

Improper Billing of Costs on Progress Payments

FRAUD INDICATORS:

- **Slow in paying suppliers or non-payments to suppliers, employees or government entities.**
- **Billing costs that were not incurred on the contract.**
- **Lack of support for calculations of key figures, such as estimate to complete (ETCs) or cost of undelivered work.**
- **ETCs that are not developed within 6 months of the progress payment date and/or do not reflect current contract delivery schedule or work performance.**
- **ETCs used for billing or contract performance reports that differ from other internal financial projections without reasonable explanation.**
- **Little or no physical progress even though significant costs have been billed and the contract delivery schedule indicates that significant physical progress should have occurred.**
- **Continued work performance, delivery or rework issues identified by Government official.**
- **Supporting documents missing or unavailable for review.**
- **Unreasonable time period for contractor to produce records that should be readily available.**