



NATIONAL SCIENCE FOUNDATION  
OFFICE OF INSPECTOR GENERAL  
OFFICE OF INVESTIGATIONS

## CLOSEOUT MEMORANDUM

Case Number: I-03-07-0031

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Complainant<sup>1</sup> alleged irregularities in effort reporting and cost sharing in conjunction with NSF grant No. [REDACTED] awarded to the awardee.<sup>2</sup>

Investigation disclosed that during a site visit to the awardee in [REDACTED] NSF's Cost Analysis and Audit Resolution Branch (CAAR) discovered that the awardee had not been completing effort reports in compliance with OPM circular A-122 and had not submitted its cost sharing<sup>3</sup> certification. Subsequently, with guidance from CAAR, the awardee refined their effort reports and certified it had achieved its cost sharing commitments.

An OIG visit to the awardee confirmed that its effort reports were brought up to compliance with A-122. During the visit it was discovered that some of the salaried positions charged against cost sharing were different positions than in the original proposal. The awardee satisfactorily justified why the positions were necessary for the accomplishment of the award. It was noted that in the awardee's cost sharing certification, the awardee included a 10% indirect cost figure notwithstanding the award letter notifying the awardee that "...indirect costs associated with this project will not be reimbursed by NSF." Coordination with NSF's Division of Grants and Agreements<sup>4</sup> revealed that this awardee could appropriately include indirect costs as part of its cost sharing commitment. The visit also revealed initial concerns with program income. Specifically, the awardee received approximately \$15,800 in income from the sale of catalogs and lectures. Investigation disclosed that all of the program income went back into the NSF funded project.

In light of the above, no further investigative effort is necessary in this matter.

Accordingly, this case is closed.

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