



NATIONAL SCIENCE FOUNDATION
Division of Institution & Award Support

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January 6, 2025

Tamara Franklin (Tamara-Franklin@ouhsc.edu)
Assistant Vice President
Research Financial Services
University of Oklahoma
660 Parrington Oval Rm 204
Norman, OK 73019

Reference: OIG Report No. 24-1-008

Dear Tamara Franklin,

The National Science Foundation (NSF) has completed the review and resolution of the NSF Office of Inspector General (NSF OIG) audit report on costs incurred under NSF awards by University of Oklahoma (OU) dated March 6, 2024.

The audit report questioned \$1,251,186 in costs claimed under NSF awards and recommended that OU strengthen its administrative and management controls for the areas in which findings were identified. As a result of its resolution efforts, NSF has determined to sustain and disallow \$1,251,186. The table below summarizes the resolution of each finding by recommendation:

Recs	Description	Questioned	Sustained	Disallowed	Allowed	Final Action Complete
1.1	Unallowable Expenses	\$1,124,864	\$1,124,864	\$1,124,864	\$0	No
1.2	Unallowable Expenses	\$0	\$0	\$0	\$0	Yes
2.1	Inadequately Supported Expenses	\$77,196	\$77,196	\$77,196	\$0	Yes
2.2	Inadequately Supported Expenses	\$0	\$0	\$0	\$0	Yes
3.1	Unallowable Expenses	\$28,809	\$28,809	\$28,809	\$0	Yes
3.2	Unallowable Expenses	\$0	\$0	\$0	\$0	Yes

3.3	Unallowable Expenses	\$0	\$0	\$0	\$0	Yes
4.1	Inappropriately Applied Indirect Costs and Fringe Benefit Rates	\$20,317	\$20,317	\$20,317	\$0	Yes
4.2	Inappropriately Applied Indirect Costs and Fringe Benefit Rates	\$0	\$0	\$0	\$0	Yes
4.3	Inappropriately Applied Indirect Costs and Fringe Benefit Rates	\$0	\$0	\$0	\$0	Yes
4.4	Inappropriately Applied Indirect Costs and Fringe Benefit Rates	\$0	\$0	\$0	\$0	Yes
4.5	Inappropriately Applied Indirect Costs and Fringe Benefit Rates	\$0	\$0	\$0	\$0	Yes
5.1	Noncompliance with Federal Requirements for Pass-through Entities	\$0	\$0	\$0	\$0	Yes
5.2	Noncompliance with Federal Requirements for Pass-through Entities	\$0	\$0	\$0	\$0	Yes
6.1	Noncompliance with OU Policies	\$0	\$0	\$0	\$0	Yes
6.2	Noncompliance with OU Policies	\$0	\$0	\$0	\$0	Yes
6.3	Noncompliance with OU Policies	\$0	\$0	\$0	\$0	Yes
6.4	Noncompliance with OU Policies	\$0	\$0	\$0	\$0	Yes
6.5	Noncompliance with OU Policies	\$0	\$0	\$0	\$0	Yes
Summary of Total Questioned Costs		\$1,251,186	\$1,251,186	\$1,251,186	\$ 0	

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 OU.

Based on the above, the total disallowed amount is \$1,251,186. OU has provided evidence of \$126,322 in repayment. **Repayment of \$1,124,864 must be made via www.pay.gov.** Please reference OIG Audit

Report No. 24-1-008 in the comments section as well as on all documentation. 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, or by April 6, 2025. Failure to provide timely repayment may result in DFM initiating formal collection through the Department of Treasury, Debt Management Services.**

Attached is a Summary Schedule of Allowed and Disallowed Costs, which includes the Compliance and Internal Control Recommendations requiring final action. Upon verification that repayment of the remaining \$1,124,864 of disallowed costs has been completed, OIG Audit Report 24-1-008 will be fully closed out by NSF.

Please be aware that the University of Oklahoma'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=papppg. An appeal must be filed within 30 days from the date of this letter, or **February 5, 2025**.

The University's timely 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 feel free to contact Crystal Crews at c crews@nsf.gov or Charlotte Grant-Cobb at c grantco@nsf.gov.

Sincerely,

Charlotte Grant-Cobb
Lead Analyst, Audit Resolutions
Resolution and Advanced Monitoring Branch
Division of Institution and Award Support