

**ERVIN and  
ASSOCIATES  
INCORPORATED**

FI-187064

May 2, 1997

Ms. Pat Morgan  
Director, Executive Secretariat  
U.S. Department of HUD  
451 Seventh Street, SW, Room 10139  
Washington, D.C. 20410

Via Facsimile to (202) 619-8365

RECEIVED  
MAY 2 6 58 PM '97  
EXECUTIVE  
SECRETARIAT

Re: Deva & Associates Subcontracting

Dear Ms. Morgan:

Enclosed are the following items justifying HUD's decision to award a non-competitive task order to Deva and Associates for Single Family Sale #4:

- 1) A letter to Walter Jefferson, CPA, of Gardiner, Kanya & Associates, dated April 5, 1996, from A. Dolores Ammons-Barnett, explaining that Deva Associates would be awarded a non-competitive Task Order because of Williams Adley's (Deva's subcontractor) experience with Debt Management Centers; and
- 2) Justification For Restricted Bidding For Single Family Sale #4, signed by Dave Ryan on July 30, 1996, explaining that the reason Deva was selected for this same task order because the requirements were not finalized until mid-July.

If HUD had already decided to award the task order to Deva Associates on April 5, 1996, we do not understand how HUD could then justify the same task order award based on tight time frames three and a half months later?

It appears that Deva is essentially being used as a front to allow HUD to continue to direct work to Williams, Adley, which was awarded its original \$30 million, sole source 8(a) due diligence contract as a payback for agreeing to subcontract a large portion (over \$8 million) of that work to Hamilton Securities but who has subsequently graduated from the Program. It also appears that A. Dolores Ammons-Barnett and David Ryan did not communicate with each other regarding HUD's official excuse for directing this additional work to Williams, Adley.

Considering the above, please provide us with the following under the provisions of the Freedom of Information Act:

- 1) The amount paid to Williams, Adley, either directly by HUD or as a pass through by Deva, in the performance of Deva's task order for SF#4. If necessary, please provide us with all documents showing the detail of all

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payments made to Williams, Adley in the performance of this contract;

- 2) A copy of Task Order #4 and all modifications;
- 3) A copy of all status reports, including pre-sale and post-sale, submitted by Deva and Associates regarding work on this Task Order;
- 4) In the enclosed letter by A. Dolores Ammons-Barnett dated April 5, 1996, she states that "It was requested by the Office of Housing to issue this Task Order to Deva & Associates because of William's Adley's significant prior experience..." Please provide all documentation relating to this request by HUD, including memoranda or cc: mail messages and the identity of the individual in the Office of Housing who made the request;
- 5) In the enclosed Justification by David Ryan, he states "In response to a predecessor procurement action, Deva had completed planning activities to commence support of Sale #4 since at least March, 1996." Please provide an explanation of what this "predecessor procurement action" was, as well as all documentation regarding it and why it was canceled (RFP's, task orders, cc: mail messages, etc.).

Ervin and Associates is requesting this information because as citizens, we have a right to know if HUD is abusing the 8(a) program to direct work to favored firms on a non-competitive basis. The responsive documents will be of no commercial benefit to us. Considering this, any fees assessed should be subject to the limitations regarding non-commercial requestors.

Ervin and Associates agrees to pay up to \$50 for the processing of this request. If the anticipated fees are to exceed \$50, please call me so I may have an opportunity to alter the request.

Very truly yours,  
ERVIN and ASSOCIATES, INCORPORATED



David J. Ervin

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U. S. Department of Housing and Urban Development  
Washington, D.C. 20410-2000

APR 5 1996

OFFICE OF THE ASSISTANT SECRETARY  
FOR ADMINISTRATION

Mr. Walter Jefferson, CPA  
Gardiner, Kanya & Associates, P.C.  
1717 K Street, N.W., Suite 601  
Washington, D.C. 20036

Re: March 22, 1996 Letter

Dear Mr. Jefferson:

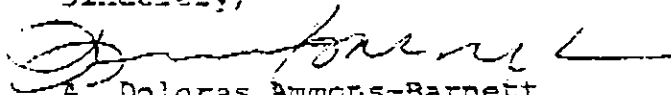
Receipt of your March 22, 1996, letter regarding the proposed HUD-Held Single Family Mortgage Sale #4 is hereby acknowledged. Deva & Associates has been offered a non-competitive Task Order for Sale #4.

As you are aware, Task Orders may be issued on a competitive and/or noncompetitive basis under all of the Due Diligence contracts. It was requested by the Office of Housing to issue this Task Order to Deva & Associates because of Williams Adley's significant prior experience in working with HUD's Debt Management Centers (DMCs) in Albany, Chicago and Seattle. The intent is to reduce the overall labor costs by having DMC staff perform due diligence functions related to non-standard mortgage notes. This Task Order requires Deva/Williams Adley to work with the DMCs and their staffs to provide technical guidance and build their capacity to perform the due diligence work. Because this sale is both complex and time critical, it has been decided that Deva should be assigned this project.

With regard to the Mortgage Analysis Professional (MAP) software, the Office of Housing has accepted the Deva technical approach for accomplishing the requirements of the Task Order using MAP1.0.

If you have any questions regarding your contract, I can be reached on 202-706-1585, x134 or contact Parricia Fields on x 135.

Sincerely,



A. Dolores Ammons-Barnett  
Contracting Officer  
Program Support Division  
Office of Procurement and Contracts