



NSF OIG CORNER

Why Investing in Research Compliance Is a Good Bet: An Overview of Investigative Outcomes

By Pamela Van Dort

Need another reason to invest in research compliance? With the COVID-19 pandemic, budgets are tighter than ever. But the long-term costs of shrinking oversight may outweigh any short-term savings. In this article, we'll describe potential outcomes of administrative, civil, and criminal investigations to demonstrate why it's as important as ever to ensure compliance with federal laws and regulations.

What are the possible outcomes of an OIG investigation?

We investigate allegations of legal and regulatory violations related to NSF proposals, awards, and those who work for or conduct business with NSF. If wrongdoing is found, potential outcomes range from a warning letter to imprisonment in the most egregious cases.

That sounds scary. Is this always the case?

As neutral fact finders, our job is to find out what happened. Sometimes, what someone thought was a violation turns out to be unsubstantiated, and we can close the investigation with no action taken.

What are potential administrative outcomes of an investigation?

Administrative investigations cover a broad range of allegations, including research misconduct, whistleblower retaliation, abuse of authority, grantee conflicts of interest, mismanagement, and waste. If our investigation uncovers administrative concerns, there are many potential outcomes, including: (1) suspension of award(s), (2) termination of award(s), (3) certifications and assurances that submissions are free from research misconduct, (4) warning letters, (5) letters of reprimand, (6) exclusion from being a peer reviewer, and (7) in the most egregious cases, government-wide suspension or debarment.

What are potential civil outcomes of an investigation?

Most of our civil cases are prosecuted under the *False Claims Act* (31 U.S.C. §§ 3729-3733). This law was passed after the Civil War to combat fraud against the government. An entity, such as a university, may violate this law if it submits a false or fraudulent claim to the government, or if it submits a false statement in support of a claim to the government. Violators may have to pay up to three times the amount of damages (misspent funds or improper claims) and a monetary penalty for each false claim or false statement submitted. Our office works with the Department of Justice to pursue this type of action. Most such cases end in a settlement agreement where the subject agrees to pay a sum to the government in exchange for the government agreeing not to file suit. Additionally, an entity may have to hire a compliance officer or revise policies as part of a compliance agreement to ensure the wrongdoing will not recur.

What are potential criminal outcomes of an investigation?

The most serious instances of grant fraud can result in criminal proceedings. In such cases, as with civil matters, we work with the Department of Justice. In addition to theft and embezzlement, typical criminal violations include wire fraud, false statements, obstruction of justice, and aggravated identity theft. Some criminal cases end with the subject(s) pleading guilty, while others go to trial. Sentences may include one or more of the following: imprisonment, home confinement, supervised release, probation, fines, penalties, or restitution.

Where can I learn more?

Our Semiannual Reports to Congress summarize recent substantive case activities, including types of wrongdoing and outcomes:

- **Audit Reports:** www.nsf.gov/oig/reports

How can I report research misconduct or other forms of fraud, waste, abuse, or whistleblower reprisal?

- **Web:** www.nsf.gov/oig/report-fraud/form.jsp
- **Anonymous Hotline:** 1.800.428.2189
- **Email:** oig@nsf.gov
- **Mail:** 2415 Eisenhower Avenue, Alexandria, VA 22314
ATTN: OIG HOTLINE



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