

Statistical Data

Reporting Terms Defined	56
Audit Reports Issued with Recommendations for Better Use of Funds	57
Audit Reports Issued with Questioned Costs	58
Audit Reports Involving Cost-Sharing Shortfalls	59
Status of Recommendations Involving Internal NSF Management Operations	60
List of Reports	61
Audit Reports With Outstanding Management Decisions	63
Investigative Activity and Statistics	64
Administrative Statistics	65

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.

Unresolved Costs. Costs that have been claimed, but can not be evaluated at the time of the audit because either: 1) the criteria for their measurement has not been established; 2) the period for establishing the criteria is not complete or 3) the criteria is unclear or ambiguous. This category most frequently applies to indirect costs. For example, if a final indirect cost rate has not been determined for a particular period, the claimed indirect costs for that period would be classified by the auditor as unresolved costs.

Management Decision. Management's evaluation of the findings and recommendations included in the audit report and the issuance of a final decision by management containing its response to such findings and recommendations. 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	\$50,000
C. Adjustments related to prior recommendations	0
Subtotal of A+B+C	\$50,000
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	\$50,000
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	17	\$1,640,676	\$478,031
B. That were issued during the reporting period	13	\$5,389,095	\$3,294,455
C. Adjustment related to prior recommendations	1	\$137,076	\$0
Subtotal of A+B+C	31	\$7,166,847	\$3,772,486
D. For which a management decision was made during the reporting period	18	\$1,777,752	\$478,031
i) dollar value of disallowed costs	N/A	\$967,024	N/A
ii) dollar value of costs not disallowed	N/A	\$810,728	N/A
E. For which no management decision had been made by the end of the reporting period	13	\$5,389,095	\$3,294,455
For which no management decision was made within 6 months of issuance	0	0	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	\$3,018,274	\$491,459	\$70,421
B. Reports with monetary findings that were issued during the reporting period:	3	\$9,967,398	0	\$194,125
C. Adjustments related to prior recommendations	0	0	0	0
Total of Reports with Cost Sharing Findings (A+B+C)	7	\$12,985,672	\$491,459	\$264,546
D. For which a management decision was made during the reporting period:	4	\$3,018,274	\$491,459	\$70,421
1. Dollar value of cost-sharing shortfall that grantee agreed to provide.	N/A	N/A	\$491,459	\$4,056
2. Dollar value of cost-sharing shortfall that management waived	N/A	N/A	0	\$66,365
E. Reports with monetary findings for which no management decision has been made by the end of the reporting period.	3	\$9,967,398	0	\$194,125

Status of Recommendations Involving Internal NSF Management Operations

Open Recommendations (as of 9/30/01)	
Recommendations Open at the Beginning of the Reporting Period	13
New Recommendations Made During Reporting Period	81
Total Recommendations to be Addressed	94
Management Resolution of Recommendations¹	
Awaiting Resolution	80
Resolved Consistent With OIG Recommendations	14
Management Decision That No Action is Required	0
Final Action on OIG Recommendations	
Final Action Completed	8
Recommendations Open at End of Period	86
Aging of Open Recommendations	
Awaiting Management Resolution:	
0 through 6 months	80
7 through 12 months	0
More than 12 months	0
Awaiting Final Action After Resolution²	
0 through 6 months	0
7 through 12 months	6
13 through 18 months	0

¹ “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. The OIG is currently reviewing one action plan that addresses 59 recommendations.

² “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
01-1010	Museum	\$0	\$0	\$0	\$0
01-1011	For-profit Organization	\$337,589	\$331,791	\$0	\$0
01-1012	Engineering Center	\$0	\$0	\$0	\$0
01-1013	Science Museum	\$0	\$0	\$0	\$0
01-1014	University Foundation	\$0	\$0	\$0	\$0
01-1015	University	\$0	\$0	\$0	\$0
01-1016	For-profit Company	\$4,774	\$4,774	\$0	\$0
01-1017	State University	\$90,602	\$0	\$0	\$0
01-1018	University Foundation	\$6,759	\$0	\$0	\$0
01-1019	University	\$96,764	\$0	\$0	\$0
01-1020	Educational Non-profit	\$215,788	\$0	\$0	\$0
01-1021	For-profit Organization	\$22,240	\$0	\$0	\$0
01-1022	For-profit Organization	\$677,556	\$4,953	\$0	\$0
01-1023	For-profit Organization	\$187,278	\$16,343	\$0	\$0
01-1024	Southern University	\$387,471	\$0	\$0	\$0
01-1025	Municipal School District	\$3,336,687	\$2,936,594	\$0	\$0
01-2005	Program Annual Report	\$0	\$0	\$0	\$0
01-2006	Annual NSF Report	\$0	\$0	\$0	\$0
01-2007	NSF Support Review	\$0	\$0	\$50,000	\$0
01-2008	NSF Internal Report	\$0	\$0	\$0	\$0
01-2009	Engineering Center	\$0	\$0	\$0	\$0
01-2010	NSF Internal Report	\$0	\$0	\$0	\$0
01-6002	Major Project Review	\$0	\$0	\$0	\$0
	Total:	\$5,363,508	\$3,294,455	\$50,000	\$0

NSF-Cognizant Reports

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
01-4015	Museum	\$0	\$0	\$0
01-4016	Museum	\$0	\$0	\$0
01-4017	Museum	\$0	\$0	\$0
01-4018	Science Academy	\$0	\$0	\$0
01-4019	Research Organization	\$0	\$0	\$0
01-4020	Research Organization	\$0	\$0	\$0
01-4021	University Association.	\$0	\$0	\$0
01-4022	Research Organization	\$0	\$0	\$0
01-4023	Science Group	\$0	\$0	\$0
01-4024	Science Museum	\$25,473	\$0	\$0
01-4025	Educational Foundation.	\$0	\$0	\$0
01-4026	Science Museum	\$0	\$0	\$0
01-4027	University Association	\$0	\$0	\$0
	Total:	\$25,473	\$0	\$0

Other Federal Audits

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
01-5081	Southwest University	\$114	\$0	N/A
	Total	\$114	\$0	N/A

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 are no reports remaining that meet this condition. The one report remaining open at the end of the last period has been closed. The status of recommendations that involve internal NSF management is described on page 60.

Investigations Case Activity

	Preliminary	Civil/Criminal	Administrative
Active Cases From Previous Reporting Period	11	23	24
New Cases	42	15	19
Closed Cases	45	9	17
Active Cases	8	29	26

Investigations Case Statistics

New Referrals	4
Criminal Convictions/Pleas	0
Civil Settlements	1
Administrative Actions	0
Investigative Recoveries ³	\$290,874.42

³ Investigative recoveries include civil penalties, criminal fines, and funds paid in restitution, as well as specific cost savings for the government.

Administrative Statistics

Cases Forwarded to the Office of the Director for Adjudication	2
Cases Reported in Prior Periods With No Adjudication by the Office of the Director ⁴	2
Number of Debarments in Effect During This Period	4
Assurances and Certifications Received ⁵	
Number of Cases Requiring Assurances During This Period	8
Number of Cases Requiring Certifications During This Period	9
Assurances Received During This Period	7
Certifications Received During This Period	0

⁴ These cases are described in our March 2001 Semiannual Report (pages 26-27).

⁵ NSF accompanies some findings of misconduct in science with a certification and/or assurance requirement. For a specified period, the subject must confidentially submit to OIG a personal certification and/or institutional assurance that any newly submitted NSF proposal does not contain anything that violates NSF's regulation on misconduct in science. These certifications and assurances remain in OIG and are not known to, or available to, NSF program officials. In one case not involving misconduct in science, described in our September 2000 Report (page 26), NSF required the subject and his institution to submit to the appropriate NSF program an assurance of compliance with appropriate requirements and procedures with any proposal involving biohazardous research.