



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: I12030014

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We initiated an investigation into a small business¹ that received two NSF awards², one of which was an SBIR Phase I award under the American Recovery and Reinvestment Act of 2009 (ARRA). During the life of that award, the small business was acquired and all financial administration was handled by the acquiring company³.

Our investigation determined that the acquiring company did not segregate and track the NSF award costs per the award terms and conditions. We also determined that the acquiring company could not support more than half of the award expenditures. We presented our investigative findings to the acquiring company, who opposed each of the findings.

We referred the matter to the U.S. Attorney's Office, who declined to accept the matter for civil action due to the amount of money involved. We also referred the case to NSF for a Program Fraud Civil Remedies Act (PFRCA) action. NSF ultimately declined to pursue the matter due to a lack of resources.

Given there are no additional remedies available, this case is closed.

