



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I-16-0050-O

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We initiated this investigation pursuant to an allegation that a PI on an NSF STTR award was a full-time employee of a university, in violation of the SBIR/STTR primary employment requirement. We subpoenaed the PI's employment records from the university and determined that the PI received his full-time employment offer with the university shortly before submitting the award proposal and began working full-time for the university prior to when the award began. The awardee falsely certified to the primary employment of the PI in the proposal, an administrative questionnaire submitted to NSF during the award decision process, the Request for Initial Payment, and the Final Report. Approximately two months into the award, and again approximately a month after that, the PI represented to the award's Program Officer that he would shortly begin working full-time for the university and would not meet the required 51% employment with the awardee, even though at the time of both emails, the PI was already fully employed with the university. The Program Officer approved the appointment of a new PI, who initially met the primary employment requirements. She too, however, took on a full-time position with the same university during the final six months of the award.

We referred the case to the appropriate U.S. Attorney's Office for civil prosecution. The U.S. Attorney's Office and the awardee executed a civil settlement, requiring the awardee to pay nearly \$35,000 to settle the matter.

Accordingly, this investigation is closed.