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By Theresa Defino

◆ Despite its earlier agreement to repay just \$5,442 in costs questioned by the National Science Foundation (NSF) Office of Inspector General, the University of Minnesota (UMN) will repay all of the \$73,260 flagged by OIG auditors, NSF said in a Feb. 7 audit resolution.^[1] As part of the audit, issued in April, auditors “tested more than \$4 million of the \$230.3 million of costs claimed to NSF” on awards expended from March 1, 2014, to Feb. 28, 2017. Auditors found \$65,973 of “unallocable and/or unreasonable expenses against expired awards, \$6,995 of unsupported expenses” and “\$292 of unallowable costs,” of which \$275 was for alcohol. UMN had pushed back against the majority of the repayment request, stating that \$65,973 of costs consisted of \$56,397 to “replace a 12-camera motion tracking system to expand research” and \$9,576 in consulting services that OIG said did not benefit the awards they were charged against because of the timing of the expenditures. At the time the audit was issued, UMN had already repaid \$5,442, which included costs for the alcohol, an expenditure it said was due to “human error.”

But as a result of the resolution process, NSF said UMN now agrees “with the findings and questioned costs identified in the audit report.” As a result, “NSF’s management decision is to disallow all questioned costs in the amount of \$73,260.” NSF said it accepted “UMN’s stated corrective actions as responsive to the compliance and internal control recommendations related to the audit findings and considers all audit report findings and questioned costs resolved. Upon verification that repayment of all disallowed costs has been completed, the audit report will be fully closed out by NSF.” (2/13/20)

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