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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

CIVIL DIVISION

JUN 21 1971

Dear Dr. Marston:

In response to an inquiry by a member of Congress, we examined the use of funds for research grant 1 R13 HD02102. The National Institute of Child Health and Human Development awarded this grant of \$19,720 to the department of psychology of West Virginia University at Morgantown for a conference on aging. The period of the grant was from June 1, 1966, through May 31, 1968.

A refund of \$2,215 is due the Government because grant funds were used for unauthorized purposes.

According to the university's annual reports of expenditures the cost of the conference, held on May 18 and 19, 1967, was \$19,281, which comprised expenses of \$9,159 paid from funds on deposit with the State treasurer's office and expenses of \$10,122 paid from funds that had been transferred to the West Virginia University Foundation, Incorporated, a nonprofit private corporation. University and foundation officials told us that the funds had been transferred to facilitate the payment of transportation, lodging, and other costs for the conferees by avoiding the cumbersome payment procedures of the State treasurer's office.

The transfer of \$10,122 was included in the reported expenditures for the first grant year--\$9,622 under the "travel" category and \$500 under the "other" category.

Of the \$10,122, \$7,907 had been spent for travel, lodging, meals, and incidentals for the participants at the conference and \$2,215 had not been spent at May 31, 1968, the expiration date of the grant.

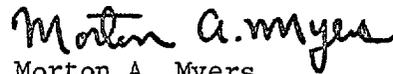
Of the \$2,215, \$1,676 was spent in 1969 and 1970 for travel and transportation expenses for members of the department of psychology and to reimburse participants in a national psychology meeting held at Morgantown. As of March 17, 1971, \$539 had not been spent.

The expenditures in 1969 and 1970 were not connected with the conference. University officials agreed that Federal funds should not have been used for these purposes. On March 17, 1971, the vice president of the university said the university would be agreeable to refunding the \$2,215.

Accordingly, we recommend that your office recover the \$2,215. Please inform us of any action taken and let us know if we can be of any assistance.

Copies of this letter are being sent to the Assistant Secretary, Comptroller, Department of Health, Education, and Welfare and to the Director, HEW Audit Agency.

Sincerely yours,



Morton A. Myers
Assistant Director

Dr. Robert Q. Marston
Director, National Institutes
of Health
Department of Health, Education,
and Welfare