

Reproduced with permission from Federal Contracts Report, 103 FCR 516, 5/12/15. Copyright © 2015 by The Bureau of National Affairs, Inc. (800-372-1033) <http://www.bna.com>

## *Compliance Programs*

### **Expert Tells Federal Contractors To Play it Safe, Invest in Compliance**

**A**fter a decade of ethics scandals, federal contractors “absolutely must” invest in compliance, George Washington University law professor Steven Schooner said May 5.

“In your drive for efficiency and in a world that’s incredibly competitive, do not fall into the trap of convincing yourself that the marginal dollars spent on compliance” are costs “you can skimp on,” said Schooner, co-director of the university’s Government Procurement Law Program and a military contracting expert.

In competitive businesses, “we used to think” that “the people who took the risks were the ones who won the race,” Schooner added. “Today, unfortunately, what you have to keep in mind for compliance is when in doubt, choose risk avoidance.”

Schooner spoke at a federal contractor program hosted by Crowell & Moring LLP in Washington.

**Druyun Case.** Among other high-profile wrongdoing, Schooner discussed Darlene Druyun, a former senior Air Force acquisitions official who illegally favored Boeing on federal contracts.

Druyun pleaded guilty in April 2004 to one count of conspiracy for discussing future employment with Boe-

ing while still involved in government procurement decisions involving the company.

Schooner also touched on former National Security Agency contractor Edward Snowden, who leaked information about the agency’s global surveillance programs. The Justice Department charged Snowden with espionage after which he sought asylum in Russia.

Schooner noted that the government doesn’t need a lot of facts before it initiates an investigation into contracting practices. He urged government contractors not to give new U.S. Attorney General Loretta Lynch a chance to come after them.

Among other tips, Schooner recommended that contractors use law firms and seek legal advice.

He also suggested that contractors have their compliance programs periodically audited by an independent third party, which is still an evolving practice. “There are so many different changing regulatory requirements that it is really a good idea to have an outsider come and make sure you’ve got all your bases covered,” he said.

Finally, Schooner told the companies that in close calls, “do the safe thing.”

“Don’t push the envelope,” he added.

BY YIN WILCZEK

To contact the reporter on this story: Yin Wilczek in Washington at [ywilczek@bna.com](mailto:ywilczek@bna.com)

To contact the editor responsible for this story: Ryan Tuck at [rtuck@bna.com](mailto:rtuck@bna.com)