



A MESSAGE FROM THE DIRECTOR



Credit: Sandy Schaeffer

I am pleased to present the National Science Foundation's (NSF) Agency Financial Report for fiscal year (FY) 2013. NSF's mission is to promote and advance progress in science and engineering research and education in the United States. We achieve this mission through investments that focus on key national and scientific policy priorities by providing broad-based support of science and engineering research and education at the nation's colleges and universities. We support the best people and the best ideas, including more than 200 Nobel laureates since the Foundation's establishment in 1951, and 8 of the 2013 Nobelists. We are dedicated to preserving the federal investment in multidisciplinary fundamental research, infrastructure, and education, to ensure the future vitality of the U.S. science and engineering enterprise and our global competitive edge. Over the past 60 years, the agency's investments in science and engineering have led to important innovations that have been an indispensable driver of economic prosperity and increased national security.

Like all federal agencies, in FY 2013, NSF was challenged by the discretionary funding sequestration. NSF was able to largely mitigate the impact of sequestration on agency activities and operations for FY 2013. The programmatic impact of sequestration was seen principally in a reduced number of new awards. On the management front, the agency pursued a range of operational efficiencies, particularly in connection with travel expenditures and conference spending. We nonetheless remain deeply concerned about NSF's long-term ability to support the U.S. science and engineering research enterprise should sequestration continue in FY 2014 and beyond.

In FY 2013, we reviewed 49,000 competitive proposals and made 10,844 new awards to 1,922 institutions in 50 states, the District of Columbia, and 3 U.S. territories. Of the agency's 18 performance goals, 9 were fully achieved. NSF will report the complete results of our FY 2013 Government Performance and Results Act (GPRA) performance goals in NSF's *Annual Performance Report* as part of the agency's *FY 2015 Budget Request to Congress*. All NSF's GPRA performance data undergo a rigorous verification and validation review by an independent, external management consultant based on guidance from the U.S. Government Accountability Office. A more detailed discussion about NSF's endeavors and accomplishments is included in this report.

I am pleased to report that NSF received its 16th consecutive unqualified opinion from an independent audit of its financial statements. The audit report identified no material weaknesses. In addition, NSF can provide reasonable assurance that the agency is in substantial compliance with the Federal Managers Financial Integrity Act of 1982 and related laws and regulations. Moreover, internal control over financial reporting is operating effectively to produce reliable financial reporting; no material weaknesses were found in the design or operation of internal controls.

Thank you for your interest in the National Science Foundation.

A handwritten signature in blue ink that reads 'Cora B. Marrett'.

Cora B. Marrett
Acting Director

December 16, 2013