



# POARCH BAND of CREEK INDIANS

December 10, 2025

The Honorable Joni Ernst  
Chairman  
U.S. Senate Committee on Small Business & Entrepreneurship  
428A Russell Senate Office Building  
Washington, DC 20515

Dear Chair Ernst:

The Poarch Band of Creek Indians (Tribe) have serious concerns regarding your December 8 letter to the Department of Commerce about Contract No. 1333ND23FNB130083. That contract was awarded to PCI Government Services (PCI-GS), a tribally-owned small business of the Tribe, on April 3, 2023, to support the CHIPS program and help restore American semiconductor leadership. Because your letter contains several inaccuracies about PCI-GS's performance, I appreciate the opportunity to provide clarity.

For decades, federal policy, through programs like the DoD Mentor-Protégé Program (1991), the SBA 8(a) Mentor-Protégé Program (1998), and FAR Subpart 19.7, has explicitly encouraged small businesses to use subcontracting arrangements to build capacity and execute complex federal missions. Contractors who follow these rules and meet the 50% performance requirement should not be conflated with bad actors simply because they use the subcontracting tools the government has long promoted.

PCI-GS provides program management, analytics, and operational support to the National Institute of Standards and Technology (NIST) CHIPS Program Management Office. Our team supports the execution of the \$52.7 billion CHIPS Incentives Program and has been integral to the program's success—from startup through an Administration transition and into 2026. PCI-GS performs essential work across program management, construction oversight, workforce development and planning, Davis-Bacon Act compliance, grants administration, communications, risk, financial and investment analysis, and data analytics. Our team also plays a key role in portfolio management and grantee oversight.

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While we fully support your commitment to eliminating fraud and abuse in federal contracting, several statements in your letter about PCI-GS's compliance are incorrect.

First, your letter relies on contract obligations (amounts authorized and set aside), but the applicable regulation, FAR 52.219-14(e)(1), expressly requires measuring amounts paid (actual cash flows). The regulation states: "*[The Contractor] will not pay more than 50 percent of the amount paid by the Government for contract performance to subcontractors.*" The regulation is unambiguous: compliance is measured by actual amounts paid by the Government and the prime contractor. Obligations are a ceiling; payments reflect actual performance. Applying the incorrect metric leads to an inaccurate conclusion.

Second, the contract cited is an IDIQ (Indefinite Delivery Indefinite Quantity), essentially a framework with pre-negotiated terms. This contract (PIID 1333ND23FNB130083) is actually "Task Order 01" under that IDIQ. The calculations in the letter are incomplete because they do not account for all task orders issued to PCI-GS under the IDIQ. The limitation on subcontracting rules in the FAR and SBA regulations (specifically FAR 52.219-14(f) and 13 CFR 125.6(d)) provide that for set-aside IDIQ awards, compliance with limitations on subcontracting is generally assessed at the contract level, unless the contracting officer specifies order-level compliance. The cognizant contracting officer for this contract has indicated, in writing, that limitations on subcontracting shall be assessed on the IDIQ in its entirety, consistent with the default approach.

When the correct legal standard is applied to actual cash-basis payments documented through invoices, bank statements, and our general ledger, PCI-GS is fully compliant with FAR 52.219-14:

Category	Amount	Percentage
Total Invoiced & Paid (Cash Basis)	\$24,987,106.02	100%
PCI-GS Performance (Prime)	\$13,489,987.02	53.99%
Oliver Wyman (Subcontractor)	\$11,497,119.00	46.01%
FAR 52.219-14 Requirement	—	≥50%

PCI-GS exceeds the 50% requirement and is in full compliance with federal regulations.

I am concerned that PCI-GS was named publicly in an official congressional letter—suggesting potential misconduct—without any outreach to the Tribe or an opportunity to correct the record. This has real-world consequences for a legitimate tribally owned business, our employees, and the more than 2,700 Tribal Citizens who depend on the revenues these enterprises generate. It also risks creating a chilling effect for tribal small businesses that follow the law and rely on longstanding federal contracting policy.

The Tribe supports strong and fair oversight of federal contracting programs. However, oversight must be based on accurate data, the correct legal standards, and a transparent process that does not unfairly harm compliant small businesses.

I would welcome the opportunity to meet with you and address any further concerns.

Sincerely,



Robbie McGhee  
Vice Chairman  
Chief Government & Public Relations Officer  
Poarch Band of Creek Indians

CC: Members of the U.S. Senate Committee on Small Business and  
Entrepreneurship

