

## Report on Research Compliance Volume 19, Number 8. July 28, 2022 RRC E-Alerts: July 21, 2022

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### **SF State Agrees to Repay \$260 Flagged by NSF OIG**

An audit of San Francisco State University (SFSU) by the National Science Foundation (NSF) Office of Inspector General (OIG) that tested more than \$1.9 million of \$13.8 million in costs claimed on 35 awards as of Sept. 2, 2021, found just \$260 of unallowable expenses. “We judgmentally selected 50 transactions,” the auditors explained. The largest category of expenses was equipment (\$1,162,603), followed by subawards (\$379,916), salaries and wages (\$122,259), other direct costs (\$80,990), materials and supplies (\$55,675) and travel (\$34,498). The sole unallowable expenditure was part of one award. “In March 2017, SFSU charged NSF Award No. [redacted] for \$260 in expenses that a traveler claimed for a cancelled flight. However, because SFSU had purchased travel insurance for the flight, it should have requested a refund for this expense. Because SFSU elected to purchase a new flight rather than reschedule and/or claim reimbursement for the cancelled flight, the cost of the cancelled airfare is unallowable,” the auditors said. In its response to the draft audit OIG shared with SFSU, SFSU agreed to make repayment for these costs.

In addition, auditors “identified three compliance-related findings for which there were no questioned costs: non-compliance with NSF terms and conditions, non-compliance with SFSU policies, and insufficient controls related to the application of indirect cost rates.” The report also identifies an “area for improvement for SFSU to consider related to timeliness of effort certification,” as auditors found five awards for which effort was certified from 165 to 1,668 days after the period of performance ended. SFSU agreed to update its indirect cost rates. The report did not include any response from SFSU related to the effort reporting recommendations.

[Link to SFSU audit](#)

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