



# Procurement Fraud

Federal and state governments frequently contract with private entities to provide services, ranging from the construction of government buildings to the provision of IT support for government employees. Contractors often commit misconduct in attempting to win a government contract, or in performing the contract.

Procurement fraud can take many forms, including:

- **Fraudulent inducement:** Government contracts are typically awarded through a competitive bidding process. If a company lies to the government during the bidding process and fraudulently induces the government to award the contract to the company, the company may be liable for payments made under the contract.
- **Faking status as a small, disadvantaged, or minority business:** Companies that qualify as a disadvantaged business enterprise (DBE), minority-owned business (MBE) or woman-owned business (WBE) are often given preference to receive certain government contracts. As a result, dishonest companies will sometimes fake their status as a DBE, MBE, or WBE. [Click here for example.](#)
- **Kickbacks and Bribes:** Companies that pay kickbacks and bribes to government officials in order to secure award of a government contract. [Click here for example.](#)
- **Falsifying Information on Invoices:** Companies that include false information on invoices, such as inflating the number of hours worked.
- **Failure to Adhere to Contractual Requirements:** Companies that violate obligations under government contracts, such as by substituting cheaper or inferior products for those specified in the contract. [Click here for example.](#)
- **Bid Rigging and Collusion:** Companies that collude with other companies in order to drive up the price in a competitive procurement process for government contractors. [Click here for example.](#)

**To schedule a free and confidential consultation call 888.384.2588 or [click here.](#)**