

## Performance Report

### Goal 1

#### *Promote NSF Efficiency and Effectiveness*

#### **1. Identify and implement approaches to improve product quality and timeliness.**

- Initiate a process and develop a time-phased plan to convert to electronic audit workpapers.
- Develop a policy for risk-based audit supervisory review and report signature and transmittal, and associated audit report content and presentation templates for: 1) internal performance reports performed by OIG staff and 2) performance grant audit reports performed by OIG or contractors.
- Identify new policies or revisions to existing policies necessary to comply with the 2007 edition of Government Auditing Standards and develop a timetable for issuing/revising these policies.
- Develop supplemental procedures for the policy on audit report issuance and distribution.
- Conduct a training session for contractors to provide guidance and examples of quality audit reports.
- Identify key procurement milestone dates for all contract audits and initiate a process to track procurement milestones for all contract audits.
- Complete most OIG audits within one year of conducting the planning conference.
- If budget constraints allow, start all jobs designated “must do” within audit planning year.
- Identify all jobs over one-year old as of April 1 and reduce backlog by 100%.
- Identify and monitor quarterly workload targets for each audit team.
- Discuss performance-based contracting with the Contracting Officer; present options on how to include performance-based language in our contracts.
- Complete evaluations of contractor-performed audits issued for March 31 and September 30 semiannual reporting periods.
- Review Office of Investigations (OI) operations for compliance with ECIE standards of performance.
- Review Investigations Manual and forms.
- Prepare a draft administrative manual for OI administrative functions.

**Audits.** In an ongoing effort to improve audit timeliness and quality, OIG developed plans and target dates to convert to electronic workpapers; issued five new or revised audit policies and procedures; provided guidance to contract auditors on quality audit reports; initiated a process to track the contract-audit procurement process electronically; developed options for the inclusion of performance-based language in audit contracts; completed evaluations of contractor-performed audits; and monitored milestone dates to improve the management of the audit process.

To advance its goal of converting from paper to electronic workpapers, a technology that has been adopted by most other OIGs and professional audit organizations, the Office developed an electronic workpaper procurement timeline. However, due to budget constraints, office-wide conversion to electronic workpapers has been postponed. The selected software package requires an initial investment of over \$100,000, annual fees of 20 percent of the base cost, and additional expenditures to train staff.

The Office issued or revised five audit policies during the last year in order to comply with the 2007 edition of *Government Auditing Standards*, foster the quality and timeliness of audit reports, and standardize audit procedures. Specifically, OIG revised its policies on *Independence*, developed supplemental procedures for the policy on *Report Issuance and Distribution*, and issued new policies on *Using the Work of Specialists*; *Assessing the Reliability of Computer-Processed Data*; and *Risk-Based Audit Supervisory Review and Draft and Final Report Transmittals*. The last of these policies also included examples of report content and presentation templates for audits performed by OIG staff. In addition, the Office developed target dates for revising other policies and procedures, such as those on *Quality Control* and *Workpaper Standards*, to comply with the most current version of the *Government Auditing Standards*.

To help independent public accounting (IPA) firms that we contract with perform quality audits in a timely fashion, we held a training session for their employees in December 2008. OIG auditors analyzed the format and presentation of a well-written report and discussed how to convey audit findings effectively. The Office hopes that by clarifying its expectations for quality audit reports and providing well-written examples, it will be able to streamline the contract auditing process and help contract auditors produce high-quality reports within agreed-upon timeframes.

OIG also expanded its audit tracking system to better track contracted audits from the solicitation to issuance stages. The new tracking parameters will capture the time spent in the preparation of solicitations, evaluation of the bids, and finalization of the contracts. It will enable the Office to monitor the total time required to fulfill the administrative tasks involved in contracting and inform our efforts to streamline the process. In addition, to improve the quality and timeliness of audits performed by contractors, the Office considered options for the inclusion of performance-based language in its contracts. Performance-based criteria could provide incentives for improved audit work and/or penalties if the work is late or of lesser quality. OIG already collects information on the performance of contractors by asking audit staff to evaluate the quality of the

product or service, economy, timeliness of performance and business relations. Such feedback on contractor performance is an essential part of quality assurance and can be an important consideration during future selection processes.

During the performance period, the Office established four performance goals to reduce the time from inception to issuance of audits and promote timeliness: 1) the completion of each audit within one year of the planning conference, 2) 100 percent reduction of the backlog of audits over one-year old as of April 1, 2008, 3) starting all top-priority jobs within the audit planning year to the extent resources allow, and 4) continued tracking of milestone dates from the beginning of an audit to its issuance.

The Office successfully completed 75 percent of the audits performed by contract auditors within one year, a significant increase from last year, when the one-year completion rate was 56 percent. However, due to staffing constraints and unexpected assignments that took priority over planned audit work, only one of the three (33 percent) audits performed by OIG staff were completed within one year, a decrease of 24 percentage points from last year. At the end of the period, new responsibilities associated with the enactment of the American Recovery and Reinvestment Act of 2009 further contributed to the decrease in the one-year completion rate for OIG-performed audits.

OIG succeeded in eliminating the backlog of audits that were more than one year old as of April 1, 2008, and started top-priority jobs within the audit planning year, to the extent the budget allowed. Finally, to encourage timely completion of audits the Office continued to track projected and actual dates for milestones such as planning, field-work verification and report-writing conferences and for the issuance of draft and final reports. This monitoring enabled timely corrective action when interim milestones were not met and thus facilitated the completion of audits within one year of their start dates.

**Investigations.** The Office implemented substantive improvements in investigations product quality, timeliness, and value to NSF during this performance period:

- We reviewed our Investigations Manual and made necessary changes to include new policies and “best practices” identified by staff.
- After careful analysis of internal processes and procedures, we compiled a list of administrative duties within a newly developed Office of Investigations (OI) Administrative Practices Manual.
- After undergoing a successful *external* peer review last year, we began preparing to conduct an *internal* peer review in this performance year. Our internal peer review will follow the same the standards of performance and guidelines used by the Inspector General community for external reviews.
- We have made several improvements to the reports generated by the OIG Knowledge Management System to track the available data and statistics.
- We reviewed our intake process to ensure cases are assigned appropriately when opened.

Despite a significant increase in the number and gravity of Reports of Investigations and Management Implication Reports during this past year, the internal management controls we have established continue to operate effectively in ensuring the quality of all reports and work products.

## **2. Strengthen our focus by refining approaches for selecting work and setting priorities.**

- Develop and execute the annual audit plan.
- Document decision for final selection of audits included in the audit plan.
- Based on funding by Directorate and Division, develop a risk analysis of key NSF programs and operations for use in audit planning.
- Review KMS report directory to identify improvements in the types of investigative reports available.
- Review preliminary (P-file) initiation process and ensure that administrative (A) and investigative (I) cases are opened as appropriate.

**Audits.** OIG issued its annual Audit Plan on September 30, 2008, and has been executing audits in the Plan during FY 2009. For reference in future audit planning, the Office also documented the decision process used to select the audits in the Plan. To improve our risk-based process for selecting audits, we developed a new methodology this year to identify risk in NSF programs and operations for each of NSF's directorates and divisions. Specifically, we analyzed risk factors for an NSF-wide program budgeted in FY 2008 at more than \$55 million. Future audits of NSF programs, like audits of grantees, will be based on risk. This approach to NSF awards, programs and operations helps the Office use its limited resources to perform audits that are likely to have the greatest impact.

**Investigations.** OIG has undertaken an initiative to make greater use of technology to improve its approaches to selecting work and setting priorities. To advance our efforts to convert to a completely electronic system, we implemented new procedures encouraging internal and external electronic transmission of documents. This made our processing of cases more cost-effective and greatly facilitated data analysis.

We also developed two new action reports within the Knowledge Management System to help ensure consistent recommendations regarding case actions. As part of these efforts, and in preparation for peer review, we once again reviewed our case processing systems to ensure that we are effectively and efficiently evaluating allegations and developing appropriate resolutions.

## **Goal 2**

### ***Safeguard the Integrity of NSF Programs and Resources***

#### **1. Detect and address improper, inappropriate, or illegal activities.**

- Implement a Civil/Criminal unit-wide approach to proactively detecting areas of high risk for fraud.

- Develop a proactive review process to explore issues associated with administrative investigations.
- Ensure effective compliance plan oversight.
- Utilize technology to facilitate the work of investigators.

Over the past year, OIG launched a number of proactive initiatives aimed at detecting fraud and uncovering instances of internal misconduct. We conducted a series of brainstorming sessions that resulted in proactive plans from each of the investigative sections (administrative, civil/criminal, and legal). These sessions and the plans resulted in the initiation of numerous successful proactive reviews. To enhance our proactive efforts, we recently assigned one member of the investigation management team to focus on the process and ensure that (1) they are a priority for staff and managers, (2) reviews that are productive are expanded while ones that are less fruitful are curtailed, and (3) promising ideas for new projects are ready to start as soon as other reviews are completed.

These efforts contributed to a significant increase in the number of internal misconduct investigations performed. Through these investigations, OIG was able to identify a number of systemic issues and recommend that the agency update its policies and procedures to correct the problems. Several of these investigations involved senior agency staff and resulted in a number of disciplinary actions being taken by NSF. In addition, our cases grew in size and complexity, as reflected by the number of multi-agency investigations we participated in as well as the number of civil settlements and criminal prosecutions during this period. We also managed an increasing number of substantive research misconduct investigations, resulting in 17 Reports of Investigation being sent forward for agency adjudication, identification of questionable research practices, and in-depth discussions with some institutions about the need to improve ethics training for their researchers.

Our office successfully monitored six compliance plans covering institutions that were subjects of OIG investigations. As part of the resolution of their respective investigations, each institution agreed to meet stringent requirements to remedy the systemic weaknesses responsible for the problems identified in our investigations. In every case, all milestones were met. Reports required by the plan were received, reviewed, and coordinated with NSF. In one case, extensive OIG effort was expended bringing an institution into compliance with its corrective plan. During this performance year, two investigators completed training on the development and monitoring of compliance plans and became Certified Compliance and Ethics Professionals. This training provided a comprehensive understanding of the regulations and legal issues related to an effective compliance process and bolstered our efforts to promote organizational integrity through the enforcement of effective compliance programs.

Over this reporting period, we also procured forensic computer equipment and software to assist in expanding our abilities to search electronic data and secure electronic evidence.

## 2. Strengthen OIG proactive activities.

- Identify and maintain focus on high-risk awardees.
- Conduct brainstorming sessions to generate new proactive ideas and to refine current risk areas.

As indicated above, the Office continued to enhance its proactive activities, conducting a series of brainstorming sessions that resulted in five proactive reviews. We developed a unit-by-unit proactive review plan based upon the risk areas identified by our investigative staff. These proactive reviews proved effective not only in opening new investigations, but also in identifying systemic issues that were raised to NSF in our Management Implication Reports.

## 3. Refine preliminary financial investigative steps.

- Improve initial techniques for financial analysis in potential fraud cases.
- Leverage existing audit and investigative information.

OIG improved its financial analysis in fraud investigations by increasing the number of staff trained on financial matters. Two staff members completed the Certified Fraud Examiner (CFE) program, raising the percentage of our investigators who have attained CFE certification to nearly 20 percent.

We identified a contract firm capable of providing the financial analysis needed for specific types of investigations, and we developed a uniform process for initiating financial analysis. This contract expedited our work by facilitating data analysis, providing on-the-job training for our staff, and allowing us to stretch staff resources to address our expanding case loads.

We further refined our method for analyzing the financial data we receive from grantees to allow us to conduct a faster assessment of cost categories, identify potential fraud indicators, and enable more-detailed analysis. We also increased the number of cases in which we reviewed prior A-133 audit reports, and investigators coordinated with auditors in NSF and other OIGs to leverage available audit and investigative information and identify potentially high-risk programs and grant recipients.

### *Goal 3*

#### *Utilize OIG Resources Effectively and Efficiently*

## 1. Strengthen and utilize the professional expertise and talents of all OIG staff.

- Analyze the previous year's biennial employee survey results and develop and implement corrective actions for any problems identified.
- Make system enhancements to KMS, including the development of a fund-control tracking system for contract audits.
- Conduct KMS and other IT training, as necessary.
- Update KMS user manuals.
- Provide prompt, effective responses to requests for IT support.
- Identify and replace outdated computer systems.



- Test the automated calling system for continuity of operations planning and testing.
- Conduct at least one new employee orientation.
- Develop and implement annual audit training plan.
- Conduct exit surveys with all exiting staff to obtain feedback on any issues and areas for office improvement.
- Conduct all-hands Office of Audit meeting once a quarter. Audit staff will be invited to suggest agenda topics to their respective SAMs or DAIGA.
- Conduct meetings of the Audit Employee Survey Advisory Group and the AIGA on a quarterly or other mutually agreed upon schedule to discuss issues of continuing concern among audit staff.
- Complete training identified in Individual Development Plans.
- Maintain and verify investigative training records for compliance with investigative core competency requirements.
- Provide presentations to OI staff on material learned and effectiveness of courses following any training attended.
- Participate in core competency training for investigators to increase staff knowledge.
- Revise OI position descriptions to ensure consistency and provide a career ladder for advancement.

A committee of OIG staff analyzed the last biennial employee survey, which was conducted in February 2008, and found that our employees were generally satisfied with their jobs. While no responses to questions fell below a neutral rating, the panel recommended that the Associate IGs who headed the Audit and Investigations offices conduct their own analyses of the responses from their respective staffs and that the IG request staff suggestions for ways to increase the opportunity for them to use their skills. The AIGs and IG followed the recommendations and held subsequent meetings to discuss the issues with OIG staff members.

We continued to make numerous enhancements to our Knowledge Management System to improve tracking and reporting on costs associated with the American Recovery and Reinvestment Act of 2009, contract monitoring, training, allegation intake, performance reporting, internal workflows and communication, analysis of research misconduct findings, financial recoveries, and coordination with NSF management. IT support received an above average rating of 4.13 (out of a maximum possible score of 5) on the employee survey. The IT specialists supported audit and investigative activities through updates on technology issues at monthly staff meetings, focused training sessions, queries of NSF databases, and a variety of customer support/troubleshooting activities. They also replaced 30 aging desktop computers, drafted an IT security policy, tested our emergency notification system, supported video-conferencing sessions with our Denver office, and provided technical assistance in the planning and performance of our annual review of NSF's IT security program.

**Audit.** To comply with the *Government Auditing Standards* requirement that all government auditors complete 80 hours of continuing professional education (CPE) every two years, all auditors identified in their Individual Development Plans courses that would both fulfill their CPE requirements and enhance their

professional expertise. The Office of Audit tracked training hours for each audit staff member and approved a training plan that ensured that all auditors complied with the CPE standards.

The effort to continually upgrade operations not only improves work methods, but also raises morale, fosters loyalty, and strengthens the professional expertise of OIG staff. During the year, the Office of Audit continued to obtain feedback on employee satisfaction by means of (1) quarterly all-Audit meetings to improve communications among Audit teams and discuss issues of common interest; (2) quarterly meetings of the Employee Survey Advisory Group and the AIGA to follow up on recommendations in the 2008 Employee Survey and discuss issues of continuing concern; and (3) exit interviews with departing Audit staff to obtain ideas on improving working conditions.

**Investigations.** All staff in the Office of Investigations prepared Individual Development Plans (IDP) that identified training opportunities deemed appropriate for professional development and career enhancement. We maintained and verified investigative training records for compliance with our core competency requirements. Our review showed that all training certificates were entered into our training system electronic records, although only 80 percent of IDP-proposed training was able to be accomplished. During this performance period, all position descriptions were reviewed and revised to ensure they are consistent and that they provide an adequate career ladder for employee advancement. The Office provided internal training at five Investigations staff meetings. While our outreach and training goals continue to remain priorities, the lack of additional resources in the last few budget cycles has adversely affected these essential functions. We have limited our outreach to only larger organizations and/or groups in the greater D.C. area. It has also become more difficult to meet the staff's training and development goals, and not all staff members achieved their IDP goals.

## **2. Improve communication and collaboration within OIG.**

- Ensure information exchange and referrals among the Audit, Investigation, and Administrative units.
- Share information about audit, investigative, and administrative activities at all-staff meetings.
- Maintain Investigations/Audit/Administrative teams and monitor their performance of OIG/NSF liaison duties.
- Conduct periodic meetings between audit and investigation managers to discuss cross-cutting issues, mutual concerns, and cooperative efforts.
- Use office-wide committees for completion of various OIG projects and activities.
- Conduct periodic informational meetings for administrative staff from each OIG unit.
- Ensure staff participation in the development and implementation of the annual OIG Performance Plan.
- Increase OI staff's utilization of electronic review and mailing for correspondence.
- Hold brown bag lunch discussions of topics affecting OIG.
- Improve effectiveness of OI meetings.
- Address issues for OI highlighted in employee survey.



Information sharing among the Audits, Investigations, and Administrative units that comprise OIG continued to be more open and effective than in years past. All units have contributed to improved communication and collaboration within OIG through participation in formal and informal meetings, activities, and training events. Audit and Investigations staff met three times this year to discuss issues of mutual concern and to monitor matters that have been referred between the offices. Referrals were assessed during these meetings, and action was subsequently taken on any deemed to be significant. Audit staff initiated five referrals, while Investigations staff, who were focused principally on internal investigations, saw a decline in referrals for Audit to two matters.

OIG staff worked together to provide in-house training and accomplish office-wide initiatives. During the performance period, employees made presentations at seven of the ten all-hands meetings to share information about their work. Investigators provided briefings to ensure broad understanding within OIG of how cases are handled and the results obtained in recent investigations. Auditors presented findings of audits or reviews of various NSF programs and awards, such as an urban school district that had mishandled NSF funds, the inadequate dissemination of the results of NSF research, and the financial issues concerning post-retirement benefits at NSF's Federally Funded Research and Development Centers. Each staff meeting also contained updates from our IT support professionals, reports on our liaison activities with NSF directorates, and updates on current legislative and IG community activities. OIG staff members were also active on office-wide committees to plan activities such as the annual office retreat and to develop the annual OIG Performance Plan.

Investigations conducted five meetings for training purposes, with informative presentations targeted to OIG staff, as well as brown-bag lunches for staff to discuss issues relevant to the entire office. The scheduling and formatting of the bi-weekly Investigations meetings were modified to be responsive to the employee survey results, allow managers to discuss more specific subjects with their staff, and provide the staff an additional forum to present ideas and concerns.

We significantly increased the use of electronic routing and approval processes for reviewing documents such as request letters, closure notifications and Reports of Investigation prior to transmitting them. This has resulted in streamlining the process and reducing the resources used to copy and prepare for mailing.

There was strong participation in the OIG liaison program, in which staff members from different OIG units are paired to establish an ongoing relationship with their designated NSF directorate, division, or office. OIG staff initiated approximately 30 liaison program visits to NSF's science directorates and business/administrative offices during the performance year.

### **3. Ensure effective external communications and consultation with our stakeholders.**

- Produce timely external reports on OIG results and issues.
- Provide testimony and other requested information to congressional committees.

- Provide briefings to the NSB, Congress, OMB, NSF, and others regarding OIG plans, priorities, and progress.
- Prepare timely OIG budget requests.
- Issue two OIG Newsletters by email.
- Review statistical section of Semiannual Report for usefulness and to ensure it includes all statutory reporting requirements.
- Update NSF leadership regularly on OIG activities and concerns.
- Participate in committees and task forces, as appropriate.
- Collaborate with federal and international agencies to advance common audit, investigative, and management goals.
- Provide leadership and active participation in the IG community.
- Track and coordinate GAO audits of NSF programs.
- Conduct active outreach to NSF and the research community, and particularly to professional associations of higher learning.
- Track usage of OIG website.
- Increase capability of OIG website to accommodate the use of multimedia informational tools such as videos, podcasts, and links to relevant news stories.
- Post audit reports to OIG website within required timeframes after issuance.
- Ensure that FOIA/PA requests are processed in a timely manner.
- Submit article(s) for publication in appropriate journals.
- Provide briefings to NSF staff during initial orientation.

During the past year, OIG kept stakeholders apprised of its work by submitting all reports for which it was responsible, including two Semiannual Reports to Congress, NSF's Financial Statement Audit Report, the FY 2008 Federal Information Security Management Act (FISMA) evaluation, and a Management Challenges Letter. These reports were issued within the timelines prescribed either by law or by specified due dates. OIG also submitted a FY 2010 budget request in accordance with OMB and Congressional requirements. OIG leadership met with Congressional staff on various NSF issues and responded to Congressional requests for information on matters such as NSF's follow-up on an OIG audit, the agency's handling of investigative matters, unimplemented audit recommendations, and dissemination of the results of NSF-funded research. The Interim IG testified to Congress in March 2009 about OIG's oversight of NSF's Recovery Act funds, and we responded to two inquiries from our Congressional oversight committees requesting additional information on the subject.

OIG staff and/or the independent auditor of NSF's financial statements gave briefings at each meeting of the Audit and Oversight Committee of the National Science Board to keep it apprised of progress on the audit and on corrective actions taken by NSF in response to previous financial audits. OIG staff also presented the office's proposed budget submission, annual audit plan, Recovery Act planning, and reports on significant investigations and audits. The AIG for Investigations provided briefings to the Committee in closed session throughout this performance period. One electronic newsletter was provided to NSF stakeholders this year as OIG's Recovery Act preparations forced postponement of the second newsletter. However, the IG and Deputy IG continued to conduct

briefings for the NSF Director and Deputy Director at regular intervals to apprise them of OIG's activities and discuss opportunities to improve agency operations.

OIG staff continued to be actively involved in NSF committees. For example, auditors and investigators participated in five working groups that NSF's Office of Budget, Finance and Award Management established to address new requirements in the American Recovery and Reinvestment Act of 2009, and the Deputy IG sat on the NSF ARRA Steering Committee. Audit staff members were also active in the Audit Coordinating Committee, which included key NSF staff and met to resolve coordination issues associated with the financial statement audit. The Senior Policy and Operations Advisor served as an executive secretary to the Audit and Oversight Committee of the National Science Board. The Deputy IG participated in quarterly Division Director retreats and served as the OIG liaison for the agency's Office of Equal Opportunity and Office of Legislation and Public Affairs. OIG staff also gave briefings at every NSF Program Managers Seminar and NSF New Employee Orientation. Finally, we conducted numerous liaison events to directorates and divisions of NSF. Audit and Investigations staff partnered for more than thirty outreach visits to NSF's science directorates and business/administrative offices during the performance year.

Audit staff worked closely with Office of Management and Budget (OMB) on a variety of projects, including addressing the results of the 2007 *Report on Annual Single Audit Sampling Project*, which found that the independent auditors who performed Single (A-133) Audits needed better guidance and training. NSF OIG auditors were active in one of the OMB workgroups established to improve the quality of the A-133 audits. In addition, audit staff provided comments on drafts of revisions to the following OMB Circulars: A-50 (Audit Follow-up), A-136 (Financial Reporting Requirements), A-127 (Financial Management Systems), and A-133 *Compliance Supplement* (which provides guidance on how to perform A-133 audits). Auditors also met with OMB to review how it determined agencies' scorecard ratings on elements of the President's Management Agenda.

As scientific research continued to involve an increasing number of international collaborations, it became ever more important that those who fund and perform research understand the rules, regulations, best practices, and research ethics that exist in other countries. The NSF OIG has been at the forefront of this effort. This year an auditor attended a workshop sponsored by the European Science Foundation, which discussed methods for ensuring quality in ex-post evaluation studies and for developing common indicators for evaluating public research organizations. Audit staff also met with representatives from the National Science Foundation of Ireland and the Research Councils of the United Kingdom to discuss oversight of grantees' uses of public funds. Auditors plan to visit the Research Councils during the upcoming performance year to learn first-hand about the Funding Assistance Program, which determines whether public research funds are properly safeguarded and used only for the purposes Parliament intended. Investigators presented to the international community on four occasions, addressing groups of individuals involved in the funding and oversight of research in different countries around the world. Senior OIG staff

also gave briefings to visiting delegations of government officials and scientists from various countries. These activities represented a concerted effort by OIG to increase international understanding of accountability in the funding and conduct of research and to share information and practices with the organizations charged with managing research enterprises.

OIG also continued to participate actively in committees, projects, and events in the IG community. The IG served as the Vice-Chair of the Executive Council of Integrity and Efficiency through December. Investigative staff provided leadership within the IG community on the National Procurement Fraud Task Force, its Grant Fraud Subcommittee, the Inspector General Academy, and the Federal Law Enforcement Training Center. As a member of the Grant Fraud Subcommittee, we participated in the development and issuance of a white paper identifying the importance of monitoring federal grants in the same context as federal contracts. Several of our best practices were identified in this report. The NSF IG led the Misconduct in Research Working Group of the Council of Inspectors General on Integrity and Efficiency, with support from our research misconduct staff. The Group met twice in 2008 to address a significant research misconduct case at another agency, efforts by the Global Science Forum to coordinate international responses to research misconduct, and review case studies. Both meetings were well attended, drawing OIG officials from a number of agencies. By sharing practices and policies, as well as creating posters, hand-outs, fact sheets, and slide shows, we expanded our outreach to other federal OIGs overseeing grant programs.

Auditors continued to provide leadership in interagency groups that foster common audit goals. For example, the AIG for Audit was the co-chair of the Financial Statement Committee of the Federal Audit Executive Council. Senior Audit staff participated routinely in the Council's Committee on Human Resources activities, such as developing an IG community presentation to students about careers in auditing. Auditors also regularly attended meetings of the Financial Statement Audit Network, a workgroup of the Council, to keep apprised of proposed accounting standards and requirements for federal financial statement audits. Audit staff provided frequent guidance to other OIGs on how to develop programs to review Single Annual Audits (A-133 audits) and on issues such as wage garnishment and developing position descriptions for hiring audit staff. In total, Audit staff participated in about 40 formal meetings and conversations with other OIGs during the past year.

Our staff published two articles in professional journals. An investigator and an auditor co-authored an article entitled "International Efforts toward Financial and Programmatic Accountability" that appeared in the Spring/Summer 2008 edition of *The Journal of Public Inquiry*. It focused on the need for accountability in research funds, integrity in research, and evaluation in research, and discussed international accountability activities being undertaken in these topics. In addition, the IG co-authored an article that appeared in an April 2008 edition (Volume 452) of *Nature* magazine entitled "Investigating International Misconduct." It discussed incipient efforts towards creating a system that other

countries and research entities could voluntarily implement to better handle investigations of research misconduct both intra-national and international. The IG also wrote and recorded a companion Podcast for her *Nature* article for a segment called The Podium.

The Audit staff has continued to track and coordinate Government Accountability Office (GAO) audits of NSF programs during this period, and we provided comments on a GAO draft report, *Designated Federal Entities; Survey of Governance Practices and the Inspector General Role* (GAO-09-270), which included survey responses from the heads of designated entities and their IGs. NSF is a federal designated entity, and both the agency and the NSF IG responded to the survey.

OIG continued to conduct active outreach to the research community by delivering over 20 presentations to national educational associations, universities, professional associations, and groups of NSF grant recipients. However, due to resource constraints, we had to limit our outreach activities to presentations to large groups, such as professional associations, and those in close proximity to the D.C. area. We also maintained effective communications with the public in general through prompt responses to requests under the Freedom of Information Act, in which we met 100 percent of our processing milestones, and through posting audit reports within one day of issuance, as prescribed by law. Our website registered 223,000 “hits” during this period.

## Acronyms

AD	NSF Assistant Director
AIG	Associate Inspector General
ARRA	American Recovery and Reinvestment
CAREER	Faculty Early Career Development Program
CAS	Cost Accounting Standards
CBA	Collective Bargaining Agreement
CIGIE	Council of Inspectors General on Integrity and Efficiency
CISE	Computer and Information Science and Engineering Directorate
COI	Conflict of Interest
COV	Committee of Visitors
DACS	Division of Acquisition and Cost Support
DCAA	Defense Contract Audit Agency
DD	Deputy Director
DGA	Division of Grants and Agreements
DIAS	Division of Institution and Award Support
DoD	Department of Defense
DoE	Department of Energy
DoJ	Department of Justice
ECIE	Executive Council of Integrity and Efficiency
EPSCoR	Experimental Program to Stimulate Competitive Research
FFRDC	Federally Funded Research and Development Centers
FISMA	Federal Information Security Management Act
GAO	Government Accountability Office
GAS	Government Auditing Standards
GPRA	Government Performance and Results Act
HHS	Department of Health and Human Services
IG	Inspector General
MIRWG	Misconduct in Research Working Group
MREFC	Major Research Equipment and Facilities Construction
NIH	National Institute of Health
NSB	National Science Board
NSF	National Science Foundation
OEOP	Office of Equal Opportunity Programs
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPP	Office of Polar Programs
OPM	Office of Personnel Management
PCIE	President's Council on Integrity and Efficiency
PI	Principal Investigator
PFCRA	Program Fraud Civil Remedies Act
SBIR	Small Business Innovation Research
STC	Science and Technology Centers
USAP	United States Antarctic Program



## Reporting Requirements

Under the Inspector General Act, we report to the Congress every six months on the following activities:

Reports issued, significant problems identified, the value of questioned costs and recommendations that funds be put to better use, and NSF's decisions in response (or, if none, an explanation of why and a desired timetable for such decisions). (See pp. 5, 13, 53)

Matters referred to prosecutors, and the resulting prosecutions and convictions. (See pp. 29, 63)

Revisions to significant management decisions on previously reported recommendations, and significant recommendations for which NSF has not completed its response. (See pp. 24, 56, audit reports w/ outstanding...)

Legislation and regulations that may affect the efficiency or integrity of NSF's programs. (See p. 9)

OIG disagreement with any significant decision by NSF management. (None)

Any matter in which the agency unreasonably refused to provide us with information or assistance. (None)



National Science Foundation  
Office of Inspector General  
4201 Wilson Blvd., Suite 1135  
Arlington, VA 22230  
703.292.7100



<http://www.nsf.gov/oig>  
To report fraud, waste, or abuse,  
call our hotline 1.800.428.2189

