



NATIONAL SCIENCE FOUNDATION
Division of Institution & Award Support

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Alexandria, VA 22314
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December 23, 2019

Jerry Fife
Interim Director
University of Wyoming
Office of Sponsored Programs
1000 E University Avenue
Laramie, WY 82071

Reference: OIG Report No. 19-1-002

Dear Mr. Fife:

The National Science Foundation (NSF) has completed the review and resolution of the Office of Inspector General (OIG) audit report on costs incurred under NSF awards by the University of Wyoming (UW) during the period of October 1, 2011 through September 30, 2014.

The audit report questioned a total of \$441,683 in costs claimed under NSF awards and recommended that UW strengthen its administrative and management controls for the areas in which findings were identified. As a result of its resolution efforts, NSF has determined that questioned costs in the amount of \$207,276 will be disallowed. The table below summarizes the allowed and disallowed costs by finding number:

Finding	Description	Questioned	Disallowed	Allowed
1	Unallowable costs incurred due to lack of supporting documentation	\$44,330	\$44,330	\$0
2	Unallowable relocation costs	\$15,581	\$15,581	\$0
3	Inadequate support for transfer of transactions from one award to another	\$381,772	\$147,365	\$234,407
Total		\$441,683	\$207,276	\$234,407

To resolve the audit findings and questioned costs, NSF conducted detailed reviews of applicable Federal and NSF requirements, proposal and award information maintained by the Agency, and documentation provided by UW. The following provides the basis for the management decisions reached by NSF:

- **Finding 1: Unallowable costs incurred due to lack of supporting documentation**
NSF sustains the finding. Based on UW's concurrence, NSF's management decision is to disallow questioned costs of \$44,330.
- **Finding 2: Unallowable relocation costs**
NSF does not sustain the finding, but disallows the questioned costs totaling \$15,581. Under prior audit resolutions, NSF has allowed relocation costs when supporting documentation was provided that demonstrated: (1) the University followed its own policies and procedures for charging relocation costs directly to the NSF award in question; (2) the University's policies aligned with the Federal Cost Principles; and (3) the allocability and direct charging of the relocation costs was adequate. Based on UW's failure to provide supporting documentation, NSF's management decision is to disallow the questioned costs of \$15,581.
- **Finding 3: Inadequate support for transfer of transactions from one award to another**
NSF sustains this finding. Based on UW's concurrence, NSF's management decision is to disallow questioned costs totaling \$147,365. NSF determined that the remaining questioned costs of \$234,407 were related to a revenue transfer rather than an expense transfer and adequate supporting documentation was provided by UW to support the revenue transfer. It is NSF's management decision to disallow \$147,365 and allow \$234,407.
- **Finding 4: Personnel Activity Report (PAR)/timesheet was not signed off as appropriately approved**
NSF sustains the finding. UW concurred with the finding and NSF accepts that the corrective actions taken will improve controls over PAR approvals.
- **Finding 5: Late submission of PARs**
NSF sustains the finding. UW concurred with the finding and NSF accepts that the corrective actions taken will improve the timeliness of PARs.
- **Finding 6: The purchase card maximum limit of \$1,500 was exceeded with proper documented approval**
NSF sustains the finding. UW concurred with the finding and NSF accepts that the corrective actions taken will improve controls over purchase cards.

NSF has accepted UW's stated corrective actions as responsive to the compliance and internal control recommendations. Therefore, all compliance and internal control recommendations are considered resolved and closed.

Based on the above, the total disallowed amount is \$207,276. **Repayment of the \$207,276 may be made via www.pay.gov or check payable to the National Science Foundation.** Please reference OIG Audit Report No. 19-1-002. Any necessary adjustments to ACM\$ because of the repayment will be made by the NSF Division of Financial Management.

Check repayments must be addressed as follows:

National Science Foundation
Attention: NSF Cashier
2415 Eisenhower Avenue, C 7000
Alexandria, VA 22314

Please be aware that UW's right to appeal cost disallowances by NSF is outlined in Chapter XII.B of the NSF Proposal and Award Policies and Procedures Guide (PAPPG), which may be found online at: https://www.nsf.gov/publications/pub_summ.jsp?ods_key=pappg.

NSF considers all audit report findings and questioned costs resolved. Upon verification that repayment of all disallowed costs has been completed, the audit report will be fully closed out by NSF.

UW's timely responses and full cooperation with the NSF audit resolution process have been greatly appreciated. Should you have any questions regarding this letter or the NSF audit resolution process, please contact me at 703-292-4579.

Sincerely,

Carrie Davison

Carrie Davison, Team Lead – Audit Resolution
Resolution and Advanced Monitoring Branch
Division of Institution and Award Support