



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I-17-0048-O

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We investigated an allegation that an STTR company and its founder and Chief Scientist made multiple false representations to NSF to obtain two STTR awards. These misrepresentations involved the eligibility of award principal investigators (PIs); the physical location of the PI in one award; and the existence of a valid subcontract with the required educational partner institution in another award. NSF suspended the final payment of the second STTR award based on OIG's recommendation. This case was accepted for civil prosecution by the U.S. Department of Justice, and the company entered into a settlement agreement to resolve allegations that it violated the False Claims Act in its awards involving two Federal agencies. Nearly \$146,000 was recovered, of which approximately \$54,000 was returned to NSF. An administrative settlement agreement was also entered into by NSF and the company for 2 years.

This case is closed with no further action taken.