



U.S. National Science Foundation  
Office of the Director

November 4, 2024

Dr. Dario Gil  
Chair, National Science Board  
2415 Eisenhower Avenue  
Alexandria, VA 22314

Dear Dr. Gil:

This letter transmits the National Science Foundation's Management Response to the Office of Inspector General's ("OIG") Semiannual Report, which covers the period from April 1 through September 30, 2024. The Management Response consists of two statistical tables that are required of all Executive agencies under the Inspector General Act (as amended.) The NSF submits its Management Response to the National Science Board so that the Board may, subject to an affirmative vote, include NSF's Management Response when they transmit the OIG Semiannual Report to Congress.

The Inspector General Act requires that the NSF Management Response report status and progress towards resolving past expenditures identified by the OIG as "questioned costs" or "funds put to better use". Costs may be questioned by the OIG because of an alleged violation of law, regulation, or other standard or because of a finding that costs were not supported by adequate documentation at the time of an audit. During the reporting period, NSF resolved \$2,186,550 in questioned costs and the OIG identified an additional \$130,688 in new, questioned costs, for a net reduction in questioned costs of \$2,055,862. "Funds put to better use" and funds that could be used more efficiently if NSF implemented an OIG recommendation. There were no open determinations of "funds put to better use" at the beginning of the period and no new findings were made during the reporting period.

NSF is also required to report on the status and progress of resolving OIG recommendations. The second table provided in our Management Response identifies a total of 310 OIG recommendations open at the beginning of the period or for which management decisions were made in the reporting period. The NSF took final action on 209 recommendations during the period, leaving a net balance of 101 open audit recommendations to carry over into the next period. We have applied resources to reduce the number of OIG audit reports for which management decisions or final actions are pending since the last reporting period.

Our Management Response only reports data relating to OIG external audits, primarily compliance audits of grant recipients. An additional 6 reports and 13 recommendations remain open at the end of the reporting period for OIG audits of NSF internal programs and operations (“internal audits”). Management has agreed to all recommendations included in these audits, and none include questioned costs or funds put to better use.

The NSF appreciates the work of the OIG’s Office of Audits, Inspections, and Evaluations, our effective working relationship with the OIG, and the professionalism of OIG staff. We look forward to continued engagement with the OIG toward our shared goal of responsible stewardship of U.S. taxpayer funds.

Sincerely,

**MICAH M  
CHEATHAM**

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Micah Cheatham  
Chief Management Officer

**Management Decisions Made on OIG External Audit Reports  
for the Six-Month Period Ended September 30, 2024**

	Number of Reports	Dollar Value
A. Audit reports pending management decisions at the beginning of the period	32	\$6,123,046
(1) Questioned Costs	32	\$6,123,046
(2) Funds Put to Better Use	0	\$0
B. Audit reports issued during the reporting period	5	\$130,688
(1) Questioned Costs	5	\$130,688
(2) Funds Put to Better Use	0	\$0
C. Total audit reports pending management decisions this reporting period (A+B)	37	\$6,253,734
D. Audit reports for which a management decision was made during the reporting period (Disallowed Costs)	16	\$1,638,814
(1) Questioned Costs	16	\$2,186,550
(a) Disallowed Costs	16	\$1,638,814
(b) Allowed Costs	16	\$547,736
(2) Funds Put to Better Use	0	n/a
E. Audit reports pending management decisions at the end of the period	21	\$4,067,184
(1) Questioned Costs	21	\$4,067,184
(2) Funds Put to Better Use	0	\$0
F. Total Reports (D+E)	37	

**Final Actions Taken on Audits with Management Decisions  
for the Six-Month Period Ended September 30, 2024**

	Number of Recommendations	Dollar Value
A. Audit reports with management decisions on which final action had not been taken at the beginning of the period	46	\$492,199
B. Audit reports on which management decisions were made during the period	264	\$1,638,814
C. Total audit reports pending final action during this period (Total A+B)	310	\$2,131,013
D. Audit reports on which final action was taken during this period	209	\$303,708
(1) Recoveries		
a) Collection and Offset		\$303,708
b) Amount uncollectible		
(2) Write-offs		
(3) Implemented Recommendations	209	
E. Audit reports needing final action at the end of the reporting period and unimplemented recommendations (C-D) <b>Management decisions made during the preceding year.</b>	101	\$1,827,305
F. Total (D+E)	310	\$2,131,013

**Management Decisions Made on OIG External Audit Reports for the Period Ended September 30, 2024**

<b>A. Audit reports pending management decisions at the beginning of the period:</b>		<b>No. of Recommendations</b>	<b>Questioned Costs</b>	<b>Funds Put to Better Use</b>
1	19-1-010	19	\$357,108	\$0
2	19-1-017	24	\$369,532	\$0
3	20-1-004	43	\$744,671	\$0
4	20-1-005	30	\$133,305	\$0
5	21-1-002	24	\$137,558	\$0
6	21-1-004	17	\$640,723	\$0
7	21-1-007	35	\$276,440	\$0
8	21-1-019	12	\$106,659	\$0
9	21-1-020	20	\$136,810	\$0
10	22-1-002	24	\$249,210	\$0
11	22-1-003	33	\$226,652	\$0
12	22-1-006	13	\$30,177	\$0
13	22-1-008	12	\$88,089	\$0
14	22-1-009	16	\$158,050	\$0
15	22-1-011	10	\$14,847	\$0
16	22-1-013	10	\$10,260	\$0
17	23-1-002	27	\$319,674	\$0
18	23-1-003	16	\$129,951	\$0
19	23-1-004	10	\$6,048	\$0
20	23-1-005	5	\$470	\$0
21	23-1-006	22	\$198,137	\$0
22	23-1-007	5	\$960	\$0
23	23-1-008	4	\$2,496	\$0
24	23-1-009	5	\$2,891	\$0
25	24-1-002	13	\$257,693	\$0
26	24-1-003	4	\$7,870	\$0
27	24-1-004	7	\$7,754	\$0
28	24-1-005	17	\$34,314	\$0
29	24-1-006	18	\$119,241	\$0
30	24-1-007	9	\$104,270	\$0
31	24-1-008	19	\$1,251,186	\$0
32	24-1-009	1	\$0	\$0
	<b>Subtotal A</b>	<b>524</b>	<b>\$6,123,046</b>	<b>\$0</b>
<b>B. Audit reports issued this six-month reporting period:</b>				
1	24-1-010	1	\$1,350	\$0
2	24-1-011	14	\$41,311	\$0
3	24-1-012	4	\$9,709	\$0
4	24-1-013	14	\$78,318	\$0
5	24-1-014	2	\$0	\$0
	<b>Subtotal B</b>	<b>35</b>	<b>\$130,688</b>	<b>\$0</b>
<b>C. Total audit reports pending management decisions this reporting period: (Total A+B: 37)</b>				
		<b>559</b>	<b>\$6,253,734</b>	<b>\$0</b>

**D. Audit reports for which a management decision was made during the reporting period:**

		No. of Recommendations	Questioned Costs	Funds Put to Better Use	Disallowed Costs
1	20-1-004	43	\$744,671	\$0	\$613,823
2	20-1-005	30	\$133,305	\$0	\$80,117
3	21-1-002	24	\$137,558	\$0	\$95,489
4	21-1-019	12	\$106,659	\$0	\$103,765
5	21-1-020	20	\$136,810	\$0	\$79,144
6	22-1-002	24	\$249,210	\$0	\$188,314
7	22-1-003	33	\$226,652	\$0	\$218,360
8	22-1-006	13	\$30,177	\$0	\$19,608
9	22-1-008	12	\$88,089	\$0	\$33,562
10	23-1-002	27	\$319,674	\$0	\$195,383
11	23-1-004	10	\$6,048	\$0	\$6,048
12	23-1-007	5	\$960	\$0	\$960
13	23-1-008	4	\$2,496	\$0	\$0
14	23-1-009	5	\$2,891	\$0	\$2,891
15	24-1-009	1	\$0	\$0	\$0
16	24-1-010	1	\$1,350	\$0	1350
	<b>Subtotal D</b>	<b>264</b>	<b>\$2,186,550</b>	<b>\$0</b>	<b>\$1,638,814</b>

**E. Audit reports pending management decisions at the end of the period:**

	No. of Recommendations	Questioned Costs	Funds Put to Better Use
1	19	\$357,108	\$0
2	24	\$369,532	\$0
3	17	\$640,723	\$0
4	35	\$276,440	\$0
5	16	\$158,050	\$0
6	10	\$14,847	\$0
7	10	\$10,260	\$0
8	16	\$129,951	\$0
9	5	\$470	\$0
10	22	\$198,137	\$0
11	13	\$257,693	\$0
12	4	\$7,870	\$0
13	7	\$7,754	\$0
14	17	\$34,314	\$0
15	18	\$119,241	\$0
16	9	\$104,270	\$0
17	19	\$1,251,186	\$0
18	14	\$41,311	\$0
19	4	\$9,709	\$0
20	14	\$78,318	\$0
21	2	\$0	\$0
	<b>Subtotal E</b>	<b>\$4,067,184</b>	<b>\$0</b>
		<b>\$6,253,734</b>	<b>\$0</b>

**F. Reconciliation total audit reports (Total D+E: 37)**

**Final Actions Taken on Audits with Management Decisions for the Six-Month Period Ended September 30, 2024**

			Reported	Disallowed Costs	Open	Pending Repayment
			Recommendations		Recommendations	
<b>A. Audit Reports with management decisions on which final action had not been taken at the beginning of the period:</b>						
1	21-1-003	University of Wyoming	15	\$256,351	6	\$0
2	21-1-009	University of New Mexico	9	\$3,681	9	\$3,681
3	21-1-010	SUNY at Stony Brook	10	\$31,341	4	\$0
4	21-1-011	Florida International University	9	\$22,144	4	\$7,977
5	21-1-014	California Institute of Technology	11	\$18,865	1	\$16,351
6	21-1-017	Tennessee State University	13	\$155,432	12	\$154,493
7	22-1-001	University of Rhode Island <sup>1</sup>	21	\$469,628	5	\$239,339
8	22-1-012	North Carolina Central University	14	\$60,320	3	\$60,320
9	23-1-001	Cary Institute of Ecosystem Studies	15	\$10,038	2	\$10,038
<b>Subtotal A</b>			<b>117</b>	<b>\$1,027,800</b>	<b>46</b>	<b>\$492,199</b>

			Reported	Disallowed Costs	Open	Pending Repayment
			Recommendations		Recommendations	
<b>B. Audit Reports on which management decisions were made during the period:</b>						
1	20-1-004	University of North Carolina at Chapel Hill	43	\$613,823	43	\$613,823
2	20-1-005	University of Houston	30	\$80,117	30	\$80,117
3	21-1-002	Texas A&M University	24	\$95,489	24	\$95,489
4	21-1-019	University of Pittsburgh	12	\$103,765	12	\$103,765
5	21-1-020	University of California-San Francisco	20	\$79,144	20	\$79,144
6	22-1-002	University of Texas at Dallas	24	\$188,314	24	\$188,314
7	22-1-003	University of California - Merced	33	\$218,360	33	\$218,360
8	22-1-006	California Polytechnic State University Foundation	13	\$19,608	13	\$19,608
9	22-1-008	Education Development Center	12	\$33,562	12	\$33,562
10	23-1-002	Computing Research Association	27	\$195,383	27	\$195,383
11	23-1-004	University of North Carolina at Charlotte	10	\$6,048	10	\$6,048
12	23-1-007	Ohio State University	5	\$960	5	\$960
13	23-1-008	Smithsonian Institution Astrophysical Observatory	4	\$0	4	\$0
14	23-1-009	Monterey Bay Aquarium Research Institute	5	\$2,891	5	\$2,891
15	24-1-009	Virginia Polytechnic Institute and State University	1	\$0	1	\$0
16	24-1-010	University of Pittsburgh	1	\$1,350	1	\$1,350
<b>Subtotal B</b>			<b>264</b>	<b>\$1,638,814</b>	<b>264</b>	<b>\$1,638,814</b>

**C. Total Recommendations Pending Final Action During This Period:** 310 \$2,131,013

			Open	Pending Repayment	Closed	Repaid
			Recommendations		Recommendations	
<b>D. Audit Reports on which final action was taken during this period:</b>						
1	21-1-003	University of Wyoming	6	\$0	6	\$0
2	20-1-004	University of North Carolina at Chapel Hill	43	\$613,823	30	\$0
3	20-1-005	University of Houston	30	\$80,117	22	\$19,445
4	21-1-009	University of New Mexico	9	\$3,681	9	\$3,681
5	21-1-010	SUNY at Stony Brook	4	\$0	4	\$0
6	21-1-002	Texas A&M University	24	\$95,489	11	\$659
7	21-1-011	Florida International University	4	\$7,977	4	\$7,977
8	21-1-014	California Institute of Technology	1	\$16,351	1	\$16,351
9	21-1-017	Tennessee State University	12	\$154,493	6	\$154,493
10	21-1-019	University of Pittsburgh	12	\$103,765	5	\$0
11	21-1-020	University of California-San Francisco	20	\$79,144	14	\$1,352
12	22-1-002	University of Texas at Dallas	24	\$188,314	18	\$0
13	22-1-003	University of California - Merced	33	\$218,360	22	\$0
14	22-1-006	California Polytechnic State University Foundation	13	\$19,608	1	\$4,699
15	22-1-008	Education Development Center	12	\$33,562	5	\$13,444
16	22-1-012	North Carolina Central University	3	\$60,320	3	\$60,320
17	23-1-001	Cary Institute of Ecosystem Studies	2	\$10,038	2	\$10,038
18	23-1-002	Computing Research Association	27	\$195,383	20	\$0
19	23-1-004	University of North Carolina at Charlotte	10	\$6,048	10	\$6,048
20	23-1-007	Ohio State University	5	\$960	5	\$960
21	23-1-008	Smithsonian Institution Astrophysical Observatory	4	\$0	4	\$0
22	23-1-009	Monterey Bay Aquarium Research Institute	5	\$2,891	5	\$2,891
23	24-1-009	Virginia Polytechnic Institute and State University	1	\$0	1	\$0
24	24-1-010	University of Pittsburgh	1	\$1,350	1	\$1,350
<b>Subtotal D</b>			<b>305</b>	<b>\$1,891,674</b>	<b>209</b>	<b>\$303,708</b>

			Reported	Disallowed Costs	Open	Pending Repayment	Explanation Why Final Action is Not Complete
			Recommendations		Recommendations		
<b>E. Audit Reports needing final action at the end of the period:</b>							
1	20-1-004	University of North Carolina at Chapel Hill	43	\$613,823	13	\$613,823	a.
2	20-1-005	University of Houston	30	\$80,117	8	\$60,672	a.
3	21-1-002	Texas A&M University	24	\$95,489	13	\$94,830	a.
4	21-1-017	Tennessee State University	13	\$155,432	6	\$0	a.
5	21-1-019	University of Pittsburgh	12	\$103,765	7	\$103,765	a.
6	21-1-020	University of California-San Francisco	20	\$79,144	6	\$77,792	a.
7	22-1-001	University of Rhode Island <sup>1</sup>	21	\$469,628	5	\$239,339	a.
8	22-1-002	University of Texas at Dallas	24	\$188,314	6	\$188,314	a.
9	22-1-003	University of California - Merced	33	\$218,360	11	\$218,360	a.
10	22-1-006	California Polytechnic State University Foundation	13	\$19,608	12	\$14,909	a.
11	22-1-008	Education Development Center	12	\$33,562	7	\$20,118	a.
12	23-1-002	Computing Research Association	27	\$195,383	7	\$195,383	a.
<b>Subtotal E</b>			<b>272</b>	<b>\$2,252,625</b>	<b>101</b>	<b>\$1,827,305</b>	

**F. Reconciliation of Recommendations:** 310 \$2,131,013

**Final actions are completed when all recommendations are closed and all disallowed costs have been repaid. Explanations why final actions are not complete:**  
a. The management decision was made during the preceding year.

<sup>1</sup>Report 22-1-001 for University of Rhode Island disallowed costs is corrected from \$459,522 to \$469,628 and pending repayment is corrected from \$229,233 to \$239,339.