

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. (See IG's Letter and p. 55)

Matters referred to prosecutors, and the resulting prosecutions and convictions. (See p. 33, 64)

Revisions to significant management decisions on previously reported recommendations, and significant recommendations for which NSF has not completed its response. (See p. 60, 63)

Legislation and regulations that may affect the efficiency or integrity of NSF's programs. (See p. 44)

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)

Management Challenges

For the fourth year, Congress has requested that each Inspector General submit an annual list of the top ten management challenges facing his or her agency. Responding to this request has become an integral part of our strategic planning process. After careful consideration, we submitted to Congress the following challenges that we deemed most crucial to the future success of the agency.

Management of Large Infrastructure Projects: NSF spends approximately \$1 billion a year in the aggregate for cutting-edge research facilities and equipment projects, some of which cost hundreds of millions of dollars. Successful management of these projects and programs requires a more disciplined project management approach.

Cost Sharing: Significant problems persist with award recipients not meeting their cost-sharing requirements. Because of the importance of these contributions to the research community, and the detrimental impact a shortfall can have on a project, we consider improvements in administering cost sharing to be among the most important priorities for NSF management.

Management of U.S. Antarctic Program: Charged with managing all U.S. activities in the Antarctic as a single program, NSF's Office of Polar Programs (OPP) funds research and provides the infrastructure and logistics necessary to conduct scientific experiments. OPP staff must not only have scientific knowledge, but must also be able to oversee and monitor the performance of contractors engaged in delivering a broad range of services to the American scientific community in the harsh polar environment.

Award Administration: NSF is challenged to monitor its awards adequately, in terms of scientific accomplishments and compliance with award agreements and federal regulations. The agency needs to establish more coordinated oversight between its program officers and its grant and contract officers to ensure better sharing of information and more effective award administration.

Merit Review: NSF must continue to ensure that reviewers correctly apply NSF's review criteria, that the merit review process gives due consideration to ideas, individuals, and institutions which have not received past support, and that the process is effectively administered.

Data Security: Next year NSF will depend on its automated computer systems to manage over \$4 billion in funds and to process over 35,000 grant proposals. Therefore, it is imperative that NSF's systems are developed and operated with appropriate security controls to reduce the ever increasing risk of unauthorized access that could compromise data integrity, confidentiality, and/or availability.

FastLane: FastLane facilitates administrative transactions with the research community via the Internet. The development and implementation of FastLane, which began in 1994, has moved the agency closer to

the goal of establishing a widely accessible paperless proposal and award process. However, since FastLane serves as the primary interface between NSF and its award recipients and is critical to many of NSF's administrative plans and goals, management must continue to monitor its progress to ensure that the system is user-friendly and reliable.

Government Performance Results Act (GPRA) Data Quality: A recent GAO study listed as a key weakness of NSF's FY 2000 Performance Plan that it, "provides limited confidence in the validation and verification of data". To address this criticism the agency has contracted with a public accounting firm to assist in validating the performance data it reports. We believe that NSF should follow-up on its search for ways to ensure data quality.

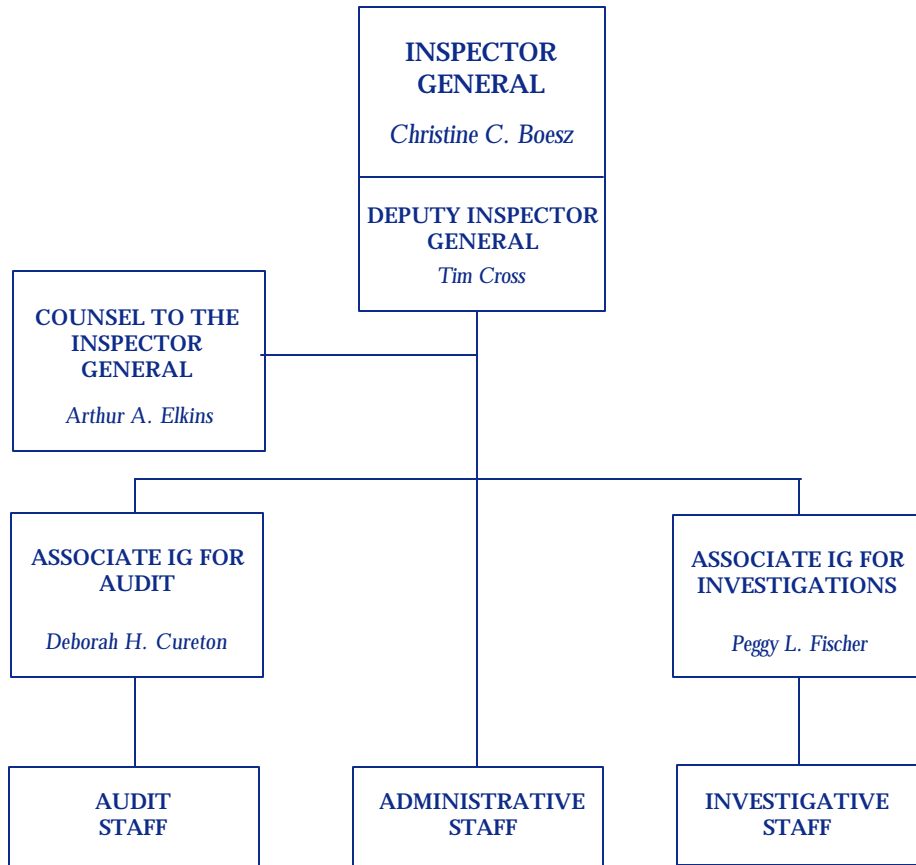
Work Force Planning and Training: Although NSF has had significant increases in its program responsibilities and budgets in recent years, salaries and expenses have remained relatively flat. Concerns about the adequacy of staffing come at a time when the government as a whole is facing succession planning and recruiting problems. In addition, NSF's reliance on personnel who serve under a term appointment poses a challenge to the agency to ensure that such staff is adequately trained to administer awards.

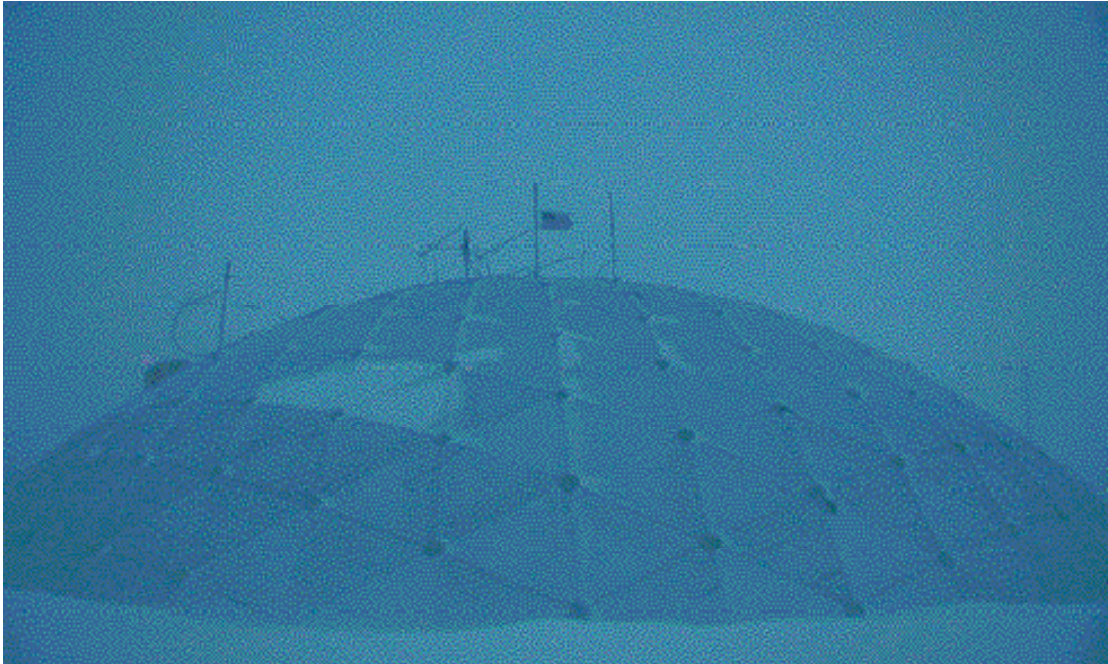
Fostering a Diverse Scientific Workforce: NSF's most recent performance plan promises that the agency will begin implementing new strategies to increase diversity. However, because such programs are difficult to implement, NSF needs to define its diversity strategies clearly and develop concrete steps to implement them.

Acronyms

AGA	Association of Government Accountants
AO	Administrative Officer
A&O	Audit and Oversight Committee
CAARB	Cost Analysis and Audit Resolution Branch
CFR	Code of Federal Regulations
CIRT	Computer Incident Response Team
CPO	Division of Contracts, Policy and Oversight
DCAA	Defense Contract Audit Agency
DGA	Division of Grants and Agreements
DHHS	Department of Health and Human Services
ECIE	Executive Council of Integrity and Efficiency
EHR	Directorate for Education and Human Resources
EPA	Environmental Protection Agency
ERC	Energy Research Center
FedCIRC	Federal Computer Incident Response Center
FOIA	Freedom of Information Act
GAO	General Accounting Office
GISRA	Government Information Security Act
GPRA	Government Performance and Results Act
GRS	General Records Schedule
HUD	Department of Housing and Urban Development
IACUC	Institutional Animal Care and Use Committee
METI	Ministry of Economy, Trade and Industry
MPA	Multiple Project Assurance
MPS	Directorate for Mathematics and Physical Sciences
NARA	National Archives and Records Administration
NASA	National Aeronautics and Space Administration
NEA	National Endowment for the Arts
NSB	National Science Board
ODP	Ocean Drilling Program
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPP	Office of Polar Programs
OSTP	Office of Science and Technology Policy
PCIE	President's Council on Integrity and Efficiency
PI	Principal Investigator
PFCRA	Program Fraud Civil Remedies Act
R&D	Research and Development
SBIR	Small Business Innovation Research
SRA	Society of Research Administrators
USA	University of South Alabama
USAP	United States Antarctic Program
UTMB	University of Texas Medical Branch
VA	Veterans Administration

Organization Chart





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