



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I-10070034

Page 1 of 1

Over a period of time, we received allegations of mismanagement and misuse of funds related to a state¹ EPSCoR program and the university responsible for its administration.² We requested financial and supporting documents for five NSF grants, including the primary EPSCoR grant.³

The initial production of information proved to be insufficient for investigative purposes. After consultation with agents of other agencies involved in the investigation,⁴ and an Assistant U.S. Attorney, subpoenas were issued.

After reviewing the grant financial records and supporting documents received from the university through routine requests and the subpoenas, we interviewed the principal investigators on various grants, as well as the financial and business officials responsible for grant accounting and sponsored programs at the university. We determined that most of the problems with grant accounting, and most of the questionable transactions identified during the investigation, were related to a change of accounting systems by the university during the time the grants were in effect. As a result, the Assistant U.S. Attorney declined prosecution in favor of agency action to administratively recover any misspent grant funds.

We requested further information from university authorities regarding certain transactions that remained questionable, including two that appeared to be duplicate payments to a vendor. The university agreed with our assessment, and returned \$338,910 to NSF.

Also, as part of its response to the problems caused by the change in accounting systems, the ~~university has taken actions to improve its grant accounting and sponsored programs~~ administration.

This case is closed with no further action taken.

1
2
3
4

[REDACTED]