Office of the Inspector General
Semiannual Report to Congress
April 1, 2025 – September 30, 2025

PREFACE

Specific requirements for semiannual report contents are enacted in Title 5, Chapter 4 of the United States Code, also known as the Inspector General Act of 1978, as amended, (IG Act). We have listed the requirements in the following table and cross-referenced them to the applicable sections in this report. The table contains the following acronyms:

- NEA National Endowment for the Arts
- IG Inspector General
- OIG Office of Inspector General
- FFMIA Federal Financial Management Improvement Act of 1996
- N/A Not applicable, none in this reporting period and/or none carried over

IG Act Reference	Reporting Requirement	Report Section
§404(a)(2)	Recommendations on relevant existing or proposed legislation and regulations.	Other Activities
§405(b)(1)	Significant agency problems, abuses, and deficiencies.	N/A
§405(b)(2)	Recommendations addressing significant problems, abuses, and deficiencies.	N/A
§405(b)(3)	Open significant recommendations from prior reporting periods.	N/A
§405(b)(4)	Summary of prosecutive referrals and results.	Investigative Activities
§405(b)(5)	Summary of reports alleging unreasonable refusal of OIG requests.	N/A
§405(b)(6)	Listing of issued audit reports	Audits & Related Activities
§405(b)(6)	Listing of issued evaluation and inspection reports	N/A
§405(b)(7)	Summary of each particularly significant report	Audits & Related Activities
§405(b)(8)	Statistical table: audit reports with questioned costs	Appendix C
	Statistical table: evaluation or inspection reports with questioned costs	N/A
§405(b)(9)	Statistical table: audit, evaluation, or inspection reports recommending funds be put to better use	N/A
§405(b)(10)	Summary of each unresolved audit report from a prior reporting period.	Audits & Related Activities
§405(b)(10)	Summary of each unresolved evaluation or inspection report from a prior reporting period.	N/A
§405(b)(11)	Significant revised management decisions	N/A
§405(b)(12)	Significant management decisions the NEA IG disagreed with	N/A
§405(b)(13)	Instances of NEA noncompliance with FFMIA remediation requirements	N/A
§405(b)(14)	Results of a peer review of the NEA OIG	N/A
§405(b)(14)	Date of most recent peer review of the NEA OIG	Appendix B
§405(b)(15)	List of unresolved peer review recommendations to the NEA OIG	Appendix B
§405(b)(16)	List of peer reviews conducted by the NEA OIG	N/A
	List of unresolved recommendations to other OIGs	N/A
§405(b)(17)	Statistical tables: investigative report results	Appendix C
§405(b)(18)	Description of investigative results tables' metrics	Appendix C
§405(b)(19)	Report on investigations of senior government employees	N/A
§405(b)(20)	Description of whistleblower retaliations	N/A
§405(b)(21)	Description of NEA threats to OIG independence	N/A
§405(b)(22)	Descriptions of closed NEA OIG audits, evaluations, inspections not disclosed to the public	N/A
§405(b)(22)	Descriptions of closed NEA OIG investigations of senior government employees not disclosed to the public	N/A

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NATIONAL ENDOWMENT FOR THE ARTS

Established by Congress in 1965, the National Endowment for the Arts (Arts Endowment) is an independent Federal Agency that funds, promotes, and strengthens the creative capacity of our communities by providing all Americans with diverse opportunities for arts participation. As part of its mission, the Arts Endowment supports arts learning, affirms and celebrates America's rich and diverse cultural heritage, and extends its work to promote equal access to the arts in every community across America. The Arts Endowment partners with state arts agencies, regional arts organizations, local leaders, other Federal agencies, and the philanthropic sector to help deliver its mission.

Current grantmaking priorities focus on celebrating contributions to American history as part of America's upcoming 250th birthday, supporting the health and well-being of people and communities through the arts, and improving the arts sector's overall capacity and capabilities.

While the Arts Endowment's primary activity includes grantmaking, it also is a national leader in the field and a convener on issues important to the arts community and people working at the intersections of arts and other fields such as health, community development, and education, among others. Successful Arts Endowment initiatives include programs for high schoolers (Poetry Out Loud and Musical Theater Songwriting Challenge) and active and former military and their families (Creative Forces and Blue Star Museums). The Arts Endowment also works to recognize and honor artists through the Jazz Masters Fellowships, National Heritage Fellowships, and National Medal of Arts.

Finally, the Arts Endowment is an important resource for research on the value and the importance of the arts, and shares that information with stakeholders and the public.

OFFICE OF THE INSPECTOR GENERAL

The Inspector General Act of 1978, as amended (IG Act), established Offices of Inspectors General (OIGs) across the Federal government, including the Arts Endowment. The Arts Endowment OIG's mission is to help ensure the efficiency, effectiveness, economy, and integrity of Arts Endowment's programs and operations. In pursuit of its mission, the Arts Endowment OIG conducts or oversees audits of Arts Endowment and award recipient programs and operations, reviews and responds to existing or proposed legislation and regulations affecting the Arts Endowment, and maintains open communication with NEA Heads and Congress. To accomplish our objectives for these audits, the Arts Endowment OIG consists of the Inspector General (IG), the Assistant Inspector General for Audit, an Audit Manager, two Auditors, and funding to procure audit support as needed. During the reporting period, the Arts Endowment OIG also received investigative and legal support services when needed through Memorandums of Understanding (MOUs) with the Department of Education OIG.

The IG Act requires semiannual reporting of OIG activities during six-month periods ending March 31 and September 30 each year, and the agency head's responses to those activities. The agency head must then submit both the OIG and agency reports to the Arts Endowment's appropriating and authorizing Congressional committees by May 30 and November 30, respectively. According to definitions in the IG Act, the head of the Arts Endowment is the

National Council on the Arts, which is led by the Arts Endowment Chair. Therefore, we submit each semiannual report to the Arts Endowment Chair and National Council on the Arts members by April 30 and October 31 of each year.

This report satisfies the semiannual reporting requirements for the period of April 1 through September 30, 2025.

AUDITS AND RELATED ACTIVITIES

We conduct performance and financial audits in service of our mission.

Performance audits assess the efficiency, effectiveness, and economy of agency programs, activities, and functions; provide information to responsible parties to improve public accountability; facilitate oversight and decision making; and initiate corrective actions as needed. These audits also consider compliance with applicable laws and regulations, and soundness of the internal organizational and operational controls.

Financial audits provide an independent assessment of whether the agency's reported financial condition, results, and use of resources are presented fairly and in accordance with generally accepted accounting principles.

Completed Reports

We completed four performance audits and issued four reports during the reporting period. These audits resulted in over $13.5 million in questioned costs, including more than $850,000 in unsupported costs.

Table 1: Summary of audit reports issued during the reporting period

Report No.	Report Date	Auditee	Questioned Costs	Unsupported Costs
OIG-25-02	August 18, 2025	Michigan Arts & Culture Council	$12,487,474	$ 16,175
OIG-25-03	September 23, 2025	Maryland State Arts Council	1,040,826	840,976
A-25-02	May 22, 2025	Arts Endowment	0	0
A-25-03	July 31, 2025	Arts Endowment	0	0
TOTAL			**$13,528,300**	**$857,151**

See a summary of each audit below.

OIG-25-02: Performance Audit of the Michigan Arts and Culture Council (MACC)

We conducted a performance audit of MACC for the period of October 1, 2020 through September 30, 2023, covering three Arts Endowment grants totaling almost $3.9 million in Arts Endowment funds and more than $30.6 million in reported costs. We determined MACC met program requirements for each award and generally complied with award requirements. However, we identified opportunities for improvement in MACC's subawarding and award management procedures and controls, and issues with select subrecipient costs. These findings resulted in over $12 million in questioned and unallowable costs, but did not require a refund to the NEA because MACC still exceeded the cost share requirement after removing these costs. We provided 12 recommendations to address the report findings – five to MACC and seven to the Arts Endowment. MACC has submitted a corrective action plan to address the recommendations.

OIG-25-03: Performance Audit of the Maryland State Arts Council (MSAC)

We conducted a performance audit of MSAC for the period of August 1, 2021 through July 31, 2024, covering four Arts Endowment grants totaling more than $4.5 million in Arts Endowment funds and more than $24.6 million in reported costs. We determined MSAC generally met activity and award requirements for each award. However, we identified opportunities for improvement in MSAC's internal controls and subawarding and award management processes, and issues with select subrecipient costs. These findings resulted in over $1 million in questioned and unallowable costs, and a $50,000 potential refund due to the NEA related to American Rescue Plan funds. We provided 18 recommendations to address the report findings – 12 to MSAC and six to the Arts Endowment. MSAC has submitted a corrective action plan to address the recommendations.

A-25-02: Performance Audit of the National Endowment for the Arts' Compliance with Payment Integrity Information Act of 2019 (PIIA) Requirements for Fiscal Year (FY) 2024

As required by PIIA, we completed a performance audit of the Arts Endowment's compliance with PIIA for FY 2024. Based on our review, we determined the Arts Endowment complied with all applicable requirements. We did not issue any findings or recommendations.

A-25-03: Independent Audit of the National Endowment for the Arts Compliance with the Federal Information Security Modernization Act of 2014 (FISMA), Fiscal Year 2025

As required by FISMA, we completed the annual audit of the Arts Endowment's information security program and practices for its major systems and submitted the audit results to the Arts Endowment, Office of Management and Budget, and Department of Homeland Security. We contracted with Brown & Company Certified Public Accountants and Management Consultants, PLLC, to perform the FISMA audit, which disclosed that the NEA had achieved an effective information security rating but still had open recommendations from past FISMA audits. The audit report, issued on July 31, 2025, did not include any new recommendations to improve information security. The NEA has prepared an action plan to implement the remaining prior recommendations.

Audit Resolution and Corrective Actions

At the start of the reporting period there were nine open audit recommendations. We were able to close seven during the reporting period. See a breakdown in the table below.

Table 2: Status of Open Recommendations from Prior Reporting Periods

Audit Report Number & Name	Recommendation Status		
	Start of the Period	Closed During the Period	Open
A-20-01: Performance Audit Report on the Arts Endowment's Compliance with FISMA Requirements for FY 2019	1	1	0
A-23-02: Performance Audit Report on the Arts Endowment's Compliance with FISMA Requirements for FY 2023	2	1	1
A-24-03: Performance Audit Report on the Arts Endowment's Compliance with FISMA Requirements for FY 2024	5	4	1
OIG-25-01: Performance Audit of the Georgia Council for the Arts	1	1	0
Totals	**9**	**7**	**2**

We issued 30 new audit recommendations during the reporting period. Corrective actions are in process by the auditees and agency to address the 32 open audit recommendations, see the breakdown below.

Table 3: Status of New Recommendations Issued this Reporting Period

Audit Report	Recommendation Status		
	Report Total	Closed During the Period	Open
OIG-25-02: Performance Audit – MACC	12	0	12
OIG-25-03: Performance Audit – MSAC	18	0	18
A-25-02: Performance Audit – PIIA	0	0	0
A-25-03: Performance Audit – FISMA	0	0	0
Totals	**30**	**0**	**30**

A-23-02: Performance Audit Report on the Arts Endowment's Compliance with FISMA Requirements for FY 2023

- Issuance Date: September 27, 2023
- Open Recommendations: 1
- Status of Management's Response: In progress; limitations due to priorities and resources caused this to fall outside the expected remediation timeframe. Current implementation is planned for FY2026, with a final management decision issued upon completion
- Potential cost savings: None, this recommendation relates to control monitoring.

A-24-03: Performance Audit Report on the Arts Endowment's Compliance with FISMA Requirements for FY 2024

- Issuance Date: July 31, 2024
- Open Recommendations: 1

- Status of Management's Response: In progress; limitations due to priorities and resources caused this to fall outside the expected remediation timeframe. Current implementation is planned for FY2026, with a final management decision issued upon completion.
- Potential cost savings: None, this recommendation relates to an internal risk assessment.

OIG-25-02: Performance Audit of the Michigan Arts and Culture Council

- Issuance Date: August 18, 2025
- Open Recommendations: 12
- Status of Management's Response: In progress; corrective action plan was submitted and is under review. Current implementation is planned for FY2026, with a final management decision issued upon completion.
- Potential cost savings: None, the auditee generally complied with Federal award requirements and exceeded the cost share minimum for all awards under review.

OIG-25-03: Performance Audit of the Maryland State Arts Council

- Issuance Date: September 23, 2025
- Open Recommendations: 18
- Status of Management's Response: In progress; corrective action plan was submitted and is under review. Current implementation is planned for FY2026, with a final management decision issued upon completion.
- Potential cost savings: $50,000 potential refund from unallowable subaward costs paid with American Rescue Plan funds.

Audits and Other Activities Planned or In-Process

In January 2025, we completed a risk-based analysis of Arts Endowment awardees, and solicited input from Arts Endowment employees to develop an audit plan for calendar year 2025. The resulting plan included five mandated audits and seven risk-based audits, representing over $26.4 million in Arts Endowment grant awards from calendar years 2022 through 2024. As of September 30, 2025, there were five risk-based audits remaining, while all mandatory audits were either completed or in process.

INVESTIGATIVE ACTIVITIES

The IG Act authorizes the NEA OIG to receive and investigate allegations of employee misconduct, fraud, waste, and abuse occurring within the Arts Endowment's programs and operations. Investigative activities tend to be reactive and initiated based on reports of possible fraud, ethics violations, and other issues of integrity, including possible wrongdoing referred by Arts Endowment employees, other government agency employees, and the public. Because we do not directly employ investigative staff, during FY 2024, we relied on the Department of Education OIG to provide investigative support to us when needed via an MOU. The OIG refers matters to the U.S. Department of Justice (DOJ) whenever there are reasonable grounds to believe there has been a violation of Federal criminal law.

Criminal, Civil and Administrative Actions

Reported incidents of possible fraud, ethics violations, and other integrity issues can give rise to criminal, civil or administrative investigations. The IG Act requires the Arts Endowment OIG to refer matters to DOJ whenever there are reasonable grounds to believe there has been a violation of Federal criminal law. There were two open investigations at the start of the reporting period.

We completed one investigation during the semiannual period, resulting in a criminal referral to DOJ. However, DOJ declined the referral due to the small financial amount. The investigation also resulted in two recommendations to the Arts Endowment to improve internal controls. The agency agreed with the recommendations and promptly implemented corrective action, allowing us to close both recommendations within the reporting period.

Hotline Activity

During this reporting period, the NEA OIG received and evaluated five hotline complaints. The evaluations enabled us to close all five complaints. There is one hotline complaint from the prior semiannual report that remains open and under investigation.

OTHER ACTIVITIES

Freedom of Information Act Actions

We received one Freedom of Information Act requests during the reporting period. It pertained to grant information; therefore, we referred it to the agency. There are no outstanding FOIA requests carried over from the prior reporting period.

Review of Legislation and Regulations

The IG Act requires the OIG to review and provide recommendations on current or proposed legislation or regulations relating to the Arts Endowment, or which would affect our operations. There have been many new legislative actions, and revisions to current regulations, during this and the previous reporting period. We are reviewing all changes and new statements for impact, but have not submitted any recommendations to date.

Website

We maintain an ongoing internet presence at https://www.arts.gov/about/inspector-general to inform NEA employees, awardees, and the public of our mission; and to post the results of our work, as required by the IG Act. During this semiannual reporting period, we reviewed our website content to ensure we included resources to assist the NEA and its awardees in achieving excellence in delivery of the NEA mission, in particular through high quality stewardship of Federal award funding.

NEA TOP MANAGEMENT CHALLENGES

The Consolidated Reports Act of 2000 and OMB Circular A-136, Financial Reporting Requirements, require that the Office of Inspector General (OIG) provide the National Endowment for the Arts (NEA) Chair with an annual summary of the top management and performance challenges facing the NEA. We have experienced strong support from NEA management in identifying and tracking these top management challenges. We look forward to continuing our work to help the NEA improve in these challenge areas and deliver its mission with excellence and integrity.

At the end of FY 2025, we identified the areas of Recipient Stewardship; Financial Management; Human Capital; and Information Technology as the top management and performance challenges for the NEA. Following is a brief discussion of each challenge area.

Recipient Stewardship

The NEA Offices of Grants Management (OGM) and Programs & Partnerships (P&P) Offices face the challenge, along with the rest of the Federal government grantmaking community, to issue awards and help recipients fully implement and comply with the requirements of *2 CFR Part 200: Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)*. This challenge includes helping to ensure recipients comply with *NEA General Terms and Conditions* for awards.

Though the NEA has seen longtime success in issuing awards in a timely manner, FY 2025 presented unexpected challenges due to changes in federal grantmaking priorities. These changes led to the termination of over 1,600 agency awards and required that approximately 290 approved funding offers be carried over for award in FY 2026. Notwithstanding these challenges, both OGM and P&P continued to act on our recommendations to improve recipient compliance with regulations through targeted training, policy updates, and improvements in communication with recipients. The OIG audit activities also continue to identify recipients that have not fully complied with Federal award requirements. These recipients are typically identified for audit through our risk-based annual audit planning process, hotline allegations/complaints, and internal Agency referrals. OIG audits continue to identify findings that recipients are failing to:

1. Ensure that contractors and sub-award recipients have not been debarred or suspended from receiving Federal assistance prior to awarding them Federal funds;
2. Put in place complete written policies and procedures for managing Federal awards;
3. Report actual, allowable, and allocable costs on Federal Financial Reports; or
4. Maintain supporting documentation for all costs charged to NEA awards.

To address recurring management challenges related to grant compliance and oversight, the NEA Grants Office has undertaken a series of initiatives to enhance recipient understanding of federal award requirements and strengthen overall compliance practices.

- **FY 2022:** OGM developed and delivered a series of webinars focused on the administration of American Rescue Plan (ARP) funding. These included technical assistance sessions for direct ARP recipients and Local Arts Agencies, as well as targeted guidance for subrecipients managing ARP funds.
- **FY 2022 – FY 2024:** To further mitigate compliance risks, OGM provided refresher training on allowable costs to both NEA staff and external recipients. The office also developed and disseminated web-based tools and updated award policies and procedures to facilitate consistent adherence to federal grant management standards.
- **FY 2025:** In addition to conducting training for agency staff, OGM updated the General Terms and Conditions (GTCs) to reflect revisions to 2 CFR 200 and re-designed the *How to Manage Your NEA Award Handbook* and the *Manage Your Award* section of arts.gov to make it easier for recipients to locate award administration policies, guidance, and related resources.

Through these efforts, the NEA has strengthened its oversight infrastructure, enhanced recipient capacity, and reinforced the agency's commitment to effective stewardship of federal funds. Continued refresher training, development of web-based tools, and technical assistance provided by the NEA, along with insights gained from audit findings, will support further improvements in recipient compliance with federal award requirements. Because grantmaking is central to the NEA's mission, this area remains a significant management challenge, particularly as the agency increases the average award amount to expand its impact in communities nationwide.

Recent Presidential Executive Orders have broadened the NEA's responsibilities by assigning the Agency leading roles in cross-agency partnerships and national initiatives, including those celebrating America250. These directives have increased the scope and complexity of the NEA's work, heightening the need for sustained attention to oversight, coordination, and compliance to ensure effective stewardship of federal resources.

Financial Management

This is one of the areas where the NEA continuously improves each year. The NEA works diligently to keep pace with government-wide financial systems modernization efforts and regulatory changes. The NEA also focuses on improving the efficiency and effectiveness of its accounting and finance policies and procedures, systems, and staff cross-training. While this is a top challenge area, a positive indicator in the financial management area is that the NEA has consistently received unmodified ("clean") opinions on its annual financial statement audits and has maintained a high level of compliance with the requirements of the Digital Accountability and Transparency Act of 2014 (DATA Act). In 2025, my office completed another NEA financial statement audit and DATA Act review, and began to audit awardees of the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act and ARP grant funds, and the NEA soon will begin to see how well these funds have been stewarded.

Human Capital

In support of merit-based human capital management, the U.S. Office of Personnel Management (OPM) evaluated the NEA's use of human capital management authorities in October 2022, and

results of the evaluation were provided to the NEA and my office in June 2023. The evaluation focused on strategic planning and alignment, talent management, and performance culture. OPM assessed these areas for effectiveness, efficiency, and compliance with merit system principles, laws, regulations, and related public policies.

OPM commended the NEA for its strategic approach to human capital management due to the NEA's communication of its human capital management plans. OPM also recognized that the NEA is a small agency and, while the talent management program supports the mission, its human resources office was understaffed which further limited recruitment and outreach activities.

OPM closed its 2022 report by affirming that its report is designed to help improve NEA's human capital management programs and effectiveness of its operations. As such, OPM's review identified NEA practices that are working well and provided recommendations where opportunities for improvement exist, including required actions related to legal and regulatory violations.

The Agency responded to OPM's recommendations with actions taken and planned to address the OPM report. In January 2024, OPM responded by thanking the Agency for its response, stating that it appreciated the NEA's efforts in addressing the issues identified in its report. OPM also stated that the steps taken to correct the findings in their report were sufficient and reflect NEA's commitment to support merit system principles and may help to enhance and improve the effectiveness of NEA operations. While OPM closed its report based on NEA's response, NEA's response indicated actions that require continuous effort and some actions that are still in process.

The NEA considers its people to be its most valuable resource – not just assets – but as colleagues in achieving the Agency mission. We have noted NEA's work to continuously improve its human resource programs, policies, and procedures consistent with its human capital strategy. The NEA has demonstrated a strong ability to deal with human capital challenges in response to a significant increase in attrition during 2025 by way of the Deferred Resignation Program (DRP) along with Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Program (VSIP) separations.

To address these challenges the NEA: 1) maintained workforce stability to continue the NEA mission while managing under a hiring freeze; 2) established new processes and procedures in alignment with the Administration's priorities; 3) provided employees with the tools needed to effectively collaborate to adhere to new grant guidelines; and 4) maintained high quality service in other human capital areas, such as training and development, and performance management and recognition.

The NEA has proved to be effective, nimble, strategic, and responsive in supporting the goals of the Administration by retaining key staff and realigning offices to meet its strategic objectives.

Information Technology

Based on the most recent 2025 FISMA audit of the NEA Office of Information Technology Management (OITM), the NEA OITM made noteworthy progress during FY 2025 showing improvement in the five-reporting metrics and successfully satisfied all prior audit recommendations. The audit reported the NEA as having a "Managed and Measurable" effective cybersecurity program. This is the first year that the NEA has reached these standards showing major improvement year–over-year over the past five years, going from the lowest possible "Ad Hoc" scores across the board to "Managed and Measurable". The NEA continues to show commitment and progress improving its information security program to meet the Federal Security Management Act of 2002 (FISMA) standards by striving for "Optimal" level.

The NEA began reviewing Software-as-a-Service (SaaS) and Commercially off the shelf (COTS) products in 2024 and 2025 to replace the currently used electronic Grants Management System (eGMS) shared service that the NEA receives from the National Endowment for the Humanities. The NEA transitioned to the eGMS in 2018, but due to the work processes of the NEA to support grant applicants and to issue grants, the NEA maintains three additional disparate "homegrown" custom software applications. Following the President's recommendations for federal IT systems,[1] OITM leadership has decided the agency should not continue to host these homegrown systems but replace them with a COTS SaaS solution. This will require additional funding to acquire and implement the new COTS SaaS system in parallel with the current eGMS, Applicant Portal, Financial Interface, and Grants Search systems while OITM transitions the Agency from the current operating environment to a new, advanced, and streamlined system offering.

Another challenge in OITM is the lack of personnel. OITM's federal staff fell by 60% in FY25 from attrition and the office has not yet been able to hire new staff. The departure of staff resulted in a loss of institutional knowledge and experienced personnel who previously supported the technology architecture, daily operations, and essential processes required for the agency to function at full capacity. Consequently, the agency has become increasingly dependent on OITM contract support to sustain its operational environment.

The NEA missed opportunities for improvement due to staffing and resource challenges, but to its credit, the NEA appears poised to continue improving the technical architecture and support the agency in FY 2026. In addition to improving information technology security, the NEA will continue to fund the positions of a Privacy Specialist, and an AI/Machine Learning Engineer in OITM to enhance those programs as required by OMB while identifying additional IT tools to help streamline efforts to award grants and partner with other agencies.

[1] *Fact Sheet: President Donald J. Trump Enforces Requirement of Cost-Effective Commercial Solutions in Federal Contracts*

PEER REVIEW ACTIVITIES

The IG Act requires Federal IG to provide information on their peer review activities in an appendix to the semiannual reports. Peer reviews are conducted on a three-year cycle and evaluate an OIG audit organization's system of quality control, in accordance with CIGIE's *Guide for Conducting External Peer Reviews of the Audit Organizations of Federal Offices of Inspector General*.

Our prior peer review was conducted by the National Labor Relations Board OIG, with a report issued September 12, 2022. There were two recommendations in the report, and we promptly implemented corrective actions for both. We provided implementation documentation to the Council of Inspectors General for Integrity and Efficiency on September 28, 2023. Our next peer review, conducted by AmeriCorps OIG, is currently in progress and covers the three-year period ending March 31, 2025.

TABLE 1: QUESTIONED & UNSUPPORTED AUDIT COSTS

Audit Reports		No. of Reports	Dollar Value	
			Total Questioned Costs	Unsupported Costs
A.	For which no management decision has been made by the commencement of the reporting period	0	$0	$0
B.	Which were issued during the reporting period	4	$13,528,300	$857,151
	Subtotals (A+B)	4	$13,528,300	$857,151
C.	For which a management decision was made during the reporting period	2	$0	$0
	i. Dollar value of the disallowed costs	0	$0	$0
	ii. Dollar value of the cost not disallowed	0	$0	$0
D.	For which no management decision was made by the end of the reporting period	2	$13,528,300	$857,151

TABLE 2: LIST OF INVESTIGATIVE REPORTS & RESULTS

	Requirement	Response*
A.	Investigative reports issued during the reporting period	1
B.	Total number of persons referred to DOJ for criminal prosecution	1
C.	Total number of persons referred to State and local prosecuting authorities for criminal prosecution	0
D.	Total number of indictments and criminal information resulting from prior referrals	0

*We completed this table using data from internal records tracking Arts Endowment OIG investigative activities. We did not need to adjust or process the data to obtain table results.

TABLE 3: HOTLINE AND FOIA ACTIVITY DATA

Hotline Contacts	**No. Of Actions**
Telephone Calls	4
Email	1
Website	0
Standard Mail	0
Referred by Other Sources	0
Referred to Other Sources	1
Included in the Audit Plan	0
Closed	5
Total Hotline Contacts	**5**
Freedom of Information Act	**No. of Actions**
Requests Received	1
Requests Processed or Referred	1
Total Freedom of Information Act Requests	**1**

HELP PROMOTE INTEGRITY, ECONOMY AND EFFICIENCY
REPORT SUSPECTED FRAUD, WASTE, ABUSE OR MISMANAGEMENT

NATIONAL ENDOWMENT FOR THE ARTS
OFFICE OF INSPECTOR GENERAL
400 7TH STREET, SW
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EMAIL: OIG@ARTS.GOV
WEBSITE: https://www.arts.gov/oig

Complaints may be made anonymously. However, we would have no way of contacting you. Any information you provide will be held in confidence unless disclosure is required by law. Providing your name and means of communicating with you may increase our ability to investigate your complaint.