

# 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.

**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

	<b>Dollar Value</b>
<b>A.</b> For which no management decision has been made by the commencement of the reporting period	<b>\$620,020</b>
<b>B.</b> Recommendations that were issued during the reporting period	<b>\$0</b>
<b>C.</b> Adjustments related to prior recommendations	<b>\$0</b>
<b>Subtotal of A+B+C</b>	<b>\$620,020</b>
<b>D.</b> For which a management decision was made during the reporting period	<b>\$620,020</b>
<b>i)</b> Dollar value of management decisions that were consistent with OIG recommendations	<b>\$620,020</b>
<b>ii)</b> Dollar value of recommendations that were not agreed to by management	<b>\$0</b>
<b>E.</b> For which no management decision had been made by the end of the reporting period	<b>\$0</b>
For which no management decision was made within 6 months of issuance	<b>\$0</b>

## 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	14	\$43,638,922	\$4,474,678
B. That were issued during the reporting period	12	\$2,006,813	\$1,053,491
C. Adjustment related to prior recommendations	0	\$0	\$0
<b>Subtotal of A+B+C</b>	<b>26</b>	<b>\$45,645,735</b>	<b>\$5,528,169</b>
D. For which a management decision was made during the reporting period	10	\$1,055,221	\$27,938
i) dollar value of disallowed costs	N/A	\$368,895	N/A
ii) dollar value of costs not disallowed	N/A	\$686,326	N/A
E. For which no management decision had been made by the end of the reporting period	16	\$45,590,514	\$5,500,231
For which no management decision was made within 6 months of issuance	5	\$42,610,379	\$4,473,418

## 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)
<b>A.</b> Reports with monetary findings for which no management decision has been made by the beginning of the reporting period:	4	\$13,959,578	\$194,989	\$6,844,395
<b>B.</b> Reports with monetary findings that were issued during the reporting period:	3	\$6,535,441	\$798,932	\$323,704
<b>C.</b> Adjustments related to prior recommendations		\$244,080	\$0	\$0
<b>Total of Reports with Cost Sharing Findings (A+B+C)</b>	7	\$20,739,099	\$993,921	\$7,168,099
<b>D.</b> For which a management decision was made during the reporting period:	N/A	\$1,824,432	\$53,875	\$207,112
1. Dollar value of cost-sharing shortfall that grantee agreed to provide	N/A	N/A	\$53,875	\$0
2. Dollar value of cost-sharing shortfall that management waived <sup>14</sup>	N/A	N/A	\$0	\$207,112
<b>E.</b> Reports with monetary findings for which no management decision has been made by the end of the reporting period	5	\$18,914,667	\$940,046	\$6,960,987

<sup>14</sup> Indicates the dollar value waived by management primarily due to additional documentation provided during audit resolution to support the questioned amounts.

## Status of Recommendations that Involve Internal NSF Management Operations

### Open Recommendations (as of 9/30/05)

Recommendations Open at the Beginning of the Reporting Period	<b>84</b>
New Recommendations Made During Reporting Period	<b>36</b>
<b>Total Recommendations to be Addressed</b>	<b>120</b>

### Management Resolution of Recommendations<sup>15</sup>

Awaiting Resolution	<b>32</b>
Resolved Consistent With OIG Recommendations	<b>88</b>

**Management Decision That No Action is Required** **0**

### Final Action on OIG Recommendations<sup>16</sup>

Final Action Completed	<b>34</b>
Recommendations Open at End of Period	<b>86</b>

### Aging of Open Recommendations

#### Awaiting Management Resolution:

0 through 6 months	<b>19</b>
7 through 12 months	<b>9</b>
More than 12 months	<b>4</b>

#### Awaiting Final Action After Resolution:

0 through 6 months	<b>17</b>
7 through 12 months	<b>20</b>
More than 12 months	<b>17</b>

<sup>15</sup>“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.

<sup>16</sup>“Final Action” occurs when management has completed all actions it agreed to in the corrective action plan.

## List of Reports

### Internal Reviews and CPA Performed Audits

Report Number	Subject	Questioned Costs	Unsupported Costs	Better Use of Funds	Cost Sharing At-Risk
05-1-007	School District of Pittsburgh	\$909,715	\$894,699	\$0	\$798,932
05-1-008	University of California, Berkeley-Peer Center	\$15,819	\$13,071	\$0	\$0
05-1-010	UNAVCO, Inc.	\$0	\$0	\$0	\$0
05-1-011	American Geophysical Union	\$198,548	\$0	\$0	\$0
05-2-008	NSF's FY 2004 Management Letter	\$0	\$0	\$0	\$0
05-2-011	Thrift Savings Plan Review	\$0	\$0	\$0	\$0
	<b>Total:</b>	<b>\$1,124,082</b>	<b>\$907,770</b>	<b>\$0</b>	<b>\$798,932</b>

## NSF-Cognizant Reports

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
05-4-014	Dallas Independent School District	\$0	\$0	\$0
05-4-003	Town of Hudson, MA	\$12,763	\$12,763	\$0
05-4-004	The Shodor Education Foundation	\$26,678	\$26,678	\$0
05-4-007	Associated Universities, Inc.	\$0	\$0	\$0
05-4-012	School District of Omaha	\$0	\$0	\$0
05-4-013	American Institute of Mathematics	\$0	\$0	\$0
05-4-019	School District of Omaha, Douglas County	\$0	\$0	\$0
05-4-020	National Video Resources, Inc.	\$0	\$0	\$0
05-4-021	Setting Priorities for Retirement Years, Inc.	\$0	\$0	\$0
05-4-018	Brownsville Independent School District	\$0	\$0	\$0
05-4-017	Clark County School District NV	\$0	\$0	\$0
05-4-023	Clark County School District	\$0	\$0	\$0
05-4-024	Texas A&M Research Foundation	\$0	\$0	\$0
05-4-031	Austin Independent School District	\$0	\$0	\$0
05-4-025	Public School of the City of Ann Arbor	\$0	\$0	\$0
05-4-026	Michigan State University	\$0	\$0	\$0
05-4-027	Jackson Public School District	\$0	\$0	\$0
05-4-028	Milwaukee Public Schools	\$0	\$0	\$0
05-4-032	Technical Education Research Centers, Inc.	\$0	\$0	\$0
	<b>Total:</b>	<b>\$39,441</b>	<b>\$39,441</b>	<b>\$0</b>



## Other Federal Audits

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
05-5-040	SRI International	\$18	\$0	\$0
05-5-050	State of Florida	\$654,887	\$0	\$0
05-5-088	Blackfeet Community College	\$21,322	\$0	\$0
05-5-085	Alfred University	\$106,280	\$106,280	\$0
05-5-063	Administrators of Tulane Educational Fund	\$29,364	\$0	\$0
05-5-070	Dickinson College	\$30,946	\$0	\$0
05-5-110	Kentucky State University	\$473	\$0	\$0
	<b>Total:</b>	<b>\$843,290</b>	<b>\$106,280</b>	<b>\$0</b>

## **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 five 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, 2005 - September 30, 2005

	Preliminary	Civil/Criminal	Administrative	Total
Active Cases at Beginning of Period	31	55	48	134
Opened Cases	116	39	57	212
Closed Cases	121	35	44	200
Active Cases at End of Period	26	59	61	146

## Investigations Case Statistics

Referrals to DOJ	2
Criminal Convictions/Pleas	0
Civil Settlements	1
Administrative Actions	6
Investigative Recoveries	\$1,888,971

Research Misconduct Findings 2

Cases Forwarded to NSF Management for Action 4

Cases Forwarded to NSF Management in Prior Periods Awaiting Action 1

### Assurances and Certifications<sup>17</sup>

Number of Cases Requiring Assurances During This Period 5

Number of Cases Requiring Certifications During This Period 3

Assurances Received During This Period 0

Certifications Received During This Period 0

Number of Debarments in Effect During This Period 9

<sup>17</sup>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 9 FOIA requests. We responded to 8 with a response time that ranged between 2 and 16 days, with a median of 11 days and the average 10 days.
- We received 1 Privacy Act request.
- We received 2 appeals, which were both denied.