



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: A05030006

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NSF notified us that it had terminated a five-year award (Award 1)¹ to a university (University 1)² for significant mismanagement. NSF noted specific concerns related to the expenditure of a significant portion of the fifth-year increment in the middle of the fourth year; non-informative annual reports; payments of stipends to students outside the scope of the award; and the physical absence of the project manager (the CoPI)³ from University 1. The CoPI had primary responsibility for the day-to-day management of the award. We initiated an investigation to assess the CoPI's administration of the award for possible fraudulent activity. During the course of this investigation, we determined that the CoPI held a joint appointment with another university (University 2)⁴ to manage a similar NSF-funded program (Award 2)⁵ under a different NSF directorate. NSF terminated Award 2 for lack of progress and mismanagement and withheld the fifth year of optional funding. As with Award 1, the CoPI had the primary responsibility for the day-to-day management of the award. We expanded our investigation to include Award 2 and identified similar concerns.

Our investigation found evidence of possible violations of civil and criminal fraud statutes which we referred to the United States Attorney's Office in University 2's district⁶ for prosecutorial consideration. The matter was declined.

Accordingly, this case is closed.

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