



NATIONAL SCIENCE FOUNDATION  
OFFICE OF INSPECTOR GENERAL  
OFFICE OF INVESTIGATIONS

## CLOSEOUT MEMORANDUM

Case Number: I-16-0124-O

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We received concerns that an NSF PI was affiliated with two companies, Company A and Company B. We found that the PI failed to disclose his affiliation with Company A in documentation related to Company B. Based on this failure to disclose, we recommended suspension of an award to Company A; NSF agreed with our recommendation to do so. We also found that Company B failed to maintain the time and effort reporting documentation as had been represented to NSF. We recommended that NSF withhold the final payments on Company B's awards, which NSF did. This resulted in nearly \$150,000 in funds put to better use. We met with the PI and Company B's counsel concerning its ability to track NSF expenditures; Company B was unable to support the questioned expenditures. We referred this case to the U.S. Department of Justice, but it was ultimately declined for potential civil prosecution. We sent a Questionable Administrative Practices letter to Company B concerning current and pending support disclosure requirements and the importance of providing true and complete information.

This case is **closed** with no further action taken.