



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I02110030

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A competing contractor alleged that _____ University failed to follow federal procurement regulations on awarding a subcontract under an NSF grant. According to the contractor, _____ University felt that all of the bids for the subcontract were too high, so the University split the contract and awarded pieces of the contract to two other companies without readvertising the contract. Review of the program jacket showed that _____ University provided the facts of the procurement process and outcome to NSF and the program officer approved the subcontracts.

The Federal Acquisition Regulation (FAR) applies to procurements by federal agencies, not grantees. Grantees such as _____ University are subject to OMB Circular A-110, of which paragraph .43, Competition; reads, in part, "Any and all bids or offers may be rejected when it is in the recipient's interest to do so."

There is no evidence that _____ University violated any applicable procurement requirements in the letting of this subcontract.

Accordingly, this case is closed.