

CLIENT ALERT

Gov't Scrutiny of Higher Education Institutions Continues

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On September 5, following a string of recent cases involving government scrutiny of academic institutions, the Second Circuit affirmed that Cornell University and a professor at the school had violated the FCA by submitting false claims in applications for federal grants. In a decision that should raise eyebrows in the higher education community, the court held that, because the research grant at issue "did not produce a tangible benefit" to the government and because "the government has entirely lost its opportunity to award the grant money to a recipient who would have used the money as the government intended," the proper measure of damages is the *full amount of the grant*.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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