



October 21, 2008

**Request for Proposals: NCHRP 20-6, Study Topic 16-02,
Best Practices in the Prevention and Detection, and in the Imposition of Penalties for
Disadvantaged Business Enterprise (DBE) Program Fraud**

Dear Attorney:

The Technical Activities Division of the Transportation Research Board (TRB), as part of its work with the National Cooperative Highway Research Program (NCHRP), plans to award a contract for a study and report. The research Problem Statement is enclosed for your consideration.

TRB anticipates an estimated 200-260 hour level of effort and compensation in the \$24,000.00 to \$32,500.00 range for this project. Research reports sponsored by this project are published in TRB's Legal Research Digests (LRD) series or in electronic format. Publications are made available to some libraries and to approximately 4000 transportation lawyers and officials through the TRB distribution network.

After reviewing the enclosed statement, if you are interested in being considered as the researcher and author, you should reply by mail or email on or before December 1, 2008 to:

James B. McDaniel
Counsel for Legal Research Projects
Transportation Research Board
500 5th Street, NW, 4th Floor
Washington, DC 20001

Tel: (202) 334-3209
Fax: (202) 334-2003
Email: jmcdaniel@nas.edu

Your reply should include: a statement of interest; a resume; a list of your prior publications (you may enclose one or two publications); a statement of resources you will allocate to this project; any additions, deletions, or changes you may wish to suggest for undertaking the work; and your requested compensation.

Offerors are evaluated by Project Panel members and NCHRP staff consisting of individuals collectively knowledgeable in the problem area. Evaluations are based upon the offerors': 1) experience in the subject area; 2) understanding of the work (demonstrated by the commitment of resources); 3) prior relevant publications (including briefs); 4) schedule for completing the work; and 5) price.

Feel free to call me at (202) 334-3209 if you have questions.

Sincerely,
James B. McDaniel
Counsel for Legal Research Projects

Enclosure
JBM/jlc

PROBLEM STATEMENT
**NCHRP 20-6, STUDY TOPIC 16-2: BEST PRACTICES IN THE PREVENTION AND
DETECTION OF FRAUD, AND IN THE IMPOSITION OF PENALTIES FOR
DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM FRAUD**

The United States Department of Transportation has in effect a policy and programs to assist Small and Disadvantaged Businesses. This is part of its effort to increase the participation of minority businesses in DOT, and in state and local contracting.

Allegations have persisted that there is widespread fraud in these programs. Studies to determine the extent of fraud have been inconclusive because of the lack of data and information gathering systems.

Research and data collection (survey questionnaire) is needed to identify the types of fraud uncovered in the program (whether in the certification process or in contract performance), and the methods used to detect and prevent fraud. The research would also focus on the kind of remedies used or penalties imposed to correct the problem once found.

The research is intended to answer the following questions:

- What state departments of transportation have developed effective DBE fraud prevention programs?
- What resources are needed to effectively monitor the program?
- What techniques are used by state department of transportation to identify DBE and non-DBE contractors who may be involved in fraudulent schemes?
- Are there best practices that can be replicated by state DOTs?
- How do the state DOTs interface with US DOT to implement an effective fraud prevention/detection program?

Literature Search Summary

- Review investigate reports of the US DOT and state Offices of Inspector General, as well as the state EEO offices, to identify the ways in which fraud occurs in the program. The reports would include highway, transit, and airport DBE programs that have been the subject of DBE fraud investigations.
- Any reports prepared by state DOTs on fraud in the program.
- Reports prepared by TRB, including NCHRP Web-Only Document 120: A Survey of State Practices for Protecting Transportation Agencies Against Construction and Disadvantaged Business Enterprise Fraud Including Use of Contractor Suspension and Debarment Procedures, October, 2005.

Implementation (Statement of Work)

Task 1. Research Plan and Detailed Report Outline. The consultant will conduct background research and collect relevant data. Based on the initial but complete review of the source material, the consultant will propose a detailed report outline and survey questionnaire. The outline should be about 10-15 pages and contain sufficient detail to inform the committee of what a 75-100 page typewritten, double-spaced report will contain. This outline should also contain the estimated pagination for each proposed section and/or subsection. This material will be submitted to the Principal Investigator for committee consideration and approval.

Estimated Length of Time: 90-120 days
Estimated Work Effort: 60-80 hours

Task 2. After TRB approval of the detailed outline, the consultant should conduct additional research, case and statutory/regulatory analysis, and collect additional primary data (responses to survey questionnaire) to the extent necessary.

Estimated Length of Time: 30 days
Estimated Work Effort: 30-40 hours

Task 3. Draft report in accordance with the approved outline (including modifications required by TRB). Report will be in a format to be published as a Legal Research Digest. It should be properly supported with footnotes cited in accordance with the "The Bluebook: A Uniform System of Citation, Eighteenth Edition."

Estimated Length of Time: 120 days
Estimated Work Effort: 80-100 hours

Task 4. Revise report as necessary. The consultant should estimate that 2 revisions will be necessary. One revision may be required after review by the Principal Investigator and members of a select subcommittee. Additional revisions may be required after the full committee has reviewed the report.

Estimated Length of Time: 30 days
Estimated Work Effort: 30-40 hours

Total Estimated Length of Time: 270-300 days
(3 months will be added for review)
Total Estimated Work Effort: 200-260 hours
Estimated Compensation: \$24,000 - \$32,500.
25% paid upon submission and approval of the Task 1 Report
50% paid upon submission and approval of the Task 3 Report
25% paid upon submission and approval of the Final Report

If an offeror's estimation of length of time and estimated work effort differs from those above, the offeror should use his/her estimates.

An important factor in rating offers will be the offeror's commitment to promptly undertake and complete this study.

Submit Statements of Interest on or before December 1, 2008 by mail or email to:

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Counsel for Legal Research Projects
Transportation Research Board
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Washington, D.C. 20001
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jmcDaniel@nas.edu