Product Substitution

In a fraud scheme involving product substitution, a contractor misrepresents the product used in order to reduce costs for construction materials.

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 Product Substitution

- ✓ Any mismarking or mislabeling of products and materials
- ✓ Contractor restricting or avoiding inspection of goods or services upon delivery
- ✓ Contractor refusing to provide supporting documentation regarding production or manufacturing
- ✓ Photocopies of necessary certification, delivery, and production records where originals are expected
- ✓ Irregularities in signatures, dates, or quantities on delivery documents
- ✓ High rate of rejections, returns, or failures
- ✓ Test record reflecting no failures or a high failure rate but contract is on time and profitable
- ✓ Unsigned certifications
- ✓ Contractor offers to select samples for testing programs
- ✓ Supplier entertains on provider gratuities to inspection personnel

Contact OIG using any of the following methods:

Online complaint form: www.oig.dot.gov/hotlineform.jsp

Telephone: (800) 424-9071

Fax: (540) 373-2090

E-mail: hotline@oig.dot.gov

Mail: USDOT Inspector General
P.O. Box 708
Fredericksburg, VA 22404-0708

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

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