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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

LAURA SWANSON, STAFF DIRECTOR
BRAD GRANTZ, REPUBLICAN STAFF DIRECTOR

January 27, 2022

Marietta Rodriguez
President and CEO
Neighborhood Reinvestment Corporation
999 North Capitol Street NE
Washington, DC 20002

Dear Ms. Rodriguez:

I write to raise concerns of troubling reports finding a lack of oversight at the Neighborhood Reinvestment Corporation (NeighborWorks). The Government Accountability Office (GAO) found NeighborWorks' oversight of grant management processes were deficient and staff approved procurement contracts to former employees without additional justification.¹ Yet, NeighborWorks continued to suffer mismanagement challenges and inappropriately awarded sole-source contracts many years later.²

I am interested in better understanding what steps were taken to correct those management errors, and what ongoing oversight efforts are within the remit of the Board of Directors to ensure proper governance at NeighborWorks on a continuing basis. I respectfully request that you provide my staff with the following documentation:

1. The meeting minutes of the Board of Directors from November 1, 2012 through the present (please prioritize the production of meeting minutes during the chairmanships of Chair Sarah Bloom Raskin (November 1, 2012 – March 31, 2014) and Chair Martin Gruenberg (June 1, 2019 to the present));
2. A list of sole-source contracts, including but not limited to modifications and renewals, that were awarded or otherwise approved while Mr. Gruenberg or Ms. Raskin served on the Board of Directors;
3. Fiscal Years 2010 through 2013 external audits;
4. The Audit Review of the Non-Network Memorandum of Understanding/Grant Award Process, dated April 3, 2013; and

¹ GAO, *RCED-92-174 Community Development: Neighborhood Reinvestment Corporation Should Improve Program Management* (July 8, 1992), <https://www.gao.gov/assets/rced-92-174.pdf>.

² See, e.g., Tom Schoenberg and Clea Benson, *The Nonprofit Behind Billions in Mortgage Aid Is a Mess*, Bloomberg News, March 18, 2015, <https://www.bloomberg.com/news/articles/2015-03-18/billions-in-mortgage-aid-flow-through-group-in-turmoil>.

5. All reports presented to the Audit Committee, including but not limited to by the Chief Audit Executive, from November 1, 2012 through March 31, 2014 and June 1, 2019 through the present.

Please provide these materials no later than January 31, 2022. Should you have any questions about this request, please contact Nicole Christus on my staff at (202) 224-7391.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink that reads "Pat Toomey". The signature is written in a cursive style with a large, looping initial "P" and a long horizontal stroke extending to the right.

Pat Toomey
Ranking Member