

Management

BUILDING ON LAST YEAR'S planning efforts, the Office made significant progress in its reengineering initiative.

Reengineering

The Copyright Office continued its extensive multi-year effort to reengineer its principal public services for the purposes of providing Copyright Office services online, ensuring prompt availability of new copyright records, providing better tracking of individual items in the workflow, and increasing acquisition of digital works for the Library of Congress collections.

The reengineering program has involved over 200 staff in redesign of Copyright Office work processes, and included unprecedented cooperative efforts with the Library of Congress' Library Services. In FY 2002, the Office moved from a planning/redesign phase into the intensive implementation phase that runs from FY 2003 through FY 2005. The re-

engineering work proceeded on four fronts: process, organization, facilities, and information technology.

The Four Fronts of Reengineering

Reengineering is moving forward on four fronts:

Process: Redesign of the Office's core processes of registering claims, recording documents, answering requests, acquiring deposits for Library of Congress collections, receiving mail, and maintaining accounts

Organization: Development of a revised organizational structure centered on the new processes, with new job descriptions focused on the requirements of those processes

Facilities: Reconfiguration of Copyright Office space so that space relationships support movement of work through the processes

Information Technology: Development of new integrated systems to permit primarily electronic processing of copyright services

Process

The Copyright Process Reengineering Team presented redesign recommendations for the new processes and the new organization to support those processes in FY 2001. The affected processes are registering claims, recording documents, acquiring deposited works for the Library of Congress, answering public requests, receiving mail, and maintaining accounts. The implementation of the Team's recommendations continued in FY 2002 with the assistance and facilitation of the consulting firm PricewaterhouseCoopers LLP (PwC). During FY 2002, the process teams for all six processes defined their processes to an operational level and drafted procedures manuals.

Organization

Organization teams for each process developed a proposed reorganization structure and job roles incorporating cross-training and rotational opportunities. A high-level training plan, developed with process owners, identified likely training needs of Copyright Office staff for the new processes. The Office began an intensive evaluation of the draft reorganization package in the fiscal year's last quarter.

Facilities

The Copyright Office accomplished several key steps toward facilities redesign in FY 2002. The Office completed a baseline space assessment in February and a furniture and furnishings inventory in September. These steps will support a redesign of the Office's existing space to accommodate the new processes.

Information Technology (IT)

Information technology is critical in the registration of claims to copyright, the recordation of documents pertaining to copyrighted works, statutory licenses, and the Office's responsibilities as an agency of public record.

In July 2001, the Office issued a request for quotation for contract assistance to complete an IT requirements analysis. This was the first step in the process of building IT systems that will support the reengineered business processes and allow the Office to provide more services electronically. Work on the analysis was initiated in October 2001. Major accomplishments on the IT front during Fiscal Year 2002 included completion of the following:

- an assessment of the needs of processes not included in the reengineering effort
- a report of options and recommendations for logical system components
- a framework of functional specifications for logical system components
- a report on recommended hardware and software

These products formed the basis for initial sequence planning in preparation for letting contracts for the purchase of off-the-shelf components, development of new components, and their integration into a single electronic system to support Copyright Office services.

Staff Communications and Interaction with the Library of Congress

Communications with staff about reengineering implementation continued through several vehicles: the new reengineering newsletter, *ReNews*, first published in April 2002; stakeholder meetings with staff and managers within the Office, in affected areas of the Library

of Congress' Library Services, and with infrastructure support units; hallway chats; all-staff meetings; the posting of updates and information on a reengineering Intranet website; and articles in *Copyright Notices* and the *Library of Congress Gazette*.

The Copyright Office and Library Services formed Joint Issue Groups in FY 2002 to discuss and present recommendations for cooperation in five areas of interaction between the two organizations—serials processing, labeling, cataloging, selection, and the Library's opening of the National Audio-Visual Conservation Center in Culpeper, VA. These Joint Issue Groups were comprised of representatives from both service units, and met throughout the year to develop their recommendations. The Labeling Group proposed significant changes in how works are identified (the Management section of this report details the security-related work of this group). The Selection Group suggested that routine selection decisions be performed by Copyright Office staff. The remaining Joint Issue Groups were continuing their work at the end of FY 2002.

Because the four fronts of reengineering affect areas not reviewed in the original reengineering study, the Office decided to study Licensing Division processes, organization, and information technology to make recommendations for changes to provide more effective handling of its licensing and royalty responsibilities. The reengineering of the Licensing Division can benefit from already completed work on receive mail, maintain accounts, record documents, and answer requests.

The fiscal year ended with the formation of a reengineering program organization (RPO) within the Copyright Office, managing both the business process reengineering and information technology efforts. The formation of this group consolidates into one program the responsibility for all four fronts of the reengineering effort: process, organization, facilities, and information technology. Each of the four fronts can be distinguished as projects that comprise the larger reengineering program, but they interrelate and have inherent dependencies on one another. The staff of the RPO will coordinate these four fronts using an Integrated Implementation Plan. The RPO staff met in September to plan reengineering implementation sequencing. A Library of Congress Advisory Committee was formed to offer advice on implementation issues. In addition, the Office developed plans to form an Information Technology Technical Review Board (ITTRB), composed of six members with IT expertise from government and private industry, to provide outside perspectives and experiences concerning large-scale complex IT implementations.

Management Planning and Policy Initiatives

Strategic Planning

In February 2002, the Copyright Office published a new Strategic Plan covering the years 2002–2006 (available online at www.copyright.gov/reports/s_plan.html). The document outlines the Office's priorities and future direction. The Office's mission "to promote creativity by administering and sustaining an effective national copyright system" is supported by a series of goals keyed to three strategic areas and management support:

- Copyright Law Administration
- Policy Assistance, Regulatory Activities, and Litigation
- Public Information and Education
- Management Support and its overarching initiative of Business Process and Information Technology Reengineering

Each strategic goal is supported by a number of objectives, and each objective is followed by the means to be used in achieving the objective and a set of action items. The plan also includes the methods by which accomplishment of the goals will be evaluated. The strategic objectives serve as goal statements for the Office's Annual Program Performance Plans, while the action statements are the source of the annual plans' targets.

Management Controls

The Management Control Program ensures that Copyright Office programs are carried out in the most effective and economical manner possible and that assets are safeguarded. During FY 2002, the Office conducted Vulnerability Assessments on all 22 management control modules, of which one was found to be low risk and the rest at medium risk. The Office decided to perform control reviews for eleven modules, which were completed by June. The Register issued a year-end memorandum asserting reasonable assurance that obligations and costs comply with applicable law; assets are safeguarded against waste, loss, unauthorized use, or misappropriation; proper accounting of revenues and expenditures are provided; and program activities are carried out effectively and economically.

Business Continuity Plan

The Copyright Office completed part one of its Business Continuity Plan to describe actions to ensure continuity in the event of short-term closure of its main location of operations. The Office drafted part two as an interim plan to deal with intermediate and long-term dislocation. The continuity plan includes appendices for handling each computer system.

The Office is part of a Library of Congress-wide Continuity of Operations Task Force to integrate existing service unit plans into a larger plan for the entire Library.

Budget

The Copyright Office annually receives three appropriations from Congress: Basic, Licensing and CARP. Total FY 2002 Copyright Office budget authority was \$40,896,000 with a full-time equivalent (FTE) staff ceiling of 530. The Basic appropriation (\$34,912,000) funds the majority of the Office's activities. The Licensing budget activities (\$3,396,000) and the CARP budget activities (\$2,588,000) were fully funded from user fees withdrawn from royalty pools. The Office also received a Furniture and Furnishings allocation of \$380,313. Due to the anthrax incident that caused a severe mail disruption, in January 2002 the Office received a special security supplemental of \$187,386 to fund overtime expenses to process the mail. Furthermore, in August 2002 the Office received another special supplemental of \$7.5 million to replace a possible receipts shortfall due to disruptions in receiving postal mail.

The total Basic appropriation derives its funding from two revenue sources: net appropriations from the U.S. Treasury (\$13,032,000 in FY 2002) and offsetting collections authority from user fees (\$21,880,000). At the end of the fiscal year, the Office had collected \$19,624,226 in user fees.

Investment Income from Deposit Accounts

In FY 2002, the Office continued to invest deposit account holdings in U.S. securities. Deposit account holdings increased to more than \$4 million. Over \$3 million was invested in each of two three-month Treasury bills during the first and fourth quarters. A total of \$59,577 in interest was earned from investments during the fiscal year, a significant decrease compared to FY 2001 earnings due to lowered interest rates.

Security

Security Tagging, Asset Marking, Item Bar Code Labeling

Reassignment of the security tagging process from Library Services Collections Management Division to the Copyright Receipt Analysis and Control Center (RACC) has been delayed until the Office receives security tags that meet the new performance and material specifications for book materials. The reassignment is expected in 2003.

The Library of Congress Preservation Directorate developed security tag specifications for video cassette formats. Tags will be purchased after the Library's Motion Picture, Broadcasting, and Recorded Sound Division determines placement on the various cassette sizes.

The Library Services/Copyright Office Joint Issues Group on Labeling, under PricewaterhouseCoopers (PwC) facilitation of the business process reengineering effort, issued a report in July 2002. The report recommended that management streamline the marking and labeling of formats received by the Acquisitions Directorate and the Copyright Office to reduce the proliferation of labels that obscure important information, and eliminate hand transcription of labeling information. The affected formats include bound and unbound books, documents on sheets, digital discs, film, magnetic tape, mixed media, and copyrighted objects. Recommendations that will affect the Copyright Office include:

- Create a new label that combines the current barcode label and the Copyright Office accession stamp to identify an item as Library of Congress property, track the item through the Copyright Office, document the time and place of receipt, and allow retrieval of related pieces that become separated.
- Include the Piece Identification Number on the current laser mark for CDs, CD-ROMs, DVDs, and other materials, to facilitate retrieval of an item record if the item becomes separated from its container.
- Use an "edge" or property stamp at the beginning of processing, replacing the Library of Congress Seal, which will alert security officers that an item is Library property and provide greater protection for in-process materials.
- Apply a perforation mark on microfilm, with the Library's name and the date of perforation punched out on the film leader.

The labeling concept was accepted by the Register and Associate Librarian for Library Services Winston Tabb. A labeling implementation team will be formed in FY 2003 as part of the Copyright Office reengineering implementation effort.

The RACC temporarily suspended laser marking of unpublished audio cassettes in April to focus its attention on processing mail held during the anthrax situation. The RACC will resume laser marking of this category of materials when it has processed the mail backlog. RACC staff continued to apply Library accession stamps to the audio cassette containers, thus identifying the materials as Library property.

Item Level Tracking and Inventory Control

The reengineering group charged with reviewing the management of information technology in the Copyright Office developed principles for change and outlined an action plan that includes item level tracking. Item level tracking will make it possible to track all copyright registration and deposit requirement materials through all processes, including custodial transfer to Library of Congress collections.

Site Assistance Visits (SAVs) to Monitor Adherence to Security Practices in Processing and Curatorial Divisions

Members of the Library of Congress Collections Security Oversight Committee, assisted by the Office of Security, created a system and protocol for authorized staff visits to curatorial and processing divisions, insuring adherence to established standards and security practices. The Site Assistance Visits Program has four objectives: (1) strengthen the Library's security; (2) enhance staff's security awareness; (3) provide independent follow-up addressing control weaknesses identified in risk assessments identified by the contractor KPMG in select divisions; and (4) address control weaknesses identified by the Office of Inspector General March 29, 2002, audit of collections security. Inspections, begun in May, are to be conducted for every division in the Library of Congress within 24 months to ensure compliance with all collections security regulations and policies.

Automation

In addition to the IT reengineering work outlined above, the following technology work was undertaken during the fiscal year:

Information Technology Oversight Group

The Information Technology Oversight Group (ITOG), a Copyright Office oversight body established in August 2001, met regularly to monitor tasks in the Information Technology Action Plan of June 2001, coordinate Copyright Office information technology initiatives, review contractor deliverables for future systems, oversee ongoing projects to upgrade existing systems, and approve participants for electronic services.

Copyright Office Electronic Registration, Recordation and Deposit System (CORDS)

CORDS is the Copyright Office's automated system to receive and process digital applications and digital deposits of copyrighted works for electronic registration via the Internet from a limited number of cooperating partners who meet current criteria. Through CORDS, copyright applications can be filed electronically by sending applications and deposits in digital form. The CORDS system facilitates full electronic processing, both initial preparation by the applicants on the "front end" and completely automated processing on the "back end" by the Copyright Office.

During the year, work continued on strengthening the electronic registration system with more robust software and preparation of system documentation and materials to facilitate transfer of operation and maintenance to Library staff. By the end of the fiscal year, nearly all of the development work had been completed and testing was under way. CORDS was adjusted to handle additional classes of electronic submissions and to interact with new versions of the Office's information technology systems.

The Office processed 22,900 full electronic claims in textual and musical works through CORDS. ProQuest Information and Learning Company continued to submit approximately 500 electronic claims per week in university dissertations, the largest number of claims from any single submitter. The Harry Fox Agency, which previously submitted approximately 50 claims per week in musical works on behalf of several music publishers, discontinued its participation in favor of direct participation by the music publishers. Potential users who met specific criteria were approved for participation in the CORDS system during the year.

COINS

Work continued on migration of the workload management system (COINS) to more reliable and efficacious hardware and software. Implementation of this system is scheduled for FY 2003. The Copyright Automation Group (CAG) continued to collaborate with the Library's Information Technology Service (ITS) to continue the conversion of the present Data General system to Oracle. By the end of the fiscal year, most of the development work had been completed, and user testing of the system components had begun. The development team also worked on planning the conversion of the data, including the archiving of old completed records that did not need to be included in the new database.

Copyright Imaging System

Work continued on the redevelopment of the Copyright Imaging System to move the Office away from the current proprietary system. The CAG coordinated the drafting of user guides

for the input, administrative, and retrieval subsystems, and worked with end users to test the software and report problems. A series of meetings and discussions resulted in the creation of testing and implementation plans.

Respectfully submitted to the Librarian of Congress by
MARYBETH PETERS
Register of Copyrights
and
Associate Librarian of Congress for Copyright Services