

# OFFICE OF THE INSPECTOR GENERAL



## SEMIANNUAL REPORT TO CONGRESS

October 1, 2023 –  
March 31, 2024

A photograph of the Smithsonian Institution Building, also known as "The Castle," a large red brick Gothic Revival building with multiple spires and a prominent central tower. An American flag and the Smithsonian sunburst logo are flying from the top of the central tower. The building is partially obscured by green trees in the foreground.

Smithsonian Institution Building  
(The Castle)

**Table 1. Semiannual reporting requirements of the *Inspector General Act*, as amended**

Public Law Section	Reporting Requirement	Page
Section 4(a)(2)	Review of legislation and regulations	16
Section 5(a)(1)	Significant problems, abuses, and deficiencies	None
Section 5(a)(2)	Significant recommendations for corrective action	11
Section 5(a)(3)	Reports with corrective action not completed	11
Section 5(a)(4)	Matters referred to prosecutive authorities	None
Section 5(a)(5)	Information or assistance refused	None
Section 5(a)(6)	List of reports issued with dollar value of questioned costs and recommendations that funds be put to better use	10
Section 5(a)(7)	Summaries of significant reports	6
Section 5(a)(8)	Audit, inspection, and evaluation reports—questioned costs	None
Section 5(a)(9)	Audit, inspection, and evaluation reports—funds to be put to better use	None
Section 5(a)(10)(A)	Audit, inspection, and evaluation reports issued before the commencement of the reporting period with no management decision	None
Section 5(a)(10)(B)	Audit, inspection, and evaluation reports issued before the commencement of the reporting period with no management comment within 60 days	None
Section 5(a)(10)(C)	Audit, inspection, and evaluation reports issued before the commencement of the reporting period with unimplemented recommendations	11
Section 5(a)(11)	Significant revised management decisions	None
Section 5(a)(12)	Significant management decisions with which the Office of the Inspector General disagreed	None
Section 5(a)(13)	Information described under section 804(b) of the Federal Financial Management Improvement Act of 1996	None
Section 5(a)(14–16)	Peer reviews	12,14
Section 5(a)(17–18)	Investigative tables	15
Section 5(a)(19)	Reports on investigations with substantiated allegations involving senior employees	14
Section 5(a)(20)	Whistleblower retaliation	None
Section 5(a)(21)	Attempts to interfere with OIG independence	None
Section 5(a)(22)(A)	Inspections, evaluations, and audits that were closed and not disclosed to the public	None
Section 5(a)(22)(B)	Investigations involving senior employees that were closed and not disclosed to the public	None

Source: OIG assessment as of March 31, 2024.

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## Abbreviations

CARES Act	Coronavirus Aid, Relief, and Economic Security Act
Castro	Castro & Company, LLC
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CMc	Construction Manager as Constructor
FPDS	Federal Procurement Data System
KPMG	KPMG LLP
NASM	National Air and Space Museum
OCon&PPM	Office of Contracting & Personal Property Management
OHR	Office of Human Resources
OIG	Office of the Inspector General
PII	Personally Identifiable Information
Sikich	Sikich CPA LLC
The Smithsonian	Smithsonian Institution
The Zoo	National Zoo and Conservation Biology Institute

## Message from the Acting Inspector General

On behalf of the Office of the Inspector General (OIG), I am pleased to submit this semiannual report to Congress. This report highlights the accomplishments achieved through our audit and investigative activities for the 6-month period ending March 31, 2024.

During this period, our office issued seven audit reports and conducted work on six ongoing audits. In one report, OIG's contractor evaluated the effectiveness of the Smithsonian Institution's (the Smithsonian) information security program and determined it was operating effectively. The report also identified areas of improvement and made 3 recommendations to strengthen the program further. In another report, OIG determined that the Smithsonian did not consistently comply with spending and reporting requirements for Coronavirus Aid, Relief, and Economic Security (CARES) Act funds. OIG made 10 recommendations to strengthen controls over the purchasing and reporting processes related to emergency appropriations. In a third report, OIG found that the Smithsonian did not have adequate justifications or effective review and approval controls for nearly two-thirds of sampled sole-source purchase orders. OIG made 6 recommendations to strengthen the control environment for sole-source purchase orders.

OIG closed 11 recommendations during this reporting period, and 27 recommendations were unimplemented as of March 31, 2024. Twenty-two of these unimplemented recommendations were issued during this semiannual period. Five of these unimplemented recommendations were from a prior period and are aimed at improving the Smithsonian's programs and operations, such as by ensuring that: (1) purchase card transactions are approved only by the approving officials and all transactions are fully documented; (2) processes are implemented to identify, document, and periodically test security controls for all systems that collect, process, store, or transmit sensitive personally identifiable information; and, (3) procedures are established to monitor the quality of sole-source procurement justifications. For more details on our audit work, see the Audits section of this report.

Our investigative activities continued to focus on and hold accountable those individuals whose actions harmed the Smithsonian's programs and operations. During the reporting period, OIG received 50 new complaints, closed 44 complaints, converted 6 complaints to investigations, and completed 9 investigations. For more details on our investigative work, see the Investigations section of this report.

Our office will continue to conduct audits and investigations that help the Smithsonian Board of Regents and management meet their stewardship and fiduciary responsibilities, support congressional oversight, and provide information to the public.



Joan Mockeridge  
Acting Inspector General

**Figure 1. Smithsonian Institution National Air and Space Museum.**



The National Air and Space Museum is undergoing a multi-year renovation which began in 2018.  
Image credit: Smithsonian Institution Newsdesk.

## Smithsonian Institution Profile

In 1846, Congress created the Smithsonian as a U.S. trust instrumentality to carry out the provisions of James Smithson’s will. Smithson, an English scientist, left his estate to the United States to found “an establishment for the increase and diffusion of knowledge.”<sup>1</sup>

Today, the Smithsonian comprises 21 museums and galleries, the National Zoo and Conservation Biology Institute (the Zoo), 14 education and research centers, and facilities worldwide. Most Smithsonian locations are in Washington, D.C., but the Smithsonian works in a wide variety of disciplines in more than 140 countries. The Smithsonian employs approximately 6,600 staff (including about 3,700 federal, 2,500 trust, and 400 Panamanian employees).

In fiscal year 2023, there were more than 17.7 million in-person visits to the Smithsonian museums and the zoo. In addition, the Smithsonian’s public websites logged 170 million visits. The Smithsonian also made more than 8 million collections of images, audios, videos, and blog posts available online. Through Smithsonian Open Access, more than 4.9 million digital items have been released into the public domain for free use for any purpose.

The Smithsonian is the steward of an extensive collection. The total number of objects and specimens in the collections is estimated at 157 million, of which about 148 million are scientific specimens at the National Museum of Natural History. Researchers at the Smithsonian and worldwide use these collections in their research. The Smithsonian loans many collection items to other educational and scientific organizations. In 2022, more than 2 million items were on active loan. Only a small portion of the Smithsonian’s collections is displayed in the museums at any time.

Federal appropriations fund a major portion of the Smithsonian’s operations. In addition to federal appropriations, the Smithsonian receives private gifts and revenue from grants and contracts, and earns income from investments and its various business activities. Business activities include Smithsonian magazines and books; television programs; an online store; licensed products; travel programs; and museum theaters, shops, and food services.

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<sup>1</sup> A trust instrumentality is a government agency or corporation that acts independently to carry out work for the public good.

## Office of the Inspector General Profile

The Office of the Inspector General (OIG) is headed by the Inspector General, who is appointed by, reports to, and is under the general supervision of the Board of Regents. OIG is located in Washington, D.C. As of March 31, OIG consisted of 18 staff: Assistant Inspector General for Audits (also serving as Acting Inspector General), Assistant Inspector General for Investigations, Assistant Inspector General for Operations, Counsel to the Inspector General, 11 auditors, and 3 investigators.

The OIG's organizational structure is described below.

### Audits

The Office of Audits conducts audits of the Smithsonian's existing and proposed programs and operations to help improve their efficiency and effectiveness. To guide its work, the office develops a risk-based annual audit plan. The Office of Audits also actively monitors the external audits of the Smithsonian's financial statements.

### Counsel

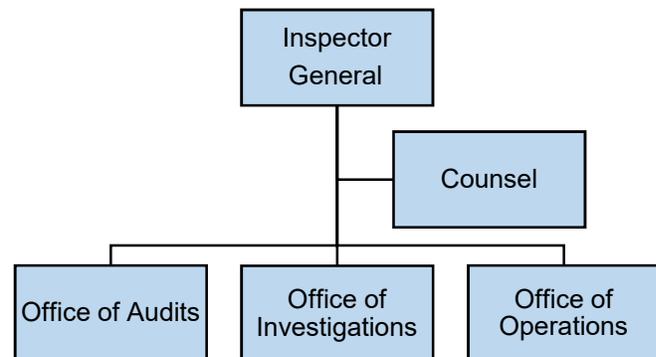
The Counsel to the Inspector General provides independent legal advice to the Inspector General and OIG staff.

### Investigations

The Office of Investigations pursues allegations of waste, fraud, abuse, and gross mismanagement; misconduct by employees, contractors, or others who affect the Smithsonian; and criminal violations of law that impact the Smithsonian's programs and operations. It refers matters to federal, state, and local prosecutors for action whenever the Inspector General has reasonable grounds to believe there has been a violation of criminal law. The Office of Investigations also presents any administrative misconduct to management for possible disciplinary action.

### Operations

The Office of Operations provides technical and administrative support. It is responsible for OIG administrative matters, such as budgeting, procurement, human resources, information technology, and measuring organizational performance.



OIG's vision, mission, authority, and core values are described below.<sup>2</sup>

## Vision

OIG's vision is to provide the highest quality oversight through timely action, independent and objective reporting, and an overall commitment to excellence.

## Mission

OIG's mission is to promote the efficiency, effectiveness, and integrity of the Smithsonian's programs and operations through independent, objective audits and investigations and to keep stakeholders fully and currently informed.

## Authority

The *Inspector General Act of 1978*, as amended in 1988 (P.L. 100-504), established the Smithsonian OIG. The act requires OIG to perform the following functions:

- Conduct audits and investigations relating to the Smithsonian's programs and operations.
- Promote economy, efficiency, and effectiveness within the Smithsonian.
- Review and make recommendations regarding existing and proposed programs and operations.
- Prevent and detect waste, fraud, and abuse in the Smithsonian's programs and operations.
- Report expeditiously to the Attorney General whenever the Inspector General has reasonable grounds to believe there has been a violation of criminal law.
- Keep the Board of Regents and Congress fully and currently informed of serious problems in the Smithsonian's programs and operations.

## Core Values

Consistent with its mission and responsibilities, OIG's efforts are guided by four core values: accountability, excellence, integrity, and teamwork. These core values reflect the most important qualities needed for success and are reflected in all of OIG's work.

**Accountability.** A commitment to promoting accountability in the Smithsonian and taking personal accountability for actions and decisions within OIG.

**Excellence.** A commitment to providing timely, relevant, and high-quality products and services.

**Integrity.** A commitment to operating under the highest ethical principles by conducting our work in an honest, objective, and independent manner.

**Teamwork.** A commitment to working together to collectively achieve OIG's mission through respectful and professional interactions among ourselves and others.

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<sup>2</sup> The OIG vision, mission, goal and objectives, and core values are part of the *OIG Strategic Plan, Fiscal Years 2020–2024*, available on the OIG website at <https://oig.si.edu/about/office-inspector-general>

## Audits

Audit work focuses on improving the efficiency and effectiveness of the Smithsonian's programs and operations. During this semiannual period, OIG issued 7 reports, conducted work on 6 ongoing audits, and closed 11 recommendations.

### Summary of Issued Audit Reports

Below is a summary of the audit reports issued during this reporting period, along with links to the reports.

#### [Independent Auditor's Report on the Smithsonian Institution's Fiscal Year 2023 Financial Statements \(OIG-A-24-01, January 22, 2024\)](#)

An independent public accounting firm, KPMG LLP (KPMG), issued a report on the statement of the Smithsonian's financial position as of September 30, 2023, and the related statements of financial activity and cash flows. KPMG expressed an unmodified opinion, concluding that the financial statements were presented fairly, in all material respects, and in accordance with the applicable financial reporting standards. An OIG auditor was the Contracting Officer's Technical Representative to monitor this audit.

#### [Independent Accountant's Report on the Smithsonian Enterprises Net Gain for Fiscal Year 2023 \(OIG-A-24-02, January 22, 2024\)](#)

KPMG issued its independent accountants' report on the Smithsonian Enterprises Statement of Net Gain as of September 22, 2024. KPMG concluded that no material modifications needed to be made to the Statement of Net Gain to be in accordance with U.S. Generally Accepted Accounting Principles. An OIG auditor was the Contracting Officer's Technical Representative to monitor this audit.

#### [Information Security: Fiscal Year 2023 Independent Evaluation of the Smithsonian Institution's Information Security Program \(OIG-A-24-03, February 12, 2024\)](#)

OIG contracted with Castro & Company, LLC (Castro) to evaluate the effectiveness of the Smithsonian's information security program in fiscal year 2023. Three major applications were reviewed.

For fiscal year 2023, Castro found that the Smithsonian's information security program was effective overall because it was operating at a managed and measurable level (Level 4) in four of the five cybersecurity functions (Protect, Detect, Respond, and Recover) and at a consistently implemented level (Level 3) for the fifth function (Identify), which includes risk management and supply chain risk management.

Castro made three recommendations, which management concurred with. An OIG auditor was the Contracting Officer's Technical Representative to monitor this audit.

[Audit of Federal Awards Performed in Accordance with Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(OIG-A-24-04, February 20, 2024\)](#)

KPMG expressed two unmodified opinions in this report. First, KPMG opined that the Smithsonian's *Schedule of Expenditures of Federal Awards* was fairly stated, in all material respects, in relation to the Smithsonian's financial statements as a whole. Second, KPMG opined that the Smithsonian complied, in all material respects, with the compliance requirements of the Smithsonian's major federal program—the research and development cluster. The expenditures for the major program totaled \$114.88 million. The top two federal agency sponsors were the National Aeronautics and Space Administration (\$96.68 million) and the National Science Foundation (\$12.22 million). An OIG auditor was the Contracting Officer's Technical Representative to monitor this audit.

[Acquisition Management: Smithsonian Did Not Consistently Comply with Spending and Reporting Requirements for CARES Act Funds \(OIG-A-24-05, February 23, 2024\)](#)

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136) was signed into law in response to the COVID-19 pandemic. The Smithsonian received \$7.5 million to prevent, prepare for, and respond to COVID-19. The Smithsonian primarily used the funding for face masks, sanitizing supplies, hands-free restroom fixtures, and information technology equipment to enable telework.

To determine the extent to which the Smithsonian spent CARES Act funding in accordance with applicable laws, policies, and procedures—and accurately reported the use of those funds in the Federal Procurement Data System (FPDS) and at USASpending.gov—OIG reviewed a sample of 49 CARES Act transactions totaling \$4,762,624, which was approximately 64 percent of the Smithsonian's total CARES Act appropriation. OIG also reconciled data reported to FPDS and USASpending.gov with the Smithsonian's internal accounting records.

OIG found that the Smithsonian did not consistently spend CARES Act funds in accordance with applicable laws, policies, and procedures. Specifically, the Smithsonian:

- Did not adequately justify 9 of 12 sampled sole-source procurements totaling \$1,673,577 that were charged to the CARES Act;
- Did not follow required procedures, such as seeking competition from three or more vendors, for three sampled emergency purchase card transactions totaling \$502,738;
- Improperly charged to the CARES Act a total of \$28,999 in products and an indeterminable amount in payroll unrelated to COVID-19. Management corrected this during the audit; and
- Did not properly track two laptops purchased with CARES Act funds.

Although the Smithsonian accurately reported the use of CARES Act funds on USASpending.gov, it underreported CARES Act expenditures in FPDS by \$1,683,354. During the audit, the Smithsonian corrected the CARES Act entries in FPDS.

OIG made 10 recommendations to strengthen controls over the purchasing and report processes related to emergency appropriations. Management concurred with the recommendations.

[Acquisition Management: Controls and Monitoring for Sole-source Purchase Orders Need to Be Strengthened \(OIG-A-24-06, March 12, 2024\)](#)

The Smithsonian uses purchase orders to acquire the goods and services needed to achieve its mission. Purchase orders awarded without competition are called sole-source purchase orders. In fiscal year 2021, the Smithsonian's purchase orders created through its *Simplified Acquisition Procedures* totaled nearly \$498 million, more than \$307 million of which were sole-source.

OIG found that the Office of Contracting and Personal Property Management (OCon&PPM) does not have effective controls and monitoring to ensure that adequate justifications exist when purchase orders exceeding \$10,000 are awarded on a sole-source basis. Only 12 of the 30 randomly sampled sole-source purchase orders had adequate justification for not seeking competitive bids.

OIG analysis showed that of the remaining 18 sampled purchase orders: (1) one had an adequate justification, but an unauthorized employee improperly signed the sole-source justification form; (2) nine sampled purchase orders were improperly sole-sourced; (3) five were inadequately justified, including one that did not have the required justification form; (4) two were modified to exceed the \$10,000 threshold without the required justification; and (5) one had a sole-source justification form when it was not required.

OIG also found that OCon&PPM's annual compliance reviews conducted from fiscal years 2017 through 2022 had a limited focus on sole-source purchase orders. None of these compliance reviews identified issues with reviewing and approving inadequate justification for sole-source purchase orders. As a result, management was hindered in identifying systematic trends and correcting weaknesses and deficiencies.

OIG made six recommendations to strengthen the controls and monitoring for sole-source purchase orders. Management concurred with the recommendations.

[Smithsonian Institution's Controls Over the National Air and Space Museum Revitalization Project's Subcontracting Awards Process \(OIG-A-24-07, March 27, 2024\)](#)

OIG contracted with Sikich CPA LLC (Sikich) to determine whether the Construction Manager as Constructor (CMc) services awarded subcontracts in accordance with the solicitation and competition requirements stipulated in Smithsonian policies and procedures and the construction contract.

Sikich found that the Smithsonian did not document its participation in and approval of the selection of 11 sampled subcontracts as required. Further, the Smithsonian and the CMc did not retain the required documentation (including reference checks, subcontractor qualification reviews, and current construction backlog checks) supporting the best value assessments for awarding subcontracts. By not retaining sufficient documentation of the best value assessments, the CMc could not show the basis for these awards, and the Smithsonian could not verify that the subcontractor offering the best value to the government was selected.

Sikich made three recommendations to improve the Smithsonian's process for reviewing and approving subcontractor bids and awards for construction projects. Management concurred with the recommendations.

## Work in Progress

At the end of the period, OIG had six audits in progress, as described below.

### [Assessment of Detection and Response Capabilities for Information Security Incidents](#)

OIG auditors are evaluating the Smithsonian's capabilities to prevent, detect, and respond to information security incidents.

### [Cash Management Operations at Smithsonian Enterprises](#)

OIG auditors are determining the extent to which the Smithsonian Enterprises has effective controls over cash management in its retail operations.

### [Collections Care and Preservation Fund](#)

OIG auditors are determining the extent to which the Smithsonian has effective controls over the process to award money from the Collections Care and Preservation Fund to collecting units and ensure that the funds are spent for their intended purposes.

### [Contract Modification Process for the National Air and Space Museum \(NASM\) Revitalization Project](#)

An OIG auditor is monitoring Sikich in conducting an audit of the contract modification process for the NASM revitalization project. Sikich is determining whether contract modifications for this project were reasonable, necessary, within the scope of the contract, and effectively awarded and administered.

### [Smithsonian's Management and Allocation of the Rebates Received from the U.S. General Services Administration SmartPay Program](#)

OIG auditors are assessing the extent to which the Smithsonian has developed and implemented the policies and procedures for rebates received from the U.S. General Services Administration SmartPay Program.

## Smithsonian’s Management of Sponsored Projects

OIG auditors are determining the extent to which the Office of Sponsored Projects and recipient units have complied with (1) the terms and conditions of awards received from external sources and (2) Smithsonian policies and procedures concerning the administration and oversight of awards.

## Other Audit Activities

### Status of Recommendations

Smithsonian management made progress in implementing the recommendations from audit reports we issued in prior semiannual reporting periods. As a result, OIG closed 11 recommendations during the past 6 months. Table 2 provides summary statistics for OIG recommendations during this semiannual reporting period, as of March 31, 2024.

**Table 2. Summary of audit recommendation activity during the semiannual reporting period, as of March 31, 2024**

Status of Recommendations	Number of Recommendations
Open at the beginning of the period	16
Issued during the period	22
<i>Subtotal</i>	38
Closed during the period	11
Open at the end of the period	27

Source: OIG assessment as of March 31, 2024.

Table 3 summarizes the reports issued with questioned costs.

**Table 3. Reports issued with questioned costs**

Reports	Number	Questioned	Unsupported
Reports for which no management decision has been made by the commencement of the reporting period	0	\$0	\$0
Reports issued during the semiannual period	1	\$28,999	\$0
<i>Subtotal</i>	1	\$28,999	\$0
Reports for which a management decision was made during the reporting period			
• Dollar value of disallowed costs	1	\$28,999	\$0
• Dollar value of costs not disallowed	0	\$0	\$0
Reports for which no management decision has been made by the end of the reporting period	0	\$0	\$0
Reports for which no management decision was made within six months of issuance	0	\$0	\$0

Source: OIG assessment as of March 31, 2024.

Table 4 summarizes the audit reports from previous periods that have five unimplemented recommendations and their target completion dates, as of March 31, 2024. None of these recommendations involve cost savings.

**Table 4. Reports from previous periods with unimplemented recommendations, as of March 31, 2024**

Report Summary	Unimplemented Recommendations
<p><i>Human Resource Management: Smithsonian Needs to Strengthen Its Procedures for Hiring Trust Employees When Not Using the Federal Process (OIG-A-21-01, October 9, 2020)</i></p> <p>This audit examined to what extent the Office of Human Resources (OHR) and the units comply with Smithsonian policies and procedures for hiring employees funded by the Smithsonian Trust, not by federal appropriations.</p> <p>To help ensure a fair and consistent process for hiring Trust employees when not using the federal process, OIG made three recommendations. Management concurred with all three recommendations, and one remains unimplemented.</p>	<p>The Director of OHR should develop and implement procedures to monitor OHR and the units' compliance with policies and procedures.</p> <p>Target completion date: November 29, 2024</p>
<p><i>Acquisition Management: Improvements Needed in Monitoring and Oversight of Purchase Card Use (OIG-A-23-01, November 18, 2022)</i></p> <p>This audit determined whether the Smithsonian had effective controls over purchase cards.</p> <p>OIG made seven recommendations to strengthen the management and oversight of purchase cards. Management concurred with the recommendations, and three remain unimplemented.</p>	<p>The Director of the OCon&amp;PPM should do the following:</p> <p>(1) Develop and implement procedures to ensure that purchase card transactions are only approved by the approving officials and that all transactions are fully documented.</p> <p>(2) Develop and implement procedures that identify the specific reports that will be used for monitoring purchase card use, describe how flagged transactions will be evaluated and addressed, and establish the documentation that needs to be retained.</p> <p>(3) Develop and implement a requirement for periodically reporting information to the Director of OCon&amp;PPM that will assist in the oversight of the purchase cards. The report should provide statistical and narrative information on the use and management of the Purchase Card Program, such as compliance with training requirements, the results of compliance reviews and the monitoring of purchase card transactions. In addition, the report</p>

Report Summary	Unimplemented Recommendations
	<p>should determine whether the program’s internal controls continue to be effective.</p> <p>Target completion date: December 31, 2024</p>
<p><u><i>Information Security: Report on the Effectiveness of the Smithsonian Privacy Program and Practices, Fiscal Year 2022 (OIG-A-23-02, November 30, 2022)</i></u></p> <p>This audit assessed the effectiveness of the Smithsonian’s privacy program and practices.</p> <p>Castro made three recommendations to enhance security controls over sensitive Personally Identifiable Information (PII). Management concurred with the recommendations, and one remains unimplemented.</p>	<p>The Chief Information Officer should develop and implement a formal process to identify, document, and periodically test security controls for all systems (major and minor) that collect, process, store, or transmit sensitive PII. If the systems processing sensitive PII are considered minor, documentation should clearly identify what controls are being inherited from other systems and what controls are specific to the system.</p> <p>Target completion date: October 31, 2024</p>

Source: OIG assessment as of March 31, 2024.

### Audit Peer Review

*Government Auditing Standards* require audit organizations to (1) establish and maintain a system of quality control designed to provide the audit organization with reasonable assurance that the organization and its personnel comply with professional standards and applicable legal and regulatory requirements and (2) undergo external peer reviews by independent reviewers every three years. On September 8, 2023, the Library of Congress OIG completed the most recent peer review, which is posted on our website. The Smithsonian OIG received the highest peer review rating of “pass.” As a result, our office has reasonable assurance that our audits complied with professional standards in all material respects. We remain committed to maintaining an effective system of quality controls and improving our operations.

## Investigations

At the start of the reporting period, OIG had 31 open complaints and 15 ongoing investigations. During the reporting period, OIG received 50 new complaints, closed 44 complaints, converted 6 complaints to investigations, and completed 9 investigations. At the end of the reporting period, there were 31 open complaints and 12 ongoing investigations.

OIG received 539 complaints from 28 complainants that were unrelated to Smithsonian programs and operations. These complaints are consolidated and reported as 1 of the 50 complaints received in this period.

### Highlights of Investigative Actions

#### [False Statements and Vehicle Policy Violation](#)

OIG substantiated an allegation that an employee violated the Smithsonian's vehicle policy by driving a Smithsonian vehicle and equipment on Smithsonian property and a public highway without a driver's license. OIG also determined that the employee made false statements on his recruitment and onboarding forms. The U.S. Attorney's Office for the Eastern District of Virginia declined to prosecute the matter, and the employee resigned.

During the investigation, OIG identified and reported to management weaknesses in the Smithsonian's recruitment, onboarding, and vehicle management programs, such as hiring an applicant who did not meet the minimum requirements for a federal position and not initiating a post-appointment background investigation until requested by OIG. Management responded with a summary of planned or taken actions to address these weaknesses.

#### [Alleged Preferential Treatment and Improper Sole-source Selection by a Senior Employee](#)

Shortly before a senior employee's scheduled separation from the Smithsonian, OIG received an allegation that the employee violated procurement policy and procedures by directing a sole-source contract to a friend. The Office of Investigations closed this matter because no potential administrative action was possible.

#### [Alleged Contract Steering by Senior Employee](#)

OIG investigated an allegation of contract steering by a senior employee. OIG did not substantiate the allegation.

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### [Alleged Conflict of Interest and Improper Sole-source Selection by a Senior Employee](#)

OIG investigated an allegation that a senior employee violated contracting policy and procedures by awarding a sole-source procurement to a friend. OIG did not find evidence of a personal relationship, conflict of interest, or an improper sole-source justification. OIG did not substantiate the allegation.

### [Preferential Treatment by a Senior Employee](#)

OIG investigated an allegation of preferential treatment involving a senior employee and determined that the senior employee violated Smithsonian Directive 103, *Smithsonian Institution Standards of Conduct*, by showing preferential treatment to a job applicant. However, the senior employee left the Smithsonian on a scheduled resignation before OIG concluded its investigation, so administrative action was not possible.

### [Alleged Prohibited Personnel Practices by Senior Employees](#)

OIG investigated two allegations that senior employees directed staff to modify job announcement certificates of eligibility in violation of Smithsonian or U.S. Office of Personnel Management policies. OIG did not substantiate the allegations.

## Other Investigative Activities

### [Investigative Peer Review](#)

The Office of Investigations complies with guidelines established by the U.S. Attorney General. On February 27, 2015, the Government Publishing Office OIG completed a peer review of the Smithsonian OIG investigative program based on the *Quality Assessment Review Guidelines for Investigative Operations of Federal Offices of Inspector General*. The Smithsonian received the highest peer review rating. Our next investigative peer review is scheduled for fall 2024.

Table 5 on the following page contains a statistical summary of OIG's investigative results during the semiannual reporting period.

**Table 5. Statistical summary of the Office of the Inspector General’s investigative results during the semiannual reporting period ending March 31, 2024**

Investigative Activity or Result	Number or Amount
<b>Caseload</b>	
Investigations pending at beginning of reporting period	15
Investigations opened during the reporting period	6
<i>Subtotal</i>	21
Investigations closed during the reporting period	9
Investigative reports issued	1
Investigations carried forward	12
<b>Referrals for prosecution</b>	
Referrals to the Department of Justice	1
Referrals to state and local prosecuting authorities	0
Indictments and criminal information from current period referrals	0
Indictments and criminal information from prior period referrals	0
<b>Successful prosecutions</b>	
Convictions	0
Fines	0
Probation	0
Confinement	0
Monetary restitutions	0
Forfeiture of assets and seized evidence	0
<b>Administrative actions</b>	
Terminations	0
Resignations	1
Reprimands or admonishments	0
Suspensions	0
Monetary loss prevented	0
Value of items recovered	0

Source: OIG investigative activity statistics as of March 31, 2024.

## Other OIG Activities

### Legislative and Regulatory Review

In accordance with the *Inspector General Act of 1978*, as amended, OIG monitored and reviewed legislative and regulatory proposals for their impact on the Smithsonian's programs and operations. Additionally, the Counsel to the Inspector General monitored congressional bills and issues relating to the inspector general community. OIG also reviewed draft Smithsonian policies for their impact on OIG operations.

### Other Activities

OIG remained actively involved with the Council of the Inspectors General on Integrity and Efficiency (CIGIE), a statutory council of federal inspectors general that promotes collaboration on issues of integrity, economy, and efficiency that transcend individual agencies. The Acting Inspector General is a member of three CIGIE committees (Audit, Investigations, and Legislation), and the Diversity, Equity, and Inclusion Working Group. The Counsel to the Inspector General leads the Smaller OIG Counsel Working Group. The Assistant Inspector General for Operations co-leads the CIGIE Technology Committee Small OIG working group. OIG staff also serve on the Council of Counsels to Inspectors General; the Federal Audit Executive Council Financial Statement Audit Network and Quality Management Committee; the OIG Freedom of Information Act Working Group; CIGIE Connect, Collaborate, and Learn; the CIGIE Technology Committee; the CIGIE Mentoring Program, and the Shared Services Working Group.

OIG staff also participated in the Association of Certified Fraud Examiners, the American Institute of Certified Public Accountants, the Institute of Internal Auditors, and ISACA.<sup>3</sup>

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<sup>3</sup> ISACA is an international professional association focused on IT governance.

# OFFICE OF THE INSPECTOR GENERAL



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## OIG's Mission

Our mission is to promote the efficiency, effectiveness, and integrity of the Smithsonian Institution's programs and operations through independent and objective audits and investigations and to keep stakeholders fully and currently informed.

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## Reporting Fraud, Waste, and Abuse to OIG Hotline

OIG investigates allegations of waste, fraud, abuse, gross mismanagement, employee and contractor misconduct, and criminal and civil violations of law that have an impact on Smithsonian Institution programs and operations.

If requested, anonymity is assured to the extent permitted by law. Although you may remain anonymous, we encourage you to provide us with your contact information. The ability to gather additional information from you may be the key to effectively pursuing your allegation.

To report fraud and other serious problems, abuses, and deficiencies, you can do one of the following:

Send an email to: [oighotline@oig.si.edu](mailto:oighotline@oig.si.edu).

Visit OIG's website: <https://oig.si.edu>.

Write to:

Office of the Inspector General

Smithsonian Institution

P.O. Box 37012, MRC 524

Washington, D.C. 20013-7012.

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## Obtaining Copies of Reports

To obtain copies of Smithsonian Institution OIG reports, go to OIG's website: <https://oig.si.edu> or the Council of the Inspectors General on Integrity and Efficiency's website: <https://oversight.gov>.