COURSE SYLLABUS

Red Flags of Infrastructure Fraud for Investigators Course

Understand common fraud schemes and warning signs specific to Infrastructure Investment and Jobs Act (IIJA) projects, and learn how to detect vulnerabilities before they escalate.

Group classes (Live Online) and onsite training are available for this course. For more information, email onsite@graduateschool.edu or visit: https://sdfm.graduateschool.edu/courses/red-flags-of-infrastructure-fraud-for-investigators



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Course Outline

Module 1: Purpose and Scope of the Infrastructure Investment and Jobs Act (IIJA)

- Summarize the IIJA's aims, scale ($1.2T), and five-year funding horizon.
- Identify major funded sectors (roads/bridges, transit, rail, energy, water, broadband, resilience).
- Review the high-level spending plan and responsible federal agencies.
- Note links to the American Rescue Plan and implications for workforce/readiness.

Module 2: Investigator's and Reviewer's Responsibility for Fraud Awareness and Detection

- Clarify responsibilities under GAGAS/Yellow Book, CIGIE, AICPA (SAS 22/99), and related laws.
- Define fraud and elements; contrast fraud with waste and abuse.
- Apply professional skepticism: assess risk, controls, and environmental red flags throughout engagements.
- Understand reporting expectations for internal control, compliance issues, and suspected fraud.

Module 3: Fraud Schemes and Red Flags

- Recognize common IIJA fraud types: defective labor/pricing, product substitution, billing schemes.
- Detect collusion (bid-rigging, rotation, suppression, market division) using bidding/price patterns.
- Spot operational red flags: poor documentation, unusual trends, fictitious vendors, altered records.
- List evidence sources to corroborate suspicions (timecards, invoices, delivery records, payroll data).

Module 4: Federal Statutes and Remedies on Fraud Applicable to IIJA Projects

- Link schemes to statutes: 18 U.S.C. §§ 371 (conspiracy), 641 (embezzlement), 1001 (false statements), 1341/1343 (mail/wire fraud), 201 (bribery), and FCA.
- Introduce RICO, antitrust (bid-rigging/price-fixing), and program-specific offenses.
- Differentiate criminal, civil, and administrative tools: PFCRA, suspension/debarment, and referrals.
- Outline evidentiary needs to support prosecutions or administrative actions.

Module 5: Cases of Infrastructure Fraud

- Study 7 recent prosecutions (e.g., DBE pass-throughs, bid rigging, under-application of materials) and penalties.
- Connect case red flags to earlier modules to reinforce detection techniques.
- Discuss how fast-moving funds and weak controls enable repeatable schemes.
- Capture lessons learned to strengthen prevention, detection, and referrals.