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Exclusive: Texas nonprofit got massive border contract after hiring Biden official

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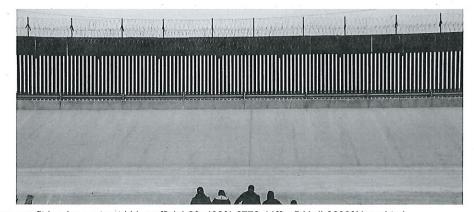
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David Peinado/Xinhua via Getty Images

A Texas nonprofit that recently hired a Biden transition official got a contract worth as much as \$530 million to help manage the influx of migrant children at the southern border, Axios has learned.

Why it matters: The contract is by far the largest ever awarded to Family Endeavors. It's potentially worth more than 12 times the group's most recently reported annual budget — a sign of the demand the new work will place on its operations.

- The no-bid contract also is the second largest ever awarded by the agency overseeing the migrant child program.
- The award comes as the Biden administration rushes to deal with an influx of migrants at the border, including more than 21,000 unaccompanied minors currently in government custody, according to the latest data.

Between the lines: Family Endeavors won the contract just months after it hired Andrew Lorenzen-Strait as its senior director for migrant services and federal affairs.

Lorenzen-Strait, a former official at U.S.
 Immigration and Customs Enforcement, previously advised the Biden-Harris transition team on Department of Homeland Security policy and staffing matters.

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that include the Administration for Children and Families — the division of the Department of Health and Human Services tasked with detaining and processing child migrants.

- The Washington Examiner <u>first reported</u> on Lorenzen-Strait's role at Family Endeavors, in the context of an \$87 million DHS contract awarded to the group last month.
- ACF officials did not respond to a request for comment from Axios. Family Endeavors said its contracting work on the border is "a continuation of services we have delivered to the migrant population since 2012."

What's new: ACF contracted Family Endeavors last month to provide "emergency intake" and "wraparound care" services at a temporary facility in Pecos, Texas.

- According to <u>federal procurement records</u>, ACF has disbursed \$255 million to the nonprofit under the new contract, which has a maximum potential value of \$530 million.
- Family Endeavors' most recent publicly available annual tax filing, covering calendar year 2018, showed its annual budget for the year was just \$43 million.

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shelters run by another HHS vendor, BCFS, in 2012, 2014, 2016 and 2019.

The big picture: Other large ACF contracts went to for-profit firms with more experience working on such large-scale operations.

- The agency awarded more than \$320 million to Rapid Deployment, a company whose CEO has been <u>nicknamed</u> the "master of disaster" for the extensive relief work his firm has done. It's also received nine-figure Pentagon contracts for work on military base camps.
- The only ACF contract larger than Family Endeavors' was a \$719 million award to Deployed Resources last month, of which about \$273 million has been obligated. That company also does extensive work for DHS and the Defense Department.

