# Review of NSF's Use of Non-Federal Employees in Supervisory Positions

U.S. NATIONAL SCIENCE FOUNDATION
Office of Inspector General

August 22, 2025
OIG 25-09-005

# At a Glance

Review of NSF's Use of Non-Federal Employees in Supervisory Positions
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### WHY WE DID THIS REVIEW

As part of its human capital management strategy, NSF employs temporary, non-federal staff through the *Intergovernmental Personnel Act* and the Visiting Scientist, Engineer, and Educator program. These individuals — referred to as IPAs or rotators — bring fresh perspectives from all fields of science and engineering to support NSF's mission. As of October 31, 2024, IPAs held executive-level supervisory positions in all eight scientific directorates and the Office of the Director and accounted for almost 10 percent of all supervisors at NSF.

We conducted this review to determine the extent to which NSF's workforce management policies complied with federal guidance related to non-federal employees' performance of supervisory duties and functions.

### WHAT WE FOUND

NSF's workforce management policies do not comply with federal guidance related to non-federal employees' performance of supervisory duties and functions. NSF permits IPAs to perform supervisory functions prohibited by the U.S. Office of Personnel Management's guidance, such as conducting an employee's annual performance rating, engaging in performance-based or adverse action procedures, and rewarding employees. NSF is working on a plan to comply with OPM's guidance on non-federal employees' performance of supervisory duties and functions. However, NSF has not yet resolved instances where IPAs are performing prohibited supervisory duties or updated its policies and procedures to be compliant with OPM guidance; and prior to the government-wide hiring freeze, NSF continued to post supervisory job announcements open to non-federal employees.

### WHAT WE RECOMMEND

We recommend that NSF resolve instances where non-federal employees perform prohibited supervisory functions and update existing and/or implement new human capital management policies and procedures to ensure non-federal employees do not perform supervisory functions in the future.

### AGENCY RESPONSE

NSF agreed with the recommendations. Please see Appendix B for NSF's response to the report.

### CONTACT US

For congressional, media, and general inquiries, email OIGPublicAffairs@nsf.gov.

**U.S. NATIONAL SCIENCE FOUNDATION**
Office of Inspector General

**MEMORANDUM**

**DATE:** August 22, 2025

**TO:** Star Anderson
Acting Chief Human Capital Officer and Acting Division Director
Division of Human Resource Management
U.S. National Science Foundation

[redacted]

**FROM:** Theresa S. Hull
Assistant Inspector General
Office of Audits, Inspections, and Evaluations

**SUBJECT:** Final Report No. 25-09-005, *Review of NSF's Use of Non-Federal Employees in Supervisory Positions*

Attached is the final report on the subject review. We have included NSF's response to the draft report as an appendix. NSF concurred with all our recommendations. In accordance with Office of Management and Budget Circular A-50, please provide a written corrective action plan to address the report recommendations. The plan should detail specific actions and associated milestone dates. Please provide the plan within 60 calendar days.

We appreciate the courtesies and assistance NSF staff provided during the review. If you have any questions, please contact Ken Lish, Director of Inspections, Evaluations, and Agile Products, at 703-292-7100 or OIGPublicAffairs@nsf.gov.

CC: Victor McCrary, Aaron Dominguez, Wanda Ward, Scott Stanley, John Veysey, Ann Bushmiller, Micah Cheatham, Angel Williams, and Christina Sarris

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## Abbreviations

| | |
|---|---|
| FY | Fiscal Year |
| GAO | U.S. Government Accountability Office |
| IPA | individuals assigned under the *Intergovernmental Personnel Act* |
| NSF | U.S. National Science Foundation |
| OIG | Office of Inspector General |
| OPM | U.S. Office of Personal Management |
| USC | United States Code |

# Background

The U.S. National Science Foundation is an independent federal agency created by Congress in 1950 "[t]o promote the progress of science; to advance the national health, prosperity, and welfare; to secure the national defense; and for other purposes" (Pub. L. No. 81-507). With a budget of about $9.06 billion (FY 2024), NSF is the funding source for about 25 percent of all federally supported basic research conducted by America's colleges and universities. Each year, NSF supports about 300,000 scientists, engineers, educators, and students at universities, laboratories, and field sites.

As part of its human capital management strategy, NSF employs temporary, non-federal staff through the *Intergovernmental Personnel Act* and the Visiting Scientist, Engineer, and Educator program. These individuals — referred to as IPAs or rotators — bring perspectives from all fields of science and engineering to support NSF's mission. As of October 2024, NSF's workforce was comprised of about 2,000 employees, including approximately 300 non-federal employees. NSF employs IPAs in both supervisory and non-supervisory positions.

## Federal Guidance on IPAs

NSF provides scientists, engineers, and educators the opportunity to temporarily serve at NSF as non-federal employees. Most non-federal staff are individuals assigned under Title IV of the *Intergovernmental Personnel Act* (the Act), 5 U.S.C. § 3371-3375, and are referred to as IPAs. The Act authorizes personnel from institutions of higher education and other eligible entities to serve on temporary detail to federal agencies.[1]

NSF benefits from hosting IPAs, however, their authority to act in a supervisory role is limited. According to 5 USC § 7103 (10), a supervisor in the federal government is "an individual employed by an agency having authority in the interest of the agency to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority … requires the consistent exercise of independent judgment."

In January 2022, the U.S. Government Accountability Office (GAO) reported that the U.S. Office of Personnel Management's (OPM) guidance on supervisory activities for non-federal employees was unclear and may lead to non-federal employees taking performance management actions that could pose risks to their respective agencies. OPM agreed with GAO and noted that although it "… has advised agencies informally over the years that … [IPA] detailees can serve as project leads and perform project management leadership activities," it would be "inappropriate" for IPAs to perform other supervisory functions, including "conducting

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[1] OPM Intergovernmental Personnel Act, https://www.opm.gov/policy-data-oversight/hiring-information/intergovernment-personnel-act/#url=Provisions, April 2, 2025.

an employee's annual performance rating, engaging in performance-based or adverse action procedures, [and] rewarding employees."[2]

As a result, in July 2022, OPM updated its guidance for non-federal employees serving in supervisory positions on its Hiring Information policy website.[3] The update clarified the supervisory functions that non-federal employees can and cannot undertake. Specifically, "A non-Federal employee who is assigned to a Federal position, either by detail or appointment, may serve as a project lead and perform project management leadership activities such as assigning work, establishing project milestones, completion dates, etc. However, a non-Federal employee who is assigned to a Federal position, either by detail or appointment, cannot perform other aspects of the Federal supervisory function, such as conducting an employee's annual performance rating, engaging in performance based or adverse action procedures, rewarding employees, etc." According to OPM's response to GAO, non-federal employees performing these duties would violate provisions of U.S. code and "create a significant conflict of interest issue for all parties involved." Finally, NSF contacted OPM directly, presented potential solutions related to NSF's use of non-federal employes in supervisory positions, and sought OPM's feedback. On September 30, 2024, OPM confirmed to NSF that it cannot use non-federal employees in supervisory positions.

## Review Objective

The objective of this review was to determine the extent to which NSF's workforce management policies comply with federal guidance related to non-federal employees' performance of supervisory duties and functions.

# Results of Review

NSF's workforce management policies do not comply with federal guidance related to non-federal employees' performance of supervisory duties and functions. NSF permits IPAs to supervise employees and perform functions prohibited by OPM's guidance, such as conducting an employee's annual performance rating, engaging in performance-based or adverse action procedures, and rewarding employees. As of October 2024, IPAs accounted for almost 10 percent of all supervisors at NSF and were responsible for directly supervising nearly 10 percent of NSF's workforce. IPAs also held executive-level supervisory positions in all eight scientific directorates and the Office of the Director.

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[2] GAO-22-104414, *Personnel Mobility Program: Improved Guidance Could Help Federal Agencies Address Skills Gaps and Maximize Other Benefits,* January 27, 2022
[3] OPM's updated Hiring Information, Intergovernmental Personnel Act, website is available at https://www.opm.gov/policy-data-oversight/hiring-information/intergovernment-personnel-act/#url=Assignment, last accessed March 19, 2025.

NSF is developing a plan to comply with OPM's guidance on non-federal employees' performance of supervisory duties and functions. However, NSF has not yet resolved instances where IPAs are performing prohibited supervisory duties or updated its policies and procedures to be compliant with OPM guidance; and prior to the government-wide hiring freeze, NSF continued to post supervisory job announcements open to non-federal employees.[4]

# NSF Is Not Complying with OPM's Restriction on Non-Federal Employees Conducting Supervisory Activities

In July 2022, OPM updated its guidance for non-federal employees serving in supervisory positions on its Hiring Information policy website.[5] The update clarified the supervisory functions that non-federal employees can and cannot undertake. NSF's policy, both prior to and since OPM updated its guidance, is not in compliance with OPM's restriction on non-federal employees performing supervisory duties and functions. According to NSF's *Personnel Manual*, "IPA participant assignees from non-Federal organizations can supervise career Federal employees."[6] NSF also allows IPAs to supervise non-federal employees.

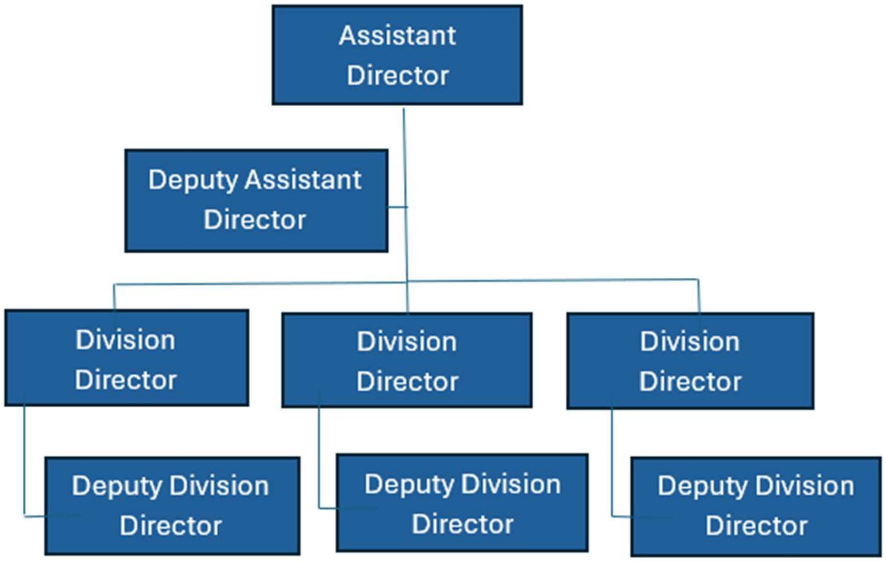
As of October 31, 2024, IPAs held 27 supervisory positions, accounting for almost 10 percent of NSF's 279 supervisors. IPAs serve in executive-level supervisory capacities in all eight of NSF's scientific directorates and in NSF's Office of the Director. Further, IPAs hold Assistant Director and other leadership positions equivalent to the federal Senior Executive Service (SES). Individuals in these roles perform supervisory functions and provide leadership and overall direction through a staff of subordinate managers. NSF provided an example directorate-level reporting structure that demonstrates the leadership positions IPAs currently hold; see Figure 1. Supervisory IPAs are primarily assigned as Assistant Directors and Division Directors and they hold these positions in proportion greater than or equal to their federal counterparts; see Table 1.

[4] On January 20, 2025, a 90-day government-wide hiring freeze was announced by the White House. On that date, NSF suspended all hiring actions. The government-wide hiring freeze has since been extended to October 15, 2025.

[5] OPM's updated Hiring Information, Intergovernmental Personnel Act, website is available at https://www.opm.gov/policy-data-oversight/hiring-information/intergovernment-personnel-act/#url=Assignment, last accessed March 19, 2025.

[6] The NSF Personnel Manual, Chapter 2.600.X.A, last update May 9, 2022, states that "IPA participant assignees from non-Federal organizations can supervise career Federal employees."

**Figure 1. Example of NSF Directorate Leadership Reporting Structure**




*Source:* NSF OIG Analysis

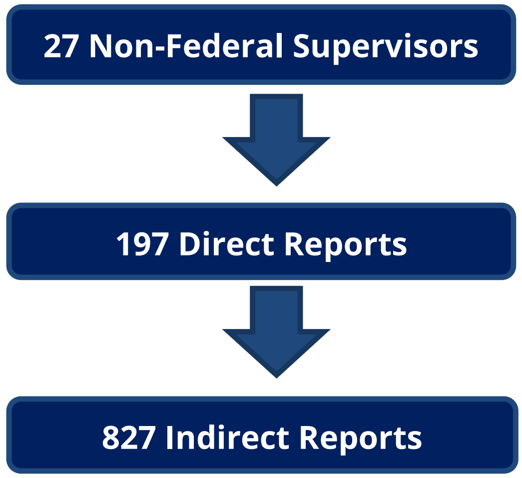
**Table 1. Number of Non-Federal and Federal Supervisors as of October 2024**

| NSF Position Title | Number of Non-Federal Supervisors | Number of Federal Supervisors | Total Number of Supervisors |
|---|---|---|---|
| Assistant Director | 6 | 2 | 8 |
| Office Head | 1 | 5 | 6 |
| Deputy Assistant Director | 0 | 7 | 7 |
| Division Director | 18 | 18 | 36 |
| Office Director | 1 | 0 | 1 |
| Deputy Division Director | 1 | 27 | 28 |
| Other Supervisory Positions | 0 | 193 | 193 |
| **Total** | **27** | **252** | **279** |

*Source:* NSF OIG Analysis

As of October 31, 2024, non-federal supervisors directly supervised 197 of NSF's 2,002 employees, or nearly 10 percent of NSF's workforce. In addition to the direct supervisory relationship with their immediate subordinates, non-federal supervisors have an indirect supervisory relationship with staff members who are further down the supervisory chain of command. As of October 31, 2024, non-federal supervisors had 827 indirect reports, accounting for 41 percent of NSF's workforce; see Figure 2.

**Figure 2. Total of Non-Federal Supervisors Direct and Indirect Reports**




*Source:* NSF OIG analysis of NSF-provided personnel data to identify 1) all supervisory IPAs, 2) employees that are direct reports to those IPA supervisors (this group includes limited instances of individuals that are also supervisory IPAs), and 3) employees that are supervised by those direct reports.

## NSF Has Not Yet Updated Its Policies and Procedures to Comply with OPM's Guidance

In the summer of 2023, NSF began identifying approaches to come into compliance with OPM's guidance on non-federal employees serving in supervisory positions. In April 2024, NSF presented potential solutions to OPM and sought OPM's feedback on possible paths forward. Ultimately, on September 30, 2024, OPM confirmed to NSF that it cannot use non-federal employees in supervisory positions. However, as of the date of this report, NSF has not updated its policies and procedures to comply with OPM's guidance or transitioned non-federal employees out of supervisory positions. Additionally, in the three months following OPM's confirmation that non-federal employees cannot be employed in supervisory positions, NSF posted two supervisory job announcements, and two others remained open, to both federal employees and IPAs.[7]

According to NSF, it is continuing to work through the implications of OPM's determination and is developing a path forward. NSF indicated that specific complexities for coming into compliance include transitioning supervisory IPA responsibilities to a fixed number of allocated SES positions, the need to amend existing IPA agreements that incorporate supervisory responsibilities, and the broad impact across the agency as all directorates have at least one executive-level IPA.

[7] On January 20, 2025, a 90-day government-wide hiring freeze was announced by the White House. On that date, NSF suspended all hiring actions. The government-wide hiring freeze has since been extended to October 15, 2025.

# Recommendations

We recommend that NSF's Acting Chief Human Capital Officer:

1. Promptly resolve instances where non-federal employees are performing prohibited supervisory functions, such as conducting an employee's annual performance rating, engaging in performance-based or adverse action procedures, or rewarding employees.

2. Promptly update existing and/or implement new human capital management policies and procedures that comply with the Office of Personnel Management's hiring guidance by ensuring non-federal employees do not perform supervisory functions.

# OIG Evaluation of Agency Response

NSF agreed with our findings and recommendations and looks forward to developing and implementing corrective actions.

# Appendix A: Objective, Scope, and Methodology

**Objective**

The objective of this review was to determine the extent to which NSF's workforce management policies complied with federal guidance related to non-federal employees' performance of supervisory duties and functions.

**Scope and Methodology**

We conducted this review between April 2024 and November 2024 according to the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Federal Offices of Inspector General*, dated August 2012. Those standards set forth the overall quality framework for managing, operating, and conducting the work of the Offices of Inspector General. Our review adhered to applicable professional standards and was conducted with integrity, objectivity, independence, due professional care, and quality assurance.

The scope of this review included all NSF supervisors and the personnel they supervised as of October 31, 2024. We planned and performed the review to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusions based on our objective. We believe that the evidence obtained provides a reasonable basis for our conclusions.

To achieve our objective, we reviewed applicable laws, regulations, and policies. We also gained an understanding of NSF's workforce management policies and procedures in relation to our objective. Additionally, we requested data and supporting documentation to help us identify the number of non-federal supervisors at NSF as of October 31, 2024. We reviewed the supporting documentation NSF provided, conducted data analysis based on the supporting documentation, and requested additional documentation as necessary to ensure we obtained sufficient, appropriate evidence to support our conclusions.

# Appendix B: Agency Response

U.S. National Science Foundation
**OIRM Division of Human Resource Management**

**MEMORANDUM**

DATE: July 7, 2025

TO: Theresa S. Hull, Assistant Inspector General for Audits, Inspections, and Evaluations, NSF Office of Inspector General (NSF OIG)

FROM: Star Anderson, Acting Director, Human Resource Management Division and Acting Chief Human Capital Officer, NSF STARLISHA J ANDERSON Digitally signed by STARLISHA J ANDERSON Date: 2025.07.08 14:21:11 -04'00'

SUBJECT: NSF's Response to the OIG's Official Draft Report, "Inspection of NSF's Use of Non-Federal Employees in Supervisory Positions"

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NSF appreciates the opportunity to review and provide comments to the OIG's draft report for its Inspection of NSF's Use of Non-Federal Employees in Supervisory Positions. We agree with the two recommendations arising from the inspection. We look forward to developing and implementing a Corrective Action Plan, in accordance with law.

cc: Micah Cheatham, Chief Management Officer, NSF
Angel R. Williams, General Counsel, NSF

# National Defense Authorization Act General Notification

Pursuant to Pub. L. No. 117-263 § 5274, business entities and non-governmental organizations specifically identified in this report have 30 days from the date of report publication to review this report and submit a written response to NSF OIG that clarifies or provides additional context for each instance within the report in which the business entity or non-governmental organizations is specifically identified. Responses that conform to the requirements set forth in the statute will be attached to the final, published report.

If you find your business entity or non-governmental organization was specifically identified in this report and wish to submit comments under the above-referenced statute, please send your response within 30 days of the publication date of this report to OIGPL117-263@nsf.gov, no later than September 26, 2025. We request that comments be in .pdf format, be free from any proprietary or otherwise sensitive information, and not exceed two pages. Please note, a response that does not satisfy the purpose set forth by the statute will not be attached to the final report.

## About Us

NSF OIG was established in 1989, in compliance with the *Inspector General Act of 1978* (5 USC § 401-24). Our mission is to provide independent oversight of NSF to improve the effectiveness, efficiency, and economy of its programs and operations and to prevent and detect fraud, waste, and abuse.

## Contact Us

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- Anonymous Hotline: 1-800-428-2189
- Mail: 2415 Eisenhower Avenue, Alexandria, VA 22314 ATTN: OIG HOTLINE

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