



NATIONAL SCIENCE FOUNDATION  
OFFICE OF INSPECTOR GENERAL  
OFFICE OF INVESTIGATIONS

## CLOSEOUT MEMORANDUM

Case Number: I12100076

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Small businesses that receive SBIR phase I or II awards can submit a proposal for a supplemental award as a phase IB or IIB award. The phase IB or IIB awards require that the small business secure a private investment that is a direct consequence of the Phase I or II award. This investigation was opened from a proactive review<sup>1</sup> to determine the legitimacy of private investments that a company<sup>2</sup> represented in a phase IB proposal.<sup>3</sup> In a separate allegation, the PI<sup>4</sup> (who is also the company president) on another award<sup>5</sup> made to the company appeared to be a full time employee of the institution<sup>6</sup> where the PI/president is a professor and the research was being conducted by the company in incubator research space. We verified the source of the funding for the Phase IB award and received confirmation from the PI's institution that he had been on sabbatical leave during the award period.

This case is closed with no further action taken.

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