



PRESS RELEASE

University of Maryland, College Park Agrees to Pay \$500,000 to Resolve Allegations That It Failed to Disclose Foreign Research Support in Federal Grant Proposals

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For Immediate Release

U.S. Attorney's Office, District of Maryland

Baltimore, Maryland – The University of Maryland, College Park (UMD) has agreed to pay \$500,000 to resolve allegations that it violated the False Claims Act by failing to disclose current and pending support from foreign sources for faculty members who were principal investigators (PI) or co-PIs of federal research grant proposals.

The settlement relates to research grant support UMD received from the National Science Foundation (NSF) and the Department of the Army between 2015 and 2020. These agencies require grant applicants to disclose all current and pending support received by the institution, its PIs, and co-PIs. Current and pending support is defined as all resources from whatever source — including foreign government sources — that are made available to researchers in support of and/or related to their research endeavors. The agencies rely on the accuracy of these disclosures, in part, to avoid funding duplicative research projects and to ensure their highly competitive grants are awarded only to PIs who demonstrate they have the time and ability to perform the planned work. Non-disclosure

of required information can result in missed opportunities for other applicants to receive funding for their own research.

This investigation began as a proactive initiative spearheaded by the NSF Office of Inspector General (OIG) to determine if foreign gifts and contracts subject to Section 117 of the Department of Education's Higher Education Act of 1965 were also being disclosed in federal grant proposals, as required.

The United States alleged UMD knowingly failed to disclose current and pending foreign funding that three UMD researchers had sought and received, in five research grant proposals submitted to the NSF and Army. Specifically, the United States alleged UMD failed to disclose to NSF gift funding from Huawei Technologies Co., Ltd. to a PI for research in "high energy density FeF₃ conversion cathode materials and Li metal anodes." Additionally, the United States alleged UMD failed to disclose to the NSF and Army grant funding to two other PIs from Taobao (China) Software Co., Ltd. (Alibaba), titled, "Large-Scale Behavior Learning for Dense Crowds", and "Cyber-Manufacturing of Customized Apparel."

"Complete and accurate disclosures are essential to federal agencies that make decisions on awarding federal grants," said Erek L. Barron, United States Attorney for the District of Maryland. "Those individuals and universities that knowingly fail to do so skew the grant awarding process in their favor and will be held accountable."

"NSF plays a major role in the U.S. research enterprise, providing about 25% of all Federal support to America's colleges and universities for basic research. Lack of institutional oversight of individuals receiving Federal funds poses a serious risk to the success of that enterprise. This investigation was one of NSF OIG's proactive efforts focused on determining compliance with critical grant terms and conditions, including mandatory disclosures. As this case demonstrated, the failure of institutional oversight can foster noncompliance and present significant challenges to the integrity of the Federal research funding process," said NSF Inspector General Allison Lerner. "We thank the U.S. Attorney's Office for the District of Maryland and our investigative partners for their work in protecting federally funded research."

The claims resolved by this settlement are allegations only, and there has been no determination of liability.

The resolution obtained in this matter was the result of a coordinated effort between the United States Attorney's Office for the District of Maryland, with assistance from the NSF OIG and the Department of the Army Criminal Investigation Division.

The matter was investigated by Assistant U.S. Attorney Thomas F. Corcoran for the District of Maryland.