

Report on Research Compliance Volume 18, Number 12. November 25, 2021 Two Washington Universities Ink Settlements For Exceeding Salaries, Falsified Application

By Theresa Defino

Washington State University's (WSU) recent settlement with the HHS Office of Inspector General (OIG) for more than \$800,000 followed a university-wide audit that occurred after a salary of a single NIH-funded principal investigator (PI) was suspected of exceeding an award cap, RRC has learned.

WSU was one of two institutions in the Evergreen State to recently settle allegations related to grant fraud. In October, the University of Washington (UW) settled with the Department of Justice (DOJ), agreeing to pay \$801,756 to resolve False Claims Act allegations. DOJ accused UW of submitting, and winning, a National Science Foundation award for which the PI "misrepresented" the involvement of two other researchers. [1]

The settlements represent a turn from the government's enforcement actions related to inappropriate and undisclosed support from foreign institutions and could represent a new area of risk for universities.

OIG announced WSU's settlement for what it called "overcharging" in a three-sentence paragraph posted on its website under "Enforcement Actions." It did not specify whether any of the payment included a penalty. However, OIG provided a copy of the settlement agreement to RRC, which indicates that of the \$824,208, \$549,311 is restitution and \$274,897 is a penalty. OIG also responded to some questions from RRC about the settlement, as did officials from WSU.

Federal officials did not address *RRC*'s query about whether this is the first settlement of its type, but the circumstances appear to be highly unusual.

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