



THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

Northern District of Indiana

FOR IMMEDIATE RELEASE

Thursday, July 19, 2018

West Lafayette, Indiana Couple Indicted

In A Scheme To Defraud The National Science Foundation

HAMMOND – The United States Attorney for the Northern District of Indiana, Thomas L. Kirsch II, announced an indictment against Qingyou Han, age 59 and Lu Shao, age 51, of West Lafayette, Indiana for engaging in a scheme to defraud the National Science Foundation (“NSF”).

According to documents in this case, Dr. Qingyou Han, a Purdue University Professor and the Director of the Purdue Center for Materials Processing Research, and his wife Lu Shao, using a company they founded and operated called Hans Tech, applied for and received over \$1.3 million in grants from NSF’s Small Business Innovation Research (“SBIR”) and Small Business Technology Transfer (“STTR”) programs and then used the funds at least in part to pay personal expenses and for the enrichment of themselves or their children. Among other claims, the indictment alleges that SHAO purchased a single family home in her name, signed a lease with herself on behalf of Hans Tech, and paid “rent” to herself from Hans Tech of \$3,000 per month using grant funds. Funds were also purportedly used to pay Han and Shao’s minor children “salaries.” For example, in 2009, Dr. Han and Ms. Shao falsely represented to NSF that the research project’s “Secretary” and “Technical Assistant” earned \$24,000 each via hourly wages and “consulting,” when, unbeknownst to NSF, the supposed employees were approximately 10 and 15 years old and they were Han and Shao’s own children.

The United States Attorney's Office emphasized that an Indictment is merely an allegation and that all persons charged are presumed innocent until, and unless, proven guilty in court.

If convicted in court, any specific sentence to be imposed will be determined by the judge after a consideration of federal sentencing statutes and the Federal Sentencing Guidelines.

This case is the result of an investigation by the National Science Foundation's Office of Inspector General. This case is being prosecuted by Assistant U.S. Attorney Jill Koster and NSF OIG Investigative Attorney Sonia Khanzode.

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Topic(s):

Financial Fraud

Component(s):

USAO - Indiana, Northern

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