

Revised



NATIONAL SCIENCE FOUNDATION  
OFFICE OF INSPECTOR GENERAL  
OFFICE OF INVESTIGATIONS

**CLOSEOUT MEMORANDUM**

Case Number: I05090049

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We received information that a part-time accounting assistant<sup>1</sup> (subject) at a grantee institution<sup>2</sup> embezzled approximately \$130,000 in non-federal funds. The Los Angeles County District Attorney's office filed a complaint against the subject consisting of 18 felony counts: 6 counts of grand theft and 12 counts of forgery. The subject pled guilty to and was convicted of all charges. She was sentenced to 5 years probation, 361 days in jail (with credit for time served), and restitution of \$238,240.33 plus 10% interest per year.

Based on an OIG recommendation, NSF debarred the subject for a period of three years, effective 29 June 2006-29 June 2009.<sup>3</sup>

Accordingly, this case is closed.

<sup>1</sup> Betsy Demay

<sup>2</sup> Carnegie Institution of Washington

<sup>3</sup> See Attachment 1 (Final Debarment Notice)

NATIONAL SCIENCE FOUNDATION  
4201 WILSON BOULEVARD  
ARLINGTON, VIRGINIA 22230



OFFICE OF THE  
DEPUTY DIRECTOR

SEP 08 2006

**CERTIFIED MAIL --RETURN RECEIPT REQUESTED**

Betsy Demay

***Re: Debarment***

Dear Ms. Demay:

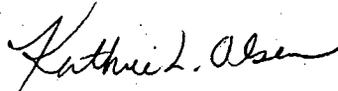
On June 29, 2006, the National Science Foundation ("NSF") sent you a Notice of Proposed Debarment in which NSF proposed to debar you from directly or indirectly obtaining the benefits of Federal grants for a period of three years. The Notice sets forth in detail the circumstances giving rise to NSF's decision to propose your debarment. Specifically, NSF indicated in the Notice that the proposed debarment is based upon your convictions on eighteen felony counts of grand theft and forgery over a two-year period. In that Notice, NSF provided you with thirty days to respond to the proposed debarment.

Over thirty days have elapsed and NSF has not received a response. Accordingly, you are debarred until June 29, 2009. Debarment precludes you from receiving Federal financial and non-financial assistance and benefits under non-procurement Federal programs and activities unless an agency head or authorized designee makes a determination to grant an exception in accordance with 45 CFR Section 620.215. Non-procurement transactions include grants, cooperative agreements, scholarships, fellowships, contracts of assistance, loans, loan guarantees, subsidies, insurance, payments for specified use, and donation agreements.

In addition, you are prohibited from receiving Federal contracts or approved subcontracts under the Federal Acquisition Regulations ("FAR") at 48 CFR Subpart 9.4 for the period of this debarment. 45 CFR Section 620.110(c). During the debarment period, you may not have supervisory responsibility, primary management, substantive control over, or critical influence on, a grant, contract, or cooperative agreement with any agency of the Executive Branch of the Federal Government.

If you have any questions regarding the foregoing, please contact Eric Gold, Assistant General Counsel, National Science Foundation, Office of the General Counsel, 4201 Wilson Boulevard, Room 1265, Arlington, Virginia, 22230.

Sincerely,

A handwritten signature in cursive script that reads "Kathie L. Olsen".

Kathie L. Olsen  
Deputy Director