

NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: A03090051

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We reviewed allegations¹ that a subject² had: 1) made false statements in an NSF proposal³ narrative; and 2) failed to declare a conflict of interests (COI) when serving as a reviewer in the proposal review process.

The subject submitted the proposal containing the alleged false statements in response to a NSF program announcement that contained specific eligibility criteria with respect to prior research accomplishments⁴ and specific types of research that would not receive funding. The subject received an award under this NSF program. The annual report suggested that the subject had changed the scope of the project to include an area of research that NSF had said it would not fund. The allegation suggested that the subject had intended from the beginning to perform research in this other area.

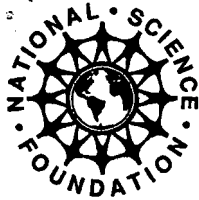
We spoke with the program officer⁵ to determine if a change in scope had indeed occurred. The program officer indicated that the awards made under the announcement fell into categories, which are defined, in part, by the amount of flexibility afforded to the PI. Long-term awards with more funding have much less flexibility than short-term awards with moderate funding. The short-term awards are intended as dress rehearsals for subsequent long-term awards and some tinkering is expected in the scope of the research. The PI's award falls into the short-term category and in the opinion of the program officer the modifications noted in the annual report fit within the expected scope of the project.

The COI allegation arose during the review of proposals in an interagency program⁶ in which NSF is a participant. The relevant MOU governing the proposal review process states that the initial review would be conducted under another agency's rules and not NSF's rules. Each participating agency would then select from the pool of the recommended proposals and apply its own review process and rules.

During the initial review of the FY03 proposals, the subject reportedly failed to declare a COI involving a proposal submitted by a company for whom the subject is a subcontractor.⁷ We

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confirmed that: the subject had reviewed the proposal; the proposal was not recommended for further consideration by the participating agencies; and the subject had been employed as a subcontractor with the proposing organization within the preceding year. The interagency MOU stated that the rules of an agency other than NSF would govern the initial review and that the review process would produce a pool of proposals from which NSF may then select for funding. We contacted that agency and they reported that they found no conflict of interest. We accepted their finding but recognize that under the MOU a COI would likely have arisen if the proposal had been recommended and NSF considered funding it. The interagency program has changed its review procedures for the upcoming year such that these circumstances will not arise again. The subject has been advised of the importance of seeking appropriate advise for any conceivable, potential COIs when serving on a review panel that may result in the finding of proposals with NSF funds.

Accordingly, this case is closed.