SINGLE AUDIT REPORT

American Library Association
Year Ended August 31, 2008
With Reports of Independent Auditors

Ernst & Young LLP

Ernst & Young
American Library Association

Single Audit Report

Year Ended August 31, 2008

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Report of Independent Auditors

The Executive Board
American Library Association

We have audited the accompanying consolidated statements of financial position of American Library Association (the Association) as of August 31, 2008 and 2007, and the related consolidated statements of operations and changes in net assets and cash flows (not included herein) for the year then ended. These financial statements are the responsibility of the Association’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Association’s internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of August 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

As described in Note 2 of the consolidated financial statements and in Part II in the accompanying schedule of findings and questioned costs as finding 2008-1 of this report, the Association has restated its financial statements for the year ended August 31, 2007, to correct an error related to its accounting for certain grants, which had a material effect on the previously issued financial statements. As discussed in Note 13 to the consolidated financial statements, on August 31, 2007, the American Library Association adopted the recognition of Statement of Financial Accounting Standards No. 158, Employers’ Accounting for Defined-Benefit Pension and Other Postretirement Plans, an Amendment to FASB Statements No. 87, 88, 106, and 132(R), which changed its method of accounting for its postretirement employee benefits.
In accordance with Government Auditing Standards, we have also issued our report dated March 19, 2009, on our consideration of the Association’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Ernst & Young LLP

March 19, 2009
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance With Government Auditing Standards

The Executive Board
American Library Association

We have audited the financial statements of American Library Association (the Association) as of and for the year ended August 31, 2008, and have issued our report thereon dated March 19, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Association’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Association’s internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity’s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the entity’s financial statements that is more than inconsequential will not be prevented or detected by the entity’s internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting. Refer to Part II finding 2008-1 of this report.
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiency described above, we consider finding 2008-1 to be a material weakness.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as finding 2008-1.

The Association's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Association’s response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Executive Board, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Ernst & Young LLP

March 19, 2009
Single Audit Report
Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

The Executive Board
American Library Association

Compliance

We have audited the compliance of the American Library Association (the Association) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, that are applicable to each of its major federal programs for the year ended August 31, 2008. The Association’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Association’s management. Our responsibility is to express an opinion on the Association’s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Association’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Association’s compliance with those requirements.

In our opinion, the Association complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended August 31, 2008. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as finding 2008-2.
Internal Control Over Compliance

The management of the Association is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Association's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program, such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as finding 2008-2 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness.

The Association's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Association's response and, accordingly, we express no opinion on it.
Schedule of Expenditures of Federal Awards

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the Executive Board, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

May 27, 2009
except the paragraph on the Schedule of Expenditures of Federal Awards, for which the date is March 19, 2009
American Library Association

Schedule of Expenditures of Federal Awards

At August 31, 2008

<table>
<thead>
<tr>
<th>Federal Grantee/Pass-Through Grantee</th>
<th>CFDA Number</th>
<th>Pass-Through Identification</th>
<th>Federal Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Department of Education (DOE)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through Synergy</td>
<td>84. Unknown</td>
<td>ED05CO00049</td>
<td>$18,172</td>
</tr>
<tr>
<td>Subtotal for DOE</td>
<td></td>
<td></td>
<td>18,172</td>
</tr>
<tr>
<td><strong>National Aeronautics and Space Administration (NASA)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through Space Telescope Science Institute Traveling Exhibition</td>
<td>43. Unknown</td>
<td>STScI Order 44917</td>
<td>1,191</td>
</tr>
<tr>
<td>Subtotal for NASA</td>
<td></td>
<td></td>
<td>1,191</td>
</tr>
<tr>
<td><strong>Department of Health and Human Services (HHS)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Institutes of Health (NIH)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Frankenstein</td>
<td>93. Unknown</td>
<td>N/A</td>
<td>31,516</td>
</tr>
<tr>
<td>Changing the Face of Medicine</td>
<td>93. Unknown</td>
<td>N/A</td>
<td>22,713</td>
</tr>
<tr>
<td>Good health Information @ Your Library</td>
<td>93. Unknown</td>
<td>N/A</td>
<td>15,663</td>
</tr>
<tr>
<td>Subtotal for NIH/NIH</td>
<td></td>
<td></td>
<td>69,892</td>
</tr>
<tr>
<td><strong>Institute of Museum and Library Services (IMLS)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Leadership Grant: Library Networks Coop</td>
<td>45.312</td>
<td>N/A</td>
<td>38,587</td>
</tr>
<tr>
<td><strong>National Endowment for the Humanities (NEH)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promotion of the Humanities - Public Programs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soul of a People</td>
<td>45.164</td>
<td>N/A</td>
<td>37,060</td>
</tr>
<tr>
<td>Pride &amp; Passion: African American Baseball Exhibition</td>
<td>45.164</td>
<td>N/A</td>
<td>66,065</td>
</tr>
<tr>
<td>Ben Franklin: Search for a Better World</td>
<td>45.164</td>
<td>N/A</td>
<td>219,088</td>
</tr>
<tr>
<td>Passed through Forever Free: Lincoln Project II</td>
<td>45.164</td>
<td>GL-22/29-02</td>
<td>19,728</td>
</tr>
<tr>
<td>Passed through Alexander Hamilton Traveling Exhibition</td>
<td>45.164</td>
<td>GL-50609-04</td>
<td>22,100</td>
</tr>
<tr>
<td>Passed through Lewis and Clark - Indian Country Exhibition</td>
<td>45.164</td>
<td>LI-50076-06</td>
<td>27,998</td>
</tr>
<tr>
<td>Passed through Abraham Lincoln Presidential Library Exhibit Consulting</td>
<td>45.164</td>
<td>BQ-50063-08</td>
<td>9,739</td>
</tr>
<tr>
<td>Passed through Primetime 6</td>
<td>45.164</td>
<td>LI-50358-07</td>
<td>5,092</td>
</tr>
<tr>
<td>Passed through John Adams Unbound Traveling Exhibition</td>
<td>45.164</td>
<td>LI-50370-07</td>
<td>13,123</td>
</tr>
<tr>
<td>Total for Promotion of the Humanities - Public Programs</td>
<td></td>
<td></td>
<td>419,993</td>
</tr>
<tr>
<td>Promotion of the Humanities - We the People:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We the People: Picturing America 3</td>
<td>45.168</td>
<td>N/A</td>
<td>164,458</td>
</tr>
<tr>
<td>We the People: Picturing America for Public Library on ORC</td>
<td>45.168</td>
<td>N/A</td>
<td>1,373</td>
</tr>
<tr>
<td>We the People: Picturing America 2</td>
<td>45.168</td>
<td>N/A</td>
<td>435,632</td>
</tr>
<tr>
<td>We the People Bookshelf on &quot;Picturing America&quot;</td>
<td>45.168</td>
<td>N/A</td>
<td>43,359</td>
</tr>
<tr>
<td>We the People: Picturing America</td>
<td>45.168</td>
<td>N/A</td>
<td>43,359</td>
</tr>
<tr>
<td>We the People: Pursuit of Happiness</td>
<td>45.168</td>
<td>N/A</td>
<td>1,659</td>
</tr>
<tr>
<td>We the People Bookshelf Created Equal</td>
<td>45.168</td>
<td>N/A</td>
<td>1,125,843</td>
</tr>
<tr>
<td>Total for Promotion of the Humanities - We the People</td>
<td></td>
<td></td>
<td>2,077,969</td>
</tr>
<tr>
<td>Subtotal for NEH</td>
<td></td>
<td></td>
<td>2,497,962</td>
</tr>
<tr>
<td><strong>Total expenditures of federal awards</strong></td>
<td></td>
<td></td>
<td>$3,413,598</td>
</tr>
</tbody>
</table>

See accompanying notes to the Schedule of Expenditures of Federal Awards.
American Library Association

Notes to Schedule of Expenditures of Federal Awards

Year Ended August 31, 2008

1. Single Audit Reporting Entity

American Library Association (the Association) received federal and state funding through grants and contracts with certain federal and state agencies and subcontracts with various other agencies. All expenditures related to the federal awards are included in the scope of U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards has been presented on the accrual basis of accounting. Expenditures are recorded, accordingly, when incurred rather than when paid.

3. Categorization of Expenditures

The Schedule of Expenditures of Federal Awards reflects federal expenditures for all individual grants that were active during the year. The categorization of expenditures by program included in the Schedule of Expenditures of Federal Awards is based on the Catalog of Federal Domestic Assistance (CFDA). Changes in the categorization of expenditures occur based on revisions to the CFDA, which are issued annually. In accordance with the Association's policy, the Schedule of Expenditures of Federal Awards for the fiscal year ended August 31, 2008, reflects CFDA changes issued through August 2008.
American Library Association

Schedule of Findings and Questioned Costs

Year Ended August 31, 2008

Part I – Summary of Auditor’s Results

Financial Statements Section

Type of auditor’s report issued (unqualified, qualified, adverse, or disclaimer):

Internal control over financial reporting:

Material weakness(es) identified? __X__ Yes ___ No

Significant deficiency(ies) identified that are not considered to be material weaknesses?

Noncompliance material to financial statements noted?

Federal Awards Section

Internal control over major programs:

Material weakness(es) identified? ___ Yes ___ X___ No

Significant deficiency(ies) identified that are not considered to be material weaknesses?

Type of auditor’s report issued on compliance for major programs (unqualified, qualified, adverse, or disclaimer)(B):

Unqualified for all major programs

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?

__X__ Yes ___ No
Identification of major programs:

<table>
<thead>
<tr>
<th>CFDA Number(s)</th>
<th>Name of Federal Program or Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFDA 45.313</td>
<td>Laura Bush 21st Century Librarian Program</td>
</tr>
<tr>
<td>CFDA 45.164</td>
<td>Promotion of the Humanities – Public Programs</td>
</tr>
<tr>
<td>CFDA 45.168</td>
<td>Promotion of the Humanities – We the People</td>
</tr>
</tbody>
</table>

Dollar threshold used to distinguish between Type A and Type B programs: $300,000

Auditee qualified as low-risk auditee? Yes No
Part II – Financial Statement Findings Section

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which Government Auditing Standards require reporting in a Circular A-133 audit.

Finding 2008-1 – Financial Statement Audit Material Weakness – Reclass of Temporarily Restricted Contributions to Exchange Transactions

Criteria or Specific Requirement

Government Auditing Standards require the disclosure of material weaknesses that were identified during the financial statement audit. During the current year’s financial statement audit, the Association restated its financial statements for the year ended August 31, 2007, in order to correct an error related to the accounting of certain grants. In accordance with Chapter 10, Section 5, Deferred Revenue of the AICPA Audit and Accounting Guide: Not-For-Profit Organizations (NFP), “Resources received in exchange transactions from customers, patients, and other service beneficiaries for specific projects, programs, or activities that have not yet taken place should be recognized as liabilities to the extent that the earnings process has not been completed.”

Condition

During the 2008 financial audit, the Association determined that certain grants previously accounted for as temporarily restricted contributions should have been accounted for as exchange transactions. The correction of this error had a material effect on the previously issued financial statements. As a result, the Association restated its August 31, 2007, financial statements to properly account for these grants. Accordingly, the 2007 statement of operations and changes in net assets, statement of financial position, and statement of cash flows were restated to reflect this change.

Context

The cumulative effect of the adjustment through August 31, 2007, was a $4,761,436 decrease in net assets and an increase in deferred revenue.
American Library Association

Schedule of Findings and Questioned Costs (continued)

Effect

The Association previously materially misstated the 2007 financial statements. As such, the August 31, 2007, financial statements were restated in the current year.

Cause

In 2007, and prior, for certain grants, the Association accounted for the grants as contributions and recorded the funds received as temporarily restricted revenues in the statement of operations and changes in net assets. During 2008, management re-evaluated these grants and determined that the grants should have been accounted for as an exchange transaction. Therefore, at the inception of the grant, the funds should have been recorded in deferred revenue and recognized as revenue when expenses were incurred by the Association in accordance with the grant terms.

Recommendation

We recommend management implement controls to monitor the classification of grants at the inception of the grant. We recommend management document reasons for the classification in a memo and/or through the completion of Table 5-1 of Chapter 5 of the AICPA Audit and Accounting Guide: Not-For-Profit Organizations. These documents should be placed in the files of the grant as an indication of management's review.

Views of Responsible Officials and Planned Corrective Actions

Management has adopted grant review procedures as documented in the NFP guide - Contributions Received and Agency Transactions. Management will form a grant writing procedure which addresses the indicators useful in distinguishing contributions from exchange transactions. These procedures will be developed in coordination with ALA grant project directors. Staff will document accounting processes and implement appropriate revenue recognition procedures.
Part III – Federal Award Findings and Questioned Costs Section

This section identifies the audit findings required to be reported by Circular A-133 Section .510(a), as well as any abuse findings involving federal awards that are material to a major program.

Finding 2008-2 – Procurement Transactions not Conducted in Accordance With OMB Circular A-110

<table>
<thead>
<tr>
<th>CFDA Number/Award Year/Federal Agency/Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>45.313/2008/Institute of Museum and Library Services/Laura Bush 21st Century Librarian Program</td>
</tr>
<tr>
<td>45.164/2008/National Endowment for the Humanities/Promotion of the Humanities – Public Programs</td>
</tr>
<tr>
<td>45.168/2008/National Endowment for the Humanities/Promotion of the Humanities – We the People</td>
</tr>
</tbody>
</table>

Criteria or Specific Criteria

OMB Circular A-110 states, “No contract shall be made to parties listed on the General Services Administration’s List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, “Debarment and Suspension.” This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549.

Condition

The Association was unable to provide evidence of verification that vendors were not suspended or debarred per the Excluded Parties List System (EPLS) website prior to the cash disbursement.

Questioned Costs

None
American Library Association

Schedule of Findings and Questioned Costs (continued)

Context

During 2008, CFDA 45.313, CFDA 45.164, and CFDA 45.168 incurred procurement expenditures in the amount of approximately $94,000, $207,300, and $1,091,100, respectively. Documentation was not available to support that the vendor was not suspended or debarred.

Effect

The Association is not in compliance with the OMB Circular A-110 procurement requirement to verify that the vendor is not suspended and debarred.

Cause

There was no evidence of verification prior to the cash disbursement. This responsibility is a shared responsibility by the project director and the Association's purchasing manager.

Recommendation

We recommend management implement controls to monitor compliance with documented policies and procedures to ensure compliance with the procurement requirements of OMB Circular A-110.

Views of Responsible Officials and Planned Corrective Actions

A continued review of the procedures regarding contractor agreements will be conducted with emphasis on completing a grant procurement check list. The list will address the Excluded Parties List System to ensure that staff has determined that contractors are not debarred, suspended, proposed for debarment, excluded, or disqualified under the nonprocurement common rule, or otherwise declared ineligible from receiving Federal funds or certain Federal assistance and benefits. This will supplement the implementation in 2008 of a procedure to screen vendors with regard to the Excluded Parties List System.
American Library Association

Summary Schedule of Prior Year Audit Findings as of May 27, 2009

- Findings 2007-01 and 2006-02 – Procurement Transactions Not Conducted in Accordance With OMB Circular A-110

**CFDA Number/Department/Program**
45.164/National Endowment for the Humanities/Promotion of the Humanities – Public Programs
45.168/National Endowment for the Humanities/Promotion of the Humanities – We the People

**Comments**

The prior year’s finding was a result of documentation of cost or price analysis not consistently being included in the procurement files in connection with every procurement action. This finding was initially reported during the FY2006 audit. The finding was addressed and resolved during the FY2008 audit.

- Finding 2006-01 – Progress Reports

**CFDA Number/Department/Program**
45.164/National Endowment for the Humanities/Promotion of the Humanities – Public Programs
45.168/National Endowment for the Humanities/Promotion of the Humanities – We the People

**Comments**

The reported 2006 finding was a result of inaccurate statistical information within the progress reports. Per review of the grant agreements, progress reports are not required to contain statistical information of the related program. As such, the Association has removed such information from the submitted progress reports in the current year, therefore alleviating the risk of reporting inaccurate information as reported previously. The finding was addressed during FY2006 and did not reoccur in the FY2007 or FY2008 audits.
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