



National
Science
Foundation



Office of
Inspector
General

Semiannual Report to Congress

March 2013

About The National Science Foundation...

The National Science Foundation (NSF) is charged with supporting and strengthening all research disciplines, and providing leadership across the broad and expanding frontiers of science and engineering knowledge. It is governed by the National Science Board which sets agency policies and provides oversight of its activities.

NSF invests approximately \$7 billion per year in a portfolio of more than 35,000 research and education projects in science and engineering, and is responsible for the establishment of an information base for science and engineering appropriate for development of national and international policy. Over time other responsibilities have been added including fostering and supporting the development and use of computers and other scientific methods and technologies; providing Antarctic research, facilities and logistic support; and addressing issues of equal opportunity in science and engineering.

And The Office of the Inspector General...

NSF's Office of the Inspector General promotes economy, efficiency, and effectiveness in administering the Foundation's programs; detects and prevents fraud, waste, and abuse within the NSF or by individuals that receive NSF funding; and identifies and helps to resolve cases of misconduct in science. The OIG was established in 1989, in compliance with the Inspector General Act of 1978, as amended. Because the Inspector General reports directly to the National Science Board and Congress, the Office is organizationally independent from the agency.

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From the Inspector General

This Semiannual Report to Congress highlights the activities of the National Science Foundation (NSF), Office of Inspector General for the six month period ending March 31, 2013. During this reporting period, ten reports and reviews were issued, two of which questioned more than \$3 million. Our investigative staff closed 72 civil/criminal and administrative investigations, had seven research misconduct cases result in findings by NSF, and recovered \$1,661,928.88 for the government.

The audits, investigations, and other work presented in this report reflect my office's attention to oversight issues that have a direct impact on the Foundation's ability to carry out its mission of advancing scientific research, which is accomplished primarily through funding external awardees. It is essential that NSF rely on robust processes and procedures for awarding the taxpayer dollars entrusted to the Foundation as it works to fulfill this mission.

For more than two years, we have been recommending that NSF impose stronger cost surveillance measures for high-risk, high-dollar cooperative agreements used in large facility projects. NSF's February 2013 response to our September 2012 alert memo on this subject asserted that its existing practices were sufficient to ensure adequate oversight for such cooperative agreements and disagreed with our recommendations to strengthen accountability. The response heightened our concerns about NSF's accountability and monitoring over these cooperative agreements.

In March, we received NSF's assessment of the processes and policies for supporting large research facilities from conception to construction to operation, which was conducted at the request of then NSF Director, Dr. Subra Suresh. We view this plan as a step in the right direction, but it is just a start. Implementing the vision articulated in this document will require commitment across the Foundation and leadership from the top. We continue to work with NSF to address the systemic problems relating to oversight of cooperative agreements.

We are also encouraging NSF to closely examine ways that it can reduce spending that could free up more money for research grants. Our audit of NSF's use of the Intergovernmental Personnel Act to bring in scientists and other others as temporary staff found that NSF paid an annual additional cost of approximately \$6.7 million for 184 IPAs in 2012. In that year, NSF paid 54 IPAs an annual salary exceeding the federal executive pay limit of \$179,700. We recognize the value IPAs bring to the Foundation and are not suggesting that NSF discontinue its use of

IPAs. However, in a time of austerity, it is particularly important to evaluate all costs and identify opportunities for savings. We recommended that NSF evaluate ways to reduce IPA costs, including expanded use of telework, greater cost sharing by IPA home institutions, and reviewing fringe benefit rates. NSF concurred with our recommendation.

Our investigations continue to aggressively pursue those who seek to fraudulently obtain and use funds intended for scientific research. During the past six months, for example, a former professor was sentenced for using over \$160,000 in NSF grant funds to purchase items for personal use including cameras and binoculars, and a university that failed to adequately document and account for salary and stipends repaid \$530,000 to NSF.

We referred eleven cases of research misconduct to NSF in the past six months and had seven findings of research misconduct for data falsification fabrication and plagiarism. It is imperative to the integrity of research funded with taxpayer dollars that NSF-funded researchers carry out their projects with the highest ethical standards.

My office's work is guided by a firm and consistent commitment to help ensure that taxpayer money intended to promote science is used properly. We will continue to work with NSF to see that our recommendations to safeguard federal funds are implemented and to keep Congress fully informed of our progress. It is through this partnership and our shared mission of strengthening oversight of federal funds that greater accountability will be achieved.

Allison C. Lerner

Report Highlights

- Our audit of NSF's use of the Intergovernmental Personnel Act (IPA) to bring scientists, engineers, and educators to NSF as temporary staff, found that NSF paid an additional cost of approximately \$6.7 million, or an average of over \$36,000 per IPA, for 184 IPAs in FY 2012. We also found that in FY 2012, NSF paid 54 IPAs salary at levels exceeding the federal executive pay limit of \$179,700. While we do not question NSF's authority to use IPAs, we did not find any evidence that the Foundation had examined the additional costs incurred as a result of using IPAs or sought ways to reduce those costs.
- An audit of \$218 million of direct costs claimed on three cooperative agreements identified more than \$2.1 million in questioned costs. The audit also disclosed significant non-compliance with Federal Cost Accounting Standards.
- A joint investigation found that a public broadcasting company had submitted inadequate financial reports for four years and had an inadequate accounting system for tracking grant expenditures. Following a civil settlement, the company is required to repay more than \$273,000 to NSF and enter into a five-year compliance plan to strengthen its oversight of federal funds.
- Our investigation led to a Principal Investigator (PI) of an NSF Small Business Technology Transfer program awardee company being indicted on several charges based upon proposals, reports, and payment requests he submitted which contained false information. In addition, the PI fabricated timesheets and altered financial records to conceal personal expenditures.
- A PI who charged personal purchases to NSF awards resigned from his university and returned more than \$160,000 to NSF. He pled guilty to theft and has been sentenced to two years probation.

Audits & Reviews

NSF's Use of IPAs Estimated to Cost an Additional \$6.7 Million Annually

NSF uses the Intergovernmental Personnel Act (IPA) as its primary way to bring top scientists, engineers, and educators from universities to NSF as temporary staff to maintain its world-class scientific workforce. IPAs remain employees of their home institution, and they are not subject to federal pay and benefits limitations. As a result, IPAs can cost substantially more than federal employees in equivalent positions.

Our audit to determine the additional costs of IPAs estimated that NSF paid an annual, additional cost of approximately \$6.7 million, or an average of over \$36,000 per IPA, for 184 full-time IPAs in 2012.

We found that in 2012, NSF paid 54 IPAs salary exceeding the federal executive pay limit of \$179,700. NSF paid 34 of these IPAs an annual salary of \$200,000 or more with the highest annual salary of \$301,247 for an Assistant Director. In addition to these salary costs, we calculated that NSF paid nearly \$800,000 in additional fringe benefit costs for IPAs and that it paid 58 IPAs \$337,823 in lost consulting in one year. Additional costs for temporary living expenses for IPAs came to \$1,438,696.

Because NSF pays IPA costs out of program funds, reducing these costs could free up more money for research grants. We do not question the fact that IPAs bring benefits to NSF, nor do we question NSF's authority to use IPAs. However, in a time of austerity, it is important to evaluate all costs and identify opportunities for savings. We did not find evidence that NSF has examined the additional costs incurred as a result of using IPAs or sought ways to reduce those costs.

We recommended that NSF evaluate ways to reduce IPA costs, including expanded use of telework, greater cost sharing by IPA home institutions, and reviewing fringe benefit rates. NSF concurred with our recommendation.

In addition, we did not find that anyone at NSF was responsible for measuring and documenting the impact of rotating personnel, including IPAs, on the agency as a whole. As a

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result, the agency misses opportunities to assess these programs' overall contribution to NSF's mission and goals. Given the number of IPAs at NSF at any given moment, their prevalence in the highest ranks of the agency, and the added costs that result from their use, it would be helpful if NSF designated a champion responsible for overseeing and managing the rotator programs as a whole.

NSF Has Made Significant Improvements but More Effort is Needed to Ensure That Grantees Submit Required Project Reports in a Timely Manner

We conducted an audit to determine if NSF had implemented effective controls over grantee project reporting since our 2004 audit. NSF uses project reports from Principal Investigators (PIs) to monitor the progress and accomplishments of funded projects. We reviewed all annual and/or final project reports, approximately 55,500, which were due or overdue between October 1, 2010 and March 31, 2012.

We found that the percentage of final reports submitted late declined from 53 percent in the 2004 audit to 20 percent, and the percentage of final reports not submitted declined from 8 percent to 5 percent. Similarly, the percentage of annual reports not submitted declined from 42 percent to 2 percent. While the percentages of late and not submitted reports have declined significantly, they nonetheless represent almost 12,000 final and annual reports submitted late and over 1,500 reports not submitted.

When reports are submitted late or not at all, NSF cannot fully assess the extent to which grantees have met their project goals. Without timely annual reports, NSF program officers may not be able to address potential problems that could impair satisfactory performance of a project. Finally, if NSF does not receive final reports in a timely manner, NSF management may not be informed fully about the results and accomplishments of the research it funded.

Some NSF program officers we interviewed were not aware that the required reports for some of their awards were overdue several months or were submitted several months late because they were not monitoring the status of overdue reports. According to some NSF program officers, NSF systems do not easily identify awards with project reports that were overdue for a prolonged period. Finally, we found that NSF's key control to withhold additional funding to any PI with a past due project report could be circumvented if the PI transferred to a different institution and obtained a new NSF identification number.

We recommended that NSF ensure that all performance reports are submitted on time and that it improve procedures to prevent assigning a second identification number to PIs. NSF agreed with our recommendations and stated that it is planning actions to address them.

In addition, during the course of this audit we identified a number of individual PIs who have repeatedly failed to comply with NSF's reporting requirements, including individuals with multiple missing final reports. In our view, such repeated non-compliance indicates a possible lack of present responsibility to handle federal funds and we are exploring ways to address these situations, and potential government-wide suspension or debarment, as appropriate.

Noncompliance with Cost Accounting Standards Leads to More than \$2.1 Million of Questioned Costs on Cooperative Agreements at the University of Wisconsin-Madison

An audit of \$218 million of direct costs claimed on three cooperative agreements at the University of Wisconsin to build the IceCube Neutrino Observatory in Antarctica, found that the University's claimed costs were unacceptable as submitted because the University did not comply with Federal Cost Accounting Standards (CAS). While the audit identified more than \$2.1 million in questioned costs, the full impact of the noncompliance is not yet known.

Following is a description of the four areas where Wisconsin did not comply with CAS and did not consistently follow accounting practices in its CAS Disclosure Statement.

1. The University reclassified two proposed subawards without proper documentation or authorization from NSF. As a result, NSF was charged an additional \$2.1 million in indirect Facility and Administration (F&A) costs.
2. The University's accounting records did not segregate actual contingency costs (i.e., those costs arising out of expenditures of the proposed \$44 million in contingency funds) from other accumulated costs as required by CAS. When contingency funds were expended, Wisconsin commingled these expenditures among several direct cost accounts such as labor and equipment, and did not identify or maintain visibility of actual contingency costs or associated indirect costs that resulted from the expenditure of contingency funds. As a result, this significant budgeted cost element could not be tracked or compared to actual costs. Such comparisons are a critical tool for financial control over costs during award performance and aid in establishing accountability for costs in the manner agreed to at the time of award.

In addition, the university proposed contingency costs under the category “Other Direct Costs” on the proposal summary form submitted to NSF, but did not apply its indirect F&A rate to these contingency costs. However, while UW did not maintain visibility of actual contingency costs in its accounting records, the audit found that as much as \$13.7 million of the \$44 million of contingency costs, presented to NSF on the proposal summary form as “Other Direct Costs,” may have been charged to NSF as indirect costs. As a result, NSF lacked knowledge of the proposed direct and indirect costs at the summary level which is necessary for it to make informed award decisions.

3. Wisconsin commingled indirect F&A costs in a direct cost account, using manual calculations rather than the University’s automated indirect cost charging process. As a result, budgeted F&A costs could not be compared with actual F&A costs as required by CAS. According to the University, it charged nearly \$30 million of F&A costs to the project. However the auditors could not determine if the University correctly applied its fixed F&A rate and whether indirect costs were only claimed on eligible direct costs.
4. Wisconsin charged \$6,785 in employee relocation costs as direct costs without providing the justification required by NSF and its CAS Disclosure Statement.

The full impact of Wisconsin’s noncompliance cannot be determined until the University submits revised incurred cost statements and NSF has those statements audited. Such statements and audits are essential accountability tools which the OIG has consistently recommended that NSF require and obtain.

The audit recommended that Wisconsin obtain proper documentation and NSF approval prior to reclassifying subawards; use its automated method of calculating and recording F&A costs; segregate contingency costs in its accounting records; clearly identify direct and indirect contingency costs in its proposals to NSF; and revise its CAS Disclosure Statement to accurately and completely describe its accounting practices related to contingency costs; and repay all disallowed costs and comply with its disclosed accounting practices.

Additionally, we recommended that NSF require the University to submit a cost impact proposal and revised incurred cost statements to determine how much F&A costs should have been charged and make any necessary adjustments in the claimed costs. Wisconsin disagreed with the questioned costs and noncompliance findings.

\$943,475 in Questioned Costs Found at Jackson State University

An audit of thirty-one NSF awards totaling \$19.4 million at Jackson State University (JSU) questioned \$943,475 in costs claimed by the University. More than \$843,000 was questioned due to lack of or inadequate documentation to support payroll charges and vendor purchases. More than \$83,000 was questioned because JSU over-claimed indirect costs on five NSF awards. The audit also identified equipment costs of over \$15,000 that were charged to an NSF award but had no value in accomplishing the NSF award objectives.

Recommendations included that NSF resolve the questioned costs and ensure that Jackson State implements stronger policies and procedures to address the deficiencies identified in the audit. Jackson State agreed with the questioned indirect costs but disagreed with the questioned equipment costs.

NSF Needs to Strengthen Information Technology Controls

It is essential for NSF to ensure that its information systems are secure. These systems contain vital sensitive information that is central to the Foundation's mission. The FY 2012 independent evaluation of NSF's information technology security programs and practices, required by the Federal Information Security Management Act (FISMA), included four new findings and four repeat findings with respect to IT security at NSF. Chief among the new findings were challenges associated with timely action to protect IT systems from newly discovered vulnerabilities. As the number of "hacking" attempts from external sources increases, along with the sophistication of such efforts, the challenges of identifying and addressing vulnerabilities grow. In the face of growing attacks, it is an ongoing challenge for systems administrators to keep abreast of new security updates and to deploy them in a timely manner.

A second significant challenge relates to NSF's high-speed research network (HSN), which is a limited-purpose research network located at NSF that is used for high speed connectivity to universities and research institutions on Internet 2. NSF has stated that the HSN is separated from its primary network; however, our FY 2011 FISMA testing found a previously unidentified physical connection between the two networks. In addition, in 2012 NSF experienced a breach of a video teleconferencing unit connected to the HSN. Over the course of approximately 11 days in July 2012, numerous international phone calls were placed from the unit to various foreign countries, including, but not limited to El Salvador, Myanmar, Cuba, Congo, Somalia, Jordan, and Bosnia. These events and other incidents have raised a question as to whether critical NSF

data may be at risk through inadvertent or unauthorized connections between the HSN and NSF's primary network. As a result, we recently initiated a review of NSF's high-speed research network.

With respect to the repeat findings, IT systems are vulnerable to a variety of disruptions such as short-term power outages as well as severe conditions such as natural disasters. The audit continued to recommend that NSF develop contingency planning and disaster recovery plans for its Antarctic program. Since FY 2006, the FISMA audit has reported that the program lacked back-up for mission network communications and general support systems. Additionally, NSF needs to remove IT accounts in a timely manner for employees who have left the agency. Ensuring that such accounts are closed is particularly important in light of the nature of NSF's workforce, which includes a number of temporary staff, such as visiting scientists and those employed under the Intergovernmental Personnel Act. Employees or contractors who retain access to NSF systems after leaving the agency have the opportunity to make malicious changes resulting in potential loss of confidentiality, integrity, and availability of NSF IT resources.

Finally, NSF has not revised its policies pertaining to incident response since August 2005, nor has it formally developed an incident response plan. Weaknesses in such controls increase the risk that incidents may not be reported or resolved in a timely manner, which could lead to unauthorized access to sensitive information and/or malicious modification or deletion of data or transactions.

Public Reports of Results of Funded Research Should be Clear and Transparent

The America Competes Act added a public dimension to project reporting by requiring that research outcomes of NSF-funded research be available to the public in electronic format. To implement this requirement, NSF instituted the Project Outcomes Report (POR) which is intended to "provide the general public with a complete picture of the results of funded research."

Based on a limited review of result information for three programs within the Division of Undergraduate Education, we suggested that NSF provide specific, up-front guidance to grantees to help ensure that project results are presented to the public and other stakeholders in a clear and understandable manner in the PORs. In tough economic times, federal programs must make every dollar count and the public should be able to see that funded programs are meeting their intended goals.

National Science Board Generally Complies with Government in the Sunshine Act Requirements

The Government in the Sunshine Act aims to improve transparency for the public during the government's deliberation process of important matters. The Act applies to the National Science Board and requires that the Board's meetings be open to the public, with the exception of meetings that qualify for ten narrow exemptions. Our inspection, which covered Board meetings held during the three-year period of August 7, 2009, through July 31, 2012, found that the Board complied with the vast majority for all meetings during this time.

While we found minor exceptions to the Act's requirements for both open and closed meetings, we did not identify any such exceptions that had a significant impact on the public's ability to follow the Board's operations. The small number of minor exceptions identified reflects the Board's continued commitment and attention to openness, transparency, and public access to proceedings. The Board's recent decision to webcast open meetings will further advance these goals.

NSF Partially Complies with Improper Payments Elimination and Recovery Act Reporting Requirements

The Improper Payments Elimination and Recovery Act (IPERA) requires agencies to periodically review and identify programs and activities that may be susceptible to significant improper payments and to report on their actions to reduce or recover improper payments. The Act also requires Offices of Inspector General to review the improper payments section of their agency's Annual Financial Report. Our audit found that NSF did not fully comply with IPERA reporting requirements in the FY 2012 Annual Financial Report and had five specific findings.

First, NSF did not publish improper payment rates for each program and activity for which an improper payment estimate was obtained, as required by OMB. Second, NSF has not prepared a statistically valid estimate of improper payments, as required in IPERA. Third, NSF did not properly report on its efforts to recapture improper payments. Fourth, NSF's statistical sampling process for computing its improper payment estimate did not cover all the elements of program outlays identified as susceptible to significant risk of improper payments. Finally, NSF did not perform testing procedures over the sample population in a consistent manner and did not retain sufficient documentation to verify the criteria it followed to identify improper payments.

NSF stated that that it agreed with some of the recommendations to improve its IPERA reporting and that it is considering alternative procedures to address recommendations where it disagreed.

Financial Statement Audit Reports

Establishing and maintaining sound financial management is a top priority for the federal government because agencies need accurate and timely information to make decisions about budget, policy, and operations. The Chief Financial Officer's Act requires agencies to prepare annual financial statements which must be audited by an independent entity.

NSF Receives Unqualified Opinion on Financial Statements for the Fifteenth Consecutive Year, but Needs to Strengthen Monitoring of Cooperative Agreements for Large Construction Projects

Auditors issued an unqualified opinion on NSF's FY 2012 financial statements; however, they reported a significant deficiency in the monitoring of cooperative agreements for large construction projects. This significant deficiency was also reported in the FY 2011 audit.

The auditors noted that NSF had been working with the OIG to address the deficiencies throughout FY 2012 but the majority of issues had not been resolved. Specifically, the FY 2012 audit noted:

- Contingency costs of approximately \$226 million in cost proposals for three NSF awardees were unallowable and were not supported by adequate documentation;
- Awardees could draw down contingency funds without prior approval by NSF; and
- One awardee's accounting system was deficient.

As the OIG worked with NSF to resolve these deficiencies, the OIG surfaced broader concerns with regard to NSF's management of its \$11 billion in cooperative agreements, and issued an alert memo in September 2012. The alert memo reiterated concerns about the adequacy of NSF's review of proposed costs, awardees' financial management capabilities and the adequacy of NSF's post-award monitoring.

NSF stated that it concurs with the overall need to strengthen its controls for awarding and managing construction type cooperative agreements. And, while it disagrees with key aspects of the significant deficiency, it is committed to working with the OIG to reach agreement and resolve the audit findings. A copy of NSF's full response is published in its FY 2012 Agency Financial Report.

Financial Statement Management Letter

The auditors also issued a Management Letter to communicate findings that were not included in the audit report but are important to ensuring a sound overall internal control structure and require management's attention.

The FY 2012 Management Letter identified thirteen internal control findings. The Management Letter reported that NSF's policies for awarding and administering grants and cost reimbursement contracts continue to need improvement. The auditors made several recommendations, including that NSF fully implement its cost surveillance oversight procedures, continue improving its control over cost reimbursement contracts, and continue to evaluate the effectiveness of its internal control procedures over processing grant transactions.

NSF generally concurred with the recommendations in the Management Letter and is working to resolve the findings. The FY 2013 financial statement audit will evaluate NSF's actions in response to the recommendations.

NSF's Response to Alert Memo on Management of Large Cooperative Agreements Heightens Accountability Concerns

We issued an alert memo in September 2012 to bring to NSF's attention serious weaknesses in the Foundation's cost surveillance measures for awarding and managing cooperative agreements for its large facilities and recommended several changes to strengthen accountability. We received NSF's response to the memo on February 28, 2013. The response heightened our concerns about NSF's accountability and monitoring over its high-risk, high-dollar cooperative agreements.

We recommended that NSF, using a risk-based approach, develop end-to-end cost surveillance policies for its cooperative agreements to ensure adequate stewardship over federal funds. At a minimum, NSF should implement such increased monitoring for its largest cooperative agreements valued at more than \$50 million. At the pre-award stage, cost surveillance measures should include audits of proposal budgets and accounting systems before awarding funds and the use of OMB Form 424C or an equivalent form, to segregate allowable and unallowable costs.

At the post-award stage, such measures should include incurred submissions and cost incurred audits after awards are made to help ensure that federal funds are being spent appropriately.

NSF agreed to require the use of Form 424C, but disagreed with the other three recommendations. In its response, NSF stated that such actions are not required by federal law or regulation and asserted that its current practices provide sufficient accountability. NSF's response repeatedly emphasized that determinations as to what should be done at the pre and post-award stages should be at the discretion of the Grants Officer, who will make such decisions on a case-by-case basis. Although such actions are not required, they provide critical information that NSF can use to ensure that claims made to NSF are only for costs that are allowable and can be supported by adequate documentation. Obtaining such information at the pre-award stage for high-risk, high-dollar cooperative agreements is especially important as the proposed budget, once approved by NSF, creates the basis upon which awardees can draw down advanced funds over the course of the award. Obtaining incurred cost submission and audits post-award provides critical insights into how funds were actually used.

We continue to work with NSF to address the systemic problems relating to oversight of cooperative agreements. In December 2012 the NSF director charged a senior advisor in his office with coordinating a major assessment of processes, policies, and mechanisms for supporting large research facilities from conception to construction to operation and sun-setting. The stated goal of this endeavor was to create a vision and framework with recommendations, pathways and timelines for NSF to foster the best research infrastructure for decades to come.

NSF's plan, which we received in March, offers opportunities for more robust oversight. We view this plan as a step in the right direction, but it is just a start. Implementing the vision articulated in this document will require commitment across the Foundation and leadership from the top.

Since this effort was spearheaded by the Director, we are concerned about NSF's ability to maintain the momentum needed to address oversight of its high-risk, high-dollar cooperative agreements after the Director's departure from the Foundation at the end of March.

Audit Resolution

NSF Sustains \$55,348 Questioned Costs at North Carolina Central University

In response to our audit recommendations, NSF sustained \$55,348 of questioned costs for travel, equipment, and salary, among other things, at North Carolina Central University. Further, the University agreed to take several actions including strengthening controls in its accounting system and improving its procedures for charging indirect costs to NSF awards.

NSF Sustains \$25,297 of Questioned Costs at University Corporation for Atmospheric Research

NSF sustained \$25,297 of questioned costs for food and beverages for workshops and retirement parties among other things, at the University Corporation for Atmospheric Research.

NSF Takes Steps to Improve its Processes for Assessing Staffing Needs

In response to our recommendation, NSF's Budget, Finance, and Award Management office has identified opportunities to streamline its operations as part of its annual workforce planning process and is seeking alternative methods to provide oversight.

NSF Addresses Concerns Regarding Support for Priority Goal Attainment

In response to our recommendation, NSF plans to provide information to support achieving its priority goal of improving the STEM workforce. Our audit found that a lack of support made it difficult for NSF and stakeholders to verify the agency's progress toward meeting its priority goal.

NSF Implements Actions to Strengthen Controls over the Independent Research and Development Program

In response to our recommendations, NSF has taken several steps to strengthen management controls over use of the Independent Research and Development Program, including establishing an agency-wide process to track information about IR/D plans, activity, and travel costs.

A-133 Audits

Single Audit Findings Identify Lack of Internal Controls at Awardee Institutions over Federal Funding

OMB Circular A-133 provides audit requirements for state and local governments, colleges and universities, and non-profit organizations receiving federal awards. Under this Circular, covered entities that expend \$500,000 or more a year in federal awards must obtain an annual organization-wide audit that includes the entity's financial statements and compliance with federal award requirements. Non-federal auditors, such as public accounting firms and state auditors, conduct these single audits. The OIG reviews the resulting audit reports for findings and questioned costs related to NSF awards, and to ensure that the reports comply with the requirements of OMB Circular A-133.

The 102 audit reports reviewed and referred¹ to NSF's Cost Analysis and Audit Resolution (CAAR) Branch this period covered NSF expenditures of \$3.9 billion during audit years 2009 through 2012, and resulted in 110 findings at 42 NSF awardees. One awardee received a qualified opinion on its financial statements, and three awardees received qualified opinions on their compliance with federal grant requirements. Seventeen of the 110 findings (15 percent), including 11 significant deficiencies and material weaknesses, were repeated from previous audits. Although the repeat nature of the findings calls into question the awardees' ability to adequately manage their NSF awards, the number and percentage of repeat findings has decreased dramatically from the prior period.² Awardees' lack of internal controls and noncompliance with federal requirements included: untimely and/or incorrect reporting of time and effort; inadequate support for salary/wages, equipment, travel, and indirect costs charged to awards; inadequate monitoring of subrecipients; inability to prepare the financial statements; and late submission of financial and/or progress reports.

We also examined 37 management letters accompanying the A-133 audit reports and found 21 deficiencies that affected NSF. Auditors issue these letters to identify internal control deficiencies that are not significant enough to include in the audit report, but which could become more serious over time if not addressed. The deficiencies included inadequate tracking, managing, and accounting for NSF costs, lack of adequate policies and procedures, and inadequate segregation of duties. These deficiencies affected control processes that are essential to ensuring stewardship of NSF funds and preventing fraud and abuse.

¹ We also reviewed and rejected one report based on audit quality deficiencies. We will report on the opinions and findings for this audit upon receipt of the revised report.

² September 2012 Semiannual Report, p. 14.

Desk Reviews Find Audit Quality and Timeliness Issues in Fewer than Half of Single Audits

The audit findings in A-133 reports are useful to NSF in planning site visits and other post-award monitoring. Because of the importance of A-133 reports to this oversight process, the OIG reviews all reports for which NSF is the cognizant or oversight agency for audit, and provides guidance to awardees and auditors for the improvement of audit quality in future reports. In addition, OIG returns reports that are deemed inadequate to the awardees to work with the audit firms to take corrective action.

We reviewed 61 audit reports³ for which NSF was identified as the cognizant or oversight agency for audit, and found that 32 fully met federal reporting requirements. Twenty-nine reports (48 percent), contained audit quality and timeliness issues.

The quality issues we identified included 15 reports in which the Schedule of Expenditures of Federal Awards did not provide sufficient information to allow for identification of awards received from non-federal “pass-through” entities or did not adequately describe the significant accounting policies used to prepare the schedule. Ten reports were submitted after the due date required by OMB Circular A-133. Of the 12 reports that included audit findings related to compliance with federal requirements, 3 reports (25 percent) failed to adequately present the required elements of the finding to assist auditee management in correcting the reported deficiency, and 5 reports failed to adequately present the required elements of the auditees’ management’s plan to correct the deficiencies reported. In addition, 7 reporting packages contained Data Collection Forms (Form SF-SAC) that failed to accurately reflect the results of the audit, and 4 reports did not correctly identify the major programs.

We contacted the auditors and awardees, as appropriate, for explanations of each of the potential errors. In most cases, the auditors and awardees either provided adequate explanations and/or additional information to demonstrate compliance with federal reporting requirements, or the error did not materially affect the results of the audit. However, we rejected one report due to substantial non-compliance with federal reporting requirements. We issued a letter to each auditor and awardee informing them of the results of our review and the specific issues on which to work during future audits to improve the quality and reliability of the report.

³ The audits were conducted by 49 different independent accounting firms.

Quality Control Review on Single Audit Work Performed by Public Accounting Firm Discloses Serious Deficiencies

As noted above, OMB Circular A-133 requires colleges, universities and other entities that expend \$500,000 or more in federal awards to obtain an annual organization-wide audit that includes the auditor's opinion on financial statements and compliance with federal award requirements. Non-federal auditors, such as public accounting firms, conduct such audits. The OIG reviews these audit reports and supporting documentation to determine whether they were conducted in accordance with applicable standards; any follow-up work was needed; and there were any issues that may require management's attention.

Our quality control review of the audit documentation and report prepared for the Single Audits of an NSF awardee for which the auditor issued unqualified opinions on the financial statements and on compliance with federal requirements, disclosed serious deficiencies in the documentation provided. Additionally, the auditor did not provide some key documentation including evidence of internal control testing and evidence of the auditor's compliance with CPE requirements. Due to the serious nature of these deficiencies, we referred the auditor to the North Carolina State Board of Certified Public Accountant Examiners as well as Professional Ethics Division of the American Institute of Certified Public Accountants.

OIG Follow-up Actions on Quality Control Review

Our follow-up review of the audit of Chabot Space and Science Center⁴ found that the auditors' additional work performed in response to our quality control review, generally met applicable federal requirements. As a result of this work, the auditors identified two new significant internal control deficiencies over federal awards.

⁴ September 2012 Semiannual Report, p. 16.

Investigations

Civil and Criminal Investigations

University Repays \$530,000 and Enters into a Compliance Plan to Resolve Misuse of NSF Funds

A university in the District of Columbia failed to adequately document and account for salary and stipends paid to faculty and students, and spent funds specifically dedicated to participant support on other expenses without the requisite prior written approval. Following our investigation, the university entered into a settlement agreement with the U.S. Attorney's Office under which it will repay \$530,000 to NSF. The university also agreed to a four-year compliance plan to strengthen its oversight of NSF funds.

Joint Investigation of Public Broadcasting Company Results in Repayment of over \$300,000 and Five-Year Compliance Plan

Our joint investigation with the OIGs of the National Endowment for the Arts and the National Endowment for the Humanities found that a Massachusetts public broadcasting company had submitted inaccurate financial reports for four years and had an inadequate accounting system for tracking grant expenditures.

The U.S. Attorney's Office entered into a civil settlement requiring the company to repay a total of \$300,170—of which \$273,157 was NSF funds—and entered into a five-year compliance plan to strengthen its oversight of federal funds.

PI Ordered to Pay over \$190,000 for Making Fraudulent Purchases with NSF Award Funds

As previously reported, a former PI pled guilty after making fraudulent purchases with NSF grant funds.⁵ The U.S. Attorney's office then filed a civil complaint against the PI for violations of the False Claims Act. The former PI did not respond to the lawsuit, and the court granted default judgment for \$194,301. We recommended that NSF debar the former PI for three years, and NSF's decision is pending.

5 September 2011 Semiannual Report, p.9.

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Company Agrees to Repay \$100,000 of Wrongfully Obtained NSF ARRA Funds

A Connecticut company will return \$436,050 under a settlement agreement following an investigation which found that the company had misused federal funds from several agencies, including \$100,000 in NSF ARRA funds from an NSF Small Business Technology Transfer (STTR) award.⁶ As part of the settlement the government received security interests in the company's assets and a signed stipulated judgment to file if the company defaults. NSF imposed an administrative agreement requiring the company to implement a program to ensure compliance with federal administrative and ethical requirements.

Michigan Business Owners Who Used NSF Logo to Commit Fraud Are Arrested and Plead Guilty

Two business owners, who were husband and wife, used the NSF seal to represent that NSF laboratories had been used to test products advertised for home use. They used the NSF logo fraudulently for commercial gain and shipped products to customers through the mail. The husband pled guilty to misuse of the NSF logo and mail fraud, and is scheduled to be sentenced in June 2013. His wife pled guilty to one count of concealment of a felony and was sentenced to two years' probation.

Investigations Involving Awards to Small Businesses Continue to Find Wrongdoing

NSF's Small Business Innovation Research (SBIR) and STTR programs provide grants for small businesses to "undertake research and development with high technical risk and high commercial reward." In order to obtain such grants, companies and their PIs must certify that they meet eligibility criteria that remain in effect for the duration of the awards. While the vast majority of the companies tell the truth in their proposals and reports, and spend their funds properly, our investigations continue to find companies that committed fraud or other wrongdoing.

PI on STTR Award Indicted for Fraud and Falsification of Records

The PI of an NSF STTR awardee company in Maryland was indicted based upon proposals, reports, and payment requests he submitted which contained false information. Our investigation concluded that the PI falsely certified that he was primarily employed by the STTR awardee when he was a full-time employee elsewhere, and that he fabricated a third-party investment to receive supplemental award funds. In addition,

⁶ We previously discussed NSF's termination of the award and issuance of a notice of proposed debarment to the company because the company accepted and spent NSF award funds while it was an excluded party, March 2011 Semiannual Report, p.21.

the PI fabricated timesheets and altered financial records to conceal personal expenditures. He was indicted on five counts of wire fraud, one count of mail fraud, and one count of falsification of records. Trial is scheduled to begin in July 2013.

SBIR Award PI and Company Owner Indicted for False Certifications and Duplicative Funding

Our joint investigation with the NASA OIG and the IRS Criminal Investigation Division found that the owner and PI of a company that had an SBIR award falsely certified that the PI was primarily employed by the company when the PI was employed elsewhere, falsely certified that there were no overlapping proposals to and awards from NSF and NASA, and received funding from NASA for work that overlapped with the NSF awards. The owner and the PI were indicted on multiple counts of wire fraud, conspiracy to commit wire fraud, money laundering, and forfeiture for wire fraud.

SBIR Awards to a Company Terminated Because of Duplicative Funding

In response to our recommendation, NSF terminated two awards to a company for multiple instances of duplicative awards from other agencies, resulting in \$348,156 in funds put to better use. Our investigation is ongoing.

NSF Retains \$72,000 SBIR Award Final Payment Because of PI's False Representations

A joint investigation with the NASA and DOE OIGs and the Defense Criminal Investigative Service found evidence of false statements and false claims submitted by the PI of a small business in Texas. Based on our recommendation, NSF retained the final payment on the SBIR Phase II award, providing NSF with \$72,059 to put to better use. Our investigation continues.

Company Owner Who Made False Certifications in SBIR Proposal Returns over \$20,000 and Agrees to Pretrial Diversion

The owner of a company falsely certified in his SBIR proposal that the PI was primarily employed by the company at the time of the award, and subsequently the replacement PI (the owner's wife) included results in the final report that had been previously reported under another award. In response to our request for company financial information, the company owner created backdated employment agreements and timesheets to support salary paid to him and company employees.

The matter was presented to the U.S. Attorney's Office, and accepted for prosecution. Under the terms of the pretrial diversion, the owner agreed to report monthly to the probation office for a year and agreed to not apply for NSF funding for two years. The owner returned \$20,718 to NSF, which represented the salary payments to him and his wife under the company's award.

Former Professor Pleads Guilty and is Sentenced for Theft of Award Funds

A former professor at an Indiana university used NSF grant funds to purchase items for personal use. We previously reported that, based on our recommendation, NSF suspended the former professor government-wide pending the conclusion of our investigation,⁷ and he was subsequently indicted.⁸ The former professor pled guilty to one count of theft and was sentenced to two years of probation and six months of home confinement, and ordered to pay \$32,542 in restitution to NSF. We recommended that NSF debar this individual and his company for ten years, and NSF's decision is pending.

Purchase Card Fraud by PI Results in Return of over \$160,000 to NSF

A PI charged purchased items to NSF awards and returned the items for refunds that he kept. The PI resigned and the university returned \$160,435 to NSF, which included the fraudulent as well as additional questionable charges. He pled guilty to one count of theft and was sentenced to two years' probation and payment of \$2,525. We recommended that NSF debar the PI for three years, and NSF's decision is pending.

NSF Debars PI for Fraud and Misuse of Award Funds

We previously reported that a PI at a Georgia college charged an NSF grant and two NASA grants for personal travel costs, personal purchases, and expenses unrelated to the grants.⁹ The college reimbursed the federal government \$1.2 million and agreed to a five-year compliance plan. The college did not renew the PI's employment contract, and NSF followed our recommendation to debar the PI for five years.

7 March 2011 Semiannual Report, p.22.

8 September 2011 Semiannual Report, p.9.

9 September 2011 Semiannual Report, p.8, and September 2012 Semiannual Report, p.20.

NSF Suspends Two Companies, the PI, and Former Controller Government-Wide Pending Further Investigation

Our investigation revealed a Connecticut for-profit company filed false financial reports and cash requests with NSF and that the PI misused NSF award funds. Based on our recommendation, NSF suspended the PI, the company's former controller, the company, and the associated non-profit company government-wide pending the conclusion of our investigation. The U.S. Attorney's Office accepted this case and is pursuing appropriate remedies.

Research Misconduct Investigations

Research misconduct damages the scientific enterprise, is a misuse of public funds, and undermines the trust of citizens in government-funded research. It is imperative to the integrity of research funded with taxpayer dollars that NSF-funded researchers carry out their projects with the highest ethical standards. For these reasons, pursuing allegations of research misconduct by NSF-funded researchers continues to be a focus of our investigative work. In recent years, we have seen a significant rise in the number of substantive allegations of research misconduct associated with NSF proposals and awards. The NSF definition of research misconduct encompasses fabrication, falsification, and plagiarism.

NSF takes research misconduct seriously, as do NSF's awardee institutions. During this reporting period, institutions took actions against individuals found to have committed research misconduct, ranging from letters of reprimand to termination of employment. During this reporting period, NSF's actions in research misconduct cases ranged from letters of reprimand to one year of debarment.

We referred eleven cases of research misconduct to NSF, which are summarized below. In every case except the first one, we recommended that NSF make a finding of research misconduct, send the subject a letter of reprimand, require the subject to complete a Responsible Conduct of Research training program, and other actions as described below. NSF's decisions are pending in nine of the eleven cases.¹⁰

¹⁰ Pursuant to NSF's regulation, NSF strives to issue decisions on allegations of research misconduct within 120 days of receiving the OIG's recommendations. 45 C.F.R. § 689(c)(2)(iii). NSF is still within this 120-day timeframe in each of the nine pending cases.

Professor Enters into a Voluntary Exclusion Agreement to Resolve Data Falsification Allegations Spanning More than a Decade

A former professor at a Massachusetts university agreed to voluntarily exclude himself from federal funding for eighteen months as a result of a university investigation that concluded that he had falsified data in eight different projects. The university report described the professor's pattern of falsifying data and misrepresenting his methodology in published and unpublished manuscripts since the late 1990s, some of which involved NSF funding. The resulting changes either enhanced the significance of the statistics supporting his hypotheses or increased the credibility of his reported results. The university investigation concluded with the retraction of one NSF-supported publication and the publication of corrections to two others. The professor took a one-year leave of absence from the university and later resigned.

During our investigation, the professor negotiated a voluntary exclusion agreement with NSF under which he acknowledged that NSF has sufficient evidence to make a finding of research misconduct and excluded himself from federal funding for eighteen months. He agreed to complete training in the responsible conduct of research, and for three years after the exclusion period to provide certifications, assurances, and detailed data management plans for any NSF-funded work in which he participates.

Graduate Student, Given a Second Chance, Falsifies and Fabricates Additional Data

A doctoral student at a Minnesota university intentionally fabricated and falsified data used by his dissertation advisor in an NSF proposal. The student previously admitted to his advisor that he had fabricated apparently successful data, and the advisor gave the student a second chance to complete the work. Several months later the student again reported successful results, which the advisor included in proposals to NSF and NIH, conference presentations, and two published articles. When another member of the advisor's group was unable to replicate the results, the student admitted that he had fabricated and falsified the data. The advisor immediately dismissed the student from his group and began an investigation outside of the formal university process, with the assistance of the student's peers.

Shortly after the university investigation began, the student alleged that the advisor had knowingly used the fabricated data in the NSF proposal, but the university found no evidence to support this allegation. In addition to the admission the student made to his advisor and two others, copies

of spectra and chromatographs in the student's desk showed manual manipulation of the data. The university concluded the student committed research misconduct when he intentionally fabricated and falsified data.

We were concerned about the advisor's dismissal of the student and *ad hoc* investigation, but concluded that the university's formal investigation was fair, and we concurred with the university's findings. We recommended NSF debar the student for five years. After the debarment period, we recommended that for five years NSF: bar the student from serving NSF as a reviewer, advisor, or consultant; and require certifications and assurances for all proposals or reports submitted to NSF.

NSF-Supported Graduate Student Admits to Data Fabrication and Falsification

A former graduate student who conducted NSF-funded research at an Illinois university admitted that he fabricated and falsified data in a publication and his Ph.D. dissertation. Based upon the admission, the university revoked the student's Ph.D. and requested the publication be retracted. The student accepted responsibility for the fabricated and falsified data.

We concluded that he intentionally fabricated and falsified data, a significant departure from accepted practices. We recommended that NSF debar the student for three years. After the debarment period, we recommended that for three years NSF require certifications and assurances for all proposals or documents submitted to NSF, require submission of a detailed data management plan with annual certifications of adherence for any resulting awards, and bar him from participating as a peer reviewer, advisor, or consultant for NSF.

PI and Co-PI Plagiarize Almost Entire Project Description in NSF Proposal

Our inquiry determined that a declined NSF proposal submitted by a New York PI and two co-PIs contained text apparently copied from twelve sources comprising nine of the nearly fourteen pages of the project description. The university investigation concluded that the PI and one of the co-PIs committed plagiarism—and that while the second co-PI did not commit plagiarism, he was careless because he did not identify the extensive plagiarism in a proposal bearing his name. The university required the PI and both co-PIs to complete online training and attend a responsible conduct of research workshop. It also assigned a mentor to the PI and first co-PI to assist them with grant proposals for at least three years.

Our investigation concluded that the first co-PI, who wrote the proposal and carried out the copying, plagiarized intentionally, and that the PI acted knowingly, because he was aware of the co-PI's copying but did nothing to address it. We also concluded that both exhibited a pattern of plagiarism in a published article and an internal university proposal. We recommended that NSF: debar them for one year; require certifications and assurances from them for three years following the debarment; and bar them from participating as NSF peer reviewers, advisors, or consultants for three years following the debarment.

Plagiarism Follows PI from Company to Company

Our investigation determined that a PI submitted multiple SBIR proposals from two companies that contained substantive plagiarism. The PI denied that she plagiarized, claiming that her proposals had been edited, changing her words to match text in the source documents. However, most of the plagiarized text was in a proposal on which she was sole PI and there was evidence of direct copying-and-pasting from the sources. We recommended NSF require two years of certifications and assurances and bar the PI from participating as a peer reviewer, advisor, or consultant for NSF for two years.

Faculty Member Plagiarizes in Multiple NSF Proposals

A PI at a Texas university plagiarized in multiple NSF proposals. The PI admitted to copying in one proposal, asserting that he had believed citation alone was sufficient. The university's investigation did not make a finding of research misconduct because the sources were cited and quotation marks or other demarcation of verbatim text is "a matter of style", commonly omitted. We disagreed and conducted our own investigation.

We determined that only one of the three source documents was cited, and that citation was not proximal to the text copied from it. We also found that the style guide of a major journal in which the PI publishes clearly requires verbatim text to be quoted or offset, demonstrating that the standards of his research community are the same as other science disciplines. In addition, we consulted two experts in the PI's discipline who independently concluded that the proposal text was inappropriately copied, lacking both correct citation and demarcation.

During our investigation, we found two other proposals submitted to NSF by the PI that contained significant plagiarism, establishing a pattern of plagiarism. We recommended that NSF require certifications and assurances for two years and bar the PI from participating as a peer reviewer, advisor, or consultant for NSF for one year.

Assistant Professor Blames Software for Deleting Attribution

An assistant professor at an Arizona university plagiarized text in two NSF proposals. The assistant professor stated that the software he used deleted quotation marks, citations, and other punctuation. After the university investigation revealed unattributed copying in a second NSF proposal, he asserted that he was unaware of the need for quotation marks, despite having two doctoral degrees. The university determined that he committed research misconduct.

Our review of previous drafts of the first proposal, in which the assistant professor had appropriately cited and quoted a statement that was deleted during editing demonstrated his awareness of proper citation methods. More importantly, none of the previous drafts properly demarcated the plagiarized passages in question or contained the supposedly deleted citations/punctuation. We concluded that he committed research misconduct and recommended that NSF, for two years, require certifications and assurances, and ban him from serving NSF as a reviewer, advisor, or consultant.

PI Plagiarizes in Two NSF proposals

Our investigation found that a PI at a company in Virginia plagiarized more than 150 lines of text from eighteen different sources in two proposals, one of which NSF awarded. In response to our recommendations, NSF required the PI to submit certifications and assurances for his NSF proposals for two years, and barred him from serving as an NSF reviewer, advisor, or consultant for one year.

Professor's Incomplete Citation Practices Result in Plagiarism

A professor at a Colorado university recklessly plagiarized in his CAREER proposal that NSF awarded with ARRA funds. The professor cited most of the published papers, but did not distinguish the copied text by quotation marks or indentation. Additionally, he did not cite his colleagues' unpublished manuscripts from which he also copied text.

The university investigation found that the professor committed plagiarism, but because the university concluded that the professor was merely careless, it did not make a finding of research misconduct. However, the university implemented corrective action including a training requirement and internal certifications for two years.

We agreed that the professor committed plagiarism but disagreed with the university's finding with respect to intent, because such extensive plagiarism from so many sources could not be less than reckless. We

recommended that for one year NSF: bar the professor from serving NSF as a reviewer, advisor, or consultant; and require certifications and assurances for all proposals or reports submitted to NSF.

Professor Plagiarizes in Two Proposals

Our investigation determined that a PI at an Ohio university recklessly committed plagiarism in his NSF proposal. The PI admitted that he plagiarized, but asserted that in his native culture plagiarism is, in certain circumstances, encouraged, and that persons who plagiarize in such circumstances are considered well-educated and knowledgeable. We concluded that, regardless of whether his statement accurately reflected the practice in his native culture, when submitting a proposal to NSF he is required to abide by U.S. standards of scholarship and NSF policy. We recommended that NSF require certifications for one year.

PI Falsifies Letters of Collaboration

Our investigation concluded that an owner of a small business in Georgia submitted a proposal that included falsified letters of collaboration. The owner falsified five letters he had received for a previous SBIR project by removing the text related to the original project and subsequently submitted them in a proposal to a different program. He did not add text relevant to the new program, but just left white space in the letters, which led to inquiries from merit reviewers.

We contacted the authors of the letters and learned that the PI had not informed them of the alterations or sought permission from them to alter and reuse their letters for the second proposal.

We concluded the alteration of the letters meets NSF's definition of falsification since the PI intentionally altered them to more broadly support his research. We recommended that NSF: require for one year that the PI certify that any documents submitted to NSF do not contain plagiarism, falsification, or fabrication; and bar the PI from serving as a reviewer, advisor, or consultant for NSF for one year.

PI from a Small Business Accepts Responsibility for Plagiarism

Our investigation found that a PI at a small business in Maryland knowingly plagiarized text in an awarded NSF SBIR proposal. We recommended that NSF require certifications for one year and bar him from serving NSF as a reviewer, advisor, or consultant for one year.

The Importance of Accurate Information in Biosketches and Letters of Collaboration or Support

An NSF proposal consists of multiple sections, and PIs have a responsibility to ensure that each section contains accurate information. Our office regularly receives allegations where key information was omitted, or information was fabricated, in the proposal's biographical sketch ("biosketch") and letters of collaboration or support. NSF instructions for preparing a biosketch state that the section should contain a "list, in reverse chronological order, of all the individual's academic/professional appointments beginning with the current appointment." This includes foreign appointments, non-salaried appointments, or appointments of limited term. In a case reported herein, a professor resigned his position after it was discovered that he failed to acknowledge his appointments at foreign universities on his conflict of interests forms.

NSF also provides clear instructions about relevant publications that can be included in the biosketch:

A list of: (i) up to five products most closely related to the proposed project; and (ii) up to five other significant products, whether or not related to the proposed project. Acceptable products must be citable and accessible including but not limited to publications, data sets, software, patents, and copyrights.¹¹

Unpublished documents, manuscripts described as "to be submitted" or "in preparation" should not be listed, and publications listed as "submitted" or "in press" must actually exist.

Similarly, NSF states that letters of support "must be unique to the specific proposal submitted and cannot be altered without the author's explicit prior approval."¹² We have seen several cases where PIs recycled old letters of collaboration or support and either put a new date on the letter or simply removed the original date. In a case discussed herein, a PI went a step further and removed several sentences from letters of collaboration because they related to a program to which a proposal had previously been submitted.

Padding one's biosketch and altering letters of collaboration or support are a violation of the standards of scholarship; in an NSF proposal, such actions may constitute civil and criminal false statements and false claims.

¹¹ NSF Proposal & Award Policies & Procedures Guide, Grant Proposal Guide, II.C.2.f(i)(c).

¹² NSF Proposal & Award Policies & Procedures Guide, Grant Proposal Guide, II.C.2.j.

Former University Official Wrote Plagiarized Proposals for Staff

We ascertained that two proposals nominally submitted by different PIs from the same institution contained nearly identical text, and both proposals contained text apparently copied from an awarded NSF proposal submitted by another institution. Based on statements from the PIs, we determined a university official no longer employed by the first institution wrote and submitted the two proposals. We contacted the university official, who accepted responsibility for writing and submitting the proposals. Because her university was very small and had no procedures in place for handling research misconduct investigations, we investigated this matter and concluded that she committed plagiarism and recommended that NSF make a finding of research misconduct, require certifications for one year and bar her from serving as a reviewer, advisor, or consultant for one year.

Actions by NSF Management on Previously Reported Research Misconduct Investigations

NSF has taken administrative action to address our recommendations on six research misconduct cases reported in previous semiannual reports. In each case, NSF made a finding of research misconduct, issued a letter of reprimand, and required the subject to complete a Responsible Conduct of Research training program. NSF also took additional significant actions in response to our recommendations as summarized below.

- In the case of a doctoral student at a Texas university who copied over 1,200 lines of text and supporting data into his dissertation from another student's dissertation,¹³ NSF debarred the student for three years, followed by five years of certifications and assurances. NSF also barred him from serving NSF as a reviewer, advisor, or consultant for five years.
- In the case of an Ohio university faculty member who copied almost 500 lines of text into four proposals,¹⁴ NSF required certifications and assurances for three years, and barred the faculty member from participating as a peer reviewer, advisor, or consultant for NSF for three years.
- In the case of an assistant professor at a New Jersey university who committed plagiarism in eleven unfunded NSF proposals,¹⁵ NSF required certifications and assurances for three years, and barred him from serving as a reviewer for three years.

¹³ September 2012 Semiannual Report, pp.21-22.

¹⁴ September 2012 Semiannual Report, p.22.

¹⁵ September 2012 Semiannual Report, p.23.

- In the case of a small business official who plagiarized in eighteen proposals and four final project reports,¹⁶ NSF required certifications for two years.
- In the case of an assistant professor at a Texas university who copied text in two NSF proposals,¹⁷ NSF required certifications and assurances for one year.
- In the case of an assistant professor at a Maryland university who plagiarized large amounts of text into an NSF proposal,¹⁸ NSF required the PI to provide certifications and assurances for one year.

Administrative Investigations

PI Alleges Retaliation for Whistleblowing under ARRA Award

ARRA provides whistleblower protections to awardee employees who reasonably believe that they are being retaliated against for reporting allegations of misuse of ARRA funds received by their non-federal employers. Under the Act, we investigate such allegations and submit a report to NSF management, the complainant, the awardee, and the Recovery Accountability and Transparency Board (RATB). NSF then determines whether there is sufficient basis to conclude that the awardee subjected the complainant to a prohibited reprisal.

We investigated an allegation that a professor had been removed as PI by an Arizona university from an NSF recovery act award, in retaliation for filing a complaint with the university alleging misuse of ARRA award funds. The allegations included inappropriate travel expenses and fraudulent undergraduate intern hours charged to the award by the graduate student who ran the program under the supervision of the PI. The university conducted a full financial audit of the award and determined that there had been no misuse of award funds. The university also determined that, in his role as supervisor of the graduate student, the PI was not engaged in the award to the extent expected by the university of a PI, and therefore the university decided to remove him as PI and replace him with the co-PI.

As required by ARRA, we submitted a report of investigation and NSF's decision is pending.

¹⁶ September 2012 Semiannual Report, pp.23-24.

¹⁷ September 2012 Semiannual Report, p.24.

¹⁸ September 2012 Semiannual Report, p. 23.

Small Business Officers Plagiarized, Submitted Duplicative SBIR Proposals, and Made False Statements

Our investigation concluded that officers of a California small business plagiarized and provided false information to NSF. The PI, who was one of the officers, blamed other individuals for the copied text. However, we concluded the PI was responsible, that he acted knowingly, and therefore committed research misconduct.

The company previously submitted essentially the same proposal to DOE. In addition, the Authorized Organizational Representative (AOR), who was also the PI's wife, twice falsely certified to NSF that the proposal had not been submitted elsewhere. We found that the company falsely claimed to own four laboratories and have access to two universities' facilities. Also, the PI, who was employed by a university, used that university's students and facilities to support the company's NSF-funded SBIR research. The university found that the PI improperly used its facilities for the benefit of the company and dismissed him. We also found that he charged the NSF SBIR award for facilities, students, and salary costs that could not be justified or substantiated, and the company reimbursed \$5,235 to NSF for these charges.

DOJ declined prosecution in lieu of administrative action. We recommended NSF make a finding of research misconduct for the plagiarism, require the PI to take a responsible conduct of research training course, and require certifications and bar the PI from serving as a reviewer for three years. We also recommended that NSF debar the PI, the AOR, and the company for three years for the false statements made to NSF, the improper expenditures and lack of consistent financial records. NSF's action is pending.

PI and Co-PI Unaware of Proposal Submitted in Their Names by Their Dean

A California institution informed us that NSF declined a proposal that had been submitted without the knowledge of its listed PI and co-PI. Our investigation revealed that the proposal was written at the behest of the institution's acting Dean without contributions from the PI or co-PI. The Dean directed a subordinate to prepare the proposal, which he then caused to be submitted in the names of the PI and co-PI by circumventing the institution's procedures. In response to our recommendations, NSF sent a letter of reprimand to the Dean and a letter to the acting provost of the institution, and helped rehabilitate the PI's and co-PI's academic reputations by notifying the reviewers that the PI and co-PI did not submit the proposal and annotating this fact in the NSF proposal management system.

Professor Resigns After Failing to Report External Appointments

Our investigation determined that a Louisiana professor failed to accurately report external appointments and grants at foreign institutions in eight of his NSF proposals, including one awarded NSF proposal. We referred an inquiry to the cognizant institution which confirmed that the professor's biosketchs and current/pending support forms were inaccurate. It also determined the professor, for several years, failed to report his external appointments on his university conflict of interests forms. The professor subsequently resigned from the institution.

A review by the cognizant NSF program determined the scope of the professor's NSF award did not overlap with any of his foreign grants. We wrote to the professor admonishing his failure to provide accurate information.

Previously Reported Cases

In two cases previously reported, NSF took the following actions:

- In the case of a Missouri PI and co-PI who submitted two NSF proposals while claiming false academic credentials,¹⁹ NSF debarred both individuals for five years.
- In the case of a reviewer who posted twenty-two NSF proposals on a webpage,²⁰ NSF sent the reviewer a warning letter.

Management Implication Report

NSF Recovers Transit Subsidy Money Used by Employees for Parking

We previously reported that our review of NSF's Transit Subsidy Benefit Program revealed significant misuse by a sample of participants using it to pay for parking or apparent personal trips.²¹ NSF agreed to implement our recommendation to require participants in the Program to provide annual certifications that they will use the program properly and not for personal gain. However, NSF did not agree with our recommendation that it implement the same requirement for participants in the Pre-Tax Parking Benefit Program, asserting that compliance with the IRS rules and regulations of the Program is the responsibility of the employee and

¹⁹ September 2012 Semiannual Report, p.26.

²⁰ September 2012 Semiannual Report, p.26.

²¹ March 2012 Semiannual Report, pp.28-29, and September 2012 Semiannual Report, p.29.

enforcement of potential misuse is the responsibility of the IRS. NSF sent letters to forty employees demanding that they to repay subsidy money improperly spent for parking. This should result in recovery of \$10,238 of misused government funds.

Recovery Act Retaliation Complaint Investigations

Section 1553 of the American Recovery and Reinvestment Act of 2009 requires OIGs to include in their semiannual reports to Congress the retaliation complaint investigations that they decided not to conduct or continue during the reporting period. Section 1553 also requires OIGs to provide a list of those investigations for which the inspector general received an extension. OIG did not discontinue or decline to conduct any Recovery Act whistleblower retaliation complaint investigations during this reporting period. Regarding extensions, OIG received one extension in a pending investigation involving an Arizona institution.

OIG Management Activities

In February, the Inspector General testified before the House Science Investigations Subcommittee at a hearing titled, ‘Top Challenges for Science Agencies: Reports from the Inspectors General’. The Office of Inspector General (OIG) has identified eight top management challenges facing NSF and the testimony focused on three of these challenges—accountability over cooperative agreements for NSF’s large facility construction projects, grant administration, and contract monitoring.

With regard to the first challenge of accountability over cooperative agreements for NSF’s large facility construction projects, there are serious weaknesses in NSF’s cost surveillance measures for its high-risk, high-dollar cooperative agreements. We have recommended that NSF, using a risk-based approach, develop end-to-end cost surveillance policies for its cooperative agreements to ensure adequate stewardship over federal funds. At a minimum, NSF should implement such increased monitoring for its largest cooperative agreements valued at more than \$50 million.

At the pre-award stage, cost surveillance measures should include audits of proposal budgets and accounting systems before awarding funds. At the post-award stage, such measures should include incurred submissions and cost incurred audits after awards are made to help ensure that federal funds are being spent appropriately. While these actions are not required by law or regulation, they are essential tools for ensuring accountability in high-risk, high-dollar, projects. In their absence, unallowable costs charged to these awards may go undetected.

With regard to the second challenge, oversight and management of awards that is sufficient to safeguard federal funds invested in scientific research has been an ongoing challenge for NSF. The Foundation’s FY 2011 financial statement audit noted several areas of concern about its processes for awarding and administering grants, including a lack of follow-up to determine whether awardees acted to correct problems identified in desk reviews and delays in resolving open audit recommendations. The FY 2012 audit stated that while improvements had been made in this area, improvements in internal controls over processing grant transactions were necessary and follow-up remained a concern.

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Finally, contract monitoring, particularly for cost reimbursement contracts which pose a greater risk to government, continues to be a challenge for NSF. While NSF's FY 2012 financial statement audit no longer cited monitoring of cost reimbursement contracts as a significant deficiency as a result of strengthened procedures, it stated that NSF management must continue to implement corrective actions to ensure that it maintains adequate control over such contracts.

Taxpayers expect government managers to be prudent custodians of agency funds in both good times and bad, but expectations are even higher when federal deficits are large and budgets are tight. The IG assured Congress that we will continue to target our work and to direct our resources to areas that pose the highest risk of misuse of taxpayer dollars and can lead to funds used inappropriately being returned to the government.

Outreach

The purpose of our outreach is to educate awardees, research administrators, and others about how to recognize and prevent waste, fraud, and abuse. Outreach is an essential component of our mission to prevent and detect fraud, waste, and abuse and to promote economy, efficiency, and effectiveness in NSF programs and operations.

The Inspector General continues to lead the SBIR and the Suspension and Debarment Working Groups under the auspices of the Council of Inspectors General on Integrity and Efficiency. A particular focus of the first group has been promoting the government-wide use of standardized life-cycle certifications to prevent fraud and to facilitate prosecution of fraudulent activities in the SBIR program. This effort culminated in revisions that are being made to the SBA's SBIR policy directives, which include requirements for such certifications. The draft policy directive has also incorporated a number of other working group suggestions to prevent and detect fraud, waste, and abuse in this program. We understand that SBA is finalizing this directive.

Suspension and debarment are valuable administrative tools that agencies can use to protect scarce funds from fraud, waste, abuse, poor performance, and noncompliance with contract provisions or applicable law. The Suspension and Debarment working group sponsored a workshop in November 2012 focusing on fact-based suspension and debarment actions (those that are not based on a judicial finding). The

workshop provided interaction between key communities involved in the suspension and debarment process: Suspension and Debarment Officials, Offices of Inspectors General, and the U.S. Department of Justice and was attended by more than 200 people.

OIG staff participated in meetings, made presentations, and provided instruction to the National Council of University Research Administrators, the National Conference on College Cost Accounting, the Information Security and Privacy Advisory Board, among others. We provided research misconduct briefings at six universities. We also participated in meetings of the National Single Audit Coordinators, Federal Audit Executive Council, and the Financial Statement Audit Network.

Statistical Data

Audit Data

Audit Reports Issued with Recommendations for Better Use of Funds

		Dollar Value
A.	For which no management decision has been made by the commencement of the reporting period	\$304,895,499
B.	Recommendations that were issued during the reporting period	\$0
C.	Adjustments related to prior recommendations	\$0
Subtotal of A+B+C		\$304,895,499
D.	For which a management decision was made during the reporting period	\$0
	i) Dollar value of management decisions that were consistent with OIG recommendations	\$0
	ii) Dollar value of recommendations that were not agreed to by management	\$0
E.	For which no management decision had been made by the end of the reporting period	\$304,895,499
For which no management decision was made within 6 months of issuance		\$304,895,499

Audit Reports Issued with Questioned Costs

		Number of Reports	Questioned Costs	Unsupported Costs
A.	For which no management decision has been made by the commencement of the reporting period	29	\$32,769,732	\$3,536,720
B.	That were issued during the reporting period	4	\$3,092,819	\$859,153
C.	Adjustment related to prior recommendations		\$(1,643,562) ²²	\$0
Subtotal of A+B+C			\$34,218,989	\$4,395,873
D.	For which a management decision was made during the reporting period	19	\$3,516,792	\$1,847,550
	Dollar value of disallowed costs	N/A	\$705,976	N/A
	Dollar value of costs not disallowed	N/A	\$2,810,816	N/A
E.	For which no management decision had been made by the end of the reporting period	13	\$30,702,197	\$2,548,323
	For which no management decision was made within 6 months of issuance	9	\$27,609,378	\$1,689,170

Status of Recommendations that Involve Internal NSF Management Operations

Open Recommendations (as of 09/30/12)		
Recommendations Open at the Beginning of the Reporting Period		44
New Recommendations Made During Reporting Period		44
Total Recommendations to be Addressed		88
Management Resolution of Recommendations ²³		
Awaiting Resolution		51
Resolved Consistent With OIG Recommendations		37
Management Decision That No Action is Required		0
Final Action on OIG Recommendations ²⁴		
Final Action Completed		14
Recommendations Open at End of Period (03/31/13)		74

22 On report No. 12-4-077, \$1,650,961 was resolved in a prior period. On report No. 11-1-011, \$4,193 classified as cost share at risk in the audit was resolved as questioned cost share, and \$3,206 of additional costs were questioned during audit resolution (-1,650,961+ 4,193+ 3,206 = -1,643,562).

23 "Management Resolution" occurs when the OIG and NSF management agree on the corrective action plan that will be implemented in response to the audit recommendation.

24 "Final Action" occurs when management has completed all actions it agreed to in the corrective action plan.

Aging of Open Recommendations	
Awaiting Management Resolution:	
0 through 6 months	44
7 through 12 months	5
More than 12 months	2
Awaiting Final Action After Resolution	
0 through 6 months	0
7 through 12 months	0
More than 12 months	23

List of Reports²⁵

OIG and CPA-Performed Reviews

Report Number	Subject	Questioned Costs	Unsupported Costs	Better Use of Funds
13-1-001	REVISED University of Wisconsin – Ice Cube Incurred Cost	\$2,134,379	\$0	\$0
13-1-002	Jackson State University	\$943,475	\$844,241	\$0
13-1-003	University of Wisconsin Ice Cube CAS Noncompliance	\$0	\$0	\$0
13-2-001	NSF’s FY2012 Financial Statement Audit	\$0	\$0	\$0
13-2-002	NSF FY2012 Special Purpose Financial Statement	\$0	\$0	\$0
13-2-003	FISMA 2012 Independent Evaluation	\$0	\$0	\$0
13-2-004	FY2012 FISMA Independent Evaluation Summary (OMB Database Report)	\$0	\$0	\$0
13-2-005	NSF FY2012 Management Letter	\$0	\$0	\$0
13-2-006	Audit of Project Reporting on NSF Awards	\$0	\$0	\$0
13-2-007	FY12 IPERA Improper Payments Elimination and Recovery Act	\$0	\$0	\$0
13-2-008	Audit of Cost Associated with NSF’s Use of Intergovernmental Personnel	\$0	\$0	\$0
13-6-001	QCR of Eugene Nicholas’ 2007 & 2008 Audits of NSBP	\$0	\$0	\$0
	Total:	\$3,077,854	\$844,241	\$0

25 The office issued 12 reports this semiannual period.

NSF-Cognizant Reports

Report Number	Subject	Questioned Costs	Unsupported Costs
13-4-001	9-11 LSST, Inc. – AZ	\$0	\$0
13-4-002	12-11 Mobile Area Education Foundation – AL	\$0	\$0
13-4-003	6-11 REVISED Kalispell School District – MT	\$0	\$0
13-4-004	12-11 Institute for Learning Innovation – MD	\$0	\$0
13-4-005	3-11 Decision Science Research Institute – OR	\$0	\$0
13-4-006	12-11 AAAS American Association for the Advancement of Science – DC	\$0	\$0
13-4-007	12-11 Boyce Thompson Institute for Plant Research – NY	\$0	\$0
13-4-008	12-11 CUAHSI Consortium of Universities for the Advancement of Hydrological Science – DC	\$0	\$0
13-4-009	12-11 Stroud Water Research Center, Inc. – PA	\$0	\$0
13-4-010	12-11 The Franklin Institute – PA	\$0	\$0
13-4-011	12-11 Astrophysical Research Consortium – WA	\$0	\$0
13-4-012	12-11 North American Association for Environmental Education – DC	\$0	\$0
13-4-013	12-11 The Historymakers, Inc. – IL	\$0	\$0
13-4-014	12-11 The Shodor Education Foundation – NC	\$0	\$0
13-4-015	5-12 Oregon Museum of Science and Industry – OR	\$0	\$0
13-4-016	6-12 Cal Poly Corporation – CA	\$0	\$0
13-4-017	6-12 Museum of Science – MA	\$53	\$0
13-4-018	6-12 Maryland Academy of Sciences – MD	\$0	\$0
13-4-019	6-12 The New Mexico Consortium – NM	\$0	\$0
13-4-020	12-11 Center for Severe Weather Research – CO	\$0	\$0
13-4-021	12-10 REVISED ScienceFriday, Inc. – CT	\$0	\$0
13-4-022	9-09 The Young People’s Project – MA	\$0	\$0
13-4-023	6-12 Old Dominion University Research Foundation – VA	\$0	\$0
13-4-024	6-12 Viewpoints Research Institute – CA	\$0	\$0
13-4-025	6-12 CBIA Education Foundation – CT	\$0	\$0
13-4-026	6-12 Exploratorium – CA	\$0	\$0
13-4-027	12-11 Triangle Coalition for Science and Technology – VA	\$0	\$0
13-4-028	12-11 START International, Inc. – DC	\$0	\$0
13-4-029	12-11 American Geophysical Union – DC	\$0	\$0
13-4-030	6-12 REVISED CBIA Education Foundation – CT	\$0	\$0
13-4-031	6-12 IRIS Incorporated Research Institutions for Seismology – DC	\$0	\$0
13-4-032	6-12 REVISED Maryland Academy of Sciences – MD	\$0	\$0
13-4-033	6-12 NISS National Institute of Statistical Sciences – NC	\$0	\$0
13-4-034	6-12 Oregon Public Broadcasting – OR	\$0	\$0

13-4-035	6-12 The Science Museum of Minnesota – MN	\$0	\$0
13-4-036	8-12 Twin Cities Public Television – MN	\$0	\$0
13-4-037	7-12 MSRI Mathematical Science Research Institute – CA	\$0	\$0
13-4-038	6-12 California Academy of Sciences – CA	\$0	\$0
13-4-039	6-12 The Queens Borough Library – NY	\$0	\$0
13-4-040	6-12 University Enterprises – CA	\$0	\$0
13-4-041	6-12 Maine Mathematics & Science Alliance – ME	\$0	\$0
13-4-042	6-12 Pacific Science Center Foundation – WA	\$0	\$0
13-4-043	6-12 The Adler Planetarium – IL	\$0	\$0
13-4-044	9-12 ARCUS Arctic Research Consortium of the United States – AK	\$0	\$0
13-4-045	6-12 Institute for Advanced Study – NJ	\$0	\$0
13-4-046	6-12 REJECTED Kennesaw State University Research & Science Foundation – GA	\$0	\$0
13-4-047	6-12 The Academy of Natural Sciences of Philadelphia – PA	\$0	\$0
13-4-048	3-12 Berkeley Geochronology Center – CA	\$0	\$0
13-4-049	6-12 Bigelow Laboratory for Ocean Science – ME	\$0	\$0
13-4-050	6-12 Woods Hole Research Center – MA	\$0	\$0
13-4-051	9-10 REVISED Chabot Space & Science Center – CA	\$0	\$0
13-4-052	6-12 National Alliance for Partnerships in Equity Education Foundation – PA	\$0	\$0
13-4-053	6-12 Cary Institute of Ecosystem Studies – NY	\$0	\$0
13-4-054	6-12 Corporation for Education for Education Network Initiatives in California – CA	\$0	\$0
13-4-055	6-12 National Collegiate Inventors & Innovators Alliance – MA	\$0	\$0
13-4-056	6-12 Island Institute – ME	\$0	\$0
13-4-058	9-12 NEON National Ecological Observatory Network – DC	\$0	\$0
13-4-060	12-11 WTEC World Technology Evaluation Center – PA	\$0	\$0
13-4-062	8-12 Association of American Geographers – DC	\$0	\$0
13-4-063	9-12 UCAR University Corporation for Atmospheric Research – CO	\$0	\$0
13-4-073	9-12 AUI Associated Universities, Inc. – DC		
	Total:	\$53	\$0

Other Federal Reports

Report Number	Subject	Questioned Costs	Unsupported Costs
13-5-047	4-12 Catholic University of America and Affiliates – DC	\$14,912	\$14,912
	Total:	\$14,912	\$14,912

Audit Reports with Outstanding Management Decisions

This section identifies audit reports involving questioned costs, and funds put to better use where management had not made a final decision on the corrective action necessary for report resolution with six months of the report's issue date. At the end of the reporting period there were 13 reports remaining that met this condition. The status of recommendations that involve internal NSF management is described on pages 42 - 43.

Report Number	Subject	Questioned Costs	Unsupported Costs	Better Use of Funds
05-1-005	RPSC Costs Claimed FY2000 to 2002	\$12,334,824	\$0	\$0
06-1-023	RPSC 2003/2004 Raytheon Polar Services	\$6,860,500	\$0	\$0
07-1-003	Triumph Tech, Inc.	\$80,740	\$1,192	\$0
07-1-019	ABT Associates	\$22,716	\$0	\$0
09-1-014	University of Michigan	\$1,604,713	\$1,418,889	\$0
09-5-048	8-07 College of the Mainland – TX ²⁶	\$110,629	\$0	\$0
10-1-012	COL OOI Proposed Budget	\$0	\$0	\$88,118,848
11-1-001	REVISED ATST Price Proposal	\$0	\$0	\$62,338,903
11-1-021	NEON National Ecological Observatory Network	\$0	\$0	\$75,780,354
12-1-003	University of Notre Dame – IN	\$244,430	\$244,430	\$0
12-1-005	UCAL – Santa Barbara	\$6,325,483	\$0	\$0
12-1-008	NEON Proposal Audit	\$0	\$0	\$78,657,394
12-5-143	9-11 Fort Berthold Community College – ND ²⁷	\$25,343	\$24,659	\$0
	Total:	\$27,609,378	\$1,689,170	\$304,895,499

²⁶ This report is on hold.

²⁷ This report is on hold.

Civil/Criminal Investigative Activities

Referrals to Prosecutors	7
Criminal Convictions/Pleas	12
Arrests	3
Civil Settlements	2
Indictments/Information	4
Investigative Recoveries	\$1,661,928.88

Administrative Investigative Activities

Referrals to NSF Management for Action	31
Research Misconduct Findings	7
Suspensions/Debarments/Exclusions	10
Administrative Actions	51
Certifications and Assurances Received ²⁸	27

Investigative Case Statistics

	Preliminary	Civil/Criminal	Administrative
Active at Beginning of Period	33	133	103
Opened	70	41	70
Closed	79	25	47
Active at End of Period	24	149	126

Freedom of Information Act and Privacy Act Requests

Our office responds to requests for information contained in our files under the freedom of Information Act (“FOIA,” 5 U.S.C. § 552) and the Privacy Act (5 U.S.C. § 552a). During this reporting period:

Requests Received	18
Requests Processed	18
Appeals Received	1
Appeals Upheld	1

Response time ranged between 1 day and 20 days, with the median around 15 days and the average around 14 days.

²⁸ NSF accompanies some actions with a certification and/or assurance requirement. For example, for a specified period, the subject may be required to confidentially submit to OIG a personal certification and/or institutional assurance that any newly submitted NSF proposal does not contain anything that violates NSF regulations.



About the Cover...

Erika Buchtel (daughter of OIG auditor, Dan Buchtel) took the photo as an assignment for her digital photography class. Erika is a freshman in high school.

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