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**SELECT SUBCOMMITTEE ON THE CORONAVIRUS CRISIS**  
**2157 RAYBURN HOUSE OFFICE BUILDING**  
**WASHINGTON, DC 20515-6143**

PHONE (202) 225-4400

<https://coronavirus.house.gov>

August 24, 2020

Mr. George Egbuonu  
President  
Yegg, Inc.  
2905 North Sepulveda #233  
Manhattan Beach, CA 90266

Dear Mr. Egbuonu:

The Select Subcommittee on the Coronavirus Crisis was established by the House of Representatives on April 23, 2020, pursuant to House Resolution 935, “to conduct a full and complete investigation” of “issues related to the coronavirus crisis,” including the “efficiency, effectiveness, equity, and transparency of the use of taxpayer funds and relief programs to address the coronavirus crisis.”

To that end, the Select Subcommittee is investigating federal efforts to provide food assistance to Americans struggling to make ends meet during the coronavirus crisis. The Families First Coronavirus Response Act (FFCRA) authorized the U.S. Department of Agriculture (USDA) to use funds appropriated by Congress to buy food directly from producers and distribute it to Americans in need.<sup>1</sup> In May 2020, USDA announced contracts worth more than \$1.2 billion with 198 food providers through the “Farmers to Families Food Box Program.” These contracts covered delivery of food boxes across the country from May 15, 2020 through June 30, 2020.<sup>2</sup> On July 1, 2020, USDA announced a second round of contracts worth up to \$1.47 billion for food delivery from July 1, 2020, through August 31, 2020.<sup>3</sup> Among these awards, USDA chose to extend the contracts awarded to 189 providers.<sup>4</sup> On July 24, 2020,

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<sup>1</sup> Department of Agriculture, Agricultural Marketing Service, *Press Release: USDA to Purchase up to \$3 Billion in Agricultural Commodities, Issue Solicitations for Interested Participants* (Apr. 19, 2020) (online at [www.ams.usda.gov/content/usda-purchase-3-billion-agricultural-commodities-issue-solicitations-interested](http://www.ams.usda.gov/content/usda-purchase-3-billion-agricultural-commodities-issue-solicitations-interested)).

<sup>2</sup> Department of Agriculture, Agricultural Marketing Service, *Announcement of Contract Awards for the Farmers to Families Food Box Program* (May 8, 2020) (online at [www.ams.usda.gov/sites/default/files/media/AnnouncementofContractAwards.pdf](http://www.ams.usda.gov/sites/default/files/media/AnnouncementofContractAwards.pdf)).

<sup>3</sup> Department of Agriculture, *USDA Announces Additional Contracts for the Farmers to Families Food Box Program* (July 1, 2020) (online at [www.ams.usda.gov/content/usda-announces-additional-contracts-farmers-families-food-box-program](http://www.ams.usda.gov/content/usda-announces-additional-contracts-farmers-families-food-box-program)).

<sup>4</sup> Department of Agriculture, *Announcement of Contract Term Extension, Farmers to Families Food Box Program* (June 24, 2020) (online at [www.ams.usda.gov/sites/default/files/media/Round2AnnouncementContractTermExtension.pdf](http://www.ams.usda.gov/sites/default/files/media/Round2AnnouncementContractTermExtension.pdf)).

USDA announced plans to issue a third round of contracts for food delivery from September 1, 2020, through October 31, 2020.<sup>5</sup>

Congress intended for USDA to use these funds to provide needed food assistance to American families and create a market for agricultural goods that food producers would otherwise dump due to decreased demand.<sup>6</sup> However, weaknesses in USDA's implementation of this program risk undermining these goals. USDA has granted large contracts to middlemen that lacked the ability to deliver food they agreed to provide. USDA reportedly awarded contracts to companies that "never knew about" a required food service industry license as well as companies that lacked industry networks needed to efficiently source and deliver food.<sup>7</sup> Media reports indicate that certain contractors did not have the size or experience to perform.<sup>8</sup>

The Select Subcommittee is concerned by reports that your company, Yegg, Inc., was awarded a \$16.5 million contract under this program despite being a "business finance solutions" company.<sup>9</sup> Your company reportedly hired a different food distribution company to manage the contract, which may have resulted in higher prices.<sup>10</sup> Yegg's contract has not been extended through August 2020.<sup>11</sup>

For all these reasons, the Select Subcommittee requests that you provide the following information and documents by September 7, 2020:

1. All documents related to any bids or proposals to USDA in response to solicitation AG-12-3J14-20-R-0377, including any and all follow-up submissions;

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<sup>5</sup> Department of Agriculture, *USDA Announced a Third Round of Farmers to Families Food Box Program Purchases* (July 24, 2020) (online at [www.usda.gov/media/press-releases/2020/07/24/usda-announces-third-round-farmers-families-food-box-program](http://www.usda.gov/media/press-releases/2020/07/24/usda-announces-third-round-farmers-families-food-box-program)).

<sup>6</sup> Committee on Agriculture, Subcommittee on Nutrition, Oversight, and Department Operations, Chair Fudge Opening Statement, *Hearing on An Overview of the Farmers to Families Food Box Program* (July 21, 2020) (online at <https://agriculture.house.gov/news/documentsingle.aspx?DocumentID=1936>).

<sup>7</sup> *Wedding Planner, Caterer, "Brand Builder": Trump's Food Aid Program Is Paying \$100+ Million to Unlicensed Dealers*, ProPublica (May 19, 2020) (online at [www.propublica.org/article/wedding-planner-caterer-brand-builder-trumps-food-aid-program-is-paying-100-million-to-unlicensed-dealers](http://www.propublica.org/article/wedding-planner-caterer-brand-builder-trumps-food-aid-program-is-paying-100-million-to-unlicensed-dealers)).

<sup>8</sup> *USDA Terminates Avocado Grower's \$40MM Food Box Contract*, Blue Book Services (May 21, 2020) (online at [www.producebluebook.com/2020/05/21/usda-terminates-avocado-growers-40mm-food-box-contract/](http://www.producebluebook.com/2020/05/21/usda-terminates-avocado-growers-40mm-food-box-contract/)); *USDA Knocked for 'Unfathomable' \$39M Contract Awarded to San Antonio Event Planner*, San Antonio Express (May 14, 2020) (online at [www.expressnews.com/news/local/article/Federal-food-program-knocked-for-hiring-San-15270354.php](http://www.expressnews.com/news/local/article/Federal-food-program-knocked-for-hiring-San-15270354.php)).

<sup>9</sup> *Multimillion-Dollar Food Bank Delivery Contracts Go to Firms with Little Experience*, Politico (May 13, 2020) (online at [www.politico.com/news/2020/05/13/usda-food-bank-contracts-256452](http://www.politico.com/news/2020/05/13/usda-food-bank-contracts-256452)); *USDA Axes Food Box Contracts with San Antonio Event Company and Other Controversial Distributors*, The Counter (July 2, 2020) (online at <https://thecounter.org/usda-food-boxes-san-antonio-event-company-contracts-virginia-maine-alaska/>);

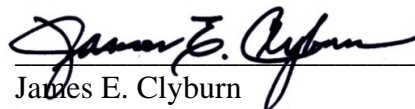
<sup>10</sup> *To Buy Wholesale Milk For Its Food Boxes, USDA is Paying Well Above Retail Prices*, The Counter (June 4, 2020) (online at <https://thecounter.org/usda-food-boxes-wholesale-milk-retail-prices-covid-19-snap/>).

<sup>11</sup> Department of Agriculture, *Announcement of Contract Term Extension, Farmers to Families Food Box Program* (June 24, 2020) (online at [www.ams.usda.gov/sites/default/files/media/Round2AnnouncementContractTermExtension.pdf](http://www.ams.usda.gov/sites/default/files/media/Round2AnnouncementContractTermExtension.pdf)).

2. All documents related to the contract awarded to your company by USDA, including but not limited to the award letter, contract documents, payment records, and any other documents describing the contractual relationship between your company and USDA;
3. All documents submitted to USDA related to contract performance, including but not limited to documents showing the destination, receiving organization, volume, contents, cost, and actual or expected date of delivery for food boxes delivered under this contract; and
4. All communications with USDA related to the Farmers to Families Food Box Program, including but not limited to communications related to solicitation AG-12-3J14-20-R-0377, the contract awarded to your company, your company's performance, payments to your company, or the termination of this contract.

An attachment to this letter provides additional instructions for responding to these requests. If you have any questions about this request, please contact Select Subcommittee staff at (202) 225-4400.

Sincerely,

  
James E. Clyburn  
Chairman

Enclosure

cc: The Honorable Steve Scalise, Ranking Member

## **Responding to Oversight Committee Document Requests**

1. In complying with this request, produce all responsive documents that are in your possession, custody, or control, whether held by you or your past or present agents, employees, and representatives acting on your behalf. Produce all documents that you have a legal right to obtain, that you have a right to copy, or to which you have access, as well as documents that you have placed in the temporary possession, custody, or control of any third party.
2. Requested documents, and all documents reasonably related to the requested documents, should not be destroyed, altered, removed, transferred, or otherwise made inaccessible to the Committee.
3. In the event that any entity, organization, or individual denoted in this request is or has been known by any name other than that herein denoted, the request shall be read also to include that alternative identification.
4. The Committee's preference is to receive documents in electronic form (i.e., CD, memory stick, thumb drive, or secure file transfer) in lieu of paper productions.
5. Documents produced in electronic format should be organized, identified, and indexed electronically.
6. Electronic document productions should be prepared according to the following standards:
  - a. The production should consist of single page Tagged Image File ("TIF"), files accompanied by a Concordance-format load file, an Opticon reference file, and a file defining the fields and character lengths of the load file.
  - b. Document numbers in the load file should match document Bates numbers and TIF file names.
  - c. If the production is completed through a series of multiple partial productions, field names and file order in all load files should match.
  - d. All electronic documents produced to the Committee should include the following fields of metadata specific to each document, and no modifications should be made to the original metadata:

BEGDOC, ENDDOC, TEXT, BEGATTACH, ENDATTACH, PAGECOUNT, CUSTODIAN, RECORDTYPE, DATE, TIME, SENTDATE, SENTTIME, BEGINDATE, BEGINTIME, ENDDATE, ENDTIME, AUTHOR, FROM, CC, TO, BCC, SUBJECT, TITLE, FILENAME, FILEEXT, FILESIZE, DATECREATED, TIMECREATED, DATELASTMOD, TIMELASTMOD,

INTMSGID, INTMSGHEADER, NATIVELINK, INTFILPATH, EXCEPTION,  
BEGATTACH.

7. Documents produced to the Committee should include an index describing the contents of the production. To the extent more than one CD, hard drive, memory stick, thumb drive, zip file, box, or folder is produced, each should contain an index describing its contents.
8. Documents produced in response to this request shall be produced together with copies of file labels, dividers, or identifying markers with which they were associated when the request was served.
9. When you produce documents, you should identify the paragraph(s) or request(s) in the Committee's letter to which the documents respond.
10. The fact that any other person or entity also possesses non-identical or identical copies of the same documents shall not be a basis to withhold any information.
11. The pendency of or potential for litigation shall not be a basis to withhold any information.
12. In accordance with 5 U.S.C. § 552(d), the Freedom of Information Act (FOIA) and any statutory exemptions to FOIA shall not be a basis for withholding any information.
13. Pursuant to 5 U.S.C. § 552a(b)(9), the Privacy Act shall not be a basis for withholding information.
14. If compliance with the request cannot be made in full by the specified return date, compliance shall be made to the extent possible by that date. An explanation of why full compliance is not possible shall be provided along with any partial production.
15. In the event that a document is withheld on the basis of privilege, provide a privilege log containing the following information concerning any such document: (a) every privilege asserted; (b) the type of document; (c) the general subject matter; (d) the date, author, addressee, and any other recipient(s); (e) the relationship of the author and addressee to each other; and (f) the basis for the privilege(s) asserted.
16. If any document responsive to this request was, but no longer is, in your possession, custody, or control, identify the document (by date, author, subject, and recipients), and explain the circumstances under which the document ceased to be in your possession, custody, or control.
17. If a date or other descriptive detail set forth in this request referring to a document is inaccurate, but the actual date or other descriptive detail is known to you or is otherwise apparent from the context of the request, produce all documents that would be responsive as if the date or other descriptive detail were correct.

18. This request is continuing in nature and applies to any newly-discovered information. Any record, document, compilation of data, or information not produced because it has not been located or discovered by the return date shall be produced immediately upon subsequent location or discovery.
19. All documents shall be Bates-stamped sequentially and produced sequentially.
20. Two sets of each production shall be delivered, one set to the Majority Staff and one set to the Minority Staff. When documents are produced to the Committee, production sets shall be delivered to the Majority Staff in Room 2157 of the Rayburn House Office Building and the Minority Staff in Room 2105 of the Rayburn House Office Building.
21. Upon completion of the production, submit a written certification, signed by you or your counsel, stating that: (1) a diligent search has been completed of all documents in your possession, custody, or control that reasonably could contain responsive documents; and (2) all documents located during the search that are responsive have been produced to the Committee.

### **Definitions**

1. The term “document” means any written, recorded, or graphic matter of any nature whatsoever, regardless of how recorded, and whether original or copy, including, but not limited to, the following: memoranda, reports, expense reports, books, manuals, instructions, financial reports, data, working papers, records, notes, letters, notices, confirmations, telegrams, receipts, appraisals, pamphlets, magazines, newspapers, prospectuses, communications, electronic mail (email), contracts, cables, notations of any type of conversation, telephone call, meeting or other inter-office or intra-office communication, bulletins, printed matter, computer printouts, teletypes, invoices, transcripts, diaries, analyses, returns, summaries, minutes, bills, accounts, estimates, projections, comparisons, messages, correspondence, press releases, circulars, financial statements, reviews, opinions, offers, studies and investigations, questionnaires and surveys, and work sheets (and all drafts, preliminary versions, alterations, modifications, revisions, changes, and amendments of any of the foregoing, as well as any attachments or appendices thereto), and graphic or oral records or representations of any kind (including without limitation, photographs, charts, graphs, microfiche, microfilm, videotape, recordings and motion pictures), and electronic, mechanical, and electric records or representations of any kind (including, without limitation, tapes, cassettes, disks, and recordings) and other written, printed, typed, or other graphic or recorded matter of any kind or nature, however produced or reproduced, and whether preserved in writing, film, tape, disk, videotape, or otherwise. A document bearing any notation not a part of the original text is to be considered a separate document. A draft or non-identical copy is a separate document within the meaning of this term.
2. The term “communication” means each manner or means of disclosure or exchange of information, regardless of means utilized, whether oral, electronic, by document or otherwise, and whether in a meeting, by telephone, facsimile, mail, releases, electronic

message including email (desktop or mobile device), text message, instant message, MMS or SMS message, message application, or otherwise.

3. The terms “and” and “or” shall be construed broadly and either conjunctively or disjunctively to bring within the scope of this request any information that might otherwise be construed to be outside its scope. The singular includes plural number, and vice versa. The masculine includes the feminine and neutral genders.
4. The term “including” shall be construed broadly to mean “including, but not limited to.”
5. The term “Company” means the named legal entity as well as any units, firms, partnerships, associations, corporations, limited liability companies, trusts, subsidiaries, affiliates, divisions, departments, branches, joint ventures, proprietorships, syndicates, or other legal, business or government entities over which the named legal entity exercises control or in which the named entity has any ownership whatsoever.
6. The term “identify,” when used in a question about individuals, means to provide the following information: (a) the individual’s complete name and title; (b) the individual’s business or personal address and phone number; and (c) any and all known aliases.
7. The term “related to” or “referring or relating to,” with respect to any given subject, means anything that constitutes, contains, embodies, reflects, identifies, states, refers to, deals with, or is pertinent to that subject in any manner whatsoever.
8. The term “employee” means any past or present agent, borrowed employee, casual employee, consultant, contractor, de facto employee, detailee, fellow, independent contractor, intern, joint adventurer, loaned employee, officer, part-time employee, permanent employee, provisional employee, special government employee, subcontractor, or any other type of service provider.
9. The term “individual” means all natural persons and all persons or entities acting on their behalf.