

OFFICE OF THE INSPECTOR GENERAL



Audit Plan Fiscal Year 2025



Smithsonian Institution Building
(The Castle)

A Message from the Inspector General

I am pleased to present the audit plan for fiscal year 2025. 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 2025 fall into three categories:

Ongoing Audits: Audits that were ongoing at the beginning of fiscal year 2025.

Mandatory Audits: Audits of the Smithsonian's financial statements and information security program.

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.



Nicole Angarella
Inspector General

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Ongoing Audits

❖ **Assessment of Detection and Response Capabilities for Information Security Incidents, Fiscal Year 2023**

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

❖ **Cash Management Operations at Smithsonian Enterprises**

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

❖ **Collections Care and Preservation Fund**

OIG is determining the extent to which the Collections Care and Preservation Fund (CCPF) has effective controls over the processes to award CCPF funds and ensure the funds are spent in accordance with their intended purposes.

❖ **Contract Modifications Process for the National Air and Space Museum (NASM) Revitalization Project**

An independent public accounting firm is evaluating the extent to which the Smithsonian has followed its policies and procedures to issue contract modifications for the \$729 million NASM Revitalization Project. An OIG auditor serves as the contracting officer's technical representative for this audit.

❖ **Contract Modifications for the Pod 6 Construction Project**

An independent public accounting firm is evaluating the extent to which the contract modifications for the Museum Support Center's Pod 6 construction contract were reasonable, necessary, within the scope of the contract, and effectively awarded and administered. An OIG auditor serves as the contracting officer's technical representative for this audit.

❖ **Evaluation of the Smithsonian's Information Security Program, Fiscal Year 2024**

An independent public accounting firm is conducting an audit to evaluate the Smithsonian's information security program for fiscal year 2024. An OIG auditor serves as the contracting officer's technical representative for this audit.

Figure: Cold Storage Vault



Image credit: Smithsonian Institution Archives' cold storage vault at the National Museum of American History, by Ken Rahaim, Neg. no. 2007-17182. Retrieved from <https://siarchives.si.edu/blog/unlocking-vault>.

❖ **Financial Statements Audits, Fiscal Year 2024**

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

❖ **Smithsonian's Management and Allocation of Purchase Card Rebates Received from the U.S. General Services Administration's SmartPay Program**

OIG is assessing the extent to which the Smithsonian has developed and implemented policies and procedures for rebates received from the General Service Administration's SmartPay Program.

❖ **Smithsonian's Management of Sponsored Projects**

OIG is examining the extent to which the Office of Sponsored Projects and recipient Smithsonian 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.

Mandatory Planned Audits

❖ Evaluation of Smithsonian's Information Security Program, Fiscal Year 2025

An independent public accounting firm will evaluate the Smithsonian's information security program for fiscal year 2025. An OIG auditor will serve as the contracting officer's technical representative for this audit.

❖ Financial Statements Audits, Fiscal Year 2025

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

❖ Travel Expenses of the Board of Regents, Fiscal Years 2023 and 2024

OIG will conduct the statutorily required audit of the reimbursement to Regents for travel and other actual expenses for fiscal years 2023 and 2024.

Figure: 1903 Wright Flyer

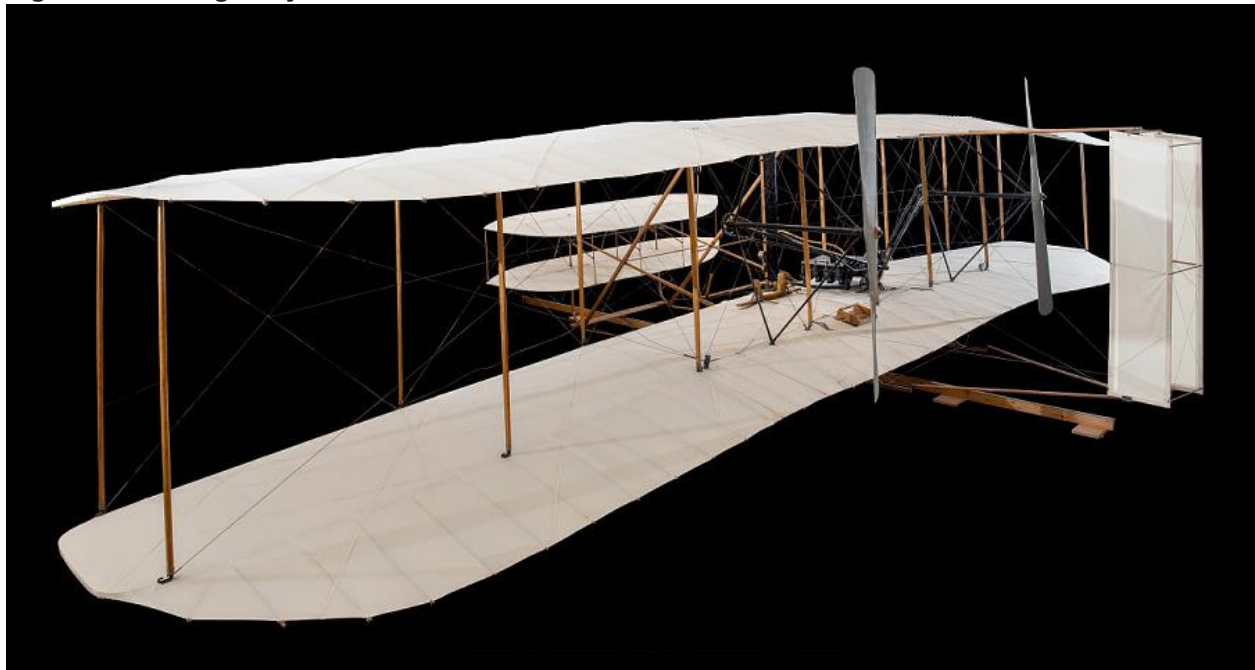


Image credit: Used under Creative Commons Zero license (CC0). Retrieved from https://airandspace.si.edu/collection-objects/1903-wright-flyer/nasm_A19610048000.

Discretionary Planned Audits

❖ Condition of Collections Storage Spaces

OIG is reviewing the extent to which (1) the Smithsonian has addressed collections spaces deemed unacceptable in the 2012 Collections Space Study, and (2) the Collections Space Framework Plan meets current priorities for collections care.

❖ Emergency Management Program

OIG will assess the extent to which the Smithsonian (1) has procedures in place to continue its mission-essential functions with minimal disruption in case of an emergency or disaster, and (2) has incorporated lessons learned from the COVID-19 pandemic into the emergency management program's policies and procedures.

❖ Enterprise Risk Management

OIG will assess the extent to which the Smithsonian has established an Enterprise Risk Management program to identify, address, and monitor risks that could negatively impact the achievement of Institutional goals and objectives.

❖ Export Controls Over Research and Development

OIG will review the extent to which the Smithsonian has policies and procedures preventing the export of research and development to foreign adversaries and is complying with federal requirements in this area.

❖ Gifts and Donations Management

OIG will determine the extent to which the Office of Advancement and recipient units have administered gifts in accordance with federal regulations, Smithsonian policies and procedures, and donor requirements.

❖ Management of the \$60 Million Extraordinary Endowment Fund Withdrawal to Support Secretarial Priorities

OIG will evaluate the extent to which the Smithsonian (1) has developed and implemented plans, including the development of measurable outcomes, for spending the \$60 million extraordinary withdrawal from the endowment fund, (2) is on track to efficiently and effectively spend these resources within the 5-year timeframe, and (3) has established an evaluation method to assess the value and impact of this extraordinary endowment fund withdrawal.

Figure: A molecular laboratory technician at the Global Genome Initiative



Image credit: Dan Mulcahy, a molecular laboratory technician at the Global Genome Initiative, processes genomic samples for DNA sequencing in a 10,000 square foot molecular lab in the National Museum of Natural History. (Image by Adrian Van Allen). Retrieved from <https://insider.si.edu/2016/04/face-mass-extinctions-smithsonians-global-genome-initiative-quietly-saving-dna/>.

❖ Scientific Integrity in Research

OIG will evaluate the extent to which (1) allegations of misconduct in research were handled in accordance with Smithsonian policy, (2) authorship was correctly cited on research reports so that accountability for research results is appropriately tracked, and (3) up-to-date training on scientific integrity has been completed by the Smithsonian's researchers.

❖ Smithsonian Library and Archives Financial Management of Endowment Funds

OIG will review the extent to which Smithsonian Library and Archives has used endowment funds in compliance with Smithsonian policies and endowment terms.

❖ Smithsonian's Management of Construction Projects

An independent public accounting firm will audit one or more Smithsonian construction projects. OIG will select topics for these audits based on the risks associated with the specific contracting methods used. Topics may include reviews of the subcontract award process, contract modifications, billings, material substitutions, or other issues. An OIG auditor will serve as the contracting officer's technical representative for these audits.

❖ Workplace Harassment and Violence Program

OIG is examining the extent to which the Smithsonian has (1) established processes for reporting workplace harassment and violence that incorporate industry best practices for employees and other affiliated individuals, and (2) established and implemented a process for investigating complaints of harassment and violence.

Figure: Washington National



Image credit: Washington National Monument Donation Box. Used under Creative Commons Zero license (CC0). Retrieved from <https://www.si.edu/es/object/washington->

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.