IG-02-021

AUDIT REPORT

CONTRACTING ISSUES ASSOCIATED WITH THE NASA SAFETY REPORTING SYSTEM

July 29, 2002

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National Aeronautics and
Space Administration

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Acronyms

ASRS	Aviation Safety Reporting System
CFR	Code of Federal Regulations
COTR	Contracting Officer's Technical Representative
CO	Contracting Officer
FAR	Federal Acquisition Regulation
GSA	General Services Administration
NSRS	NASA Safety Reporting System
OIG	Office of Inspector General
OSMA	Office of Safety and Mission Assurance
RPI	Research Planning, Inc.
SBA	Small Business Administration
USC	United States Code

July 29, 2002

W

TO: HQ/Q/Associate Administrator for Safety and Mission Assurance
HQ/H/Assistant Administrator for Procurement

FROM: HQ/W/Assistant Inspector General for Audits

SUBJECT: Final Report on Audit of Contracting Issues Associated With the NASA Safety Reporting System
Assignment Number A-02-006-00
Report Number IG-02-021

The subject final report is provided for your information and use. Please refer to the Executive Summary for the overall audit results. Our evaluation of your response is incorporated into the body of the report. NASA's completed corrective actions for recommendations 1 through 3 were responsive. Although we have concerns about the action taken regarding recommendation 4 (see page 10 of the report), we consider all the recommendations closed for reporting purposes. The final report distribution is in Appendix F.

We appreciate the courtesies extended to the audit staff. If you have questions concerning the report, please contact Ms. Sandy Massey, Program Director, Safety and Technology Audits, at (321) 867-4057, or Ms. Kathleen M. Kirby, Auditor-in-Charge, at (281) 483-4773.

[Original Signed By]
Alan J. Lamoreaux

Enclosure

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GSFC/100/Director, Goddard Space Flight Center

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NASA Office of Inspector General

IG-02-021 **July 29, 2002**
A-02-006-00

Contracting Issues Associated With the NASA Safety Reporting System

Executive Summary

Background. The Office of Inspector General has performed an audit of the NASA Safety Reporting System (NSRS.) The NSRS is a confidential, voluntary, and responsive reporting system for NASA employees and contractors to notify the Office of Safety and Mission Assurance (OSMA) of safety hazards affecting NASA-related activities. The system is intended to supplement safety-reporting channels by allowing employees to confidentially report safety concerns using a standardized form. Once completed, the form is forwarded to the NSRS contractor who analyzes the concern and forwards it to the OSMA for response. Although NASA and contractor employees are encouraged to initially use the local reporting mechanisms available at their work sites to report safety concerns, the NSRS is available to report safety concerns (1) if an individual believes that no action was taken on the initially reported concern; (2) an individual is dissatisfied with the action taken; or (3) extenuating circumstances, such as fear of reprisals, prevent an individual from using standard reporting channels.

Objectives. Our overall objective was to evaluate the effectiveness of the NSRS. The specific objective related to this report was to determine whether NASA and the NSRS contractor effectively performed contract requirements. This report identifies conditions regarding the NSRS contract that warrant timely action by NASA because the Agency did not promptly act on the Small Business Administration's (SBA's) recommendation to terminate the NSRS contract after ownership transferred to a non-8(a) company.[1] Details on the audit objectives, scope, and methodology are in Appendix A. Other reports addressing the NSRS are summarized in Appendix B.

Results of Audit. The NASA contracting officer (CO) did not terminate the NSRS contract in accordance with laws and regulations or Agency guidance for the SBA's 8(a) Business Development Program (8(a) program). As a result, NASA will have to take action to avoid a break in NSRS coverage until a new contract can be established. Further, NASA's actions are not in compliance with the Small Business Act, Title 13,

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[1]The Small Business Act established by 15 United States Code (U.S.C.) 637(a) authorizes the Small Business Administration (SBA) to enter into all types of contracts with other agencies and to award subcontracts to firms eligible for program participation. The SBA refers to the 8(a) Business Development Program as the 8(a) program because it is under Section 8(a) of the Act.

Code of Federal Regulations (CFR), Part 124,[2] and the Federal Acquisition Regulation (FAR) requirements because the lack of contract termination denied 8(a) opportunities to eligible, disadvantaged small businesses (Finding A). We also found that NASA's use of a cost-reimbursement contract for the initial and follow-on 8(a) contracts was not cost-effective. Consequently, NASA paid more than $9,500 a month to process one to two reports each month for the last 35 months and assumed risks that could have been shared or transferred to the contractor to lower NSRS costs (Finding B).

Recommendations. NASA should take immediate action to ensure it has coverage for the NSRS until a new NSRS contract or other reporting system can be established. In the interim, NASA should coordinate with the current NSRS contractor to complete a transition plan that addresses how the documents and equipment, including any software, databases, and the NSRS Web site will transition to NASA or a new NSRS contractor. In addition, NASA should emphasize the Small Business Act, the FAR, and the Agency Procurement Information Circulars relating to the 8(a) program to ensure that CO's and Contracting Officer's Technical Representatives (COTR's) are aware of the requirements for establishing and administering contracts with 8(a) businesses. Finally, NASA should award a fixed-price contract for the NSRS or consider potentially more cost-effective alternatives, such as the Aviation Safety Reporting System or an Agency Hotline office to administer the NSRS program.

Management's Response. NASA either concurred or partially concurred with the four recommendations and has taken responsive actions to close recommendations 1 through 3. Although we recommended a fixed-price contract for the NSRS reporting requirement, NASA has awarded a time and materials contract using the General Services Administration Federal Supply Schedules. Notwithstanding our concerns with this approach, since NASA has already awarded the contract, recommendation 4 will also be closed. NASA also provided general comments related to our findings. Our responses to the general comments are in Appendix E.

[2]Title 13, Code of Federal Regulations (CFR), Part 124, "Business Development-Small Disadvantage Business Status Determinations" is the implementing regulation for the 8(a) program.

Introduction

In 1987, NASA established the NSRS because of criticism by the Rogers Commission[3] that the Agency was operating a silent safety program. During that time, Battelle Memorial Institute (Battelle) was operating a confidential safety information system developed by NASA for the Federal Aviation Administration called the Aviation Safety Reporting System (ASRS).[4] NASA considered using the ASRS to report safety hazards affecting NASA-related activities, but on March 18, 1987, elected to award Battelle a separate, sole-source contract to design, develop, implement, and operate the NSRS.

In 1994, NASA determined that the NSRS could be performed by a small business pursuant to the Small Business Act. On May 19, 1994, NASA awarded the NSRS contract, valued at $663,350, to Research Planning, Inc. (RPI), a small business concern in Falls Church, Virginia, under the 8(a) program. The contract required RPI to perform the following NSRS activities: manage and operate a single NSRS office; operate a mail-in safety reporting system that ensures correspondents' concerns will be communicated to NASA safety personnel within 1 business day; perform the initial review of reports and contact correspondents by telephone, if necessary; sanitize and transmit reports to NASA representatives while maintaining confidentiality of correspondents; update and maintain the NSRS database to track reports; conduct a report trend analysis; promote NSRS through an awareness program; and prepare and transmit monthly reports to NASA representatives. The period of performance, which included 1 base year and 4 option years, ended May 18, 1999.

On May 19, 1999, NASA awarded RPI a follow-on 8(a) program contract of 1 base year and four 1-year options. In April 2001, BTG, Inc. acquired RPI, and in November 2001, Titan Systems Corporation (Titan) acquired BTG, Inc. Neither BTG, Inc. nor Titan qualified as a small business company under the 8(a) program, thereby making them ineligible to continue the NSRS contract.

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[3]President Reagan appointed a special commission to conduct a formal inquiry into the 1986 NASA *Challenger* accident. The Rogers Commission was named after its chairman, former Secretary of State, William P. Rogers.

[4]The ASRS collects, analyzes, and responds to voluntarily submitted aviation safety incident reports in order to lessen the likelihood of aviation accidents. The ASRS was established in 1975 under a Memorandum of Agreement between the Federal Aviation Administration and NASA. While the Federal Aviation Administration provides most of the program funding, NASA administers the program and sets its policies in consultation with the Federal Aviation Administration and the aviation community.

Findings and Recommendations

Finding A. Timeliness of Contract Administration

NASA and the NSRS contractor did not comply with the Small Business Act, the FAR, or Agency guidance relating to the change of 8(a) ownership and termination requirements under the 8(a) program. This occurred because the NSRS contractor (RPI) did not formally notify NASA prior to the company's acquisition by BTG, Inc., a non-8(a) company. In addition, the CO stated that there was insufficient time to perform contract duties. A lack of awareness of the 8(a) program requirements and inadequate oversight of the NSRS contract by procurement and technical personnel also contributed to the noncompliance. As a result, NASA will have to take immediate action to ensure continuous NSRS coverage until the Agency can establish a new NSRS contract. NASA's actions also denied contract opportunities to eligible, disadvantaged businesses.

Federal Law and Regulation and NASA Guidance for 8(a) Contracting

United States Code Guidance. The Small Business Act requires that a contract awarded under the 8(a) program be performed by the concern that initially received the contract. If the owner(s) upon whom eligibility was based subsequently relinquishes ownership or control or enters into any agreement to relinquish ownership or control, the contract shall be terminated for convenience.[5] The 8(a) awardee is required to notify the SBA immediately in writing of any agreement transferring ownership or control of the firm and may request the SBA to waive the requirement that its 8(a) contract(s) be terminated for convenience. The procuring agency may also request a waiver to this requirement when termination of an 8(a) contract would severely impair an agency from meeting its program objectives or mission. Only the SBA Administrator may waive the termination requirement.

Code of Federal Regulations. Title 13, CFR, Part 124, is the guidance on the applicability of the SBA's 8(a) program. The CFR implements the Small Business Act and is organized as a series of questions from an 8(a) program applicant's point of view and answers to the questions according to what the law allows.

FAR Guidance. FAR 19.8, "Contracting with the Small Business Administration (The 8(a) Program)," paragraph (f) states, "When SBA has delegated its 8(a) Program contract execution authority to an agency, the contracting officer must refer to its agency supplement or other policy directives for appropriate guidance."

[5]FAR Clause 52.249-6 allows the Government to terminate contracts for its convenience by refusing to continue with contract performance. Such termination does not necessarily result from any fault on the part of the contractor. FAR 19.812 implements 8(a) contract administration procedures, including the requirement to terminate a contract if the concern that was originally awarded the contract transfers ownership or control or if the contract is transferred or novated, unless the Administrator of the SBA waives the requirement for contract termination.

NASA Guidance. NASA issued Procurement Information Circular 98-1 on January 14, 1998, to provide guidance for terminating 8(a) contracts when ownership or control of the 8(a) concern is transferred. The circular states:

> If the SBA instructs the CO [contracting officer] in writing to terminate the 8(a) contract(s) and the CO determines that an agency request for waiver is not warranted, or if the SBA Administrator has denied, in writing, NASA's request for a waiver, then the CO should initiate action to terminate the 8(a) contract(s) for convenience as soon as possible after receiving such written instruction from the SBA.

Procurement Information Circular 99-21, issued in November 1999, updated NASA guidance to require "the contracting officer to terminate the contract for convenience upon receipt of a written request by the SBA."

NASA's Compliance with 8(a) Program Requirements

NASA and the SBA signed a Memorandum of Understanding in May 1998, granting the Agency direct award authority and contract execution on 8(a) program contracts.[6] As a result, NASA directly contracted with RPI in 1999 to administer the NSRS program in accordance with the Agency's Memorandum of Understanding with the SBA. However, NASA did not comply with Federal law and regulations or Agency guidance to terminate the NSRS contract after ownership of RPI transferred to a non-8(a) company.

Contractor's Sale Notification. RPI did not formally notify NASA or the SBA of the sale of RPI to a non-8(a) company prior to the April 2, 2001, sale. The notification is required by the Small Business Act. The Small Business Act requires that the 8(a) contractor request, in writing, a waiver to the termination requirement prior to the change of ownership and control, except in the case of the owner's death or incapacity. NASA received RPI's letter of sale notification on April 10, 2001, or 8 days after the sale was completed on April 2, 2001. RPI's sale notification stated that RPI had requested the SBA to waive termination of the contract because the "termination would severely impact attainment of the agency's [NASA's] program objectives or mission." RPI also requested that NASA certify to the SBA that termination of its contract would impair attainment of NASA's program objectives. Because RPI did not notify NASA prior to its sale, neither NASA nor RPI was in a position to certify or request a waiver of termination from the SBA prior to the change in ownership as required by the Small Business Act.

The NASA CO asked the SBA whether it intended to approve RPI's waiver request on May 1, 2001, or 2 weeks before the contract's first option period expired on May 18, 2001. Because the SBA did not respond prior to the contract expiration and

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[6]The memorandum was in effect when NASA awarded the RPI follow-on contract. A Partnership Agreement that is in effect until 2003 replaced the memorandum granting NASA the same direct award authority and contract execution responsibilities. Direct award authority allows NASA to enter into 8(a) contracts and arrange for the performance of the contract with an eligible 8(a) contractor without going through the SBA. Contract execution gives NASA responsibility for compliance with all applicable provisions of the FAR and other acquisition regulations, unless a FAR deviation is obtained.

because NASA had not made other provisions to continue the NSRS program, the CO exercised the second 1-year contract option period on May 19, 2001, to prevent a break in service in the NSRS contract.

Agency Administration of the NSRS Contract. In July 2001, the SBA notified NASA to terminate the NSRS contract based on 13 CFR 124.515(a)(1), which states that a non-8(a) company cannot continue contracts initially awarded to an 8(a) company. However, the CO did not terminate the contract because he stated that he was serving on a negotiations board for another contract and did not have the time. In addition, the CO stated that he was unaware of NASA's procurement information circulars relating to termination of 8(a) contracts.

NASA officials informed us in December 2001 and again in March 2002 that they intended to recompete the contract with another 8(a) company, which would be obtained through the Federal Supply Schedules administered by the U. S. General Services Administration (GSA).[7] As of April 15, 2002, the contract specialist had just begun to work with the COTR to prepare the statement of work. If NASA had begun working on a re-competition in July 2001 when notified by the SBA to terminate the contract, or in December 2001, the Agency would have had sufficient time to properly plan for and award another contract through either competitive means or the Federal Supply Schedules. Because NASA did not begin working on a replacement for the NSRS contract until April 2002, the Agency will be unable to award a new contract by the expiration date of the second contract option period on May 19, 2002. Therefore, NASA will have to take other actions to prevent a break in the NSRS pending re-competition and award of a new contract.

Ninety days prior to contract completion, the NSRS contractor is required to provide the CO and COTR a plan to turn over all NSRS system resources to a successor. The COTR knew that RPI had been negotiating with another company, Science Applications International Corporation, about 9 months before RPI was sold to BTG, Inc. The COTR requested information from the CO regarding the Small Business Act requirements for continuance of an 8(a) contract upon the sale of an 8(a) company to a non-8(a) company. However, neither the CO nor the COTR requested a transition plan as required by the contract or made provisions for a replacement contract during the 9-month period from July 18, 2000, to April 2, 2001 when RPI sold to BTG, Inc.

NASA orally informed Titan[8] on April 9, 2002, and by letter on April 11, 2002, that the Agency would not exercise the next option at contract expiration on May 18, 2002. However, the CO did not request a contract-required transition plan. NASA received a transition plan from Titan on April 23, 2002.

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[7]GSA administers the Federal Supply Schedules by negotiating contracts with both large and small contractors offering a wide variety of services. FAR 8.001 establishes the "Priorities for use of Government supply sources." The Federal Supply Schedules are the second priority for obtaining services. The first priority for obtaining services is from the Committee for Purchase From People Who Are Blind or Severely Disabled.

[8] Titan acquired RPI in November 2001.

Agency NSRS Hotline

On February 10, 1998, the NASA Office of Inspector General (OIG) recommended[9] that the OSMA establish an Agencywide hotline, on a pilot basis, for reporting safety hazards. The OSMA responded that an Agencywide safety hotline could be part of the overall NASA safety program but would not be appropriate for the NSRS. However, the OSMA never established the hotline. If an Agencywide hotline had been established as recommended, NASA would have had, at a minimum, a backup process on which to rely for receiving safety hazard reports until a new NSRS contract could be put into place. The NSRS is the only anonymous hazard reporting system available to NASA and contractor employees in addition to their normal reporting channels.

Conclusion

Because NASA did not establish a reporting hotline as recommended by the NASA OIG in 1998, the Agency will have to take immediate action to assure continuous NSRS coverage from May 19, 2002, until the Agency can establish a new NSRS contract.

Additionally, NASA allowed two non-8(a) companies, BTG, Inc. and Titan, to improperly carry out the NSRS contract for about 10 months (from July 2, 2001, through May 18, 2002.) By allowing contractors to continue in the 8(a) program when they were not entitled to do so, NASA did not comply with the Small Business Act, the CFR, and FAR requirements to ensure that agencies provide small businesses with the maximum practicable opportunities to participate as prime or subcontractors in contracts awarded. Further, NASA denied 8(a) program opportunities to eligible, disadvantaged firms.

Recommendations for Corrective Action

1. The Associate Administrator for Safety and Mission Assurance should take appropriate action to avoid a break in NSRS service when the contract option expires on May 18, 2002.

Management's Response. Concur. NASA awarded a purchase order to Titan on May 17, 2002, to serve as a bridge contract until the contract competition is completed and awarded.

Evaluation of Response. Management's corrective action is responsive to the recommendation. We consider the action sufficient to disposition the recommendation, which will be closed for reporting purposes.

The Assistant Administrator for Procurement should:

2. Request the NSRS contractor to provide NASA with a transition plan that addresses how NSRS documents and equipment, including any software and

[9]The Assistant Inspector General for Inspections, Administrative Investigations, and Assessments made recommendations in a letter to the OSMA to improve the NSRS.

databases, will transition to NASA or an NSRS successor contractor and that addresses when the NSRS Web site will be updated to reflect the new contractor.

Management's Response. Concur. The transition plan was submitted and approved on April 23, 2002.

Evaluation of Response. Management's corrective action is responsive to the recommendation. We consider the action sufficient to disposition the recommendation, which will be closed for reporting purposes

3. Emphasize to procurement personnel and contract technical representatives the requirements in the Small Business Act, the CFR, FAR 19.8, and the Agency's Procurement Information Circulars relating to the 8(a) program requirements.

Management's Response. Concur. The Assistant Administrator for Procurement will send a reminder by June 28, 2002, to all procurement personnel at the affected Center, emphasizing the regulations applicable to 8(a) companies that are bought out by non-8(a) companies. Additionally, the Associate Administrator will request that 8(a) regulations be emphasized in the COTR classes taught periodically throughout the year.

Evaluation of Response. NASA notified us on July 2, 2002, that the Goddard Space Flight Center Acquisition Support Procurement Office had reminded procurement personnel of the requirements of FAR 19.812(d) and of PIC 98-1. The reminder stated that personnel should be aware of the requirements of FAR 19.812(d) and should refer to related NASA Procurement Information Circular 98-1, "Termination of 8(a) Contracts." We consider the action sufficient to disposition the recommendation, which will be closed for reporting purposes.

Finding B. Cost-Effective Contracting

NASA's selection of a cost-reimbursement contract for the 1999 NSRS follow-on contract award with RPI may not have been cost-effective. Specifically, NASA awarded a cost-reimbursement type contract for the NSRS when it had cost and reports history from the Battelle and RPI initial contracts. The CO used a cost-reimbursement type contract as the most advantageous to the Government because the CO stated that the NSRS scope of work could not be sufficiently defined in advance to allow for the precise costing necessary to permit performance on a fixed-price contract. In addition, NASA did not consider an alternative to the NSRS such as the Federal Aviation Administration's ASRS or an Agency hotline prior to the award of the follow-on RPI contract. As a result, NASA paid the contractor an average of $9,500 a month for the follow-on contract to process only one to two reports a month for the last 35 months and continued to assume all the risks under a cost-reimbursement contract. These risks could have been shared and the costs potentially lowered through either a different type contract or an alternative reporting vehicle.

Federal Guidance on Cost-Effective Contracting

FAR Subpart 16.1, "Selecting Contract Types," states there is a wide selection of contract types available to the Government and contractors to provide needed flexibility in acquiring the large variety and volume of supplies and services required by agencies. Contract types vary according to:

(1) the degree and timing of the responsibility assumed by the contractor for the costs of performance; and

(2) the amount and nature of the profit incentive offered to the contractor for achieving or exceeding specified standards or goals.

The FAR groups contract types into two broad categories: fixed-price and cost-reimbursement contracts. Fixed-price contracts, for which the contractor has full responsibility for the performance costs and resulting profit (or loss), should be used when the risk involved is minimal or can be predicted with an acceptable degree of certainty. Cost-reimbursement contracts, for which the contractor has minimal responsibility for the performance costs, should be used when a reasonable basis for firm pricing does not exist. Cost-reimbursement type contracts can have different fee structures. The NSRS contract was a cost-plus-fixed-fee contract, which means that NASA negotiated a fixed fee (profit).

Changing circumstances may make a different contract type more appropriate for later periods. In fact, the FAR warns that contracting officers should avoid protracted use of a cost-reimbursement or time-and-materials[10] contract after experience provides a basis for firmer pricing. Changing from a cost-reimbursement to a fixed-priced type contract generally results in lower costs and less risk to the Government.

Award of NSRS Contracts

Available Reporting History. NASA awarded cost-reimbursement contracts for the initial and follow-on NSRS contracts to RPI when other alternatives may have been more cost-effective. Specifically, NASA had an established 12-year[11] reporting history under Battelle, and procurement officials could have used that data to establish a fixed-price contract for the follow-on contract to RPI. When NASA awarded the follow-on contract to RPI, the Agency could have taken into consideration RPI's reporting history under the initial award as well as Battelle's reporting history.

Previously Reported NSRS Data. As reported by the NASA OIG in February 1992,[12] the NSRS reporting level had been declining since its inception in 1987. Specifically, the NSRS had been designed to handle 86 reports a month. Actual NSRS reports never reached the designed capability. In fact, the number of reports peaked at 15 in September 1988. As of August 1991, the NSRS had produced a total of 254 safety hazard reports -- an average of 5 reports a month over 4 years of program operation. During the first 8 months of 1991, however, the average number of reports dropped to 3 a month. In more recent years (1999-2002), the number dropped to about 2 reports a month.

Selection of the NSRS Contract Type

The CO considered using a cost-reimbursement type contract in 1999 when the initial RPI contract was about to expire. The CO determined that a cost-plus-fixed-fee contract was the most advantageous to the Government because the scope of work could not be sufficiently defined in advance to allow for the precise costing necessary to permit performance on a fixed-price contract. However, the CO had a total of 12 years of cost and reporting history for use in establishing a more cost-effective fixed-price contract.

Additionally, RPI was not at risk to design or develop the NSRS. Battelle had designed, developed, and implemented the NSRS in 1987. The 1999 RPI statement of work provided two phases of work content: Phase I – operational and Phase II – closeout. There were no significant changes in the scope of work for the follow-on contract.

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[10]A time-and-materials contract provides for acquiring supplies or services on the basis of (1) direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit; and (2) materials costs. A time-and-materials contract may be used only when it is not possible at the time of contract award to estimate accurately the extent or duration of the work or to anticipate costs with any reasonable degree of confidence.

[11]The 12 years is the time between the Battelle contract awarded in 1987 and the RPI follow-on contract award in 1999.

[12]"Audit of the NASA Safety Reporting System," A-LE-89-005, showed that although the NSRS program augmented internal safety reporting, the system's limited scope and poor visibility by NASA and contractor employees prevented NASA from achieving the full benefits of the program.

Therefore, RPI administered a system that was fully operational under a cost-reimbursement contract for which there was minimal risk to the contractor.

Alternative Sources for Reporting

NASA could have considered establishing a new contract with Battelle or using the ASRS as an alternative reporting system. NASA helped develop and currently administers the ASRS at the Ames Research Center. Additionally, the Agency could have considered establishing an Agency hotline, particularly due to the low volume of reports received. NASA should examine the costs associated with these alternatives prior to awarding a new NSRS contract.

The OSMA expressed concerns about using the ASRS because Ames Research Center personnel administer the ASRS. Because Ames personnel report to the Office of Aerospace Technology, NASA and contractor employees would not consider the ASRS as separate and independent. The OSMA also expressed concerns about using an Agency hotline because it could inadvertently increase risks under certain circumstances. The present paper-based system requires a more rigorous process of documenting and substantiating concerns, which aids the OSMA in quickly addressing alleged safety problems.

We believe that the OSMA could consider using a support contractor to operate either the ASRS or an Agency hotline and still maintain the independence and rigorous process that is in place today. In addition, NASA policy requiring employees to report safety hazards initially at the local level and the OSMA's comments that "very few safety concerns reported through NSRS are completely unknown to local management" further support our position.

NSRS Reports Data and Contract Costs

NASA received 60 reports during a 34-month period from May 19, 1999, when the follow-on contract was awarded to RPI, through March 27, 2002. For the 34-month period, NASA received one to two reports a month. As of April 30, 2002, the total contract funding, including fee, was $334,500. The average cost to process each report over the approximate 3-year period was about $5,575 ($334,500 divided by 60 reports). NASA paid RPI more than $9,500 ($334,500 divided by 35 months as of April 2002) to collect and summarize one to two safety reports each month for 35 months. Our analysis of the 60 NSRS contractor reports is summarized in Appendix C.

Conclusion

NASA awarded a cost-reimbursement type contract to an 8(a) firm, even though the Agency could have awarded a fixed-price contract because NASA had an established reporting history for the NSRS program. Alternatively, NASA could have considered using the ASRS or establishing an Agency hotline based on the low volume of reports it received. Instead, NASA has paid more than $9,500 a month to process one to two reports a month for the last 35 months. Additionally, NASA assumed all risks associated with a fully operational safety-reporting program when those risks could have been transferred to the contractor.

Recommendation for Corrective Action

4. The Assistant Administrator for Procurement and the Associate Administrator for Safety and Mission Assurance should pursue a fixed-price contract for the next NSRS contract based on more than 15 years of data collected from May 1987 through May 2002 or should consider cost-effective alternatives, such as the ASRS or an Agency hotline to meet NSRS requirements.

Management's Response. Partially Concur. A time and materials contract will be awarded from the GSA Federal Supply Schedule by June 30, 2002. This cost-effective alternative will result in the Agency paying only for the time that is actually expended on this NSRS requirement.

Evaluation of Response. NASA provided us a copy of the new NSRS contract on June 28, 2002. Although a time and materials contract is an allowable alternative to a cost-plus type contract, we believe there are some disadvantages to that alternative. According to procurement guidelines, a time and materials contract is used for engineering and design services, repair, maintenance and overhaul work, or work to be performed in emergencies. None of these types of services are consistent with the work to be performed for the NSRS program. Additionally, there is no incentive for efficient management or cost control under a time and materials contract. Because the contractor's overhead costs, general and administrative expenses, and profit are all incorporated into a fixed hourly rate, the greater the number of hours charged on the contract, the greater the profit to the contractor. Further, lack of a cost incentive makes Government surveillance a necessity to assure effective contractor performance and cost control methods. Based on these disadvantages, we continue to believe that NASA could have effectively fulfilled the NSRS requirement using a fixed-price contract. Further, we encourage NASA to review the results of the base year contract, prior to exercising the first option year in June 2003 to determine whether the current contract is more favorable to NASA than a fixed-price contract. Notwithstanding our concerns with a time and materials contract and the fact that NASA has already awarded the time and materials contract, this recommendation will be closed for reporting purposes.

Appendix A. Objectives, Scope, and Methodology

Objectives

The overall objective was to evaluate the effectiveness of NASA's Safety Reporting System (NSRS.) The specific objective related to this report was to determine whether NASA and the NSRS contractor effectively performed contract requirements. This report identifies conditions regarding the NSRS contract that warrant timely action by NASA management because NASA may experience a break in service on the NSRS contract when the current contract option period expires on May 19, 2002.

The remaining objectives, which will be discussed in a separate report, are to determine whether NASA:

- effectively notified the appropriate NASA authorities of safety concerns and

- appropriately addressed, dispositioned, and resolved safety concerns.

Scope and Methodology

We reviewed applicable Federal laws and regulations as noted below and NASA guidance related to the 8(a) program and the NSRS requirements as follows:

- Title 15, United States Code, Part 637(a), "The Small Business Act"

- Title 13, Code of Federal Regulations, Part 124, "8(a) Business Development/Small Disadvantaged Business Status Determinations"

- Federal Acquisition Regulation (FAR) 8, "Required Sources of Supplies and Services"

- FAR 16.1, "Selecting Contract Types"

- FAR 19.8, "Contracting with the Small Business Administration (The 8(a) Program)"

- NASA Procurement Information Circular 98-1, "Termination of 8(a) Contracts"

- NASA Procurement Information Circular 99-21, "Extension of the NASA and SBA [Small Business Administration] Memorandum of Understanding to Allow Direct Contracting with 8(a) Firms"

Additionally, we did the following:

- Interviewed NASA procurement officials including the Contracting Officer, Contracting Officer's Technical Representative, and the Contract Specialist as well as the NSRS contract program manager.

- Interviewed NASA Office of Safety and Mission Assurance officials including the Director, Safety and Risk Management Division and Chairman of the NSRS Management Technical Advisory Group.

- Reviewed the contract file, including the basic contract and funding modifications, statement of work, and correspondence relating to contract administration.

We did not assess the reliability of computer-processed data because we did not rely on it to achieve our objective.

Management Controls Reviewed

We reviewed management controls related to the administration of 8(a) program[13] contracts including the United States Code, the FAR, NASA Procurement Information Circulars, and the Memorandum of Understanding and Partnership Agreement between NASA and the Small Business Administration.

Audit Field Work

We performed field work from October 2001 through May 2002 at NASA Headquarters, Goddard Space Flight Center, and the NSRS contractor office in Virginia. We performed the audit in accordance with generally accepted government auditing standards.

[13]See footnote 1.

Appendix B. Summary of Prior Audit Coverage

The NASA Office of Inspector General (OIG) has issued two reports relating to the NASA Safety Reporting System (NSRS). In addition, the General Accounting Office (GAO) has issued a report relating to the administration of 8(a) contracts.[14]

"Modifications to the NASA Safety Reporting System," Inspections and Assessments Letter, February 10, 1998. The OIG reviewed selected aspects of the NSRS during a review of issues related to the safety of the NASA/Mir missions.[15] The OIG suggested that the Office of Safety and Mission Assurance enhance the NSRS to help ensure that all NASA and contractor employees are aware of the various safety mechanisms available to quickly report safety concerns and to modify the NSRS Web site to include hyperlinks to all Centers' safety reporting processes, the OIG hotline, or the safety office telephone numbers. The OIG proposed that the Web site, brochure, and NSRS standard reporting form include statements to clarify that: (1) the NSRS reports should not contain classified information; (2) reports containing allegations of potential criminal activities be referred to the NASA OIG; and (3) the Web site, brochure, and the NSRS form include the OIG hotline number. The OIG also requested that NASA consider establishing and monitoring an Agencywide safety hotline, if only on a pilot basis. Management did not agree to include a reference to the OIG hotline number on the Web site or to state that the NSRS reports containing allegations of potential criminal activities should be referred to the OIG in NSRS material. Management stated that the recommendation to establish a hotline would be reviewed.

"NASA Safety Reporting System (NSRS)," Report Number A-LE-89-005, February 14, 1992. Since its inception, the NSRS Office has processed 254 confidential referrals to management. Many of the referrals dealt with concerns that otherwise may not have reached the attention of Agency managers. Although the program has augmented internal safety reporting for the Space Transportation System, the full benefits to be gained through the program are not being realized. Problems with the program include its limited scope and poor visibility and exposure. The OIG found that internal controls, while generally adequate to protect correspondents' identities, could be improved. NASA agreed to implement corrective actions on nine of the report recommendations, and the OIG withdrew one recommendation.

"SBA Could Better Focus Its 8(a) Program[16] to Help Firms Obtain Contracts," Report Number GAO/RCED-00-196, July 2000. Access by firms to 8(a) contracts—long considered the program's biggest benefit—remains a problem. A long-standing concern, cited in previous GAO and Small Business Administration Inspector General reports, is that a few firms receive most of the 8(a) contracts, effectively limiting the developmental opportunities available to other firms in the program. For example, in

[14] See footnote 1.
[15] In 1992, NASA and the Russian Space Agency signed a Joint Statement on Cooperation in Space detailing a Space Shuttle mission to visit Mir, the Russian space station, and subsequently expanded the cooperation to extend the NASA/Mir program for 10 Shuttle flights.
[16] See footnote 1.

fiscal year 1998, 209 firms received 50 percent of the 8(a) contract dollars. The Small Business Administration acknowledged this problem and made some changes in the program to address it, but stated that because of differences in firms' skills, experience, and other factors, not all 8(a) firms receive program contracts. In addition, Federal procuring officials are confronted with the competing objectives of accomplishing their agencies' missions at a reasonable cost and achieving the 8(a) program's business development goals.

Appendix C. Our Analysis of the NSRS Contractor Reports

Category of Reported Data	Number of Reports
Urgency/Criticality of Report:	
-Immediate Urgency	7
-Routine	53
Total	60
Concern Previously Reported:	
-Previously Reported	50
-Not Previously Reported	10
Total	60
Topic Area of Report:	
-Building/Facilities	27
-Space Shuttle and International Space Station	14
-Industrial Safety	11
-Aeronautics/Aviation	4
-Vehicle/Passenger Safety	3
-Miscellaneous	1
Total	60

Our analysis of the reports showed the following:

- Fifty-three (88 percent) of the 60 reports received were considered routine, while only 7 (12 percent) reports were considered an immediate urgency, that is, needing immediate attention.

- Fifty (83 percent) of the 60 correspondents indicated they had reported the hazard elsewhere, for example, to their supervisor or their Center Safety Office. Based on NASA's 14 years of NSRS operations, the Agency acknowledged that very few safety concerns that rise through the NSRS are completely unknown to those at the local level**.** Only 10 (17 percent) of the 60 reports indicated that the correspondent had not previously reported the hazard to anyone.

- Twenty-seven (45 percent) of the 60 reports showed that most of the reports related to buildings and facilities hazards.

- Fourteen (23 percent) of the 60 reports related to Space Shuttle and International Space Station hazards.

- Eleven (18 percent) of the 60 reports related to industrial safety hazards.

- Four (7 percent) of the 60 reports related to aeronautics/aviation hazards.

- Three (5 percent) of the 60 reports related to vehicle/passenger safety hazards.

- One (2 percent) of the 60 reports did not fall into any available category and was considered a miscellaneous report.

Appendix D. Management's Response

National Aeronautics and
Space Administration
Headquarters
Washington, DC 20546-0001

June 21, 2002

Reply to Attn of: Q

TO: W/Inspector General

FROM: Q/Deputy Associate Administrator for
Safety and Mission Assurance

SUBJECT: Draft Report A-02-006-00

Enclosed is our response to Draft Report A-02-006-00.

Michael A. Greenfield, Ph.D.

Enclosure

cc:
HK/Mr. Becker
JM/Ms. Flickinger

COMMENTS ON OIG AUDIT A-02-006-00, CONTRACTING ISSUES ASSOCIATED WITH THE NASA SAFETY REPORTING SYSTEM

Code Q wants the following statement (page 4, paragraph 3) expunged from the IG Report:

> However, neither the CO nor the COTR requested a transition plan as required by the contract or made provisions for a replacement contract during the 9-month period from July 18, 2000, to April 2, 2001 when RPI sold to BTG, Inc.

As the IG report correctly notes, the COTR did know that RPI was negotiating with Science Applications International Corporation (SAIC), discussed this with the CO, and the ramifications with respect to the SBA. Subsequently, the negotiations betweens RPI and SAIC ended, thus there was no longer an issue. However, regarding the RPI negotiations with and sale to BTG, neither the CO nor the COTR knew that negotiations were in progress until after the sale. Therefore, there was no reason to request a transition plan or consider a replacement contract during that time period.

See Appendix D, OIG Comment 1

RESPONSE TO RECOMMENDATIONS:

1. **The Acting Associate Administrator for Safety and Mission Assurance should take appropriate action to avoid a break in NSRS service when the contract option expires on May 18, 2002.**

   Concur - No break in service occurred for the NSRS service. A purchase order was awarded on May 17, 2002, to serve as a bridge contract until the contract competition is completed and awarded.

   NOTE: The Contracting Officer (CO) initially contacted the SBA (by phone) on April 12, 2001 concerning the RPI buyout. This was two days after NASA received RPI's letter of sale notification. As stated in the audit report, the CO contacted the SBA (in writing) on May 1, 2001 (two weeks after receiving notification from RPI of the sale to BTG) to determine the status of the waiver submitted by RPI. Additionally, the CO requested that the SBA Representative, at NASA/GSFC, send a follow-up message to the SBA on May 3, 2001, expressing the urgency of this matter. After receiving no response from the SBA, the CO sent another message on May 11, 2001 stating that no response had been received and he intended to initiate action to exercise the next available 1-year option on May 14, 2001. Since this is a mission critical requirement dealing with NASA's number one initiative—safety, the CO had no choice but to exercise the option to the contract. The SBA's faxed denial of the waiver was not received until July 31, 2001. The CO had no reason to terminate the contract during that three month time period while awaiting SBA's response.

See Appendix D, OIG Comment 2

See Appendix D; OIG Comment 3

2. **The Assistant Administrator for Procurement should request the NSRS contractor to provide NASA with a transition plan that addresses how NSRS documents and equipment, including any software and databases, will transition to NASA or an NSRS successor contractor and that addresses when the NSRS Web site will be updated to reflect the new contractor.**

   Concur - The transition plan was submitted/approved on April 23, 2002.

3. **The Assistant Administrator for Procurement should emphasize to procurement personnel and contract technical representatives the requirements in the Small Business Act, the CFR, FAR 19.8, and the Agency's Procurement Information Circulars relating to the 8(a) program requirements.**

   Concur – A reminder will be sent by June 28, 2002, to all procurement personnel, at the affected Center, emphasizing the regulations applicable to 8(a) companies that are bought out by non-8(a) companies. Additionally, a request will be submitted to the training contract's COTR that this be emphasized in the Contracting Officer's Technical Representative classes that are taught periodically throughout the year.

   NOTE: As evidenced in the response to recommendation 1 above, the CO was aware of all of the 8(a) requirements except for Procurement Information Circular 98-1.

4. **The Assistant Administrator for Procurement and the Acting Associate Administrator for Safety and Mission Assurance should pursue a fixed-price contract for the next NSRS contract based on more than 15 years of data collected from May 1987 through May 2002 or should consider cost-effective alternatives, such as the ASRS or an Agency hotline to meet NSRS requirements.**

   See Appendix D, OIG Comment 4

   Partially Concur - A Time and Material contract will be awarded off of the GSA Federal Supply Schedule by June 30, 2002. This cost-effective alternative will result in the Agency only paying for the time that is actually expended on this NSRS requirement.

   NOTE: The report indicates that NASA is paying $9,500 a month to have the contractor process one or two safety reports. The report fails to mention that the requirements listed below are also included in the Statement of Work and were performed by the contractor.

   1) Analyze, prepare, process and transmit all reports regardless of the amount
   2) Update, operate and maintain the NSRS database
   3) Conduct trend analysis

4) Conduct an awareness program which includes: design and distribution NSRS posters each year, provide promotional materials, support NSRS at all Centers
5) Attend management/coordination and Technical Advisory Group meetings
6) Support space shuttle launch/mission activities
7) Maintain TAG operational procedures documents
8) Design, print and distribute the annual Planning Guide

Additionally, a fixed priced instrument has programmatic and business drawbacks. A fixed price award may create windfall profits for a contractor, put the contractor at risk if the volume or complexity of the reports change, which in turn would reduce NASA's service level on this mission critical effort that safeguards lives and national assets. No cost benefits or risk analysis was evident in the report to support the conclusion that the cost-reimbursement contract was the incorrect contract type. In fact, since the contract was under running the originally negotiated costs, that could be an indicator of effective program and cost management.

Appendix E. OIG Comments on Management's Response

NASA Headquarters provided the following comments in its response to a draft of this report. Our responses to the comments are also presented.

Management Comments. The NASA Office of Safety and Mission Assurance wants the following statement (page 4, paragraph 3) expunged from the Office of Inspector General (OIG) report:

> However, neither the CO [Contracting Officer] nor the COTR [Contracting Officer's Technical Representative] requested a transition plan as required by the contract or made provisions for a replacement contract during the 9-month period from July 18, 2000, to April 2, 2001, when RPI sold to BTG, Inc.

As the report correctly notes, the COTR did know that Research Planning, Inc. (RPI) was negotiating with Science Applications International Corporation (SAIC) and discussed this with the CO and the ramifications with respect to the Small Business Administration (SBA). Subsequently, the negotiations betweens RPI and SAIC ended; thus there was no longer an issue. However, regarding the RPI negotiations with and sale to BTG, Inc., neither the CO nor the COTR knew that negotiations were in progress until after the sale. Therefore, there was no reason to request a transition plan or consider a replacement contract during that period.

1. OIG Comments. Based on the information we obtained regarding the negotiations with SAIC, RPI planned to sell the company, even though the negotiations with SAIC were unsuccessful. Although RPI did not inform NASA of the sale to BTG, Inc. in a timely manner, NASA had knowledge that a sale was likely. However, NASA did not adequately plan for a replacement contract. Further, when NASA was officially notified of the sale in April 2001, Agency officials did not take steps to plan for a replacement contract until April 2002. The lack of planning forced the Agency to award a sole-source "bridge contract" (or purchase order) until competition could be completed on a new NSRS contract. Issuing a sole-source purchase order based on an unusual and compelling urgency was not justified when the Agency's lack of planning led to the urgency. The U.S. Code (USC) states that the Competition in Contracting Act permits noncompetitive acquisitions in specified circumstances, such as when the agency's need for the services is of an unusual and compelling urgency and they are available from only one responsible source according to 10 USC Section 2304(c)(2)(1994). For example, in a similar case, the U. S. Comptroller General reiterated in his decision in TeQcom, Inc., 86-2 CPD paragraph 700 (1986) that, "under no circumstances may noncompetitive procedures be used due to a lack of advance planning by contracting officials" as cited in 10 USC, Section 2304(f)(5).

Management Comments. The CO initially contacted the SBA (by telephone) on April 12, 2001, concerning the RPI buyout. This was 2 days after NASA received RPI's letter of sale notification. As stated in the audit report, the CO contacted the SBA (in writing) on May 1, 2001 (2 weeks after receiving notification from RPI of the sale to BTG, Inc.) to determine the status of the waiver submitted by RPI. Additionally, the CO requested that the SBA Representative (at Goddard Space Flight Center) send a follow-up message to the SBA on May 3, 2001, expressing the urgency of this matter. After receiving no response from the SBA, the CO sent another message on May 11, 2001, stating that no response had been received, and the CO intended to initiate action to exercise the next available 1-year option on May 14, 2001. Because this was a mission-critical requirement dealing with NASA's number one initiative—safety, the CO had no choice but to exercise the option to the contract. The SBA's faxed denial of the waiver was not received until July 31, 2001. The CO had no reason to terminate the contract during that 3-month period while awaiting SBA's response.

2. OIG Comments. We maintain that NASA should have terminated the contract upon transfer of RPI ownership to a non-8(a) company in accordance with the Small Business Act, the agreement with the SBA, and NASA's internal policy. In addition, we believe that the SBA's denial of a waiver could have been reasonably expected because neither RPI nor NASA complied with the requirements for requesting a waiver. Specifically, (1) RPI did not request a waiver from the SBA prior to RPI's sale to BTG, Inc., a non-8(a) company; and (2) NASA did not request a waiver from the SBA stating, "termination of the contract would severely impair attainment of the agency's program objectives or missions," as allowed by the Small Business Act.

Even after the SBA denied the waiver and directed NASA to terminate the contract, the CO still did not terminate the contract. This resulted in a non-8(a) company improperly performing the contract requirements of an 8(a) set-aside contract for an additional 10 months.

Management Comments. The transition plan for terminating all functions by the contractor and transferring the daily operations and physical material to a successor company in charge of the NSRS operations was submitted/approved on April 23, 2002.

3. OIG Comments. We based our recommendation on information initially provided by the COTR, who told us that although NASA received a transition plan on April 23, 2002, it was not approved. The COTR suggested changes to the plan and gave it back to the contractor for correction.

Management Comments. The report indicates that NASA is paying $9,500 a month to have the contractor process one or two safety reports. The report fails to mention that the requirements listed below are also included in the Statement of Work and were performed by the contractor:

- Analyze, prepare, process, and transmit all reports regardless of the amount
- Update, operate, and maintain the NSRS database
- Conduct trend analysis

- Conduct an awareness program that includes: design and distribution NSRS posters each year, provide promotional materials, support NSRS at all Centers
- Attend management/coordination and Technical Advisory Group meetings
- Support Space Shuttle launch/mission activities
- Maintain Technical Advisory Group operational procedures documents
- Design, print and distribute the annual Planning Guide

Additionally, a fixed-priced instrument has programmatic and business drawbacks. A fixed-price award may create windfall profits for a contractor or put the contractor at risk if the volume or complexity of the reports change, which, in turn, would reduce NASA's service level on this mission-critical effort that safeguards lives and national assets. No cost benefits or risk analysis was evident in the report to support the conclusion that the cost-reimbursement contract was the incorrect contract type. In fact, the contract was underrunning the originally negotiated costs, which could be an indicator of effective program and cost management.

4. OIG Comments. We believe that NASA’s use of a time and materials contract is not the best alternative to a cost-reimbursement contract. Rather, we maintain that NASA could have negotiated a fixed-price contract to fulfill the NSRS requirement based on 15 years of cost and reporting history to price and negotiate the new contract. We encourage NASA to review the performance and associated cost of the time and materials contract before exercising future option periods to determine whether this contract alternative is, in fact, in NASA’s best interest.

The findings and recommendations in this report are based on the audit work performed to date. We plan to continue audit field work on NASA’s Safety Reporting System under a new assignment number, A-02-006-01, and we will evaluate other requirements in the Statement of Work to determine whether NASA and the NSRS contractor are performing those tasks effectively.

Appendix F. Report Distribution

National Aeronautics and Space Administration (NASA) Headquarters

HQ/AI/Associate Deputy Administrator
HQ/AA/Chief of Staff
HQ/AB/Associate Deputy Administrator for Institutions
HQ/B/Deputy Chief Financial Officer
HQ/B/Comptroller
HQ/BF/Director, Financial Management Division
HQ/G/General Counsel
HQ/H/Assistant Administrator for Procurement
HQ/HK/Director, Contract Management Division
HQ/J/Assistant Administrator for Management Systems
HQ/JM/Director, Management Assessment Division
HQ/L/Assistant Administrator for Legislative Affairs
HQ/M/Associate Administrator for Space Flight
HQ/Q/Associate Administrator for Safety and Mission Assurance
HQ/QS/Director, Safety and Risk Management Division

NASA Advisory Officials

HQ/K/Chair, Minority Business Resource Advisory Committee
HQ/Q-1/Chair, NASA Aerospace Safety Advisory Panel
HQ/RX/Chair, Aerospace Technology Advisory Committee
HQ/UG/Chair, Biological and Physical Research Advisory Committee
HQ/Y/Chair, Earth System Science and Applications Technology Advisory Committee

NASA Centers

ARC/D/Director, Ames Research Center
DFRC/X/Director, Dryden Flight Research Center
GRC/0100/Director, John H. Glenn Research Center at Lewis Field
GSFC/100/Director, Goddard Space Flight Center
JPL/1000/Director, Jet Propulsion Laboratory
JSC/AA/Director, Lyndon B. Johnson Space Center
KSC/AA/Director, John F. Kennedy Space Center
KSC/CC/Chief Counsel, John F. Kennedy Space Center
LaRC/106/Acting Director, Langley Research Center
MSFC/DA01/Director, George C. Marshall Space Flight Center
SSC/AA00/Director, John C. Stennis Space Center

Appendix F

Non-NASA Federal Organizations and Individuals

Assistant to the President for Science and Technology Policy
Deputy Associate Director, Energy and Science Division, Office of Management and Budget
Branch Chief, Science and Space Programs Branch, Energy and Science Division, Office of Management and Budget
Managing Director, Acquisition and Sourcing Management Team, General Accounting Office
Senior Professional Staff Member, Senate Subcommittee on Science, Technology, and Space

Chairman and Ranking Minority Member – Congressional Committees and Subcommittees

Senate Committee on Appropriations
Senate Subcommittee on VA, HUD, and Independent Agencies
Senate Committee on Commerce, Science, and Transportation
Senate Subcommittee on Science, Technology, and Space
Senate Committee on Governmental Affairs
House Committee on Appropriations
House Subcommittee on VA, HUD, and Independent Agencies
House Committee on Government Reform
House Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations
House Subcommittee on Technology and Procurement Policy
House Committee on Science
House Subcommittee on Space and Aeronautics

Congressional Member

Honorable Pete Sessions, U.S. House of Representatives

NASA Assistant Inspector General for Audits
Reader Survey

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Report Title: Contracting Issues Associated with the NASA Safety Reporting System

Report Number: ____________________ Report Date: __________________

Circle the appropriate rating for the following statements.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	N/A
1. The report was clear, readable, and logically organized.	5	4	3	2	1	N/A
2. The report was concise and to the point.	5	4	3	2	1	N/A
3. We effectively communicated the audit objectives, scope, and methodology.	5	4	3	2	1	N/A
4. The report contained sufficient information to support the finding(s) in a balanced and objective manner.	5	4	3	2	1	N/A

Overall, how would you rate the report?

- ☐ Excellent
- ☐ Very Good
- ☐ Good
- ☐ Fair
- ☐ Poor

If you have any additional comments or wish to elaborate on any of the above responses, please write them here. Use additional paper if necessary. _____________

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How did you use the report? ____

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How could we improve our report? ____

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How would you identify yourself? (Select one)

- ☐ Congressional Staff
- ☐ NASA Employee
- ☐ Private Citizen
- ☐ Media
- ☐ Public Interest
- ☐ Other: ___________________________
- ☐ Government: ________ Federal: __________ State: _________ Local: _________

May we contact you about your comments?

Yes: ______ No: ______

Name: ______________________________

Telephone: __________________________

Thank you for your cooperation in completing this survey.

Major Contributors to the Report

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