



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I-02050021

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In May 2002, Defense Criminal Investigative Service (DCIS) notified us of an ongoing investigation of [REDACTED], (the company) involving allegations from a former employee who claimed that it was common practice for the company employees to be switched or stacked on SBIR projects, and specific allegations involving mischarging to DOE and DoD awards. We identified approximately 100 SBIR awards from DoD, DOE, NASA, USDA and NSF to the company during the previous six years. Based on the amount of government-wide funding, including significant NSF funding, and the allegations of questionable business practices, we joined the on-going investigation to identify possible duplicate funding of SBIR awards.

This office then obtained electronic copies of all available abstracts of the company SBIR awards from the various Federal agencies. Review of the abstracts found eleven different research areas that contained overlapping research awards from DoD, DOE, NASA, USDA and NSF.

To test whether the company had received duplicate funding of SBIR awards and submitted duplicate research results to multiple agencies, we requested and received SBIR reports from DOD, DOE, and NSF. We obtained 20 SBIR reports from NSF program files; we obtained 24 DoD SBIR reports from the Defense Technical Information Center; we obtained 10 reports from DOE Office of Science and Technical Information.¹

We reviewed and compared the 54 SBIR reports submitted by the company to DoD, DOE, and NSF. We found overlapping research reports, specifically involving DoD and DOE projects. However, we did not identify duplicate research results submitted by the company to NSF. Since, NSF only funds fixed price SBIR awards, it would not be beneficial to continue investigation involving possible mischarging to SBIR awards.

DOE-OIG agreed to notify us if their future findings involve any NSF issues.

Accordingly, this case is closed.

¹ We identified and requested 26 reports from DOE SBIR awards but DOE could not locate 16 reports. This information was forwarded to DOE-OIG.