National Aeronautics and
Space Administration

Office of Inspector General
Washington, DC 20546-0001

AUG 10 2006

TO: Procurement Officer, Goddard Space Flight Center

FROM: Assistant Inspector General for Auditing

SUBJECT: Final Memorandum Regarding Duplicate Grant Funding

The purpose of this memorandum is to notify NASA management of an issue we identified during our current audit of *NASA Educational and Training Grants* (Assignment No. A-06-006). Specifically, during our audit fieldwork, we identified an occurrence whereby one institution received duplicate funding in the form of grants from two different NASA Centers, in violation of NASA requirements. In a draft of this memorandum, we recommended that the Goddard Procurement Officer direct the cognizant Goddard Grants Officer to immediately cancel the second grant and deobligate the associated funding. The Goddard Procurement Officer concurred; the second grant was cancelled and the associated funding in the amount of $24,000 was deobligated.

Background

The Office of Inspector General (OIG) is conducting an audit of NASA's educational and training grants. One of our objectives is to determine whether grantees are using grant funds for the intended purposes and in accordance with applicable regulations. The *NASA Grant and Cooperative Agreement Handbook* (NPG 5800.1D) (the *Handbook*) and the *NASA Policies and Procedures for Administering Graduate Student Researchers Program (GSRP) Fellowships* state that any individual accepting a NASA GSRP fellowship may not concurrently hold another Federal fellowship or traineeship.

Duplicate Grant Awards

We found that Worcester Polytechnic Institute (WPI) was awarded separate GSRP grants from two NASA Centers—Langley Research Center (Langley) and Goddard Space Flight Center (Goddard)—funding a fellowship for the same student. On June 9, 2005, the Langley Grants Office approved the first year of a 3-year GSRP training grant (grant no. NNL05AA05H) in the amount of $24,000 for a graduate student at WPI. On June 28, 2005, the Goddard Grants Office also approved the first year of a 3-year GSRP training grant (grant no. NNG05GL64H) in the amount of $24,000 for that same student.

We confirmed that WPI received funding through the Department of Health and Human Services (HHS) Payment Management System (PMS) for both the Langley and Goddard

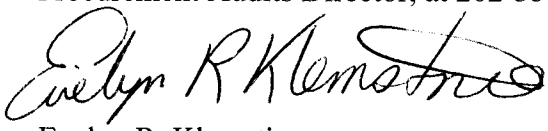
GSRP training grants. We also confirmed that, as of July 5, 2006, WPI had not drawn any funding under the Goddard grant; rather, WPI has been drawing funds exclusively from the Langley grant. Aside from being in violation of the *Handbook* and NASA's *Policies and Procedures for Administering GSRP Fellowships*, having duplicate active grants for the same fellowship could result in program funds being misused or wasted.

We recommended that the Goddard Procurement Officer direct the cognizant Goddard Grants Officer for grant no. NNG05GL64H to immediately cancel the grant and deobligate the associated funding in the amount of $24,000.

Management's Response. Management concurred, agreeing to cancel grant NNG05GL64H with WPI and deobligate the associated $24,000 funding. The grant was officially cancelled as of July 24, 2006.

Evaluation of Management's Response. Management's actions are responsive and the recommendation is closed.

We appreciate the courtesies extended to the audit staff during the ongoing review. If you have any questions, or need additional information, please contact Mr. Joseph Kroener, Procurement Audits Director, at 202-358-2558, or me at 202-358-2572.



Evelyn R. Klemstine

Enclosure

cc:
Acting Chief, Strategic Communications
Acting Assistant Administrator, Office of Education
Program Manager, Graduate Student Researchers Program, Office of Education
Director, Management Systems Division
Procurement Officer, Langley Research Center
Executive Director, NASA Shared Services Center

Management's Comments

National Aeronautics and
Space Administration
Goddard Space Flight Center
Greenbelt, MD 20771

Reply to Attn of: 201

July 27, 2006

TO: NASA Headquarters
Attn: Assistant Inspector General for Auditing

FROM: 200/Procurement Officer

SUBJECT: Goddard Space Flight Center (GSFC) Response to the Office of the Inspector General (OIG) Draft Memorandum Regarding Duplicate Grant Funding (Assignment No. A-06-006)

Thank you for the opportunity to review and comment on the subject draft memorandum. We appreciate the OIG's review of the use of grant funds by NASA grantees and the finding of this occurrence of duplicate grant funding, identified during your ongoing audit of *NASA Educational and Training Grants*. We concur with the OIG's recommendation and provide the following response.

OIG Recommendation: The Goddard Procurement Officer should direct the cognizant Goddard Grants Officer for grant NNG05GL64H to immediately cancel the grant and deobligate the associated funding in the amount of $24,000.

GSFC Response: CONCUR
GSFC concurs with the recommendation to cancel grant NNG05GL64H with Worcester Polytechnic Institute (WPI) and deobligate the associated $24,000 funding. The Grants Officer confirmed that WPI has not drawn any funds against the grant. She also contacted the Director of Research at WPI and obtained his agreement with the grant cancellation. On July 24, 2006, grant NNG05GL64H was officially cancelled. We consider this action closed.

Thank you for your assessment and recommendation regarding this matter. If you have any questions or need additional information, please contact Ms. Barbara Sally, GSFC Audit Liaison Officer, at (301) 286-8436.

Valorie Burr

Valorie Burr

cc:
HQ/Ofc of Infrastructure, Mgmt, and HQ Ops/Mr. Clement
HQ/Ofc of Procurement/Mr. Becker