U.S. DEPARTMENT OF ENERGY

Office of Inspector General

DOE-OIG-26-41 July 14, 2026

Brookhaven Science Associates LLC's Costs Incurred and Claimed for Fiscal Years 2017 Through 2019 Under Contract No. DE-SC0012704

AUDIT REPORT

On July 14, 2026, the Department of Energy Office of Inspector General issued audit report DOE-OIG-26-41, *Brookhaven Science Associates, LLC's Costs Incurred and Claimed for Fiscal Years 2017 Through 2019 Under Contract No. DE-SC0012704*. 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

July 14, 2026

MEMORANDUM FOR THE CONTRACTING OFFICER, BROOKHAVEN SITE OFFICE, OFFICE OF SCIENCE

SUBJECT: Audit Report: *Brookhaven Science Associates, LLC's Costs Incurred and Claimed for Fiscal Years 2017 Through 2019 Under Contract No. DE-SC0012704*

The Office of Inspector General contracted with CohnReznick LLP (CohnReznick) to audit Brookhaven Science Associates, LLC's costs incurred and claimed for fiscal years 2017 through 2019 at Brookhaven National Laboratory, under management and operating contract No. DE-SC0012704, to determine if costs charged 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.

CohnReznick identified over $20 million in questioned costs related to unallowable telephone costs, credit card purchases, and costs related to a proprietary user rate. CohnReznick also identified one control deficiency related to inadequate maintenance of documentation to support claimed costs. Further, CohnReznick considered $89,588,354 in subcontractor costs unresolved pending audit.

CohnReznick is responsible for the attached audit report dated December 15, 2025, and the conclusions expressed therein. The Office of Inspector General did not express an independent opinion on Brookhaven Science Associates, LLC's fiscal years 2017 through 2019 Statement of Costs Incurred and Claimed submissions.

Brookhaven Science Associates, LLC nonconcurred with the findings and related questioned costs. 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 of your staff during the audit.

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

cc: Deputy Secretary
Chief of Staff

DOE OIG HIGHLIGHTS

Brookhaven Science Associates, LLC's Costs Incurred and Claimed for Fiscal Years 2017 Through 2019 Under Contract No. DE-SC0012704

Why the Audit Was Performed

This audit was performed by CohnReznick LLP (CohnReznick) on behalf of the Department of Energy Office of Inspector General. CohnReznick audited Brookhaven Science Associates, LLC's (BSA) costs incurred and claimed for fiscal years (FY) 2017, $550,771,280; 2018, $545,842,664; and 2019, $587,535,877 at Brookhaven National Laboratory, under management and operating contract No. DE-SC0012704.

The audit's objective was to determine if costs charged to Department contract No. DE-SC0012704 for FYs 2017 through 2019 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 identified over $20 million in questioned costs. Of these questioned costs, $8,157,155 were related to unallowable telephone costs for FYs 2017 through 2019, and $11,945,628 were related to unallowable credit card purchases for FYs 2017 and 2018. Additionally, CohnReznick questioned $206,365 of FY 2019 costs related to the National Synchrotron Light Source II proprietary user rate. CohnReznick also identified one control deficiency related to inadequate maintenance of documentation to support claimed costs. Further, CohnReznick considered $89,588,354 in subcontractor costs unresolved pending audit.

What the Audit Recommends

CohnReznick made one recommendation. The Office of Inspector General also recommends 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

BSA nonconcurred with the retention requirements regarding the length of time documentation must be maintained prior to disposal. BSA also nonconcurred with the finding related to the National Synchrotron Light Source II questioned costs and withheld further comment pending discussions with the contracting officer. CohnReznick maintained its position related to the control deficiency that resulted in nearly all questioned costs.

FEEDBACK

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