



[Audit](#)      [Compliance](#)      [Investigations](#)      [Presidential Policies](#)      [Contact](#)

### This Issue's Contents

Audit and Investigations .....1  
Export Control.....2  
General Compliance.....3  
Health Science Compliance.....3  
Human Resources Compliance .....4  
Research Compliance.....4  
Policy .....5  
Privacy.....5

### Upcoming Educational Opportunities

- 5/13 to 5/15 – Investigations Training
- 5/28 – 6/1 – Coding School Week 2 (Oakland)
- 6/11 – IRB & CRB: Issues of Intersection Webinar
- 6/25 to 6/29 Coding School Week 1 (Los Angeles)

---

## Audit and Investigations

1. [Five Years On, "Madoff 5" Face Justice](#)  
When one is alleged to be deeply involved in the largest known Ponzi scheme in history, professed ignorance is not an acceptable defense. That was the message sent by a federal jury in Manhattan last month when they convicted five associates of Bernard Madoff for their roles in his \$20 billion investment fraud.

2. [\*\*New U.S. Cybersecurity Framework Aims to Help Organizations Manage Risks\*\*](#)  
On February 12, the National Institute of Standards and Technology (NIST) released the "Framework for Improving Critical Infrastructure Cybersecurity," designed to establish a baseline of security best practices.
3. [\*\*Grassley Announces Plans to Create Senate Whistleblower Caucus\*\*](#)  
WASHINGTON – On the 25th anniversary of the Whistleblower Protection Act, Senator Chuck Grassley is announcing his plans to create a Senate Whistleblower Protection Caucus.
4. [\*\*McCaskill calls for investigation of university sexual assault policies\*\*](#)  
Missouri U.S. Senator Claire McCaskill is launching a national probe into how universities and colleges are handling reports of sexual assaults on their campuses and the treatment of victims. She has asked hundreds of higher education institutions to complete a survey on sexual assaults on campus and school policies.
5. [\*\*In Fake Classes Scandal, UNC Fails Its Athletes – and Whistleblower\*\*](#)  
“... In private conversations, she’d told him about her mounting anxiety that rather than educating its recruited athletes, UNC was playing a shell game to keep them from needing to study at all. She’d told him about basketball and football stars who read at a grade school level. She confessed that she’d helped steer some of these young men—many of them black—into lecture classes that never met. Worst of all, given Carolina’s racial history, the phony courses were offered in the black studies department.”

## **Export Control**

1. [\*\*Qualcomm could face SEC probe over Chinese bribery allegations\*\*](#)  
Qualcomm’s activities in China could result in regulatory penalties for the chip vendor, this time from the U.S. Securities and Exchange Commission over bribery allegations. The company is already facing an anti-monopoly probe from Chinese authorities for allegedly overcharging clients. But on Wednesday, Qualcomm said that the SEC may also consider penalizing the company, as part of an anti-corruption investigation.
2. [\*\*Stuck Between a Rock and an OFAC Place\*\*](#)  
OFAC levies major fine against Carlson Wagonlit, an American company operating in Europe, booking travel for Europeans to visit Cuba. OFAC’s concluded the company “...had either no compliance program or an “inadequate” one.” According to the ExportLawBlog, OFAC’s penalty was imposed despite the “... E.U. Council Regulation that made it illegal for Carlson Wagonlit to refuse to book travel to Cuba”

3. [No Charges in NASA ITAR Case Contrast With Actions Against Universities](#)

Last March the University of Massachusetts at Lowell reached a settlement agreement with the Commerce Department over possible violations of the International Traffic in Arms Regulations (ITAR), which implement the Arms Export Control Act (AECA).

4. [Cloud Services and Export Control: What You Don't Know Can Hurt You](#)

The evolving concept of who is responsible for export control compliance when information is put in the cloud: Is it the Cloud Services Provider (CSP) or the customer? The Bureau of Industry and Security (BIS) says that despite CSPs moving customers' files and data around the cloud at times and to destinations of their choosing to optimize nighttime server costs, without the knowledge or consent, of customers, the customer remains responsible for associated export control compliance.

## General Compliance

1. [U. of Colorado Violated Faculty Rights in Philosophy Dept. Scandal](#)

Administrators at the University of Colorado at Boulder violated principles of academic freedom and faculty self-governance when they responded to allegations of sexual harassment in the philosophy department, and they should reverse their decision to suspend graduate-student admissions in the discipline for the coming year, the university's chapter of the American Association of University Professors said in a report it released on Thursday.

## Health Science Compliance

1. [Inspector General Daniel R. Levinson's remarks at the 2014 Health Care Compliance Association Compliance Institute](#)

Watch, listen to or read Inspector General Daniel R. Levinson's remarks at the 18th Annual HCCA Compliance Institute on March 31, 2014.

2. [Office of Inspector General - Advisory Opinion 14-04](#)

Advisory opinion concerns the use of a "preferred hospital" network as part of Medicare Supplemental Health Insurance ("Medigap") policies.

3. [Pair of Health & Human Services Settlements \(HHS\) Continues Trend of Increased HIPAA Enforcement](#)

To assist in these efforts, HHS offers six educational programs on compliance with the HIPAA Privacy and Security Rules, including a module specifically addressing mobile device security. Access the programs, with free continuing medical education credits for physicians and continuing education credits for health care professionals.

#### 4. HIPAA Breaches in CA

- a. Attorney General: After more than 300 data breaches in the last 2 years: California DOJ Boosts Involvement in Data Breach Investigations [\(Click\)](#)
- b. L.A. County Public Health and Health Services Departments: Bad News for 169k after New HIPAA Breach [\(Click\)](#)
- c. University of California, San Francisco: UCSF Medical Center Admits Third Data Breach in Four Months [\(Click\)](#)

## Human Resources Compliance

### 1. [Background Checks What Employers Need to Know](#)

The U.S. Equal Employment Opportunity Commission (EEOC) and the U.S. Federal Trade Commission (FTC) co-published in March 2014 two technical assistance documents that explain how the agencies' respective laws apply to background checks performed for employment purposes. One document is for employers; the other is for job applicants and employees. Attached is the document for employer

## Research Compliance

### 1. [Vulnerabilities in the HHS Small Business Innovation Research Program](#)

HHS awarded \$360 million in SBIR funds to nearly 1,000 awardees in 2011 and had the highest average SBIR award amount of any participating agency. Although it was not required to do so, HHS did not consistently collect information on or assess the commercial success of SBIR awards and therefore cannot determine whether the program is meeting one of its primary goals. Although all awardees self-certified that they intended to meet SBIR eligibility requirements, we (HHS) found that 31 percent of awardees had questionable or unverified eligibility for at least one requirement.

### 2. [The Threat of Extremism to Medical Research: Best Practices to Mitigate Risk through Preparation and Communication](#)

Virtually all research-based advances in human health have relied on animal studies as an integral part of their development. Yet the use of animals in research is a divisive issue in many public settings. Most of those who oppose research with animals participate in ethical, legal, and civil discourse to promote their viewpoint. The purpose of this document is to provide broad recommendations that can be used by the international animal research community to reduce the risk of AR extremism. Guidance in this document is organized into two main categories:

- 1) Mitigation of the AR threat through preparation
- 2) Promotion of communication and public outreach

## Policy

1. [Iowa State is considering sanctions on students who do not complete their Title IX training by the policy imposed deadline.](#)

Iowa State University officials are discussing the possibility of sanctions on students who don't complete the school's Title IX training by March 28.

2. [Fireable Tweets](#)

In September, the University of Kansas suspended David W. Guth, a tenured journalism professor, after he responded to the shootings at the Washington Navy Yard with this comment on Twitter.

## Privacy

1. [Privacy, Security, and Compliance: Strange Bedfellows, or a Marriage Made in Heaven?](#)

Privacy management is crucial in higher education because institutions must balance academic freedom, administrating the institution, and protecting their students' information. That said, there is yet to be one "best" model to manage privacy in the university system. Here is an interesting article about where privacy employees and infrastructure can sit within the organization.

2. [The Court Says FTC Can Punish Rulebreakers, but What Exactly Are the Rules?](#)

In the increasing internet age, the FTC has had difficulty asserting itself as an enforcer and regulator over data breaches and other privacy concerns on the internet. An April 8, 2014 decision by a New Jersey federal court provided the FTC with permission to sue Wyndham Hotels over their poor data security practices.

3. [The Heartbleed Hit List: The Passwords You Need to Change Right Now](#)

Heartbleed was a security vulnerability that left a backdoor available if a hacker wanted to access certain personal information on major website including social networking, banking, and cloud services. Some hailed it as a breach of apocalyptic proportions, some argue the concern is overblown. Either way, here is a website providing a guide for what passwords users may want to change. To better understand Heartbleed, here are two articles worth reading:

1. [Avoiding Heartbleed Hype, What To Do To Stay Safe](#)
2. ['Heartbleed' Internet Security Bug Is as Bad as It Sounds](#)