



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: A03120077

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In a review of conference/workshop awards, we identified an award¹ for the production of a manual² for an NSF program³ with unusual participant support charges. The awardee's⁴ proposal budget justification included travel expenses for the PI⁵ and administration costs, including document preparation supplies, under the category of participant support. NSF awarded the total amount requested under the category of participant support.

The awardee institution supplied documentation to support the costs charged to the award showing approximately double the proposed costs for PI travel and administrative costs. When asked whether it had received program officer approval in writing to reallocate participant support for these non-participant support uses, the awardee responded that although it was confused by NSF's approval of the proposed budget, it assumed that NSF would permit the charges because they were in furtherance of the award. The awardee also claimed to have received approvals from NSF either verbally in conversations or implicitly by NSF's acceptance of trip reports.⁶

The program officer⁷ verified that in making the award she understood that the PI's travel support and administrative costs for the production of the manual would be drawn from participant support. She said she did not understand that these were direct costs that did not fall within the definition of participant support; it was common practice to award participant support costs to cover PI travel; and the extra costs for the PI and supplies were acceptable for the production of the manual. NSF appears satisfied with the PI's product. However, a contract rather than a grant may have been a more appropriate instrument for obtaining such a product.

Because the funds appear to have been expended according to NSF's understanding, there are no further issues with regard to the awardee at this time.

Accordingly, this case is closed.

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]

⁶ These reports were not in the award jacket. The program officer did produce them for us and will place copies in the jacket.

⁷ [REDACTED]