



U.S. National Science Foundation
Office of the Director

May 5, 2025

Dr. Victor R. McCrary, Jr.
Acting Chair, National Science Board
2415 Eisenhower Avenue
Alexandria, VA 22314

Dear Dr. McCrary:

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 October 1, 2024, through March 31, 2025. The Management Response consists of two statistical tables 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 \$2,810,305 in questioned costs and the OIG identified \$3,555,097 in new, questioned costs. Of that amount, \$1,918,764 related to external audit reports and is included in the NSF Management Response. An additional \$1,636,333 in new questioned costs are related to one internal audit report. Questioned costs arising from internal audit reports are not included in the NSF Management Response. "Funds put to better use" are 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 302 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 189 recommendations during the period, leaving a net balance of 113 open audit recommendations to carry over into the next period.

Our Management Response only reports data relating to OIG external audits, primarily compliance audits of grant recipients. At the beginning of this reporting period, NSF had an

additional 12 open audit recommendations related to OIG audits of NSF internal programs and operations ("internal audits"). Management has agreed to all recommendations included in these audits, and none of those recommendations include questioned costs or funds put to better use. New questioned costs for internal audits (mentioned above) will be reported in future reporting periods.

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 March 31, 2025**

	Number of Reports	Dollar Value
A. Audit reports pending management decisions at the beginning of the period		
(1) Questioned Costs	21	\$4,067,184
(2) Funds Put to Better Use	0	\$0
B. Audit reports issued during the reporting period		
(1) Questioned Costs	5	\$1,918,764
(2) Funds Put to Better Use	0	\$0
C. Total audit reports pending management decisions this reporting period (A+B)	26	\$5,985,948
D. Audit reports for which a management decision was made during the reporting period (Disallowed Costs)		
(1) Questioned Costs	15	\$2,810,305
(a) Disallowed Costs		\$2,653,051
(b) Allowed Costs		\$157,254
(2) Funds Put to Better Use	0	n/a
E. Audit reports pending management decisions at the end of the period		
(1) Questioned Costs	11	\$3,175,643
(2) Funds Put to Better Use	0	\$0
F. Total Reports (D+E)	26	\$5,985,948

**Final Actions Taken on Audits with Management Decisions
for the Six-Month Period Ended March 31, 2025**

	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	101	\$1,827,305
B. Audit reports on which management decisions were made during the period	201	\$2,653,051
C. Total audit reports pending final action during this period (Total A+B)	302	\$4,480,356
D. Audit reports on which final action was taken during this period for current and prior period audit reports	189	\$2,025,220
(1) Recoveries		
a) Collection and Offset		\$2,025,220
b) Amount uncollectible		
(2) Write-offs		
(3) Implemented Recommendations	189	
E. Audit reports needing final action at the end of the reporting period and unimplemented recommendations (C-D) See detailed table for explanations why final actions are not complete.	113	\$2,455,136
F. Total (D+E)	302	\$4,480,356

Management Decisions Made on OIG External Audit Reports for the Period Ended March 31, 2025

			No. of	Questioned Costs	Funds Put to Better		
			Recommendations		Use		
A. Audit reports pending management decisions at the beginning of the period:							
1	19-1-010	University of Maryland College Park	19	\$357,108	0		
2	19-1-017	Oregon State University	24	\$369,532	0		
3	21-1-004	University of Florida	17	\$640,723	0		
4	21-1-007	Clemson University	35	\$276,440	0		
5	22-1-009	BSCS Science Learning	16	\$158,050	0		
6	22-1-011	Arctic Research Consortium of the U.S.	10	\$14,847	0		
7	22-1-013	Colorado School of Mines	10	\$10,260	0		
8	23-1-003	University of Mississippi	16	\$129,951	0		
9	23-1-005	Incorporated Research Institutions for Seismology (IRIS)	5	\$470	0		
10	23-1-006	Rensselaer Polytechnic Institute	22	\$198,137	0		
11	24-1-002	University of Arkansas	13	\$257,693	0		
12	24-1-003	North Dakota State University Fargo	4	\$7,870	0		
13	24-1-004	University of New Hampshire	7	\$7,754	0		
14	24-1-005	Mississippi State University	17	\$34,314	0		
15	24-1-006	Montana State University	18	\$119,241	0		
16	24-1-007	Dartmouth College	9	\$104,270	0		
17	24-1-008	University of Oklahoma Norman Campus	19	\$1,251,186	0		
18	24-1-011	University of Alabama Tuscaloosa	14	\$41,311	0		
19	24-1-012	Iowa State University	4	\$9,709	0		
20	24-1-013	Brown University	14	\$78,318	0		
21	24-1-014	North Carolina State University	2	\$0	0		
Subtotal A			295	\$4,067,184	\$0		
B. Audit reports issued this six-month reporting period							
1	25-1-001	University of Georgia	2	\$0	\$0		
2	25-1-002	University of Maine	3	\$12,282	\$0		
3	25-1-003	University of Nebraska	14	\$196,047	\$0		
4	25-1-004	Columbia University	23	\$661,353	\$0		
5	25-1-005	Northeastern University	20	\$1,049,082	\$0		
Subtotal B			62	\$1,918,764	\$0		
C. Total audit reports pending management decisions this reporting period (Total A+B: 26)			357	\$5,985,948	\$0		
D. Audit reports for which a management decision was made during the reporting period							
1	19-1-010	University of Maryland College Park	19	\$357,108	\$0		\$294,984
2	21-1-007	Clemson University	35	\$276,440	\$0		\$226,381
3	22-1-009	BSCS Science Learning	16	\$158,050	\$0		\$118,178
4	22-1-011	Arctic Research Consortium of the U.S.	10	\$14,847	\$0		\$14,847
5	22-1-013	Colorado School of Mines	10	\$10,260	\$0		\$10,260
6	23-1-003	University of Mississippi	16	\$129,951	\$0		\$129,951
7	23-1-005	Incorporated Research Institutions for Seismology (IRIS)	5	\$470	\$0		\$470
8	23-1-006	Rensselaer Polytechnic Institute	22	\$198,137	\$0		\$197,677
9	24-1-002	University of Arkansas	13	\$257,693	\$0		\$252,954
10	24-1-003	North Dakota State University Fargo	4	\$7,870	\$0		\$7,870

11	24-1-005	Mississippi State University	17	\$34,314	\$0	\$34,314
12	24-1-007	Dartmouth College	9	\$104,270	\$0	\$104,270
13	24-1-008	University of Oklahoma Norman Campus	19	\$1,251,186	\$0	\$1,251,186
14	24-1-012	Iowa State University	4	\$9,709	\$0	\$9,709
15	24-1-014	North Carolina State University	2	\$0	\$0	\$0
Subtotal D			201	\$2,810,305	\$0	\$2,653,051

E. Audit reports pending management decisions at the end of the period:			No. of	Questioned Costs	Funds Put to Better
			Recommendations		Use
1	19-1-017	Oregon State University	24	\$369,532	\$0
2	21-1-004	University of Florida	17	\$640,723	\$0
3	24-1-004	University of New Hampshire	7	\$7,754	\$0
4	24-1-006	Montana State University	18	\$119,241	\$0
5	24-1-011	University of Alabama Tuscaloosa	14	\$41,311	\$0
6	24-1-013	Brown University	14	\$78,318	\$0
7	25-1-001	University of Georgia	2	\$0	\$0
8	25-1-002	University of Maine	3	\$12,282	\$0
9	25-1-003	University of Nebraska	14	\$196,047	\$0
10	25-1-004	Columbia University	23	\$661,353	\$0
11	25-1-005	Northeastern University	20	\$1,049,082	\$0
Subtotal E			156	\$3,175,643	\$0
F. Reconciliation total audit reports (Total D+E: 26)			357	\$5,985,948	\$0

Final Actions Taken on Audits with Management Decisions for the Six-Month Period Ended March 31, 2025

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

			Reported Recommendations	Disallowed Costs	Open Recommendations	Pending Repayment
B. Audit reports on which management decisions were made between 10/1/2024 to 3/31/2025:						
1	19-1-010	University of Maryland College Park	19	\$294,984	19	\$294,984
2	21-1-007	Clemson University	35	\$226,381	35	\$226,381
3	22-1-009	BSCS Science Learning	16	\$118,178	16	\$118,178
4	22-1-011	Arctic Research Consortium of the U.S.	10	\$14,847	10	\$14,847
5	22-1-013	Colorado School of Mines	10	\$10,260	10	\$10,260
6	23-1-003	University of Mississippi	16	\$129,951	16	\$129,951
7	23-1-005	Incorporated Research Institutions for Seismology (IRIS)	5	\$470	5	\$470
8	23-1-006	Rensselaer Polytechnic Institute	22	\$197,677	22	\$197,677
9	24-1-002	University of Arkansas	13	\$252,954	13	\$252,954
10	24-1-003	North Dakota State University Fargo	4	\$7,870	4	\$7,870
11	24-1-005	Mississippi State University	17	\$34,314	17	\$34,314
12	24-1-007	Dartmouth College	9	\$104,270	9	\$104,270
13	24-1-008	University of Oklahoma Norman Campus	19	\$1,251,186	19	\$1,251,186
14	24-1-012	Iowa State University	4	\$9,709	4	\$9,709
15	24-1-014	North Carolina State University	2	\$0	2	\$0
Subtotal B			201	\$2,653,051	201	\$2,653,051

C. Total Recommendations Pending Final Action During This Period:					302	\$4,480,356
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			Open Recommendations	Pending Repayment	Closed Recommendations	Repaid
D. Final actions (repayments or corrective actions) taken on current and prior period audit reports:						
1	19-1-010	University of Maryland College Park	19	\$294,984	19	\$294,984
2	21-1-002	Texas A&M University	13	\$94,830	6	\$94,830
3	21-1-007	Clemson University	35	\$226,381	5	\$141,360
4	21-1-019	University of Pittsburgh	7	\$103,765	7	\$103,765
5	21-1-020	University of California-San Francisco	6	\$77,792	6	\$77,792
6	22-1-001	University of Rhode Island	5	\$239,339	5	\$239,339
7	22-1-003	University of California - Merced	11	\$218,360	11	\$218,360
8	22-1-006	California Polytechnic State University Foundation	12	\$14,909	5	\$14,909
9	22-1-009	BSCS Science Learning	16	\$118,178	13	\$23,514
10	22-1-011	Arctic Research Consortium of the U.S.	10	\$14,847	10	\$14,847
11	22-1-013	Colorado School of Mines	10	\$10,260	10	\$10,260

12	23-1-003	University of Mississippi	16	\$129,951	3	\$116,201
13	23-1-005	Incorporated Research Institutions for Seismology (IRIS)	5	\$470	3	\$470
14	23-1-006	Rensselaer Polytechnic Institute	22	\$197,677	20	\$191,598
15	24-1-002	University of Arkansas	13	\$252,954	12	\$200,506
16	24-1-003	North Dakota State University Fargo	4	\$7,870	4	\$7,870
17	24-1-005	Mississippi State University	17	\$34,314	17	\$34,314
18	24-1-007	Dartmouth College	9	\$104,270	9	\$104,270
19	24-1-008	University of Oklahoma Norman Campus	19	\$1,251,186	18	\$126,322
20	24-1-012	Iowa State University	4	\$9,709	4	\$9,709
21	24-1-014	North Carolina State University	2	\$0	2	\$0
Subtotal D			255	\$3,402,046	189	\$2,025,220

			Reported Recommendations	Disallowed Costs	Open Recommendations	Pending Repayment	Explanation Why Final Action is Not Complete
E. Audit reports needing final action at the end of the period:							
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	7	\$0	a.
4	21-1-007	Clemson University	35	\$226,381	30	\$85,021	a.
5	21-1-017	Tennessee State University	13	\$155,432	6	\$0	b.
6	22-1-002	University of Texas at Dallas	24	\$188,314	6	\$188,314	a.
7	22-1-006	California Polytechnic State University Foundation	13	\$19,608	7	\$0	a.
8	22-1-008	Education Development Center	12	\$33,562	7	\$20,118	a.
9	22-1-009	BSCS Science Learning	16	\$118,178	3	\$94,664	a.
10	23-1-002	Computing Research Association	27	\$195,383	7	\$195,383	a.
11	23-1-003	University of Mississippi	16	\$129,951	13	\$13,750	a.
12	23-1-005	Incorporated Research Institutions for Seismology (IRIS)	5	\$470	2	\$0	a.
13	23-1-006	Rensselaer Polytechnic Institute	22	\$197,677	2	\$6,079	a.
14	24-1-002	University of Arkansas	13	\$252,954	1	\$52,448	a.
15	24-1-008	University of Oklahoma Norman Campus ¹	19	\$1,251,186	1	\$1,124,864	a.
Subtotal E			312	\$3,558,525	113	\$2,455,136	
F. Reconciliation of Recommendations:					302	\$4,480,356	

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.
- b. NSF Management continues to aggressively pursue final actions to fully implement audit recommendations.

¹ 24-1-008 University of Oklahoma: The University has appealed the management decision.