



NATIONAL SCIENCE FOUNDATION
Division of Institution & Award Support

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November 21, 2025

Carla Ho'ā (carla.hoa@oregonstate.edu)
Vice President for Finance and Administration
Oregon State University
A312 Kerr Administration Building
Corvallis, OR 97331

Reference: OIG Report No. 19-1-017

Dear Ms. Ho'ā ,

The National Science Foundation (NSF) has completed the review and resolution of the Office of Inspector General (NSF OIG) audit report on incurred costs under NSF awards by Oregon State University (OSU) dated September 13, 2019.

The audit report questioned \$369,532 in costs claimed on NSF awards and recommended that OSU strengthen its administrative and management controls for the areas in which findings were identified. As a result of its resolution efforts, NSF determined that \$259,299 will be disallowed. The table below summarizes the resolution of each finding by recommendation:

Rec	Audit Report Description	Questioned	Allowed	Disallowed	Final Action Complete
1.1	Unallowable Personal Services Contract and Subaward Agreements	\$169,950	\$0	\$169,950	No
1.2	Unallowable Personal Services Contract and Subaward Agreements	n/a	n/a	n/a	Yes
1.3	Unallowable Personal Services Contract and Subaward Agreements	n/a	n/a	n/a	Yes
2.1	Unallowable Expenses	\$78,153	\$37,462	\$40,691	No
2.2	Unallowable Expenses	n/a	n/a	n/a	Yes
2.3	Unallowable Expenses	n/a	n/a	n/a	Yes
2.4	Unallowable Expenses	n/a	n/a	n/a	Yes
2.5	Unallowable Expenses	n/a	n/a	n/a	Yes
2.6	Unallowable Expenses	n/a	n/a	n/a	Yes
3.1	Inappropriate Application of Indirect Costs	\$65,153	\$47,457	\$17,696	Yes
3.2	Inappropriate Application of Indirect Costs	n/a	n/a	n/a	Yes
4.1	Unallocable End-of-Award Expenses	\$31,319	\$19,602	\$11,717	No
4.2	Unallocable End-of-Award Expenses	n/a	n/a	n/a	Yes
4.3	Unallocable End-of-Award Expenses	n/a	n/a	n/a	Yes

Rec	Audit Report Description	Questioned	Allowed	Disallowed	Final Action Complete
5.1	Expenses Not Appropriately Allocated to NSF Awards	\$10,574	\$0	\$10,574	No
5.2	Expenses Not Appropriately Allocated to NSF Awards	n/a	n/a	n/a	Yes
5.3	Expenses Not Appropriately Allocated to NSF Awards	n/a	n/a	n/a	Yes
6.1	Unreasonable Honorarium Payment	\$8,820	\$2,940	\$5,880	Yes
6.2	Unreasonable Honorarium Payment	n/a	n/a	n/a	Yes
7.1	Inappropriately Claimed Lodging and M&IE Per Diem Expenses	\$5,563	\$2,772	\$2,791	Yes
7.2	Inappropriately Claimed Lodging and M&IE Per Diem Expenses	n/a	n/a	n/a	Yes
7.3	Inappropriately Claimed Lodging and M&IE Per Diem Expenses	n/a	n/a	n/a	Yes
8.1	Non-Compliance with OSU Internal Policies	n/a	n/a	n/a	Yes
9.1	Incorrect Application of Proposed Indirect Cost Rates	n/a	n/a	n/a	Yes
Summary of Total Questioned Costs		\$369,532	\$110,233	\$259,299	--

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 OSU.

Based on the above, the total disallowed amount is \$259,299. OSU has provided NSF evidence of \$76,167 in repayments and NSF will not pursue repayment of \$38 under one award. **Repayment of the remaining \$183,094 must be made via www.pay.gov.** Please reference OIG Audit Report No. 19-1-017. Any necessary adjustments to ACM\$ as a result of the repayment will be made by the NSF Division of Financial Management (DFM). **Repayment of disallowed costs must be received no later than 90 days from the date of this letter. Failure to provide timely repayment may result in DFM initiating formal collection through the Department of Treasury, Debt Management Services.**

The following are the pending pay.gov repayment amounts by award number:

Award #	Pending Repayment
0965820	\$16,200
1118017	\$4,015
1232396	\$999
1258162	\$2,409
1342318	\$4,436
1606982	\$82,000
1620613	\$1,285
1633825	\$71,750
	\$183,094

Please be aware that OSU'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. **An appeal must be filed within 30 days from the date of this letter.**

OSU's responses and cooperation with the NSF audit resolution process are greatly appreciated. Should you have any questions regarding this letter or the NSF audit resolution process, please contact me at (703) 292-4579 or cdavison@nsf.gov.

Sincerely,

Carrie Davison

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