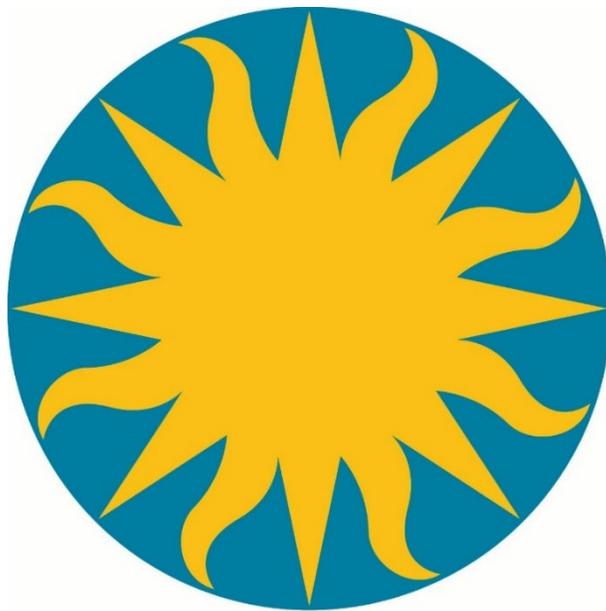


OFFICE OF THE INSPECTOR GENERAL



Smithsonian Institution

AUDIT PLAN
FISCAL YEAR 2019

A Message from the Inspector General

I am pleased to present the fiscal year 2019 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 2019 fall into three categories:

Ongoing Audits: Audits that were ongoing at the beginning of fiscal year 2019.

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

Discretionary Audits: Audits we 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 are continuously working to improve our audit planning process, and we welcome comments about our planned work or suggestions about future work that we should consider. Please direct any suggestions or questions to me or to Joan T. Mockeridge, Assistant Inspector General for Audits. We can be reached at (202) 633-7050.



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.”

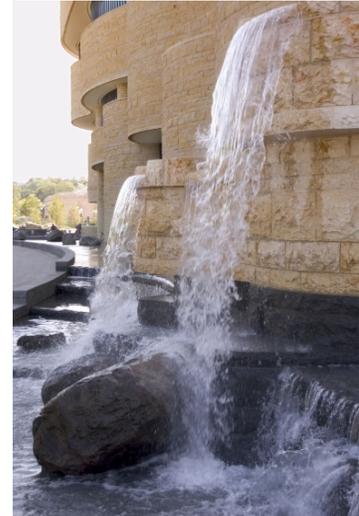
The Smithsonian consists of 19 museums (all but 3 in Washington, D.C.) and the National Zoological Park. The majority of Smithsonian locations are in Washington, D.C., but the Smithsonian also has facilities in 9 states (Arizona, Florida, Hawaii, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, and Virginia), Panama, and Belize. Numerous research programs are carried out in the museums and other facilities throughout the world. In fiscal year 2017, members of the public made more than 30 million visits to the Smithsonian museums and zoo. In addition, more than 150 million people visited the Smithsonian’s public websites.

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 (see Figure 1). 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 a substantial portion of the Smithsonian’s operations is annual federal appropriations. The Smithsonian also receives federal appropriations for the construction or repair and restoration of its facilities. Construction of certain facilities has been funded entirely by federal appropriations, while others have been funded by a combination of federal and private funds.

The Smithsonian also has trust funds that it receives from private support and government grants and contracts and from investments and various business activities. Business activities include Smithsonian magazines and other publications; online catalogs; and theaters, retail shops, and food services.

Figure 1. The National Museum of the American Indian in Washington, D.C.



A cascade flows over a boulder known as a Grandfather Rock at the northwestern end of the National Museum of the American Indian’s water feature in Washington, D.C.

Photo: Katherine Fogden, Smithsonian Institution.

Ongoing Audits

Assessment of Detection and Response Capabilities for Information Security Incidents

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

Management of Revenue-Generating Contracts

We are assessing to what extent the Smithsonian has effective controls to manage its revenue-generating contracts.

Hiring Practices for Trust Employees

We are determining the extent to which the offices of human resources comply with Smithsonian policies and procedures for hiring Trust employees.

Inventory Controls for the National Museum of African American History and Culture Collection

We are assessing to what extent the National Museum of African American History and Culture has developed and implemented an inventory policy and plan and has an accurate inventory of its collections.

Figure 2. Cabin from Point of Pines Plantation, Charleston, South Carolina, Slavery and Freedom Exhibit, National Museum of African American History and Culture



Photo: Eric Long, Smithsonian Institution.

Financial Statements Audits, Fiscal Year 2018

An independent public accounting firm is conducting the Smithsonian's annual financial statement audits, which include the Smithsonian-wide financial statements, the federal special-purpose financial statements, and the compliance audit of federal awards. We serve as the contracting officer's technical representative for these audits.

Review of the Smithsonian Enterprises' Statement of Net Gain, Fiscal Year 2018

An independent public accounting firm is conducting a review of Smithsonian Enterprises' statement of net gain. We serve as the contracting officer's technical representative for this review.

Governance of Information Technology

We are assessing to what extent the Smithsonian has effective and efficient governance structures and processes to consistently manage information technology across the organization.

Evaluation of the Smithsonian's Information Security Program, Fiscal Year 2018

An independent public accounting firm is evaluating the Smithsonian's information security program for fiscal year 2018. We serve as the contracting officer's technical representative for this audit.

Mandatory Planned Audits

Financial Statement Audits, Fiscal Year 2019

We will serve as the contracting officer's technical representative for the Smithsonian's annual financial statement audits.

Evaluation of Smithsonian's Information Security Program, Fiscal Year 2019

An independent public accounting firm will evaluate the Smithsonian's information security program for fiscal year 2019. We will serve as the contracting officer's technical representative for this audit.

Travel Expenses of the Board of Regents, Fiscal Years 2017 and 2018

We will examine the Regents' travel expense reimbursements for fiscal years 2017 and 2018.

Discretionary Planned Audits

Financial Conflict of Interest Requirements in Research Programs

We will determine to what extent the Smithsonian is complying with financial conflict of interest requirements in research programs.

Smithsonian Tropical Research Institute's Safety Program for Visiting Scientists

We will assess the extent to which Smithsonian Tropical Research Institute has identified, managed, and communicated safety risks for its visiting scientists.

Senior Executive Travel Expenses

We will determine to what extent senior executive travelers complied with applicable laws, regulations, policies, and procedures.

Proposed Project with the Victoria and Albert Museum

We will evaluate to what extent the Smithsonian has an effective process to account for the expenses incurred on the proposed programmatic collaboration with the Victoria and Albert Museum at the Queen Elizabeth Olympic Park in East London, England.

Management of Information Technology Operations

We will assess to what extent the Smithsonian's has an effective process for managing its core information technology operations. Specifically, we will review the processes for managing information technology as a service, including server management, problem management, configuration management, application support, and help desk.



Smithsonian Institution
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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.