

**Because they will give,
doesn't mean you should
take....**



Kickbacks

In kickback schemes, a contractor or subcontractor misrepresents the cost of performing work by secretly paying a fee for being awarded the contract and therefore inflating the job cost to the government.

**Recognize and Report Fraud in
Federally Funded Programs,
Contracts, and Grants**

(800) 424-9071

*U.S. Department of Transportation
Office of Inspector General*

Selected “Red Flag” Indicators of Kickbacks

- ✓ Unexplained or unreasonable limitations on the number of potential subcontractors contracted for bid or offer
- ✓ Continuing awards to subcontractors with poor performance records
- ✓ Nonaward of subcontract to lowest bidder
- ✓ “No-value-added” technical specifications that dictate contract awards to particular companies
- ✓ Non-qualified and/or unlicensed subcontractors working on prime contracts
- ✓ Poor or no established contractor procedures for awarding of subcontracts through competition
- ✓ Kickback amount is passed on to the Government
- ✓ Lack of separation of duties between purchasing, receiving, and storing
- ✓ Purchasing employees maintaining a standard of living exceeding their income

Contact OIG using any of the following methods:

Online complaint form: www.oig.dot.gov/dot-oig-hotline-complaint-form

Telephone: (800) 424-9071

Fax: (704) 556-0732

E-mail: hotline@oig.dot.gov

Mail: USDOT Inspector General
1200 New Jersey Ave. S.E., Room W73-104A
Washington, DC 20590

Note: The OIG Hotline is obligated to expeditiously forward all safety-related complaints to USDOT’s safety regulatory agencies for action, as appropriate.



U.S. Department of Transportation

Office of Inspector General