

OIG Management Activities

FY 2006 Management Challenges

In October 2005, the Office of Inspector General (OIG) submitted to NSF management its list of what it considers to be the most serious management and performance challenges facing the National Science Foundation (NSF). The list was based on our audit and investigative work, general knowledge of the agency's operations, and the evaluative reports of others, such as GAO and NSF's various advisory committees, contractors, and staff.

Ten challenges remain from last year's list, most of which reflect areas of fundamental program risk that are likely to require management's attention for years to come. They are: post-award administration; management of large infrastructure projects; cost-sharing; workforce planning; U.S. Antarctic Program; administrative infrastructure; GPRA reporting; cost information; information security; and broadening participation.

Five new management challenges appear this year including promoting integrity, project reporting, contract monitoring, accounting for environmental liabilities, and unfunded proposals. The challenge pertaining to the management of the Math and Science Partnership was removed from this year's list because the agency has successfully managed the program through its critical early stages. The OIG's management challenges letter appears in its entirety in the Appendix on page 49.

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Legal Review

Statutory and Regulatory Review

The Inspector General Act of 1978, as amended, mandates that our office monitor and review legislative and regulatory proposals for their impact on the OIG and NSF's programs and operations. We perform these tasks for the purpose of providing leadership in activities that are designed to promote economy, effectiveness, efficiency, and the prevention of fraud, waste, abuse and mismanagement. We also keep Congress and NSF management informed of problems and monitor legal issues that have a broad effect on the Inspector General community. During this reporting period, we reviewed three bills that either affected NSF, OIG, or both. The following legislation merits discussion in this section.

Program Fraud Civil Remedies Act of 1986 (PFCRA) (31 U.S.C. §§ 3801-3812)

A legislative priority that we support is amending PFCRA to include NSF and the 26 other "Designated Federal Entity" (DFE) agencies that are currently excluded from participation under the Act's enforcement provisions. The Office of Inspector General's concern related to PFCRA involves the ability of DFE agencies to fully implement their statutory mission to prevent fraud, waste and abuse by availing themselves of the enforcement capabilities contained within the Act. In fact, we have raised the issue of NSF's inclusion under the PFCRA legislation in several prior semiannual reports.

PFCRA sets forth administrative procedures that address allegations of program fraud when the claims are less than \$150,000.00. Currently, the executive departments, military departments, establishments, as defined under the Inspector General Act of 1978, and the United States Postal Service, are the only agencies permitted to proceed under PFCRA. NSF and other DFE agencies with Inspectors Generals appointed by agency heads are not included.

We believe that using the enforcement provisions of PFCRA will enhance NSF and other DFE agency recoveries in instances of fraud that fall below PFCRA's jurisdictional threshold of \$150,000.00. In short, including NSF and other DFE agencies under PFCRA will further the OIG community's statutory mission to deter fraud, waste and abuse. In September, the National

Science Board also expressed its support for “the past efforts that both OIG and NSF have undertaken to amend PFCRA to afford NSF the investigative resolution authorities provided other federal agencies”.

Outreach

We engage in a continuous effort to inform and educate the communities we serve as a key part of our mission to prevent and detect fraud, waste, and abuse. Our efforts have resulted in greater awareness of our organization and goals. The subjects of our efforts include the national and international research communities, other federal agencies and OIGs, and NSF.

While we recognize that prevention and detection of waste and fraud are among our statutory missions, they are also integral to the missions of the people, organizations, and professional communities we work with on a daily basis. Success in our collective mission to prevent and detect wrongdoing requires a shared commitment within the research community to promoting integrity. On an institutional level, we believe that the best way to express that commitment is through the establishment of sound compliance programs. Such programs will lead to a culture of compliance within the research community and will contribute to shared success in research endeavors.

Working with the Research Community

IG Co-hosts International Accountability Forum. Last June, Dr. Boesz and Christopher Schneider, PhD, Head of Scientific Affairs, Deutsche Forschungsgemeinschaft (DFG, Germany) co-hosted a workshop entitled *Accountability in Science Research Funding – Meeting the Challenge*, in Bonn Germany. The purpose of the workshop was to gather international organizations that oversee funding for scientific research to discuss strategies for addressing accountability issues by drawing on case studies and best practices. The primary focus of the meetings was on financial monitoring and auditing, and misconduct in research allegations.

The participants recognized that scientific research is becoming increasingly multinational involving international collaborations that are both formal and informal. The accountability challenges presented are enormous and require global



Dr. Christine Boesz greets Dr. Christopher Schneider of DFG Germany at the start of the conference: Accountability in Science Research Funding.

communication and cooperation among accountability professionals. For example, during the workshop participants discussed the importance of devising ways to rely on the work of their counterparts in other countries. Representatives of thirteen countries attended the meetings including officials from the United Kingdom, France, Germany, Austria, Czechoslovakia, Finland, Ireland, Israel, Holland, Switzerland, and Norway.

OIG Staff Attend Conferences. OIG staff members were invited to attend and present at a wide range of conferences and events conducted by institutions and associations of research professionals. The staff addressed current issues of concern, explained available processes to remedy them, and highlighted tools available to prevent their reoccurrence. OIG outreach contributed to the efforts of organizations within the national and international research communities to identify and proactively confront the numerous and often contentious issues that arise in the area of research misconduct, grant administration, and regulatory compliance.

These conferences and events included the Society for Research Administrators International annual meeting and regional meetings in Tampa, FL and Niagara Falls, NY; the NSF-sponsored Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR) Grantee Conference; and Education and Human Resource (EHR/HRD) Conference. In each of these forums, our staff engaged a broad spectrum of the research community in both formal and informal discussions. Attendees were most interested in matters relating to the identification and prevention of fraud; research misconduct (plagiarism, fabrication, and falsification); cost-sharing and time/effort documentation and reporting; conflicts of interest; and the establishment of compliance programs and committees at research institutions.

University Presentations. Our staff have received numerous invitations to provide training to university personnel including: university officers, individuals who apply for or administer NSF awards, those involved in performing supported research, and individuals who conduct inquiries into allegations of misconduct. During this semiannual period, we visited six universities and in each case, the participants demonstrated strong interest and engaged OIG staff in constructive questions and answers to refine their understanding of the subjects being discussed.

Working with the Federal Community

PCIE/ECIE Activities. NSF OIG investigators reach out to their counterparts in the IG community on a regular basis. During this semiannual

period, we met with individuals from a number of other Federal OIGs on a variety of professional matters. These professional interactions were conducted both on an office-to-office level to address requests for particular assistance and within the context of the Council of Counsels to Inspectors General (CCIG) and the PCIE/ECIE Committees. NSF OIG continues to actively participate in the PCIE/ECIE Investigations Committee, the PCIE/ECIE Inspection and Evaluation Committee, and the PCIE GPRA Roundtable Meetings. We also provide leadership for the PCIE/ECIE Misconduct in Research Working Group.

Working with NSF

Promoting Integrity. During this semiannual period, we presented two outreach posters to members of the National Science Board, NSF personnel, and the general public attending the National Science Board meetings. The posters illustrated the need for effective compliance programs at research institutions, the serious ramifications of failing to establish such programs, and the overlap between research misconduct and fraud investigations. At the invitation of the NSF Designated Agency Ethics Official, we participated in the agency's Conflict of Interest briefings to ensure that every NSF employee understands the OIG mission and responsibilities, our ongoing liaison program with NSF, and the manner by which employees can bring matters to our attention.

Finally, OIG staff continue to serve as resource advisers at the three-day NSF Program Manager Seminars for new program officers. We present information about case studies and the OIG mission. Further, we explain the program managers' responsibilities for informing OIG of concerns regarding fraud, waste, and abuse. These sessions have been extremely successful in providing an opportunity to develop personal and professional relationships between OIG and NSF staff.

OIG/NSF Liaison Program. We continue our ongoing efforts to enhance our communications and professional relationships with the individual directorates and office staff within NSF. OIG has designated two liaisons for each NSF office, generally one investigator and one auditor. During this semiannual period, OIG liaisons met with their counterparts in NSF to improve mutual understanding of each other's roles and concerns and to strengthen the lines of communications between our offices.