

ERVIN and  
ASSOCIATES  
INCORPORATED

FI-264783

April 28, 1999

Mr. William K. Barth  
Managing Attorney  
Office of General Counsel, Freedom of Information Act Division  
U.S. Department of Housing and Urban Development  
451 Seventh Street, SW  
Washington, D.C. 20410-0500

Via Facsimile to (202) 401-7901

Re: FOIA Request - Ernst & Young Mark to Market Payments

Dear Mr. Barth:

Aldrich, Eastman & Wallach (AEW) and their subcontractor, Ernst & Young, were just awarded a GSA schedule contract to provide mark to market services to HUD. This award was primarily attributable to the fact that Ernst & Young has almost exclusively provided consulting services to HUD under the mark to market initiative, including preparation of the initial study under a highly suspect Interagency Agreement. In making the decision to choose the AEW/Ernst & Young team, HUD apparently totally disregarded the material flaws relating to the physical condition of the portfolio included in the April, 1996 study in evaluating Ernst & Young's past performance.

Under the provisions of the Freedom of Information Act, please provide us with documentation identifying all payments made to Ernst & Young under any contract by HUD or Ginnie Mae relating in any way to mark to market or portfolio re-engineering.

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 immediately at (301) 469-3422 so I may have an opportunity to reformulate the request or approve the additional fees without delaying the processing of the request.

Very truly yours,  
ERVIN and ASSOCIATES, INCORPORATED

  
David J. Ervin

FI-264783



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-0500

July 17, 1999

REC'D - FREEDOM OF INFORMATION ACT

Mr. David J. Ervin  
Ervin and Associates, Inc.  
Suite 650 North  
4550 Montgomery Avenue  
Bethesda, MD 20814

RE: Freedom of Information Act Request  
FOIA Control No.: FI-264783

Dear Mr. Ervin:

This letter is in response to your Freedom of Information Act (FOIA) request dated April 28, 1999. In that request, you asked for documentation identifying all payments made to Ernst & Young under any contract by HUD or Ginnie Mae relating in any way to mark to market or portfolio re-engineering.

When responding to a FOIA request, HUD searches for responsive documents existing up to the date the request is received in the Department's Office of the Executive Secretariat. Your request was received on April 29, 1999.

Your request is granted in full at no cost to you. Enclosed is a copy of the FHA Contract Control/Tracking System, report of current invoices, vouchers and schedules, pertaining to payments made to Ernst & Young.

For your information, your FOIA request, including your identity and any information made available, is releasable to the public under subsequent Freedom of Information Act requests. In responding to these requests, the Department does not release personal privacy information such as home address, telephone number or social security number, all of which are protected from disclosure under Exemption 6.

Thank you for your interest in the Department's programs and policies.

Sincerely,

Shari Weaver  
Deputy Managing Attorney  
Freedom of Information  
Act Division

Enclosure(s)

FI-264783

FMA CONTRACT CONTROL/TRACKING SYSTEM (FACTS)

05/12/1999

REPORT OF CURRENT INVOICES, VOUCHERS, AND SCHEDULES

Contract Number: HC-15531 Task Order: 0003 Contractor: ERNST & YOUNG, LLP

| START DATE | END DATE   | INVOICE # | INVOICE DATE | INVOICE AMOUNT | APPROVED AMOUNT | VOUCHER # | VOUCHER DATE | SCHEDULE # | AMOUNT PAID  | DATE PAID  |
|------------|------------|-----------|--------------|----------------|-----------------|-----------|--------------|------------|--------------|------------|
| 05/06/1998 | 05/30/1998 | 20050036  | 06/28/1998   | 120,800.00     | 120,800.00      | CMIS12347 | 07/29/1998   | 6239       | 120,800.00   | 06/03/1999 |
| 06/01/1998 | 06/30/1998 | 20067906  | 07/21/1998   | 229,438.00     | 229,438.00      | CMIS12348 | 08/27/1998   | 6255       | 229,438.00   | 08/27/1999 |
| 07/01/1998 | 07/31/1998 | 20116806  | 08/31/1998   | 181,402.00     | 181,402.00      | CMIS12352 | 09/22/1998   | 6174       | 181,402.00   | 09/22/1999 |
| 08/01/1998 | 08/31/1998 | 20137166  | 09/30/1998   | 146,626.00     | 146,626.00      | CMIS12361 | 11/20/1998   | 6041       | 146,626.00   | 11/20/1999 |
| 09/01/1998 | 09/30/1998 | 20190524  | 11/30/1998   | 194,874.30     | 194,874.30      | CMIS12392 | 01/04/1999   | 6066       | 194,874.30   | 01/04/1999 |
| 10/01/1998 | 10/31/1998 | 20202334  | 12/11/1998   | 163,682.50     | 163,682.50      | CMIS12393 | 01/24/1999   | 6066       | 163,682.50   | 01/24/1999 |
| 11/01/1998 | 11/30/1998 | 20206881  | 12/17/1998   | 105,764.30     | 105,764.30      | CMIS12421 | 02/11/1999   | 6122       | 105,764.30   | 02/10/1999 |
| 12/01/1998 | 12/31/1998 | 20236768  | 01/29/1999   | 48,449.00      | 48,449.00       | CMIS12702 | 05/17/1999   | 6183       | 48,449.00    | 05/07/1999 |
| 01/01/1999 | 01/31/1999 | 20258785  | 03/01/1999   | 152,975.30     | 152,975.30      | CMIS11700 | 05/17/1999   | 6183       | 152,975.30   | 05/07/1999 |
| 02/01/1999 | 02/28/1999 | 20304137  | 03/29/1999   | 71,945.30      | 71,945.30       | CMIS11701 | 05/17/1999   | 6183       | 71,945.30    | 05/07/1999 |
| TOTALS:    |            |           |              | 2,425,057.60   | 1,425,057.60    |           |              |            | 1,742,057.60 |            |