

## NASA's Annual OIG Audit Follow-up Report Fiscal Year 2024

### A. Background

The Inspector General Act of 1978, as amended and codified in United States Code Title 5, section 405 (5 U.S.C. §405), requires agencies to transmit to the appropriate Congressional committees certain statistical tables and any comments deemed appropriate to accompany its Office of Inspector General's (OIG) Semiannual Report to Congress.

The National Aeronautics and Space Administration (NASA) annualized that reporting requirement in 1998 as part of a pilot program established by the Government Performance and Results Act of 1993. When this pilot program ended after 2001 reporting, NASA continued the practice to report annually in its year-end Agency financial report as recommended in the Reports Consolidation Act of 2000. Since fiscal year (FY) 2021 reporting, NASA has elected to issue a stand-alone audit follow-up report to address the reporting requirements.

This is NASA's FY 2024 report addressing the requirements in 5 U.S.C §405(c).<sup>1</sup> Those requirements include any comments the Administrator determined appropriate and reporting on OIG reports that include instances of whistleblower retaliation, monetary benefits, and pending corrective actions.

**Definitions.** Key terminology specific to NASA's FY 2024 reporting follows:

Disallowed cost—A questioned cost that management agreed should not be charged to the Government.

Final action—The completion of all actions that management has concluded are necessary to address an audit report's findings and recommendations. In the event that management concludes no action is necessary, final action occurs when a management decision has been made.

Funds to be put to better use—A type of monetary benefit where the OIG identified funds that could be used more efficiently if management took actions to implement and complete the recommendation.

Management decision—Conclusion issued by management after evaluating findings and recommendations included in an audit report, including actions concluded to be necessary, if any.

Questioned cost—A type of monetary benefit where the OIG questioned the cost incurred by the Agency because of an alleged violation of a provision of a law, regulation, contract,

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<sup>1</sup> NASA's reporting is based on the requirements of 5 U.S.C. §405(c), which codifies the Inspector General Act of 1978, as amended by the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 5273, Dec. 23, 2022, 136 Stat. 2395, 3241.

grant, cooperative agreement, or other agreement or document governing the expenditure of funds; a finding that, at the time of the audit, the cost is not supported by adequate documentation; or a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

### **B. Agency Head Comments**

Title 5 U.S.C. §405(c)(1) allows NASA to include any comments the Administrator determines appropriate. Upon receipt of the OIG’s Semiannual Reports required by 5 U.S.C. §405(b) in April and November 2024, NASA reviewed and compared certain information with the Agency’s records. As a result, NASA provided comments to the OIG on its audit statistical tables. Those comments on the April 2024 Semiannual Report were reflected in that report, as appropriate, prior to submission to the appropriate Congressional committees and being made available to the public by the OIG.

### **C. Reports on Instances of Whistleblower Retaliation**

Title 5 U.S.C. §405(c)(3) requires NASA to include a statement on any settlement agreements entered into with an official found by the Inspector General to have engaged in retaliation against a whistleblower.

The OIG did not report any such instances for FY 2024.

### **D. Reports with Monetary Benefits**

Title 5 U.S.C. §405(c)(2) requires NASA to include statistical information regarding any management decision or final action taken on each audit report on which final action had not been taken before the reporting period. The information required to be reported includes the dollar value of any disallowed cost or funds to be put to better use. See Tables 1 and 2.

<b>Table 1: Final Actions Taken on Audits with Disallowed Costs for the Year Ended September 30, 2024</b>		
<b>Description</b>	<b>Questioned Costs</b>	
	<b>No. of Reports</b>	<b>Dollars</b>
A. Audit reports with management decisions on which final action has not been taken as of September 30, 2023	2	\$84,867,103 <sup>2</sup>
B. Audit reports on which management decisions were made during the year	1	2,000,000 <sup>3</sup>
C. Total audit reports with management decisions pending final action during the year (A+B)	3	\$86,867,103
D. Audit reports on which final action was taken during the year		
(1) Recoveries of Disallowed Costs		
a) Collection		
b) Offset		
c) property in lieu of cash		
d) Other		

<sup>2</sup> NASA OIG, “NASA’s Software Asset Management” (IG-23-008, January 12, 2023); and “NASA’s Management of the Space Launch System Booster and Engine Contracts” (IG-23-015, May 25, 2023).

<sup>3</sup> NASA OIG, “NASA’s Efforts to Demonstrate Robotic Servicing of On-Orbit Satellites” (IG-24-002, October 4, 2023).

<b>Table 1: Final Actions Taken on Audits with Disallowed Costs for the Year Ended September 30, 2024</b>		
<b>Description</b>	<b>Questioned Costs</b>	
	<b>No. of Reports</b>	<b>Dollars</b>
(2) Write-offs of Disallowed Costs		
(3) Management decision concluded no action is necessary <sup>4</sup>	2	84,867,103
E Audit reports with management decisions needing final action as of September 30, 2024 (C-D)	1	\$2,000,000
F. Audit reports with no management decision during the year	1	2,977,057 <sup>5</sup>
<b>G. Total audit reports needing final action as of September 30, 2024 (E+F)</b>	<b>2</b>	<b>\$4,977,057</b>

<b>Table 2: Final Actions Taken on Audits with Recommended Funds to Be Put to Better Use Agreed to by Management for the Year Ended September 30, 2024</b>		
<b>Description</b>	<b>Funds Put to Better Use</b>	
	<b>No. of Reports</b>	<b>Dollars</b>
A. Audit reports with management decisions on which final action has not been taken as of September 30, 2023	1	\$4,000,000 <sup>6</sup>
B. Audit reports on which management decisions were made during the year	1	12,613,442 <sup>7</sup>
C. Total audit reports pending final action during the year (A+B)	2	\$16,613,442
D. Recommendations on which final action was taken during the year		
(1) The dollar value of recommendations that were actually completed		
(2) The dollar value of recommendations that management subsequently concluded should not or could not be implemented or completed		
E Audit reports with management decisions needing final action as of September 30, 2024 (C-D)	2	\$16,613,442
F. Audit reports with no management decision during the year		
<b>G. Total audit reports needing final action as of September 30, 2024 (E+F)</b>	<b>2</b>	<b>\$16,613,442</b>

### **E. Reports with Pending Corrective Action**

Title 5 U.S.C. §405(c)(4) requires NASA to include a statement with respect to each audit report on which a management decision has been made but final action has not been taken. As allowable by law and consistent with reporting in prior years, NASA excluded 16 reports where a management decision was made during the current fiscal year ending September 30, 2024. Table 3 presents the required information for reports issued before the commencement of the reporting period.

<sup>4</sup> Management agreed to implement the recommendation associated with the questioned costs identified by the OIG. However, management did not agree the questioned costs were disallowed costs. Therefore, no action is necessary to recover the amounts.

<sup>5</sup> NASA OIG, “NASA’s Management of the Mobile Launcher 2 Project” (IG-24-016, August 27, 2024).

<sup>6</sup> IG-23-008.

<sup>7</sup> NASA OIG, “Audit of NASA’s Science, Technology, Engineering, and Math (STEM) Engagement” (IG-24-010, April 25, 2024).

**Table 3: OIG Audit Reports and Recommendations Open in Excess of One-Year  
As of September 30, 2024**

<b>Report No. and Date</b>	<b>Report Title</b>	<b>No. of Open Recommendations</b>	<b>Status of Final Actions</b>
<b>Final Action Completed, Pending OIG Disposition</b>			
IG-21-004, 11/10/2020	NASA's Management of the Gateway Program for Artemis Missions	1	Final action taken during reporting period. Awaiting OIG disposition.
IG-22-007, 1/11/2022	NASA's Management of Its Astronaut Corps	1	Final action taken during reporting period. Awaiting OIG disposition.
IG-22-011, 4/7/2022	NASA's Cost Estimating and Reporting Practices for Multi-Mission Programs	2	Final action taken during reporting period. Awaiting OIG disposition.
IG-22-012, 6/9/2022	NASA's Management of the Mobile Launcher 2 Contract	3	Final action taken during reporting period. Awaiting OIG disposition.
<b>Pending Final Action</b>			
IG-12-017, 8/7/2012	Review of NASA's Computer Security Incident Detection and Handling Capability	2	Implementation is planned by April 30, 2025
IG-19-002, 10/22/2018	Audit of NASA's Historic Property	3	Implementation is planned by December 1, 2024
IG-19-019, 5/29/2019	Management of NASA's Europa Mission	1	Implementation is planned by December 20, 2024
IG-20-001, 10/21/2019	NASA's Security Management Practices	1	Implementation is planned by February 28, 2025
IG-20-005, 11/14/2019	NASA's Management of Crew Transportation to the International Space Station	1	Implementation is planned by March 31, 2025
IG-20-011, 3/3/2020	NASA's Management of Distributed Active Archive Centers	1	Implementation is planned by March 31, 2025
IG-20-012, 3/10/2020	NASA's Management of Space Launch System Program Costs and Contracts	3	Implementation is planned by December 31, 2024
IG-20-018, 7/16/2020	NASA's Management of the Orion Multi-Purpose Crew Vehicle Program	1	Implementation is planned by June 1, 2025
IG-20-023, 9/16/2020	NASA's Planetary Science Portfolio	1	Implementation is planned by January 31, 2025
IG-21-001, 10/2/2020	Audit of NASA's Compliance with the Geospatial Data Act	1	Implementation is planned by October 30, 2024
IG-21-002, 10/27/2020	NASA's Management of Its Acquisition Workforce	2	Implementation is planned by October 1, 2024
IG-21-011, 1/27/2021	NASA's Efforts to Mitigate the Risks Posed by Orbital Debris	3	Implementation is planned by December 31, 2025
IG-21-027, 9/8/2021	NASA's Construction of Facilities	2	Implementation is planned by December 31, 2024
IG-22-003, 11/15/2021	NASA's Management of the Artemis Missions	3	Implementation is planned by December 31, 2024

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As of September 30, 2024**

<b>Report No. and Date</b>	<b>Report Title</b>	<b>No. of Open Recommendations</b>	<b>Status of Final Actions</b>
IG-22-005, 11/30/2021	NASA's Utilization of the ISS and Commercialization of Low Earth Orbit	1	Implementation is planned by January 31, 2025
IG-22-009, 3/14/2022	NASA's Insider Threat Program	1	Implementation is planned by December 1, 2024
IG-22-010, 4/6/2022	NASA's Volatiles Investigating Polar Exploration Rover Mission	1	Implementation is planned by October 31, 2024
IG-22-014, 6/28/2022	NASA's Compliance with the Payment Integrity Information Act for Fiscal Year 2021	1	Implementation is planned by November 29, 2024
IG-22-015, 8/4/2022	Ames Research Center's Lease Management Practices	7	Implementation is planned by September 30, 2025
IG-23-001, 10/5/2022	NASA's Compliance with the Geospatial Data Act for Fiscal Year 2022	4	Implementation is planned by July 31, 2025
IG-23-004, 1/17/2023	NASA's Partnerships with International Space Agencies for the Artemis Campaign	9	Implementation is planned by January 31, 2025
IG-23-005, 12/19/2022	Review of NASA's Space Technology Mission Directorate Portfolio	1	Implementation is planned by December 30, 2024
IG-23-008, 1/12/2023	NASA's Software Asset Management	5	Implementation is planned by October 1, 2027
IG-23-010, 3/20/2023	NASA's Management of Its Radioisotope Power Systems Program	9	Implementation is planned by March 31, 2026
IG-23-011, 4/20/2023	NASA's Efforts to Increase Diversity in Its Workforce	5	Implementation is planned by June 30, 2025
IG-23-012, 5/3/2023	NASA's Management of Its Artificial Intelligence Capabilities	1	Implementation is planned by December 20, 2024
IG-23-015, 5/25/2023	NASA's Management of the Space Launch System Booster and Engine Contracts	4	Implementation is planned by November 30, 2024
IG-23-016, 7/12/2023	Audit of NASA's Deep Space Network	4	Implementation is planned by October 31, 2029
IG-23-017, 8/17/2023	NASA's Federal Information Security Modernization Act of 2014 Evaluation Report for Fiscal Year 2023	6	Implementation is planned by December 31, 2025
IG-23-018, 9/5/2023	NASA's Earth System Science Pathfinder Program	5	Implementation is planned by September 30, 2024
<b>Totals</b>	<b>34</b>	<b>96</b>	