



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: A-03110067

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As part of a review of NSF conference, workshop, and symposia grants, we collected a stratified random sampling of relevant FY01 NSF awards and wrote to each institution requesting documentation of expenditures under the award. In this case, documents provided by the University for its 3-year conference award¹ showed that the University used participant support funds to pay an honorarium to the major speaker at the first conference and to pay for employees' travel as part of the 2nd conference. According to NSF's Grant Proposal Manual (NSF-95-50), participant support funds are not to be used for conference speakers or employees without prior written approval by the program manager.

Our review showed that the University received funds to support three conferences. The 1st- and 3rd-years' conferences were held at the University, and the 2nd-year held at another institution under a subcontract from the University. The award, approved by the NSF program officer, clearly indicated that award funds would be used to support the Main Speakers in each of the 3 years. Given that these funds were clearly presented in the budget section, the program officer, by approving the budget and awarding the proposal, gave his approval for the use of these funds in this case.

Our review showed that several employees at the University were supported in their trips to the 2nd conference at the other institution. The funds used were subcontracted funds, including indirect costs. None of the money used to support the employees' travel were taken from participant support funds. Consequently, the use of these funds to support employees from the University out of the subcontract was allowable.

This case is closed and no further action will be taken.

