

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.

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	\$11,738,793
B. Recommendations that were issued during the reporting period	\$174,370
C. Adjustments related to prior recommendations	0
Subtotal of A+B+C	\$11,913,163
D. For which a management decision was made during the reporting period	\$6,738,793
i) Dollar value of management decisions that were consistent with OIG recommendations	\$2,070,730
ii) Dollar value of recommendations that were not agreed to by management	\$4,668,063
E. For which no management decision had been made by the end of the reporting period	\$5,174,370
For which no management decision was made within 6 months of issuance	\$5,000,000

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	10	\$628,670	\$117,300
B. That were issued during the reporting period	22	\$2,442,963	\$1,176,884
C. Adjustment related to prior recommendations	2	\$550,186	\$0
Subtotal of A+B+C	34	\$3,621,819	\$1,294,184
D. For which a management decision was made during the reporting period	12	\$1,035,632	\$118,244
i) dollar value of disallowed costs	N/A	\$180,085	N/A
ii) dollar value of costs not disallowed	N/A	\$855,547	N/A
E. For which no management decision had been made by the end of the reporting period	21	\$2,586,187	\$1,175,940
For which no management decision was made within 6 months of issuance	1	\$202,168	\$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:	0	\$0	\$0	\$0
B. Reports with monetary findings that were issued during the reporting period:	1	\$0	\$141,114	\$0
C. Adjustments related to prior recommendations		\$0	\$0	\$0
Total of Reports with Cost Sharing Findings (A+B+C)	1	\$0	\$141,114	\$0
D. For which a management decision was made during the reporting period:	N/A	\$0	\$0	\$0
1. Dollar value of cost-sharing shortfall that grantee agreed to provide	N/A	N/A	\$0	\$0
2. Dollar value of cost-sharing shortfall that management waived	N/A	N/A	\$0	\$0
E. Reports with monetary findings for which no management decision has been made by the end of the reporting period	1	\$0	\$141,114	\$0

Status of Recommendations Involving Internal NSF Management Operations

Open Recommendations (as of 9/30/04)

Recommendations Open at the Beginning of the Reporting Period	48
New Recommendations Made During Reporting Period	27
Total Recommendations to be Addressed	75

Management Resolution of Recommendations¹²

Awaiting Resolution	49
Resolved Consistent With OIG Recommendations	26

Management Decision That No Action is Required 0

Final Action on OIG Recommendations¹³

Final Action Completed	13
Recommendations Open at End of Period	62

Aging of Open Recommendations

Awaiting Management Resolution:

0 through 6 months	43
7 through 12 months	0
More than 12 months	6

Awaiting Final Action After Resolution:

0 through 6 months	2
7 through 12 months	5
More than 12 months	6

¹²“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.

¹³“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
04-1-008	Community College	\$1,150,840	\$1,150,840	\$0	\$141,114
04-1-009	Scientific Society	\$0	\$0	\$0	\$0
04-2-003	NSF internal review	\$0	\$0	\$0	\$0
04-2-005	NSF program report	\$0	\$0	\$0	\$0
04-2-006	NSF internal review	\$0	\$0	\$0	\$0
04-2-007	NSF internal review	\$67,837	\$0	\$174,370	\$0
04-2-008	NSF internal review	\$0	\$0	\$0	\$0
04-6-002	NSF Contractor	\$0	\$0	\$0	\$0
04-6-003	NSF Contractor	\$0	\$0	\$0	\$0
04-5-004	Research Foundation	\$0	\$0	\$0	\$0
	Total:	\$1,218,677	\$1,150,840	\$174,370	\$141,114

NSF-Cognizant Reports

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
04-4-009	School corporation	\$0	\$0	\$0
04-4-023	Research foundation	\$0	\$0	\$0
04-4-026	K-12 School	\$0	\$0	\$0
04-4-027	Nonprofit corporation	\$5,470	\$0	\$0
04-4-029	Research center	\$0	\$0	\$0
04-4-030	Nonprofit organization	\$0	\$0	\$0
04-4-031	Consortium	\$0	\$0	\$0
04-4-032	School district	\$0	\$0	\$0
04-4-033	Conservation organization	\$0	\$0	\$0
04-4-034	Educational research company	\$0	\$0	\$0
04-4-035	Museum	\$0	\$0	\$0
04-4-036	School district	\$0	\$0	\$0
04-4-037	School district	\$0	\$0	\$0
04-4-038	Educational research company	\$0	\$0	\$0
04-4-040	K-12 school	\$0	\$0	\$0
04-4-042	Research institute	\$0	\$0	\$0
04-4-043	College	\$0	\$0	\$0
04-4-044	State university	\$0	\$0	\$0
	Total:	\$5,470	\$0	\$0

Other Federal Audits

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
04-5-056	Community college	\$58,000	\$0	\$0
04-5-057	University	\$25,100	\$25,100	\$0
04-5-061	Corporation	\$944	\$944	\$0
04-5-081	College	\$78,369	\$0	\$0
04-5-088	College	\$14,176	\$0	\$0
04-5-095	Corporation	\$485	\$0	\$0
04-5-099	University	\$694	\$0	\$0
04-5-102	University	\$9,997	\$0	\$0
04-5-104	University	\$18,600	\$0	\$0
04-5-106	Institute	\$18,471	\$0	\$0
04-5-110	University	\$415,500	\$0	\$0
04-5-111	University	\$51,968	\$0	\$0
04-5-113	State Government	\$378	\$0	\$0
04-5-114	Corporation	\$191	\$0	\$0
04-5-115	University	\$344,043	\$0	\$0
04-5-123	Corporation	\$3,998	\$0	\$0
04-5-124	College	\$6,689	\$0	\$0
04-5-125	College	\$1,014	\$0	\$0
04-5-126	University	\$170,199	\$0	\$0
	Total:	\$1,218,816	\$26,044	\$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 were two reports remaining that met this condition. The status of recommendations that involve internal NSF management is described on page 40.

Investigations Case Activity

April 1, 2004 - September 30, 2004

	Preliminary	Civil/Criminal	Administrative	Total
Active Cases at Beginning of Period	34	66	54	154
Opened Cases	144	20	44	208
Closed Cases	105	38	51	194
Active Cases at End of Period	73	48	47	168

Investigations Case Statistics

Referrals to DOJ	3
Criminal Convictions/Pleas	1
Civil Settlements	0
Administrative Actions	11
Investigative Recoveries	\$522,387
Research Misconduct Findings by NSF	1
Cases Forwarded to NSF Management for Action	15
Cases Forwarded to NSF Management in Prior Periods Awaiting Action	2
Assurances and Certifications ¹⁴	
Number of Cases Requiring Assurances During This Period	1
Number of Cases Requiring Certifications During This Period	1
Assurances Received During This Period	1
Certifications Received During This Period	0
Number of Debarments in Effect During This Period	7

¹⁴NSF 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 19 FOIA requests. The response time ranged between 1 day and 22 days, with a median of 20 days and the average around 12 days.
- We received 2 Privacy Act requests.
- We received 1 appeal, which was denied.