



Audit of NIST MEP Awards to Ohio Department of Development

Audit Report OIG-26-025-A

August 19, 2026

➤ **What We Audited** | Our objective was to determine whether the Ohio Department of Development (ODOD) complied with award terms and conditions.

➤ **Why This Matters** | The National Institute of Standards and Technology (NIST), in the Department of Commerce, oversees the Hollings Manufacturing Extension Partnership (MEP). MEP centers provide manufacturers with services and access to resources to enhance growth, improve productivity, and expand capacity. NIST awards financial assistance to operate the centers. ODOD, a state agency, operates the Ohio MEP Center, which includes six subrecipients across the state.

In a previous audit of MEP awards to ODOD, we questioned nearly \$7 million in costs and identified over \$1.4 million of unreported program income. In our recent evaluation of MEP's economic impact reporting, we found that some economic data reported by the Ohio MEP Center's clients was unreliable.

➤ **What We Found** | We found that ODOD did not comply with award terms and conditions. Specifically:

- ODOD did not report accurate financial results to NIST.
- ODOD did not ensure subrecipient expenses were allowable.
- ODOD did not effectively monitor subrecipients' compliance with award terms and performance and did not report on subrecipients as required.
- ODOD did not verify the accuracy of the Ohio MEP Center's economic impact data.

As a result, we are questioning \$20,911,830 in costs and identifying \$5 million in funds to be put to better use and \$2,756,752 in underreported program income.

➤ **What We Recommend** | We made six recommendations to NIST to determine whether additional enforcement action is needed, determine and recover unallowable costs, require ODOD to revise its financial reporting, remove unreliable economic data from NIST's website and publications, strengthen NIST oversight of award recipients, and require award recipients to certify subrecipients were effectively monitored and certify and obtain documentation to justify the accuracy of economic impact reporting. NIST concurred with our recommendations and is working to implement them.