Oversight of the National Science Foundation (NSF) and the National Aeronautics and Space Administration (NASA)

Witnesses
Allison C. Lerner
Inspector General, National Science Foundation
Paul K. Martin
Inspector General, National Aeronautics and Space Administration

Committee Members Present
Frank Wolf, Chair (R-VA)
Chaka Fattah, Ranking Member (D-PA)
Steve Austria (R-OH)
Robert Aderholt (R-AL)
John Culberson (R-TX)
Jo Bonner (R-AL)
José Serrano (D-NY)

The House Appropriations Subcommittee on Commerce, Justice, Science, and Related Agencies held a hearing on "Oversight of the National Science Foundation (NSF) and the National Aeronautics and Space Administration (NASA)" to learn more about budgetary issues concerning the two agencies on February 10, 2011.

Chairman Frank Wolf (R-VA) began by saying that the appropriate handlings of NSF's and NASA's budgets are some of the "biggest management challenges" that face the subcommittee.

Allison Lerner, NSF Inspector General, outlined a few areas within NSF that could benefit from strengthened financial responsibility. "They can do more," she said, to improve grant administration and strengthen contract management.

Wolf asked Lerner for suggestions on how to save money without affecting funding for the sciences. She mentioned that NSF spent nearly $500,000 on food-related payments in 2008 and 2009 to provide refreshments for visiting scientists and panelists. Though none of these costs had associated fraud, she thought there could be room for savings. Ranking Member Chaka Fattah (D-PA) responded that "in defense of coffee and donuts," it is probably appropriate to offer refreshments to invited scientists.

Strengthening oversight of funding allocation to grantees may be one of the most promising ways to improve efficiency, said Lerner. This would include more monitoring and data analysis to make sure payments are going to where they are needed. Wolf asked about whether there is adequate justification for cost reimbursement contracts. While the preferred method is fixed-priced funding, sometimes cost reimbursement makes more sense, Lerner answered. "There is a risk of improper payments. We just don't know," she acknowledged.

Lerner said that 25 percent of application requests for funding are granted, in response to Representative John Culberson's (R-TX) question. Several members of the subcommittee favor support for science and innovation, with Chairman Wolf hoping that the percentage could increase to 28, 29, or even 30 percent of projects funded. "I am with you," he said.

Paul Martin, NASA Inspector General, discussed the "continuing lack of clarity" in budget and funding that is facing NASA. The language in the continuing resolution (CR) that currently funds NASA is in direct conflict with the NASA Authorization Act of 2010, (S.3729; Public Law 111-267), he said. The CR requires NASA to continue funding current projects, including the Constellation program, which is set to be cancelled under the Authorization Act. This means NASA could spend up to $215 million on Constellation projects unless Congress takes immediate action. In addition, it is still unclear whether NASA will receive appropriate

amounts of funding to achieve goals of completing remaining shuttle flights while also developing a new space launch system, said Martin. “It’s really that Congress has been the one to provide the lack of clarity,” acknowledged Fattah.

NASA has room for improvement in predicting reasonable project budgets and schedules and staying within them, according to Martin. “The agency must do a better job to manage cost and schedules,” he elaborated. However, “for some projects, it really is rocket science,” he clarified.

Wolf asked what savings are possible within NASA. Martin outlined three areas, including the mentioned conundrum created by CR language and improving project management. The third area is in NASA’s infrastructure and maintenance. More than 80 percent of NASA facilities are at least 40 years old, he noted, and more than $2.5 billion was spent in 2009 on “fixing the roof and plugging the holes” on these aging facilities.

Other issues of concern to NASA include balancing and managing contract jobs. 85% of funds go to contractors, said Martin. As NASA transitions according to the President’s vision to using private company rockets and related contracts, it is important to remember that the agency has always operated on a public-private system, said Fattah. Furthermore, Martin described fraud and waste within the Small Business Innovation Research Program (SBIR), an eleven agency cooperative that provides grants, that needs to be eliminated. Culberson, Wolf and José Serrano (D-NY) suggested that NASA could coordinate with the National Oceanic and Atmospheric Administration (NOAA) to find projects and missions that overlap and make appropriate consolidation to cut costs.

In all, the most important issue to clear up is that there are two conflicting statutes because of current law; the authorizing act sets NASA’s direction, but the appropriations act sets the funding, said Martin.

Wolf wanted to see cybersecurity improved within both agencies. NASA is one of the top three or four targets of cyber attacks, according to Martin, and attacks by countries including China, Russia, Estonia and some in Africa are frequent and detrimental. Information from NSF appeared on a server in a former Soviet Union country around Christmas time, said Lerner.

A sense of urgency regarding America’s race to be the premier science nation in the world permeated the subcommittee, and several members expressed their desire to protect NSF and NASA from expected large budget cuts. Improvement in science, innovation and space exploration “is what’s going to save this nation,” said Culberson. “America is falling behind in science,” noted Wolf, and he said that if the country is going to have a modern-day Renaissance in science education and innovation, Congress will have to provide continued support.