

MEMORANDUM

Date: June 1, 2000
To: File No. I99110044
From: [REDACTED], Special Agent
Investigative Scientist
Via: [REDACTED], Assistant Inspector General for Investigations
Re: [REDACTED]

Background

Mr. [REDACTED] (the complainant)¹ contacted NSF/OIG on 3 November 1999 alleging Dr. [REDACTED] (the subject) misappropriated NSF grant funds to pay himself salary. The subject is President of [REDACTED] and Principal Investigator (PI) of an NSF award.² The complainant also alleged the subject misappropriated funds from the complainant's private foundation. The complainant's allegations regarding NSF funds were based on his July 1999 conversations with Ms. [REDACTED]. On 16 November 1999 we contacted the complainant for further detail about the allegation related to the NSF award.

The complainant contacted the [REDACTED] and the [REDACTED] Charities regarding the private foundation fund allegations against the subject.

Investigation

Late November 1999, we contacted [REDACTED] at home to discuss her role at [REDACTED] and asked her if she noticed any unusual financial activities. She told us that she has since resigned [REDACTED] performed limited bookkeeping of financial records and claimed not to know of any unusual transactions. Subsequently, she stated that she noticed large sums transferred to savings or an

¹ The complainant is a former: [REDACTED]

² RE [REDACTED] 1, [REDACTED]
2/29/00, \$49,868.

individual payment to her employer (the subject) in the amount of about \$12,000. She, however, thought the payment could have been reimbursement for expenditures.

On 9 December 1999, we requested, via phone and electronic e-mail, account summaries and source documents from the subject for NSF award [REDACTED] to conduct a review of expenses. We received the requested materials 29 December 1999, which included expenses from the June 1999 Conference.

On 16 February 2000, we completed our review of the requested materials and uncovered no questionable or unallowable charges. Additionally, we reviewed documents received from the complainant, which included an account summary of [REDACTED] expenses and bank statements. The documents were irrelevant to the review of NSF expenditures.

On 3 April 2000, we gathered the details from the subject that the remainder of funds was going toward costs of the impending May preparatory meeting for the [REDACTED]. We confirmed on 4 April 2000 that [REDACTED], the award's Program Officer, had approved this use of the remaining funds.

On 4 April 2000, the subject electronically forwarded a letter from Mr. [REDACTED], addressed to the complainant, stating that the financial filings were in order and the complainant's allegation had not led to an investigation by his office. On 7 April 2000, we confirmed via telephone from Mr. [REDACTED] that they were not investigating the subject.

In September 2000, we reviewed new allegations from the complainant which claimed that [REDACTED] had used \$60,000 of NSF funding to purchase equipment. A review of his expenditures revealed that he used this money to fund a conference, and that no equipment was purchased. In addition, [REDACTED] the program officer, indicated that she had approved the transfer of leftover conference funds to this year's conference budget.

Findings

Based on lack of findings by our office and the [REDACTED], the case is closed.

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