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By Theresa Defino

◆ **Clemson University is pushing back against recommendations by auditors for the National Science Foundation Office of Inspector General (OIG) that it repay \$276,440, agreeing only to refund NSF \$133,736 of \$61 million in costs claimed on awards from March 1, 2017, to February 2020.** According to the April 30 report, auditors questioned “\$83,248 of inappropriately applied indirect costs; \$57,318 of inappropriately allocated expenses; \$58,000 of unreasonable and unallocable computer cluster node access expenses; \$45,620 of inadequately supported expenses; \$23,689 of unallowable expenses; and \$8,565 of indirect costs over-applied to supplemental funding.” They also “identified four compliance related findings for which there were no questioned costs: non-compliance with Federal requirements for pass-through entities; non-compliance with NSF terms and conditions; non-compliance with Clemson policies; and incorrect application of proposed indirect cost rates.”

However, Clemson officials said \$49,814 of the questioned indirect costs, which were for a building addition, were valid, as was \$20,471, spent primarily for a camera and publication expenses. In addition, Clemson disputed the entire \$58,000 for computer expenses for six awards that auditors flagged that relate to “expedited and priority access to its Palmetto Computer Cluster nodes.” Clemson agreed that it used the wrong indirect cost rates on 25 NSF awards. Auditors said Clemson and its subawardees used negotiated indirect cost rate agreement (NICRA) amounts that were in effect when award proposals were submitted, instead of correctly applying ones as of the date awards were made. Clemson stated that it allowed principal investigators and subawardees “to apply the indirect cost rates included in their NSF-approved proposals because it did not want to ‘punish’ PIs and subawardees by increasing the indirect cost rate applied to their awards and subawards because the NICRA rates increased between the proposal submission date and the grant award date.” The university agreed to update its indirect cost rate policies to comply with the negotiated rates. (5/13/21)

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