Congress of the United States

Washington, DC 20515

April 21, 2021

The Honorable Xavier Becerra Secretary U.S. Department of Health and Human Services 200 Independence Avenue SW Washington, D.C. 20201

Dear Secretary Becerra:

The Committee on Oversight and Reform and the Committee on Homeland Security Republicans are conducting oversight of a massive, sole source contract your Department recently awarded on March 17, 2021 to nonprofit Family Endeavors, Inc.¹ Under the contract, the U.S. government has already obligated \$255.2 million, with a potential award amount of \$529.5 million² for the purpose of "emergency intake site and wrap around care services in support of the [Office of Refugee Resettlement] Unaccompanied Children's Program" in Pecos, TX.³

This is the second sizeable government contract⁴ Family Endeavors has received in recent weeks without going through fair and open competition.⁵ The most recent contract, potentially valued at \$529.5 million, is more than twelve times Family Endeavors' most recent annual budget, raising questions about its ability to effectively perform the contract and meet the contract requirements.⁶ Further, there are other, likely more experienced contractors that would also be able to perform the work, but due to the sole source award, they will not get a chance at the opportunity.⁷

Most concerning, it appears that Family Endeavors won these contracts just months after hiring Andrew Lorenzen-Strait as Senior Director for Migrant Services and Federal Affairs.⁸

https://www.washingtonexaminer.com/news/biden-ice-gave-87m-no-bid-contract-conflict-of-interest.

⁵ See Letter from Andrew S. Clyde, Member of Congress to Tae Johnson, Acting Director, U.S. Immigration and Customs Enforcement (Mar. 31, 2021), *available at* <u>https://clyde.house.gov/sites/evo-</u>subsites/clyde.house.gov/files/evo-media-

document/03.31.21_COR_HS_Rep.%20Clyde%20letter%20to%20ICE%20re%20Endeavors%20Contract.pdf.

¹ Contract Summary, USASPENDING.GOV (PIID 75ACF121P00005), available at

https://www.usaspending.gov/award/CONT_AWD_75ACF121P00005_7590_-NONE-_-NONE-² Id.

 $^{^{3}}$ Id.

⁴ Giaritelli, Anna, *EXCLUSIVE: ICE gave* \$87M no-bid contract to business with Biden ties, raising conflict of interest questions, WASH. EXAMINER (Apr. 7, 2021), available at

⁶ Markay, Lachlan & Stef W. Kight, *Exclusive: Texas nonprofit got massive border contract after hiring Biden official*, AXIOS NEWS (Apr. 13, 2021), *available at* <u>https://www.axios.com/texas-nonprofit-border-contract-biden-official-23a493f4-6779-44f0-a5d4-db8690f11aec.html</u>.

⁷ *Id*.

⁸ Id.

Secretary Becerra April 21, 2021 Page 2 of 5

Mr. Lorenzen-Strait served on the Biden-Harris transition team, and is a former official at U.S. Immigration and Customs Enforcement.

These factors: the size of the contracts awarded to Family Endeavors, the manner in which they were awarded, that firm's lack of equivalent experience, the timing of Mr. Lorenzen-Straight's hiring, and his connections to the Biden administration combine to raise serious concerns of potential impropriety.

To assist the Republicans on the Committees in conducting important oversight of this dubious sole source award to an insider, please provide the following information no later than May 5, 2021 for the time period January 20, 2021 to the present:

- 1. A complete copy of the sole source contract awarded to Family Endeavors as referenced above;
- 2. All documents and communications referring or relating to the contract award to Family Endeavors referenced above, including but not limited to any communications with Family Endeavors' employees, personnel, executives, agents, affiliates, or representatives;
- 3. All documents and communications referring or relating to the need for the contracted services and investigations of any potential vendors for those services including but not limited to Family Endeavors;
- 4. Any and all drafts including the final draft of the justification and approval document required by the Federal Acquisition Regulation related to the sole source contracts to Family Endeavors; and
- 5. All documents and communications between and among administration officials and/or U.S. government employees and Mr. Lorenz-Strait regarding the contract(s) between Family Endeavors and HHS.

Thank you for your consideration of this important issue. To make arrangements to deliver documents or ask any related follow-up questions, please contact Committee on Oversight and Reform Republican Staff at (202) 225-5074 and Committee on Homeland Security at (202) 503-6188.

Secretary Becerra April 21, 2021 Page 3 of 5

Thank you in advance for your cooperation with this inquiry.

James Umer Ranking Member Committee on Oversight and Reform

S. el Andrew S. Clyde

Andrew S. Clyde Member of Congress

Dan Bishop Member of Congress

Pat Fallon Member of Congress

Andrew Garbarino Member of Congress

Glenn Grothman Member of Congress

Sincerely,

John Katko Ranking Member Committee on Homeland Security

Andy Biggs

Member of Congress

Michael-Cloud Member of Congress

Frankle.

Scott Franklin Member of Congress

Paul À. Gosar, D.D.S Member of Congress

Michael Guest Member of Congress

Secretary Becerra April 21, 2021 Page 4 of 5

and barger

Diana Harshbarger Member of Congress

Jody Hice Member of Congress

ndan Jim Jordan

Member of Congress

Jake LaTurner Member of Congress

M.C.

Peter Meijer Member of Congress

Ralph Norman Member of Congress

utto the well

Yvette Herrell Member of Congress

Clay Higgins

Member of Congress

Fred Keller Member of Congress

Nancy Mac

miller, macker tto Marian

Mariannette Miller-Meeks Member of Congress

August Pfluger Member of Congress

Secretary Becerra April 21, 2021 Page 5 of 5

essmy Pete Sessions

Member of Congress

Jeff Drew

Member of Congress

cc: The Honorable Carolyn Maloney, Chairwoman Committee on Oversight and Reform

> The Honorable Bennie Thompson, Chairman Committee on Homeland Security