

Statistical Data

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Reporting Terms Defined

Some of the more common terms that we use in reporting audit statistics and findings are defined below:

Questioned Cost. Auditors question costs because of an alleged violation of a provision of a law, regulation, grant, cooperative agreement, or contract. In addition, a questioned cost may be a finding in which, at the time of the audit, either a cost is not supported by adequate documentation, or the expenditure of funds for the intended purpose is deemed unnecessary or unreasonable.

Unsupported Cost. A cost that is questioned because it is not supported by adequate documentation at the time of audit.

At-Risk Cost Sharing. Cost sharing is identified as “at risk” if an awardee is lagging in meeting its cost-sharing obligation for an award that is still active. In some situations, the awardee may purport to be funding its obligation but lacks internal controls and documentation to support its claim, making it difficult to determine their allowability under federal cost principles.

Management Decision. Management’s evaluation of the findings and recommendations included in the audit report, and the issuance of a response or final decision. It is important to note that NSF is responsible for making a management decision regarding questioned costs that determines whether they will be sustained (i.e., disallowed) or allowed.

Funds Put to Better Use. Audit recommendations that identify ways to improve the efficiency of programs frequently lead to prospective benefits over the life of an award or funds put to better use. Examples include reducing outlays, deobligating funds, or avoiding unnecessary expenditures.

Final Action. The completion of all management actions that are described in a management decision with respect to audit findings and recommendations. If management concluded that no actions were necessary, final action occurs when a management decision is issued.

Compliance or Internal Control Issues. Audits often result in recommendations either to improve the auditee’s compliance with NSF and federal regulations, or to strengthen the auditee’s internal control structure to safeguard federal funds from fraud, waste, abuse, and mismanagement.

Audit Reports Issued With Recommendations for Better Use of Funds

	Dollar Value
A. For which no management decision has been made by the commencement of the reporting period	\$0
B. Recommendations that were issued during the reporting period	\$444,103
C. Adjustments related to prior recommendations	\$0
Subtotal of A+B+C	\$444,103
D. For which a management decision was made during the reporting period	\$0
i) Dollar value of management decisions that were consistent with OIG recommendations	\$0
ii) Dollar value of recommendations that were not agreed to by management	\$0
E. For which no management decision had been made by the end of the reporting period	\$444,103
For which no management decision was made within 6 months of issuance	0

Audit Reports Issued With Questioned Costs

	Number of Reports	Questioned Costs	Unsupported Costs
A. For which no management decision has been made by the commencement of the reporting period	9	\$1,311,543	\$21,296
B. That were issued during the reporting period	9	\$869,133	\$17,805
C. Adjustments related to prior recommendations		\$19,443	\$0
Subtotal of A+B+C	18	\$2,200,119	\$39,101
D. For which a management decision was made during the reporting period:	8	\$1,017,008	\$21,296
1. Dollar value of disallowed costs	N/A	\$467,159	N/A
2. Dollar value of costs not disallowed	N/A	\$549,849	N/A
E. For which no management decision had been made by the end of the reporting period	10	\$1,183,111	\$17,805
For which no management decision was made within 6 months of issuance	1	\$313,978	\$0

Audit Reports Involving Cost-Sharing Shortfalls

	Number of Reports	Cost-Sharing Promised	At Risk of Cost Sharing Shortfall (Ongoing Project)	Actual Cost Sharing Shortfalls (Completed Project)
A. Reports with monetary findings for which no management decision has been made by the beginning of the reporting period:	4	\$6,099,437	\$1,406,881	\$19,801
B. Reports with monetary findings that were issued during the reporting period:	2	\$12,414,037	\$9,720,295	\$0
C. Adjustments related to prior recommendations	(1)	\$0	\$(945,141)	\$0
Total of Reports with Cost Sharing Findings (A+B+C)	5	\$18,513,474	\$10,182,035	\$19,801
D. For which a management decision was made during the reporting period:	3	\$6,099,437	\$461,740	\$19,801
1. Dollar value of cost-sharing shortfall that grantee agreed to provide	N/A	N/A	\$0	\$13,595
2. Dollar value of cost-sharing shortfall that management waived	N/A	N/A	\$461,740	\$6,206
E. Reports with monetary findings for which no management decision has been made by the end of the reporting period	2	\$12,414,037	\$9,720,295	\$0

Status of Internal NSF Recommendations

Open Recommendations (as of 9/30/02)	
Recommendations Open at the Beginning of the Reporting Period	26
New Recommendations Made During Reporting Period	89
Total Recommendations to be Addressed	115
Management Resolution of Recommendations ⁴	
Awaiting Resolution	73
Resolved Consistent With OIG Recommendations	42
Management Decision That No Action is Required	0
Final Action on OIG Recommendations ⁵	
Final Action Completed	34
Recommendations Open at End of Period	81
Aging of Open Recommendations	
Awaiting Management Resolution:	
0 through 6 months	73
7 through 12 months	0
More than 12 months	0
Awaiting Final Action After Resolution:	
0 through 6 months	2
7 through 12 months	0
13 through 18 months	2
19 through 24 months	4

⁴ "Management Resolution" occurs when the OIG and NSF management agree on the corrective action plan that will be implemented in response to the audit recommendations.

⁵ "Final Action" occurs when management has completed all actions it agreed to in the corrective action plan.

List of Reports

NSF and CPA Performed Reviews

Report Number	Subject	Questioned Costs	Unsupported Costs	Better Use of Funds	Cost Sharing At-Risk
02-1-014	For-profit organization	\$0	\$0	\$0	\$0
02-1-015	University	\$0	\$0	\$0	\$0
02-1-016	Non-profit organization	\$0	\$0	\$444,103	\$0
02-1-017	School district	\$0	\$0	\$0	\$0
02-1-018	Research institute	\$4,434	\$0	\$0	\$0
02-1-019	University	\$0	\$0	\$0	\$0
02-1-020	School district	\$616,048	\$0	\$0	\$0
02-1-021	School district	\$0	\$0	\$0	\$9,480,490
02-1-022	University	\$0	\$0	\$0	\$239,805
02-1-023	Community college	\$24,578	\$17,805	\$0	\$0
02-1-024	College	\$51,842	\$0	\$0	\$0
02-2-006	NSF internal review	\$0	\$0	\$0	\$0
02-2-007	NSF internal review	\$0	\$0	\$0	\$0
02-2-008	NSF internal review	\$0	\$0	\$0	\$0
02-2-009	NSF internal review	\$0	\$0	\$0	\$0
02-2-010	NSF internal review	\$0	\$0	\$0	\$0
02-2-011	NSF internal review	\$0	\$0	\$0	\$0
02-2-012	NSF internal review	\$0	\$0	\$0	\$0
02-2-013	NSF internal review	\$0	\$0	\$0	\$0
02-2-014	NSF internal review	\$0	\$0	\$0	\$0
02-6-003	Audit firm	\$0	\$0	\$0	\$0
	Total:	\$696,902	\$17,805	\$444,103	\$9,720,295

NSF-Cognizant Reports

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
02-4-006	National observatory	\$0	\$0	\$0
02-4-010	Research consortium	\$0	\$0	\$0
02-4-011	Non-profit organization	\$0	\$0	\$0
02-4-012	Non-profit institute	\$0	\$0	\$0
02-4-013	Non-profit institute	\$0	\$0	\$0
02-4-014	Museum	\$0	\$0	\$0
02-4-015	Museum	\$0	\$0	\$0
02-4-016	Museum	\$0	\$0	\$0
02-4-017	Atmospheric research consortium	\$0	\$0	\$0
02-4-018	School district	\$0	\$0	\$0
02-4-019	Non-profit association	\$0	\$0	\$0
02-4-020	Non-profit association	\$0	\$0	\$0
02-4-021	Non-profit corporation	\$0	\$0	\$0
02-4-022	Research consortium	\$0	\$0	\$0
02-4-023	Non-profit association	\$0	\$0	\$0
02-4-024	Non-profit organization	\$0	\$0	\$0
02-4-025	Foundation	\$0	\$0	\$0
	Total:	\$0	\$0	\$0

Other Federal Audits

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
02-4-021	Non-profit corporation	\$53,900		
02-4-022	Research consortium	\$8,000		
02-4-023	Non-profit association	\$403		
02-4-024	Non-profit organization	\$89,862		
02-4-025	Foundation	\$20,066		
	Total:	\$172,231	\$0	\$0

Audit Reports With Outstanding Management Decisions

This section identifies audit reports involving questioned costs, funds put to better use, and cost sharing at risk where management had not made a final decision on the corrective action necessary for report resolution within 6 months of the report's issue date. At the end of the reporting period there was one report remaining that met this condition. The report involves questioned costs, totaling \$313,978. The status of recommendations that involve internal NSF management is described on page 52 .

Investigations Case Activity

April 1, 2002 - September 30, 2002

	Preliminary	Civil/Criminal	Administrative
Active Cases From Previous Reporting Period	10	30	31
New Cases	121	13	19
Closed Cases	110	18	29
Active Cases	21	25	21

Investigations Case Statistics

New Referrals	2
Criminal Convictions/Pleas	0
Civil Settlements	0
Administrative Actions	4
Investigative Recoveries ⁶	\$327,972.91
Research Misconduct Findings by NSF	0
Cases Forwarded to NSF Management for Action	0
Cases Forwarded to NSF Management in Prior Periods Awaiting Action	1
Assurances and Certifications Received ⁷	
Number of Cases Requiring Assurances During This Period	4
Number of Cases Requiring Certifications During This Period	6
Assurances Received During This Period	5
Certifications Received During This Period	0
Number of Debarments in Effect During This Period	3

⁶ Investigative recoveries include civil penalties, criminal fines, and funds paid in restitution, as well as specific cost savings for the government.

⁷ NSF accompanies some actions with a certification and/or assurance requirement. For example, for a specified period, the subject may be required to confidentially submit to OIG a personal certification and/or institutional assurance that any newly submitted NSF proposal does not contain anything that violates NSF regulations.

Freedom of Information Act and Privacy Act Requests

Our office responds to requests for information contained in our files under the Freedom of Information Act (“FOIA,” 5 U.S.C. paragraph 552) and the Privacy Act (5 U.S.C. paragraph 552a). During this reporting period:

- We received 16 FOIA requests compared to 8 in the last reporting period. The response rate ranged between 3 days and 20 days, with a median of 17 days and the average around 14 days.
- We did not receive any Privacy Act requests compared to two received last reporting period.
- We received two appeals this reporting period and two last reporting period. Both appeals were denied. Individuals who are not satisfied with our responses to their requests can appeal to the OGC which neither did this period.

Reporting Requirements

Under the Inspector General Act, we report to the Congress every six months on the following activities:

- Reports issued, significant problems identified, the value of questioned costs and recommendations that funds be put to better use, and NSF's decisions in response (or, if none, an explanation of why and a desired timetable for such decisions). (See pp. 5-6, 47)
- Matters referred to prosecutors, and the resulting prosecutions and convictions. (See p. 35, 47)
- Revisions to significant management decisions on previously reported recommendations, and significant recommendations for which NSF has not completed its response. (See p. 52, 56)
- Legislation and regulations that may affect the efficiency or integrity of NSF's programs. (See p. 8)
- OIG disagreement with any significant decision by NSF management. (None)
- Any matter in which the agency unreasonably refused to provide us with information or assistance. (None)

Acronyms

COI	Conflict of Interest
CPO	Division of Contracts, Policy and Oversight
COV	Committee of Visitors
COTR	Contracting Officer's Technical Representative
DACS	Division of Acquisition and Cost Support
DFE	Designated Federal Entity
DGA	Division of Grants and Agreements
DOJ	Department of Justice
ECIE	Executive Council of Integrity and Efficiency
DHHS	Department of Health and Human Services
EHR	Directorate for Education and Human Resources
EPA	Environmental Protection Agency
FBI	Federal Bureau of Investigation
FLETC	Federal Law Enforcement Training Center
FOIA	Freedom of Information Act
GAO	General Accounting Office
GISRA	Government Information Security Act
GPRA	Government Performance and Results Act
GSA	General Services Administration
HHS	Health and Human Services
HUD	Department of Housing and Urban Development
IAB	Industrial Advisory Board
IUCRC	Industry/University Cooperative Research Center
MIRWG	Misconduct In Research Working Group
MRE	Major Research Equipment
MREFC	Major Research Equipment and Facilities Construction
NIH	National Institutes of Health
NSB	National Science Board
NSF	National Science Foundation
OGC	Office of General Counsel
OIG	Office of Inspector General
OMB	Office of Management and Budget
ONR	Office of Naval Research
OSTP	Office of Science and Technology Policy
PCIE	President's Council on Integrity and Efficiency
PI	Principal Investigator
PFCRA	Program Fraud Civil Remedies Act
PTO	Patent and Trademark Office
QCR	Quality Control Review
REU	Research Experiences for Undergraduates
RM	Research Misconduct

Acronyms (cont'd)

SBIR	Small Business Innovation Research
SRA	Society of Research Administrators
SSN	Social Security Number
USAP	United States Antarctic Program
USDA	U.S. Department of Agriculture
USI	Urban Systemic Initiative
USP	Urban Systemic Program
VA	Veterans Administration