
**Middlesex County College
2600 Woodbridge Avenue
Edison, New Jersey 08818**

**National Science Foundation Award Number
ESI-9553749**

**Independent Auditors' Reports
and
Financial Schedules**

For the Period September 1, 1995 to August 31, 2001

**Leon Snead & Company, P.C.
Suite 400
416 Hungerford Drive
Rockville, Maryland 20850**

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EXECUTIVE SUMMARY

National Science Foundation
Office of Inspector General
4201 Wilson Boulevard
Arlington, Virginia 22230

EXECUTIVE SUMMARY

BACKGROUND

Middlesex County College (Middlesex) is located in Edison, New Jersey. Middlesex follows the cost principles specified in Office of Management and Budget (OMB) Circular A-21, *Cost Principles for Educational Institutions* and the Federal administrative requirements contained in OMB Circular A-110, *Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations*.

On September 1, 1995, the National Science Foundation (NSF) issued award ESI-9553749 to Middlesex to fund a project, entitled, "New Jersey Center for Advanced Technological Education," which was designed to restructure engineering technology education beginning in secondary school through the associate degree. As part of the New Jersey Consortium for Advanced Technological Education, Middlesex was to establish a center for engineering technology education. The NSF award budget was \$2,966,472 and Middlesex agreed to provide cost sharing in the amount of \$809,108 to support the project for the entire award period, September 1, 1995 through August 31, 2001. Middlesex claimed NSF funding of \$2,849,364 and cost sharing of \$969,550.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

We have performed an audit of award ESI-9553749 issued by NSF to Middlesex for the period September 1, 1995 to August 31, 2001. A summary of the audit results of this award are in Schedule A - *Schedule of Award Costs* and Schedule C - *Summary Schedules of Award Audited and Audit Results*.

The objectives of our audit were to determine whether:

1. Costs charged to the NSF award by Middlesex are allowable, allocable, and reasonable, in accordance with the applicable Federal cost principles and NSF award terms and conditions; and

2. Middlesex's systems of internal controls are adequate to properly administer, account for, and monitor its NSF awards in compliance with NSF and Federal requirements.

Our audit was conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* (1994 Revision) issued by the Comptroller General of the United States of America, and the *National Science Foundation Audit Guide* (September 1996), as applicable. These standards, and the *National Science Foundation Audit Guide*, required that we plan and perform the audit to obtain reasonable assurance about whether the amounts claimed to NSF as presented in the *Schedule of Award Costs* (Schedule A), are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in Schedule A. An audit also includes assessing the accounting principles used and significant estimates made by Middlesex, as well as evaluating the overall financial schedule presentation. We believe our audit provides a reasonable basis for our opinion.

SUMMARY OF AUDIT RESULTS

An audit was performed on the financial reports submitted to NSF, as well as on the cost sharing provided by Middlesex, for the NSF award audited. These costs and the results of our audit are shown in Schedule A and are summarized as follows:

<u>Award No.,</u>	<u>Source of Funding</u>	<u>Budget</u>	<u>Claimed Costs</u>	<u>Questioned Costs</u>
ESI-9553749	NSF Funding	\$2,966,472	\$2,849,364	\$ 15,489
	Cost Sharing	809,108	969,550	0
	Total Project	<u>\$3,775,580</u>	<u>\$3,818,914</u>	<u>\$_15,489</u>

The costs claimed by Middlesex for the award expenditures were generally allowable, allocable, and reasonable in accordance with the applicable Federal cost principles and the NSF award terms and conditions, except for \$15,489 in indirect costs. The approved NSF award budget specified that Middlesex was allowed to charge indirect costs at a rate of 35 percent only to salaries and wages. Middlesex erroneously claimed \$15,489 of indirect costs on \$44,254 of claimed consultant costs. Furthermore, Middlesex should not have claimed indirect costs on the claimed consultant costs because these consultants worked outside of the awardee's facility, and therefore, did not incur any of its indirect costs. The claim was made in error and Middlesex's internal control procedures were not sufficient to detect the error. As a result, we questioned \$15,489 of claimed indirect costs. (See *Schedule of Questioned Costs*, Schedule B.) Claiming indirect costs for consultants is a direct violation of the approved award budget and can discredit the integrity of an awardee's system for accounting for claimed costs and result in disallowed indirect cost claims. In addition, Middlesex did not provide timely certification of its cost-sharing for the third year of the award. At the time of our review, Middlesex officials could not locate their cost-sharing records for the third year. However, Middlesex later obtained supporting cost-sharing records from its sub-grantees and provided the certification approximately one year after its due date to NSF. As a result of Middlesex not timely certifying its cost sharing, NSF has less assurance that its funded program objectives had been met as anticipated when the award was made. Except for these two weaknesses, we found that

Middlesex's systems of internal controls were adequate to properly administer, account for, and monitor its NSF awards in compliance with NSF and Federal requirements.

As a result of our findings described above, we recommend that NSF's Division Directors of the Division of Acquisition and Cost Support (DACS) and the Division of Grants and Agreements (DGA) ensure that Middlesex for its current and future NSF award(s) (1) maintain written policies and procedures for charging direct and indirect costs to the NSF awards in compliance with the approved NSF award budget, OMB Circular A-110, and the NSF Grant Policy Manual (GPM), and (2) develop and implement written policies and procedures to ensure that the amount of cost sharing is reported to NSF and certified on an annual and cumulative basis as part of its annual progress and final project reports in accordance with the award terms and conditions and the GPM 333.6 (b). Middlesex commented in its September 10, 2003 response to the draft report that it agrees to maintain written policies and procedures for allocating indirect costs in compliance with OMB Circular A-110 and the GPM for current and future NSF awards. Also, Middlesex agrees to develop and implement written policies and procedures to ensure that the amount of cost sharing is reported to NSF and certified on an annual and cumulative basis as part of its annual progress and final project reports in accordance with award terms and conditions and the GPM 333.6 (b). In addition, Middlesex further commented that in October 2002 its *Grant Development and Administration Manual* was updated and includes policies and procedures for the allocation, reporting, and certification requirements associated with cost sharing.

EXIT CONFERENCE

An initial exit conference was held on November 2, 2001, at Middlesex's office in Edison, New Jersey. Preliminary findings and recommendations, as well as other observations, were discussed with those attending.

Representing Middlesex was:

Name	Title
[REDACTED]	[REDACTED]

Representing Leon Snead & Company, P.C. was:

Name	Title
[REDACTED]	[REDACTED]

A second exit conference was held on July 22, 2003 by telephone. Findings and recommendations contained in this report were discussed with those attending.

Representing Middlesex was:

Name	Title
[REDACTED]	[REDACTED]

Representing Leon Snead & Company, P.C. was:

Name	Title
[REDACTED]	[REDACTED]

AUDIT FINDINGS AND RECOMMENDATIONS

National Science Foundation
Office of Inspector General
4201 Wilson Boulevard
Arlington, Virginia 22230

INDEPENDENT AUDITORS' REPORT ON FINANCIAL SCHEDULES

We were engaged to audit the costs claimed by Middlesex County College (Middlesex) to the National Science Foundation (NSF) on the Federal Cash Transactions Reports (FCTR) - Federal Share of Net Disbursements for the NSF award listed below. In addition, we have also audited the amount of cost sharing claimed on the award. The FCTRs, as presented in the *Schedule of Award Costs* (Schedule A), are the responsibility of Middlesex's management. Our responsibility is to express an opinion on Schedule A based on our audit.

<u>Award Number</u>	<u>Award Period</u>	<u>Audit Period</u>
ESI-9553749	09/01/95 to 08/31/01	09/01/95 to 08/31/01

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* (1994 Revision) issued by the Comptroller General of the United States of America, and the *National Science Foundation Audit Guide* (September 1996). These standards, and the *National Science Foundation Audit Guide*, require that we plan and perform the audit to obtain reasonable assurance about whether the financial schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the *Schedule of Award Costs*. An audit also includes assessing the accounting principles used and significant estimates made by Middlesex's management, as well as evaluating the overall financial schedules' presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying financial schedules were prepared in conformance with the requirements of the *National Science Foundation Audit Guide* as described in the Notes to the Financial Schedules, and are not intended to be a complete presentation of financial position in conformity with accounting principles generally accepted in the United States of America.

Schedules A through C present costs in the amount of \$15,489 that are questioned as to their allowability under the award agreement. Questioned costs are (1) costs for which there is documentation that the recorded costs were expended in violation of the law, regulations or

specific conditions of the award, (2) costs that require additional support by the awardee, or (3) costs that require interpretation of allowability by NSF's Division of Acquisition and Cost Support (DACS).

We used non-statistical sampling to test the costs claimed by Middlesex for compliance with Federal and NSF award requirements. Based on this sampling plan, questioned costs in this report may not represent total costs that may have been questioned had all expenditures been tested. In addition, we made no attempt to project such costs to total costs claimed, based on the relationship of costs tested to total costs.

NSF will make the final determination about these findings. The ultimate outcome of this determination cannot presently be determined. Accordingly, no adjustment has been made to costs claimed for any potential disallowance by NSF.

In our opinion, the financial schedule referred to above presents fairly, in all material respects, the costs claimed on the FCTRs - Federal Share of Net Disbursements as presented in the *Schedule of Award Costs* (Schedule A), for the period September 1, 1995 to August 31, 2001, in conformity with the applicable Federal cost principles and NSF award terms and conditions and on the basis of accounting policies described in the Notes to the Financial Schedules.

In accordance with *Government Auditing Standards* and the *National Science Foundations Audit Guide*, we have also issued a report dated November 2, 2001, on our tests of Middlesex's compliance with certain provisions of laws and regulations, our consideration of its internal control over financial reporting, and the NSF award terms and conditions applicable to Middlesex. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the Middlesex's management, NSF, the cognizant Federal agency for audit, the Office of Management and Budget, and the Congress of the United States, and is not intended to be and should not be used by anyone other than these specified parties.

Leon Snead & Company, P.C.
Rockville, Maryland 20850
November 2, 2001

National Science Foundation
Office of Inspector General
4201 Wilson Boulevard
Arlington, Virginia 22230

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS AND INTERNAL CONTROL OVER FINANCIAL REPORTING

We have audited the *Schedule of Award Costs* as presented in Schedule A, which summarized the financial reports submitted by Middlesex County College (Middlesex) to the National Science Foundation (NSF) for the award listed below. We have issued our report thereon dated November 2, 2001.

<u>Award Number</u>	<u>Award Period</u>	<u>Audit Period</u>
ESI-9553749	09/01/95 to 08/31/01	09/01/95 to 08/31/01

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* (1994 Revision) issued by the Comptroller General of the United States of America, and the *National Science Foundation Audit Guide* (September 1996). These standards, and the *National Science Foundation Audit Guide*, require that we plan and perform the audit to obtain reasonable assurance about whether the financial schedules are free of material misstatement.

COMPLIANCE

Compliance with applicable Federal laws, regulations, and the NSF award terms and conditions is the responsibility of Middlesex's management. As part of obtaining reasonable assurance about whether the financial schedules are free of material misstatement, we performed tests of Middlesex's compliance with certain provisions of laws, regulations, and the NSF award terms and conditions, noncompliance with which could have a direct and material effect on the determination of the financial schedules' amounts. However, providing an opinion on overall compliance with such provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests of compliance disclosed two instances of noncompliance that are required to be reported under *Government Auditing Standards* and the *National Science Foundation Audit Guide*. (See Findings Nos. 1 and 2 below.) We considered these instances of noncompliance in

forming our opinion of whether the *Schedule of Award Costs* (Schedule A) presented fairly, in all material respects, the cost claimed by Middlesex on the Federal Cash Transactions Reports - Federal Share of Net Disbursements for the period September 1, 1995 through August 31, 2001, in conformity with NSF policies and procedures, and determined that this report does not affect our report dated November 2, 2001, on the financial schedules.

Finding No. 1 - Indirect Costs

The approved NSF award budget specified that Middlesex was allowed to charge indirect costs at a rate of 35 percent only to salaries and wages. Middlesex erroneously claimed \$15,489 of indirect costs on \$44,254 of claimed consultant costs. Furthermore, Middlesex should not have claimed indirect costs on claimed consultant costs because these consultants worked outside of the awardee's facility, and therefore did not incur any of its indirect costs. As a result, we questioned \$15,489 of claimed indirect costs. The claim was made in error and Middlesex's internal control procedures were not sufficient to detect, prevent, and/or correct such errors. Claiming indirect costs for consultants is a direct violation of the approved award budget and can discredit the integrity of an awardee's system for accounting for claimed costs and result in disallowed indirect cost claims. (See *Schedule of Questioned Costs*, Schedule B).

Recommendation No. 1

We recommend that NSF's Division Directors of the Division of Acquisition and Cost Support (DACS) and the Division of Grants and Agreements (DGA) ensure that Middlesex for current and future NSF award(s) maintain written policies and procedures for charging direct and indirect costs to NSF awards in compliance with the approved NSF award budget, Office of Management and Budget (OMB) Circular A-110, and NSF's Grant Policy Manual (GPM).

Middlesex's Comment

Middlesex agreed to maintain written policies and procedures for allocating indirect costs in compliance with OMB Circular A-110 and the GPM for current and future NSF awards.

Auditors' Response

Middlesex's comment is responsive to our recommendation.

Finding No. 2 - Cost-Sharing Certification

The award letter and GPM 333.6 (b) required Middlesex to provide NSF with certified reports of cost sharing for each year of the award as part of its annual progress and final project reports. Middlesex did not provide timely certification of its cost sharing for the third year of the award. At the time of our review, Middlesex officials could not locate their cost-sharing records for the third year. However, Middlesex later obtained supporting cost-sharing records from its sub-grantees and provided the certification approximately one year after its due date to NSF. As a result of Middlesex not timely certifying its cost sharing, NSF has less assurance that its funded program objectives had been met as anticipated when the award was made.

Recommendation No. 2

We recommend that NSF's Division Directors of DACS and DGA ensure that Middlesex for current and future awards develop and implement written policies and procedures to ensure that the cost sharing is reported and certified on an annual and cumulative basis as part of its annual progress and final project reports in accordance with award terms and conditions and the GPM 333.6 (b).

Middlesex's Comments

Middlesex agreed to develop and implement written policies and procedures to ensure that the amount of cost sharing is reported to NSF and certified on an annual and cumulative basis as part of its annual progress and final project reports in accordance with award terms and conditions and the GPM 333.6 (b). In addition, Middlesex further commented that in October 2002 its *Grant Development and Administration Manual* was updated and includes policies and procedures for the allocation, reporting, and certification requirements associated with cost sharing.

Auditors' Response

Middlesex's comments are responsive to our recommendation.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Middlesex is responsible for establishing and maintaining internal control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial schedules in accordance with accounting principles prescribed by NSF. Because of inherent limitations in any internal control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the *Schedule of Award Costs* (Schedule A) for the period September 1, 1995 to August 31, 2001, we obtained an understanding of Middlesex's internal control over financial reporting. With respect to internal control over financial reporting, we obtained an understanding of the design of relevant policies and procedures and whether the procedures have been placed in operation. Furthermore, we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial schedules and not to provide an opinion on internal control. Accordingly, we do not express such an opinion.

Our consideration of internal control over financial reporting would not necessarily disclose all matters related to internal control over financial reporting that might be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data in a manner that is consistent with the assertions of management in the financial schedules. A material weakness is a reportable condition in which the design or operation of one or more of internal control elements does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial schedules being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses as defined above. Because of inherent limitations in internal control, misstatements due to error or fraud may nevertheless occur and not be detected.

This report is intended solely for the information and use of the Middlesex's management, NSF, the cognizant Federal agency for audit, the OMB, and the Congress of the United States, and is not intended to be and should not be used by anyone other than these specified parties.

Leon Snead & Company, P.C.
Rockville, MD 20805
November 2, 2001

FINANCIAL SCHEDULES AND SUPPLEMENTAL INFORMATION

Schedule A

Middlesex County College
National Science Foundation Award Number ESI-9553749
Schedule of Award Costs
From September 1, 1995 to August 31, 2001
Final

<u>Cost Category</u>	<u>Approved Budget</u>	<u>(A) Claimed Costs</u>	<u>Reclasi- Fications</u>	<u>Claimed Costs After Reclasi- fications</u>	<u>Questioned Costs Amount</u>	<u>Schedule Reference</u>
Direct costs:						
Salaries and wages			\$ 0		\$ 0	
Fringe benefits			0		0	
Permanent equipment			0		0	
Travel			0		0	
Participant support Costs			0		0	
Other direct costs:			0		0	
Materials and Supplies			0		0	
Publications costs			0		0	
Consultant services			0		0	
Computer services			0		0	
Subawards			0		0	
Other			0		0	
Total direct costs	\$2,671,502	\$2,547,173	\$ 0	\$2,547,173	\$ 0	
Indirect costs	294,970	302,191	0	302,191	15,489	
Subtotal	\$2,966,472	\$2,849,364	\$ 0	\$2,849,364	\$ 15,489	B
Costs claimed to NSF in excess of actual or Costs incurred in excess of claimed costs to NSF	0	0	0	0	0	
Total Costs	\$2,966,472	\$2,849,364	\$ 0	\$2,849,364	\$ 15,489	
Cost Sharing	\$ 809,108	\$ 969,550	\$ 0	\$ 969,550	\$ 0	

(A) The total representing costs claimed agreed with the expenditures reported on the Federal Cash Transactions Report - Federal Share of Net Disbursements as of the quarter ended September 30, 2001. Claimed costs reported above are taken directly from Middlesex's books of accounts.

See Schedule B and the accompanying notes to this financial schedule.

Middlesex County College
National Science Foundation Award Number ESI-9553749
Schedule of Questioned Costs
September 1, 1995 to August 31, 2001

Indirect Costs

We questioned \$15,489 of the claimed indirect costs because Middlesex erroneously claimed indirect costs on consultant costs for consultants that worked independently and outside the awardee's facility, and therefore did not incur any of its indirect cost. The approved NSF award budget specified that Middlesex was allowed to charge indirect costs at a rate of 35 percent only to salaries and wages. This condition occurred because Middlesex did not have written policies and procedures that would detect, prevent, and/or correct such errors. Claiming indirect costs for consultants is a direct violation of the approved award budget and can discredit the integrity of an awardee's system for accounting for claimed costs and result in disallowed indirect cost claims. We calculated the questioned indirect costs as follows:

Portion of Claimed Consultant Costs	\$44,254 (a)
Budgeted/Allowable Indirect Cost Rate	35% (b)
Questioned Indirect Costs (a) x (b)	<u>\$15,489</u>

Middlesex County College
 Summary Schedules of Award Audited and Audit Results
 From September 1, 1995 to August 31, 2001

Summary of Award Audited

Award Number	Award Period	Audit Period
ESI-9553749	09/01/95 - 08/31/01	09/01/95 - 08/31/01

Award Number	Type of Award	Award Description
ESI-9553749	Grant	The award was issued to fund a project, entitled, "New Jersey Center for Advanced Technological Education," which was designed to restructure engineering technology education beginning in secondary school through the associate degree.

Summary of Questioned Costs by Award

NSF Award Number	Award Budget	Claimed Costs	Questioned Costs
ESI-9553749	\$2,966,472	2,849,364	\$15,489

Summary of Questioned Costs, Noncompliance Issues, and Internal Control Weaknesses by Explanation

Condition	Questioned Cost Amount	Non-compliance	Internal Control Weaknesses (Reportable/ Material Weakness?)
We questioned \$15,489 of the claimed indirect costs. The approved NSF award budget specified that Middlesex was allowed to charge indirect cost at a rate of 35 percent to the salaries and wages. Middlesex erroneously claimed indirect costs on \$44,254 of consultant costs for consultants that worked independently and outside the awardee's facility, and therefore did not incur any of its indirect cost.	\$15,489	Yes	No

Middlesex County College
Notes to Financial Schedules
From September 1, 1995 to August 31 2001

Note 1: Summary of Significant Accounting Policies

Accounting Basis

The accompanying financial schedules have been prepared in conformity with National Science Foundation (NSF) instructions. Schedule A has been prepared from the reports submitted to NSF. The basis of accounting used in the preparation of these reports differs from generally accepted accounting principles. The following summarizes these differences:

A. Equity

Under the terms of the award, all funds not expended according to the award agreement and budget at the end of the award period are to be returned to NSF. Therefore, the awardee does not maintain any equity in the award and any excess of cash received from NSF over final expenditures is due back to NSF.

B. Equipment

Equipment is charged to expense in the period during which it is purchased instead of being recognized as an asset and depreciated over its useful life. As a result, the expenses reflected in the Statement of Award Costs include the cost of equipment purchased during the period rather than a provision for depreciation.

The equipment acquired is owned by Middlesex while used in the program for which it was purchased or in other future authorized programs. However, NSF has the reversionary interest in the equipment. Its disposition, as well as the ownership of any proceeds there from, is subject to Federal regulations.

C. Inventory

Minor materials and supplies are charged to expense during the period of purchase. As a result, no inventory is recognized for these items in the financial schedules.

The departure from generally accepted accounting principles allows NSF to properly monitor and track actual expenditures incurred by the awardee. The departure does not constitute a material weakness in internal controls.

Note 2: Income Taxes

Middlesex County College was established in 1966 as a unit of the New Jersey Master Plan for Higher Education and became part of a statewide network of 19 county colleges. Middlesex County College is exempt from Federal income taxes under the Internal Revenue Code. It is also exempt from New Jersey franchise or income tax.

**APPENDIX A – MIDDLESEX COUNTY COLLEGE
COMMENTS TO REPORT**

HOW TO CONTACT
THE OFFICE OF INSPECTOR GENERAL

Internet

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Email Hotline

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703-292-7100

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National Science Foundation
4201 Wilson Blvd., Suite 1135
Arlington, VA 22230

MIDDLESEX COUNTY **COLLEGE'S COMMENTS TO THE REPORT**

MIDDLESEX COUNTY COLLEGE

September 10, 2003

Mr. [REDACTED]
Leon Snead & Company, P.C. 416
Hungerford Drive, Suite 400
Rockville, Maryland 20850

RE: National Science Award #ESI -- 9553749

Dear [REDACTED],

This is in response to your letter dated 15, August 2003 requesting our comments on the findings and recommendations to be included in the final audit report, The indirect cost allocation error against consultant costs in the amount of \$15,489 was brought to our attention during the audit. *The* consultants would have had to work at the campus location for indirect costs to apply. In reference to the second finding on the late filing of the Cost Sharing Certification, the cost sharing records could not quickly be placed but were received from our partners and submitted to NSF *per the* auditor's request.

Middlesex County College agrees to (1) maintain written policies and procedures for allocating indirect costs in compliance with OMB Circular A-110 and the NSF Grant Policy manual for current and future NSF awards and (2) to develop and implement written policies and procedures to ensure that the amount of cost sharing is reported to NSF and certified on an annual *and cumulative basis as* part of its annual progress and final project reports in accordance with the award terms and conditions and the GPM 333.6(b). In October 2002 the Grants Development and Administration Manual was updated and includes policies and procedures for the allocation, reporting and certification requirements associated with cost *sharing*

Should you have any questions please contact me at ([REDACTED]) [REDACTED].

Sincerely yours,

[REDACTED]

More Than You Imagine

Cc: Susan K. Perkins