



U.S. DEPARTMENT OF ENERGY

# Office of Inspector General

DOE-OIG-26-37

May 29, 2026

## Oak Ridge Associated Universities, Inc.'s Costs Incurred and Claimed for Fiscal Years 2021 Through 2023 Under Contract No. DE-SC0014664



AUDIT REPORT

On May 29, 2026, the Department of Energy Office of Inspector General issued audit report DOE-OIG-26-37, *Oak Ridge Associated Universities, Inc.'s Costs Incurred and Claimed for Fiscal Years 2021 Through 2023 Under Contract No. DE-SC0014664*. Due to the audit report containing controlled unclassified information, it was not released publicly. However, in the interest of transparency, we prepared a highlights document to convey key summary facts from our work that is free of controlled information.



**Department of Energy**  
Washington, DC 20585

May 29, 2026

MEMORANDUM FOR THE CONTRACTING OFFICER, OAK RIDGE NATIONAL  
LABORATORY SITE OFFICE, OFFICE OF SCIENCE

SUBJECT: Audit Report: *Oak Ridge Associated Universities, Inc.'s Costs Incurred and Claimed for Fiscal Years 2021 Through 2023 Under Contract No. DE-SC0014664*

The Office of Inspector General contracted with CohnReznick LLP (CohnReznick) to audit the Oak Ridge Associated Universities, Inc.'s (ORAU) costs incurred and claimed for fiscal years 2021 through 2023, under management and operating contract No. DE-SC0014664, to determine if costs charged were allowable, allocable, and reasonable in accordance with applicable laws, regulations, and contract terms. CohnReznick performed the audit in accordance with generally accepted government auditing standards.

CohnReznick questioned approximately \$590.3 million in costs related to inadequately supported stipend costs claimed in other direct costs. Further, CohnReznick identified one control deficiency and two areas for improvement.

CohnReznick is responsible for the attached audit report dated March 5, 2026, and the conclusions expressed therein. The Office of Inspector General did not express an independent opinion on ORAU's fiscal years 2021 through 2023 Statement of Costs Incurred and Claimed submissions.

ORAU management provided comments, which are included in the report. However, pursuant to Public Law 117-263, Section 5274, the contractor has 30 days from the date of publication of this report on our website to submit an optional written response to [OIG.Reports@hq.doe.gov](mailto:OIG.Reports@hq.doe.gov) for the purpose of clarifying or providing additional context to any specific reference. The response will be posted on our public website. If the response contains any classified or other nonpublic information, the response should clearly identify the portions that need to be redacted and should provide a legal basis for the proposed redactions.

We appreciated the cooperation and assistance received during this audit.

A handwritten signature in blue ink, appearing to read 'MDD', with a long horizontal line extending to the right.

Matthew D. Dove  
Assistant Inspector General  
for Audits  
Office of Inspector General

cc: Deputy Secretary  
Chief of Staff

# DOE OIG HIGHLIGHTS

## *Oak Ridge Associated Universities, Inc.'s Costs Incurred and Claimed for Fiscal Years 2021 Through 2023 Under Contract No. DE-SC0014664*

---

### Why the Audit Was Performed

This audit was performed by CohnReznick LLP (CohnReznick) on behalf of the Department of Energy Office of Inspector General and examined Oak Ridge Associated Universities, Inc.'s (ORAU) costs incurred and claimed for fiscal years 2021 through 2023 under management and operating contract No. DE-SC0014664.

The audit's objective was to determine if costs charged to Department contract No. DE-SC0014664 for fiscal years 2021 through 2023 were allowable, allocable, and reasonable in accordance with contract terms, applicable laws, and regulations.

CohnReznick performed the audit in accordance with generally accepted government auditing standards.

### What the Audit Found

CohnReznick questioned approximately \$590.3 million in costs related to inadequately supported stipend costs claimed in other direct costs. Further, CohnReznick identified one control deficiency and two areas for improvement in ORAU's internal controls related to timekeeping practices and the preparation and review of incurred cost submissions.

### What the Audit Recommends

CohnReznick made one recommendation and two suggestions for improvement. Additionally, we recommend that the contractor coordinate with the contracting officer to address the questioned and unresolved costs identified in this report. If the issues identified are fully addressed, it should help ensure that costs charged to the Department are allowable, allocable, and reasonable in accordance with contract terms.

### How the Contractor Responded

ORAU nonconcurred with the finding and the associated questioned costs. ORAU indicated that documentation will be provided to the contracting officer for a final determination.