

NOMINATION OF ROBERT W. COBB TO BE
INSPECTOR GENERAL OF THE NATIONAL
AERONAUTICS AND SPACE ADMINISTRATION

HEARING

BEFORE THE

COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE

ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

MARCH 13, 2002

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

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NOMINATION OF ROBERT W. COBB TO BE INSPECTOR GENERAL OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

WEDNESDAY, MARCH 13, 2002

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The Committee met, pursuant to notice, at 2:30 p.m. in room SR-253, Russell Senate Office Building, Hon. Ron Wyden, presiding.

OPENING STATEMENT OF HON. RON WYDEN, U.S. SENATOR FROM OREGON

Senator WYDEN. The Committee on Commerce, Science, and Transportation will come to order. This afternoon, the Committee was to hear two nominations, that of Major General Charles Bolden to be the Deputy Administrator and Mr. Robert Cobb to be the Inspector General of NASA. Instead, we will hear Mr. Cobb's nomination, as General Bolden has withdrawn his name from nomination in order to continue his military service at this time of war. General Bolden is the Commanding General of the Third Marine Aircraft Wing in San Diego, California.

Before we begin hearing from Mr. Cobb, I will say that I believe that General Bolden would be an excellent nominee for NASA's Deputy Administrator. In 1980, he was selected for an astronaut candidate for NASA, and qualified as a Space Shuttle pilot astronaut in 1981. General Bolden went on to fly four missions in space. The first was aboard the Space Shuttle Columbia in 1986. Another member of that crew is a distinguished member of our Full Committee and a member of the Subcommittee I chair, Senator Bill Nelson.

He also knew the job of Deputy Administrator, having served as the Assistant Deputy Administrator from 1992 to 1994. I am certain that his service to NASA would have been as valuable as it continues to be in the United States Marine Corps.

Let me also State that I think it is very understandable that the President of the United States wants to have all hands on deck in this fight against terrorism, and he has my support, as he has the support of all Americans. At the same time, I think it is critical that NASA also have all hands on deck, and I am very hopeful that the administration will move quickly to fill the position of nominee for NASA's Deputy Administrator. There are a number of important changes underway now at the agency. Mr. O'Keefe, for exam-

ple, has looked to a number of changes in technology policy that I think warrant thoughtful analysis, and we have learned just in the last few days that NASA has not yet ended its financial woes. Its independent auditor, PriceWaterhouseCoopers, has declined to issue an opinion on the agency's fiscal year 2001 financial statement, essentially declaring that NASA is not an agency that you can audit.

Now, like millions of Americans, I share the hopes and dreams of the agency for great gains and achievements in space, but there are not going to be a lot of dreams, there are not going to be a lot of gains if, in fact, you have got an agency that auditors claim is in such financial chaos that you cannot audit it, so we have got a problem here that of course is not the first time we have heard about this.

The General Accounting Office has cited before NASA's inability to provide documentation it needed to independently verify obligations and expenses, so it is critical that the administration move to fill the slot that Mr. Bolden would have assumed had he been confirmed. We are going to work with them, as we always do in this Committee, in a bipartisan way, but with NASA charged to undertake civilian research and development involving flight activity and aeronautics and space at a critical time with a budget of nearly \$15 billion, it is important that in addition to having all hands on deck in this fight against terrorism, that we have all hands on deck with respect to the programs that are under NASA's jurisdiction.

To further underscore the importance of this work, I would like to announce today that after we have had a chance to consult with Senator Allen and Senator McCain on the Minority side and, of course, Chairman Hollings, who has been so supportive of these programs and this work, over the next 2 months we are going to have an oversight hearing to examine some of the activities that are taking place at the agency.

I think this is a timely run-up to the reauthorization of the program, which expires later this year, so there are considerable questions that warrant the scrutiny of both the Full Committee and the Subcommittee I chair, and we are going to examine them.

Of course these financial flaws in particular stem from NASA's lack of a modern, integrated financial management system. While NASA officials agree that there is a problem and have promised the new financial system will provide the necessary documentation, we do have to note that this is NASA's third attempt since 1988 to integrate its financial systems.

The first two attempts were abandoned after 12 years, and spending a reported \$180 million, and Mr. Cobb, whose nomination we will consider today, is going to have an important role in straightening out those systems once and for all, and it is vital that the agency does so. The agency's financial problems threaten its future, threaten the great tradition of research and development that produces technologies that will drive our economy.

I look forward to working with Mr. Cobb and with Administrator O'Keefe on many of the issues facing the agency. During Mr. O'Keefe's confirmation hearing before the Committee, I challenged him to return NASA to a science and research-driven agenda so

that our dedicated scientists and engineers can find the breakthrough technologies that have been NASA at its best. To follow through on that vision, it will be critical that the Inspector General be a watch-dog, ensuring that the agency's financial problems do not recur under Administrator O'Keefe's watch.

Mr. Robert Cobb currently serves as ethics counsel to the President. From 1992 to 2001, he served as Associate General Counsel in the U.S. Office of Government Ethics. While he is not an accountant by training, we are hopeful that his skills, combined with those of the excellent NASA Inspector General staff, will allow him to be a dogged advocate, a persistent advocate for fiscal responsibility at the agency.

We look forward to hearing from Mr. Cobb today. We anticipate that there will be a timely confirmation, and before we hear from Mr. Moose Cobb this afternoon, we do want to welcome a sort of phalanx of Cobb supporters here, Cobb family members, Mr. Cobb's wife Jane, sons Robert and Johnny, brother Calvin, sister-in-law Charlotte Young, and nephew Christian.

Will all of you stand? Welcome to all of you. It is a proud day for your family, and we are very pleased that all of you are here with us this afternoon.

Let us go right to your testimony, and we will make any prepared remarks part of the hearing record in their entirety, and you can proceed as you see fit.

**STATEMENT OF ROBERT W. COBB, NOMINEE FOR THE
POSITION OF INSPECTOR GENERAL OF THE NATIONAL
AERONAUTICS AND SPACE ADMINISTRATION**

Mr. COBB. Thank you, Mr. Chairman. I have a summary of those remarks. It is an honor to appear before this Committee as the President's nominee to be the Inspector General of the National Aeronautics and Space Administration. The mission of the NASA Office of Inspector General is clear, to root out fraud, waste, and abuse, and promote economy and efficiency in the administration of the agency's programs and operations.

The role involves law enforcement and oversight. The oversight role to an extent parallels and facilitates Congress' oversight responsibilities. In order to effectively carry out the IG mission, a positive working relationship with Congress is required. As IG, I would ensure that the OIG meets its obligations to Congress under the Inspector General Act of 1978, and I would work with and be responsive to Members of Congress and their staff.

I would also seek to give fair, reasonable, and independent assessments of agency programs in accordance with the IG act. I am hopeful that NASA management would view IG recommendations as being beneficial to achieving agency objectives.

If confirmed as the NASA IG, I will have certain immediate objectives. I believe safety, mission assurance, and vigilant risk management is critical to maintaining the public's trust in NASA. I would seek to utilize the established tools of the OIG to ensure that NASA's programs, directed at risk management, security, and emergency preparedness are effective in meeting their stated objectives.

Also, I believe that the American people have the right to be confident that NASA's financial management is sound. I have discussed the issue of financial management with the Administrator, and he has committed to working with the Inspector General in ensuring sufficient management attention is given to NASA's financial systems.

While existing financial systems need to be addressed generally, there are also particular programs that will require significant IG attention. For example, I would focus some IG resources on the cost growth of the International Space Station, and management's plans for addressing that problem. Finally, I would seek to have the NASA OIG reflect the efficiency and integrity that it will be promoting agencywide.

Like many government agencies, NASA is changing to meet new priorities. The NASA IG will need to be a force in ensuring that the change at NASA is handled economically, efficiently, and in a manner that is consistent with applicable law.

Thank you for your time and consideration. Public service is a public trust, and I would be honored to uphold the public trust as Inspector General at NASA. I now am prepared to answer any questions you may have.

[The prepared statement and biographical information of Mr. Cobb follow:]

PREPARED STATEMENT OF ROBERT W. COBB, NOMINEE FOR THE POSITION OF
INSPECTOR GENERAL OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. Chairman and Members of the Committee: It is an honor for me to appear before this Committee as the President's nominee to be the Inspector General of the National Aeronautics and Space Administration.

I am proud to say that I am a member of a family that has for generations reflected a dedication to public service, both civilian and military. My children's names reflect some of this history: Robert Watson Cobb, age 10, was named after me and my grandfather, Robert Watson, who was Commissioner of Patents during the Eisenhower administration. My son Johnson Hagood Cobb, age 8, was named after his great-, great-great-, and great-great-great- grandfathers, all named Johnson Hagood, all of whom graduated from the United States Military Academy. One served as a full-colonel for four years under General Patton in World War II, and the others served as generals, and one subsequently served as the Governor of South Carolina. My son Calvin Hayes Cobb, age 3, was named after my father, Calvin Hayes Cobb, Jr. who, along with his brother, Warrington Cobb, and his father, also Calvin Hayes Cobb, graduated from the United States Naval Academy. My grandfather's grandfather, Calvin Hayes, served in the 27th Maine Infantry and the 32nd Regiment Maine Infantry in the Civil War. Both my father and his father served in World War II, my grandfather as an admiral. I note my children's other grandfather, Dolphin D. Overton III, attended the United States Military Academy at West Point, flew 149 missions in Korea, and was South Carolina's first jet ace. His son was a Navy pilot. My great-grandfather on my mother's side, Asbury Churchwell Latimer, served as United States Senator from South Carolina, early last century. Lastly, my wife, Jane Overton Cobb, has been a Federal employee for 13 years. Like others in my family, I have been drawn to public service and am dedicated to serving our country.

It has been a great honor for me to serve as Associate Counsel to the President with responsibility, under the supervision of the Counsel to the President, over the ethics portfolio for the White House Office. For any new White House, the ethics program has to be created from scratch. There are hundreds of new employees, many of whom have never worked in the executive branch, who have to be trained on applicable ethics requirements. Since part of the training emphasizes that employees ask before they act, there are thousands of questions that are asked and answered. Financial disclosure reports for those who are public filers must be collected and reviewed. All conflict of interest issues must be resolved. A system for confidential financial disclosure has to be put in place. Policies on the handling of

gifts and myriad other issues are established. A system for reviewing financial conflicts of candidates for Presidential appointments requiring Senate confirmation has to be set up in order to process the hundreds of candidates who must be cleared for nomination by the Office of the Counsel to the President. To assist me in accomplishing the task at hand, I recruited career executive branch employees, including thirteen attorneys and two ethics specialists, to help with the workload. I take great pride in having worked for the President in this capacity.

For nine years at the Office of Government Ethics, I worked on the application of conflicts of interest laws and conduct regulations to executive branch employees. Much of this work was directed at preventing corruption. But, I also gained substantial experience in matters relating to the criminal and administrative handling of conduct cases. I advised and assisted Inspectors General and other Federal law enforcement authorities in a number of criminal and administrative investigations of conflicts of interest, misstatements or failure to disclose information on financial disclosure reports, and other conduct violations. Several of these cases involved agency heads (or former agency heads) and several others involved other senior Government officials. These cases were resolved through criminal convictions, civil settlements (of allegations that if proven would constitute a criminal misdemeanor), resignation (in one case after a critical Inspector General report), and impositions by the Department of Justice of civil penalties and otherwise. I also assisted in the evaluation of misconduct allegations against Inspectors General in connection with activities of the Integrity Committee of the President's Council on Integrity and Efficiency.

In fulfilling my role as a Government ethics attorney, both at the Office of Government Ethics and at the White House, I worked on a range of issues. The contexts and factual predicates for my work have provided me with on-the-job training on Government operations, including organization of agencies, appropriations law, public-private partnerships, personnel issues, operations of Offices of Inspectors General, criminal and administrative proceedings, and myriad other organizational and operational concerns. I have also been tapped, both at the White House and the Office of Government Ethics, to be the contract attorney on agency contracts or to advise the agency in connection with its procurement activities.

Prior to Government service, I was in private practice for five and one-half years with the law firm Ober, Kaler, Grimes & Shriver. My practice involved representation of clients in a broad range of commercial matters and litigation.

I now have the prospect of a new challenge, to serve the American people as Inspector General of NASA. The mission of the NASA IG is clear: to root out fraud, waste and abuse, and to promote economy and efficiency in the administration of the agency's programs and operations. The role involves law enforcement and oversight. The oversight role, to an extent, parallels and facilitates Congress's oversight responsibilities. In order to effectively carry out the IG mission, a positive working relationship with Congress is required. As IG, I would ensure that the OIG meets its IG Act obligations to Congress, and I would work with and be responsive to Members of Congress and their staff. I would also seek to give fair, reasonable, and independent assessments of agency programs in accordance with the IG Act. I am hopeful that NASA management would view IG recommendations as being beneficial to achieving agency objectives.

If confirmed as the NASA IG, I will have certain immediate objectives. I believe safety, mission assurance, and vigilant risk management is critical to maintaining the public's trust in NASA. I would seek to utilize the established tools of the OIG to ensure that NASA's programs directed at risk management, security, and emergency preparedness are effective in meeting their stated objectives. Also, I believe that the American people have a right to be confident that NASA's financial management is sound. I have discussed the issue of financial management with the Administrator, and he is committed to working with the Inspector General in ensuring sufficient management attention is given to NASA's financial systems. While existing financial systems need to be addressed generally, there are also particular programs that will require significant IG attention. For example, I would focus OIG resources on the cost growth of the International Space Station and management's plans for addressing that problem. Finally, I would seek to have the NASA OIG reflect the efficiency and integrity that it will be promoting agency wide.

Like many Government agencies, NASA is changing to meet new priorities. The NASA IG will need to be a force in ensuring that change at NASA is handled economically, efficiently and in a manner that is consistent with applicable law.

Thank you for your time and consideration. Public service is a public trust, and I would be honored to uphold the public trust as Inspector General at NASA. I am prepared to answer any questions you may have.

A. BIOGRAPHICAL INFORMATION

1. Name: Robert Watson Cobb (Moose).
2. Position to which nominated: Inspector General, National Aeronautics and Space Administration (NASA).
3. Date of nomination: 2/26/02.
4. Address: (Information not released to the public). Office: Room 157, Eisenhower Executive Office Bldg. Washington, DC 20502.
5. Date and place of birth: 4/29/60, Washington, DC.
6. Marital status: Married; Jane Overton Cobb.
7. Names and ages of children: Robert Watson Cobb, 10; Johnson Hagood Cobb, 8; Calvin Hayes Cobb, 3.
8. Education: George Washington University National Law Center, J.D., 1986; Vanderbilt University, B.A., cum laude, 1982; Landon School, 1968–1978.
9. Employment record: (1) Associate Counsel to the President, Ethics Counsel, EEOB, Washington, DC (1/28/01–Present); (2) Associate General Counsel, U.S. Office of Government Ethics, 1201 New York Ave., Washington, DC (2/19/92–1/27/01); (3) Ober, Kaler, Grimes & Shriver, Washington, DC (9/86–2/92); (4) Work experience while at George Washington: Intern for The Honorable Stanley Harris, United States District Court (Fall 1985); Law clerk, Peterson, Young, Self & Asselin, Atlanta, GA (Summer 1985); Intern, Division of Enforcement, Securities and Exchange Commission (Spring 1985); Research Assistant, Joel Seligman, Securities Law Professor (1984–1985); Law clerk, Beckett, Cromwell & Myers, P.A., Bethesda, MD (Summer 1984); (5) Tennis Professional/English Teacher, Taipei, Taiwan (Spring 1983); (6) Benson Custom Masonry, Dickerson, MD (mason's assistant) (Fall 1982); (7) Tennis Professional, Gibson Island Club, Gibson Island, MD (Summer 1982).
10. Government experience: N/A.
11. Business relationships: Cobb Family Partnership (family vacation property); As an associate attorney at Ober, Kaler, Grimes & Shriver, (1986–1992), I was involved in representing a number of corporations, companies, partnerships and other institutions and entities in litigation, business formation, contracts and other legal services. I do not have a list or record of the entities that I was involved in representing.
12. Memberships: Barristers of Washington University Club of Washington Chevy Chase Club.
13. Political affiliations and activities: (a) N/A. (b) N/A. (c) N/A.
14. Honors and awards: Seven Sustained Superior Performance Awards (1993–1999) Quality Step Increase, Spot Cash Award (1999); Special Award “Stamps of Law” presented by Mary Elcano, General Counsel, U.S. Postal Service, for services to that agency in 1997–1998 (1998).
15. Published writings: I authored published opinions of the Office of Government Ethics. These opinions would typically have been issued by the Director of the Office and would have reflected no attribution to me.
16. Speeches: I have no published speeches. I have given dozens of presentations in my official capacity concerning standards of conduct, conflicts of interest, the Federal ethics program, and the system in the United States for handling corruption of public officials.
17. Selection: (a) I believe I was chosen because the President has developed confidence in me as a person of integrity and independence in handling the ethics portfolio in the White House, under the supervision of the Counsel to the President, and based on my years of service as a career attorney at the Office of Government Ethics. (b) I believe my work as a Government attorney over the past 10 years and my other experience qualifies me for the appointment to the position of Inspector General at NASA. In particular, my work has been focused on the implementation of the fundamental tenet of Government service—that public service is a public trust, which all employees are required to uphold.
As a Government ethics attorney, I have a comprehensive knowledge of the criminal laws and rules governing employee conduct and extensive experience in ensuring employee compliance with conduct requirements.
In fulfilling my duties as a Government ethics attorney, I have worked on a range of issues. The contexts and factual predicates for my work have provided me with on-the-job training on Government operations, including organization of agencies, appropriations law, public-private partnerships, Government contracts, personnel organization, operations of Offices of Inspectors General, criminal and administrative proceedings, and myriad other organizational and operational concerns.
As an expert in conflicts of interest between employees and non-Governmental entities, I have provided substantial advice on approaches to relations between the Government and the non-Governmental entities. I, therefore, have experience in the

establishment of organizational structures to address Government needs. This experience has been drawn upon in my ethics role in the White House Office in terms of assuring Administration compliance with applicable principles of appropriations law and conflicts of interest requirements.

In managing the White House ethics program, I have been responsible for the creation and administration of the White House program for clearance of Presidential appointees' conflict of interest issues and financial disclosure reports. In addition, I have established the procedures and mechanisms associated with the filing and review of public and confidential financial disclosure statements by White House Office employees, training of employees on ethics matters, and the provision of ethics advice in the White House.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate? Yes. (I will continue participation in the Cobb Family Partnership, an ownership vehicle for my family (my parents and their progeny) to own a piece of vacation property. I will also continue as co-trustee of the Overton Family Trust, a trust established by my father-in-law. No compensation or income is involved in either the Partnership or the Trust.)

2. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain. No.

3. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization? No.

4. Has anybody made a commitment to employ your services in any capacity after you leave government service? No.

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? Yes. I would expect to serve into the next Presidential term in accordance with the Inspector General Act.

C. POTENTIAL CONFLICTS OF INTEREST

1. Describe *all* financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients or customers. N/A.

2. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated. I was informed that holdings of General Electric, Microsoft and Sony Corporation could present a conflict of interest, so I sold all holdings of those companies.

3. Describe any business relationship, dealing, or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated? None.

4. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy. None, other than in my official capacity as an ethics attorney commenting on legislation affecting ethics and ethics-related laws.

5. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements.) I will take any and all steps to avoid conflicts of interest that are identified either by myself or by ethics officials at NASA.

6. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position? Yes.

D. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details. No.

2. Have you ever been investigated, arrested, charged or held by any Federal, State, or other law enforcement authority for violation of any Federal, State, county, or municipal law, regulation or ordinance, other than a minor traffic offense? If so, provide details. No.

3. Have you or any business of which you are or were an officer ever been involved as a party in interest in an administrative agency proceeding or civil litigation? If so, provide details? No.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination. None.

E. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines set by congressional committees for information? Section 4(a)(5) of the Inspector General Act of 1978, Public Law 95-452, as amended, 5 USC Appendix, (the IG Act), requires that the IG keep the Congress fully and currently informed by means of the semiannual report and otherwise, concerning problems and recommendations related to the operations and functions of the Agency. This is a mandate to be taken seriously and will be solemnly honored. I will do my utmost to ensure that NASA is as responsive as possible to deadlines set by congressional committees.

I am committed to a positive working relationship with congressional committees and would work hard to satisfy congressional informational requests.

2. Will you ensure that your department/agency does whatever it can to protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Section 7(c) of the IG Act forbids reprisals against Agency whistleblowers. In addition, there are other statutes that provide varying degrees of protection for whistleblowers in various contexts. Section 2302(b) of title 5 of the United States Code makes retaliation against whistleblowing a prohibited personnel practice. The False Claims Act, 31 USC 3730(h) grants employees a private right of action if they are reprisal against in the context of a false claims investigation. The Federal Acquisition Regulations (FAR) subpart 3.9 also has provisions for the protection of contractor employee whistleblowers. All of these provisions of law are utilized to protect witnesses from reprisal for exercising their First Amendment rights and their right to petition the Congress.

As an IG, I would be intolerant of any prohibited personnel practices, including retaliation against whistleblowers. Where warranted, referrals to the Office of Special Counsel will be made. (In such cases, the OIG will dedicate such resources as are necessary to assist the OSC in its handling of the referral.) In addition to the public policy and legal issues associated with protecting whistleblowers, as a practical matter it is imperative that the IG do all it can to assist whistleblowers. This keeps the channels of communication open to the IG organizations. If an IG is perceived as not willing to protect whistleblowers, the free-flow of information could dry up, making an IG less effective.

3. Will you cooperate in providing the Committee with requested witnesses, to include technical experts and career employees with firsthand knowledge of matters of interest to the Committee? Yes. (Access to information about active criminal investigations and grand jury proceedings may be limited, as required by law.)

4. Please explain how you will review regulations issued by your department/agency, and work closely with Congress, to ensure that such regulations comply with the spirit of the laws passed by Congress. Under section 4(a)(2) of the IG Act, the IG is required to review regulations of the agency. Inconsistency with existing law would be brought to the attention of the drafter of the regulation. As IG, I would ensure that the appropriate OIG staff review all proposed regulations. If the Agency decides to go forward with a regulation despite a significant nonconcurrence from the OIG, I would ensure that the Administrator is notified before the regulation is finalized.

5. Describe your department/agency's current mission, major programs, and major operational objectives. The National Aeronautics and Space Administration (NASA) is charged by the National Space Act of 1958, as amended, with exercising the management of the nation's civilian space programs and activities. NASA's objectives include the exploration and use of outer space for the benefit of all humankind and the dissemination of knowledge and information gained from exploration activities. Its activities are generally focused in program and project activities conducted by civil servants and contractor support. In addition to general administrative functions, NASA's activities are organized within five major areas of activity, or "Enterprises:" Space Science, Earth Science, Biological and Physical Sciences, Aeronautics Technology, and the Human Exploration and Development of Space. Programs currently underway within NASA include such major programs as the Space Launch Initiative, the Space Shuttle Program, and the International Space Station. The

Agency currently faces significant challenges in managing cost and accountability within its major programs and implementing reforms and initiatives of the President's Management Agenda.

6. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

F. GENERAL QUALIFICATIONS AND VIEWS

1. How have your previous professional experience and education qualified you for the position for which you have been nominated? I believe my work as a Government ethics attorney over the past 10 years and my other experience qualifies me for the appointment to the position of Inspector General at NASA. In particular, my work has been focused on the implementation of the fundamental tenet of Government service—that public service is a public trust, which all employees are required to uphold. As a Government ethics attorney, I have a comprehensive knowledge of the criminal laws and rules governing employee conduct and extensive experience in ensuring employee compliance with conduct requirements. In fulfilling my duties as a Government ethics attorney, I have worked on a range of issues. The contexts and factual predicates for my work has provided me with on-the-job training on Government operations including organization of agencies, appropriations law, public-private partnerships, Government contracts, personnel organization, operations of Offices of Inspectors General, criminal and administrative proceedings, and myriad other organizational and operational concerns. Combined with this experience is my commitment, reflected in my work, to having Government operate in a manner that is legal and faithful to the purposes for which it is organized.

2. Why do you wish to serve in the position for which you have been nominated? Public Service is an important part of my life and gives me a sense of fulfillment that I do not believe is available in the private sector. That fulfillment is attributable to a desire to make a difference; to try to improve upon the systems upon which the American people rely in having their needs, and in some instances, dreams, fulfilled by their Government.

3. What goals have you established for your first 2 years in this position, if confirmed? During my tenure as IG, I aspire to do the following: to perform a functional and performance review of the OIG to ensure that it is fulfilling all of the legal requirements of the IG Act and related laws; to review OIG program activities to ensure that OIG resources are being most efficiently utilized; to ensure that the OIG is carrying out its mission to promote economy and efficiency in, and to detect fraud, waste and abuse in, NASA operations; to ensure that NASA's financial accounting systems are reliable and are accessible for independent and positive evaluation of the agency's financial condition and programs; to ensure that NASA's security measures are adequate to counter terrorist threats and that the agency's emergency preparedness programs are effective; to assist the Administrator in ensuring the efficient management of NASA, and to provide confidence to the President, Congress and the American taxpayer that NASA operations and its management and administration are generally efficient, and that inefficiencies are promptly identified and remedied.

4. What skills do you believe you may be lacking which may be necessary to successfully carry out this position? What steps can be taken to obtain those skills? An ideal IG would be an expert in accounting, auditing, financial analysis, law, management analysis, public administration, and investigations, plus have the personal skills to be able to effectively carry out the mandate of the office. While I have been exposed to many of these disciplines and believe myself to be an effective manager, I will rely upon the expertise of the OIG staff, the President's Council on Integrity and Efficiency, and take advantage of any other available resources to maximize my ability to carry out the duties of the NASA IG.

5. Who are the stakeholders in the work of this agency? The primary stakeholders of NASA are the American people and those who work on their behalf, including the Administrator and the employees of the agency, the President, and the Congress. Other stakeholders include the aerospace research and development community, the aviation industry, educational institutions, and international partners.

6. What is the proper relationship between your position, if confirmed, and the stakeholders identified in question No. 10. Through the framework of the IG Act and the administration of the office of the OIG, the IG must be directly responsive to the stakeholders and be accountable for the efficient management of the agency. By making recommendations aimed at the effective use of agency resources and by rooting out fraud, waste and abuse, the stakeholders will be served.

7. The Chief Financial Officers Act requires all government departments and agencies to develop sound financial management practices similar to those practiced

in the private sector. (a) What do you believe are your responsibilities, if confirmed, to ensure that your agency has proper management and accounting controls? The IG is responsible for auditing the Agency's financial statements in accordance with the Chief Financial Officers Act, as amended. This can be accomplished by the IG organization or by an external audit organization determined by the IG. The IG must ensure that the quality of the audit work performed meets generally accepted government accounting standards and, where an outside auditor is used, contract requirements as well. Part of this audit includes a review to understand the internal controls and to assess the level of control risk in the assertions embodied in the financial statements. The IG must work with the Administrator to ensure that NASA's financial accounting systems are reliable and are accessible for independent and positive evaluation of the agency's financial condition and programs. Apart from the financial statement audit, auditors generally strive to perform an assessment of internal controls to understand the system and its risks and to assess compliance with laws and regulations. Where problems are identified, appropriate solutions and remedial steps will be employed. (b) What experience do you have in managing a large organization? In managing the White House ethics program, I have been responsible for the creation and administration of the White House program for clearance of Presidential appointees' conflict of interest issues and financial disclosure reports. In addition, I have established the procedures and mechanisms associated with the filing and review of public and confidential financial disclosure statements by White House Office employees, training of employees on ethics matters, and the provision of ethics advice in the White House. The role has also involved the establishment of guidance on ethics issues applicable to all executive branch employees.

The White House ethics program touches every White House Office employee and imposes obligations on every employee to be responsive to the requirements of the program. The responsibility for managing the program involves monitoring and ensuring White House Office employees' compliance with program requirements. Managing this program requires substantial interpersonal and communication skills.

Also as an expert on conflicts of interest, I have provided substantial advice on approaches to relations between the Government and non-Governmental entities. I, therefore, have experience in the establishment of organizational structures to address Government needs. This experience has been drawn upon in my ethics role in the White House Office in terms of assuring Administration compliance with applicable principles of appropriations law and conflicts of interest requirements.

In connection with the responsibilities associated with, the clearance of Presidential appointments and the White House Office ethics program, I have recruited and managed 15 career executive branch employees (13 attorneys and 2 ethics program specialists) detailed to the White House Office.

8. The Government Performance and Results Act requires all government departments and agencies to identify measurable performance goals and to report to Congress on their success in achieving these goals. (a) Please discuss what you believe to be the benefits of identifying performance goals and reporting on your progress in achieving those goals. The identification of performance goals through strategic planning and otherwise ensures that organizations focus on the job that they are expected to perform and the framework and resources for achieving those objectives. (b) What steps should Congress consider taking when an agency fails to achieve its performance goals? Should these steps include the elimination, privatization, downsizing or consolidation of departments and/or programs? Congress should consider whether the performance goals match with legal and Congressional expectations of the organization involved. Where an entity does not meet its objectives, Congress should, where appropriate, evaluate the reason for the failure in fulfillment of its general oversight responsibilities. Failure to achieve stated objectives could result from management problems, inadequate resources, unanticipated events, changes in priorities and any number of other causes. Congress should take all steps in fulfillment of its Constitutional role necessary to secure what, in its judgment, is in the best interests of the American people. (c) What performance goals do you believe should be applicable to your personal performance, if confirmed? In my view, a basic outline of the performance goals of an Inspector General is contained in the IG Act. To the extent the requirements of the Act are not being met, an Inspector General is accountable. An IG is also accountable to see that specific problems that have been identified are addressed. Included in this is ensuring that IG recommendations are incorporated into agency programs. A measure of the success of IG recommendations would be the degree to which efficiency and economy result from the recommendations in the administration of an agency's programs.

9. Please describe your philosophy of supervisor/employee relationships. Generally, what supervisory model do you follow? Have any employee complaints been brought against you? Employees are the primary resource a manager has in accom-

plishing a mission. Employees must be motivated, they must be rewarded, they must be guided, and they must be imbued with a sense of personal responsibility for the mission. In my view, this is best accomplished by challenging employees by having them execute responsibilities that extend to the boundaries of their abilities. I believe that efficient accomplishment of this mission requires that employees be told what is expected of them and that they be allowed to execute their responsibilities in a way that minimizes intervention by management. At each step of the management chain, each employee is expected to fulfill the clearly defined responsibilities of his or her portfolio, with minimal interference, but with guidance and mentoring when necessary and with appropriate consequences when agreed upon expectations are not met. In my view, employees are challenged and gain fulfillment from taking personal responsibility and executing a particular role. Managers are responsible for challenging subordinates with assignments, but also to ensure that assignments are appropriately made.

I believe in a teamwork approach that involves developing a sense of mission and commitment to common goals and objectives. For teams to work effectively, the objectives of the team need to be clearly defined, and each team member's responsibilities in carrying out the team mission also need to be clearly defined.

Lastly, I believe that the best form of leadership is leadership by example. Managers should set high standards for themselves and hope and expect that employees will follow the example set.

10. Describe your working relationship, if any, with the Congress. Does your professional experience include working with committees of Congress? If yes, please describe. I have had interaction with a number of Congressional committees in connection with the appointment and clearance process as an attorney at the Office of Government Ethics and as Ethics Counsel in the White House. The vast majority of this contact has been aimed at ensuring that Presidential appointees satisfy legal conflict of interest requirements and any additional conduct or conflict requirements that may be deemed appropriate by a particular confirmation Committee.

11. Please explain what you believe to be the proper relationship between yourself, if confirmed, and the Inspector General of your department/agency. N/A.

12. Please explain how you will work with this Committee and other stakeholders to ensure that regulations issued by your department/agency comply with the spirit of the laws passed by Congress. In addition to fulfilling the requirements of the IG Act, I would expect to work directly with the staff of this Committee to ensure that the Committee's concerns are addressed by the OIG and the agency. Similarly, I would expect to work with the staff of other congressional committees with oversight and jurisdictional interests over my office and the agency. I anticipate that through a cooperative working relationship with the Committees and the Administrator, the American people, the ultimate stakeholder in NASA's operation, will be best served.

13. In the areas under the department/agency's jurisdiction, what legislative action(s) should Congress consider as priorities? Please State your personal views. I am not reluctant to State my opinions and personal views when I have them, but my views on how best to serve the stakeholders through legislative action are undeveloped at this time. Once in office, I look forward to assisting congressional committees in identifying particular legislative solutions. I anticipate that safety and security, managing cost growth in particular programs and overall financial management at NASA will be areas of particular concern.

14. Within your area of control, will you pledge to develop and implement a system that allocates discretionary spending based on national priorities determined in an open fashion on a set of established criteria? If not, please State why. If yes, please State what steps you intend to take and a timeframe for their implementation. Yes. For the OIG, discretionary spending is limited to a very small portion of the OIG budget. I pledge to ensure that discretionary spending is closely monitored and based on the stated and justifiable needs of the OIG's office. With respect to the operations of NASA as a whole, I believe that use of discretionary spending is an appropriate area for OIG monitoring, and will take steps aimed at ensuring that appropriate financial accounting is employed with respect to such spending and that such spending is efficient and effective toward meeting the objectives of the agency.

Senator WYDEN. Mr. Cobb, thank you, and I do have a number of questions, so here we are. A few weeks ago, the beginning of March, PriceWaterhouseCoopers puts out their independent audit of the agency for fiscal year 2001, and basically their conclusion is that you cannot audit the place, that things are so out of control with respect to a lack of financial documentation for some of the

agency's transactions that they basically are saying it is not auditable. It cannot be done. They cannot really figure out the way this place works financially. What are your reactions to what strikes me as a pretty staggering finding?

Mr. COBB. When I read the PriceWaterhouse letter, my immediate reaction was, if you go through it paragraph by paragraph, that one's only conclusion would be that, in terms of financial management, that NASA's grade would be a zero if you were looking at that letter alone.

I understand that PriceWaterhouse had the option to go with an adverse opinion, which they did not elect to do, so it could be worse than a zero, but I agree with you that that letter stands as an embarrassment to NASA in terms of its financial management, and it is something that warrants all due attention from the agency, and including the Inspector General's Office, to set the ship aright.

Senator WYDEN. Given the fact that you are getting started, and this is just to get a sense of how you are going to proceed, how are you going to go drain the swamp? You have basically just given them a grade of possibly less than zero. You have got to get some time there to get your feet settled, and I understand that. You are a good man. We are going to support you and try to move your confirmation in a timely way. How are you going to get after it the day you get confirmed, given that this is an embarrassment, to use your words?

Mr. COBB. Well, NASA OIG has a strong audit team to start with, and they also have the responsibility for the contract, the PriceWaterhouse contract, and they have the contracting officer technical representative on their staff that has been handling the day-to-day workings of the contract.

What I would intend to do is get an OIG senior team assembled to keep constant and vigilant attention as to the status of the PriceWaterhouse audit program, and in connection, I think there is already ongoing interaction between the OIG, the CFO, and PriceWaterhouse, but to maintain a focus on that at the very highest level of the Office of Inspector General so we can monitor it literally on a constant basis and take any necessary actions to communicate with the administrator any concerns that we have, and to make sure that the agency is taking our recommendations seriously.

Senator WYDEN. Now, the Act, the Inspector General Act spells out essentially the duties of the Inspector General, and obviously there are legitimate questions in terms of allocating your time, but clearly part of those duties include conducting and supervising independent and objective audits and investigations relating to agency programs and operations.

Here again, extra points for candor. You have already said to me and elsewhere you are not an accountant, but clearly there is going to be a need for a tireless fiscal watch-dog to get the agency in financial shape and ensure that it stays in shape. Now, you talk about a team approach in your previous answer to me. Now, is that going to be the sole focus of what you do to try to get the place in financial shape, or are there other steps that you think are warranted right now?

Mr. COBB. Well, again, it is difficult for me to figure out exactly what the best approach is, so the team is really to get together to make sure that the OIG management is properly focused on this as a significant and really the highest priority in terms of what the Office of the Inspector General will be involved in, in terms of there already is an existing OIG framework for monitoring the contract and monitoring it in conjunction with the management of NASA and PriceWaterhouse.

I certainly would be open to using any resources that were available, and there are a number of different ways of getting at problems at an agency like NASA. I know GAO has been active especially in the International Space Station. They have independent, or they have management mechanisms built in at NASA to look at various issues, so I am going to use all the resources that are available to me, and to the extent I feel I am coming up short in terms of ideas, I am sure that I will work closely with the Committee and the President's Council on Integrity and Efficiency to make sure that all of the tools that are available to me would be utilized in connection with the financial management issues.

Senator WYDEN. Let us talk for a minute about the integrated financial management concept, how this is NASA's third attempt since 1988 to put this together. The first two attempts, 12 years time, reported \$180 million, the agency expects to complete the current system effort by 2007 at a cost of \$645 million.

Now, this whole exercise looks like the longest-running battle since the Trojan War. I mean, it just looks like it is going to go on and on and on. Can you tell us what you would do, as Inspector General, to help end this marathon exercise and actually achieve a useful, integrated financial system?

Mr. COBB. Well, again, I have very limited understanding at this point in time of exactly what the cause is of the failure of the two prior attempts at integrated financial management. My understanding is that it is complex because of the various centers, the NASA centers running independently and not always being totally appreciative of the efforts to have their financial management systems brought into conformity with the entire NASA program.

My understanding is that the current attempt at financial integration is moving forward successfully. Specifically, to me, where there would be an opportunity to take steps is to make sure that the effort is being monitored closely, to the extent that there are any problems identified that are a result of intransigence or otherwise unwillingness on the part of any particular center to accommodate the integrated financial management system, to take appropriate steps to make sure that management is aware of that, and that management follows up with the recommendations of the IG's office.

Senator WYDEN. We have been joined by my friend, the distinguished Senator from Virginia. He and I work in a very bipartisan way on all of these issues, and I appreciate all of his involvement. I have just a couple of additional questions. My inclination, I think, is I will ask these questions quickly, and then just turn it over to you for both a statement and any questions.

There are a couple of others on this round, Mr. Cobb. With respect to computer security, the former Inspector General was recog-

nized as an individual who had a great interest in computer fraud and computer security. You have got some very good forensic analysts who have been critical in developing cases against hackers who have attacked systems at NASA and other Government agencies. How are you going to approach computer security questions, and in particular make sure that the expertise that has been developed at the agency is continued?

Mr. COBB. Well, the existing programs involving the computer and technological crimes and the technological services office at the OIG have become an important component in the OIG's fight against crime, cyber crime in particular, and at this point in time I must say it is premature for me to evaluate any given program in the Office of Inspector General, but I would not come to the position with any preconceived notions on whether there was any action, or whether there was any building up of resources that would need to take place in connection with any given program, but my impression is that this has been an extraordinarily effective mechanism within the Office of Inspector General to deal with the criminal issues that have been, in terms of hacking and other cyber crime, and I would be happy to assure the Committee that I would continue to make sure that those resources were applied to preventing those types of problems.

Senator WYDEN. One last question for this round. I think when you look at the history of the agency and the debate about the agency and its priorities, one of the things that you always hear, it is a recurring kind of theme, is that any time you go after expenditures, and particularly areas where there is documented waste and inefficiency, somebody says, "Well, you are going to hurt safety, this is going to be bad for safety." As I said at Mr. O'Keefe's confirmation hearing, in my view cutting fat does not mean cutting corners on safety, and I have just got to believe that NASA has got the talent to come up with new ways of doing things, new ways of making the agency more efficient, that are also safe ways of doing them. One of the things that was striking is, you have had a great interest over the years in risk management, and innovation.

How do you approach this question of trying to strike the balance where you come up with new ways of approaching issues and solving problems while at the same time not compromising the safety that all of us care about for the patriots who serve our country?

Mr. COBB. My perspective on this is—and I guess I am inherently cynical, as my family members can attest.

Senator WYDEN. They are smiling.

Mr. COBB. I am going to say, "show me". There is a science to risk management, and there are costs associated with risk management, and to the extent that a program pursuant to an IG recommendation or a management recommendation, that people are claiming that somehow that safety is going to be compromised, I am going to demand and expect that people explain exactly what they mean by that, and what would the cost be to make sure that the change in the program does meet the risk tolerances that management establishes in connection with NASA programs.

So I think it might be easy for people to say, "Well, any change in any particular program is going to result in some safety issues," and presumably that is correct, but there is a cost associated, and

it would be incumbent on management in particular to know what the cost is that is associated with the change.

Senator WYDEN. Senator Allen.

**STATEMENT OF HON. GEORGE ALLEN,
U.S. SENATOR FROM VIRGINIA**

Senator ALLEN. Thank you, Mr. Chairman. I am sorry for being late. I was meeting on another technology subject, and I was listening to the questions you were asking. You have already asked all the questions, even the last one I had. I could tell you already had the first three, and you even got to the last one.

I want to make a brief opening comment about this position and NASA generally and get some of your views on it, Mr. Cobb. I was actually reading through your statement here. Folks of South Carolina must have been very forgiving if you had someone who served in the Maine infantry during the War between the States and elected family members in all sorts of positions, and so you certainly have bloodlines who have served remarkably throughout the history of our country, not just then, but subsequent as well.

In this hearing I think it is important for us not to look at the past, but to look at the future, and the future of our country will be in large part due to our advancements and leadership in the area of technology, and particularly where NASA is involved, the first day of aeronautics, much of what you would be doing is looking at the efficiency and cutting back on waste and so forth, and that is a very important principle.

We need to be looking for scientific excellence, and you will get more excellence as you have more money actually being utilized for something productive and useful, and new developments, new technologies, whether it is civilian or military.

We are all very impressed with NASA. We have had hearings previously with Mr. O'Keefe and last year as well on the fine, outstanding people who work at NASA. The greatest resource of NASA is the people, and we need to make sure that we keep that in aeronautics and in space, and keep that fiscal responsibility with the taxpayer's dollars.

Now, as far as aeronautics, I think it is absolutely essential, even after September 11, for us to make sure that we do keep our lead, but we had a hearing last year when I was actually chairman of the Subcommittee, before Mr. Jeffords went to the other side. At any rate, it was on the issue of aeronautics research, and there was a lot of concern about our technological edge in aeronautics being challenged, for example, by the Europeans, and the aviation industry, if you look at the importance of the aviation industry to our country, it is a net exporter. It is one of our best exporting aspects for balance of trade, and obviously our preeminence is important for good-paying jobs in our country.

Now, NASA's aerospace technology enterprise and the Langley Research Center, they are engaged in developing innovative technologies, many of which have been adopted, and they are beneficial for the aviation industry, and their research is not just revolutionary, it is also evolutionary in the way that they look at it, and whether that is for advanced warning of wind shear, or designing advanced traffic management systems, which I know the chairman

and I both share a great concern about, and that is exactly one of the things that are needed. I am glad Reagan National is finally getting fully operational, but there are technologies that can help us with our security, and NASA is involved in some of that research, as well as developing what are called morphing wing vehicles for future aviation use.

Now, this research is going to lead to greater aviation safety. It will reduce accidents and fatalities, obviously, and I look forward to working with you as Inspector General to ensure that the aeronautics program is run efficiently to maximize the return of the taxpayer's investment.

Now, to the extent you get in, and I know you are answering questions, and I saw your comments as far as the Space Station, there is a concern that all the cost overruns at the Space Station are, of course, eating away, or taking away from other very important missions of NASA in the aeronautics and other space endeavors in research, and so what you do, making those very important decisions and recommendations to us and to the administration as to what is worthwhile, what is going to get us the most use for our dollars, or where there could be improvements would be very closely listened to and I think will be very important.

I would be interested in hearing how you would suggest that NASA address the issues regarding human capital, if you could, because one thing that also came up out of those hearings last year on aeronautics is that the age of the people who are working in NASA, many of the engineers and scientists are—they are not right next to retirement, but they are generally older, and not that far from retirement, and when you lose that sort of capacity, when you understand that the human capital is the greatest asset of NASA, and that experience and knowledge and capability, how are we going to be able to attract more—obviously, I would think you would need to work with the colleges and the universities, also in the private sector, to attract people into that research, seeing a worthwhile endeavor, or a fulfillment of a life work and also as a career for an individual.

I would hope that you would have some ideas as to how we can work to attract the best to be those innovators for the future, which is good for our country, good for our quality of life, good for our security, and clearly also vital for our economy as well.

So with that, I will conclude, and ask Moose—is that your nickname, Moose?

Mr. COBB. Yes, sir. Good afternoon, Senator. I do go by Moose.

Senator ALLEN. Did you already get him on Moose?

Senator WYDEN. Yes.

Senator ALLEN. That must be the Maine in you.

Mr. COBB. Many of the points that you make relate to overall policy in terms of how NASA will be operating in the future as far as the human capital issues, and I guess for me, or for a person who is in the role of IG, being attentive to the interest of the policymakers, and the U.S. Congress in particular, and management in terms of what are particular problems at NASA and what are the long-term problems are appropriate issues for the tools of the OIG to be used in evaluation.

So, for example, in the area of human capital, it is a subject of wide attention, Government-wide in terms of the crisis of human capital. NASA has certain advantages that it brings to the human capital area, being at the forefront of science and technology, and it is an honor for any person to be associated and affiliated with NASA, but bringing the tools of the OIG to focus on, in terms of audits or investigations of NASA's needs would be used to identify issues in connection with, for example, human capital in the area of aeronautics, and other science and technology programs that NASA has. Again, to me what is important for policymakers, to be able to make the right decisions they need to have sound financial management, transparent systems, so that policymakers can look at the books and say, "OK, this makes sense and this does not."

Similarly, I think that in connection with all of NASA's programs, that confidence of the public is shaken when they find that there are financial management issues, or alternatively that there are issues in terms of the contracting process, and obviously when you are talking about aeronautics and other major programs at NASA the contracting and procurement issues that can undermine the agency would be a focus of the OIG.

Senator ALLEN. Well, I would say, Mr. Chairman, I have read through Mr. Cobb's qualifications, more than just his genealogy, and I find this gentleman to be more than qualified, in fact highly qualified.

I think you are going to have probably one of the tougher jobs, but also the most important job. You have the qualifications, you have the background, you have the learning, and the experience, but in your answer in the midst of it, while just trying to determine what are your principles, I think you most importantly have an understanding of how important it is that NASA be run as properly as possible.

Every estimate is not going to be accurate. That is just the nature of scientific research and development matters, but I do think that the public's confidence and the credibility of NASA is important as we make decisions, and also I think you respect the role that the elected people have, those of us in the Senate, in making decisions based on information, that I think that the information we receive from you will be credible. It will not be gilded, it will be straightforward, and I look forward to working with you, Mr. Cobb, and thank you for your continuing service to your country.

Mr. COBB. Thank you, Senator.

Senator WYDEN. I thank my colleague, and he makes a number of points that I agree with, and in fact I think the only other question I have would really pick up on an area you touched on, and that is really the sort of evaluative process.

I mean, you are going to be there, and you are going to be trying to conduct some of these evaluations and assessments in areas that do not lend themselves to kind of cookie-cutter kinds of approaches, and I would be curious, just by way of how you think through these issues, what kind of evaluative processes do you think would be appropriate for areas like R&D?

I mean, that is an area that both of us are strongly supportive of, and we are going to support investments in this area and have already in many areas of science and technology policy, and at the

same time we have got to explain to the people of Virginia and the people of Oregon who are putting their money out, what they are getting for it. Tell me, if you would, how you might go about getting your arms around evaluating R&D expenditures.

Mr. COBB. Well, I can tell you what my approach would be without having had the benefit of being in a position where that was a responsibility. First, conceptually, my presumption is that the policymakers are making the right calls in terms of what expenditures, what are the right projects to invest the taxpayer's money in, and so my disposition would not be to favor one program over another, because the policymakers are making the calls.

My purpose and focus would be on whether or not the instruments pursuant to which R&D funds are utilized, that the detailed mechanisms that an agency like NASA has, and the procedures it has for spending the taxpayer's money are being followed, and that the financial management systems that account for the use of the taxpayer's money are in place so that I or you or the public may look at the books and say, "OK, this is how our policy decision has been carried out," and we can see exactly what it is costing, and we can see exactly what we are getting for that money, and so I would use the tools.

Now, in terms of the very capable staff that currently is at the Office of Inspector General, I have no question but that they would have a number of ideas also in terms of how an issue such as R&D, and what is not only the appropriate expenditure, but how it is being carried out should be considered, and in addition to that, to the extent that there is additional resources that I need to draw upon again, there is the President's council on integrity and efficiency and IGs at other agencies with the same types of problems whose knowledge I would be happy to draw upon in trying to get at the bottom of a question like that.

Senator WYDEN. The two of us are going to continue the bipartisan tradition and support you, and we are going to work to get you confirmed, and I think you will speak very well for our Government, and your work, as Senator Allen noted, is especially important right now, so Godspeed. We wish your family well. Everybody can figure out the restaurant you are going to go to tonight to celebrate.

Is there anything you would like to add further, Mr. Cobb?

Mr. COBB. No. I would just like to thank you both, and assure you that I will give this job my very best in doing what is right by the taxpayer.

Senator WYDEN. We look forward to seeing you confirmed.

The Committee is adjourned.

[Whereupon, at 3:15 p.m., the Committee adjourned.]

A P P E N D I X

PREPARED STATEMENT OF HON. JOHN MCCAIN, U.S. SENATOR FROM ARIZONA

Mr. Chairman, I want to thank you and Chairman Hollings for calling today's hearing. I appreciate your willingness to work with myself and others on this Committee to schedule this confirmation hearing in a timely manner.

Mr. Cobb, I welcome you. Your nomination comes at a critical time for NASA. Together with Administrator O'Keefe, you will be challenged with resolving NASA's many management and technical challenges.

I would like to emphasize the importance of getting accurate and complete information from NASA. In the past, the Young report, and even Administrator O'Keefe, have expressed their frustration with getting vital financial cost information from NASA. The recent Pricewaterhouse Coopers' audit of NASA stated that NASA was unable to provide sufficient documentation for amounts capitalized to the International Space Station, among other problems. Time and again, I have expressed my concerns that key decisionmakers, including Congress, are not receiving the necessary information required to make well-informed decisions.

This year, NASA will have to make some critical decisions on the future of the International Space Station, its research centers, the Space Launch Initiative, and many other program areas. It is my hope that these decisions will be based on the best possible information available.

Mr. Cobb, as the Inspector General, if confirmed, your role as the on-site "police" will keep you busy. It is my expectation that you will continue the excellent work that you have been providing to the President as Associate Counsel to the President.

A coherent agenda for the agency is also important. I look forward to working with you and Administrator O'Keefe to further define the agency's vision and implementing strategy. We must also begin to develop a larger plan for research and exploration to ensure that the systems that we develop today meet the requirements of tomorrow.

Again, thank you, Mr. Chairman, for holding this hearing. Also, let me thank the nominee for his many years of public service. I commend you for your willingness to continue in public service. I look forward to quick action on this excellent nominee.

