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NSF OIG Seeks \$137K in Repayment From Texas A&M University

Auditors for the National Science Foundation Office of Inspector General (OIG) have recommended that NSF seek repayment from Texas A&M University (TAMU) of \$137,558 for what they said were unallowable costs, including salaries, airfare, expenses incurred before an award start and indirect costs. Auditors reviewed costs incurred from Oct. 1, 2016, to Sept. 30, 2019, and tested 130 transactions totaling \$1,485,454 in costs out of more than \$63.6 million claimed during this period. "Specifically, the auditors found \$50,439 of unallowable expenses, \$50,409 of inadequately supported expenses, \$20,739 of inappropriately allocated expenses, \$15,312 of inappropriately applied indirect costs, and \$659 of funding inappropriately drawn down. The auditors also identified two compliance related findings for which there were no questioned costs; non-compliance with TAMU policies and incorrect application of indirect cost rates," the report, dated Dec. 17, states.

TAMU disputed \$100,500 and agreed to repay \$37,058. Regarding unallowable expenses, TAMU said \$15,055 was incurred when an investigator who previously had an NSF award joined TAMU and a new award was issued. Services performed under the old award were properly paid for under the new one, TAMU said. Another \$13,335 in costs were allowable because they reflect payment for an invoice TAMU received from a subawardee after the subaward had expired but that nonetheless needed to be paid, it said. TAMU also objected to \$5,185 in travel auditors disallowed. "TAMU agrees that the traveler[s] could have retained documentation related to any cost difference that may have resulted from the timing of the personal days. In [these cases] the cost could have been higher or lower," it said in response to a draft of the audit. TAMU said \$46,415 paid to its foundation that auditors flagged were for "data and services that were critical to the success of the NSF project," and it also disputed auditors' disallowance of computer equipment costs. NSF must resolve the findings and determine what amount, if any, TAMU owes the agency.

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