



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: A11110084

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We learned that an institution¹ had potentially received grants and cooperative agreements through means intended to circumvent the competitive process. A review of the institution's current awards showed that NSF had awarded the institution grants and cooperative agreements instead of contracts to provide program evaluation services and software development to two divisions² within a single NSF directorate.³ Our investigation found email correspondence within the two divisions indicating a possible systemic belief that NSF awards only grants and cooperative agreements. In the past, however, divisions in other directorates awarded contracts from similar services from this institution. Generally, contracts must be used to acquire services and goods when the federal government is the primary beneficiary and may be used when the public is the primary beneficiary. Grants and cooperative agreements may only be used when the primary beneficiary is the public.⁴

There is insufficient evidence to support further investigation of fraud with respect to the allegation. Another OIG component is participating in a review of the appropriateness of the award mechanisms used in these and other situations.

According this case is closed.

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² Division of Human Resource Development (HRD) and Division of Research on Learning in Formal and Informal Settings (DRL).

³ Directorate for Education and Human Resources (EHR).

⁴ 31 U.S.C. §§ 6303-6305.