



NATIONAL SCIENCE FOUNDATION  
OFFICE OF INSPECTOR GENERAL  
OFFICE OF INVESTIGATIONS

## CLOSEOUT MEMORANDUM

Case Number: I14050017

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This case was opened on a company<sup>1</sup> due to concerns regarding work with the proposed subcontractor<sup>2</sup> and the expenditure of award funds. Questions arose concerning the Phase II and IIB awards<sup>3</sup> to this company. We reviewed relevant correspondence, interviewed the Program Officer, interviewed the proposed subcontractor, and reviewed financial records. This revealed that the company did originally intend to subcontract a portion of the award to the subcontractor, that the company and subcontractor engaged in good faith negotiations to enter into a subcontract for some of the Phase II work, and that NSF funds were not misspent. However, the Program Officer was not notified of the major project change regarding the subcontractor, and minor differences were discovered regarding the general ledgers and milestone charts. We sent the company a letter recommending that the company ensure NSF is notified when significant project changes occur, and that the company's milestone charts are completely accurate.

Accordingly, this case is closed.

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