The National Institutes of Health Should Improve Its Stewardship and Accountability Over Hardware and Software Assets

What OIG Found
NIH had controls in place to effectively and efficiently track and monitor IT resources. However, NIH did not perform internal control activities in accordance with Federal directives and maintain a continual agencywide software license inventory. Specifically, Institutes and Centers (ICs) did not complete reports and perform investigations and reviews for lost, damaged, or destroyed property; identify accountable property and sensitive items as Government property; complete corrective action for property accountability and management control deficiencies; and meet minimum Department standards for its accountable personal property management program. Additionally, NIH did not maintain a continual agencywide inventory of all software licenses.

There was inadequate oversight to hold the ICs’ management accountable for the performance of internal control activities. Additionally, there was no primary software asset management tool employed across all the ICs’ operating environments to centralize and automate the capture of software inventory and entitlement data. These factors contributed to the deficiencies in NIH’s stewardships of its IT resources. As a result, NIH was more susceptible to ineffective accountable property and control operations, which increased the risk that NIH would be unable to report reliable asset balances, to discover cost-saving opportunities, and to effectively safeguard assets from theft and other losses.

What OIG Recommends and NIH Comments
Our recommendations to NIH relate to enhancing stewardship activities associated with the management of Government personal property and software management practices. We recommend that NIH establish an oversight body that ensures that property accountability management responsibilities and control activities for Government property are performed. Additionally, we recommend that NIH employ a primary software asset management tool that centralizes and automates the capture of software inventory and entitlement data into each of the IC’s operating environments. We also made procedural and operational recommendations.

In written comments on our draft report, NIH concurred with all our findings and recommendations and described actions it has taken or plans to take to address the findings.

The full report can be found at https://oig.hhs.gov/oas/reports/region18/181906004.asp.