



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I-13040025

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We received an allegation that a company¹ may not have been an eligible small business when it accepted SBIR Phase II funding due to its ownership structure. NSF presented the issue to the Small Business Administration, which requested and reviewed company documentation and determined that the company was ineligible at the time of the award. Our review of the company's financial and award documentation found no misuse of award funds.

Based upon the ineligibility determination made by the SBA at the end of the award period, we recommended that NSF terminate the final payment of the award. NSF agreed with the termination recommendation, resulting in \$73,763 put to better use. In addition, NSF entered into an agreement with the company where the company agreed to repay the previously released Phase II funds, resulting in a recovery of \$516,270.

This case is closed with no further action taken.

¹ [REDACTED]