

Summary: Substantiated Violations of the Buy Indian Act

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The OIG investigated allegations that two propane delivery contractors, one of which was American Indian-owned, conspired to improperly obtain U.S. Government contracts that are restricted to Indian economic enterprises under the provisions of the Buy Indian Act. Specifically, we investigated to determine if the Indian-owned company subcontracted 100 percent of contract performance to the non-Indian-owned company.

We found that the Indian-owned company was awarded approximately 17 contracts, with a combined value of about \$350,000, under the Buy Indian Act. We also found that though the Indian-owned company received approximately 51 percent of the net profit, it had little or no involvement with the actual performance of the propane supply contract: the non-Indian contractor provided all the fuel and made all the physical deliveries, thus violating the Buy Indian Act.

This is a summary of an investigative report we issued to the Director of the Bureau of Indian Affairs.

