This occurred because NARA has not made it a priority to establish a system specific alternate processing site for those systems. NIST 800-53 revision 4 requires moderate level systems to establish alternate processing sites that are geographically distinct from primary processing sites. Without a system specific alternate processing site, it would be unlikely for NARA to meet the maximum tolerable downtime (MTD) objective and bring these systems up in the required timeframe to ensure minimal disruption to NARA operations should a disaster occur.

The OIG made eight recommendations, which NARA agreed with. (OIG Audit Report No. 21-AUD-11, dated August 26, 2021).

## **Audit of NARA's Records Disposal Processes**

We conducted this audit to determine whether adequate controls were in place for disposing of federal records in NARA's custody at Federal Records Centers (FRC). We found internal control challenges exist in NARA's records disposal process resulting in delays. We found expired

# *Audits and Reports*

---

disposal contracts, and timeliness issues related to Eligible Federal Records Not Concurred for Disposal, Disposal Eligibility Error Reviews (DEER), Disposal Concurrence Reviews (DCR), and Approved Transfers. These internal control challenges occurred due to limited internal and oversight controls. Untimely disposals limit space availability for incoming federal records, and increase potential Freedom of Information Act (FOIA) and discovery costs.

NARA did not consistently report instances of unauthorized disposals in its FRCs to the Inspector General (IG), as required. The unauthorized disposals were not reported because NARA lacked adequate management oversight to ensure proper notifications were made. Without awareness of unauthorized disposals, the OIG is hindered from carrying out its investigative duties to deter and prevent fraud, waste, and abuse related to the safety and security of agency records.

Additionally, FRCs disposal packages were not always complete. Disposal documentation was not always maintained electronically. The condition occurred because of ARCIS limitations (ARCIS was not set up to produce required reports) and disposal procedures did not clearly define documentation requirements. Without sufficient disposal documentation, NARA lacks sufficient, auditable history of the authorization and performance of disposal work. Further, while Agency Services has implemented disposal procedures and been proactive in revising those procedures, additional controls are necessary to enhance its disposal program. Specifically, controls were insufficient over ARCIS functions, quarterly disposal audits, and program reviews. The conditions occurred due to historical workflows of other agencies, personnel departure, lack of management oversight, and a limited travel budget. Without enhanced disposal procedures, NARA experiences increased administrative burden and lacks assurance its disposal activities are being administered properly.

The OIG made 13 recommendations, which NARA agreed with. (OIG Audit Report No. 21-AUD-12, dated September 7, 2021).

## **Audit of NARA's Travel Card Program**

We conducted this audit to determine whether NARA's travel card program had effective internal controls to safeguard against unauthorized use, abuse, and improper transactions not associated with official travel. We found NARA's travel card program did not have effective internal controls in place and was not always in compliance with federal requirements and established NARA policies. Specifically, (1) oversight controls for travel cards need strengthening; (2) all travel transactions were not immediately reviewed by NARA's Accounting Policy and Operations Branch; (3) quarterly audits were not used effectively; (4) standard operating procedures did not exist and travel policies were outdated; and (5) travel card refresher training was not always completed.

This occurred because NARA management did not have adequate oversight mechanisms in place to ensure the travel card program operated as intended. As a result, there was an increased risk that fraud, waste, and abuse in the travel card program may go undetected.

The OIG made eight recommendations, which NARA agreed with. (OIG Audit Report No. 21-AUD-13, dated September 29, 2021).



# *Audits and Reports*

---

## Other Reports

### [2021 3<sup>rd</sup> Quarter Open Recommendations Report](#)

The OIG issued a report to each NARA office summarizing their open audit recommendations, including data on new, closed, and open audit recommendations. These reports are intended to ensure closing open audit recommendations remain a priority and NARA senior managers are aware of the outstanding audit issues in their respective areas in order to expedite efforts towards addressing the recommendations. (OIG Report No. 21-R-09, dated June 30, 2021)

## Other Audits In Progress

**Audit of NARA’s Compliance with the Federal Information Security Modernization Act (FISMA) for Fiscal Year (FY) 2021:** To evaluate the effectiveness of NARA’s information security program and practices. Specifically, we will assess NARA’s information security program in accordance with FISMA of 2014 and the Department of Homeland Security’s FY 2021 Inspector General FISMA Reporting Metrics.

**Audit of NARA’s FY 2021 Financial Statements:** To express an opinion on whether NARA’s financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

**Audit of NARA’s Compliance Under the Digital Accountability and Transparency Act of 2014:** To assess (1) the completeness, timeliness, quality, and accuracy of financial and award data NARA submitted for publication on USASpending.gov, and (2) the implementation and use of the government-wide financial data standards established by the Office of Management and Budget (OMB) and the U.S. Department of the Treasury (Treasury).

**Audit of NARA’s Holdings Protection Program:** To determine whether NARA has controls in place to reasonably secure and protect holdings from theft or vandalism.

**Audit of NARA’s Processing of Discrimination Complaints:** To determine whether NARA processed discrimination complaints in a timely and efficient manner.

**Audit of NARA’s Off-boarding Process for Separating Employees, Contractors, and Volunteers:** To assess the effectiveness of controls over the off-boarding process for separating employees, contractors, and volunteers.

**Audit of NARA’s Corporate Records Management Program:** To determine if NARA’s internal records management program is effective and complies with all records management policies and procedures and serves as a model records management program.

**Audit of NARA’s Software Asset Management Process:** To determine if governance structures are in place to provide adequate direction and establish accountability for procuring, tracking, and monitoring software assets, in order to minimize shortage, waste, and security risks.

# *Investigations*

---

## **Investigations Overview**

The OI receives and evaluates complaints and conducts investigations related to fraud, waste, and abuse in NARA programs and operations. This includes identifying and recovering wrongfully alienated NARA holdings, such as missing and stolen records. Investigations showing violations of law, regulations, rules, or contract terms may result in administrative, civil, or criminal actions. These can include things such as terminations, debarments, prison terms, probation, fines, restitution, and other actions. The OI may alert management to potential problems or vulnerabilities through special reports or other products if a full investigation is not warranted or appropriate. Their purpose is to alert management to issues, and they do not follow any set standards or procedures. While they may offer potential suggestions, the IG has decided they do not make recommendations for corrective action and they are not generally posted online.

## **Significant Investigations and Updates**

### ***Status of Previously Reported Investigations:***

#### **Contract Employee Suffers Whistleblower Retaliation**

As previously reported, the OI investigated an allegation of whistleblower retaliation by a contract employee who was terminated after reporting employer misconduct to the OI. The investigation determined:

- 1) The whistleblower was pressured to disclose details of a visit to the OIG, and was coerced by the contractor to resign or risk termination because of their refusal to disclose their reason for contacting the OIG.
- 2) Contractor personnel provided conflicting statements to the OI, including potentially false statements.
- 3) The contract employee provided their leadership with a written statement concerning a separate matter they had observed at NARA, which was altered without their consent.
- 4) NARA and the contractor failed to comply with legal requirements to provide training to contractor employees of their whistleblower protections and remedies.
- 5) The contractor created an environment where contractor employees were required to report any issues directly to the contractor and discouraged them from making complaints or reporting instances of fraud, waste, and abuse to the OIG.

The matter was presented to the U.S. Attorney's Office, which declined both criminal and civil prosecution. An independent settlement was reached between the contract employee and their employer through another federal agency. In this reporting period, the OI submitted its findings of employer misconduct to NARA for administrative action. Agency response is pending.

#### **Conflict of Interest Violation by Employee Who Accepted Third-Party Payment for Performing Their Official NARA Duties**

As previously reported, the OI investigated a former employee who had developed and sold NARA photographic images to companies and to institutions for profit, despite being salaried as a federal employee to make these items available to the public without charge as part of their official duties. The former employee was criminally prosecuted and sentenced to four months of

# *Investigations*

---

home detention as part of one year of probation, and to pay a \$5,000 fine. The former employee was also barred from all NARA facilities. In this reporting period, the OI returned to NARA non-record items that had been seized from the former employee, including finding aids, administrative correspondence, an aerial film canister, copies of maps, and other documents.

## *Open and Completed Significant Investigations:*

### **Alleged Federal Government Official Impersonator Arrested and Indicted**

An individual was allegedly impersonating a NARA official as part of a fraudulent commercial scam involving millions of dollars' worth of real estate. As a result, the OI referred the investigation to the United States Attorney's Office for criminal prosecution. During this period, the individual was arrested and indicted by the U.S. District Court for the District of California. Additionally, the OI executed a search warrant of the individual's residence to collect evidence.

### **Allegations Involving Contract Employee's Tax-Preparation Business**

The OI initiated an investigation based on allegations a contract employee had for several years offered for-profit tax-preparation services to co-workers, potentially involving false tax returns and possibly while on official NARA duty and utilizing NARA resources. Several NARA contract employees reported exchanging tax records and cash payments with the subject on NARA property during official duty hours. The subject confirmed providing tax-preparation services for other NARA co-workers but denied doing so during official duty hours or using NARA resources. Due to pandemic conditions and NARA information technology limitations, the investigation was unable to determine whether the tax-preparation services were completed during the contract employee's official NARA duty hours or using NARA resources. Allegations involving violations of the United States tax code remain under the jurisdiction of the Internal Revenue Service.

### **Military Records Fraud in a Private Organization**

The OI received an allegation a U.S. Navy veteran (not a NARA employee) fraudulently altered their Form DD-214, "Certificate of Release or Discharge from Active Duty," to show overseas combat experience in order to gain membership in a private organization. Our investigation determined the person was a U.S. Navy veteran but that they did not meet the organization's qualifications and had fraudulently altered a Form DD-214 to gain membership. Moreover, the person rose to an office in the organization, was given a \$25,000 stipend, and was given use of a credit card, none of which they were entitled to by their actual military service. The matter was presented to the U.S. Attorney's Office, which declined criminal prosecution. However, the organization terminated the person's membership.

## **Investigations of Senior Government Employees<sup>2</sup>**

None this reporting period.

---

<sup>2</sup> A senior government employee is defined as anyone occupying a position classified at or above GS-15, or for those not on the General Schedule, whose rate of basic pay is equal to or greater than 120% of the GS-15 minimum.

# *Investigations*

---

## **Significant Referrals**

### **Termination Proposed for Employee Viewing Sexually Explicit Content at Work**

In 2019, the OI twice reported to the agency a specific employee whose records showed a persistent pattern of attempting to access pornographic websites using NARA information technology (IT) resources while on official duty. In both cases the agency responded that the employee denied the inappropriate conduct, and NARA determined the information actually indicated the activity of malware or a virus causing the alleged access attempts. In this reporting period, the OI received new information indicating that the same employee attempted to access websites classified for pornographic content a substantial number of times using NARA IT while on official duty. The agency's IT division confirmed these attempts were not the result of malware, adware, or a virus. Although the websites visited by the employee were not pornographic, they were sexually explicit in nature and in violation of agency policy. As a result, the OI referred the matter to NARA, which proposed termination of the employee.

### **Unauthorized Outside Employment**

The OI referred to the agency allegations an employee who had been on weather and safety leave during the pandemic accepted a separate position of employment with a private company, and moved out of state without first obtaining clearance from NARA. The employee later notified NARA of their secondary employment, seeking permission to continue it, but the request was denied. However, the employee continued to work at their outside position, and the agency terminated their NARA employment.

### **Misuse of Agency IT Resources**

The OI referred information on two NARA employees who repeatedly attempted to use NARA IT equipment to view blocked websites or websites containing advertisements with potentially malicious content, which appeared personal in nature. The agency responded, explaining both employees had visited websites that "attempted to redirect to adware sites that were blocked." Both employees received verbal counseling, and unit staff were reminded of NARA's policy on personal use of agency IT resources.

### **Potential Military Records Fraud**

The OI received allegations that a municipal official had recently gained a position in part based on a false claim of military service in their application, potentially involving altered veteran's records. Although the OI did not find evidence of a violation of the Stolen Valor Act of 2013, the OI confirmed there were no military records associated with the official and referred the matter to the municipal office. The official was asked to provide documentary proof of military service and other aspects of their application, and they subsequently resigned.

## **Oversight**

### **Obstruction of OIG Investigations**

During the course of several investigations and inquiries involving the same NARA contractor, the OI identified multiple instances of potential misconduct and obstruction. Contract employees were discouraged from contacting the OIG, were required to exclusively use their internal chain of command to report allegations of misconduct, did not feel they could report information to the

# Investigations

OIG without fear of reprisal, and the contractor appeared to not fully cooperate with official OIG requests for records. The OI determined that the contractor’s practices created the appearance of misconduct and obstruction of the OIG’s investigative authority. The findings were reported to the agency in a special report, and we are awaiting a response.

## Stolen Valor and Military Records Fraud Initiative

During previous reporting periods, the OI reported on an initiative to investigate potential instances of stolen valor. The OI previously identified individuals fraudulently altering military records after possibly obtaining them from the National Personnel Records Center (NPRC) in order to obtain financial benefits. NPRC is the nation’s repository of military records and one of NARA’s largest operations. Furthermore, the Stolen Valor Act of 2013 makes it a crime for an individual who—with intent to obtain money, property, or other tangible benefit—fraudulently purport to be a recipient of certain military awards, including the Purple Heart, Bronze Star, and others. Outreach related to this initiative has resulted in nearly 50 percent of the total number complaints to our office in this review period. The OI continues to collaborate with partners at the NPRC and other government agencies to identify relevant fraud.

## OIG Hotline

The OI promptly and carefully reviews calls, letters, and email to the Hotline. Hotline intakes that warrant further action may be processed as preliminary inquiries to determine whether they should be investigated as numbered investigations. Some Hotline intakes may not warrant further action by the OI. Where appropriate, referrals may be made to OIG audit staff, NARA management, or external authorities.

<u>Hotline Activity for the Reporting Period</u>	
Hotline and Complaints received	344
Hotline and Complaints referred to NARA or another entity	23



# *Other Activities*

---

## **Involvement in the Inspector General Community**

The Council of Inspectors General on Integrity and Efficiency (CIGIE) is an independent entity within the executive branch created to address integrity, economy, and effectiveness issues that transcend individual agencies and aid in establishing a professional, well-trained, and highly skilled workforce in the federal OIGs. While the Inspector General is a member of CIGIE, many staff are involved in CIGIE groups and issues, such as providing community-wide training for investigators and new Inspectors General. OIG staff are active in, or associated with, 18 CIGIE committees and groups.

## **Peer Review Information**

### **Peer Review of NARA OIG's Audit Organization**

The most recent peer review of the NARA OIG audit function was performed by the Federal Trade Commission OIG. In its report issued March 3, 2020, the NARA OIG received a peer review rating of pass for its system of quality control for the year ended September 30, 2019. Additionally, the OIG received no letter of comment. The next peer review will review the OIG's audit function for the year ending September 30, 2022.

### **Peer Review of NARA OIG's Office of Investigations**

As previously reported, in January 2016 a team of special agents from the Treasury OIG conducted a comprehensive, multiday, review of the Office of Investigations' operations in accordance with CIGIE's "Quality Standards for Investigations." On February 1, 2016, Treasury's team found our system of internal safeguards and management procedures for investigations to be in full compliance with all applicable guidelines and regulations. There are no outstanding recommendations from this review. The next investigative peer review was scheduled to be conducted by the Pension Benefit Guaranty Corporation OIG in spring 2020. However, due to the COVID-19 pandemic, the peer review has been delayed until winter 2022.

### **NARA OIG Peer Review of Other OIGs**

The NARA OIG Office of Audits completed the peer review of the Board of Governors of the Federal Reserve System (Board) and Bureau of Consumer Financial Protection (Bureau), Office of Inspector General Audit Organization for the period ending March 31, 2020. In this report, issued on October 13, 2020, the Board/Bureau received an External Peer Review rating of pass for its system of quality control.

## **Response to Congressional Items**

The OIG continues to keep Congress informed about agency and OIG activities. The OIG actively worked with the CIGIE Legislation Committee and congressional staff to review legislative priorities, provide comments on various pieces of potential legislation, and help communicate the views of CIGIE and the NARA OIG to relevant congressional committees.

# *Top Management Challenges*

---

The following summarizes NARA's most significant management and performance challenges based on legislative mandates, our experience, stakeholder input, and observations from our oversight work.

## **1. Records Request Backlog at the National Personnel Records Center (NPRC)**

One of NARA's most important responsibilities is to provide access to military service records to veterans and other stakeholders. The pandemic has had a significant, adverse impact on NPRC's performance in this regard, resulting in an unprecedented backlog of over 500,000 requests. While service to the Veterans Benefits Administration (VA) has been restored, the backlog of public requests continues to grow. Adding to this challenge, NPRC also has a related backlog of records to be refiled; records which have been retrieved from storage for reference purposes and must now be returned to their proper storage location.

## **2. Information Technology (IT) Security**

In FY 2021, NARA again labeled IT security a "material weakness." Further, over the past decade annual Federal Information Security Modernization Act (FISMA) audits or assessments have consistently identified IT areas in need of significant improvement.

## **3. OMB Memorandum M-19-21, Transition to Electronic Records**

NARA needs to ensure the proper records are in fact preserved government-wide and sent to NARA in the first place. NARA must work with federal agencies to ensure proper appraisal, scheduling, and transfer of permanent records in all formats. The major challenge is how best to accomplish this in a rapidly changing technological environment. Further, it is not currently known what amount, or exact formats, of data and electronic records will be coming to NARA. Thus it is not known whether the systems in place will be able to ingest, process, preserve, store, and provide access to this information.

## **4. Expanding Public Access to Records**

Some of NARA's analog holdings (by series) have not been processed, so the public does not have efficient and effective access to them. To meet its mission, NARA must work to ensure it has the processes and resources necessary to establish intellectual control over this backlog of unprocessed records. In addition, the transition of federal record-keeping to a fully electronic environment will present additional challenges to making records accessible to the public. This work includes standardizing processing procedures across the agency, strengthening internal controls, and monitoring performance.

## **5. Electronic Records Archives**

The vast volumes of electronic records that will need to be preserved is significant, and NARA is challenged to meet data storage requirements for them. NARA's in-house data storage is reaching capacity, impacting the agency's digitization efforts and other IT programs. Without sufficient storage, NARA would have difficulty accepting, storing, and processing electronic records or make them available to the public.

## **6. Pandemic Response**

Like all employers, NARA is challenged to determine the best path forward during this pandemic. NARA is challenged to both keep agency staff safe and still meet NARA's mission. These are times of near unprecedented change, presenting both opportunities and new challenges. To succeed, NARA must seize the opportunities, potentially changing long-held beliefs and processes, and overcome the challenges. No less than the history of this great republic hangs in the balance.

# ***Background Information***

---

## **About the National Archives and Records Administration**

The National Archives and Records Administration (NARA) drives openness, cultivates public participation, and strengthens our nation's democracy through public access to high-value government records. Simply put, NARA's mission is to preserve and provide public access to federal records in its custody and control. Public access to these records strengthens democracy by allowing Americans to claim their rights of citizenship, hold their government accountable, and understand their history in order to participate more effectively in government.

NARA holds more than 5 million cubic feet of traditional records, and maintains around a million artifacts and 823 terabytes of electronic records. In FY 2020, NARA reported more than 45 million online visits and responded to hundreds of thousands of written requests from the public. The COVID-19 pandemic dramatically limited NARA's traditional visitors, but there were still over 1.4 million of them. With approximately 2,583 employees, NARA operates 44 facilities nationwide.

In FY 2021, NARA was appropriated \$377 million for operating expenses, including \$9.2 million to enhance the government's ability to electronically preserve, manage, and store government records and up to \$2 million to implement the Civil Rights Cold Case Records Collection Act of 2018; \$9.5 million for repairs and restoration of archives facilities; \$6.5 million for the NHPRC; and \$4.8 million for IG operations. NARA was subsequently provided with an extra \$50 million in emergency funds to address problems caused by the coronavirus pandemic at Federal Records Centers, and to accelerate processing of requests for military service records received during the pandemic.

## **About the Office of Inspector General (OIG)**

The OIG serves the American citizen by improving the effectiveness, efficiency, and economy of NARA programs and operations while keeping our stakeholders informed. As part of our mission, we detect and prevent fraud and abuse in NARA programs and strive to ensure proper stewardship over federal funds. We accomplish this by providing high-quality, objective audits, investigations, and other products and serving as an independent internal advocate. Unique to our mission among other OIGs is our duty to ensure NARA protects and preserves the items belonging in our holdings while safely providing the American people with the opportunity to discover, use, and learn from our documentary heritage. Our vision is to impartially deliver independent, thorough oversight that transforms the agency into a more efficient and effective organization.

In FY 2021, Congress provided \$4.8 million for the OIG's appropriation. At the close of the period, the OIG had 18 FTEs on board, including an Inspector General, 9 FTEs devoted to audits, 6 FTEs devoted to investigations, an administrative assistant, and a counsel to the Inspector General.



# Reporting Requirements

<b>IG Act § or Law</b>	<b>Subject</b>	<b>Page(s)</b>
§ 4(a)(2)	Review of legislation and regulations	3, 12
§ 5(a)(1)	Significant problems, abuses, and deficiencies discovered during the reporting period	4–6, 8–10
§ 5(a)(2)	Significant recommendations for corrective action	19–21
§ 5(a)(3)	Prior significant recommendations on which corrective action has not been completed	19–21
§ 5(a)(4)	Summary of prosecutorial referrals and convictions	8–10, 16
§ 5(a)(5)	Information or assistance refused and reported to agency head	17 (none)
§ 5(a)(6)	List of audit, inspection, and evaluation reports issued	17
§ 5(a)(7)	Summaries of significant reports	2–4, 19–21
§ 5(a)(8)	Questioned costs in audits, inspections, and evaluations	18
§ 5(a)(9)	Funds put to better use in audits, inspections, and evaluations	18
§ 5(a)(10)	Prior audit, inspection, and evaluation reports with no management decision, no management comment, or unimplemented recommendations	19–21
§ 5(a)(11)	Significant revised management decisions	17 (none)
§ 5(a)(12)	Significant management decisions with which the OIG disagreed	17 (none)
§§ 5(a)(14), (15), (16)	Reporting on OIG peer review	12
§ 5(a)(17)	Statistical table on investigations and referrals	16
§ 5(a)(18)	Description of metrics used in § 5(a)(17) table	16
§ 5(a)(19)	Reporting on substantiated investigations of senior government employees	9 (none)
§ 5(a)(20)	Reporting on substantiated whistleblower retaliations	8
§ 5(a)(21)	Reporting on agency attempts to interfere with OIG independence	17 (none)
§ 5(a)(22)(A)	Closed inspections, evaluations, and audits not disclosed to the public	17 (none)
§ 5(a)(22)(B)	Closed investigations of senior government employees not disclosed to the public	9 (none)
P.L. 110-181	Annex on completed contract audit reports	15 (none)
P.L. 104-106	Open audit recommendations	19–21

## **ANNEX ON COMPLETED CONTRACT AUDIT REPORTS**

Section 845 of the 2008 Defense Authorization Act, Public Law 110-181, requires certain information on completed contract audit reports containing significant audit findings be included as an annex to this report. While the OIG conducted audit work involving contracts during this period, they were generally program audits as opposed to contract audits.

# Reporting Requirements

## SUMMARY OF INVESTIGATIONS AND PROSECUTORIAL REFERRALS Requirement 5(a)(4), (17), and (18)

<i>Investigative Workload</i>	
Hotline and complaints received and opened this reporting period	344
Hotlines and complaints referred to other parties during this reporting period	23
Investigative matters opened this reporting period	16
Investigative matters closed this reporting period	12
Closing investigative reports written this reporting period	12
<i>Investigative Results</i>	
Total individuals referred to DOJ for prosecution	2
Individuals referred to DOJ – accepted for prosecution	1
Individuals referred to DOJ – declined for prosecution	1
Individuals referred DOJ – pending prosecution decision	0
Total individuals referred to state and local authorities for prosecution	0
Individuals referred to state and local authorities – accepted for prosecution	0
Individuals referred to state and local authorities – declined for prosecution	0
Individuals referred state and local authorities – pending prosecution decision	0
Arrest	1
Indictments and information	1
Convictions	0
Fines, restitutions, judgments, and other civil and administrative recoveries	\$0.00
<i>Administrative Remedies</i>	
Employee(s) terminated	1
Employee(s) resigned	0
Employee(s) suspended	0
Employee(s) given letter of reprimand or warnings/counseled	2
Employee(s) taking a reduction in grade in lieu of administrative action	0
Contractor (s) removed	0
Individual(s) barred from NARA facilities	0

The numbers in the table above were compiled by our electronic case management system and only reference actions that happened within the reporting period. If the case was a joint case worked with another investigative office, the statistics above show the total numbers for the case and do not apportion numbers to each office.

# Reporting Requirements

## LIST OF AUDIT, INSPECTION, AND EVALUATION REPORTS ISSUED Requirement 5(a)(6)

Report No.	Title	Date	Questioned Costs	Unsupported Costs	Funds Put to Better Use
21-AUD-08	Audit of NARA's Controls over the Use of Information Technology Equipment and Resources	6/14/2021	\$0	\$0	\$0
21-AUD-10	Audit of Controls over Loans of NARA Holdings	8/26/2021	\$0	\$0	\$0
21-AUD-11	Audit of NARA's High Value Assets	8/26/2021	\$0	\$0	\$0
21-AUD-12	Audit of NARA's Records Disposal Processes	9/7/2021	\$0	\$0	\$0
21-AUD-13	Audit of NARA's Travel Card Program	9/29/2021	\$0	\$0	\$0

## LIST OF OTHER REPORTS ISSUED

Report No.	Title	Date
21-R-09	2021 3 <sup>rd</sup> Quarter Open Recommendations Report	6/30/2021

## OTHER REQUIRED INFORMATION

REQUIREMENT	CATEGORY	SUMMARY
5(a)(5)	Information or assistance refused	None.
5(a)(10)	Prior audit reports with no management decision	Management concurred with all issued reports.
5(a)(11)	Significant revised management decisions	None.
5(a)(12)	Significant management decisions with which the OIG disagreed	None.
5(a)(20)	Detailed description of instances of whistleblower retaliation, including consequences for the offender	One investigation closed this period substantiated whistleblower retaliation; it is described in the Investigations section on page 8.
5(a)(21)(A)	Agency attempts to interfere with OIG independence with budget constraints designed to limit the OIG's capabilities	None.
5(a)(21)(B)	Agency attempts to interfere with OIG independence by resisting or objecting to oversight activities, or restricting or significantly delaying access to information	None rising to this level.
5(a)(22)	Closed inspections, evaluations, and audits not disclosed to the public	All closed audits were disclosed to the public; no other inspection or evaluation products were produced.

# Reporting Requirements

## AUDIT, INSPECTION, AND EVALUATION REPORTS WITH QUESTIONED COSTS

### Requirement 5(a)(8)

Category	Number of Reports	DOLLAR VALUE	
		Questioned Costs	Unsupported Costs
A. For which no management decision has been made by the commencement of the reporting period	1	\$131,816	\$0
B. Which were issued during the reporting period	0	\$0	\$0
Subtotals (A + B)	1	\$131,816	\$0
C. For which a management decision has been made during the reporting period	0	\$0	\$0
(i) dollar value of disallowed cost	0	\$0	\$0
(ii) dollar value of costs not disallowed	0	\$0	\$0
D. For which no management decision has been made by the end of the reporting period	1	\$131,816	\$0
E. For which no management decision was made within 6 months	1	\$131,816	\$0

## AUDIT, INSPECTION, AND EVALUATION REPORTS WITH RECOMMENDATIONS THAT FUNDS BE PUT TO BETTER USE

### Requirement 5(a)(9)

Category	Number	Dollar Value
A. For which no management decision has been made by the commencement of the reporting period (see note below)	2	\$45,352,745
B. Which were issued during the reporting period	0	\$0
Subtotals (A + B)	2	\$45,352,745
C. For which a management decision has been made during the reporting period	0	\$0
(i) dollar value of recommendations that were agreed to by management	0	\$0
Based on proposed management action	0	\$0
Based on proposed legislative action	0	\$0
(ii) dollar value of recommendations that were not agreed to by management	0	\$0
D. For which no management decision has been made by the end of the reporting period	2	\$45,352,745
E. For which no management decision was made within 6 months of issuance	2	\$45,352,745

# Reporting Requirements

## SUMMARY OF OPEN AUDIT RECOMMENDATIONS

An important responsibility of the OIG is to follow up on previously issued reports with outstanding recommendations. During this period, 26 recommendations were closed. At the close of the period, there were 295 total open recommendations. The full text of each open recommendation, as well as links to the report they came from, can be found on [www.oversight.gov](http://www.oversight.gov) at our [open recommendations link](#) toward the bottom of the page on the left side.

Report Number	Date Issued	Title	Number of Open Recommendations
09-15	9/29/2009	Work at Home System	1
10-04	4/2/2010	Oversight of Electronic Records Management in the Federal Government	1
11-02	11/8/2010	Network Vulnerability and Penetration Testing	1
12-09	5/10/2012	Data Center Consolidation Initiative	5
12-10	9/13/2012	Follow-up Review of OIG Audit Report 08-01: Audit of the Process of Safeguarding and Accounting for Presidential Library Artifacts	4
12-11	8/27/2012	Network Discovery and Assessment	3
12-15	7/23/2012	Classified Systems	3
13-01	12/10/2012	Internal Controls Program	1
13-08	7/9/2013	Preservation Program (Textual)	4
13-10	7/9/2013	Archival Facilities	5
13-11	9/19/2013	Base ERA's Ability to Ingest Records	2
13-14	9/18/2013	Processing of Textual Records	2
14-01	1/30/2014	Management and Oversight of NARA's Energy Savings Performance Contracts (ESPCs)	1
14-08	4/17/2014	Capital Planning and Investment Control (CPIC) Process	7
14-10	5/9/2014	Enterprise Wireless Access	2
15-02	11/12/2014	Mobile Device Management <i>Funds Put to Better Use - \$2,745</i>	4

# Reporting Requirements

Report Number	Date Issued	Title	Number of Open Recommendations
15-03	2/6/2015	Specially Protected Holdings	15
15-11	5/5/2015	Digitization Storage and Transfer Capabilities	1
15-13	8/24/2015	Human Resources Systems and Data Accuracy	2
15-15	9/30/2015	Assessment of Cable Infrastructure	6
16-01	10/19/2015	Web Hosting Environment	14
16-02	1/16/2016	Compliance With FISMA, As Amended	5
16-05	3/25/2016	Publicly Accessible Websites	7
16-07	5/17/2016	Refile Processes at Selected Federal Records Centers	4
17-AUD-01	10/28/2016	Enterprise-Wide Risk Assessment of NARA's Internal Controls	7
17-AUD-03	11/4/2016	Compliance With the Federal Managers Financial Integrity Act for FY15	10
17-AUD-04	11/18/2016	Management Control Over Microsoft Access Applications and Databases	4
17-AUD-06	11/15/2016	Procurement Program	16
17-AUD-07	2/19/2017	Compliance with Homeland Security Presidential Directive 12	3
17-AUD-08	3/15/2017	Adoption and Management of Cloud Computing	9
17-AUD-16	9/27/2017	FOIA Program	1
18-AUD-06	3/29/2018	Legacy Systems <i>Funds Put to Better Use - \$45,350,000</i>	2
18-AUD-09	6/4/2018	Human Capital Practices	4
18-AUD-14	8/20/2018	Continuity of Operations (COOP) Readiness	3
19-AUD-01	11/15/2018	Audit of NARA's FY 2018 Financial Statements	4

# Reporting Requirements

Report Number	Date Issued	Title	Number of Open Recommendations
19-AUD-02	12/21/2018	Oversight of FY 2018 FISMA Assessment	19
19-AUD-03	12/20/2018	Presidential Libraries' Analog Processing	1
19-AUD-07	3/29/2019	Purchase Card Program <i>Questioned Costs - \$131,816</i>	9
19-AUD-10	6/11/2019	Oversight of Electronic Records Management in the Federal Government	4
20-AUD-03	12/12/2019	Classified Information Systems	11
20-AUD-06	3/4/2020	Oversight and Management of Information Technology Contracts	5
20-AUD-08	4/22/2020	Audit of NARA's FY 2019 Financial Statements	8
20-AUD-09	4/22/2020	Management Letter: Control Deficiencies Identified During Audit of NARA's FY 2019 Financial Statements	1
20-R-11	5/15/2020	Use of the 2017 Women's March Image	3
20-AUD-12	6/18/2020	Personnel Security and Suitability Program	4
20-AUD-15	8/27/2020	Cybersecurity Risk Management Process	2
21-AUD-03	11/10/2020	Audit of NARA's FY 2020 Financial Statements	17
21-AUD-04	11/10/2020	Management Letter: Control Deficiency Identified during Audit of NARA's FY 2020 Financial Statements	1
21-AUD-08	6/14/2021	Controls Over the Use of Information Technology Equipment and Resources	9
21-AUD-10	8/26/2021	Controls over Loans of NARA Holdings	9
21-AUD-11	8/26/2021	NARA's High Value Assets	8
21-AUD-12	9/7/2021	NARA's Records Disposal Processes	13
21-AUD-13	9/29/2021	NARA's Travel Card Program	8

# *Contact the OIG*

---

## **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/](http://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**  
[oig.hotline@nara.gov](mailto:oig.hotline@nara.gov)
- **By facsimile**  
301-837-3197
- **By online referral form**  
[www.archives.gov/oig/referral-form/index.html](http://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](http://www.archives.gov/oig/contractor-form/index.html).