

# **POLICY FLASH**

## **2006-25**

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**DATE:** April 28, 2006

**TO:** Procurement Directors

**FROM:** Office of Procurement and Assistance Policy, MA-61  
Office of Procurement and Assistance Management

**SUBJECT:** Award of Small Business Contracts to Alaska Native Corporations (ANC)

**SUMMARY:** Recently, the use of "Alaska Native Corporations (ANCs) in Government contracting has been reviewed by the Government Accountability Office (GAO) as well as highlighted in media reports..

FAR 19.805-1(b)(2) permits sole source S(a) awards to concerns owned by an Indian tribe or an Alaska Native Corporation. A recent news article, based on a draft Government Accountability Office (GAO) report, asserts that the government has provided lax oversight in these contracts and that there is the potential for abuses. Although the use of ANC's in Departmental contracts is minimal, Contracting Officers are reminded to use care in their award and administration.

ANC awards do not have specifically established contracting goals and therefore DOE's goal achievement is not evaluated. The types of small business programs that do possess established goals include Small Disadvantaged Businesses (SDBs), Women-owned Small Business (WOSB), small business concerns owned and controlled by service-disabled veterans, and HUBZone small business concerns.

Contracting Officers should attempt to utilize these types of small businesses, which are goal, before automatically proceeding with a sole source 8(a) award to an ANC. This will better assist the Department in its continuing effort to meet its Small Business objectives.

The Flash may be viewed at <http://professionals.pr.doe.gov>

Questions regarding this policy flash may be directed to Stephen Zvolensky (202) 287-1307 or [Stephen.Zvolensky@hq.doe.gov](mailto:Stephen.Zvolensky@hq.doe.gov).

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