

# 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.

**At-Risk Cost Sharing.** Cost sharing is identified as “at risk” if an awardee is lagging in meeting its cost-sharing obligation for an award that is still active. In some situations, the awardee may purport to be funding its obligation but lacks internal controls and documentation to support its claim, making it difficult to determine their allowability under federal cost principles.

**Management Decision.** Management’s evaluation of the findings and recommendations included in the audit report, and the issuance of a response or final decision. 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	\$443,103
B. Recommendations that were issued during the reporting period	\$4,159,513
C. Adjustments related to prior recommendations	\$0
Subtotal of A+B+C	\$4,603,616
D. For which a management decision was made during the reporting period	\$4,517,416
i) Dollar value of management decisions that were consistent with OIG recommendations	\$444,103
ii) Dollar value of recommendations that were not agreed to by management	\$4,073,313
E. For which no management decision had been made by the end of the reporting period	\$86,200
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	10	\$1,183,111	\$17,805
B. That were issued during the reporting period	9	\$343,866	\$74,235
C. Adjustments related to prior recommendations		\$9,147	\$0
Subtotal of A+B+C	19	\$1,536,124	\$92,040
D. For which a management decision was made during the reporting period:	11	\$1,201,356	\$17,805
1. Dollar value of disallowed costs	N/A	\$851,014	N/A
2. Dollar value of costs not disallowed	N/A	\$350,342	N/A
E. For which no management decision had been made by the end of the reporting period	7	\$334,768	\$74,235
For which no management decision was made within 6 months of issuance		\$0	\$0

## Audit Reports Involving Cost-Sharing Shortfalls

	Number of Reports	Cost-Sharing Promised	At Risk of Cost Sharing Shortfall (Ongoing)	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:	2	\$12,414,037	\$9,720,295	\$0
B. Reports with monetary findings that were issued during the reporting period:	2	\$91,947	\$0	\$63,797
C. Adjustments related to prior recommendations		\$0	\$0	\$0
<b>Total of Reports with Cost Sharing Findings (A+B+C)</b>	<b>4</b>	<b>\$12,505,984</b>	<b>\$9,720,295</b>	<b>\$63,797</b>
D. For which a management decision was made during the reporting period:	3	\$12,414,037	\$9,720,295	\$8,948
1. Dollar value of cost-sharing shortfall that grantee agreed to provide	N/A	N/A	\$0	\$8,948
2. Dollar value of cost-sharing shortfall that management waived <sup>3</sup>	N/A	N/A	\$9,720,295	\$0
E. Reports with monetary findings for which no management decision has been made by the end of the reporting period	1	\$91,947	\$0	\$54,849

<sup>3</sup> Indicates the dollar value waived by management or that the grantee provided additional documentation during audit resolution to support the at-risk amounts.

## Status of Internal NSF Recommendations

Open Recommendations (as of 9/30/02)	
Recommendations Open at the Beginning of the Reporting Period	81
New Recommendations Made During Reporting Period	6
Total Recommendations to be Addressed	87
Management Resolution of Recommendations <sup>4</sup>	
Awaiting Resolution	38
Resolved Consistent With OIG Recommendations	49
Management Decision That No Action is Required	0
Final Action on OIG Recommendations <sup>5</sup>	
Final Action Completed	38
Recommendations Open at End of Period	49
Aging of Open Recommendations	
Awaiting Management Resolution:	
0 through 6 months	30
7 through 12 months	8
More than 12 months	0
Awaiting Final Action After Resolution:	
0 through 6 months	3
7 through 12 months	3
more than 12 months	5

<sup>4</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>5</sup>“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
03-1-001	Non-profit association	\$0	\$0	\$86,200	\$0
03-1-002	College	\$212,762	\$74,235	\$0	\$0
03-1-003	Non-profit laboratory	\$0	\$0	\$0	\$0
03-1-004	Non-profit association	\$58,906	\$0	\$0	\$0
03-1-005	University system	\$0	\$0	\$0	\$0
03-1-006	Non-profit history museum	\$53,303	\$0	\$0	\$0
03-2-001	NSF internal review	\$0	\$0	\$0	\$0
03-2-002	NSF internal review	\$0	\$0	\$0	\$0
03-2-003	NSF internal review	\$0	\$0	\$0	\$0
03-2-004	NSF internal review	\$0	\$0	\$0	\$0
03-2-005	NSF internal review	\$0	\$0	\$0	\$0
03-2-006	NSF internal review	\$0	\$0	\$0	\$0
03-2-007	NSF internal review	\$0	\$0	\$0	\$0
03-2-008	NSF internal review	\$0	\$0	\$0	\$0
03-6-001	University (proposal review)	\$0	\$0	\$4,073,313	\$0
	Total:	\$324,971	\$74,235	\$4,159,513	\$0

## NSF-Cognizant Reports

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
03-4-001	School district	\$0	\$0	\$0
03-4-002	Non-profit organization	\$0	\$0	\$0
03-4-003	Museum	\$0	\$0	\$0
03-4-004	Non-profit research station	\$0	\$0	\$0
03-4-005	Non-profit science institution	\$0	\$0	\$0
03-4-006	School district	\$0	\$0	\$0
03-4-007	School district	\$0	\$0	\$0
03-4-008	School district	\$0	\$0	\$0
03-4-009	Non-profit research corporation	\$0	\$0	\$0
03-4-010	School district	\$0	\$0	\$0
03-4-011	Research foundation	\$0	\$0	\$0
03-4-012	School district	\$0	\$0	\$0
03-4-013	Educational council	\$0	\$0	\$0
03-4-014	Non-profit institute	\$0	\$0	\$0
	Total:	\$0	\$0	\$0

## Other Federal Audits

Report Number	Subject	Questioned Costs	Unsupported Costs	Cost Sharing At-Risk
03-5-025	State education department	\$541		
03-5-031	College	\$150		
03-5-034	University	\$1,617		
03-5-039	University	\$8,948		
03-5-042	University	\$3,480		
03-5-063	University	\$4,159		
	Total:	\$18,895	\$0	\$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 no reports remaining that met this condition. The report involves questioned costs, totaling \$313,978. The status of recommendations that involve internal NSF management is described on page 56.

## Investigations Case Activity

October 1, 2002 - March 31, 2003

	Preliminary	Civil/Criminal	Administrative	Total
Active Cases at Beginning of Period	21	25	21	67
Opened Cases	72	21	25	118
Closed Cases	79	18	15	112
Active Cases at End of Period	14	28	31	73

## Investigations Case Statistics

Referrals to DOJ	2
Criminal Convictions/Pleas	0
Civil Settlements	2
Administrative Actions	3
Investigative Recoveries <sup>6</sup>	\$1,524,127
Research Misconduct Findings by NSF	0
Cases Forwarded to NSF Management for Action	3
Cases Forwarded to NSF Management in Prior Periods Awaiting Action	0
Assurances and Certifications <sup>7</sup>	
Number of Cases Requiring Assurances During This Period	4
Number of Cases Requiring Certifications During This Period	6
Assurances Received During This Period	1
Certifications Received During This Period	1
Number of Debarments in Effect During This Period	3

<sup>6</sup> Investigative recoveries include civil penalties, criminal fines, and funds paid in restitution, as well as specific cost savings for the government.

<sup>7</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 8 FOIA requests compared to 16 in the last reporting period. The response rate ranged between 11 days and 20 days, with a median of 17 days and the average around 15 days.
- We received one Privacy Act request, which was denied. No Privacy Act requests were received last reporting period.
- We received two appeals this reporting period and two last reporting period. Both appeals were denied. Individuals who are not satisfied with our responses to their requests can appeal to the Office of General Counsel (OGC). One individual appealed to the OGC; that appeal was also denied.