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NSF Audit Resolutions Mostly Confirm OIG Findings; CSU Comes Out Ahead

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In recent months, the National Science Foundation (NSF) has issued several resolutions to audits completed by the agency's Office of Inspector General (OIG). In nearly all cases, NSF agreed with OIG findings that typically had not been contested by the audited institutions.

However, one—Colorado State University (CSU)—was able to retain some of the funds it had argued were allowable, in contrast to OIG claims.

The CSU resolution,^{[11](#)} dated Oct. 28, followed the audit at issue by just a few months, a much speedier process than often occurs. Still, the period of the audit began in 2012, so costs go back quite a number of years.

The Feb. 25 CSU audit covered expenditures from Oct. 1, 2012, to Sept. 30, 2015, which provided an “audit universe of approximately \$97 million, in more than 168,000 transactions. For transaction testing, the OIG judgmentally selected 250 transactions, totaling more than \$3 million, and utilized a data analytics approach to identify potential risk areas.”

Ultimately, auditors questioned a total of \$19,365 and made three findings of “noncompliance” (two of which were related to travel), as follows.

- \$10,989 of “unallowable costs incurred due to lack of supporting documentation,” consisting of separate amounts of \$2,307 and \$8,682 related to travel.
- \$2,376 in travel expenses auditors said were improperly allocated to an award.
- \$6,000 transferred between awards upon expiration for which auditors said there was “lack of support.” The amount stemmed from “21 program participants transferred between awards,” auditors said, and “was incurred on the expired award and then transferred to the new award. Per NSF policy, the charges should not have been transferred from the expired award to the new award when the work was performed during the expired award period,” OIG contended.

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