

Summary: Contractor Wrongfully Obtained Over \$10 Million in Buy Indian Act Contracts from BIA and BIE

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The OIG investigated allegations that a contractor wrongfully obtained Indian Economic Enterprise (IEE) and Indian Small Business Economic Enterprise (ISBEE) set-aside contracts from the Bureau of Indian Affairs (BIA) and the Bureau of Indian Education (BIE).

We determined that from January 1, 2017, to October 6, 2022, the contractor falsely obtained 241 IEE and ISBEE contracts totaling over \$10.7 million from the BIA and BIE. We confirmed that the company's President and Owner fraudulently self-certified to be an enrolled member of a federally recognized Indian Tribe. In addition, we confirmed that, as to at least five contracts, the contractor failed to comply with at least one—and sometimes more than one—of the relevant requirements. In particular, the contractor failed on specific contracts to retain the majority of contract earnings, did not possess the management or technical capabilities directly related to multiple IEE and ISBEE set-aside contracts, and failed to perform at least 50 percent of the work, all in violation of the U.S. Department of the Interior Acquisition Regulation pertaining to the Buy Indian Act.

We also found deficiencies by BIA and BIE contracting officers with respect to IEE and ISBEE program requirements. Interviews with BIA and BIE contracting officers revealed that they were aware that the contractor was subcontracting more than 50 percent of the contract-related work. Additionally, our investigation showed that the BIA and BIE awarded set-aside contracts to the contractor through Buy Indian Act programs even though the contractor did not meet IEE or ISBEE criteria for those contracts.

We referred our findings to our Office of Audits, Inspections, and Evaluations and to our Administrative Remedies Division.

This is a summary of an investigative report we issued to the Assistant Secretary of Indian Affairs.

