FOIA Number: 2011-0586-F

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

Collection/Record Group: Clinton Presidential Records

Subgroup/Office of Origin: Press Secretary

Series/Staff Member: Mike McCurry

Subseries:

OA/ID Number: 11102

FolderID:

Folder Title:
Archives

Stack:	Row:	Section:	Shelf:	Position:
S	94	3	10	1

January 30, 1997

Mike, Barry and Mary Ellen -

The facts according to Dorskind:

* The Archives had some gifts stolen. Some were recovered, some were not.

* The IG wanted better inventory control. Archives does inventory sampling.

* IG stated their concerns and asked that a report be filed with them on how the Archives was working to meet their concerns. The report was due by the end of the fiscal year.

* Archives did respond, but did not do so in time to meet the end of the fiscal year deadline. Thus, the IG issued the report for failing to meet the deadline.

* The Archives believes that it has met the IG's concerns.

Lorrie

~~HM~~ LMc, BT, MEB
check this out ASAP!
- what the heck is this,
MC

THE WHITE HOUSE

WASHINGTON

January 24, 1997

MEMORANDUM FOR KATHLEEN WHALEN AND MICHAEL MCCURRY

FROM: MICHELLE HOUSTON
DIRECTOR, WHITE HOUSE GIFT UNIT

THROUGH: JIM DORSKIND
SPECIAL ASSISTANT TO THE PRESIDENT
AND DIRECTOR OF CORRESPONDENCE
AND PRESIDENTIAL MESSAGES

SUBJECT: REPORT BY INSPECTOR GENERAL OF THE NATIONAL
ARCHIVES AND RECORDS ADMINISTRATION
CONCERNING PRESIDENTIAL LIBRARY MATERIALS

On Friday, January 17, 1997, the Gift Unit received a copy of the attached letter dated December 31, 1996 addressed from John W. Carlin, Archivist of the United States, to the President, Members of Congress, and the OMB. Mr. Carlin's letter enclosed a copy of the 1996 Federal Managers' Financial Integrity Report for fiscal year 1996 concerning a "Description of Weaknesses in Management Controls and Major Milestones for Corrective Action" within the National Archives and Records Association (NARA). This letter and report identify managerial weakness in the Presidential Libraries Support Unit (which is responsible for accepting and storing Presidential gifts) and recommend specific corrective action.

Doug Thurman, NARA's Supervisory Archivist, and Michelle Cobb, NARA's Program Analyst, met with Jim Dorskind, Dan Burkhardt, and me to explain the series of events that resulted in the filing of this report. According to Doug and Michelle, in January of 1996, the Inspector General reported the results of an internal investigation concerning the Support Group, stating concerns about the handling of the Support Group's inventory, and providing recommendations for improvements. The Support Unit was not aware that they were required to answer these concerns in writing by September 30, 1996. When a written compliance report was not received by October 1, the Inspector General prepared the attached report. (According to Doug, the Support Unit had implemented the recommended changes, but they had not documented the improvements by the required deadline.) The Support Unit submitted their compliance report to the Inspector General on October 26, 1996. That did not prevent the issuance of the attached report on December 26, 1996.

It is unclear what impact, if any, this report will have but White House Counsel and Press Secretary should be alerted, as the report concerns the external custody of Presidential gifts.

cc: Nancy Hernreich

National Archives

facsimile
TRANSMITTAL

to: Michelle Houston, WHGU
fax #: 456-7485
re: Copy of correspondence
date: January 17, 1997
pages: 7, including this cover sheet.

Attached please find a copy of the John Carlin's letters to the President, Congress and OMB regarding the National Archives' report in response to the Federal Managers' Financial Integrity Act.

Additional background on this issue will be handcarried to your office this afternoon. Please contact me or Doug Thurman at 501-5705 if you have any questions.

Thank you again for taking the time to meet with us on this matter.

From the desk of...

Michelle Cobb
Program Analyst
Office of Presidential Libraries
700 Pennsylvania Ave., NW
Washington, DC 20408

202-501-5700
Fax: 202-501-5709

OFFICIAL FILE - PIRM-POL
READING: N, OIG, CA, PIRM, PIRM-POL, ADM, ADM-FIN, [redacted]
DOC: S:\MEMOS\FMFIA'95 Identical letters to: attached list
FILE CODE: 221-1
NAllard

ADM Concurrence ____________ 12-20/96

NL Concurrence ____________

12/23/96.

National Archives at College Park
8601 Adelphi Road College Park, Maryland 20740-6001

RECEIVED
NL
12-27-96

DEC 26 1996

The President
The White House
Washington, DC 20500

Dear Mr. President:

Enclosed is the Federal Managers' Financial Integrity Act (Integrity Act) report for fiscal year 1996 for the National Archives and Records Administration (NARA).

The following information is provided pursuant to Section 2 of the Integrity Act. Except for a material weakness in the controls of the Office of Presidential Libraries Support Unit described in Enclosure B, it is my informed judgement that there is reasonable assurance that the agency's management controls are achieving their intended objectives. This assessment is based on management control evaluations and other written evaluations conducted in 28 management control components and senior management's knowlege gained from the daily operations of NARA programs and systems. I have also relied upon the advice of the Office of the Inspector General concerning this statement of assurance.

The following information is provided pursuant to Section 4 of the Integrity Act. The financial subsystems of NARA generally conform with the objectives detailed in OMB Circular A-127, revised. Although two subsystems are not in complete conformance because they fail to meet one of the financial management system requirements, the nonconformances are not deemed material.

Additional details on NARA compliance with the Integrity Act are provided in the enclosures to this letter.

Respectfully,

Signed-John W. Carlin

JOHN W. CARLIN
Archivist of the United States

Enclosures

The Honorable Newt Gingrich
Speaker of the House
of Representatives
Washington, DC 20515

The Honorable Albert Gore, Jr.
President of the Senate
Washington, DC 20510

The Honorable Ted Stevens
Chairman, Commitee on Governmental Affairs
U.S. Senate
Washington, DC 20510

The Honorable John Glenn
Committee on Governmental Affairs
U.S. Senate
Washington, DC 20510

The Honorable William F. Clinger, Jr.
Chairman, Committee on Government Reform
and Oversight
House of Representatives
Washington, DC 20515

The Honorable Cardiss Collins
Committee on Government Reform and
Oversight
House of Representatives
Washington, DC 20515

The Honorable Bill Zeliff
Chairman, Subcommittee on National Security,
International Affairs, and Criminal Justice
Committee on Government Reform and
Oversight
House of Representatives
Washington, DC 20515

The Honorable Karen L. Thurman
Subcommittee on National Security,
International Affairs, and Criminal Justice
Committee on Government Reform and
Oversight
House of Representatives
Washington, DC 20515

The Honorable Bob Livingston
Chairman, Committee on Appropriations
House of Representatives
Washington, DC 20515

The Honorable David Obey
Committee on Appropriations
House of Representatives
Washington, DC 20515

The Honorable Jim Lightfoot
Chairman, Subcommitee on the Treasury, Postal
Service, and General Government
Committee on Appropriations
House of Representatives
Washington, DC 20515

The Honorable Steny H. Hoyer
Subcommitee on the Treasury, Postal Service,
and General Government
Committee on Appropriations
House of Representatives
Washington, DC 20515

The Honorable Mark O. Hatfield
Chairman, Committee on Appropriations
U.S. Senate
Washington, DC 20510

The Honorable Robert C. Byrd
Committee on Appropriations
U.S. Senate
Washington, DC 20510

The Honorable Richard C. Shelby
Chairman, Subcommitee on the Treasury, Postal
Service, and General Government
Committee on Appropriations
U.S. Senate
Washington, DC 20510

The Honorable J. Robert Kerrey
Subcommitee on the Treasury, Postal Service,
and General Government
Committee on Appropriations
U.S. Senate
Washington, DC 20510

The Honorable Franklin Raines
Director
Office of Management and Budget
Washington, DC 20503

Archives at College Park

8601 Adelphi Road College Park, Maryland 20740-6001

Ms. Wendy Zenker
Chief, Management Integrity Branch
Office of Management and Budget
New Executive Office Building, Room 10221
Washington, DC 20503

Dear Ms. Zenker:

I am pleased to provide ten copies of the National Archives and Records Administration's 1996 Federal Managers' Financial Integrity Act Report to the President. Please contact Nancy Allard of my staff on 301-713-6730 if you need information on the supporting documentation for this report.

Sincerely,

JOHN W.CARLIN
Archivist of the United States

Enclosures

ENCLOSURE B
DESCRIPTION OF MATERIAL WEAKNESS IN MANAGEMENT CONTROLS
and
MAJOR MILESTONES FOR CORRECTIVE ACTION

NARA has no past uncorrected material weaknesses or high risk areas. One new material weakness was identified in Fiscal Year 1996. Information about this weakness is provided below:

Title and Description of Material Weakness:
Control of gifts at the Office of Presidential Libraries Support Unit

Name of Responsible Program Manager: David Peterson

Source of Discovery: Office of Inspector General (OIG) investigation of theft and crime prevention survey. The report was issued on January 19, 1996.

Appropriation/Account: 110

Pace of Corrective Action
Year Identified: FY 1996
Original Targeted Correction Date: FY 1997

Validation Process Used: During the 4th quarter of FY 1997, the Office of Presidential Libraries will conduct an inventory of a statistical sample of all items received by the Support Unit in the first 3 quarters of FY 1997. The inventory will verify whether the item and appropriate documentation are present.

Results Indicators: Items are controlled with full documentation and periodic inventories while in the Support Unit's custody.

Major Milestones	Milestone Dates
1. Implement changes and improvements to gift receipt and processing procedures, as recommended by OIG in their Crime Prevention Survey, in order to ensure better system controls. This excludes inventory procedures covered in Milestone #2.	Planned: 3/31/97 Actual completion date: In progress
2. Develop and implement a plan for systematically inventorying items while in NARA custody, in accordance with the Office's policy for established Presidential Libraries.	Planned: 9/30/97 Actual completion date: In progress.

ENCLOSURE A
STATISTICAL SUMMARY OF PERFORMANCE

Section 2, Management Controls

Number of Material Weaknesses

	Number reported for the first time in:	For that year, number that have been corrected:	For that year, number still pending
Prior Years	2	2	0
1994 Report	1	0	1
1995 Report	0	1	0
1996 Report	1	0	1
Total	4	3	1

Section 4. Financial Management Systems

Number of Material Non-Conformances

	Number reported for the first time in:	For that year, number that have been corrected:	For that year, number still pending
Prior Years	0	0	0
1994 Report	0	0	0
1995 Report	0	0	0
1996 Report	0	0	0
Total	0	0	0

Gershind -

- Archives gets stuff & keeps it.
- Some gifts were stolen - some were recovered.
- Archives did inventory sampling. IG wanted them to document everything.
- They took care of concerns of IG, but didn't document it by the end of the fiscal year.
- By not responding in time, they get a report issued -