



National Archives and Records Administration

8601 Adelphi Road
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Date : October 26, 2007

Reply to

Attn of : Office of Inspector General (OIG)

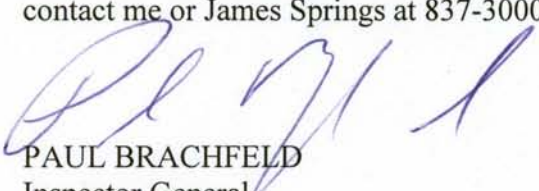
Subject : Audit Report No. 08-01, Audit of the Process of Safeguarding and Accounting for
Presidential Library Artifacts

To : Allen Weinstein, Archivist of the United States (N)

Enclosed for your information is the subject report. The report contains five recommendations, some of which contains sub-recommendations. In their response to the report management concurred with the recommendations. Management's comments can be found in full as an appendix to this report.

In accordance with NARA Directive 1201, Audits of NARA Programs and Operations, subparagraph 6.c., your written response, in the form of a management action plan, to the recommendations in this report should be forwarded to our office within 45 days.

Should you have any questions concerning the report and recommendations please contact me or James Springs at 837-3000.


PAUL BRACHFELD
Inspector General

Enclosure: OIG Report No. 08-01

OIG Report No. 08-01
**Audit of the Process of Safeguarding and
Accounting for Presidential Library Artifacts**

October 26, 2007



OFFICE OF INSPECTOR GENERAL
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

Executive Digest

The Presidential Library system is comprised of twelve Presidential Libraries nationwide. This network of libraries is administered by the Office of Presidential Libraries, which is part of the National Archives and Records Administration (NARA), located in College Park, MD. These are not traditional libraries, but rather repositories for preserving and making available historical materials (e.g. papers, records, artifacts) of U.S. Presidents since Herbert Hoover. Items received from the President or his representatives, or acquired from other sources, are to be added to the museum collection of the library and responsible care is to be provided for them at all times. Among the holdings entrusted to these libraries are approximately 540,000 artifacts maintained by the Presidential Libraries museum staffs. These items include gifts from foreign heads of state, luminaries and common citizens. Holdings range from high value items, including firearms, jewelry, works of art, coins and currency; to tee shirts, trinkets and curiosities. Museum staff are responsible for preserving and exhibiting artifacts to promote public understanding of the Presidential administration, the history of the period, and the career of the President.

The NARA Office of Inspector General (OIG) performed an audit of the controls over artifacts to determine if the process of accounting for and safeguarding Presidential Library artifacts was adequate. This audit was identified in the OIG's FY 2006 annual work plan. In addition, as field work commenced, the OIG received an inquiry from United States Senator Charles Grassley's office asking that we conduct a detailed audit of the operations of Presidential Libraries and the activities of NARA to protect and preserve these collections.

Our audit revealed opportunities to strengthen accountability and control over artifacts. We found that (a) NARA is not accounting for artifacts in a timely manner, (b) technical and management controls over the automated database (i/O) used by NARA to manage its collection need to be strengthened, (c) opportunities exist to deaccession items that do not warrant long term retention and drain scarce resources from higher priority artifacts, (d) some artifacts are not maintained in appropriate space, and (e) NARA does not have a comprehensive list identifying "at risk" artifacts in need of preservation. As a result of these weaknesses, NARA lacks assurance that (1) current collections represent all of the artifacts with which NARA was originally entrusted, (2) missing items will be identified in a timely manner, and (3) items receive the conservation treatment necessary to ensure their continued preservation.

We also found that while control weaknesses varied by library, there was a near universal breakdown in controls at the Ronald Reagan Library which have resulted in the library's inability to adequately account for and safeguard its museum collection. Of the approximately 100,000 artifacts maintained by the Ronald Reagan Library, we found the library had the information necessary to locate less than 20 percent of them. Based on sampling performed, we were unable to locate and adequately account for 13 items, one of them a vase that was noted as being located during the FY 2006 inventory of high value objects. At the time of this audit, the OIG investigative unit was responding to

allegations of theft of artifacts specific to the Reagan Library. This investigation was being adversely impacted due to internal control deficiencies cited in the body of this report. Finally, we noted deteriorating items, broken picture frames and glass, and valuable vases and sculptures at risk of damage due to inappropriate storage in a locale noted for the potential of seismic activity.

The weaknesses identified in this report contribute to NARA's preexisting material weaknesses in preservation and collections security.

NARA and the Office of Presidential Libraries have instituted some steps in order to improve the management and safeguarding of artifacts, such as the procurement of collections management software intended to bring uniformity to the collections management process, and the identification of facility upgrades necessary for improving the environmental conditions under which items are stored. In 1998, a curatorial unit was formed and professional museum procedures were put into place to better account for Presidential gifts as they were placed into courtesy storage. This is expected to result in much more accurate initial museum collection inventories starting with the gifts of the current Bush presidency, as long as staffing for this unit keeps pace with the growth in Presidential gifts and evolving museum practices. Furthermore, over the past decade, the Office of Presidential Libraries has better defined the differences in museum and archives programs. This has contributed to better defining job descriptions for museum staff and developing policy and procedures geared specifically toward managing museum collections.

Some of the collections management challenges facing the agency are inherently due to the age of certain collections, questions surrounding the accuracy and completeness of legacy documentation, and the age of some of the facilities (for example, the Franklin D. Roosevelt Presidential Library was constructed in 1943). In more recent years the pre-eminent challenge is the sheer size of museum collections at modern presidential libraries which have grown exponentially while staffing has not kept pace. Statistics confirm modern era Presidents have received markedly more artifacts than did their predecessors. *(Refer to Appendix A).*

This report contains five recommendations, some of which contain sub-recommendations, which upon adoption we believe will help NARA better account for, safeguard, and preserve artifacts entrusted to its care.

Background

The basic statutory authorities governing NARA's acceptance authority for presidential gifts and other artifact materials are 44 U.S.C. 2101, 44 U.S.C. 2111, 44 U.S.C. 2112, and 44 U.S.C. 2201. Most gifts received by the President are accepted by him on behalf of the government as donated historical materials and later transferred to the Archivist for eventual deposit in his Presidential Library. These gifts are received by the Archivist under the provisions of 44 U.S.C. 2101, 2111 and 2112. The National Archives and Records Administration Act is the basic statutory authority by which Presidential gifts are transferred to the Archivist. Section 44 U.S.C. 2101, part 2 defines the scope of what qualifies as "historical materials including books, correspondence, documents, papers, pamphlets works of art, models, pictures, photographs, plats, maps, films, motion pictures, sound recordings, and other objects or materials having historical or commemorative value." Section 2111 of this Act gives the Archivist authority to accept these materials when he considers it to be in the public interest. In addition, the Presidential Libraries Act of 1955 and 1986 establishes the Presidential Library system and defines what the Archivist can accept in terms of a facility and materials. Section C states that the Archivist "may exercise, with respect to papers, documents, or other historical materials deposited under this section, or otherwise, in a Presidential archival depository, all the functions and responsibilities otherwise vested in him pertaining to Federal records or other documentary materials in his custody or under his control." Finally, the Presidential Records Act, 44 U.S.C. 2201-2207, establishes additional control over artifacts that may qualify as Presidential records. By the definition stated in 2201(2), this would include "documentary materials, or any reasonably segregable portion thereof, created or received by the President, his immediate staff, or a unit or individual of the Executive Office of the President whose function is to advise and assist the President, in the course of conducting activities which relate or have an effect upon the carrying out of the constitutional, statutory, or other official or ceremonial duties of the President." This statutory authority also provides for the designation of a Library Director at each Presidential Library "who shall be responsible for the care and preservation of such records."

NARA 101, NARA Organization and Delegation of Authority, cedes responsibility to the Assistant Archivist of Presidential Libraries, for:

- Planning, directing, and coordinating comprehensive programs for the acquisition, storage, preservation, review, servicing, and disposal of Presidential records, Federal records, and donated historical materials (including artifacts) in Presidential libraries and Presidential materials projects.
- Developing policies and procedures for the management and operation of Presidential libraries and Presidential materials projects.
- Developing, coordinating, and monitoring overall plans, programs, and resources allocations for Presidential libraries and Presidential materials projects.

It also delegates authority to the Presidential Libraries for:

- Soliciting, negotiating, and reviewing offers to donate historical materials.
- Accepting for deposit, or affecting the transfer of, historical materials that have been determined by the Archivist to have sufficient value to warrant continued preservation.
- Establishing physical and management controls over the records [including artifacts], including the storage, arrangement, and security of historical records and the space housing them.
- Inspecting historical materials to determine the state of their preservation; identifying those requiring preservation and repair, and; carrying out measures for their appropriate treatment.

Objectives, Scope, and Methodology

The objective of our audit was to determine if sufficient management controls exist to account for and safeguard library artifacts. The review was conducted at Archives II in College Park, MD, with representatives of the Office of Presidential Libraries (NL). We visited six Presidential libraries and museums – William Jefferson Clinton, Gerald R. Ford, George Bush, Franklin D. Roosevelt, John F. Kennedy, and Ronald Reagan.

To accomplish our objectives we reviewed applicable NARA guidance, including Libraries 1401, Presidential Libraries Manual; NARA 101, NARA Organization and Delegation of Authority; NARA 1571, Archival Storage Standards; NARA 1572, Security for NARA Holdings, and ; draft inventory and deaccessioning guidance for Presidential Libraries and Museums. In addition, we reviewed federal guidance contained in Title 44, Chapter 22 of the United States Code. We also reviewed performance measures related to artifacts stored in appropriate space as well as information developed by NL in response to an inquiry from Senator Grassley's office. We reviewed records and documentation pertaining to artifacts, i/O entries, past inventories, and performed limited sampling at the six libraries we visited. This limited, judgmental sampling was used to validate inventory information provided by the libraries. Finally, we reviewed the Building Condition Survey Schedule, Repair and Renovation Plan for FY 2007, and the Capital Improvement Plan.

This performance audit was conducted in accordance with generally accepted government auditing standards (GAGAS) between March 2007 and July 2007. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Artifacts Have Not Been Accounted for in a Timely Manner

Office of Inspector General auditors identified that Presidential Libraries were not verifying the items in their collection in a timely manner. This condition can be attributed to several factors, including inadequate resources, policies, procedures and competing priorities. Effective internal controls include the procedures used to provide reasonable assurance that resources/assets are adequately safeguarded and efficiently used and ensure that transactions and events are promptly and accurately recorded so as to maintain their relevance to management in controlling operations and making decisions. This condition creates an operating environment in which NARA finds itself unable to ensure Presidential artifacts are properly accounted for and missing items are identified in a timely manner to support appropriate analysis and investigative activity as warranted.

The Office of Presidential Libraries does not maintain a centralized index or inventory for all Presidential gifts. Individual Presidential Libraries are at various stages in physically verifying their inventory and capturing associated information, such as item condition, in i/O¹, the automated collections management database deployed in 2003. The reliance that can be placed on legacy records (including automated databases) which purport to reflect the items in a collection vary by library due to uneven controls and the chaotic and uncontrolled history of earlier collections prior to their transfer to the government. These weaknesses, especially inherent in earlier collections, make it difficult to establish with certainty the completeness of some collections, and speak to the need for conducting full physical inventories as a means of establishing a verifiable baseline from which the collection can be properly managed and accounted for going forward.

Our review revealed that more than half of the Presidential libraries have not yet completely inventoried their artifacts. Of the seven libraries that have not yet inventoried all of their artifacts, one is projected to complete a full inventory in 2008, five are projected to complete full inventories anywhere from 2018 to 2093, and one library is unable to establish a projected completion date. Of the five libraries that have completed a 100 percent inventory of their artifacts, it has taken these libraries between 24 and 53 years to complete. We also noted none of the libraries which completed a 100 percent inventory transmitted this inventory to NL for safekeeping as a control copy. We believe that with the questions surrounding the validity of legacy documentation for older collections and the lack of controls over the deletion of records from i/O, it is important to not only complete a full inventory as a collection baseline, but to also carefully secure this baseline as a control mechanism over the collection.

¹ i/O is the automated collections management database implemented by NL in 2003 to better manage museum collections. This application is intended to combine and standardize inventory, description, and tracking of artifacts, currently in multiple sources and a number of formats, into one central and searchable platform for each library.



Pictured: Bronze dagger from the Kingdom of Judah (8th – 6th Century BC) and silver olive branch. A gift from Binyamin Netanyahu, Prime Minister of Israel. These high value objects were found packed in a box awaiting inventory at the Clinton Presidential Library.

At those libraries that have completed a full inventory, a comparison of the completed physical inventory against legacy documentation resulted in the identification of 783 unaccounted for items (*Refer to Appendix B*). In their response to a Congressional inquiry, NL characterizes these as legacy inventory issues stemming from inaccurate and incomplete records. While we agree that this is a plausible explanation we cannot rule out that items may have been inappropriately removed from the collection.

This condition resulted from the following factors:

(a) Operational and Resource Constraints. Once a president leaves office, his collection is transferred to a project site, which is temporary space where the items are held until the President's library is completed. Because this is temporary space, and the collection will be moved to the presidential library within 3-4 years, the Office of Presidential Libraries does not find it advisable to unpack, inventory, and repack all of the items during this interim period given the limitations of typical project facilities, staffing, and material resources. Furthermore, during the project phase, an emphasis is placed on identifying and preparing items for the public display areas of the library, which taxes resources and further delays a complete physical inventory. Finally, the size of the collections has grown exponentially for the most recent Presidents (Reagan, Clinton, and Bush collections average 93,648 items compared with an average of 29,012 items for the collections of the prior Presidents), but the number of museum staff at the Presidential libraries has not kept pace (*Refer to Appendix A*).

(b) Inadequate internal policy concerning the inventory process. Office of Presidential Libraries guidance for inventorying segregates artifacts into two classes: (1) high value objects (HVOs), which are items of high value or highly vulnerable to theft (e.g. jewelry, coins); and (2) non-high value objects (non-HVOs), which are all items not included as high value objects. This guidance dictates high value objects are to be identified and inventoried annually and the remainder of the collection can be inventoried at 5 percent or 1,000 items per year, whichever is less. Under these guidelines a full inventory is not completed within a reasonable period of time. For example, the Clinton library estimates

they will not have inventoried all of their artifacts until 2093. Additionally, until a 100 percent physical inventory has been completed, it cannot be assumed all HVOs have been identified and are being accounted for annually, as the auditors identified instances in which HVOs were found commingled among non-HVO items in uninventoried containers.

NL guidance (Libraries 1401) does not address the issue of unlocated or missing artifacts. During the conduct of our audit we reviewed revised inventory guidance containing much more detailed information on the inventory process. Auditors were informed libraries began using this revised guidance at different times, although the guidance has not been formally issued or incorporated into Libraries 1401. The revised inventory guidance states an object is missing if it is not in its proper location and a detailed search does not locate the item. Furthermore, missing items are not declared as lost (instead they are maintained in a "search file" for further investigation) until such time as a subsequent full inventory is completed and the item still remains unlocated. However, because inventorying of non-HVOs is occurring at the rate of 5 percent or 1,000 items annually (whichever is less), full inventories are not completed within a reasonable amount of time, and therefore missing items are not declared as lost within a reasonable timeframe. For example, excluding items currently identified as HVOs, an item at the Bush library noted as missing during an initial 1,000 item inventory today, would not be declared as lost for another 15 years (in the year 2022 when a full inventory is projected to be completed, assuming the item was not located during the completion of the full inventory). Finally, once a 100 percent initial inventory has been completed, this guidance would result in re-inventorying or verifying a non-HVO item once every 20 years at best. For libraries with more than 20,000 artifacts, of which there are currently nine, this process would take much longer. As a result of the infrequency with which non-HVO items are inventoried the likelihood of discovering removed or missing items in a timely manner is greatly diminished.

GAO Standards for Internal Controls in the Federal Government require control activities establish adequate physical control to secure and safeguard assets, and transactions and events are recorded in an accurate and timely manner. NARA lacks assurance the collections they maintain today contain all of the artifacts with which they were originally entrusted. Additionally, NARA lacks assurance missing items will be identified in a timely manner so as to reasonably allow for resolution in such instances. NL states that because of the chaotic and uncontrolled history surrounding earlier collections, only two items since 1990 have been determined to be officially missing, and the remaining unlocated or missing items may be the result of inaccurate inventory records (i.e. legacy documentation from the White House incorrectly reflecting an item was transferred to NARA), or, in the case of pre-Presidential Records Act libraries (e.g. Hoover through Johnson Libraries), the result of items which were appropriately withdrawn but not properly documented. While this is a likely explanation for some percentage of the unlocated items, the possibility exists some of these items were improperly removed from the collections. However, it is impossible to determine what

percentage of unlocated items fall into each of these categories and it is likely many instances will go unresolved.

Recommendation 1

The Assistant Archivist for Presidential Libraries (NL) should ensure that:

- a. libraries perform an initial physical inventory of their entire collection within a reasonable timeframe;
- b. the results of the completed physical inventory are transmitted to NL and appropriately secured to serve as control or master copies establishing a reliable baseline for each library's museum collection;
- c. the results of the completed physical inventory are compared against legacy documentation about the collection in order to identify any discrepancies, and undertake to satisfactorily resolve these discrepancies;
- d. once an initial physical inventory has been completed, non-HVOs are re-inventoried/verified in a timelier manner than the current 5 percent or 1,000 items annually.

Management Response

Management concurred with our recommendations.

Controls Over the Automated Collections Management System (i/O) Need to be Strengthened

Controls over the automated collections management system (i/O) do not provide a sufficient safeguard against the unwarranted deletion of records (e.g. items) and the system has not been uniformly implemented across all libraries. This condition exists because management procured a collections management system that does not have audit logging capabilities (allowing for the identification, documentation, and review of deletions) and data standards were not formulated prior to system deployment. Minimum security requirements for federal information systems require that the actions of individual information system users can be uniquely traced to individual users and internal control standards dictate that (a) transactions and other significant events need to be clearly documented and available for review and (b) managers need relevant and reliable information about their programs in order to determine whether they are meeting their goals for accountability and for efficient and effective use of resources. As a result, NL lacks (a) the ability to identify, verify, and validate deletions from the i/O database, and (b) timely, uniform data about museum collections to support management decisions.

The automated collections management database, i/O, does not create audit logs for deleted items. While access controls limited the number of i/O users with the ability to delete records at each Presidential library, documenting and reviewing deletions from the artifact inventory management system is an essential safeguard in protecting against unintentional and intentional deletions. For example, the curator at the Clinton library and museum estimated she had deleted between 50 and 100 records from i/O because they were duplicate or erroneous entries. However, documentation concerning these deletions was not available for review since the collections management system does not support audit logging. This is problematic because organizations must ensure that the actions of individual information systems users can be uniquely traced to individual users so that they can be held accountable for their actions. As a result, the libraries lack the necessary effective internal controls which incorporate the recording and documenting of transactions and other significant events, allowing for their review.

Our review also revealed i/O use is not uniform among the libraries. For instance, we observed that some, but not all libraries are using i/O to track loan information and record detailed information about the condition and preservation status of items, and have developed queries allowing the extraction of such information for use in managing the collection. We also found that the extent to which libraries utilize i/O to link to pictures of artifacts varies, from 1 percent or less of the collection at eight libraries, to 100 percent of the collection at one library. This condition was the result of several factors:

- (a) A lack of data standards. Data standards were not developed prior to acquisition of the system and therefore consistently defined and formatted data elements are not identified or consistently applied by i/O users. NL is addressing this and currently has a data standards working group developing data standards for i/O.
- (b) Insufficient resources and competing priorities. The three most recent Presidential libraries – Reagan (100,200 items), Bush (97,000 items), and Clinton (nearly 84,000 items) – have seen enormous growth in the size of their collections compared to earlier libraries, but without an attendant increase in museum staff. In addition, tasks such as display preparation and completion of a full inventory have, and will continue to compete with tasks such as the preparation of condition reports and photographing of items. The disparity between staffing levels and the size of the collections at newer libraries has necessitated a triage approach to collections management.
- (c) A lack of guidance. NL does not have guidance concerning photographing and linking digital images of artifacts to the artifact record in i/O. While insufficient resources and competing priorities helps to explain the low percentage of artifacts linked to a digital image at the more recent libraries, we believe that the lack of guidance in this area has contributed to this condition at the older libraries.

Data standards are used to govern the conventions for identifying, naming, and formatting data. Having such standards in place helps ensure that the data being collected and maintained within an organization are structured and maintained so as to be accessible, understandable, and comparable to everyone in the organization. Such reliable and relevant information is necessary for an agency to run and control its operations.

As a result of these conditions, items could be deleted from the collections management database, either inadvertently or to cover nefarious action, because NL lacks the ability to identify, verify, and account for items deleted from the i/O database. In addition, NL lacks uniform data and reporting necessary for making informed management decisions, such as the information necessary to uniformly identify the universe of artifacts "at risk" of deterioration. Finally, linking an item with its image would aid in its identification during inventorying or should a concern arise regarding the authenticity of an item, and could provide a visual record of item condition.

Recommendation 2

The Assistant Archivist for Presidential Libraries should ensure that:

- a. records deleted from i/O are identified, reviewed, and verified by an individual not directly associated with the management of the collection, and; records of such actions are maintained and available for review;
- b. the current data standards working group develop standards for the capture of preservation and loan information in i/O;
- c. policy and standards are developed for linking digital images of items to their record in i/O, giving priority to photographing HVOs and outgoing loan items.

Management Response

Management concurred with our recommendations. Concerning recommendation 2.a., management concurred with the intent of the recommendation but may propose an alternative solution to achieve this goal.

Opportunities May Exist to Deaccession² Items from the Museum Collections

A number of libraries are maintaining multiple similar items (e.g. dozens of t-shirts, bumper stickers, campaign buttons) and other artifacts of questionable value.³ Statutory authorities governing both Presidential donated historical materials and Presidential records give the Archivist the authority to dispose of (i.e. deaccession) items. However, because of a lack of guidance, sensitivity towards donors who may be offended by the disposal of their gifts, and competing priorities, there has not been a systematic effort to identify and dispose of gifts that do not warrant long-term retention. The retention of such artifacts, especially at modern era libraries where collections are large and space is effectively limited by the Presidential Libraries Act (PLA), siphons resources from tasks associated with safeguarding and preserving more valuable items in the museum's collection.



Pictured: Examples of non-high value objects maintained by Presidential libraries.

NL staff agrees opportunities exist to deaccession items. During the course of our review we found that most of the libraries had deaccessioned only a handful of items. One exception is the Johnson Library, which had deaccessioned over 22,000 items, more than 1/4 of its original collection (*See Appendix C*). As the volume of Presidential gifts have grown, and size limitations effectively placed on Presidential libraries by the 1986 Presidential Libraries Act, it has become even more important that NARA focus its limited resources on those gifts that truly warrant long-term retention. The issuance of more detailed deaccessioning policy and procedures should provide NL with an opportunity to expand library deaccessioning programs.

² Deaccessioning is defined as officially removing an item from a museums collection following established criteria and guidelines.

³ In terms of museum objects, the term value applies to historic, evidentiary, informational, intrinsic, commemorative, or display value, and not solely monetary value.

Recommendation 3

The Assistant Archivist for Presidential Libraries should develop detailed policy and procedures for deaccessioning artifacts, ensure collections are reviewed, and determine if digitization of deaccessioned items is warranted.

Management Response

Management concurred with our recommendations.

Artifacts are not Stored in Appropriate Space

Our review revealed three-quarters of the Presidential libraries are not maintaining artifacts in appropriately environmentally controlled space. This is the result of facilities constructed prior to the promulgation of modern environmental control standards currently defined in NARA 1571, Archival Storage Standards. The storage of artifacts in an environment that falls outside the parameters of NARA 1571 may contribute to the deterioration of artifacts.

We found that eight of the 12 Presidential libraries report none of their artifacts are maintained in appropriate space, as defined by NARA 1571, Archival Storage Standards. This standard applies to all new facility acquisitions and major renovations on or after October 1, 2001. Therefore, facilities built or acquired prior to this date were not required to meet the standard. The eight libraries not meeting the appropriate space requirements were built between 1941 and 1991. NL and the Facilities and Property Management division are working to identify and address these issues as funding allows. The conditions at these facilities, including recommendations for repairs and renovations, have been noted in Building Condition Reports, and the costs have been factored into the annual Repair and Renovation and Capital Improvement Plans. Corrective actions are being taken as funding allows. Additionally, auditors found staff at these libraries were monitoring temperature and humidity fluctuations in an effort to maintain as stable an environment as possible given building age and infrastructure. While these facilities are not bound by NARA 1571 to meet current standards concerning temperature and humidity controls, maintaining artifacts in space that is not compliant with current environmental standards aids in the deterioration of items and thus increases the costs associated with their preservation.

Because NARA and the Office of Presidential Libraries continue to work together to identify and address facility related issues concerning appropriate environmentally controlled space, and many of the necessary renovations and repairs are contingent on NARA receiving additional funding, we are making no recommendations concerning this finding.

All Artifacts Requiring Preservation have not been Identified

NL has not identified all artifacts requiring preservation and captured such information in a systematic manner. This condition exists as a result of resource constraints coupled with a lack of concise, specific guidance. Furthermore, the lack of a single automated collections management system prior to 2003, and the current lack of data standards, has hindered NL's ability to uniformly capture and report information concerning artifact condition. Title 44 of the United States Code assigns responsibility for the preservation, repair, and rehabilitation of material transferred to NARA to the Archivist. As a result of this condition NARA lacks assurance artifacts are being targeted for and receiving appropriate conservatory care.



Pictured: Framed picture of Nancy Reagan with tape, glue, and damage to the frame; deteriorating "Ron" hat. These items, in need of conservation treatment, were observed by auditors during the conduct of the audit.

Our review revealed artifacts have not been systematically surveyed in an effort to obtain information concerning their condition. Accordingly, items requiring preservation, including those that are "at risk", have not been consistently identified. We found that both the Kennedy and Roosevelt libraries had captured condition information on all of their artifacts, prioritized those needing treatment, and captured the information in i/O allowing for sorting and reporting of the information.⁴ However, at other libraries, condition information was not systematically captured or recorded in i/O or some other automated system, precluding any system-wide approach or examination.

Guidance in Libraries 1401 states that staff may use the annual 5 percent inventory of non-HVOs to capture condition information about items. For those libraries that have not yet completed a full inventory, condition information about their collection will not be captured until such time as a full inventory is complete. Furthermore, the vagueness of

⁴ Capturing condition information on artifacts is the first step in developing a comprehensive list of "at risk" items. It is also necessary to develop criteria for ranking "at risk" items and prioritizing their treatment since limited funding will not allow for treatment of all "at risk" items.

the guidance, and the lack of a standard automated collections management database prior to 2003, has resulted in the lack of a uniform approach to collecting and compiling information concerning the condition of all items in the museum collection. Title 44 of the United States Code, Chapter 21, Section 2109, states “the Archivist shall provide for the preservation, arrangement, repair and rehabilitation ...of records or other documentary material transferred to him as may be needful or appropriate...”. Internal control standards also require the capture of information necessary for managers to determine whether they are meeting performance goals, goals for accountability, and complying with the requirements of laws and regulations. As a result NARA lacks the information necessary to systematically identify and rank artifacts requiring preservation and lacks assurance those items most deserving of preservation are receiving proper care.

Recommendation 4

The Assistant Archivist for Presidential Libraries should

- a. develop a methodology and employ resources to survey, identify, document, and rank artifacts needing preservation/conservation;
- b. ensure such information is captured in a standard, consistent manner in i/O (in accordance with recommendation 2.b.)

Management Response

Management concurred with our recommendations.

Significant Deficiencies Identified at the Ronald Reagan Library

Inadequate Internal Controls

The audit identified significant internal control deficiencies over artifacts entrusted to the Ronald Reagan Library. Since artifacts were transferred to the Ronald Reagan Library in 1991, the internal control environment has exposed them to all levels of risk, including loss, theft, damage, and decay. This condition resulted because adequate management controls were neither implemented nor properly monitored. GAO Standards for Internal Control in the Federal Government states that control activities (i.e. management controls) help ensure actions are taken to address risk and are an integral part of an entity’s ... accountability for stewardship of government resources. As a result of inadequate internal controls the Ronald Reagan Library is unable to adequately account for more than 80,000 artifacts, representing over 80 percent of its collection and may have experienced loss or pilferage the scope of which will likely never be known.

In order to conduct the audit at the Ronald Reagan Library, the auditors requested an inventory list from which samples could be selected and inventory could be verified. However, the library was not able to provide us with a complete, reliable list reflective of

the entire collection. We found that information necessary for the identification, location, and verification of artifacts was missing, incomplete, and erroneous. Specifically, we found:

- Artifacts had been separated from their controlling documentation (“pink sheets”⁵) and shelved, while information concerning their location was not recorded on the pink sheets nor consistently recorded anywhere else. We found that this controlling documentation was not being maintained in an orderly and controlled manner and observed pink sheets in numerous boxes throughout the museum storage area, and lying loose on vacant shelves throughout the storage area.
- Seventy nine (79) separate museum collection databases containing 37,192 records. However, after removing duplicate entries the registrar estimates there are approximately 7,976 original records. However, not all of these records contain the information necessary for locating and verifying the artifact.
- Catalog worksheets for approximately 2,000 items that have been processed. However, item location on many of these sheets has not been recorded, or the item has been moved since the sheets were prepared, limiting their usefulness in locating items.
- The i/O database contained records for only 1,830 items. Of these, records for 254 items did not contain sufficient information for locating the item, and 149 incorrectly recorded the location of items as being “on exhibit” when in fact the exhibit was taken down approximately six years ago.



Pictured: Inventory control sheets (e.g. “pink sheets” and catalog worksheets) observed by auditors in the general collections storage area. The “pink sheets” were separated from the individual items without recording location information.

The registrar estimates in the “best case” scenario there is sufficient information to allow for the location and verification of 10,595 artifacts. In addition, 5,801 books and 1,350 textual gifts were transferred to the library’s collection. Therefore, out of an estimated

⁵ “Pink Sheets” are controlling documentation attached to each artifact and contain information from the White House Gift Unit, such as item description, number, and donor information.

collection of 100,000 artifacts⁶, at best 17,746 can be accounted for. However, auditors have serious concerns about the validity of this information based on internal control deficiencies at the Reagan Library discovered during the course of audit field work.

The auditors performed sampling based on the limited information available and found:

- Of 26 items that were supposed to have been in two boxes not yet unpacked, we were unable to locate nine of the items.
- Of 21 items we sampled from the most recently completely inventory of HVOs (FY 2006), which indicated all items were accounted for, we were unable to locate one item.
- The recently completed annual 1,000 item non-HVO inventory revealed that 198 items could not be located.

Inadequate Storage Conditions

We found the museum storage area was not configured to allow for appropriate storage of various types of artifacts, especially given the Reagan Library is located in an earthquake prone area. Museum staff shared our concerns about this condition. We observed:

- artworks stacked horizontally, one on top of the other, resulting in damage to the items;
- vases and sculptures, unwrapped and some lying on their sides, on open shelves;
- items stored on exposed upper shelves, some contacting water and steam pipes, as well as sprinkler heads;
- badly deteriorated items and items that were missing identification numbers; and
- fixed shelves that did not pull out, requiring the removal of items on the front of the shelves in order to reach those at the back, a task that is both time consuming and potentially detrimental to the condition of the items.



Pictured: Open-faced shelving upon which unsecured HVOs at the Reagan library are stored.

⁶ This figure is based on information contained in NARA's Performance Measurement and Reporting System.

Pictured: Artwork and other artifacts stacked horizontally on top of one another.



Conditions noted at the Reagan Library were directly attributable to inadequate management reviews and oversight; inadequate controls over vulnerable assets, and; a lack of accurate and timely recording of transactions (e.g. the failure to properly record actions related to the inventorying and movement of artifacts). Standards for Internal Control in the Federal Government identifies five standards for internal control – control environment, risk assessment, control activities, information and communication, and monitoring. These controls stipulate, among other things, that vulnerable assets are to be safeguarded and periodically counted and compared to control records, and transactions (e.g. recording the location of items as they are moved or unpacked) are to be accurately and promptly recorded. Additionally, internal controls should be designed to provide reasonable assurance regarding prevention of or prompt detection of unauthorized acquisition, use, or disposition of an agency's assets.

As a result of these deficiencies, artifacts entrusted to NARA's care at the Ronald Reagan library, cannot be adequately accounted for or produced on demand within a reasonable period of time. Staff lack the information necessary to identify and verify artifacts on display, which are often among the most valuable items in the collection. In addition, the inability to account for and maintain adequate control over artifacts has impeded the NARA OIG's efforts to investigate theft allegations against a former Reagan Museum employee. Furthermore, items have been damaged due to inappropriate storage.

Recommendation 5

The Assistant Archivist for Presidential Libraries should take the following actions in regard to the Ronald Reagan Presidential Library and Museum:

- a. Develop a plan for systematically identifying and inventorying every artifact in the museum storage and display areas in as expedient a manner as possible;
- b. Compare the results of the physical inventory to the White House Gift Unit database, or similar index, to identify discrepancies and undertake to adequately resolve these discrepancies;

- c. Implement appropriate internal controls, monitor their effectiveness, and document the results;
- d. Procure storage hardware that is appropriate for both the type of artifact and the fact the library is in a seismic zone and better configure the museum storage area in order to minimize damage to the artifacts and improve the ease of access to them.

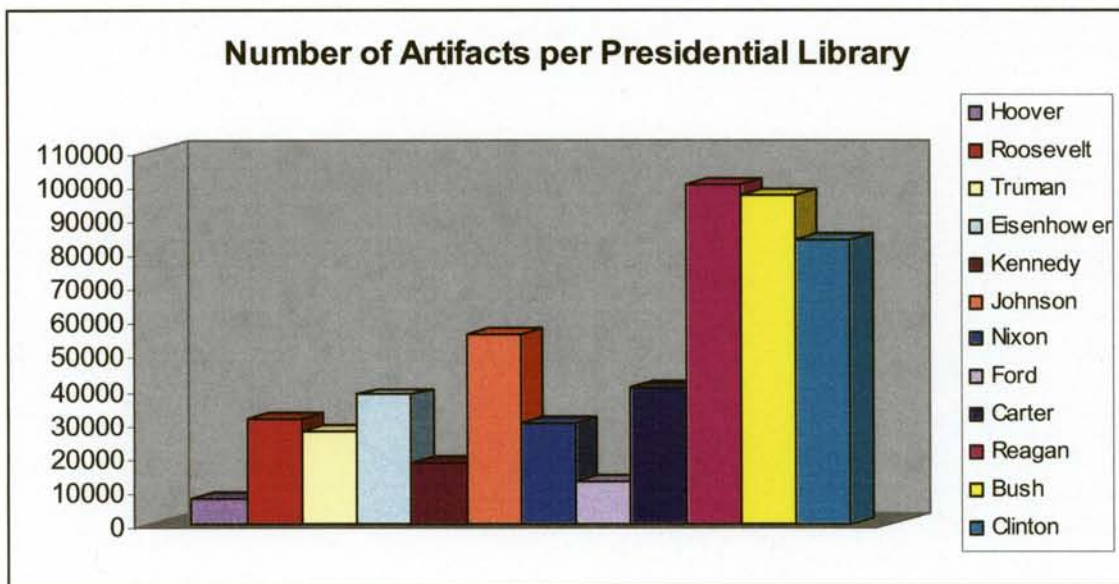
Management Response

Management concurred with our recommendations.

Appendix A

PRESIDENTIAL LIBRARIES – Museum Holdings and Staffing FY 2007				
Presidential Library (in order of presidency)	Museum Holdings (Artifacts)	Museum Personnel*	Artifacts per staff member	Full Inventory Complete (Yes/No)
Hoover	7,474	3	2,491	Yes
Roosevelt	31,297	4	7,824	No
Truman	27,244	3	9,081	Yes
Eisenhower	38,246	4	9,561	Yes
Kennedy	18,009	5	3,601	Yes
Johnson	56,000	4	14,000	No
Nixon	30,000	2	15,000	No
Ford	12,281	4	3,070	Yes
Carter	40,561	4	10,140	No
Reagan	100,200	5	20,040	No
Bush	97,000	6	16,166	No
Clinton	83,744	5	16,748	No

*Museum personnel may be comprised of curators, registrars, exhibit designers, exhibit specialists, and museum technicians and aides.



Appendix B

Library/Museum	Date Opened	Date 100 Percent Inventory Completed	Amount of Time Taken to Account for Inventory
Hoover	1962	1996	34 Years
Roosevelt	1941	Projected Dec. 2008	Approx. 67 Years
Truman	1957	1985	28 Years
Eisenhower	1953 (See Note 1)	December 2006	53 Years
Kennedy	1966 Waltham / 1979 Current Location	July 2004	38 Years
Johnson	1971	Projected 2018	Approx. 47 Years
Nixon	1975 (See Note 2)	Projected 2027	Approx. 52 Years
Ford	1981	July 2005	24 Years
Carter	1986	Projected 2027	Approx. 41 Years
Reagan	1991	No Projected Date	N/A
Bush	1997	Projected 2022	Approx. 25 Years
Clinton	2004	Projected 2093	Approx. 89 Years

Note 1 - The West Wing of the Eisenhower museum was opened in 1953 with construction underway for the East Wing. The building with its two wings was dedicated in October 1954. The building remained with the two wings until 1970 and the building was closed for 18 months for remodeling of the existing wings and the addition of a much larger wing, doubling the size of the previous structure and increasing the exhibition space to 30,000 square feet, the addition of storage rooms, and office space. The Eisenhower Museum /Home were operated from 1947 to 1966 by the Eisenhower Foundation, a private non-profit, 501(c) 3 organization.

Note 2 - The private Nixon Library opened July 19, 1990, with an addition added in August of 2004. Some time in 1975 a repository began at the Pacific Southwest Regional Archives at Laguna Niguel – it included deeded and undeeded material. The Laguna Niguel collection was transferred to the Nixon Library under an interim operating agreement in August of 2006 in anticipation of the Nixon Library becoming a federal facility. The transition date is scheduled for July 11, 2007.

Appendix C

Library/Museum	Missing Artifacts	Items Deaccessioned to Date	Percent of artifacts with linked image
Hoover	59	165	69%
Roosevelt	206	806	68%
Truman	134	83	0%
Eisenhower	243	3	< 1%
Kennedy	0	14	33%
Johnson	8 See Note 6	22,107	< 1%
Nixon	N/A See Note 4	0	0%
Ford	133 See Note 5	Unknown	100%
Carter	N/A See Note 4	2	1%
Reagan	N/A See Note 3	Unknown	0%
Bush	N/A See Note 4	0	< 1%
Clinton	N/A See Note 4	0	0%

Note 3 – The Reagan Library has not yet inventoried any of its artifacts. Once a physical inventory is complete, Reagan will then have to compare the results to an inventory master list (if a reliable list can be located) to determine if items are missing.

Note 4 – No high value object items (HVOs) have been noted as missing since annual HVO inventories have been conducted. However, until a 100 percent physical inventory is complete and compared to an inventory master list, it will not be known whether there are unlocated items.

Note 5 – The Ford Library and Museum completed a 100 percent physical inventory around July 2005 and then compared this inventory to a “master” list. This resulted in the identification of 1,114 anomalies. Through research, this list has been reduced to 133 items as of this time. Ford is going to continue its research through 2007 in an effort to resolve the status of these remaining items. Anything that remains unresolved at the end of 2007 will be officially identified as missing.

Note 6 – These 8 items had been physically accounted for prior to being noted as missing during a 1989 HVO inventory.

APPENDIX D – Management Comments



National Archives and Records Administration

8601 Adelphi Road
College Park, Maryland 20740-6001

Date: October 24, 2007
To: Paul Brachfeld, Inspector General
From: Office of Presidential Libraries (NL)
Subject: NL Response to OIG 07-12, Audit of the Controls Over Presidential Library Artifacts

Please find attached our comments to the above referenced audit report. The comments reflect a thorough review of the draft report provided to us on September 19, 2007. If you have any questions concerning our comments, please contact me or Bill Harris (7-1597).

SHARON K. FAWCETT
Assistant Archivist for
Presidential Libraries

Attachment

NL Comments: OIG 07-12, Audit of Controls Over Presidential Library Artifacts

NL concurs with the recommendations presented in this report with the exception of recommendation 2(a) regarding the approach to identifying and verifying the deletion of records from the automated system. Though understanding the intent of the recommendation, NL may propose an alternative solution to achieve this goal, but further study is necessary before making a final decision on the approach.

General Comment: The Office of Presidential Libraries (NL) has worked within limited resources and severe budget constraints to effect changes in artifact management and to contain risk. New procedures were established in 1998 to provide extensive controls over incumbent Presidential gifts. These procedures, with modifications to incorporate new technologies, have been in place throughout the current Presidential Administration and will provide NARA with a full catalog of artifacts that will enable extensive management controls from the inception of the Library. Additionally, all artifacts and gifts received from the White House by our curatorial unit are housed with appropriate care to ensure their physical security and preservation. Though complete inventories were not available at many libraries because of the history of these collections, NL has sought to manage the risks to the collections through 100% inventories of Head of State gifts and the establishment and yearly review of valuable and vulnerable item inventories. Five of the twelve Presidential Libraries have now completed 100% inventories of their artifact collections.

Additionally, it should be noted that specialized collections management systems have not been in use for an extended period of time either at Libraries or more broadly in the museum community. Populating these systems with data that reflects the full depth of the accumulated textual documentation on collections is a lengthy process for any collection. This is also true with respect to capturing digital images of artifacts.

Executive Digest, Page 1, Paragraph 4:

NL acknowledges that the artifact holdings count in the Performance Measurement and Reporting System for the number of artifacts stored at the Reagan Library is inaccurate. Our review indicates, the number is most likely derived from the total number of record entries in the original Reagan Administration White House Gift Database, 73,732, combined with post-Presidential accessions. The Gift Office data includes thousands of items that were sent to charity, identified as consumables, or otherwise not transferred to NARA. The exact number of items will not be known until a 100% inventory is complete.

Executive Digest, Page 2, Paragraph 2:

The report acknowledges only in a limited way the strides that have been made in gaining control over artifact collections. At the time of this report, five libraries have completed 100% inventories of artifact holdings. In addition, the establishment of a curatorial unit in 1998 resulted in immediate improvements, not only in more accurate and complete inventories for the Head of State gifts and for a substantive portion of

the Clinton Administration domestic gifts, but also in improved housing and storage of the materials. The gifts and artifacts received from the Bush Administration have received exemplary curatorial care since the beginning of the Administration. The items are inventoried and assessed upon arrival and provided with appropriate care and housing to ensure their physical security.

Page 5, Paragraph 2:

The “chaotic and uncontrolled” history of collections prior to receipt by NARA, and the resulting incomplete or inaccurate initial information received by NARA was also exacerbated by the lack of clear authorities governing the receipt and disposition of Presidential gifts prior to the passage of the Foreign Gifts and Decorations Act (5 USC 7342), the Ethics in Government Act (5 USC, App 4-102), and statutes facilitating the management of excess government property (40 USC 484-486).

Page 6, Paragraph (a):

NL notes the OIG concern about inventory control during the Project phase and has outlined protocols for inventory control of any container opened during the project phase.

Page 7, end of Paragraph 1:

Protocols established for handling the artifacts and gifts of the current administration include the separation of high value items before transit to the Project. NL considers it highly doubtful that high value objects will be commingled among non-high value objects.

Page 9, Paragraph (c):

NARANET does not have the capacity to support digital imagery in large quantities. As a result, NL has not developed specific guidance to address a process that currently has not been a viable alternative. However, during program reviews, NL has encouraged Libraries to document high value artifacts with digital images.

Page 11, Paragraph 1:

Deaccessioning in general has been the focus of extensive debate in the broader museum community, reflecting the sensitivities all museums face when considering deaccessioning actions. No one philosophy prevails. NARA and the Libraries must approach deaccessioning mindful of the unique nature of individual Library collections, the evolution of collection priorities, and the sensitivities of donors. However, that being said, NL certainly agrees that there are opportunities to expand deaccessioning and to expand and finalize previously issued draft guidance on disposal.

Page 11, Recommendation 3:

NL recommends deleting “if digitization” and replacing with “digital images”.

Page 13, Paragraph 1:

Though all Libraries have not captured risk assessment information in a single automated tool, Libraries have worked to identify artifacts at risk and in need of treatment. Both Eisenhower and Truman have captured condition information about artifact holdings and identified treatment priorities in paper format.

Appendix C:

The Libraries have 100% inventories for head of state gifts.

The Roosevelt Library conducted a major physical inventory of its museum collection in 1977-1978. Although that inventory was not as thorough as the current 100% inventory, nor done in accordance with modern museum practices, it created a baseline from which museum staff could operate.