



U.S. DEPARTMENT OF ENERGY

Office of Inspector General

DOE-OIG-26-27

March 26, 2026

Jefferson Science Associates, LLC's Costs Incurred and Claimed for Fiscal Years 2019 and 2020 Under Contract No. DE-AC05-06OR23177



AUDIT REPORT



Department of Energy
Washington, DC 20585

March 26, 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 2019 and 2020 Under Contract No. DE-AC05-06OR23177*

The Office of Inspector General contracted with CohnReznick LLP (CohnReznick) to audit the Jefferson Science Associates, LLC's (JSA) costs incurred and claimed for fiscal years 2019 and 2020, 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. CohnReznick performed the audit in accordance with generally accepted government auditing standards.

CohnReznick questioned approximately \$650,000 in costs for purchases identified as direct material and for costs included in the Material and Handling, General and Administrative, and Facilities/Infrastructure pools. CohnReznick also identified two deficiencies in JSA's internal controls related to inadequate subcontract monitoring and the failure to remove unallowable costs and maintain an adequate purchasing system. CohnReznick also reported approximately \$8.9 million in unresolved costs related to pending investigations at the time of the audit.

CohnReznick is responsible for the attached audit report dated September 25, 2025, and the conclusions expressed therein. The Office of Inspector General did not express an independent opinion on JSA's fiscal years 2019 and 2020 Statement of Costs Incurred and Claimed submissions.

JSA 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 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.



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 2019 and 2020 Under Contract No. DE-AC05-06OR23177

Why the Audit Was Performed

This audit was performed by CohnReznick LLP (CohnReznick) 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 2019 and 2020 under management and operating contract No. DE-AC05-06OR23177.

The audit's objective was to determine if costs charged to Department contract No. DE-AC05-06OR23177 for fiscal years 2019 and 2020 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.

What the Audit Found

CohnReznick questioned approximately \$650,000 in costs for purchases identified as direct material and for costs included in the Material and Handling, General and Administrative, and Facilities/Infrastructure pools. CohnReznick also identified two deficiencies in JSA's internal controls related to inadequate subcontract monitoring and the failure to remove unallowable costs and maintain an adequate purchasing system. CohnReznick also reported approximately \$8.9 million in unresolved costs related to pending investigations at the time of the audit.

What the Audit Recommends

CohnReznick made two recommendations. 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

JSA nonconcurred with how the questioned costs were calculated. JSA withheld further comment pending negotiations with the contracting officer.

FEEDBACK

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