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Council 222 P.O. BOX 9762 ALEXANDRIA, VA 22304

August 24, 2024

Honorable Matthew M. Graves
United States Attorney for the District of Columbia
2136 Rayburn HOB
Washington, DC 20515

CC:

Richard J. Monocchio, Principal Deputy Assistant Secretary, Office of Public and Indian Housing
Rae Oliver Davis, HUD Inspector General
Adrienne Todman, Acting Secretary of HUD
DC Mayors Office, Mayor Muriel Bowser
DC Mayors Office, General Counsel Betsy Cavendish
DC Mayors Office, Beverly L. Perry, Senior Advisor, Office of Policy and Legislative Affairs
Hampton Dellinger, United States Office of Special Counsel
Johana R. Ayers, Managing Director, General Accounting Office Fraud Division
Chairman James Comer, House Committee on Oversight and Accountability
Chairman Gary Peters, Senate Committee on Homeland Security and Governmental Affairs
Chairman Tom Cole, House Appropriations Committee
Chairwoman Patty Murray, Senate Appropriations Committee
Eleanor Holmes Norton, Delegate for the District of Columbia
Chair Brian Schatz, Senate Subcommittee on Transportation, HUD, and Related Agencies

Subject: Submission of Inspector General Complaints of Fraud Waste and Abuse Regarding HUD NSPIRE Program Mismanagement

Dear Mr. Graves,

I am writing to formally submit the attached Inspector General (IG) complaints concerning the management of the NSPIRE program in the Public and Indian Housing Division at Housing and Urban Development. These documents detail significant issues of fraud, waste, and abuse that have not been adequately addressed, resulting in substantial misuse of taxpayer dollars.



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Key Issues: The National Standards for the Physical Inspection of Real Estate (NSPIRE) program, initiated by the HUD PIH, represents a critical effort in enhancing the quality and effectiveness of housing inspections across the United States. The app to implement NSPIRE has been poorly sourced, and Salesforce was chosen to develop the NSPIRE app to inspect 5.5 million resident units.

- NSPIRE Application Failure: The current application, built on Salesforce, has proven to be costly and inefficient, leading to operational challenges and user dissatisfaction.

- Managerial Oversight: There have been critical lapses in oversight, contributing to ongoing mismanagement and financial waste.

It is our duty to report these continued issues to you, as the Mayor of DC, to ensure accountability and transparency. I urge your office to conduct a thorough investigation and take the necessary corrective actions to safeguard public resources.

Please find the detailed complaints attached for your review. We are available for any further information or clarification you may require.

Thank you for your attention to this urgent matter.

Sincerely,



Antonio F. Gaines
AFGE National Council 222
President
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COPIES OF IG COMPLAINTS SUBMITTED JANUARY 2024 AND FOLLOW-UP IG COMPLAINT FILED JUNE 2024

*****Beginning of Jan 2024 IG Complaint*****

To: Inspector General, Department of Housing and Urban Development

From: (Note: This was forward by the AFGE to the IG, this was drafted and sent from an AFGE union member to the union, name redacted for the whistleblower protection)

Date: January 29th, 2024

Subject: Complaint of Fraud, Waste, and Abuse in the NSPIRE Program by Deputy Assistant Secretary Ashley Sheriff and General Deputy Assistant Secretary, Dominique Blom

1. Introduction and Background:

I am filing this complaint to bring to light severe issues of fraud, waste, and abuse in the NSPIRE program. This program, aimed at developing a new inspection model, has been plagued by mismanagement and inappropriate technology choices.

2. Key Allegations of Fraud Waste and Abuse:

- Mismanagement of Contracts and Technology: Salesforce was chosen for the NSPIRE app development without proper scoping or evaluation, leading to a non-functional application. This decision has significantly hindered the program's effectiveness and outcomes.
- Lack of Technical Expertise: The project managers assigned by Ash and Dom, including Dan Williams, Tim Weese, Kevin Laviano, Marcel Jemio, and Cliff Kornegay, lack the necessary technical expertise, leadership, business acumen, or project management skills, contributing to egregious project failures.
- Improper Contractor Oversight: KPMG, contracted for substantial IT modernization, has been operating in a capacity resembling personal services, creating documentation, and managing aspects that should be internally handled by HUD staff. This includes running meetings, operational duties, appearances of being integrated into the workforce and



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assignments, that should be (and could be) easily incorporated into the workforce. This is done extensively by Williams, Tim Weese, Kevin Laviano, Marcel Jemio, and Tara Radosevich.

- Conflict of Interest: There is a suspected conflict of interest involving Deputy Assistant Secretary Ashley Sheriff, with potential ties to Salesforce.
- Impact on HUD's Mission: The misallocation of resources and poor technology choices have compromised HUD's ability to efficiently fulfill its mission.

3. Evidence and Testimony:

I have firsthand accounts and am willing to provide testimony regarding the issues stated. I can also facilitate access to key documents and contracts. Additionally, I have the support of current staff who have direct knowledge of these matters and have expressed similar concerns.

4. Request for Investigation:

I urge the IG's office to conduct a thorough investigation into these matters to address the misuse of federal funds, potential conflicts of interest, and the overall ineffectiveness of the NSPIRE program driven by HUD PIH leadership.

5. Whistleblower Protection:

I have taken steps to ensure my protection as a whistleblower, including consulting a lawyer and informing my union, AFGE.

Finding of Facts

Introduction:

The National Standards for the Physical Inspection of Real Estate (NSPIRE) program, initiated by the HUD PIH, represents a critical effort in enhancing the quality and effectiveness of housing inspections across the United States. This program, vital for ensuring the integrity and safety of housing that millions of Americans depend on, is fundamental to HUD's mission of creating strong, sustainable, inclusive communities and quality affordable homes for all. However, recent developments within the NSPIRE program have raised serious concerns about its management and execution, specifically



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regarding the choice of technology, contractor oversight, and the potential conflicts of interest, which undermine the program's effectiveness and HUD's broader mission. Central to these concerns is the decision to utilize Salesforce as the primary technology platform for the NSPIRE application development. This choice, made without proper market research or adequate scoping of considerably more effective platforms in the market, suggests a fundamental flaw in the program's planning and execution. Salesforce, though a robust platform in its own right, is not the best fit for the specific needs of a government housing inspection application. This choice raises significant questions about the decision-making process and whether all potential options were adequately considered. The implications of this decision are far-reaching, potentially affecting the program's efficiency, cost-effectiveness, and overall ability to meet its intended goals. The fact that this choice was made over all the available solutions in the market represents a significant flaw in scoping an IT cloud data centric solution.

Further complicating this issue is the involvement of key personnel who lack the basic requisite technical expertise necessary for a project of this complexity and scale. Project managers such as Dan Williams, Tim Weese, Kevin Laviano, Marcel Jemio, and Cliff Kornegay have no experience in IT technology and application development, only matched that neither do Ash and Dom. This lack of expertise contributes to poor decision-making, inadequate oversight, and significant risk of project failure. The subject stove piping is clearly an effort to insulate the view of operational shortfalls. They lack even the most basic management and leadership skills (Tim and Dan have dozens of staff complaints about toxic behavior) that challenges the rationale applied by Ash and Dom to employ any of these managers on a complex problem involved in inspecting millions of units.

Moreover, there is the involvement of KPMG, a contractor brought in for substantial IT modernization. The extent of KPMG's role and the nature of its involvement in the NSPIRE program appears to extend beyond typical contractor responsibilities, bordering on functions that should be performed by government employees. This blurring of lines between contractor and governmental roles (on many areas big and small) not only raises concerns about the adherence to federal regulations but also points to potential inefficiencies and conflicts of interest within the program's management.



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Adding to these concerns are allegations of potential conflicts of interest, particularly relating to Deputy Assistant Secretary Ashley Sheriff, whose connections to Salesforce are under scrutiny. These allegations, if substantiated, could indicate a significant breach of ethical standards, and further erodes the integrity of the NSPIRE program's management.

In light of these issues, this complaint seeks to bring these matters to the attention of the IG for a thorough investigation. The potential ramifications of mismanagement, waste, and abuse within the NSPIRE program are not just financial but also impact the efficacy of HUD's mission and the trust placed in the department by the American public. As HUD endeavors to ensure the safety and quality of housing, it is imperative that programs like NSPIRE are managed with the utmost integrity, transparency, and efficiency. This complaint is a call for accountability and corrective action, to realign the NSPIRE program with its intended purpose and with HUD's overarching goals.

Mismanagement of Contracts and Technology - Impact of Technology Choice:

The selection of Salesforce for the NSPIRE program at HUD exemplifies a critical misstep in contract management and technology choice, leading to significant issues in program functionality and efficiency. The decision, made without adequate market research or proper scoping, underscores a lack of due diligence in evaluating the most suitable technology for the program's unique needs. Salesforce, while a reputable platform, may not align well with the specific requirements of government housing inspections, raising concerns about its practicality, and fit for purpose.

The consequences of this technological choice have been far-reaching. The NSPIRE application, developed on Salesforce, is functioning at only half its required capacity, with no improvement in sight, severely impeding the program's ability to conduct effective housing inspections. This underperformance directly affects HUD's operational efficiency and its ability to meet key objectives in housing quality and safety standards. It also represents a significant waste of public funds, as the resources allocated for the app's development have not yielded the expected results.



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Moreover, the choice of Salesforce, without a robust technical rationale, points to a broader issue of competency within HUD's project management team and their leadership. The lack of technical expertise among the program's key decision-makers (past and current), including Dan Williams, Tim Weese, Kevin Laviano, Marcel Jemio, Tara Radosevich and Cliff Kornegay, has contributed to this flawed technology decision continuing to challenge a reasonable way forward.

Their inability to assess the technical suitability of Salesforce for the NSPIRE program's requirements, prior to deployment, represents a significant gap in essential skills necessary for managing such a critical project. Additionally, they lack the basic skills of leadership. This significant level of misalignment and lack of any measurable skill either to map out an effective solution or develop solutions from this point going forward, reflects that their leadership is criminally negligent to judiciously manage taxpayer resources.

The impact of this mismanagement is not limited to the NSPIRE program alone. It reflects on the overall integrity and efficacy of HUD's procurement and technology strategies. In an era where efficient and effective use of technology is crucial for government operations, such lapses can undermine public confidence in HUD's ability to manage complex IT projects. This situation also raises questions about HUD's internal processes for technology evaluation and decision-making, highlighting the need for more rigorous and technically informed approaches.

Furthermore, the reliance on external contractors like KPMG for substantial IT modernization efforts, in lieu of internal expertise, creates additional layers of complexity and potential conflicts of interest and makes long-term management of the app unnecessarily expensive. They are clearly operating and providing personal services; doing the work that should be done by HUD staff and there is no plan for HUD's leadership to correct this issue. The apparent blurring of roles between contractors and HUD staff, especially in areas where internal capabilities should prevail, suggests a potential over-reliance on external entities for core functions. This not only poses risks of inefficiency and potential impropriety but also weakens HUD's internal capacity for project management and oversight.



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In conclusion, the choice of Salesforce as the technology platform for the NSPIRE program, and the subsequent challenges it has created, exemplifies a broader issue of mismanagement in contracts and technology within HUD PIH. It highlights the need for more robust, technically informed decision-making processes, greater internal expertise, and better oversight mechanisms to ensure the effective use of technology in fulfilling HUD's larger mission.

Mismanagement of Contracts and Technology - Case Law and Policy Violations:

The selection of Salesforce for the NSPIRE program at HUD, without adequate scoping and market research, raises concerns of non-compliance with established government contracting regulations and policies. This situation is reminiscent of instances in government contracts where similar missteps have led to legal scrutiny.

Central to the issue is the violation of the Federal Acquisition Regulation (FAR), which sets the standard for government procurement. Specifically, FAR Part 10 emphasizes the necessity of conducting market research to identify the needs of the agency and evaluate available solutions. The apparent lack of such research in selecting Salesforce contravenes this regulation, calling into question the decision-making process.

Moreover, FAR Part 7, which deals with acquisition planning, mandates that all acquisitions must meet the agency's needs in terms of cost, quantity, and quality. The problems with the Salesforce application suggest that these standards were not met, pointing to a breach of this part of the FAR.

The significance of these potential violations can be understood through case law. In cases like 'United States ex rel. Harman v. Trinity Industries Inc.', the courts have emphasized the importance of compliance with government contract regulations. Although this case dealt with safety issues in highway guardrails, the underlying principle of adherence to government contracting rules is applicable. The ruling underscores the liability contractors and government agencies face when they fail to comply with regulations.

Another pertinent aspect is the Government Performance and Results Act (GPRA), which requires federal agencies to develop strategic plans and performance plans. The lack of



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technical oversight and poor performance of the Salesforce application might indicate a failure to meet these plans, violating GPRA.

Moreover, the Information Technology Management Reform Act (Clinger-Cohen Act) stresses the need for proper management and use of IT resources in the federal government. The inadequate selection and implementation of Salesforce for the NSPIRE app could be seen as a failure to adhere to this act's principles.

In addition to these specific regulations and acts, the situation at HUD with the NSPIRE program could also be scrutinized under the broader lens of the False Claims Act (FCA). This Act imposes liability on individuals and companies that defraud governmental programs. The misrepresentation of the Salesforce application's capabilities and functionality could be construed as a violation of the FCA.

The potential legal and regulatory repercussions of these violations are significant. They not only bear financial implications but also impact the credibility and integrity of HUD's procurement and technology management. This situation calls for a thorough investigation to ensure accountability and to prevent similar issues in future government contracts. It highlights the need for stringent adherence to procurement laws and regulations, robust oversight mechanisms, and enhanced transparency in government contracting processes.

Mismanagement of Contracts and Technology: Recommendations for Future Contract Management

The mismanagement of contracts and technology in the NSPIRE program at HUD, particularly the selection of Salesforce as the platform, underscores the need for more rigorous technology evaluation and selection processes.

To mitigate such issues in the future, it's crucial to implement a set of comprehensive actions:

1. Strengthening Market Research: Robust market research should be the foundation of any technological selection. This involves a thorough analysis of available solutions,



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weighing their pros and cons against the specific requirements of the project. Engaging industry experts and conducting pilot studies can provide valuable insights.

2. **Enhancing Technical Expertise:** Develop a team of in-house technology experts or engage with knowledgeable consultants who can provide informed advice on technological choices. Training programs for project managers and decision-makers should be established to enhance their understanding of technological trends and solutions.
3. **Rigorous Procurement Processes:** Adhere strictly to FAR regulations, especially regarding acquisition planning (FAR Part 7) and market research (FAR Part 10). This ensures that all acquisitions meet the agency's needs in terms of cost, quality, and quantity.
4. **Transparent Decision-Making:** Establish clear and transparent decision-making processes for technology selection. This should involve documentation of the rationale behind each decision, ensuring accountability and traceability.
5. **Regular Audits and Reviews:** Implement regular audits and reviews of technology projects. This would involve assessing ongoing projects against their initial objectives, budgets, and timelines to ensure they are on track and aligned with strategic goals.
6. **Stakeholder Engagement:** Engage with end-users and other stakeholders during the technology selection process. Their input can provide practical insights into the usability and effectiveness of the technology.
7. **Risk Management:** Develop a robust risk management framework for technology projects. This includes identifying potential risks, assessing their impact, and creating mitigation strategies.
8. **Compliance with Legal and Regulatory Frameworks:** Ensure strict compliance with relevant laws and acts, such as the GPRA and the Clinger-Cohen Act, to maintain the integrity and legality of technology acquisitions.



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9. Post-Implementation Review: After the implementation of a technology solution, conduct a post-implementation review to evaluate its effectiveness and learn from any shortcomings for future projects.

10. Continual Improvement: Foster a culture of continual improvement in contract and technology management. Encourage feedback, learn from past mistakes, and adapt processes accordingly.

By implementing these recommendations, HUD can enhance the effectiveness of its contract and technology management, ensuring that future projects are executed with greater efficiency, transparency, and alignment with organizational goals. This proactive approach will also contribute to building public trust in HUD's capability to manage complex IT projects and make sound technological decisions.

Lack of Technical Expertise: Overview of Project Management Issues

The effectiveness of project management, especially in IT projects, is heavily contingent upon the technical expertise of the team involved. This is particularly true in government projects like HUD's NSPIRE program, where complex technological solutions are deployed to meet specific administrative and operational needs. The absence of technical know-how can lead to a series of cascading issues, impacting not only the project's immediate outcomes but also its long-term viability, effectiveness delivery dates and cost overruns. Rolling out an inspection app to inspect 5 million units is not the project to be learning these IT skills on. Especially not at the expense of taxpayers.

Firstly, the role of technical expertise in IT project management is critical for accurate requirement analysis. Understanding the technical intricacies of a project ensures that the requirements are not just a reflection of the end-user needs but also align with what is technologically feasible and sustainable. In the NSPIRE case, the selection of Salesforce, without adequate technical rationale, underscores a fundamental gap in understanding the platform's suitability for HUD's unique requirements. The previously mentioned PMs, and Ash and Dom, do not remotely possess the backgrounds, skills or



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technical expertise to navigate these processes and there could be little rational justification for their involvement in an IT system integration project on this or any level.

Secondly, technical expertise is essential for effective risk management. To realign projects that are deviating from the plan. IT projects are fraught with various risks, including technological obsolescence, integration challenges, and security vulnerabilities. Knowledgeable project managers can foresee potential risks and implement strategies to mitigate them. The apparent lack of such foresight and basic management or leadership skills in the NSPIRE program indicates a great deficiency in technical acumen among those steering the project. This questions Ash and Dom's leadership for putting these significantly unskilled individuals in charge of a multi-million-dollar critical IT project. It begs the question if this obvious shortfall in even rudimentary understanding of any degree of IT design and implementation with this team of PM's, what is the motivation to put anyone this unknowing in this role, if not to ensure they are not skilled enough to see the flaws and can perpetuate this abjectly poorly designed solution.

Moreover, technical expertise facilitates better communication and coordination among various stakeholders. IT projects typically involve a multitude of parties, including software developers, vendors, end-users, and regulatory bodies. Project managers with a strong technical background can bridge the gap between these groups, ensuring that everyone is on the same page regarding the project's goals, progress, and challenges.

The absence of technical expertise in the NSPIRE program management is extreme, raises the level of fraud, and has led to significant issues, as evidenced by the Salesforce application's reported underperformance. As an example, in keeping with injecting Ash and Dom loyalists into the contract management process, who possess little or no skill, into leadership roles to insulate the project from scrutiny, Tara Radosevich with no reasonable degree of contracting understanding, is managing multiple aspects of the contracts NSPIRE is using. This not only translates to a direct negative impact on the program's deliverables but also reflects poorly on HUD's overall capability to manage IT projects. The consequences include financial losses due to inefficient technology investments and a potential decline in stakeholder confidence.



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To address these issues, it is imperative that HUD revisits its approach to project management, especially for IT initiatives. This involves investing in training and development to enhance the technical capabilities of its project management personnel. Additionally, HUD could consider establishing a more robust framework for evaluating and onboarding project managers, prioritizing candidates with proven technical expertise in relevant fields.

In conclusion, the role of technical expertise in IT project management cannot be overstated. For HUD to successfully navigate the complexities of modern IT projects and effectively deliver on its mission, a paradigm shift is needed. This shift must prioritize technical proficiency as a key component of project management capabilities (instead of who can perpetuate this flawed process), ensuring that future initiatives are grounded in sound technological understanding and executed with precision and foresight.

The lack of IT experience and expertise in IT project management and systems integration among the managers Dan Williams, Tim Weese, Kevin Laviano, Marcel Jemio, and Cliff Kornegay is a significant concern in the context of managing a complex IT project like the NSPIRE program at HUD. It should be noted that this absence of the basics and the lack of skill on the part of these managers has been exceedingly expressed to Ash and Dom.

Given their roles in the project, this gap in expertise is notable for several reasons:

1. **Impact on Decision-Making:** Their lack of IT background affected their ability to make informed decisions regarding technology solutions, leading to the selection of Salesforce without adequate technical justification.
2. **Risk Management Deficiencies:** Without a strong grounding in IT, these managers have been ill-equipped to identify, assess, and mitigate technical risks inherent in the project, increasing the likelihood of project delays, cost overruns, and underperformance.
3. **Communication Barriers:** A fundamental understanding of IT is crucial for effectively communicating with technical teams, stakeholders, and vendors. Their lack of IT



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expertise has led to misunderstandings, miscommunications, and misaligned expectations.

4. Inadequate Oversight and Quality Control: Managing an IT project requires a grasp of technical details to ensure that the project aligns with its objectives and specifications. Their lack of experience in this field hinders effective oversight and quality control. This challenge persists and rotating Ash and Dom loyalists in an attempt to deflect review and scrutiny is not a reasonable approach, and violates policies and laws, in spite of the protects of qualified immunity.

Summary

In summary, the extreme lack of IT experience and project management skills in systems integration among these managers represents a critical shortfall in the NSPIRE program's leadership. This lack of expertise not only jeopardizes the success of the project but also highlights the broader need for a more technically proficient management approach in government IT projects. This is a direct result of Ash and Dom staffing people that can isolate them from these pronounced truths. The current cadre of loyalists possess very little skill in many of the areas of IT expertise, leadership, team development, innovation, and application of best practices.

The consequences of the lack of technical or management expertise in the leadership overseeing the NSPIRE program at HUD have been profound and far-reaching, contributing significantly to project failures, turnover, toxicity, and costly project missteps. This deficiency in technical skills, particularly in IT application development, IT project management, leadership and IT systems engineering, has led to critical oversights and misjudgments.

1. Project Failures: The absence of technical acumen among managers such as Dan Williams, Tim Weese, Kevin Laviano, Marcel Jemio, and Cliff Kornegay has resulted in poor technology selection, inadequate risk assessment, and ineffective project oversight. Their inability to understand and manage the technical complexities of the project has led to the underperformance and functional inadequacies of the Salesforce application developed for NSPIRE. These levels of ineptitude are very well known and well



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established and illuminates the egregious failures of Ash and Dom to manage this important IT project.

2. Fraud, Waste, and Abuse Indicators: The current state of the NSPIRE program, marred by technological underperformance and managerial inefficiencies, points towards fraud, waste, and abuse of resources. Allocating substantial funds for a project led by individuals with no relevant technical, leadership or management experience raises serious concerns about the judicious use of public funds by Ash and Dom.

3. Violation of Laws and Policies: This situation is in violation of several laws and policies. The Federal Acquisition Regulation (FAR), which governs federal procurement, mandates competent and efficient use of resources. The lack of technical expertise in project management could be seen as a violation of FAR principles, particularly those concerning proper planning and execution of contracts. Additionally, the Government Performance and Results Act (GPRA) and the Information Technology Management Reform Act (Clinger-Cohen Act) emphasize the need for effective management and use of IT resources in federal projects. The failures in the NSPIRE program suggest non-compliance with these acts, highlighting deficiencies in strategic planning and IT resource management.

The stark absence of relevant experience in IT among the NSPIRE program's leadership not only undermines the project's success but also raises legal and ethical questions regarding the stewardship of public funds and adherence to federal regulations. This situation demands immediate attention and rectification to ensure compliance with laws, efficient use of resources, and successful project outcomes. The lack of leadership in these areas by Ash and Dom cost taxpayers millions and will continue to cost them millions more to fix. They have created an environment of fiefdoms and toxic sycophants with abjectly limited skill whose only focus is to further the career interests of a dozen advisors at the cost of millions of taxpayer dollars. The NSPIRE app does not work now and will not likely work without intervention and replacement of the leadership, managers, advisors, and the IT solution.

*****end of Jan 2024 IG Complaint*****



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*****beginning of June 2024 IG Complaint*****

To: Inspector General, Department of Housing and Urban Development

From: From: (Note: This was forward by the AFGE to the IG, this was drafted and sent from an AFGE union member to the union, name redacted for the whistleblower protection)

Date: June 4th, 2024

Subject: Part 2 (Update of January 2024 filing) of the Complaint of Fraud, Waste, and Abuse in the NSPIRE Program by Deputy Assistant Secretary Ashley Sheriff and General Deputy Assistant Secretary, Dominique Blom

1. Introduction and Background:

I am filing this follow-on complaint from the January 2024 filing to bring to light severe issues of fraud, waste, and abuse in the NSPIRE program. This program, aimed at developing a new inspection model, continues to be plagued by mismanagement and inappropriate technological choices.

2. Update on the Key Allegations of Fraud Waste and Abuse:

The Public and Indian Housing (PIH) REAC division of HUD is mired in systemic mismanagement and inefficiency, starkly evidenced by the catastrophic failure of the NSPIRE application and the three contracts (KPMG, MB&A and PSI) associated with it. Under Dominique Blom's reckless leadership, unqualified senior advisors and management personnel and nearly absent contractor oversight, continue to this date to perpetuate a culture of incompetence, waste, fraud, abuse and neglect. Her actions represent an all-out assault on reason, efficacy, the law and IT project management, using stagecraft and stove piping to perpetuate fraud, waste and abuse. Immediate intervention is required to address the continued systemic fraud, waste, and abuse that jeopardize HUD's mission to provide safe and quality housing. With the return of bad actors like David Vargas and the continued work of KPMG contractors like Walter Davis, a KPMG Director (former HUD employee), it is clear the issues are with the foundational truth that the only currency at REAC and PIH is abject blind loyalty to flawed systems, rather than accountability and competence.



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3. Evidence and Testimony:

I continue to have firsthand accounts and am willing to provide testimony regarding the issues stated. Additionally, I continue to have the support of current staff who have direct knowledge of these matters and have expressed similar concerns.

4. Request for Investigation:

I urge the IG's office to expand the investigation into these matters to address the misuse of federal funds that is now into the 10's of millions of dollars (as of June 2024), potential conflicts of interest, and the overall ineffectiveness of the NSPIRE program driven by HUD PIH leadership.

5. Whistleblower Protection:

I continue to take additional steps to ensure my protection as a whistleblower, including consulting extensively with a lawyer and informing my union, AFGE.

Finding of Facts: June 2024 Update

Mismanagement of Contracts and Technology- Ongoing

Technological Mismanagement
Salesforce Selection and Cost Implications:

As of June 2024, it became unequivocally clear that the selection of Salesforce as the platform for the NSPIRE application was a significant misstep, emblematic of deep-rooted fraud, waste, and abuse within the HUD PIH leadership. The decision to **continue** to utilize Salesforce was made without requiring scoping or market evaluation, resulting in a fundamentally non-functional application. For an entire week in April 2024, no inspections were conducted because the Salesforce app was completely inoperative. This situation alone exemplifies a substantial operational failure with dire consequences for HUD's ability to fulfill its mission. Even after a review of the current state of the facts (that the MB&A contract was / is/ and will continue be inadequate) and the app was not working, General Deputy Assistant Secretary Dominique Blom chose to keep using Salesforce instead of reasonably looking to partner with outside agencies to abate the crises and consider an alternative to Salesforce. That she lacks the ability to make this logical conclusion supports the criminal egregious level of mismanagement.

Furthermore, the cost implications of this decision are staggering. Simple calculations reveal that to inspect 5 million housing units, the number of Salesforce licenses required could exceed



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5,000 seats a year, with annual costs potentially reaching tens of millions of dollars. This gross miscalculation highlights the absence of skill, business acumen, due diligence and a blatant disregard for fiscal responsibility. Despite the app's obvious shortcomings and exorbitant costs, General Deputy Assistant Secretary Dominique Blom continues to rely on Salesforce, reflecting a severe level of mismanagement and negligence. This decision not only represents a waste of taxpayer funds but also underscores the lack of accountability and transparency within HUD's procurement processes.

The Escalating Cost of the Continued Lack of Technical Expertise

Inadequate Project Managers:

The assignment of Tim Weese to direct contractors on technical training solutions, despite his complete lack of qualifications, epitomizes the extent of mismanagement and fraud within the NSPIRE program. As of May 2024, Weese continues to engage in tasks for which he is grossly unqualified, lacking any IT expertise, degrees, or certifications. His extensive history of staff complaints, including recent allegations of abusive and toxic behavior, further disqualifies him from any critical roles. This situation is indicative of a broader pattern of incompetence and mismanagement perpetuated by HUD's leadership that is deeply committed to perpetuating this criminal fraud on the taxpayers.

Similarly, Cliff Kornegay's involvement in directing staff on technical material development, despite having no business acumen for IT integration or relevant training, exemplifies the misuse of personnel and resources. Both individuals' continued engagement in roles they are not equipped for highlights a deliberate effort to perpetuate an environment of incompetence, sycophancy, stove piping and mismanagement.

Moreover, the promotion of Marcel Jemio and Ashley Sheriff to head the IMS/PIC to HIP IT upgrade, despite their prior record of abject mismanagement and lack of technical expertise, illustrates a clear abuse of power. This move not only compromises the integrity of the upgrade project but also perpetuates the cycle of incompetence and mismanagement within HUD. The ongoing work of one of Ash's senior advisors, Marta Juaniza, continues to provide communications top-cover for these abject failures, despite being aware of the app's expansive shortcomings. Additionally, her work to cover that senior advisors lack any degree of technical and leadership skill, underscores a concerted effort to mask systemic issues and maintain a facade of operational success, continues to this day. This strategy of appointing unqualified loyalists to key positions to shield upper management from accountability further exacerbates the issues of fraud, waste, and abuse within the NSPIRE program.



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Ongoing Improper Contractor Oversight

KPMG's Role and Conflict of Interest:

The role of KPMG in the NSPIRE program further illustrates the extent of fraud and mismanagement. Walter Davis, a KPMG Director and former HUD employee, continues to function in a personal service capacity, directly instructing government actions despite not being on a personal service contract. This arrangement suggests a quid pro quo relationship, with government staff being influenced by a contractor, raising serious ethical and legal concerns.

The return of David Vargas on a transformation contract managed by Dan Williams further solidifies the notion of a revolving door policy, where former HUD officials return as contractors, benefiting from their previous positions in a furtive attempt to establish a rent-a-SES system (when Senior Executive will perpetuate extensive and fraudulent contracting to align with a contracting agency to ensure they can return to work at in a future high paying contract positions). This system facilitates unwarranted contracting, replacing government jobs with contractors, and creates an environment ripe for abuse and inefficiency. The deferential treatment of contractors by Deputy Assistant Secretaries like Ashley Sheriff and Dominique Blom, coupled with the over-reliance on external entities for core functions, highlights a profound level of mismanagement and a wholesale self-serving by-any-means-necessary (testing and likely exceeding the legal bounds of qualified immunity) to privatize every possible task, at the cost of many government positions.

The blurring of lines between contractors and HUD staff not only violates federal regulations but also undermines HUD's internal capacity for project management and oversight. This situation is ongoing and underscores the urgent need for a comprehensive review and overhaul of HUD's contractor management practices to ensure accountability and efficiency.

Ongoing Broad Impact of Mismanagement

Overall Lack of Integrity and Efficiency

HUD's Procurement and Technology Strategies:

The ongoing issues with the NSPIRE program reflect broader systemic failures within HUD's procurement and technology strategies. The ongoing choice of Salesforce (without considering a cost effective and functional solution), without proper scoping and market research, violates



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the Federal Acquisition Regulation (FAR), which mandates thorough market research to identify agency needs and evaluate available solutions. Additionally, to reevaluate the results of existing contracts for more effective solutions. This decision, devoid of technical rationale, underscores a fundamental flaw in HUD's procurement processes and highlights the ongoing significant lack of competency among key decision makers.

Furthermore, the mismanagement extends beyond the selection of technology; it permeates HUD's overall approach to project management and oversight. More precisely it exposes the egregious lack of skill of NSPIRE senior advisors in project management and exposes the extraordinary widespread lack of ability in navigating foundational processes. The reliance on external contractors like KPMG, coupled with the inadequate oversight and quality control mechanisms, poses significant risks to the efficacy, cost control and integrity of HUD's operations. This situation not only undermines public confidence in HUD's ability to manage complex IT projects but also raises serious concerns about the adherence to federal regulations, the law and the prudent use of taxpayer funds.

The severe lack of technical expertise and project management skills among key personnel continues to lead to critical oversights and misjudgments. This deficiency, and the lack of any SES being in control, has resulted in poor technology selection, inadequate risk assessment, and ineffective project oversight, all of which have contributed to the underperformance and functional inadequacies of the Salesforce application, directly contributing to 10's of millions of dollars of waste. The continued appointment of unqualified personnel to key positions exacerbates these issues, perpetuating a cycle of incompetence and mismanagement that threatens the success of the NSPIRE program and the integrity of HUD's operations.

Summary of Findings

Ongoing Issues and Call for Intervention:

As of June 2024, six months since the initial IG complaint was submitted, the NSPIRE app continues to be poorly scoped, poorly managed, and many times more expensive than viable alternatives (SQL and Oracle on AWS, for example) for inspecting housing units. The promotion of Ashley Sheriff and her senior advisors to oversee the PIC project, despite their extensive records of costly failures, exemplifies the persistence of a cultural currency of loyalty over competence within HUD. This approach not only perpetuates fraud, waste, and abuse but also jeopardizes the health and safety of residents by maintaining a fundamentally significantly flawed IT solutions now expanding to additional projects.



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The lack of technical expertise and the deliberate appointment of unqualified personnel to key positions underscore the need for immediate intervention. The persistence of these issues, despite multiple complaints and calls for accountability, highlights a systemic problem that cannot be resolved without external oversight. Therefore, this IG complaint and the January complaint, we are copying the U.S. Office of Special Counsel, the General Accounting Office Fraud Division, and members of the Legislature to ensure a comprehensive investigation and the implementation of immediate corrective measures. The health and safety of residents, along with the integrity of HUD's operations, depend on swift and decisive action to address these pervasive issues.

Summary of Key Issues in PIH

The Public and Indian Housing (PIH) division of HUD is plagued by significant issues of mismanagement, inefficiency, fraud, stove piping, a lack of transparency and a culture resistant to change toward ethical practices, as starkly illustrated by the ongoing failure of the NSPIRE application. The decision to continue to utilize Salesforce for the NSPIRE app, made without proper scoping or market evaluation, has resulted in a non-functional system that has impeded HUD's ability to conduct necessary inspections. This costly miscalculation reflects a gross lack of due diligence and fiscal responsibility. Moreover, the persistent reliance on a failing platform, despite clear evidence of its shortcomings, with no consideration for an alternative, underscores a deep-rooted problem of mismanagement, lack of skill and negligence at the leadership level. The appointment of unqualified personnel to key positions and the improper oversight of contractors further exacerbates these issues, leading to substantial waste of taxpayer funds into the 10's of millions of dollars and a significant decline in operational efficiency.

The broader impact of these issues extends beyond the NSPIRE app to the overall organizational functionality of PIH. The division suffers from a pervasive lack of clarity in job expectations, inadequate training, and insufficient information for employees to perform their roles effectively. There is a significant deficiency in cooperation and communication within PIH leadership teams, leading to poor performance management and an inability to adapt to ethical standards and clear changing priorities. These systemic problems highlight a culture of incompetence, stove piping, sycophancy, lack of transparency and mismanagement, where extensive personal favoritism and arbitrary opaque decision-making undermine organizational goals. The ongoing mismanagement, fraud, waste, and abuse within PIH necessitate immediate intervention to restore accountability, transparency, and efficiency, ensuring that HUD can fulfill its mission to provide safe and quality housing.



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In conclusion, the extensive evidence of fraud, waste, and abuse within the NSPIRE program, coupled with the profound mismanagement and lack of accountability of General Deputy Assistant Secretary Dominique Blom, demands urgent and thorough investigation. The systemic issues identified in this, and the January complaint not only compromise the success of the NSPIRE program but also threaten the broader mission of HUD to provide safe, quality housing. It is imperative that these issues are addressed with the utmost urgency to restore public confidence and ensure the responsible management of taxpayer resources.

*****end of June 2024 IG Complaint*****

NOTE: These IG complaints were drafted by a union member and forwarded to the HUD IG by the union, at the member's request. The member has asked for these complaints to be sent to the list of recipients now, as progress with the IG has been insufficient to address the fraud, waste and abuse. The union member prefers to remain anonymous due to concerns about potential retribution.