Two University of Houston professors have been accused of falsely obtaining approximately $1.3 million from a federal small business program over 13 years, according to the U.S. Department of Justice.

The professors from the UH physics department, Abdelhak Bensaoula, 57, and David Starikov, 58, surrendered to federal authorities on April 28.

The pair face 29 counts of conspiracy, wire fraud and making false statements in connection to obtaining the funds from the Small Business Innovation Research program.

The business they started, Integrated Micro Sensors Inc., received grants from NASA, the National Science Foundation, the Department of Energy and the U.S. Air Force.

A DOJ press release alleges that the professors "made false statements in the application and proposal process and in filing electronic claims for payment after they were awarded grants or contracts."

The DOJ says the pair sent fraudulent letters and applications to the SBIR making false claims about their facilities, equipment and materials, listing costs that the company would not incur, according to the Houston Chronicle.

But an attorney for Bensaoula said the false statements were due to poor accounting, not fraud, according to the Chronicle.

Bensaoula pleaded not guilty the same day as their arrest, while Starikov is deliberating with his attorney, according to the Chronicle.

UH said in a statement that it was cooperating with federal authorities on the investigation and described itself as a victim of the fraud case, the Chronicle reports.
Josh Cain is associate editor for the Houston Business Journal.