

OFFICE OF THE INSPECTOR GENERAL



Smithsonian Institution Building
(The Castle)

Audit Plan Fiscal Year 2022

A Message from the Inspector General

I am pleased to present the fiscal year 2022 audit plan. This plan provides a road map for accomplishing our mission to conduct independent and objective audits to improve the economy, efficiency, and effectiveness of the Smithsonian Institution's (Smithsonian) programs and operations, while also preventing and detecting fraud, waste, and abuse. In developing this plan, we conducted a comprehensive risk assessment and sought input from our stakeholders at the Smithsonian and in Congress.

The audits and related work for fiscal year 2022 fall into three categories:

Ongoing Audits: Audits that were ongoing at the beginning of fiscal year 2022.

Mandatory Audits: Audits of the Smithsonian's financial statements, information security program, and the travel expenses for the Board of Regents.

Discretionary Audits: Audits selected after assessing the risks facing the Smithsonian and after evaluating the suggested topics from our stakeholders.

As the year unfolds, we may adjust this plan to ensure that we direct available resources to the areas with the highest risks and impacts. We strive to continuously improve our audit planning process, and we welcome comments about our planned work and suggestions about future work. Please address your suggestions and questions to me or to Joan T. Mockeridge, Assistant Inspector General for Audits.



Cathy L. Helm
Inspector General

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Introduction

The Smithsonian Institution (Smithsonian) is a trust instrumentality of the United States created by Congress in 1846 to carry out the provisions of the will of James Smithson, an English scientist who left his estate to the United States to found “an establishment for the increase and diffusion of knowledge.”

The Smithsonian consists of 21 museums and the National Zoological Park. Numerous research programs are carried out in the museums and other facilities throughout the world. The majority of Smithsonian locations are in Washington, D.C., but the Smithsonian also has facilities in nine states (Arizona, Florida, Hawaii, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, and Virginia), Panama, and Belize. These facilities include more than 850 buildings and structures that are owned and leased, ranging from major museum buildings to storage buildings and sheds.

The Smithsonian is the steward of an extensive collection. The total number of artifacts, works of art, and specimens in the Smithsonian’s collections is estimated at 155 million, of which 146 million are at the National Museum of Natural History. The collections form the basis of world-renowned research, exhibitions, and public programs in the arts, culture, history, and the sciences. The Smithsonian Affiliations program brings collections, scholarship, and exhibitions to nearly all states, Puerto Rico, and Panama.

The funding for the Smithsonian’s programs and operations is from federal appropriations and trust funds from private support, government grants and contracts, and investments and various business activities. Construction of certain facilities has been funded entirely by federal appropriations, and others have been funded by a combination of federal and private funds. Business activities include Smithsonian magazines and other publications, catalogs, theaters, retail shops, and food services.

The Commons, West Wing



Photo: Smithsonian Institution Building (The Castle).

Ongoing Audits

Assessment of Detection and Response Capabilities for Information Security Incidents

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

Evaluation of the Smithsonian's Information Security Program, Fiscal Year 2021

An independent public accounting firm is evaluating the Smithsonian's information security program for fiscal year 2021. OIG serves as the contracting officer's technical representative for this audit.

Financial Statements Audit, Fiscal Year 2021

An independent public accounting firm is conducting the Smithsonian's annual financial statements audits, which include the Smithsonian's consolidated financial statements and the compliance audit of federal awards. OIG serves as the contracting officer's technical representative for these audits.

Privacy Program

An independent public accounting firm is reviewing the effectiveness of Smithsonian's privacy program.

Purchase Card Program

OIG is assessing to what extent the Smithsonian has effective controls over the purchase card program.

Review of Collecting Units' Inventory Plans

OIG is reviewing the extent to which museums and other collecting units have developed and implemented inventory plans in accordance with Smithsonian Directive (SD) 600 and the *SD 600 Implementation Manual*.

Mandatory Planned Audits

Evaluation of Smithsonian's Information Security Program, Fiscal Year 2022

An independent public accounting firm will evaluate the Smithsonian's information security program for fiscal year 2022. OIG will serve as the contracting officer's technical representative for this audit.

Financial Statements Audit, Fiscal Year 2022

An independent public accounting firm will conduct the Smithsonian's annual financial statement audits, which include the Smithsonian's consolidated financial statements and the compliance audit of federal awards. OIG will serve as the contracting officer's technical representative for these audits.

The National Native American Veterans Memorial on the grounds of the Smithsonian's National Museum of the American Indian in Washington, D. C.



Photo: Alan Karchmer for NMAI

Discretionary Planned Audits

Financial Soundness of Smithsonian's Central Trust Fund Account

OIG will assess the extent to which the Central Trust Fund Account has sufficient resources to cover Trust salaries and other expenses and that the Board of Regents receives information to effectively oversee this account.

National Air and Space Museum's Construction Contract Billings

OIG plans to contract with an independent public accounting firm to evaluate the extent to which contract billings for the National Air and Space Museum's construction project are allowable, reasonable, and supported.

Oversight of the Subcontracting Requirements in the National Air and Space Museum's Construction Contract

OIG plans to contract with an independent public accounting firm to review the extent to which Smithsonian has implemented policies and procedures to ensure that its general contractor is awarding subcontracts as required by the construction contract for the National Air and Space Museum.

Contractors work on installing motorized scaffolding on the Northwest corner of the Smithsonian's National Air and Space Museum in Washington, DC, July 31, 2019



Photo: Alan Karchmer for NMAI

Performance Data to Assess Timeliness of Personnel Action

OIG will assess the extent to which the Office of Human Resources has reliable performance data to track the timeliness of personnel actions.

Procedures for Disclosing Personal Collections

OIG will review to what extent the collecting units have established procedures for staff to disclose their existing personal collections under certain circumstances.

Sole Source Contracting

OIG will assess the extent to which Smithsonian is complying with its competition requirements for purchase orders in excess of \$10,000.

OFFICE OF THE INSPECTOR GENERAL



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The Office of the Inspector General investigates allegations of waste, fraud, abuse, gross mismanagement, employee and contractor misconduct, and criminal and civil violations of law that have an impact on the Smithsonian's programs and operations.

If requested, confidentiality 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.