

## Report on Research Compliance Volume 18, Number 2. January 20, 2021

### In This Month's E-News: February 2021

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By Theresa Defino

◆ **A National Science Foundation (NSF) Office of Inspector General (OIG) audit of five Established Program to Stimulate Competitive Research (EPSCoR) awards to the University of Kansas Center for Research (KUCR) questioned \$1,550,054 in direct and indirect costs.** The largest amount, \$625,532, stemmed from what auditors called “inappropriately retained indirect costs.” KUCR’s charges to NSF “exceeded costs paid to its subrecipients,” auditors said in the Jan. 7 report. Subrecipients, under a 2016 agreement, “billed KUCR for indirect costs on EPSCoR awards at rates that were 8 percentage points lower than their formal negotiated indirect cost rates. KUCR paid subrecipients at the lower rates, but it charged the EPSCoR awards for allowable indirect costs at the full, negotiated indirect cost rates and retained the remainder.” Auditors said NSF was not aware of this arrangement. “KUCR agreed to end the practice,” according to the report, but disagreed that its actions led to overcharges.

Another \$569,477 that auditors questioned was for “unsupported subaward expenses to two EPSCoR awards” for “salary, fringe, material, supplies, and travel costs claimed by Haskell Indian Nations University.” KUCR agreed to repay only \$2,322 of these questioned costs. The third largest category of costs was \$328,494 of unsupported cost share amounts, of which \$273,030 was for expenditures that auditors said lacked documentation. Overall, KUCR did not agree to repay \$874,544 of the \$1,550,054. NSF will determine the final resolution of the audit findings. (1/14/21)

◆ **A Miami physician is facing up to 20 years in prison after pleading guilty to one count of conspiracy to commit wire fraud in connection with a three-year scam that ripped off a drug company conducting a trial of asthma treatment for pediatric patients,** the Department of Justice (DOJ) announced Jan. 8. Yvelice Villaman Bencosme “admitted that from approximately 2013 to 2016, she participated in a scheme to defraud” by falsifying “medical records to make it appear that pediatric subjects arrived for scheduled visits at Unlimited Medical, took study drugs as required, and received checks as payment for site visits,” DOJ said. Children aged four to 11 were purportedly enrolled in the trial.

In November, Lisett Raventos, who was Bencosme’s study coordinator, pleaded guilty to the same charge and is also facing two decades in prison. RRC previously reported that GlaxoSmithKline was the sponsor of a Phase IV study called VERITAS in which Bencosme’s clinic was a trial site. “Two other defendants were charged in connection with the scheme, and they are presumed innocent until proven guilty beyond a reasonable doubt,” DOJ said. Both women entered guilty pleas before U.S. District Court Judge Beth Bloom; no sentencing date was provided. (1/14/21)

◆ **Auditors for the NSF OIG have recommended that NSF seek repayment from Texas A&M University (TAMU) of \$137,558 for what they said were unallowable costs, including salaries, airfare, expenses incurred before an award start and indirect costs.** Auditors reviewed costs incurred from Oct. 1, 2016, to Sept. 30, 2019, and tested 130 transactions totaling \$1,485,454 in costs out of more than \$63.6 million claimed during this period. “Specifically, the auditors found \$50,439 of unallowable expenses, \$50,409 of inadequately supported expenses, \$20,739 of inappropriately allocated expenses, \$15,312 of inappropriately applied indirect costs, and \$659 of

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funding inappropriately drawn down. The auditors also identified two compliance related findings for which there were no questioned costs; non-compliance with TAMU policies and incorrect application of indirect cost rates,” the report, dated Dec. 17, states.

TAMU disputed \$100,500 and agreed to repay \$37,058. Regarding unallowable expenses, TAMU said \$15,055 was incurred when an investigator who previously had an NSF award joined TAMU and a new award was issued. Services performed under the old award were properly paid for under the new one, TAMU said. Another \$13,335 in costs were allowable because they reflect payment for an invoice TAMU received from a subawardee after the subaward had expired but that nonetheless needed to be paid, it said. TAMU also objected to \$5,185 in travel auditors disallowed. “TAMU agrees that the traveler[s] could have retained documentation related to any cost difference that may have resulted from the timing of the personal days. In [these cases] the cost could have been higher or lower,” it said in response to a draft of the audit. TAMU said \$46,415 paid to its foundation that auditors flagged were for “data and services that were critical to the success of the NSF project,” and it also disputed auditors’ disallowance of computer equipment costs. NSF must resolve the findings and determine what amount, if any, TAMU owes the agency. (1/7/21)

◆ **The HHS Office of Research Integrity (ORI) has closed out 2020 with a total of 10 misconduct cases, with the most recent one announced Dec. 21.** ORI found that Yihong Wan, a pharmacologist with the University of Texas (UT) Southwestern Medical Center, committed research misconduct in reporting cancer research involving mice in a publication that has since been retracted. Yan “knowingly, intentionally, and/or recklessly falsified and/or fabricated bone histomorphometry data in eight (8) extended figures of one (1) published paper by manually falsifying and/or fabricating data values within multiple Excel spreadsheets and by creating increased N values without testing additional samples,” ORI said. The paper, published in *Nature* in 2014, was retracted in June.

Under the terms of Wan’s agreement to resolve the misconduct finding, any involvement she has in research funded by the Public Health Service (PHS) will be supervised for a three-year period that began Dec. 8. Supervision will be conducted by a committee of several individuals who have expertise in her field and who will review “primary data” from her lab “on a quarterly basis” and provide a report to ORI every six months for three years. During this time, Wan also will not advise PHS, including as a peer reviewer or consultant. According to *Retraction Watch*, UT Southwestern said Wan no longer has the titles Lawrence Raisz Professor in Bone Cell Metabolism and Virginia Murchison Linthicum Scholar in Medical Research. However, Wan remains employed there as an associate professor of pharmacology, *Retraction Watch* reported. (1/7/21)

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