



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I-10060026

Page 1 of 1

This case was initiated as a result of a proactive review conducted by the [REDACTED] [REDACTED] OIG, which identified possible undisclosed duplicate funding by the National Science Foundation (NSF) and [REDACTED] with respect to two awards. During the course of the multiagency investigation, the overlapping funding allegation between NSF and [REDACTED] was substantiated, and fraud schemes implicating federal funds from the [REDACTED], were identified.

Specifically, between [REDACTED] and [REDACTED], the subject of the investigation¹ had a full time job at a university, owned a small business,² and applied for federal funding through both entities. It was discovered that the subject defrauded [REDACTED] of grant funds to his company by, among other things, misappropriating funds that were to be directed to a [REDACTED] to conduct [REDACTED] trials, and failed to conduct those trials. In addition, through his university, the subject falsely certified that a proposal he submitted to [REDACTED] did not overlap with another federal proposal, when in fact, the award was duplicative of a \$300,000 proposal he submitted to NSF, which was also funded. At OIG's request, NSF terminated the NSF award at issue, resulting in \$261,509 in funds put to better use.

The matter was referred to the United States Attorney's Office for the [REDACTED] [REDACTED], which accepted the matter for prosecution. On [REDACTED], the subject was indicted in a three-count felony information for wire fraud, false statements and money laundering to which he pled guilty, and on [REDACTED], he was sentenced to [REDACTED] months in prison and [REDACTED] in restitution to the three federal agencies, \$38,490.43 of which came back to NSF. The Subject subsequently appealed his sentence, which was denied on [REDACTED] [REDACTED] 2014.

Accordingly, this investigation is closed.

1 [REDACTED]

2 [REDACTED]