



NATIONAL SCIENCE FOUNDATION  
OFFICE OF INSPECTOR GENERAL  
OFFICE OF INVESTIGATIONS

## CLOSEOUT MEMORANDUM

Case Number: A04040022

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Our office became aware of an institution,<sup>1</sup> which was conducting a project<sup>2</sup> through several subawardees, allegedly in violation of NSF's *Conflict of Interest Policy*<sup>3</sup> and the Common Rule for the Protection of Human Subjects.

The alleged violation of the *Conflict of Interest Policy* focused on issues involving a subawardee.<sup>4</sup> OIG found that NSF's General Grant Conditions (GC-1) does not pass the requirement for financial disclosures through the awardee to the subawardee.<sup>5</sup> However, NSF requires the awardee to have a conflict of interest policy and to enforce it.<sup>6</sup> The institution's policy, which uses text from the Public Health Service (PHS) regulation, required financial disclosure or certification by the subawardees. OIG found that the institution failed to enforce its own policy for this award as well as in thirty-eight other awards and was therefore in violation of NSF's *Conflict of Interest Policy*. In response to OIG's activities the institution took steps to correct that failure. The institution has now reported to OIG that it has received certifications from its investigators on all of its NSF awards and made changes in its policy for clarity.

During the course of our investigation, OIG reviewed all of the institution's active awards<sup>7</sup> for the involvement of human subjects and the required declaration by the institution that the project was either approved by the Institutional Review Board (IRB) or exempt from further review. When OIG pointed out apparent lapses in compliance, the institution supplied either documentation for IRB review and/or a statement by an official other than the PI citing the exemption. In two instances, a PI had determined erroneously that human subjects were not involved; however once identified by OIG as a human subjects project, the institution obtained expedited review and declared the applicable exceptions. The institution reported in most instances that the lapses resulted from a misunderstanding of NSF's regulations and policy. The institution has assured OIG that changes have been made in institution policy and procedure to ensure improved compliance. The institution also provided supplementary material to the NSF program offices to correct the award jackets.<sup>8</sup>

1 [REDACTED]

2 NSF award [REDACTED]

3 NSF Grant Policy Manual Section 510.

4 [REDACTED]

5 Article 33 requires investigator to disclose financial conflicts of interest. Article 8.a.3 contains a list of the provisions that pass through to the subawardee. Article 33 is not in that list.

6 NSF Grant Policy Manual Section 510

7 Totaling over [REDACTED]

8 The cognizant program officer for the contract asserted that work approved by OPM under the Paperwork Reduction Act (PRA) does not require human subjects review. OIG legal staff have determined that the PRA does not preclude human subjects review.



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At this time, the institution appears to have taken steps to improve its compliance with investigator financial disclosure and human subjects protections. Accordingly, this case is closed.