



Oversight of Highway Capital Construction in the United States of America

Dr. Anthony Kane

- American Association of State Highway and Transportation Officials (AASHTO)
- Director, Engineering and Technical Service
- akane@aaashto.org



Paper Overview

- **Overview of U.S. Construction Industry**
- **Fraud**
- **Management of Large Projects**
- **Lessons For Other Countries**

Background on United States' Highways

- **300 Million People Today in the USA**
 - 440 Million by 2050
- **Interstate System –**
 - 47,000 miles (1% of total)
 - 24% of travel
 - Aging –structures are 40 yrs old
- **\$75 Billion/yr in Capital Outlay—all roads; needs are double that**



U.S. Contracting Innovations

- **Best Value Contractor Selection**
- **Construction Manager at Risk**
- **Incentives/ Disincentives**
- **Outsourcing**
- **In-sourcing**
- **Public Private Partnerships**



Types of Fraud

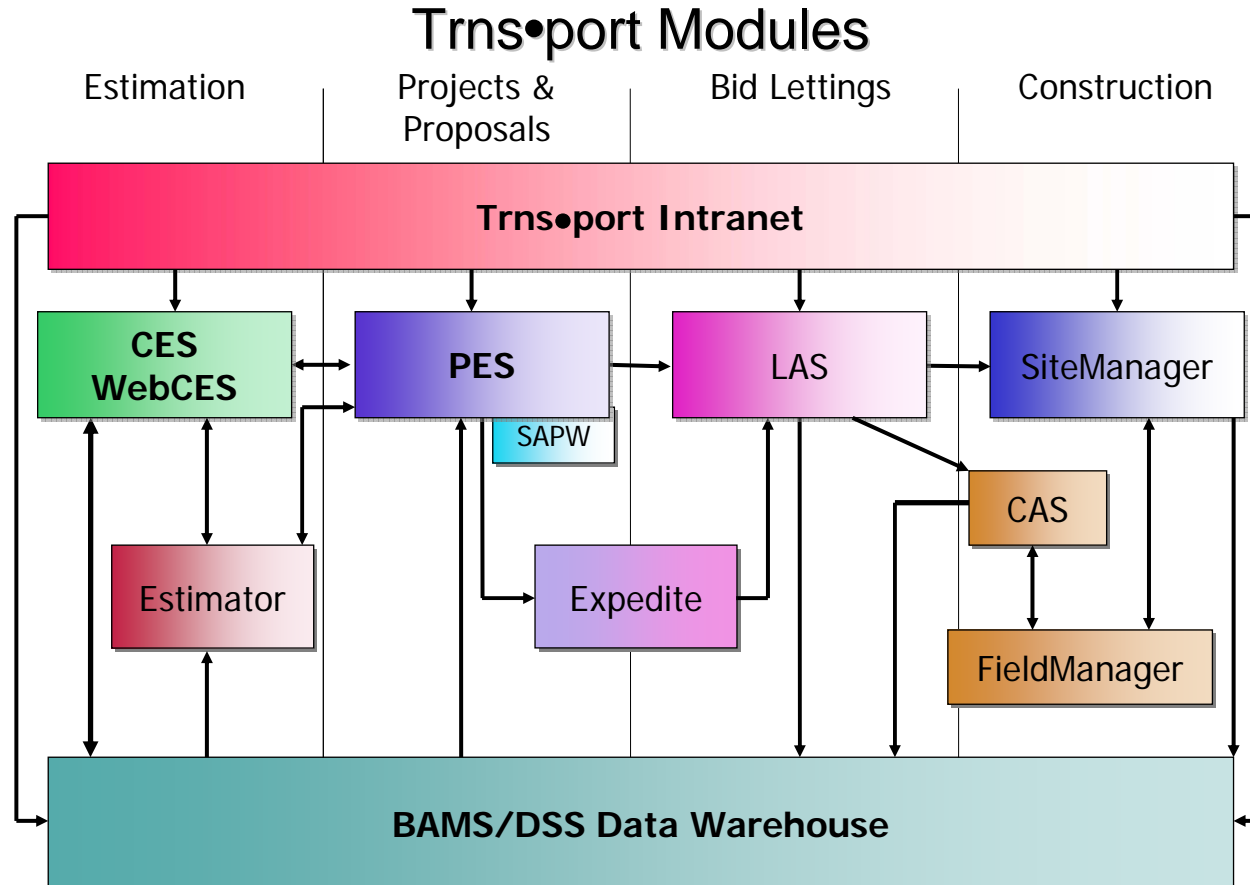
- **Materials**
- **Disadvantaged Business Enterprises**
- **Bidrigging; Price Fixing**
- **False Work Claims**
- **False Records**

Fraud Remedies

- Disbarment
- Prevention: AASHTOWare

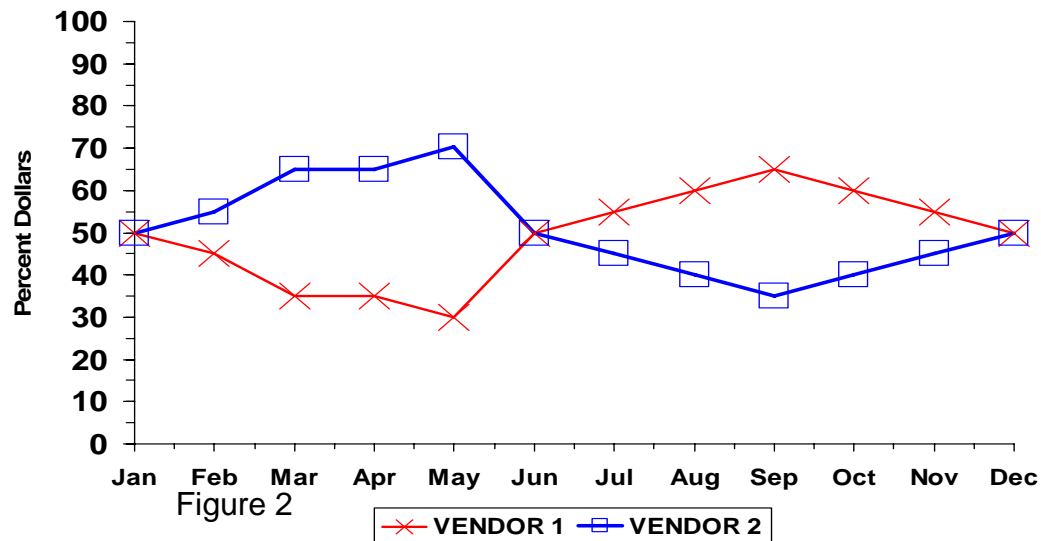
<http://aashtoware.org/?siteid=28>

AASHTOWare: Trns-port Modules

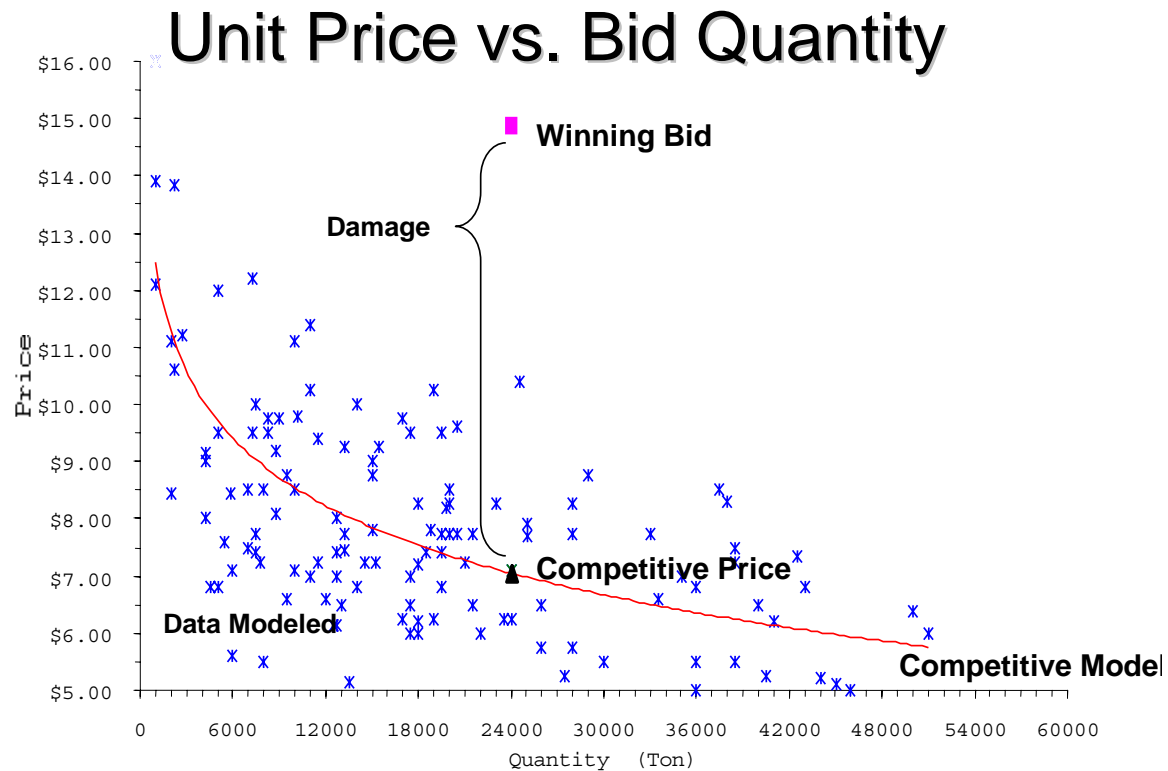


Example of Dynamic Market Share Evaluation

DYNAMIC MARKET SHARE Florida - Market Rotation



Example Fraud Detection with BAMS





Management of Major Projects

- **AASHTOWare**
- **Financial Plans**
- **Project Management Plans/ Teams**



Lessons for Others

- **Waste and Fraud Will Happen**
- **Use Prevention as well as Enforcement Techniques**
- **Construction industry is changing; Government must adapt and change**
- **Countries can learn from one another**