



U.S. DEPARTMENT OF ENERGY

# Office of Inspector General

DOE-OIG-26-21

March 6, 2026

## Jefferson Science Associates, LLC's Costs Incurred and Claimed for Fiscal Years 2022 and 2023 Under Contract No. DE-AC05-06OR23177



AUDIT REPORT



**Department of Energy**  
Washington, DC 20585

March 6, 2026

MEMORANDUM FOR THE CONTRACTING OFFICER, THOMAS JEFFERSON SITE  
OFFICE, OFFICE OF SCIENCE

SUBJECT: Audit Report: *Jefferson Science Associates, LLC's Costs Incurred and Claimed for Fiscal Years 2022 and 2023 Under Contract No. DE-AC05-06OR23177*

The Office of Inspector General contracted with the Defense Contract Audit Agency (DCAA) to audit Jefferson Science Associates, LLC's (JSA) costs incurred and claimed for fiscal years 2022 and 2023 at the Thomas Jefferson National Accelerator Facility, under management and operating contract No. DE-AC05-06OR23177, to determine if costs charged were allowable, allocable, and reasonable in accordance with applicable laws, regulations, and contract terms. The DCAA performed the audit in accordance with generally accepted government auditing standards.

The DCAA identified one audit finding and questioned approximately \$6.3 million in performance award fees included in the General and Administrative pool. The performance fees represented a contractual incentive paid by the Department of Energy and were questioned by the DCAA because JSA included the fee as a cost in the General and Administrative pool. The DCAA reconciled the proposed fee amount to performance evaluation reports, and the Department determined that the contractor was entitled to the earned fee.

The DCAA is responsible for the attached audit report dated September 22, 2025, and the conclusions expressed therein. The Office of Inspector General did not express an independent opinion on JSA's costs incurred and claimed for fiscal years 2022 and 2023.

JSA's management provided comments, which are included in the report. However, pursuant to Public Law 117-263, Section 5274, JSA 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 of your staff during the audit.

A handwritten signature in blue ink, appearing to read 'MDD', with a 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

## *Jefferson Science Associates, LLC's Costs Incurred and Claimed for Fiscal Years 2022 and 2023 Under Contract No. DE-AC05-06OR23177*

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### Why the Audit Was Performed

This audit was performed by the Defense Contract Audit Agency (DCAA) on behalf of the Department of Energy's Office of Inspector General and examined Jefferson Science Associates, LLC's (JSA) costs incurred and claimed for fiscal years 2022 and 2023 at the Thomas Jefferson National Accelerator Facility, under management and operating contract No. DE-AC05-06OR23177.

The audit's objective was to determine if costs charged were allowable, allocable, and reasonable in accordance with applicable laws, regulations, and contract terms.

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

### What the Audit Found

The DCAA identified one audit finding and questioned approximately \$6.3 million in performance award fees included in the General and Administrative pool. The performance fees represented a contractual incentive paid by the Department and were questioned by the DCAA because JSA included the fee as a cost in the General and Administrative pool. The DCAA reconciled the proposed fee amount to performance evaluation reports, and the Department determined that the contractor was entitled to the earned fee.

### What the Audit Recommends

If the issue identified by the DCAA are fully addressed, it should help ensure that costs charged to the Department are allowable, allocable, and reasonable in accordance with contract terms. We recommend that the contractor coordinate with the contracting officer to resolve the questioned costs identified in this report.

### How the Contractor Responded

JSA responded to the audit findings during an exit conference and provided a written response that is included in the DCAA's audit report. JSA nonconcurred with the questioned costs.