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By Theresa Defino

◆ Rep. Kathy Castor, D-Florida, has relaunched the bipartisan Congressional Academic Medicine Caucus with new co-chair Rep. David McKinley, R-West Virginia, who replaced Rep. Phil Roe, R-Tennessee. Roe retired in January. According to an undated letter posted April 13 by the Association of American Medical Colleges, the two have invited all members of Congress to join the caucus to “promote and recognize the important role that medical schools, teaching hospitals and faculty physicians play to improve the health of people everywhere.” In addition to pioneering medical treatments, academic medical centers serve as “vital economic engines at the local, state and national levels. They generate jobs, pay wages and support business and community development opportunities for our neighbors,” Castor and McKinley wrote. (4/15/21)

◆ The Association of American Universities (AAU) has issued a summary of President Biden's fiscal year 2022 so-called “skinny budget” unveiled April 9, which, overall, calls for “\$1.52 trillion in discretionary spending, an 8.4 percent increase over the current fiscal year.” AAU's summary “outlines Biden's appropriations priorities including investments in public health, the economy, the climate crisis, advancing equity, and restoring America's global standing and confronting 21st century security challenges.” According to the spending outline—a full budget is expected in May—Biden is proposing “\$769 billion in non-defense spending and \$753 billion in defense spending,” reflecting a “15.9 percent increase over current funding levels for domestic programs and a 1.6 percent increase for defense discretionary spending,” AAU said. (4/15/21)

◆ In the first two of 10 such planned audits, the National Science Foundation (NSF) Office of Inspector General (OIG) concluded that the University of Alaska Fairbanks (UAF) and the University of Kentucky Research Foundation (UKRF) complied with federal memorandums granting administrative “flexibilities” during the COVID-19 pandemic. However, auditors found other, more common issues, such as questioned costs, but the amounts were relatively small. The audits, both dated March 31, reviewed how the universities implemented Office of Management and Budget (OMB) flexibilities from March 1 to Sept. 30, 2020. Auditors reviewed how each institution took advantage of (or didn't implement) 16 possible flexibilities, such as granting no-cost extensions on expiring awards, extending closeouts or making donations of medical equipment purchased with COVID-related federal financial assistance. The universities also completed a 61-question survey about operations during the pandemic. For example, both UAF and UKRF said they had “allowed salaries, stipends, and benefits to continue to be charged even if the personnel were unable to conduct the research.” For both audits, OIG identified no “exceptions” or misapplication of OMB guidelines. Auditors said UAF “needs improved oversight of expenses charged to NSF awards to ensure costs not related to the COVID-19 flexibilities are reasonable, allocable, and allowable in accordance with all relevant Federal and NSF regulations,” a statement repeated in the UKRF audit.

For UAF, auditors tested 40 transactions totaling \$379,849 of more than \$18.6 million of costs claimed to NSF. Auditors questioned a total of \$28,606, “\$14,964 in credits not appropriately returned, \$10,704 in inappropriately applied indirect costs, and \$2,938 in unallowable expenses. The auditors also identified one compliance related finding for which there were no questioned costs; UAF's incorrect application of proposed indirect cost rates.” UAF disagreed with the finding on credits, but agreed to reimburse the amounts questioned for indirect costs and unallowable expenses. It disputed the auditors' contention that it had used incorrect

indirect cost rates. For UKRF, auditors tested 40 transactions “UKRF incurred in accordance with the COVID-19 flexibilities or that we identified as high risk for other related reasons” totaling \$350,770 among more than \$9.8 million of costs claimed. Auditors questioned \$33,151 in “unallowable materials and supplies expenses” claimed on a single award. UKRF accepted the finding and agreed to reimburse NSF. (4/8/21)

◆ **Charles Lieber, on leave as chairman of Harvard University’s Chemistry Department to battle charges of making false statements and failing to report income from China, has ruled out the possibility of a plea agreement and is seeking a trial expeditiously because he also “has a very advanced form of lymphoma” and “conventional treatments have failed.”** According to an April 7 article in *The Harvard Crimson*, Marc L. Mukasey, Lieber’s attorney, told Massachusetts District Court Magistrate Judge Marianne B. Bowler that Lieber “frankly does not have time for delay, procrastination, and stalling.” (4/8/21)

◆ **Gee-Kung Chang, a professor at Georgia Tech, has been indicted for wire fraud and conspiracy to commit wire and visa fraud, the Department of Justice announced.** “Chang allegedly abused his position as a professor at Georgia Tech, an institution that was a designated exchange sponsor for the Department of State’s J-1 Visa program, to arrange for Chinese nationals to fraudulently obtain and maintain J-1 Visas,” according to the U.S. Attorney’s Office in the Northern District of Georgia. It is not clear how many visas or Chinese nationals were involved or when they were in the United States. (4/1/21)

◆ **NSF has improved the timeliness of award closeouts but should implement a communication process to alert awardees when reports and other actions are required, according to a review by NSF OIG of the agency’s compliance with the Grants Oversight and New Efficiency Act.** As OIG explained in its March 23 review, the act “required the Inspector General of each agency with more than \$500 million in annual award funding to conduct a risk assessment to determine whether an audit or review of the agency’s award closeout process was warranted.” OIG reviewed the financial, administrative and final phases of closeouts and concluded that no audit is warranted, but made several recommendations for how NSF could improve. (4/1/21)

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