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.

Kickbacks

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