

MEMORANDUM

To: Interested Parties
From: Thomas Jones, American Accountability Foundation
Re: Endeavors Migrant Housing Project at Southern Border and Recent Inspector General Report
Date: April 20, 2022

Last week the Department of Homeland Security Inspector General released the stunning report “ [ICE Spent Funds on Unused Beds, Missed COVID-19 Protocols and Detention Standards while Housing Migrant Families in Hotels](#) “ The IG found:

- “ICE did not adequately justify the need for the sole source contract to house migrant families and spent approximately \$17 million for hotel space and services at six hotels that went largely unused between April and June 2021.”
- “ICE’s sole source contract with Endeavors resulted in millions of dollars being spent on unused hotel space.”
- “In addition, Endeavors did not meet new healthcare protocols or ensure proper COVID-19 testing for families.”
- “Further, Endeavors did not follow required ICE standards to ensure the proper care for housing migrant families while such families were residing in its facilities.”

Background

The Immigrations Customs and Enforcement (ICE) and Department of Homeland Security (DHS) award of a multi-million no-bid contract to Endeavors has been a serious issue of public concern for nearly a year. In 2021, ICE claimed a lack of capacity to house migrant families crossing the Southern border, and as such awarded a no-bid, sole-source contract to Texas-based “non-profit” Family Endeavors, who had no documented experience in this particular area of work. However, ICE’s existing, licensed family residential centers sat largely empty. A new \$87 million contract was awarded by ICE to Endeavors to operate six hotels to house migrant families, equaling an additional \$352 per hotel bed, per night in new spending.¹

This was the first time Endeavors had received a contract this large, and the first time it had contracted with ICE. **Likely explaining the sudden multi-million dollar windfall from ICE**, on January 20, Endeavors hired a senior Biden Transition official – Andrew Lorenzen-Strait- who was responsible for HHS and DHS matters both on the

¹ [Washington Examiner: EXCLUSIVE: ICE gave \\$87M no-bid contract to business with Biden ties, raising conflict of interest questions](#) & [Government to spend \\$352 per night on hotel beds for 80,000 migrant families](#)



transition and during the campaign, and who during that same time counted Endeavors as a client of his consulting practice.

Mr. Lorenzen-Strait's connections run even deeper at ICE. As the *Washington Examiner* reported:

“Another ICE official, **Claire Trickler-McNulty**, used to work for Lorenzen-Strait before he left ICE in 2019. **Trickler-McNulty was given full authority at the start of the Biden administration over contracts.**”²

After the ICE award, HHS then awarded Endeavors a no-bid contract for over \$500 million for a 2,000-bed shelter in Pecos, Texas for unaccompanied minors. This is also the first HHS contract Endeavors has ever received. As *Axios* explained:³

The Administration entered into pricey new contracts for migrant capacity, while leaving its existing beds [near-empty](#).

Endeavors, which received a no-bid contract for \$87 million to operate temporary hotels for family units on behalf of ICE, and a \$500 million no-bid HHS contract to operate shelter for unaccompanied children, hired Andrew Lorenzen-Strait, a former ICE official and member of the Biden transition team on Biden's inauguration day, January 20, 2021. He had been advising on HHS and DHS matters while on the transition and working for the Biden campaign and also counted Endeavors as a client of his consulting practice during that time.

There were subsequently [several Congressional inquiries](#) into the no-bid contracts, which appear to be sweetheart deals awarded to an ill-experienced contractor, for a well-connected transition official. Endeavors has no history of experience in offering these types of services to the federal government. Further, the contracts secured within two months of hiring Andrew Lorenzen-Strait, are more than 10 times Family Endeavors' total revenue reported in 2018.

ICE's claim that capacity didn't exist was simply not true, as the Inspector General's report concluded.

² <https://www.washingtonexaminer.com/policy/biden-sued-for-withholding-info-on-controversial-migrant-housing-contracts>

³ [Axios: Exclusive: Texas nonprofit got massive border contract after hiring Biden official](#)



This leads to a critical question, why was the Biden Administration contracting with contractors with little experience housing migrants and working with DHS and HHS, costing millions to the taxpayer, when existing ICE beds sat empty.

Further, as shown by the new IG report, this Administration housed migrants in worse conditions at the Endeavors hotels, facilities that are not licensed and are not required to meet the National Performance-Based Detention Standards codified under the Obama-Biden Administration.

The IG Report confirmed AAF's long-standing concerns that ICE awarded a wasteful contract less than three months after Obama ICE official and Biden Transition Team member Andrew Lorenzen-Strait was hired by Endeavors on Biden's Inauguration Day. Endeavors, which Lorenzen-Strait counted as a consulting client while serving on the Biden Campaign and Transition Team, is a company with little experience in providing the services contracted, which the IG found pointed out..

The DHS IG Report makes clear that the only reason this otherwise unqualified vendor got the award, was that the vendor had special access and influence within the Biden administration that awarded them a no-bid contract that they would not have otherwise won. Outlined below are some of the key findings from the IG report.

IG Report confirms ICE's justification for the Endeavors contract was bogus.

"In early 2021, ICE anticipated another surge in migrant families crossing the southern border into the United States **and believed the existing housing infrastructure of the FRCs would be insufficient to handle the anticipated influx.** To increase its housing capacity for detained families, ICE entered into an \$86.9 million sole source contract with Endeavors for approximately 6 months (March to September 2021) to provide 1,239 beds." (Page 2)

"Rather than using the competitive procurement process, ICE awarded a sole source contract to Endeavors, which had provided an unsolicited proposal for housing migrant families in hotels. A Government agency typically receives proposals from contractors after it has put out a request for proposal. However, **Endeavors provided a proposal without such a request from ICE.** In this instance, ICE cited "unusual and compelling urgency" as the basis for an exception to the competitive contracting process." (Page 5)

"In addition, we also found that the three FRCs that house migrant families were underutilized both prior to and during the hotels contract with Endeavors. From January 1 to June 30, 2021, Karnes used an average of 18 percent of its contractual capacity, and Dilley used an average of 23 percent of its contractual capacity. Berks



was only occupied in January and February 2021 and used an average of 6 percent of its contractual capacity. ICE reported that after February 2021, it left Berks empty until its contract ended in June 2021. ICE reported that some of the reduced capacity was in response to COVID-19. In March 2020, ICE issued guidance stipulating that facilities holding detainees should reduce usage to 75 percent of capacity limits to allow for increased social distancing.” (Page 7)

IG Report confirms Endeavors’ lack of expertise, further undermining ICE’s justification.

“ICE cited “unusual and compelling urgency” as the basis for an exception to the competitive contracting process. ICE’s justification noted that Endeavors was the only known source capable of meeting the requirements to provide 1,239 hotel beds and all-inclusive emergency family residential services to support the surge of asylum seekers.” (Page 5)

“...we determined ICE did not have supporting documentation to establish that Endeavors was the only contractor that could provide the services needed. ICE records showed that Endeavors had no experience providing the services covered by the sole source contract, including hotel beds or all-inclusive emergency family residential services. Rather, the contractor only had experience providing staffing for other migrant services. Further, there was no documentation to show that Endeavors had the capability to provide such services, other than the statements made in its proposal.” (Page 6)



Endeavors Controversy Timeline:

May 2008 -May 2019: Andrew Lorenzen-Strait holds a number of positions at [Immigration and Customs Enforcement](#), including “Deputy Assistant Director for the custody management of the agency’s detained population”

May 2019-January 2021: Lorenzen-Strait establishes [Lorenzen-Strait Consulting Services LLC](#), where he provided “clients with seasoned consulting services and government relations in the practices areas of homeland security, health and human services, and Federal procurement,” including Endeavors.

April 2020 -September 2020: Lorenzen-Strait worked as a [Volunteer Advisor at Biden for President](#) where he worked on the Foreign Advisory Team “for matters relating to immigration, refugees and homeland security”

September 2020 - January 2021: Lorenzen-Strait served as a [Staff Member on the Biden-Harris Transition Team](#) on the Department of Homeland Security Policy Working Group and “assisted the Transition Health Cluster conducting interviews and vetting for political appointees for the U.S. Department of Health and Human Services”

January 20, 2021: President Joe Biden is inaugurated

January 20, 2021: Lorenzen -Strait is announced as [Senior Director for Migrant Services & Federal Affairs](#) at Endeavors

March 2021: ICE signs an [\\$86.9 million no-bid contract with Endeavors](#) to provide housing for migrant parents and children in seven hotels, which is its first federal DHS contract for detention services.

April 2021: AAF send Freedom of Information Act requests to the Department of Health and Human Services and Homeland Security asking for correspondence that detail the conversations between Andrew Lorenzen Strait and the senior leadership of the Departments awarding the Endeavors contracts.

August 2021: AAF sends [detailed report to Congress](#) outlining the serious problems with the Endeavors contract and the need to act.

March 2022: After receiving no documents from the Departments for nearly a year, [AAF files suit](#) against the Departments of Homeland Security and Health and Human Services for failing to release documents regarding the potentially corrupt project award.

