



**NATIONAL SCIENCE FOUNDATION**  
**Division of Institution & Award Support**

2415 Eisenhower Avenue  
Alexandria, VA 22314  
(703) 292-8244

May 21, 2025

Kelli Perry ([HUDSOK@RPI.EDU](mailto:HUDSOK@RPI.EDU))  
Associate Vice President for Finance and Controller  
Rensselaer Polytechnic Institute  
110 8th Street, Troy Building, 5th Floor  
Troy, NY 12180

Reference: OIG Report No. 23-1-006

Dear Kelli Perry,

The National Science Foundation (NSF) has completed the review and resolution of the Office of Inspector General (NSF OIG) audit report on costs incurred under NSF awards by Rensselaer Polytechnic Institute (RPI) dated March 22, 2023.

The audit report questioned \$198,137 in costs claimed on NSF awards and recommended that RPI strengthen its administrative and management controls for the areas in which findings were identified. As a result of its resolution efforts, NSF determined that \$197,677 will be disallowed. The table below summarizes the resolution of each finding by recommendation:

Recs	Audit Report Description	Questioned	Disallowed	Allowed	Final Action Complete
1.1	Unallowable Expenses	\$24,344	\$24,344	\$0	Yes
1.2	Unallowable Expenses	\$156,367	\$156,367	\$0	Yes
1.3	Unallowable Expenses	n/a	n/a	n/a	Yes
1.4	Unallowable Expenses	n/a	n/a	n/a	Yes
1.5	Unallowable Expenses	n/a	n/a	n/a	Yes
1.6	Unallowable Expenses	n/a	n/a	n/a	Yes
1.7	Unallowable Expenses	n/a	n/a	n/a	Yes
2.1	Inappropriately Allocated Expenses	\$5,928	\$5,928	\$0	No
2.2	Inappropriately Allocated Expenses	\$2,479	\$2,479	\$0	Yes
2.3	Inappropriately Allocated Expenses	n/a	n/a	n/a	Yes
2.4	Inappropriately Allocated Expenses	n/a	n/a	n/a	Yes
2.5	Inappropriately Allocated Expenses	n/a	n/a	n/a	Yes
3.1	ACM\$ Drawdowns That Exceeded Expenses	\$4,519	\$4,519	\$0	Yes
3.2	ACM\$ Drawdowns That Exceeded Expenses	n/a	n/a	n/a	Yes

Recs	Audit Report Description	Questioned	Disallowed	Allowed	Final Action Complete
4.1	Indirect Cost Rates Inappropriately Applied	\$3,889	\$3,889	\$0	Yes
4.2	Indirect Cost Rates Inappropriately Applied	n/a	n/a	n/a	Yes
4.3	Indirect Cost Rates Inappropriately Applied	n/a	n/a	n/a	Yes
5.1	Inadequately Supported Expenses	\$611	\$151	\$460	No
5.2	Inadequately Supported Expenses	n/a	n/a	n/a	Yes
6.1	Non-Compliance with RPI Policies	n/a	n/a	n/a	Yes
6.2	Non-Compliance with RPI Policies	n/a	n/a	n/a	Yes
6.3	Non-Compliance with RPI Policies	n/a	n/a	n/a	Yes
<b>Summary of Total Questioned Costs</b>		<b>\$198,137</b>	<b>\$197,677</b>	<b>\$460</b>	--

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 RPI.

Based on the above, the total disallowed amount is \$197,677. RPI has provided NSF evidence of \$191,598 in repayments. **Repayment of the remaining \$6,079 must be made via [www.pay.gov](http://www.pay.gov).** Please reference OIG Audit Report No. 23-1-006. 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
1638704	\$3,443
1604547	\$1,620
1908653	\$865
1736326	\$151
	<b>\$6,079</b>

Please be aware that RPI'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](https://www.nsf.gov/publications/pub_summ.jsp?ods_key=pappg). **An appeal must be filed within 30 days of the date of this letter.**

RPI'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 contact me at (703) 292-4827 or rray@nsf.gov.

Sincerely,

Branch Chief  
Resolution and Advanced Monitoring Branch  
Division of Institution and Award Support  
(703) 292-4827