



**NATIONAL SCIENCE FOUNDATION**  
**Division of Institution & Award Support**

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October 29, 2020

Patrick Clark  
Associate Vice President, Operations & Business Intelligence  
University of Cincinnati  
Office of Research  
51 Goodman Drive, Suite 540  
Cincinnati, OH 45221-0663

Reference: OIG Report No. 19-1-014

Dear Mr. Clark:

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 Cincinnati (UC) during the period of August 1, 2014 through July 31, 2017.

The audit report questioned a total of \$18,526 in costs claimed under NSF awards and recommended that UC 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 \$3,018 will be disallowed. The table below summarizes the allowed and disallowed costs by finding number:

<b>Finding</b>	<b>Description</b>	<b>Questioned</b>	<b>Disallowed</b>	<b>Allowed</b>
1	Unallocable Tuition and Stipend	\$15,508	\$0	\$15,508
2	Travel Expenses After Performance Period	\$3,018	\$3,018	\$0
<b>Total</b>		<b>\$18,526</b>	<b>\$3,018</b>	<b>\$15,508</b>

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 ASU. The following provides the basis for the management decisions reached by NSF:

- **Finding 1: Unallocable Tuition and Stipend**

NSF does not sustain the finding. NSF determined that the basis used to question the costs is not applicable and that the questioned costs were otherwise allowable costs under the NSF award. It is NSF's management decision to allow \$15,508.

- **Finding 2: Travel Expenses After Performance Period**

NSF sustains the finding. Based upon UC's concurrence, it is NSF's management decision to disallow \$3,018.

NSF accepts UC's stated corrective actions as responsive to the compliance and internal control recommendations related to the audit findings above. Therefore, all compliance and internal control recommendations are considered resolved and closed.

Based on the above the total disallowed amount is \$3,018. **Repayment of the \$3,018 must be made via [www.pay.gov](http://www.pay.gov).** Please reference OIG Audit Report No. 19-1-014. Any necessary adjustments to ACM\$ because of the repayment will be made by the NSF Division of Financial Management.

Please be aware that UC'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](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.

UC'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