



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I-18-0110-O

Page 1 of 1

We participated in a multi-agency investigation of a university PI who admitted to misusing more than \$130,000 in NSF funds. In order to avoid returning expiring funds to NSF, the PI admitted to using the leftover funds from two NSF awards to his university to pay for work on another federal agency's STTR award, which the PI received for his small business.

In addition to the admitted misuse of NSF funds, we determined that the PI provided material false statements to NSF related to a subsequent award he received through his university. The proposal for the award outlined two major research objectives. However, a review of the PI's previous publications revealed he had already completed one of the two research objectives for which he sought NSF funding. When interviewed, the program officer had not been aware that the PI had sought funding for work already completed.

The PI also failed to disclose foreign affiliations and current and pending support during the award's application process, specifically the PI's ongoing appointments as a guest professor at two foreign universities. At the time of the proposal submission, he had held the position at the two universities for 10 and 16 years respectively. Additionally, before making an award decision, the NSF program officer contacted the PI requesting updated current and pending support. In his response, the PI left out a newly pending offer of employment and approximately \$1.5 million in research support from a foreign institution.

Another federal agency's OIG investigation found the PI failed to disclose that a third federal agency had already funded essentially equivalent work as was proposed in the STTR applications. The investigation further discovered that the PI failed to properly account for the use of grant money, misused funds for personal expenses, and submitted altered, false, and fraudulent documentation to that agency's auditors to substantiate false statements regarding use of grant funds.

The Department of Justice charged the PI with 15 criminal counts concerning federal awards received through his university and small business, including two counts of wire fraud relating to his application for and use of NSF award funds. The PI plead guilty to one count of false statements (18 U.S.C. § 1001(a)(2)) related to wrongdoing associated with the small business' STTR award. He was sentenced to 27 months in prison, a \$10,000 fine, and approximately \$2 million restitution to the other agency.

This case is closed with no further action taken.