



NATIONAL SCIENCE FOUNDATION  
OFFICE OF INSPECTOR GENERAL  
OFFICE OF INVESTIGATIONS

## CLOSEOUT MEMORANDUM

Case Number: I13030021

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We received an allegation that a grantee<sup>1</sup> on special payments for an NSF award<sup>2</sup> was using NSF grant funds to pay for unallowable hospitality and travel expenses.

Our office reviewed internal NSF documents, interviewed the Principal Investigator<sup>3</sup>, and subpoenaed the grantee's bank records during the award period. Our review identified a potential conflict of interest involving a grantee employee<sup>4</sup> who also worked at another Federal agency<sup>5</sup>. We coordinated with the other Federal agency's OIG to obtain all records concerning the grantee's employee's disclosures about her outside employment with the grantee.

Our investigation found that the employee had disclosed her outside employment to the other Federal agency. It also determined that the grantee inappropriately expended approximately \$5,400 of grant funds on hospitality. We wrote to the grantee with our findings, and it volunteered to repay the funds spent on hospitality expenses to NSF. We also reminded the grantee that program income must be reported to NSF and expended towards project objectives in accordance with the terms and conditions of the grant.

This case is closed with no further action taken.

1 [REDACTED]  
2 [REDACTED]  
3 [REDACTED]  
4 [REDACTED]  
5 [REDACTED]