Under this scheme, a contractor misrepresents who performed the contract work in order to increase job profit while appearing to be in compliance with contract goals for involvement of minority- or women-owned businesses.

Are they really meeting ALL the contract goals?

Disadvantaged Business Enterprise (DBE) Fraud

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 Disadvantaged Business Enterprise (DBE) Fraud

✓ DBE owner lacking background, expertise, or equipment to perform subcontract work
✓ Employees shuttling back and forth between prime contractor and DBE-owned business payrolls
✓ Business names on equipment and vehicles covered with paint or magnetic signs
✓ Orders and payment for necessary supplies made by individuals not employed by DBE-owned business
✓ Prime contractor facilitated purchase of DBE-owned business
✓ DBE owner never present at job site
✓ Prime contractor always uses the same DBE
✓ Financial agreements between prime and DBE contractors
✓ Joint bank accounts (Prime/DBE)
✓ Absence of written contracts

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.