

**United States Senate**  
WASHINGTON, DC 20510

February 16, 2023

**VIA ELECTRONIC TRANSMISSION**

The Honorable Xavier Becerra  
Secretary  
U.S. Department of Health & Human Services

Dear Secretary Becerra:

According to news reports and government contracts, between March 30, 2021, and March 29, 2022, the Department of Health and Human Services, Office of Refugee Resettlement (ORR) procured services through a sole source contract with the Vera Institute of Justice (Vera) worth \$168.7 million to provide immigration related legal services to unaccompanied alien children.<sup>1</sup> In addition, on March 30, 2022, ORR procured additional services through another contract with Vera obligating to pay them \$180 million to render these same legal services until March 29, 2023, with the option for the contract to be extended each year for an additional four-years.<sup>2</sup> If this contract is extended for the full four-years, the total value could reach \$1 billion.<sup>3</sup>

These two contracts are the highest dollar government contracts Vera has received in individual years, and news reports have stated that Vera will use a majority of these federal funds to subcontract for legal services throughout the country.<sup>4</sup> The vast amount of taxpayer money at

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<sup>1</sup> Department of Health and Human Services, *Contract Description for UC Legal Services*, System for Award Management (Feb. 16, 2023), <https://sam.gov/opp/3f6a34ad89f24e71a7a7ba6f559a8b8f/view#description>; Department of Health and Human Services, *Award Profile Contract Summary for a Definitive Contract Covering Mar. 30, 2021 to Mar. 29, 2022* (Feb. 16, 2023), [https://www.usaspending.gov/award/CONT\\_AWD\\_75P00121C00019\\_7570\\_-NONE\\_-NONE-](https://www.usaspending.gov/award/CONT_AWD_75P00121C00019_7570_-NONE_-NONE-); See Joe Schoffstall, *Biden admin gives left-wing groups hundreds of millions to help illegal immigrants fight deportation* (Jan. 24, 2023), <https://www.foxnews.com/politics/biden-admin-gives-left-wing-groups-hundreds-millions-help-illegal-immigrants-fight-deportation>.

<sup>2</sup> Department of the Interior, *Contract Description for HHS ACF ORR Legal Services*, System for Award Management (Feb. 16, 2023), <https://sam.gov/opp/84ab699905b347768f9577a0f9bcc9a6/view#description> (The Department of the Interior, Interior Business Center, Acquisition Services Directorate made this contract award on behalf of ORR); Department of the Interior, *Award Profile Contract Summary for Definitive Contract Covering Mar. 30, 2022 to Mar. 29, 2023* (Feb. 16, 2023), [https://www.usaspending.gov/award/CONT\\_AWD\\_140D0422C0009\\_1406\\_-NONE\\_-NONE-](https://www.usaspending.gov/award/CONT_AWD_140D0422C0009_1406_-NONE_-NONE-); Department of the Interior, *Contract Award for HHS ACF ORR Legal Services*, System for Award Management (Feb. 16, 2023), <https://sam.gov/opp/84ab699905b347768f9577a0f9bcc9a6/view#award>.

<sup>3</sup> Department of the Interior, *Contract Award for HHS ACF ORR Legal Services*, System for Award Management (Feb. 16, 2023), <https://sam.gov/opp/84ab699905b347768f9577a0f9bcc9a6/view#award>.

<sup>4</sup> Joe Schoffstall, *Left-wing group secured \$158 million taxpayer-funded contract to help illegal immigrants avoid deportation* (Jan. 14, 2022), <https://www.foxnews.com/politics/left-wing-158m-taxpayer-immigrants-deportation>.

issue demands exacting oversight. Accordingly, I write to better understand how you are conducting the necessary oversight to ensure Vera's use of these funds is in full compliance with all applicable legal, regulatory, and contractual requirements and that, in light of the taxpayer money at issue, waste is not tolerated.

My concerns with respect to HHS' oversight of its contracts with third parties stems, in part, from HHS' *FY 2022 Agency Financial Report*.<sup>5</sup> In that report, the HHS Inspector General identified a range of problems with HHS oversight of contracts, including contracts for services with respect to unaccompanied alien children.<sup>6</sup> The report included a finding that the ORR "did not award or sufficiently manage a sole source contract in accordance with Federal requirements."<sup>7</sup> Given that Vera could receive almost a billion dollars of taxpayer funds under one contract alone, even a fraction of improper conduct can add up to large sums of money.<sup>8</sup> A robust oversight structure needs to be in place to protect taxpayer dollars from waste, fraud and abuse.

Furthermore, according to the Department of Justice Office of the Inspector General (DOJ OIG), Vera has a history of not fully complying with legal and regulatory requirements involving the expenditure of government funds. An audit issued in 2019 by the DOJ OIG found that Vera had inappropriately expended government funds for unallowable costs.<sup>9</sup> Specifically, the DOJ OIG audit reported that

Vera did not comply with essential award conditions related to award expenditures including: (1) personnel and fringe benefits, (2) travel, (3) supplies and other costs, (4) consultants and contracts, and (5) subawards. Additionally, OIG found issues related to Vera's compliance with award special conditions, procurement practices, subrecipient monitoring, and financial reporting.<sup>10</sup>

The audit also found that Vera had \$325,907 in expenditures "that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable."<sup>11</sup> This example further demonstrates the need

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<sup>5</sup> Department of Health and Human Services, *Agency Financial Report Fiscal Year 2022* (November 14, 2022), <https://www.hhs.gov/sites/default/files/fy-2022-hhs-agency-financial-report.pdf>.

<sup>6</sup> *Id.* at 275.

<sup>7</sup> *Id.*

<sup>8</sup> Joe Schoffstall, *Biden admin gives left-wing groups hundreds of millions to help illegal immigrants fight deportation* (Jan. 24, 2023), <https://www.foxnews.com/politics/biden-admin-gives-left-wing-groups-hundreds-millions-help-illegal-immigrants-fight-deportation>.

<sup>9</sup> U.S. Department of Justice Office of the Inspector General, *Audit of the Office of Justice Programs Cooperative Agreement Awarded to the Vera Institute of Justice*, New York, New York (June 2019), <https://www.oversight.gov/sites/default/files/oig-reports/g7019005.pdf>.

<sup>10</sup> *Id.* at 16.

<sup>11</sup> *Id.* at 19.

for transparency in how Vera and its subcontractors are using taxpayer funds and what HHS has done to employ robust oversight procedures and policies to ensure Vera is in full compliance with all applicable legal, regulatory, and contractual requirements.

In an effort to better understand how you have overseen Vera's and their subcontractors' expenditures under the two contracts, please answer and provide the following no later than March 2, 2023:

- 1) What HHS oversight procedures, policies, and guidelines are in place to ensure Vera is in full compliance with all applicable legal, regulatory, and contractual requirements?
- 2) What HHS oversight procedures, policies, and guidelines are in place to ensure Vera's subcontractors are in full compliance with all applicable legal, regulatory, and contractual requirements?
- 3) What procedures, policies, and guidelines are in place to ensure Vera promptly reports instances of waste, fraud, and abuse to HHS?
- 4) Has Vera been in full compliance with all applicable legal, regulatory, and contractual requirements? If not, please provide a list of all violations, the cost of each and the corrective action taken.
- 5) Have Vera's subcontractors been in full compliance with all applicable legal, regulatory, and contractual requirements? If not, please provide a list of all violations, the cost of each and the corrective action taken.
- 6) How many subcontractors has Vera procured to perform services under the contracts? Please provide a list of the subcontractors Vera has procured with the amount Vera has paid to each subcontractor.

Thank you for your prompt review and responses. If you have any questions, please contact my Committee staff at (202) 224-0642.

Sincerely,



Charles E. Grassley  
Ranking Member  
Committee on the Budget