

NATIONAL SCIENCE FOUNDATION
4201 WILSON BOULEVARD
ARLINGTON, VIRGINIA 22230



OFFICE OF
INSPECTOR GENERAL

Approved

MEMORANDUM

Date: July 2, 1998

To: File No. I97080044

From: [REDACTED], Investigations Section

Re: [REDACTED] Case Closeout

Allegation(s)

The Department of Energy (DOE) Office of Inspector General (OIG) referred a case to our office on August 18, 1997. DOE advised that they had received an allegation that [REDACTED] the PI for an NSF and DOE funded project, was using the grant funds illegally. The complainant was a former employee on the project who had been terminated.

Specifically, the complainant alleged that [REDACTED] had 1) refused to disclose grant financial information to the complainant 2) used grant funds to pay for travel unrelated to the project, 3) paid people with grant funds who did not work on the project, 4) worked only 50% of the time she listed in the budget, 5) expended grant funds on questionable costs, and 6) used grant funds for [REDACTED] a company she created with [REDACTED] another co-PI on this project.

Potential Violations:

18 U.S.C. § 666 - *Theft or bribery concerning programs receiving Federal funds*

Background:

[REDACTED] This includes [REDACTED] Berkeley, [REDACTED] Los Angeles, [REDACTED] New York, [REDACTED] Houston (90.1), [REDACTED] Washington, D.C. and nearly [REDACTED]. In March [REDACTED] DOE awarded a grant [REDACTED] to [REDACTED] for [REDACTED] [REDACTED] in the amount of \$358,000.00. NSF also awarded a \$644,000.00 grant [REDACTED] to [REDACTED] in August [REDACTED] in support of the same

project. [REDACTED] and [REDACTED] are listed as the PIs for the NSF grant, which expires in July 1998.

Investigative Findings:

We reviewed the account expenditure records and source documentation for this award, which we obtained through a subpoena. In reviewing the records, we found no evidence of cost mischarging or questionable expenditures to this project.

We randomly sampled the consultants paid off the award and verified whether or not they had actually worked on the project. All of them advised that they had indeed worked on the project, and had received payment for their work. All of the source documentation for consultant expenditures appeared to be valid and legitimate.

We found no evidence of unauthorized travel expenditures for this grant. All of the supporting documentation for travel expenditures appeared to be valid and legitimate.

We interviewed personnel at [REDACTED] who advised that [REDACTED] routinely worked well over the 40 hour work week. They also advised that [REDACTED] did not keep time cards for their employees.

Based on our findings, this case is closed.