

Construction Industry Self Initiated Compliance and Ethics Programs



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A Hard Sell to Industry

- Task oriented (finish current project and move on to next)
- Low profit margin on contracts
- Other contractual requirements take resources
- Extra cost with no perceived need or payback
- Misconception that one-size-fits-all
- Length of time to implement program
- Denial of problems in industry

Brief Snapshot of Joint Efforts 2005 - Present



- FHWA and OIG initiate work groups and out reach with industry (AGC, ARTBA, CCIA, and AASHTO, etc.)
- CONNstruction and Roads & Bridges publish articles on ethics and compliance
- NRO-IG publishes article on convincing contractors to report their own fraud
- DOT-OIG publishes article on upholding the public trust



A Clear Message Was Sent

- **USDOT initiates suspension upon indictment and debarment upon conviction**
- **2005 – 2006 increasing passage of new ethics laws by states pertaining to contractors**
- **Dec 2007 – FAR became effective requiring certain contractors to have ethics and compliance programs**
- **Recent major criminal and civil settlements**
- **Continued adverse publicity**



Current Status of Programs

- 15 years behind aviation industry efforts
- Industry has taken a major step forward with a new non-profit association called:

*“Construction Industry Ethics & Compliance Initiative”
(CIECI)*

- First Meeting in October 2008
- Website: <http://www.ciecinitiative.org/>



CHARTER OF CIECI

The Construction Industry Ethics and Compliance Initiative (CIECI) is a non-profit association of U.S. construction industry participants dedicated to the promotion of integrity and ethical conduct in the construction industry. Our goals are the advancement of organizational cultures that encourage and support ethical behavior and compliance with law; and the identification and sharing of best ethical and compliance practices within our industry.



Where Do We Go From Here ?

- **Government needs to support industry efforts:**
 - ✓ **Attend industry state and national conferences**
 - ✓ **Offer assistance with program**
 - ✓ **Modify other successful programs to meet state or local requirements**
 - ✓ **Encourage self reporting (self-disclosures)**



Quick References

- **FHWA Website:**
<http://www.fhwa.dot.gov/construction/cqit/suspensi.cfm>
- **General Information**
 - **Sample Guidance Developed by the USDOT/ AGC / ARTBA / AASHTO Suspension & Debarment Work Group**
 - [A Sample Code of Ethics Guide](#)
 - [A Sample Code of Ethics Model](#)
 - [A Sample Compliance Program Guide](#)
 - [A Sample Compliance Program Model](#)



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Questions ?