

# OFFICE OF THE INSPECTOR GENERAL



## Opportunities to Improve Oversight of the Use of the Collections Care and Preservation Fund



Smithsonian Institution Building  
(The Castle)

OIG-A-26-02  
February 12, 2026

# In Brief

## Opportunities to Improve Oversight of the Use of the Collections Care and Preservation Fund

OIG-A-26-02, February 12, 2026

### Background

In 2006, the Smithsonian Institution (Smithsonian) established the Collections Care and Preservation Fund (CCPF) in recognition of the importance of preserving and conserving its vast collections. The CCPF, which is funded from the Smithsonian's federal appropriations, aims to improve the accountability, documentation, care, preservation, storage, and accessibility of the Smithsonian's collections.

The Smithsonian's National Collections Program (NCP) provides competitive and noncompetitive awards to Smithsonian units from the CCPF. In fiscal year 2021, the Smithsonian allocated approximately \$8.2 million from the CCPF for awards. Of that amount, it set aside \$3 million for competitive CCPF projects and designated the remaining \$5.2 million as non-competitive funds, referred to as the Collections Care Initiative (CCI).

### What OIG Did

This audit examined the extent to which NCP had effective controls over awarding CCPF funds and ensuring that these funds were spent in accordance with their intended purposes. The Office of the Inspector General (OIG) reviewed a sample of projects funded with the fiscal year 2021 CCPF allocation.

### What OIG Found

The Smithsonian did not consistently maintain effective controls over the administration of the CCPF. OIG identified several opportunities to strengthen procedures and oversight.

**Awarding and Monitoring Procedures for CCI Projects.** NCP had not developed and implemented key procedures for awarding and monitoring CCI projects. Specifically, NCP did not have written guidance detailing the eligibility of Smithsonian units for CCI awards, how to evaluate proposed projects for awards, and other aspects of the award process. Instead, NCP left these procedures to the judgment of the NCP Director. Regarding monitoring, NCP did not maintain basic data vital for award oversight, such as a list of all CCI awards and the amounts awarded, and it did not have procedures for reviewing interim and final reports. Without thorough procedures for awarding and monitoring these federal funds, NCP has reduced assurance that units are using CCI funds only for authorized purposes, exposing these funds to the risk of fraud.

**Reporting Timeliness.** OIG reviewed 22 interim and final reports detailing project results and found that units submitted only 2 reports on time, submitted 13 reports past their due dates, and did not submit 7 reports. Late and missing reports hinder NCP's ability to ensure that funds are used as intended and prevent NCP from efficiently determining whether unused funds could be reallocated to other collections projects.

**Pan-Smithsonian Cryo Initiative Compliance.** Three Smithsonian units did not consistently follow required procedures in administering the CCI-funded Pan-Smithsonian Cryo Initiative (PSCI). First, the National Zoo and Conservation Biology Institute (NZCBI) did not include all required information in the PSCI Annual Report to NCP. Second, the National Museum of Natural History spent nearly \$12,000 in CCI funds for unapproved purposes. Third, the Smithsonian Tropical Research Institute and NZCBI did not comply with federal and Smithsonian restrictions on temporary and term employees.

Insufficient detail reporting, purchases without prior approval, and the inappropriate use of CCI funds for salaries and benefits prevent NCP from ensuring that these funds are used to meet the Smithsonian's most pressing collection care needs.

### What OIG Recommended

OIG made nine recommendations to strengthen controls over the awarding and monitoring of CCI funds, ensure that recipient units timely submit interim and final reports on project results, and require that units follow proper procedures in administering the PSCI. Management concurred with all recommendations.

For a copy of the full report, visit <https://oig.si.edu>

**OFFICE OF THE  
INSPECTOR GENERAL**

**Memo**



Date: February 12, 2026

To: Kevin Gover, Under Secretary for Museums and Culture  
William Tompkins, Director, National Collections Program

Cc: Ron Cortez, Under Secretary for Finance and Administration/Chief Financial Officer  
Ellen Stofan, Under Secretary for Science and Research  
Andrew Mosley, Director of Federal Resources, Office of Planning,  
Management and Budget  
Amelda Fuller, Acting Director, Office of Human Resources

From: Nicole L. Angarella, Inspector General

Signed by:  


Subject: Opportunities to Improve Oversight of the Use of the Collections Care and Preservation Fund  
(OIG-A-26-02)

This memorandum transmits our final audit report on *Opportunities to Improve Oversight of the Use of the Collections Care and Preservation Fund*. The objective of this audit was to determine the extent to which the National Collections Program had effective controls over the processes to award monies from the Collections Care and Preservation Fund (CCPF) and ensure that these funds were spent in accordance with their intended purposes.

We made nine recommendations for Smithsonian management to strengthen controls over the awarding and monitoring of CCPF funds, ensure that recipient units timely submit interim and final reports on project results, and require that units follow proper procedures in administering the Pan-Smithsonian Cryo Initiative. Management concurred with all nine recommendations.

We appreciate the courtesy and cooperation of all Smithsonian management and staff during this audit. If you have any questions, please contact me or Joan Mockeridge, Assistant Inspector General for Audits, Inspections, and Evaluations.

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## Abbreviations

CCI	Collections Care Initiative
CCPF	Collections Care and Preservation Fund
CFCH	Center for Folklife and Cultural Heritage
CFR	Code of Federal Regulations
GAO	Government Accountability Office
HMSG	Hirshhorn Museum and Sculpture Garden
NASM	National Air and Space Museum
NCP	National Collections Program
NMAI	National Museum of the American Indian
NMNH	National Museum of Natural History
NPG	National Portrait Gallery
NZCBI	National Zoo & Conservation Biology Institute
OHR	Smithsonian’s Office of Human Resources
OIG	Office of the Inspector General
OPM	U.S. Office of Personnel Management
OPMB	Office of Planning, Management, and Budget
PSCI	Pan-Smithsonian Cryo Initiative
SCAC	Smithsonian Collections Advisory Committee
SD	Smithsonian Directive
SG	Smithsonian Gardens
the Smithsonian	Smithsonian Institution
STRI	Smithsonian Tropical Research Institute

## INTRODUCTION

As of fiscal year 2025, the Smithsonian Institution's (Smithsonian) collections consisted of 157.5 million objects and specimens, 154,400 cubic feet of archives, and 2.3 million library volumes, covering subjects from art to zoology. These collections include a vast array of items—from irreplaceable national icons to media documenting examples of everyday life. In recognition of the importance of preserving and conserving these collections, in 2006 the Smithsonian established the Collections Care and Preservation Fund (CCPF) using fiscal year 2006 appropriations.

**Figure 1. Portrait of President Benjamin Harrison by William Thomas Mathews (1899) restored with CCPF funds.**



Source: OIG Photo.

interviewed Smithsonian officials involved in awarding, administering, and monitoring CCPF funds; selected a sample of 11 projects for review; and visited related Smithsonian sites to determine whether the funds were used as intended. For a detailed description of OIG's objective, scope, and methodology, see Appendix I.

The goal of the CCPF is to provide essential resources to make targeted improvements in the accountability, documentation, care, preservation, storage, and accessibility of the Smithsonian's collections. Since its inception through fiscal year 2025, the Smithsonian has allocated \$109 million to the fund to advance these efforts.

The objective of this audit was to determine the extent to which the National Collections Program (NCP) had effective controls over the processes to award monies from the CCPF and ensure that these funds were spent in accordance with their intended purposes. The scope of the audit included all projects funded with the fiscal year 2021 CCPF allocation because the final reports for those projects were generally due by July 30, 2022. Therefore, they were the most recently completed projects when the Office of Inspector General (OIG) began this audit.

To accomplish the objective, the OIG

OIG conducted this performance audit in Washington, D.C.; Suitland, Maryland; and Upper Marlboro, Maryland; from February 2023 through February 2026 in accordance with generally accepted government auditing standards. Those standards require that OIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objective. OIG believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on its audit objective.

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## BACKGROUND

### Federal Pools

In 1993, Congress approved the Smithsonian’s reallocation of funds to create the first federal pools. Similar to internal grant programs, these pools contain funds that support specific priorities throughout the Smithsonian and are awarded to recipient units. The Smithsonian uses pool funds to address high-priority needs that were not funded through the annual budget process but require prompt attention. Over the past three decades, the number of federal pools has varied depending on budgetary and programmatic needs, and as of fiscal year 2021—the time period covered by this audit—the Smithsonian managed six federal pools shown in Table 1. Each pool is administered by a “parent office,” which is the Smithsonian office responsible for awarding pool funds to recipient units and overseeing the awards.

**Table 1. Smithsonian’s Fiscal Year 2021 Federal Pool Funds**

Federal Pool Name	Year Created	Description	Parent Office(s)	Fiscal Year 2021 Funding
American Women’s History Initiative Pool <sup>a</sup>	2018	Provides funding to publicize the contributions of women through exhibitions, programs, and educational content and to expand the national collection to better portray how women have shaped the country	Under Secretary for Museums and Culture and the American Women’s History Museum	\$5,000,000
Asian Pacific American Initiatives Pool <sup>b</sup>	2016	Provides funding to support research, exhibitions, educational programs, collections, digital and media projects, and partnerships with local and regional cultural organizations on Asian Pacific American issues	Asian Pacific American Center	\$600,000
Collections Care and Preservation Fund	2006	Provides funding for the highest-priority collections management needs to improve the accountability, documentation, care, preservation, storage, and accessibility of the Smithsonian’s collections	National Collections Program	\$8,197,000
Information Resources Management Pool	1993	Provides funding to support network operations and server administration, including the Smithsonian’s Enterprise Resource Planning financial system	Office of the Chief Information Officer	\$3,187,000
Latino Initiatives Pool <sup>c</sup>	1995	Provides funding for projects that support Latino programs and focus on U.S. Latino contributions to science, history, and culture	National Museum of the American Latino	\$5,000,000
Research Equipment Pool	1993	Provides funding to maintain, upgrade, and purchase research equipment that costs more than \$1,000 but less than \$1 million	Office of the Under Secretary for Science and Research and Under Secretary for Museums and Culture	\$1,300,000
<b>Total</b>				<b>\$23,284,000</b>

Source: Smithsonian’s Fiscal Year 2021 Budget Justification to Congress and the Office of Planning, Management, and Budget.

<sup>a</sup> In fiscal year 2022, Congress included the allocation for the American Women’s History Initiative Pool in the line item for the Smithsonian American Women’s History Museum; therefore, it is no longer considered a federal pool.

<sup>b</sup> In fiscal year 2023, Congress included the allocation for the Asian Pacific American Initiatives Pool in the line item for the Asian Pacific American Center; therefore, it is no longer considered a federal pool.

<sup>c</sup> In fiscal year 2022, Congress included the allocation for the Latino Initiatives Pool in the line item for the National Museum of the American Latino; therefore, it is no longer considered a federal pool.

Since fiscal year 2021, Congress approved two additional pools: (1) the Research Program Initiative Pool, created in 2022, which provides funding for high-risk, high-reward research activities that lead to new ways of collecting and analyzing data and living sustainably with nature; and (2) the Digital Support Pool, created in 2023, which provides funding to support Smithsonian-wide digital platforms and programs to share collections and digital content with the public.

## Collections Care and Preservation Fund

Established in 2006, the CCPF is the largest of the Smithsonian’s federal pools, representing 35 percent of all pool funding in fiscal year 2021. When the CCPF was created, funds were awarded competitively to Smithsonian units to make targeted improvements in the accountability, documentation, care, preservation, storage, and accessibility of the Smithsonian’s collections.

In fiscal year 2010, the Smithsonian’s senior leadership and NCP—the CCPF’s parent office—recognized the need for more flexible funding options to address ongoing, pan-Smithsonian collections needs. They therefore divided the pool into two related, but separate, competitive and non-competitive funding sources. Competitive funding continued to be known as the CCPF, and non-competitive funding became known as the Collections Care Initiative (CCI).

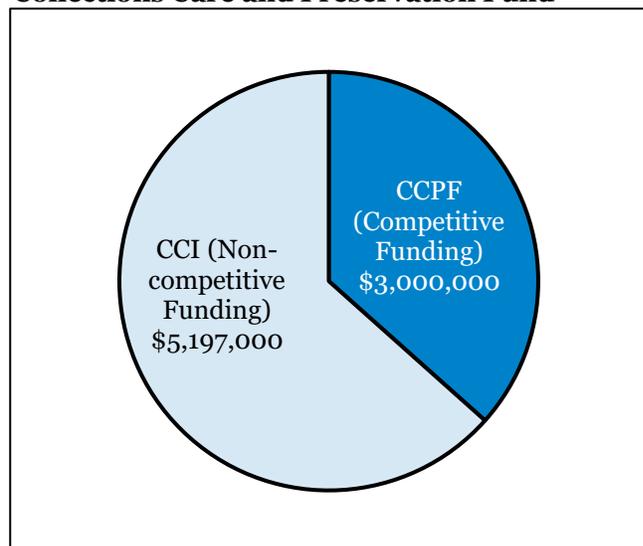
Of the total CCPF amount, the Smithsonian annually allocates \$3 million to competitive CCPF funding and allocates the remaining amount to the CCI. In fiscal year 2021, the Smithsonian allocated \$8,197,000 to the CCPF, set aside \$3,000,000 for competitive CCPF projects, and directed the remaining \$5,197,000 to non-competitive CCI funding. Figure 2 illustrates these amounts.

NCP made competitive and non-competitive awards to Smithsonian units from the allocated amounts. In fiscal year 2021, NCP awarded the entire \$3 million CCPF allocation to projects on a competitive basis.

When awarding non-competitive CCI funds, NCP sometimes provided funding to units from multiple fiscal years in the same award letter. It tracked the total amount of CCI funds provided in each award letter rather than the amount of funds awarded by fiscal year. NCP therefore estimated that it made about \$5.7 million in CCI awards in fiscal year 2021 with funds that had been allocated in that same year, as well as funds allocated in other fiscal years. Appendix II shows CCPF and CCI awards made in fiscal year 2021.

Table 2 summarizes the key differences between CCPF and CCI awards.

**Figure 2. Fiscal Year 2021 Allocations of the Collections Care and Preservation Fund**



Source: Office of Planning, Management, and Budget.

**Table 2. Key Differences Between CCPF and CCI Awards, for Fiscal Year 2021**

Characteristic	CCPF	CCI
<b>Amount Allocated</b>	\$3,000,000	\$5,197,000 <sup>a</sup>
<b>Maximum Award Amount</b>	\$300,000 <sup>b</sup>	None
<b>Award Method</b>	Competitive	Non-competitive
<b>Application Due Date</b>	Annually on a set date	Accepted on a rolling basis
<b>Application Method</b>	Formal written proposal	Via email or verbal request to the NCP Director
<b>Award Length</b>	Approximately one year	Varies according to project scope
<b>Awarding Entity</b>	Under Secretaries for Museums and Culture, Science and Research, and Administration, based on recommendations made by the Smithsonian Collection Advisory Committee <sup>c</sup>	NCP Director, sometimes in consultation with the appropriate Under Secretary
<b>Recipients</b>	Smithsonian collecting units as defined in SD 600, “Collections Management”	Any Smithsonian unit with a collections care need as determined by the NCP Director, sometimes in consultation with the appropriate Under Secretary
<b>Examples of Types of Projects</b>	Collections assessments, conservation treatments, rehousing collections, conducting inventories of collections, and digitizing collections	High priority, pan-Smithsonian projects; time-sensitive projects that protect collections from imminent loss or damage; and projects that can be supported with expiring funds

Source: OIG analysis based on the CCPF Fiscal Year 2021 Guidelines and interviews with NCP staff.

<sup>a</sup>The fiscal year 2021 appropriation was \$8,197,000. Each year, the excess of the fiscal year appropriation over \$3,000,000 is allocated to the CCI.

<sup>b</sup>Larger awards may be provided on a case-by-case basis.

<sup>c</sup>The Under Secretary for Administration is now the Under Secretary for Finance and Administration and Chief Financial Officer.

## CCPF Competitive Award Process

Each year before the Smithsonian receives its annual appropriation, NCP issues a call for proposals to Smithsonian units for projects to be funded by the CCPF. According to the CCPF fiscal year 2021 Guidelines, eligible projects improve collections care and mitigate collections deterioration. For the types of projects eligible and ineligible for award, see Table 3.

**Table 3. Types of Eligible and Ineligible CCPF Award Projects**

Types of Eligible Projects	Types of Ineligible Projects
Conducting collections assessments and preservation surveys	Paying for the salaries of permanent federal or indefinite Trust employees
Purchasing equipment and housing materials for collections storage and living collections spaces	Digitization projects for documentation and access
Engaging in conservation treatments and the stabilization of collections	Acquiring collections
Reformatting and rehousing collections	Constructing new facilities, maintaining facilities, or making capital facilities improvements
Performing collections inventory and reconciliation	Purchasing equipment such as cameras and photography set-ups, laptops, desktops, and computer tablets
Digitizing collections for preservation	Preserving collections that do not belong to the Smithsonian
Conducting preservation processing	Moving collections unless the applicant demonstrates that the project cannot be accomplished without relocating the collection
Performing general collections housekeeping	Caring for objects or materials not defined as collections by unit management policies
Training Smithsonian staff on the methodologies and outcomes of proposed projects	

Source: CCPF Fiscal Year 2021 Guidelines.

When NCP receives proposals, it distributes them to the Smithsonian Collections Advisory Committee (SCAC), which meets each spring. In fiscal year 2021, the SCAC consisted of a group of 12 Smithsonian collections professionals and was chaired by the NCP Director. A subcommittee of the SCAC reviews each proposal in accordance with three general criteria outlined in the CCPF Guidelines. After its review, the subcommittee’s recommendations are presented to the entire SCAC for approval. Table 4 summarizes the criteria that the SCAC uses.

**Table 4. Summary of CCPF Proposal Review Criteria**

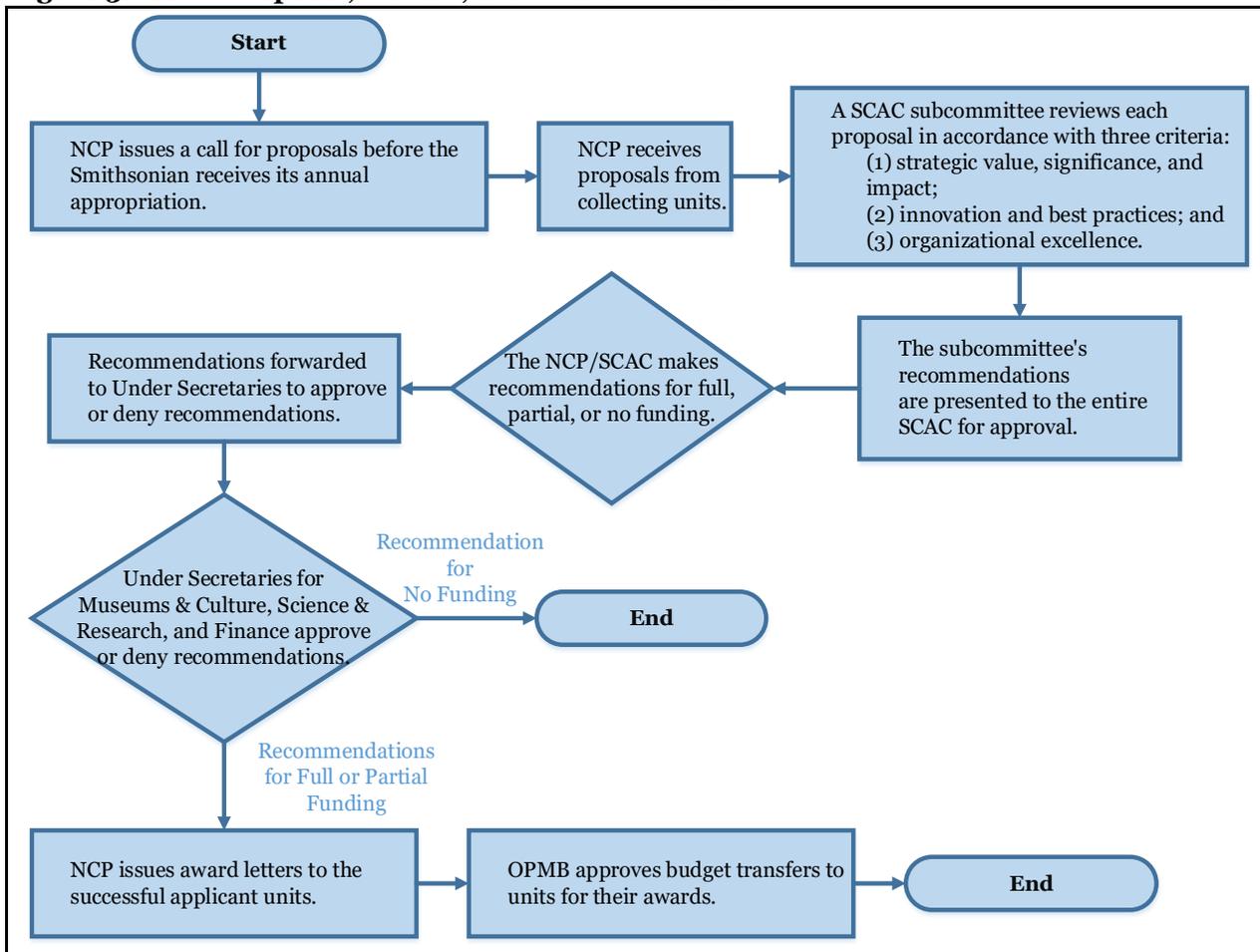
Strategic Value, Significance, and Impact	Innovation and Best Practices	Organizational Excellence
<ul style="list-style-type: none"> <li>• Alignment with the priorities, goals, and objectives of the Smithsonian’s strategic plan</li> <li>• Alignment with the applicant unit’s strategic plan and collections preservation priorities</li> <li>• Level of impact on the unit’s research, exhibitions, and educational programming</li> <li>• Significance of the collections</li> </ul>	<ul style="list-style-type: none"> <li>• Potential as an innovative approach to collections care and preservation</li> <li>• Potential for broad impact</li> <li>• Potential for long-term benefit to the applicant unit(s) and the Smithsonian</li> <li>• Adherence to national standards and best practices</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to clearly communicate project goals and methodology</li> <li>• Soundness of the project methodology</li> <li>• Feasibility, efficiency, and likely productivity of the project workplan, including measurable goals</li> <li>• Appropriateness of the project budget</li> <li>• Efficient and effective use of resources</li> <li>• Level of resources contributed by the applicant unit or other sources</li> <li>• Demonstration of adherence to program guidelines</li> </ul>

Source: CCPF Fiscal Year 2021 Guidelines.

The SCAC’s recommendations for full and partial funding are then forwarded to the Under Secretary for Museums and Culture, the Under Secretary for Science and Research, and the Under Secretary for Finance.<sup>1</sup> The Under Secretaries then approve or disapprove the SCAC’s recommendations; NCP issues award letters to the successful applicant units; and the Office of Planning, Management, and Budget (OPMB) approves budget transfers to units for their awards. The award letters require recipients to submit interim and final reports containing programmatic and financial information on the status and accomplishments of the projects to the NCP Collections Program Specialist. For details of the CCPF proposal, review, and award process, see Figure 3.

<sup>1</sup> The CCPF Fiscal Year 2021 Guidelines were updated in fiscal year 2024 and no longer require the Under Secretary of Finance, who is now the Under Secretary for Finance and Administration and Chief Financial Officer, to approve the award recommendations.

**Figure 3. CCPF Proposal, Review, and Award Process**



Source: Compiled by OIG based on CCPF Fiscal Year 2021 Guidelines.

## CCI Non-competitive Award Process

The CCI typically funds the following types of activities:

- specific ongoing, high-priority pan-Smithsonian initiatives and projects with rolling funding allocations,
- selected projects that emerge from units' year-end funding requests or from the CCPF review process that align with the Smithsonian's strategic priorities,
- unforeseen and time-sensitive projects that warrant swift action to respond to circumstances that place collections at immediate risk of loss or damage, and
- projects directly aligned with pan-Smithsonian collections goals and priorities that exceed the \$300,000 funding threshold of individual CCPF projects.

CCI projects generally arise from two main sources. First, projects that are not approved by the SCAC for CCPF funding may be considered by the NCP Director for CCI funding. Second, units interested in collections care funding periodically contact the NCP Director, who discusses the units' projects and goals with them and helps them decide whether CCPF or CCI funds would best meet their needs. In contrast to the CCPF program, units requesting CCI funds do not need to submit a formal proposal; instead, they simply inform the NCP Director of their project idea and respond to the Director's follow-up questions.

When OIG began this audit, only the NCP Director could approve CCI projects for funding. However, according to the NCP Director, the appropriate Under Secretary was usually consulted before NCP funded new CCI projects. The NCP Director stated that he generally evaluated projects in accordance with CCPF funding criteria, but nothing required the Director to do so. Upon approving a CCI project, the NCP Director sent an award letter to the recipient unit. During fieldwork for this audit, NCP issued interim CCI guidance that revised the CCI award process, as described later in this report.

## Smithsonian Policy

Smithsonian Directive (SD) 712, "Centrally Managed Award Programs and Federal Pools," dated January 6, 2005, governed the administration of the Smithsonian's federal pools. The directive required competitive programs to establish criteria to review and select proposals for funding. Competitive pool programs were required to appoint a selection committee composed of internal or external scholars and professionals to conduct a fair and impartial review of project proposals. For non-competitive programs, the SD simply stated that such funds are distributed based on criteria established by the parent office and the parent office's understanding of the most important Smithsonian priorities. For both competitive and non-competitive programs, the SD prohibited using pool funds to pay the salaries of permanent Smithsonian employees.

Although the Smithsonian's Directives Review Council approved the cancellation of SD 712 in August 2023, it is still applicable to OIG's findings because the SD was in effect during the scope of this audit. Following its cancellation, OPMB republished the general content of SD 712 as guidance on its intranet site, where it is currently available to Smithsonian staff. All SD 712 requirements discussed in this report are included in the intranet guidance.

## RESULTS OF AUDIT

OIG found that the Smithsonian did not: (1) establish adequate procedures to award and monitor CCI projects; (2) timely submit financial and performance reports used to oversee CCPF and CCI awards; and (3) follow proper procedures in administering the CCI-funded Pan-Smithsonian Cryo Initiative (PSCI).

### **The National Collections Program Had Not Established Procedures to Award and Monitor CCI Projects**

NCP had not developed and implemented key procedures over awarding and monitoring CCI projects. Instead, NCP left these processes to the judgment of a single individual—the NCP Director.

Regarding the award process, the NCP Director had the sole discretion to award CCI funds even though the Director stated that the applicable under secretaries were sometimes consulted prior to the award. In fact, in fiscal year 2021, the NCP Director provided five awards totaling \$345,800 to NCP with no required higher-level approval. Furthermore, NCP did not have written guidance outlining eligibility for CCI awards, allowable project activities, the application process, or how proposed projects were to be evaluated for award.

Concerning the monitoring of awards, NCP did not maintain a list of all CCI awards, the amounts awarded, and additional amounts transferred to and from individual CCI projects. This basic data is vital for award oversight. Without such a list, it makes it difficult for NCP to determine whether unit recipients reported on the status of all awarded funds in their final financial reports. Furthermore, NCP did not have written procedures outlining how recipient units' programmatic or financial project reports should be reviewed or how the review of reports should be documented.

As a result, OIG could not determine whether the NCP Director or Collections Program Specialist reviewed any interim or final reports to determine if recipient units used CCI funds appropriately. Finally, NCP oversaw the awards it made to itself, no higher-level official had the responsibility for reviewing NCP's work on its own awards, and NCP did not produce any programmatic or financial reports that could be used for higher-level oversight.

After OIG raised these issues with Smithsonian management during the audit, NCP issued *Collections Care Initiative Interim Guidelines* in March 2024. The interim guidelines addressed some, but not all, of the issues noted above as follows:

- Outline the project evaluation criteria that NCP is to use to award CCI funds.
- Require the NCP Director to obtain written approval from the Under Secretaries for Museums and Culture and Science and Research before funding any project.

- State that eligible applicants are collecting units, but allow non-collecting units to apply with the approval of senior leadership.
- List eligible and ineligible project activities.
- Discuss the application process and identify review criteria.

However, the interim CCI guidelines do not require NCP to track all CCI projects and the funds awarded to them, which is essential for project administration and oversight. Significantly, the interim guidelines are silent on the monitoring process for CCI awards and do not address the practices of NCP awarding projects to itself and overseeing its own projects, which violates the principle of segregation of duties.

Not having procedures for awarding and monitoring CCI project awards is contrary to the Government Accountability Office's (GAO) *Standards for Internal Control in the Federal Government* as follows:

- Management should implement control activities through policies.
- Each unit documents policies within the appropriate level of detail to allow management to effectively monitor the control activity.
- Management divides or segregates key duties and responsibilities among different people to reduce the risk of error, misuse, or fraud.<sup>2</sup>

The NCP Director claimed that NCP, the parent office for CCI projects, did not formalize CCI procedures because SD 712 did not specify the need for written procedures for non-competitive awards. However, SD 712 states that non-competitive awards are "distribution[s] of Smithsonian funds based upon criteria established by the parent office." The NCP Director also asserted that NCP generally follows CCPF guidelines in administering and monitoring CCI awards, but OIG noted that the scope of the CCPF guidelines includes competitive CCPF projects only, and key portions of the guidelines, such as those describing the CCPF award process, are not applicable to CCI awards. In addition, the NCP Director stated that the CCI program was created to flexibly respond to the Smithsonian's collections priorities as they evolve. Due to the need for such flexibility, NCP did not consider formalizing procedures for the CCI program.

**Figure 4. Center for Folklife and Cultural Heritage media that underwent pest and microbial remediation using CCI funds.**



Source: OIG photo.

<sup>2</sup> GAO-14-704G *Standards for Internal Control in the Federal Government*, Sections 10.03, 12.01, and 12.03 (September 2014).

Without formal guidelines regarding the award and monitoring of CCI funds, NCP:

- has reduced assurance that units are using the nearly \$5.2 million in CCI funds for authorized purposes only and exposes these funds to the risk of fraud,
- cannot ensure that key controls will be preserved when turnover occurs,
- has no standard by which to hold units accountable for the use of the funds, and
- risks treating the various recipient units inconsistently.

## **Recipient Units Did Not Consistently Submit Timely Interim and Final Reports**

Recipient units that received CCPF and CCI awards did not always submit interim and final reports to NCP by the deadlines provided in their projects' award letters. OIG selected a sample of 11 CCPF and CCI projects from the 61 total projects that NCP funded with fiscal year 2021 funds. Only 10 of those projects required interim or final reports. OIG tested all 22 interim and final reports required for the 10 projects as of March 27, 2025, and determined that units:

- did not submit 7 reports,
- submitted 13 reports past their due dates, and
- submitted only 2 reports on time.

Of the submitted reports, interim reports were 25 to 719 days late, and final reports were 3 to 547 days late. For details, see Table 5 and Appendix III.

**Table 5. Status of Interim and Final Reports for Projects in the Audit Sample as of March 27, 2025**

Lead Unit	Project Description	Funding Source	Award Amount	Interim Report Days Late	Final Report Days Late
NMNH	Five Ultra-Cold Freezers	CCI	\$80,000	Not Received	Not Received
HMSG	Conserve Outdoor Sculptures	CCI	\$141,800	Two Not Received <sup>a</sup>	247
NMAI	Textile Rehousing and Materials Upgrade	CCPF	\$269,800	Not Received	4
CFCH	Conserve Audit Recordings and Photos, Phases I and II	CCI	\$291,600	719	3
		CCI	\$66,100	512	3
NASM	Conservation Survey and Preventative Conservation	CCPF	\$228,500	48	547
SG	Storage and Housing for Orchids	CCPF	\$65,500	25	105
NMNH	Organization and Standardization of Collections	CCPF	\$291,600	0	Not Received <sup>b</sup>
NPG	Conserve Portraits and Frames	CCPF	\$141,500	0	318
NZCBI	Pan-Smithsonian Cryo Initiative <sup>c</sup>	CCI	\$613,226	Not Required	18
					45
NZCBI	Hay and Grass for Animals	CCI	\$250,000	Not Required	Not Received
NCP	Collections Space Coordination	CCI	\$298,683	Not Required	Not Required

Source: Award letters and interim and final reports provided by NCP.

<sup>a</sup> NCP required two interim reports for this project, but HMSG did not submit either one.

<sup>b</sup> This project encompassed three distinct tasks. NMNH submitted a final report on December 15, 2023 for Tasks 2 and 3, for which NMNH received CCPF funds totaling \$97,200, but as of March 27, 2025, it had not yet submitted a final report for Task 1, for which NMNH received \$194,900 in CCPF funding.

<sup>c</sup> The Pan-Smithsonian Cryo Initiative is a multi-year, ongoing project that requires annual reports rather than interim or final reports. Information regarding this project's annual reports is therefore reflected here. OIG analyzed two annual reports because some FY 2021 CCI funds were required to be reported in the 2021 annual report, and other FY 2021 CCI funds were required to be reported in the 2022 annual report.

**Key:**

**Red Cells:** Required report not submitted

**Yellow Cells:** Required report submitted late

**Green Cells:** Required report submitted on time

Legend:

NMNH National Museum of Natural History	NPG - National Portrait Gallery
HMSG Hirshhorn Museum and Sculpture Garden	NZCBI – National Zoo & Conservation Biology Institute
NMAI National Museum of the American Indian	NCP – National Collections Program
CFCH Center for Folklife and Cultural Heritage	CCPF – Collections Care and Preservation Fund
NASM National Air and Space Museum	CCI – Collections Care Initiative
SG - Smithsonian Gardens	

CCPF and CCI reports were submitted late or not at all because NCP did not have a process to remind units of upcoming reporting deadlines or follow up with them after deadlines were missed. Because unit reporting is NCP’s primary way to oversee CCPF and CCI funding, late and missing reports hinder NCP’s ability to ensure that funds are used as intended. Furthermore, when units do not submit reports on time, NCP cannot efficiently determine whether unused funds could be allocated to other projects.

## Smithsonian Units Did Not Follow Proper Procedures in Administering the Pan-Smithsonian Cryo Initiative

In 2007, the Smithsonian established the PSCI to help ensure that all frozen biomaterials were collected, stored, and used in accordance with the Smithsonian’s policies and scientific best practices. This project is led by the National Zoo & Conservation Biology Institute (NZCBI), with participation by National Museum of Natural History (NMNH), the Smithsonian Tropical Research Institute (STRI), and the Smithsonian Environmental Research Center. The PSCI project was awarded \$613,226 in fiscal year 2021 CCI funding.

PSCI is a multi-year, ongoing project funded by the CCI. Because the project has no end date, NCP did not require interim reports, but in lieu of final reports, NCP required annual reports to be submitted each fall. NZCBI issued two annual reports on the fiscal year 2021 expenditure of PSCI funds on November 17, 2021, and December 14, 2022.<sup>3</sup>

OPMB transfers most CCI funds for the PSCI project to NZCBI, and NZCBI distributes funds to the other participant units based on the project budget. However, in fiscal year 2021, the NCP Director had OPMB directly transfer CCI funds to STRI to pay for the salary and benefits of its Cryo Collections Manager.

This project is managed by the PSCI Leader and PSCI Program Manager. The PSCI Leader is a permanent NZCBI employee whose salary is not funded by the CCI. The PSCI Leader is responsible for the following:

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<sup>3</sup> Smithsonian Environmental Research Center did not receive any fiscal year 2021 CCI funds for the PSCI.

- reviewing and approving the hiring of contractors and supply purchases,
- monitoring account balances to determine budget availability,
- making project decisions in collaboration with the units participating in the PSCI, and
- preparing the PSCI annual report.

The PSCI Program Manager is a federal term NZCBI employee whose salary and benefits are paid with CCI funds. This person communicates with outside organizations that manage biobanks and frozen collections, meets monthly with contractors to monitor their work, and helps prepare the annual PSCI report.

### **NZCBI Did Not Include All Required Information in the PSCI Annual Report to NCP**

The PSCI 2021 and 2022 Annual Reports did not fully address four of the seven key reporting requirements that assist NCP in determining whether units used funds appropriately, as illustrated in Table 6.<sup>4</sup>

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<sup>4</sup> CCI award letters for this project established reporting requirements.

**Table 6. PSCI’s Compliance with Reporting Requirements**

Award Reporting Requirement	2021 Annual Report	2022 Annual Report	Comments
Lessons learned	No	No	Neither report discussed lessons learned.
Description of whether the project met the stated goals and objectives	No	No	First, goals and objectives were not clearly stated with an explanation of whether they were met. Second, NCP provided \$80,000 for freezers, O2 sensors, supplies, and travel. The 2022 report did not discuss whether the O2 sensors were purchased, if the travel was taken, or what the travel was for.
Quantitative information about the project	Yes	Yes	
Descriptions of project outputs	Yes	Yes	
Brief explanation of the next steps in the PSCI strategic plan for addressing collections care and preservation concerns	No	No	Both reports list the project’s “Strategic Roadmap Goals,” but neither report clearly explains the next steps that will be taken to address collections care and preservation concerns.
Financial statement report of how the award was expended	No	No	The financial statements in both reports indicated how funds were allocated to various needs, such as salaries, contracts, equipment and supplies, and freezer maintenance, but the statements did not show how much was actually expended.
At least one image of project processes or results	Yes	Yes	

Source: PSCI award memos dated November 3, 2020, February 16, 2021, and July 20, 2021, and Fiscal Year 2021 CCPF Award Reporting Requirements.

Even though the CCI funded this project, the PSCI award letters required project personnel to follow the Fiscal Year 2021 CCPF Award Reporting Requirements to report on the use of funds.<sup>5</sup> However, the annual reports did not contain all required information because the PSCI Leader did not believe that the FY 2021 CCPF Reporting Requirements applied. The PSCI Leader explained that in fiscal year 2012, NCP agreed with project staff on the annual report format, and the PSCI Leader followed that format instead. Nevertheless, OIG verified with the NCP Director that the FY 2021 requirements were applicable to the PSCI project.

<sup>5</sup> Due to an error, only three of the five award letters for the PSCI project required project staff to follow the FY 2021 CCPF Award Reporting Requirements. As a result, OIG reviewed the annual reports for activities tied to funding provided only in those three award letters.

In addition, PSCI reports did not follow award requirements because NCP did not adequately review the reports to ensure compliance. Although the NCP Director claimed that the Collections Program Specialist reviewed each annual report, OIG found no evidence of such reviews. Furthermore, NCP did not have written procedures to indicate how reports should be reviewed or tools like a checklist to document the review of reports.

Reviewing financial reports is NCP's primary mechanism to monitor the use of CCI funds. If NZCBI does not include sufficient details in the PSCI reports showing how it spent funds, and if NCP does not question such reports, funds could be used for inappropriate purposes without detection.

### **NMNH Spent CCI Funds for Unapproved Purposes**

NMNH spent \$11,995 in CCI funds for purposes that were not approved in its award letter. NMNH, which participates in the NZCBI-led PSCI project, received an \$80,000 CCI award for the purchase of five cryogenic freezers. However, the museum purchased six freezers for \$77,444 and returned the remaining \$2,556 to NCP. Because the award letter did not authorize a sixth freezer, NMNH should have sought and obtained approval from NCP for this purchase. In this case, according to the NCP Director, "NMNH should have communicated in advance that they would like to purchase an additional freezer and sought written approval, since the award memo listed 5 freezers."

In the absence of such approval, NMNH should have returned the \$11,995 that it spent on the sixth freezer in addition to the \$2,556 so that NCP could have used those funds on other projects as needed.

NMNH's award letter for the purchase of the five freezers stated that the funds "must be...expended in accordance with the proposal budget and any restrictions identified in this letter." However, the NMNH official who approved this equipment purchase misunderstood how NCP funds are administered and approved the purchase of the extra freezer. In an email to OIG, this individual asserted that "those funds were expiring, so spending down the budget is a good thing."

**Figure 5. Cryogenic Freezers**



Source: OIG Photo.

The NMNH official continued as follows:

“I needed many more [freezers], so getting a sixth freezer while staying within budget is added value. The stated purpose of the Collections Care Initiative is to replace substandard storage equipment. Frozen collections are the second most vulnerable collections at [the Smithsonian] (living collections are the most vulnerable). Thus, I helped to fulfill our mission by purchasing that additional freezer.”

However, according to the NCP Director, “NCP does not have a funding priority based on collection type.” NCP may have contributed to this situation by not following up with NMNH to obtain its interim or final reports. Had NCP been more proactive, it might have learned of NMNH’s plans to purchase the additional freezer and could have either approved or denied the purchase. In addition, the award letter did not have a requirement that units need written approval from NCP before deviating from the terms or restrictions in the letter.

Due to the unapproved use of CCI funds for the purchase of a sixth cryogenic freezer, OIG questions \$11,995, the cost of the freezer. NMNH did not provide NCP an opportunity to evaluate how to best use these funds to meet the Smithsonian’s most pressing collections care needs by not requesting prior approval for the purchase.

### **The Smithsonian Did Not Comply with Restrictions on Temporary and Term Employees**

NZCBI and STRI, two units involved in the CCI-funded PSCI, did not follow all of the requirements regarding the hiring of temporary and term employees on that project, as follows:<sup>6</sup>

- The PSCI Leader did not obtain prior approval before STRI hired a temporary employee, which is inconsistent with SD 712 requirements.
- STRI inappropriately paid the temporary employee’s salary and benefits with CCI funds after granting this person indefinite, or permanent, status.
- NZCBI appointed the PSCI Program Manager, whose salary was paid with CCI funds, to the same federal term position multiple times, which the U.S. Office of Personnel Management (OPM) deemed improper.

#### Prior Approval Not Obtained Before Hiring a Temporary Employee

STRI hired its Cryo-Collection Manager as a temporary employee without (1) providing a detailed written request for the need for the temporary employee to OPMB and the Under Secretary for Science and Research and (2) obtaining OPMB’s and the Under Secretary’s prior approval. SD 712 states that “A temporary employee may be hired only after OPMB and the

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<sup>6</sup> According to the U.S. Office of Personnel Management, temporary appointments are expected to last for a specified period not to exceed one year. A term appointment lasts for a specified period of time of more than one year but not to exceed four years.

Under Secretary who oversees the affected pool have approved a written request containing a detailed justification of the need.” Subsequent to the cancellation of SD-712, OPMB incorporated this requirement into the federal pools guidance on its intranet site.

Indefinite Employee’s Salary and Benefits Paid with Federal CCI Funds

In April 11, 2022, STRI converted the Cryo-Collection Manager’s employment to indefinite status—the equivalent of permanent status, according to the STRI Human Resources Director—and improperly paid the employee’s salary and benefits with CCI funds. Using CCI funds to pay the Cryo-Collection Manager’s salary and benefits does not comply with SD-712, which states,

“Since no FTEs [full-time employees] are appropriated to support federal salary and benefit costs associated with the pools, **no permanent employees should be supported by these sources under any circumstances**” (original emphasis). Following the cancellation of SD-712, OPMB incorporated this requirement into the federal pools guidance on its intranet site.

After being presented with this information, STRI legal counsel stated that STRI converted the Cryo-Collection Manager to an indefinite employee to comply with Panamanian law. The legal counsel noted that as a result, STRI would need to seek an exception to continue to pay for the Cryo-Collection Manager’s salary and benefits with CCI funds or would need to identify a different source of funding for that position.

PSCI Program Manager Appointed to the Same Federal Term Position Multiple Times

According to OPM, NZCBI improperly appointed the PSCI Program Manager to multiple four-year terms. In September 2014, NZCBI hired the Program Manager under a term appointment that was not to exceed four years and subsequently rehired the same person three times under additional competed term appointments. Table 7 shows the Program Manager’s various appointments and the funding source for each.

**Table 7. PSCI Program Manager’s Term Appointments**

Length of Time	Date of Personnel Action	Type of Personnel Action	End Date of Term Appointment	Funding Source
First 4-Year Period	9/8/2014	Term Appointment	9/6/2016	Federal CCI Funds
	9/7/2016	Extension of Term	1/7/2017	Federal CCI Funds
	1/8/2017	Extension of Term	4/29/2017	Federal CCI Funds
	4/30/2017	Extension of Term	9/30/2017	Federal CCI Funds
	10/1/2017	Extension of Term	9/7/2018	Federal CCI Funds
7-Month Period	9/9/2018	Term Appointment	4/13/2019 <sup>a</sup>	Trust Funds
Second 4-Year Period	4/15/2019	Term Appointment	4/11/2023	Federal CCI Funds
Third 4-Year Period	4/9/2023	Term Appointment	4/9/2027	Federal CCI Funds

Source: Office of Human Resources and the Smithsonian’s National Zoo & Conservation Biology Institute.

<sup>a</sup> The appointment that began on September 9, 2018, was not to exceed September 7, 2019, but the employee resigned from this appointment on April 13, 2019 and was rehired for a federal term appointment on April 15, 2019.

According to the Code of Federal Regulations (CFR), in 5 CFR § 316.301(a):

“An agency may make a term appointment for a period of more than 1 year but not more than 4 years to positions where the need for an employee’s services is not permanent. Reasons for making a term appointment include, but are not limited to: project work, extraordinary workload, scheduled abolishment, reorganization, contracting out of the function, uncertainty of future funding, or the need to maintain permanent positions for placement of employees who would otherwise be displaced from other parts of the organization. Agencies may extend appointments made for more than 1 year but less than 4 years up to the 4-year limit in increments determined by the agency.”

The role of the OPM in authorizing exceptions to this rule is described in 5 CFR § 316.301(b):

“OPM may authorize exceptions beyond the 4-year limit when the extension is clearly justified and is consistent with applicable statutory provisions. Requests to make and/or extend appointments beyond the 4-year limit must be initiated by the employing office and sent to the appropriate OPM service center.”

OIG requested OPM to opine on whether the PSCI Program Manager’s multiple term appointments complied with these requirements. Accordingly, OPM’s Associate Director for Merit System Accountability and Compliance stated the following:

“The regulation on term appointments found under 5 CFR 316.301(a) does not state definitely that an employee cannot hold more than one term appointment throughout the course of their federal career. However, selecting an employee under consecutive term appointments for the same position within the same organization and office effectually circumvents the Agency’s requirement to request an extension of the term appointment under 5 CFR 316.301(b).

Agencies must be careful that their term recruitments are in keeping with the intent of the hiring authority. Term appointments are intended for time-limited work (i.e., work which is uncertain, project work, etc.). Prior to the expiration date of the full 4-year term appointment the Agency should review the position, along with their workforce plan, to determine if the duties have become permanent in nature and make the appropriate adjustments. If the duties still meet the criteria for term appointment but the need for the position will still exist beyond the 4-year term limit, the agency may request an extension of the appointment through OPM in accordance with 5 CFR 316.301(b).”

However, the Acting Associate Director of the Smithsonian’s Office of Human Resources (OHR) stated, and the OHR Director agreed, that OHR acted appropriately under the circumstances:

“[Title] 5 CFR § 316.301(b) states that ‘OPM may authorize exceptions beyond the 4-year limit when the extension is clearly justified and is consistent with applicable statutory provisions.’ In this case, the unit was not seeking to extend the term appointment. Rather, OHR announced the position and evaluated applications, [and] issued a certificate of eligibles, and the unit selected the employee for a new term appointment.”

The PSCI did not comply with requirements related to temporary and term employees for the following reasons:

- NCP officials did not notify recipient units of the SD-712 requirement to obtain approval from OPMB and their respective Under Secretary before hiring temporary employees whose salaries will be paid with CCI funds.
- NCP did not have a process to review whether such approval was granted before providing funding to units.
- NCP's monitoring process did not include a procedure to verify whether recipient units were paying for salaries and benefits of indefinite or permanent employees, with CCI funds.
- Neither NCP nor OHR deemed it necessary to consult with OPM regarding the appointment of the PSCI Program Manager to the same term position multiple times.

Inappropriately paying for salaries and benefits with CCI funds deprives other collections needs of funding. Furthermore, the Smithsonian's current reliance on temporary funding as the sole means to sustain the PSCI project is risky. Much of the work to manage and maintain the long-term needs of the Smithsonian's frozen biological collections could not have been accomplished without the assistance of the CCI. The current approach may not be sustainable given the fact that CCI allocations have fallen by approximately 35 percent in recent years—from \$5,197,000 in fiscal year 2021 to \$3,400,000 in fiscal year 2025. The PSCI is not guaranteed a specified level of funding on an ongoing basis and risks not being able to pay for new cryo freezers, freezer maintenance, and the salaries of temporary or term program staff in the current financial environment.

## CONCLUSIONS

By examining the Smithsonian's management of CCPF and CCI, this report has highlighted ways to improve controls over the processes to award federal funds and ensure that the funds are spent in accordance with their intended purposes. The Smithsonian needs to establish key policies and procedures to award and monitor CCI projects, ensure that recipient units submit interim and final reports timely to NCP, and follow proper procedures in administering the PSCI project. Failure to fully address these issues could impact the Smithsonian's potential to receive future federal pool funding.

## RECOMMENDATIONS

OIG recommends that the Director of NCP take the following actions:

1. Update and fully implement the *Collections Care Initiative Interim Guidelines* to:
  - (a) require that awards to NCP be approved and monitored at a higher organizational level,
  - (b) require NCP to maintain a current list of all CCI projects and the funds awarded to them to use for oversight purposes, and
  - (c) add specific monitoring procedures for CCI awards.
2. Develop and implement a report tracking system and procedures requiring NCP staff to remind units of approaching due dates and timely follow-up with units that miss their reporting deadlines.
3. Develop and implement policies and procedures requiring NCP staff to review PSCI reports upon receipt to:
  - (a) ensure that they comply with applicable reporting requirements, and
  - (b) document the results of NCP's review of the reports.
4. Add language to award letters reminding recipients that they may not deviate from the terms of the award without prior written approval from NCP.
5. Determine and document the allowability of the questioned \$11,995 for an unauthorized cryogenic freezer purchased by NMNH for the PSCI project, and resolve any costs determined to be disallowed.
6. Implement procedures to ensure that CCI award applicants disclose all of the temporary positions needed to fulfill project purposes and provide NCP with the required written justifications and approvals before NCP approves funding.
7. Require the PSCI program to cease paying STRI's Cryo Collection Manager's salary and benefits with CCI funds.
8. Determine and document the allowability of CCI costs incurred for the STRI Cryo Collection Manager's salary and benefits since this individual became an indefinite employee on April 11, 2022, and resolve any costs determined to be disallowed.

OIG recommends that the Director of OHR take the following action:

9. Consult with the applicable OPM service center to resolve the issue of allowing individuals to serve in consecutive four-year federal term appointments for the same position.

## MANAGEMENT COMMENTS AND OIG EVALUATION

OIG provided the Smithsonian a draft of this report for review and comment on October 10, 2025. Smithsonian management provided written comments that are included in their entirety in Appendix IV. In its comments, management concurred with all nine recommendations and outlined actions planned or taken to address them.

Specifically, management responded that on December 11, 2025, NCP issued the approved *Collections Care Initiative Guidelines*. These guidelines require that:

- The Under Secretary for Museums and Culture and the Under Secretary for Science and Research review NCP's recommendations of projects for CCI funding and provide written approval.
- NCP consult with the Under Secretary for Finance and Administration or the Under Secretary for Education regarding CCI proposals that involve a collecting unit in their organizational structures.
- The NCP Collections Program Specialist:
  - a. review CCI funding balances quarterly and track awards;
  - b. review CCI project reports, identify missing components, and follow up with project leaders to address any report deficiencies; and
  - c. send an annual notice to project leaders one month before due date and to follow up if they miss a deadline.

These finalized guidelines partially address recommendations 1, 2, and 3; however, to close these recommendations, management will need to provide support that these requirements are implemented.

NCP updated the award letter template requiring NCP to provide written approval prior to proposed changes for the use of funds. However, this update applies to reprogramming funds from one budget category to another, which was not at issue in this instance. Therefore, recommendation 4 will remain open until NCP demonstrates that it has added language to award letters reminding recipients that they may not deviate from the *terms of the award* without prior written approval.

In its response, management also analyzed the allowability of the \$11,995 in questioned costs and determined that cost of the extra freezer should not be disallowed. NCP stated that, if NMNH had requested approval, NCP would have approved the purchase because it was a critical and ongoing need and within the purpose and budget of the award. As a result of NCP's analysis, OIG is closing recommendation 5, as of the date of this report.

Further, management stated that it does not anticipate authorizing or funding new term positions (or extending existing term positions). Should any new term positions be requested in the future using CCI funds, CCI guidelines require that the requesting unit submit a written statement of need, project timeframe, breakdown of how funds would be used, and supporting documents as applicable. Therefore, OIG is closing recommendation 6, as of the date of this report.

NCP also analyzed the allowability of the STRI Cryo-Collection Manager's salary and benefits paid with CCI funds. According to NCP, this individual's salary and benefits will continue to be funded with CCI monies as an interim measure through the end of fiscal year 2026, and the costs of the salary and benefits should not be disallowed. Therefore, OIG is closing recommendation 8 as of the date of this report; however, recommendation 7 will remain open until NCP demonstrates that the Cryo-Collection Manager's salary and benefits are no longer being paid with CCI funds.

Further, according to OHR, OPM provided it with guidance on hiring individuals for consecutive federal term appointments. OHR developed a Standard Operating Procedure, which requires Smithsonian units to conduct an assessment no later than six months prior to the expiration of a federal term appointment to determine whether an extension beyond the maximum appointment term is necessary. If a supervisor or manager deems an extension necessary, the unit will provide a justification request to OHR, which will forward the request to OPM for a decision. Based on OIG's review of the standard operating procedure, OIG is closing recommendation 9 as of the date of this report.

In summary, OIG will keep five recommendations open (1, 2, 3, 4, and 7) and close four recommendations (5, 6, 8, and 9).

## Objective, Scope, and Methodology

The objective of this audit was to determine the extent to which the National Collections Program (NCP) had effective controls over the processes to award monies from the CCPF and ensure that these funds were spent in accordance with their intended purposes. The scope of the audit included all projects funded with fiscal year 2021 CCPF appropriations because the final reports for those projects were generally due by July 30, 2022. Therefore, they were the most recently completed projects when the Office of Inspector General (OIG) began this audit in February 2023.

To accomplish the objective, OIG interviewed personnel from NCP and the Office of Planning, Management, and Budget who oversaw the programmatic and financial aspects of the CCPF. In addition, OIG judgmentally selected a non-statistical sample of 5 of 19 competitively awarded CCPF projects and 6 of 42 non-competitively awarded Collections Care Initiative (CCI) projects that received fiscal year 2021 funding for review. As such, the audit results cannot be projected to the universe of CCPF and CCI projects. The audit sample is shown in Table 8.

**Table 8. Audit Sample of CCPF and CCI Projects**

Type of Award	Smithsonian Lead Recipient	Award Amount	Project Description
Competitive (CCPF)	National Air and Space Museum	\$228,500	Conservation survey and preventative conservation of artifacts from the national collection
Competitive (CCPF)	National Museum of the American Indian	\$269,800	Phase III of the NMAI textile rehousing and materials upgrade project
Competitive (CCPF)	National Museum of Natural History	\$291,600	Organization and standardization of three collections
Competitive (CCPF)	National Portrait Gallery	\$141,500	Conservation of portraits and frames obtained from the Corcoran Collection
Competitive (CCPF)	Smithsonian Gardens	\$65,500	Enhancement of storage and housing conditions for SG's orchid collection
Non-Competitive (CCI)	Center for Folklife and Cultural Heritage	\$357,700	Folk-legacy records collection conservation. Phase 1: Pest and microbial remediation for audiovisual, papers, photographs, and electronic media materials, and Phase 2: Contract services for archival processing of the collection to prepare for digitization
Non-Competitive (CCI)	Hirschhorn Museum and Sculpture Garden	\$141,800	Phase I of the revitalization of the Sculpture Garden on the National Mall
Non-Competitive (CCI)	National Collections Program	\$298,683	Smithsonian Facilities and Office of Planning, Design, and Construction contract for support services for pan-Smithsonian collections space coordination
Non-Competitive (CCI)	National Museum of Natural History	\$80,000	Purchase of five replacement ultra-cold freezers for the biorepository
Non-Competitive (CCI)	National Zoo & Conservation Biology Institute	\$613,226	Management of the Smithsonian's cryo collections
Non-Competitive (CCI)	National Zoo & Conservation Biology Institute	\$250,000	Hay and grass for animal food and bedding at NZCBI
<b>TOTAL</b>		<b>\$2,738,309</b>	

Source: OIG analysis of CCPF and CCI award data provided by NCP.

OIG analyzed the 11 sample items by:

- interviewing the project leaders and Administrative Officers or Financial Managers from the units that oversaw the sampled projects;
- visiting 10 sites to determine whether the planned conservation work was completed and verify the existence of purchased equipment;

- reviewing award memos, interim and final reports, reprogramming requests, purchase orders and billings for contractor services, and invoices for equipment purchased for the sample items; and
- reconciling financial data from interim and final project reports with the Smithsonian’s Enterprise Resource Planning Financials system.

In planning and performing this audit, OIG identified three internal control components and eight underlying principles as significant to the audit objectives, as shown in Table 9.

**Table 9. Internal Control Components and Principles Significant to the Audit Objectives**

<b>Control Activities Principles</b>
• Design Control Activities
• Design Activities for the Information System
• Implement Control Activities
<b>Information and Communication Principles</b>
• Use of Quality Information
• Communicate Internally
• Communicate Externally
<b>Monitoring Principles</b>
• Perform Monitoring Activities
• Evaluate Issues and Remediate Deficiencies

Source: OIG analysis of internal control components and principles.

OIG conducted this audit in Washington, DC; Suitland, Maryland; and Upper Marlboro, Maryland; from February 2023 to February 2026 in accordance with generally accepted government auditing standards. Those standards require that OIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. OIG believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on its audit objectives.

**Collections Care and Preservation Fund and  
Collections Care Initiative Awards Made with Fiscal Year 2021 Funds**

Using funds appropriated for fiscal year 2021, the National Collections Program provided 19 competitive Collections Care and Preservation Fund (CCPF) awards and 42 non-competitive Collections Care Initiative (CCI) awards to multiple Smithsonian units, as shown in Tables 10 and 11.

**Table 10. CC PF Awards Made with Fiscal Year 2021 Funds**

Collections Care and Preservation Fund (Competitive) Awards			
Count	Smithsonian Lead Recipient	Project List Amount	Project Description
1	Anacostia Community Museum	\$32,700	Cataloguing and Reformatting of the “Americans All” Radio Program
2	Archives of American Art	\$10,700	Conservation of Ed Mieczkowski’s Journal, 2003-2008
3	Cooper Hewitt, Smithsonian Design Museum	\$41,600	Cooper Hewitt’s Dorothy Liebes Textiles: Materials Analysis, Rehousing, and Conservation
4	Freer Sackler Gallery	\$36,000	Japanese Woodblock Print Housing
5	National Air and Space Museum	\$160,000	Conservation Triage IX, Stabilization for Surveyed Objects Identified as Requiring Immediate Treatment
6	National Air and Space Museum	\$228,500	Conservation Survey and Preventative Conservation of Artifacts from the National Collection <sup>a</sup>
7	National Museum of American History	\$95,100	Eadweard Muybridge Treatment Pilot Project
8	National Museum of American History	\$293,200	Capturing the Moment: Americans at Work, Home, and Abroad
9	National Museum of the American Indian	\$269,800	National Museum of the American Indian Textile Rehousing and Materials Upgrade Phase III <sup>a</sup>
10	National Museum of Natural History	\$138,100	Conservation and Rehousing of At-Risk Collections
11	National Museum of Natural History	\$64,800	Preservation and Standardization of Selected Collections via Digitization
12	National Museum of Natural History	\$300,000	Curation for Accountability
13	National Museum of Natural History	\$291,600	Organization and Standardization <sup>a</sup>
14	National Museum of Natural History	\$299,100	Paleobiology Collections Defragmentation Project: Year 1
15	National Portrait Gallery	\$141,500	Conservation of Corcoran Collection Portraits and Frames <sup>a</sup>

Collections Care and Preservation Fund (Competitive) Awards			
Count	Smithsonian Lead Recipient	Project List Amount	Project Description
16	National Zoo & Conservation Biology Institute	\$286,800	Reptile Discovery Center Terrariums
17	National Zoo & Conservation Biology Institute	\$133,500	Enhancing the Care and Management of NZCBI Art and Scientific Collections
18	Smithsonian American Art Museum	\$111,500	Collections Assessment of Plastic-Containing Artworks at the Smithsonian American Art Museum
19	Smithsonian Gardens	\$65,500	Enhancing Storage and Housing Conditions for Smithsonian Gardens Orchid Collection <sup>a</sup>
<b>TOTAL</b>		<b>\$3,000,000</b>	

Source: National Collections Program.

<sup>a</sup> Selected for the OIG audit sample.

**Table 11. CCI Awards Made with Fiscal Year 2021 Funds**

Collections Care Initiative (Non-competitive) Awards			
Count	Smithsonian Lead Recipient	Project List Amount	Project Description
1	Anacostia Community Museum	\$142,800	Collections care contract services related to a move
2	Architectural History and Historic Preservation	\$47,000	Salary and benefits for a Castle Collection Care term position
3	Arts and Industries Building	\$4,500	Contract registrar services for collections loans and deinstallation
4	Center for Folklife and Cultural Heritage	\$114,285	Salary and benefits for an Audiovisual Archivist term position, and support for the Center for Folklife and Cultural Heritage and Pan-Smithsonian Audiovisual Archivist Institutional Leadership and Audiovisual Media Preservation Initiatives
5	Center for Folklife and Cultural Heritage	\$357,700	Folk-legacy records collection conservation. Phase 1: Pest and microbial remediation for audiovisual, papers, photographs, and electronic media materials. Phase 2: Contract services for archival processing of the collection <sup>a</sup>
6	Cooper Hewitt, Smithsonian Design Museum	\$23,700	Pilot project to digitize catalogue cards for collections information
7	Cooper Hewitt, Smithsonian Design Museum	\$109,900	Salaries and benefits for Collections Manager and Mountmaker term positions
8	Hirschhorn Museum and Sculpture Garden	\$141,800	Sculpture Garden Revitalization Phase 1 on the National Mall <sup>a</sup>

Collections Care Initiative (Non-competitive) Awards			
Count	Smithsonian Lead Recipient	Project List Amount	Project Description
9	Hirschhorn Museum and Sculpture Garden	\$21,200	Contract services to support the consolidation of collections storage at Pod 3 of the Museum Support Center
10	Hirschhorn Museum and Sculpture Garden	\$12,800	Partial support for one-year, part-time contract conservation technician services
11	Museum Conservation Institute	\$62,400	Contract for collections management policy, procedures, and space
12	National Air and Space Museum	\$3,200	Purchase of supplies for collections emergency preparedness kit for the Steven F. Udvar-Hazy Center
13	National Air and Space Museum	\$3,500	Purchase of archival film editing and viewing equipment for the National Air and Space Museum archives on behalf of the Audiovisual Archivist Institutional Leadership Working Group
14	National Air and Space Museum	\$636,300	Rehousing collections for the Suitland-Garber to Udvar-Hazy Center storage move and salaries and benefits for term positions and supplies
15	National Collections Program	\$271,800	Smithsonian Facilities and Office of Planning, Design, and Construction contract for support services for pan-Smithsonian collections space coordination (OIG determined the total amount awarded was \$298,683 based on award memos.)
16	National Collections Program	\$9,800	Accessibility services (signing, live captioning) supporting pan-Smithsonian collections management professional development initiatives
17	National Collections Program	\$46,200	Two collection care internships supporting Preparedness and Response in Collections Emergencies and collections professional development
18	National Collections Program	\$10,000	For outside counsel for the Office of General Counsel to provide export control advice supporting multiple collecting units
19	National Collections Program	\$8,000	Collection staff professional development for the pan-Smithsonian Loans Forum
20	National Museum of African American History and Culture	\$217,863	Salaries and benefits for Pennsy term positions to preserve and organize collections in a storage project
21	National Museum of African Art	\$72,800	Collections Storage Masterplan Phase 4, Part 1
22	National Museum of American History	\$3,800	Services to install an environmental sensor/logger
23	National Museum of American History	\$271,375	Salaries and benefits for accountability team term positions to address inventory, collections information, and deaccessioning, and numismatics collections documentation
24	National Museum of American History	\$299,800	Prototyping A “One Smithsonian” Approach to Collections Care: European Porcelain at the National

Collections Care Initiative (Non-competitive) Awards			
Count	Smithsonian Lead Recipient	Project List Amount	Project Description
			Museum of American History and Cooper Hewitt Smithsonian Design Museum
25	National Museum of American History	\$157,100	Collection management contract services for digital collections assets and deaccessioning
26	National Museum of American History	\$41,200	Contract services for the Weatherbreak Geodesic Dome conservation project
27	National Museum of the American Indian	\$88,200	Crystalline Efflorescence Project: Mitigating damage to collections caused by volatile compounds in display cases
28	National Museum of Natural History	\$80,000	Purchase of five replacement ultra-cold freezers for the biorepository <sup>a</sup>
29	National Museum of Natural History	\$115,000	Paleobiology collections storage cabinets and installation services
30	National Museum of Natural History	\$224,700	Glass Deterioration Working Group.
31	National Museum of Natural History	\$558,000	Inventory and rehousing of human remains collections, archaeobiology processing of Santa Cruz Island specimens, 3D scanning of dry invertebrate primary types, digitization of octocoral skeletal images for preservation, and purchase of replacement storage collections for mammals collections
32	National Museum of Natural History	\$25,000	Digital tools to support collections records ingestion in the Digital Asset Management System for preservation, and contract services to review donor agreements for Human Studies Film Archives
33	National Museum of Natural History	\$92,400	Collections care support for mass digitization
34	National Museum of Natural History	\$43,700	Contract collections management services and supplies for five small priority projects across multiple departments
35	National Zoo & Conservation Biology Institute	\$613,226	Pan-Smithsonian Cryo Collections Initiative <sup>a</sup>
36	National Zoo & Conservation Biology Institute	\$250,000	Hay and grass for animal food and bedding <sup>a</sup>
37	National Zoo & Conservation Biology Institute	\$15,200	Coordination of species survival plans
38	National Zoo & Conservation Biology Institute	\$57,000	Purchase and installation of an artificial kelp forest in the sea lion facility for animal welfare
39	Smithsonian American Art Museum	\$295,459	Time-based media art
40	Smithsonian American Art Museum	\$68,000	Amish quilt collection survey and storage

Collections Care Initiative (Non-competitive) Awards			
Count	Smithsonian Lead Recipient	Project List Amount	Project Description
41	Smithsonian Gardens	\$88,000	Inventory and condition assessment of living display collection, Phase 1
42	Smithsonian Libraries and Archives	\$11,900	Storage equipment upgrades for the National Museum of American History's library mezzanine collections for fire safety, and rare books services for the move to the Udvar-Hazy Center
<b>TOTAL</b>		<b>\$5,716,608</b>	

Source: National Collections Program.

<sup>a</sup> Selected for the OIG audit sample.

**Detail on the Timeliness of Interim and Final Reports for Projects in the Audit Sample**

The Office of Inspector General tested all 22 interim and final reports required for the 10 Collections Care and Preservation Fund (CCPF) and Collections Care Initiative (CCI) projects in the audit sample as of March 27, 2025. These units (1) did not submit 7 reports, (2) submitted 13 reports past their due dates, and (3) submitted only 2 reports on time. Table 12 details the due dates, submission dates, and number of days each report was late.

**Table 12. Detail on the Timeliness of Interim and Final Reports for Projects in the Audit Sample as of March 27, 2025**

Lead Unit	Project Description	Funding Source	Award Amount	Interim Report			Final Report		
				Due Date	Submission Date	Days Late	Due Date	Submission Date	Days Late
NMNH	Five Ultra-Cold Freezers	CCI	\$80,000	9/1/2022	None Received	None Received	6/30/2023	None Received	None Received
HMSG	Conserve Outdoor Sculptures	CCI	\$141,800	5/31/2022	None Received	None Received	5/31/2023	2/2/2024	247
				11/1/2022	None Received	None Received			
NMAI	Textile Rehousing and Materials Upgrade	CCPF	\$269,800	11/5/2021	None Received	None Received	4/3/2023	4/7/2023	4
CFCH	Conserve Audit Recordings and Photos, Phase I	CCI	\$291,600	11/5/2021	10/25/2023	719	8/9/2024	8/12/2024	3
	Conserve Audit Recordings and Photos, Phase II	CCI	\$66,100	5/31/2022	10/25/2023	512	8/9/2024	8/12/2024	3
NASM	Conservation Survey and Preventative Conservation	CCPF	\$228,500	11/5/2021	12/23/2021	48	6/30/2022	12/29/2023	547
SG	Storage and Housing for Orchids	CCPF	\$65,500	11/5/2021	11/30/2021	25	6/30/2022	10/13/2022	105

Lead Unit	Project Description	Funding Source	Award Amount	Interim Report			Final Report		
				Due Date	Submission Date	Days Late	Due Date	Submission Date	Days Late
NMNH	Organization and Standardization of Collections	CCPF	\$291,600	11/30/2021	11/10/2021	0	6/30/2022	None Received	None Received <sup>a</sup>
NPG	Conserve Portraits and Frames	CCPF	\$141,500	11/5/2021	11/5/2021	0	9/5/2022	7/20/2023	318
NZCBI	Pan-Smithsonian Cryo Initiative <sup>b</sup>	CCI	\$613,226 <sup>c</sup>	None Required	N/A	N/A	10/30/2021	11/17/2021	18
							10/30/2022	12/14/2022	45
NZCBI	Hay and Grass for Animals	CCI	\$250,000	None Required	N/A	N/A	7/29/2022	None Received	None Received
NCP	Collections Space Coordination	CCI	\$298,683	None Required	N/A	N/A	None Required	N/A	N/A

Source: Award letters and interim and final reports provided by the National Collections Program.

<sup>a</sup> This project encompassed three distinct tasks. NMNH submitted a final report on December 15, 2023 for Tasks 2 and 3, for which NMNH received CCPF funds totaling \$97,200, but as of March 27, 2025, it had not yet submitted a final report for Task 1, for which NMNH received \$194,900 in CCPF funding.

<sup>b</sup> The Pan-Smithsonian Cryo Initiative is a multi-year, ongoing project that requires annual reports rather than interim or final reports. Information regarding this project’s annual reports is therefore reflected here. OIG analyzed two annual reports because some FY 2021 CCI funds were required to be reported in the 2021 annual report and other FY 2021 CCI funds were required to be reported in the 2022 annual report.

<sup>c</sup> This amount includes salaries and benefits, which NCP did not require NZCBI to report in its annual reports for this project.

**Key:**

- Red Cells:** Required report not submitted
- Yellow Cells:** Required report submitted late
- Green Cells:** Required report submitted on time

**Legend:**

- NMNH - National Museum of Natural History
- HMSG - Hirshhorn Museum and Sculpture Garden
- NMAI - National Museum of the American Indian
- CFCH - Center for Folklife and Cultural Heritage
- NASM - National Air and Space Museum
- SG - Smithsonian Gardens
- NPG - National Portrait Gallery
- NZCBI – National Zoo & Conservation Biology Institute
- NCP – National Collections Program

Management Comments



Smithsonian Institution  
*National Collections Program*

Memo

Date December 19, 2025

To John Mockeridge, Supervisory Auditor, OIG

Cc Meroe Park, Deputy Secretary and Chief Operating Officer  
Ron Cortez, Under Secretary for Finance and Administration | Chief Financial Officer  
Andrew Mosley, Director of Federal Resources, OPMB  
Amelda Fuller, Acting Director, OHR  
Craig Blackwell, Chief of Staff, Office of the Deputy Secretary  
Greg Bettwy, Chief of Staff, Office of the Secretary  
Jennifer McIntyre, Chief Legal Officer, OGC  
Porter Wilkinson, Chief of Staff, Office of the Regents  
Nicole Angarella, Inspector General, OIG

From Kevin Gover, Under Secretary for Museums and Culture  
Ellen Stofan, Under Secretary for Science and Research  
William G. Tompkins, Director, National Collections Program

Subject Management Response: Audit of the National Collections Program's Oversight of the Collections Care and Preservation Fund A-23-06

This response is submitted on behalf of Smithsonian management, including the Deputy Secretary, the Under Secretary for Museums and Culture, the Under Secretary for Science and Research, the Under Secretary for Finance and Administration, the OPMB Director of Federal Resources, the Office of Human Resources Director, and the National Collections Program Director.

We extend our thanks to the Office of the Inspector General (OIG) staff for their audit of the Collections Care and Preservation Fund, administered by the National Collections, and their recommendations of ways to improve controls over the processes and procedures to award, administer, and monitor funds from the Collections Care and Preservation Fund (CCPF) and the Collections Care Initiative (CCI). We concur with the recommendations outlined in the audit recommendations and have taken steps to implement the recommended changes.

**Background**

Based on the findings of both the Smithsonian's collections study Concern at the Core (2005) and the Heritage Health Index (2004), a nation-wide survey the Smithsonian participated in, conducted by Heritage Preservation to document the condition and preservation needs of the nation's cultural heritage, senior Smithsonian management began to develop new strategies for improving collections care with a more pan-Institutional strategic and integrated approach. In 2005, Smithsonian leadership established the first-ever Smithsonian Collections Advisory Committee (SCAC), chaired by the NCP Director, to assist in establishing a framework for setting institutional priorities for collections management and strengthening collections stewardship in a pragmatic and strategic manner.

As part of this pan-Smithsonian approach, Smithsonian requested and secured a \$1 million increase in our FY 2006 federal appropriation to establish the CC PF, an Institution-wide funding

SMITHSONIAN INSTITUTION  
600 Maryland Avenue SW, Suite 3001 West  
PO Box 37012, MRC 519  
Washington, DC 20013-7012  
202.633.5363 Telephone

program to strategically address critical institution-wide needs in collections care and preservation. The CCPF provides vital funding to make targeted improvements in the accountability, documentation, preservation, storage, and accessibility of Smithsonian collections.

The CCPF, administered by the NCP and SCAC with funding recommendations approved by the Under Secretary for Museums and Culture and the Under Secretary for Science and Research, is available on a competitive annual basis to SD 600 collecting units for single unit, multiple unit, or pan-Institutional projects in accordance with the CCPF Guidelines.

Working with the SCAC, NCP reviews and revises the CCPF Guidelines each year to remain aligned with the Smithsonian's strategic initiatives, budgetary restrictions, and collections care priorities. Other central funding programs and associated parent offices have used the CCPF Guidelines and review process as a model.

Following subsequent increases in this funding program, senior management and the NCP Director decided to divide the funding into two related, but separate funding streams – the once-annual CCPF, and the rolling basis, strategically-targeted CCI. The CCI ensures that resources are directed to critically important projects which are beyond the financial scope and time constraints of the CCPF, and unforeseen and time sensitive projects which warrant swift response to respond to circumstances that place collections at immediate risk of loss or damage.

With these central collections care funding programs, we have raised the level of collections stewardship of millions of collection items across the Smithsonian by prioritizing and systematically addressing our collections care needs in an efficient, practical, and cost-effective manner – maximizing the impact of these critical collections care resources for activities that can be challenging for private fundraising. Through this flexible two-pronged approach, we have been very successful in making targeted improvements in collections care and accessibility based on sound collections assessment data, innovative collections management methodologies, and economies of scale.

#### OIG Recommendations

##### **Recommendation 1**

*Update and fully implement the "Collections Care Initiative Interim Guidelines" to:*

- a) *require that awards to NCP be approved and monitored at a higher organizational level,*

Based on the Interim Collections Care Initiative (CCI) Guidelines (03/25) approved and implemented in advance of FY 2025, the Under Secretary for Museums and Culture and the Under Secretary of Science and Research approve all CCI awards to NCP and other units and will receive an annual report by NCP on the status and impact of CCI-funded awards in the beginning of the following fiscal year.

The December 11th, 2025 Collections Care Initiative Guidelines – approved by the Deputy Secretary and Chief Operating Officer, the Under Secretary for Museums and Culture, and the Under Secretary for Science and Research – continues to provide this oversight.

- b) *require NCP to maintain a current list of all CCI projects and the funds awarded to them to use for oversight purposes, and*

The recently revised CCI Guidelines state the NCP Collections Program Specialist is

responsible for “reviewing CCI funding balances quarterly; tracking awards; [and] upon receipt, tracking dates interim, final, or annual reports are received.”

Beginning with funds awarded during FY 2025 - from October 2024 to date - a separate list by fiscal year of all awards made following the CCI Guidelines has been maintained by NCP, illustrating the amounts transferred to units in individual budget transfers or returns, as well as the amounts approved for each project or position by the appropriate Under Secretaries.

*c) add specific monitoring procedures for CCI awards.*

The recently revised CCI Guidelines state the NCP Collections Program Specialist is responsible for “reviewing CCI funding balances quarterly; tracking awards; upon receipt, tracking dates interim, final, or annual reports are received; ... and documenting any required components missing from reports or if all requirements are met, including follow-up with project leaders to address deficiencies.”

**Recommendation 2**

*Develop and implement a reporting system and procedures requiring NCP staff to remind units of approaching due dates and timely follow-up with units that miss their reporting deadlines.*

The recently revised CCI Guidelines state the NCP Collections Program Specialist is responsible for “sending an annual notice to project leaders regarding approaching report due dates” and for “timely follow-up with project leaders if a due date is missed.”

Per the CCI Guidelines and past practices, each award memo states the dates and requirements for reporting and is sent by NCP to the project leader, recipient unit director, and unit financial officer(s). Beginning after October 1, 2025 for awards made during FY 2026 and going forward, NCP began requiring one consistent final (or annual) reporting date that is common for all new CCI awards.

In addition to providing reporting due dates and information about requesting reprogramming, returning funds, and reporting significant project events, CCI award memos (sample language below) contain other reporting requirements, which are adjusted as needed to fit the scale and timeframe of specific projects and initiatives:

*To fulfill the requirements of this award, the Project Leader, with the assistance of the Unit Finance Director / Administrative Officer, is required to submit an interim report, a final or annual report and, if necessary, other, status reports describing project progress and accomplishments. These reports should indicate the Project Leader, project name, fiscal year(s) of CCI or CCPF funding received, project timeframe and any overall scope or timeframe changes, and status of funds obligation and expenditure.*

**Recommendation 3**

*Develop and implement policies and procedures requiring NCP staff to review PSCI reports upon receipt to:*

*a) ensure that they comply with applicable reporting requirements, and*

The recently revised CCI Guidelines outline the policies and procedures relevant for PSCI reporting on CCI funding and activities:

As noted above, the guidelines provide that the NCP Collections Program Specialist is responsible for “reviewing CCI funding balances quarterly; tracking awards; upon receipt, tracking dates interim, final, or annual reports are received; within one month in advance of the due date sending an annual notice to project leaders regarding approaching report due dates; [and] timely follow-up with project leaders if a due date is missed.”

*b) document the results of NCP’s review of the reports.*

Under the recently revised CCI Guidelines, the NCP Collections Program Specialist is responsible for “documenting any required components missing from reports or if all requirements are met, including follow-up with project leaders to address deficiencies.”

This is accomplished in a tracking sheet indicating for each project: the approved overall funding amount for the fiscal year; the dollar amount and timing of each funding award or return; the date report(s) were received; and any missing reporting requirements or whether all reporting requirements were met.

#### **Recommendation 4**

*Add language to award letters reminding recipients that they may not deviate from the terms of the award without prior written approval from NCP.*

Each award memo includes the following updated language, beginning with awards after October 1, 2025:

- **Significant Events.** Notify the NCP Collections Program Specialist of any events occurring between scheduled reporting dates that have a significant impact on the project, including but not limited to term position vacancies.
- **Reprogramming.** Requests for use of funds for purposes other than those outlined in the approved proposal and budget must be documented in writing and emailed to NCP for review and written approval prior to the proposed change in use of funds.
- **Funds Return.** Notify NCP and the Office of Planning, Management, and Budget (OPMB) as soon as possible if you are unable to obligate or expend the entire award.

#### **Recommendation 5**

*Determine and document the allowability of the questioned \$11,995 for an unauthorized cryogenic freezer purchased by NMNH for the PSCI project, and resolve any costs determined to be disallowed.*

In May 2022, the National Museum of Natural History (NMNH) was awarded \$80,000 of CCI funds to purchase five (5) replacement ultra cold freezers for the Cryo-Biorepository at the Smithsonian’s Museum Support Center. The purchase of cryogenic freezers was allowable and within the approved budget. As a result of cost savings regarding the price of individual freezers, NMNH was able to purchase an additional freezer for the authorized purpose. However, the Museum did not follow procedures (as stipulated in the award letter) to seek and obtain approval from NCP for the purchase of the sixth freezer. If NMNH had requested approval, NCP would have approved the purchase because it was a critical and ongoing need and within the purpose and budget of the award. Therefore, we have determined that the cost of the sixth freezer should not be disallowed.

**Recommendation 6**

*Implement procedures to ensure that CCI award applicants disclose all of the temporary positions needed to fulfill project purposes and provide NCP with the required written justifications and approvals before NCP approves funding.*

NCP does not anticipate authorizing or funding new term positions (or extending existing term positions) using CCI funds. Should any new term positions be requested in the future using CCI funds, per the recently revised CCI Guidelines, NCP would require the requesting units submit a written “statement of need, project timeframe, breakdown of how funds would be used, and supporting documents as applicable.”

The recently revised CCI Guidelines also state that:

NCP requires the requesting units to follow the Office of Human Resources Standard Operating Procedure (SOP) [SOP for Federal Term Appointments](#).

NCP and award recipients must also adhere to the [Federally Funded Pools guidance](#), including the hiring of term positions. Specifically, for any new positions to be authorized, the appropriate Under Secretary and OPMB must approve a written request for the position containing a detailed justification of the need.

**Recommendation 7**

*Require the PSCI program to cease paying STRI’s Cryo Collection Manager’s salary and benefits with CCI funds.*

NCP will no longer fund the Pan-Smithsonian Cryo-Initiative position at STRI with CCI funds after the end of FY 2026. Funding this position through FY 2026 will limit the detrimental effects to ongoing operations of this critically important pan-Institutional program while the Institution seeks alternate funding sources.

**Recommendation 8**

*Determine and document the allowability of CCI costs incurred for the STRI Cryo Collection Manager’s salary and benefits since this individual became an indefinite employee on April 11, 2022, and resolve any costs determined to be disallowed:*

While [Smithsonian Federally Funded Pools](#) guidance states that no staff should be permanently supported by federal pool funds, consistent with Panamanian law, the STRI Cryo Collection Manager position was classified as indefinite in this instance, thus, CCI pool funding was allowed to continue as an interim measure, and we have determined it should not be disallowed.

**OIG recommends that the Director of OHR take the following action:**

**Recommendation 9**

*Consult with the applicable OPM service center to resolve the issue of allowing individuals to serve in consecutive four-year appointments for the same position.*

OPM had already provided guidance to OHR pertaining to the general topic of policy interpretation for individuals serving in consecutive appointments prior to receiving the formal

recommendation from OIG. Since receiving the initial interpretive guidance provided by OPM, no further engagement or consultation with OPM on this matter has been necessary.

To ensure this type of issue does not recur, the Office of Human Resources (OHR) has taken corrective action by developing a [Standard Operating Procedure \(SOP\) for Federal Term Appointments](#). This SOP:

- Was formally published on the OHR intranet page.
- Distributed to HR Specialists, Human Resources Liaisons, and supervisors across the Smithsonian Institution (SI) in January 2025.
- Provides clear direction on:
  - The appropriate use of term appointments.
  - The guidelines and criteria for requesting such positions.
  - The step-by-step process required to initiate and manage a term appointment and an extension thereof.

Establishment of this SOP ensures that all stakeholders have consistent, accessible guidance and that future requests for term positions are handled in compliance with federal requirements.

NCP is implementing this SOP for all CCI-funded positions.

# OFFICE OF THE INSPECTOR GENERAL



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