



Highlights of [GAO-09-88](#), a report to congressional requesters

Why GAO Did This Study

GAO was asked to review the National Aeronautics and Space Administration (NASA) Office of Inspector General (OIG) and provide information on (1) the audit and investigative coverage of NASA; (2) the NASA OIG's audit and investigative accomplishments; (3) the NASA OIG's budget and staffing levels, including staff attrition rates; and (4) the results of external reviews of the NASA OIG. GAO obtained information from NASA OIG reports, interviews, and documentation.

What GAO Recommends

GAO is making two recommendations for the NASA IG to (1) revise strategic and annual planning to include audits of NASA's program economy and efficiency with potential monetary savings by working with an objective third party to obtain external review and consultation during the planning process and (2) take actions to identify the causes of high staff turnover with the assistance of an objective expert.

In addition, GAO is recommending that the Integrity Committee follow up on its investigative finding that the NASA IG had an appearance of a lack of independence.

In comments on a draft of the report, the Integrity Committee and the NASA IG disagreed with the recommendations. GAO believes the recommendations are valid and provides a detailed response to these comments in the body of the report.

To view the full product, including the scope and methodology, click on [GAO-09-88](#). For more information, contact Jeanette Franzel at (202) 512-9471 or franzelj@gao.gov.

INSPECTORS GENERAL

Actions Needed to Improve Audit Coverage of NASA

What GAO Found

The fundamental mission of the statutory federal IG offices, including the NASA OIG, includes identifying areas for improved economy, efficiency, and effectiveness through independent and objective oversight and preventing and detecting fraud, waste, and abuse. Of the 71 reports issued by the OIG's Office of Audits in fiscal years 2006 and 2007, only 1 report had recommendations to address the economy and efficiency of NASA's programs and operations with measurable monetary accomplishments.

Over the 5-year period of fiscal years 2003 through 2007, audit reports contributed to only 1 percent of the OIG's total monetary accomplishments. The remaining 99 percent came from the OIG's investigative cases. Of about \$9 million in total reported monetary accomplishments from audits over the 5-year period, almost \$7 million was from one audit completed in fiscal year 2007. When the monetary accomplishments of both audits and investigations in fiscal year 2007 are combined and compared to the OIG's budget of \$34 million, the return for each budget dollar is \$0.36. This calculation for all 30 OIGs with IGs appointed by the President and confirmed by the Senate averages \$9.49, or 26 times that of the NASA OIG.

The OIG's relative lack of monetary accomplishments from audits is due, at least in part, to the OIG's strategic and annual audit plans, which do not provide assurance that NASA's economy and efficiency will be addressed or that measurable monetary accomplishments will be achieved. We believe that during the planning process, the OIG should consult with an objective third party with experience in providing economy and efficiency audits with potential monetary savings.

The OIG's budgets and staffing kept pace or did slightly better than all of NASA for these same resources during fiscal years 2003 through 2007. When comparing the fiscal year 2007 budgets of all 30 IGs appointed by the President and confirmed by the Senate with their respective agencies' budgets, the NASA OIG ranked 11th. Nevertheless, GAO noted that the OIG's ability to retain experienced audit personnel was adversely affected by a staff attrition rate that has increased from 12 percent to almost 20 percent over fiscal years 2003 through 2007. Due to the relatively high attrition rates, GAO believes that the OIG should use the assistance of an objective expert to identify the causes of staff turnover.

The NASA OIG's most recent peer reviews for both audits and investigations have resulted in unqualified opinions. A recent investigation by the Integrity Committee of the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency reported that the NASA IG had an appearance of a lack of independence. The investigation was closed, but corrective actions did not address this finding and the Integrity Committee considers the issue unresolved. This issue has been raised by members of the Congress as a limitation in obtaining independent oversight of NASA.