



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I-23-0036-O

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As part of a proactive review, we investigated a principal investigator (PI) of a Small Business Innovation Research (SBIR) awardee who received wages from other entities during the NSF SBIR award's period of performance. Our investigation substantiated the PI was a fulltime employee of two other companies, which was a violation of the SBIR primary employment requirement. However, the small business concern (SBC) falsely certified the PI was primarily employed by the SBC. We referred the matter to the Department of Justice, and a civil case was opened. As a result, the SBC entered into a False Claims Act settlement for \$68,000, with approximately \$34,500 being returned to NSF as restitution. Additionally, the SBC owner agreed to participate in a training video, which emphasized the importance of truthful certifications on government grants.

This case has been closed and no further action will be taken.