

National Aeronautics and Space Administration

OFFICE OF INSPECTOR GENERAL
WASHINGTON, DC 20546-0001



February 20, 2009

TO: Associate Administrator
Chief Financial Officer
Associate Administrator for Aeronautics Research
Associate Administrator for Exploration Systems
Associate Administrator for Institutions and Management
Associate Administrator for Science
Associate Administrator for Space Operations

FROM: Assistant Inspector General for Auditing

SUBJECT: Audit of NASA's Implementation of the American Recovery and Reinvestment Act of 2009 (Assignment No. A-09-009-00)

The American Recovery and Reinvestment Act of 2009 (Recovery Act) contains significant provisions for transparency and accountability in the expenditure of funds made available under the Act. In addition, implementing guidance issued by the Office of Management and Budget contains critical steps Federal agencies must take immediately to meet the transparency and accountability provisions and effectively implement the Act, particularly with regard to reporting spending and performance data.

Accordingly, we plan to initiate an audit of NASA's implementation of the Act immediately. Our overall objectives will be to evaluate NASA's compliance with Recovery Act provisions and the requirements of the Office of Management and Budget's implementing guidance, and to monitor the use of funds provided by the Act. Specifically, we will assess whether

- Funds are awarded and distributed in a prompt, fair, and reasonable manner.
- The recipients and uses of all funds are transparent to the public, and the public benefits of these funds are reported clearly, accurately, and in a timely manner.
- Funds are used for authorized purposes and instances of fraud, waste, error, and abuse are mitigated.
- Projects funded under the Recovery Act avoid unnecessary delays and cost overruns.
- Program goals are achieved, including specific program outcomes and improved results on broader economic indicators.

We will perform our audit work at NASA Headquarters and Centers as appropriate.

The NASA Office of Internal Controls and Management Systems will assign an Agency POC and ensure that the POC coordinates a single Agency response for any reports produced under this assignment number. Please let me know who will act as the point of contact (POC). Contact me at 202-358-2572 or evelyn.r.klemstine@nasa.gov. We will schedule entrance and exit conferences as our work progresses.

/signed/

Evelyn R. Klemstine

cc:

Assistant Administrator for Internal Controls and Management Systems