

Congress of the United States

Washington, DC 20510

June 6, 2019

Jim Van Dusen
Chief Executive Officer
Caliburn International
10701 Parkridge Blvd., Suite 200
Reston, VA 20191

Dear Mr. Van Dusen:

We are writing to request additional information regarding reports that, earlier this month, General John F. Kelly joined the Board of Directors of Caliburn International Corporation. General Kelly, who served in the Trump Administration as the White House Chief of Staff and prior to that, as Secretary of the Department of Homeland Security (DHS), was at the center of the inhumane and poorly planned immigration policies that put children in cages while separating thousands of families and that benefitted your company. In fact, those policies helped a subsidiary of your company, which operates the “nation’s largest facility for unaccompanied migrant children,” rake in hundreds of millions of dollars in government contracts.¹ General Kelly’s role in promoting and helping execute these cruel immigration policies remains a stain on his decades of public service. It is outrageous that he now appears to be cashing in on those same policies, as a board member for the company that benefitted from his actions as a government official.

General Kelly joined the Trump Administration as Secretary of DHS in January 2017, serving for seven months, before becoming White House Chief of Staff in July 2017 – a position he held until January 2019. Prior to serving in the Trump Administration, General Kelly was “on the board of advisors of DC Capital Partners, an investment firm that now owns Caliburn.” Four months after his departure from the Trump Administration, General Kelly has reportedly joined the Board of Directors of Caliburn International, the parent company of Comprehensive Health Services, Inc. (CHSi), which runs both the Homestead Temporary Shelter for Unaccompanied Children in Florida, which is expanding to hold 3,200 beds for unaccompanied children, as well as three more facilities in Texas.² Reports indicate that CHSi could receive more than \$340 million in payments in over six months to operate the Homestead site.³ According to statements you provided to the media, General Kelly will serve on a “board that remains acutely focused on advising on the safety and welfare of unaccompanied minors.”⁴ Caliburn’s compensation policy for board members appears to indicate that General Kelly stands to make at least “an annual cash

¹ CBS News, “John Kelly joins board of company operating largest shelter for unaccompanied migrant children,” Graham Kates, May 3, 2019, <https://www.cbsnews.com/news/john-kelly-joins-board-of-caliburn-international-company-operating-largest-unaccompanied-migrant-children-shelter/>.

² *Id.*

³ *Id.*

⁴ *Id.*

retainer of \$100,000” in this new role.⁵ General Kelly’s decision to serve in this capacity raises serious questions about ethics and conflicts of interest given the significant role he played in implementing the policies that are enriching your company.

On April 6, 2018, the Trump Administration announced a “zero-tolerance” immigration enforcement policy to prosecute people crossing the border between ports of entry (POEs), including asylum seekers.⁶ A month later, the Trump Administration went a step further, saying that the Department of Justice (DOJ) would prosecute parents and separate them from their children.⁷ As a result, DHS separated more than 2,300 children from their parents in just six weeks,⁸ including children whose families presented at POEs.⁹ This policy, which General Kelly advocated for three months into his tenure as Secretary of DHS,¹⁰ was executed in a manner such that we still do not know “the total number of children separated from a parent or guardian by immigration authorities.”¹¹ While the Administration was putting migrant children at increased risk of “severe psychological distress, resulting in anxiety, loss of appetite, sleep disturbances, withdrawal, aggressive behavior and decline in educational achievement,”¹² companies like CHSi were receiving hundreds of millions of dollars in federal taxpayer money to run the detention facilities where these children were being held.

By virtue of his positions within the Administration, General Kelly played a significant role in the planning and execution of the federal government’s immigration policies over the last two years. Four days after the zero-tolerance policy became public, General Kelly reiterated his confidence that zero-tolerance policy “could be a tough deterrent,” and that it was not cruel because “the children will be taken care of – put into foster care or whatever.”¹³ The “whatever” was presumably a reference to the more than “100 shelters used by the federal government” to

⁵ Caliburn International Corporation, SEC Form S-1 Registration Statement, Director Compensation at 156, October 19, 2018, <https://www.sec.gov/Archives/edgar/data/1750690/000119312518303218/d632104ds1.htm>.

⁶ Department of Justice, “Attorney General Announces Zero-Tolerance Policy for Criminal Illegal Entry,” press release, April 6, 2018, <https://www.justice.gov/opa/pr/attorney-general-announces-zero-tolerance-policy-criminal-illegal-entry>.

⁷ Department of Justice, “Attorney General Sessions Delivers Remarks Discussing the Immigration Enforcement Actions of the Trump Administration,” May 7, 2018, <https://www.justice.gov/opa/speech/attorney-general-sessions-delivers-remarks-discussing-immigration-enforcement-actions>.

⁸ Washington Post, “‘Gut-wrenching’ recording captures sounds of crying children separated from parents at the border, Eli Rosenberg, June 19, 2018, <https://www.washingtonpost.com/news/post-nation/wp/2018/06/18/a-secret-recording-captures-the-sounds-of-crying-children-separated-from-parents-at-the-border>.

⁹ CNN, “At the border, my son was taken from me,” Mirian G., <https://us.cnn.com/2018/05/29/opinions/immigration-separation-mother-son-mirian/index.html>; Washington Post, “A mother and child fled Congo fearing death. ICE has held them separately for months, lawsuit says,” Derek Hawkins, February 27, 2018, <https://www.washingtonpost.com/news/morning-mix/wp/2018/02/27/mother-child-fled-congo-fearing-death-ice-has-held-them-separately-for-months-lawsuit-says/>.

¹⁰ CNN, “Kelly: DHS is considering separating undocumented children from their parents at the border,” Daniella Diaz, March 7, 2017, <https://www.cnn.com/2017/03/06/politics/john-kelly-separating-children-from-parents-immigration-border/index.html>.

¹¹ Department of Health & Human Services Office of Inspector General, “Separated Children Placed in Office of Refugee Resettlement Care,” January 2019, <https://www.oig.hhs.gov/oei/reports/oei-BL-18-00511.pdf>.

¹² American Psychological Association, “Statement of APA President Regarding Executive Order Rescinding Immigrant Family Separation Policy,” June 20, 2018, <https://www.apa.org/news/press/releases/2018/06/family-separation-policy>.

¹³ NPR, “Transcript: White House Chief Of Staff John Kelly’s Interview With NPR,” May 11, 2018, <https://www.npr.org/2018/05/11/610116389/transcript-white-house-chief-of-staff-john-kellys-interview-with-npr>.

take in the “nearly 3,000 children [that] were forcibly separate from their parents,”¹⁴ and the “12,500 migrant minors currently in the custody of the U.S. government.”¹⁵ This policy, in conjunction with the Trump Administration’s other callous immigration strategies, have driven thousands of children in to the care of migrant shelters like yours. Six migrant children have died while in, or soon after being released from, federal custody in the last year – something that has not happened since 2010.¹⁶

“The number of children in federal custody increased by more than 97% in 2018”¹⁷ while the Trump Administration policies were being implemented, and “the average length of stay for an unaccompanied migrant child in U.S. custody skyrocketed,”¹⁸ allowing your company to rake in millions of dollars in taxpayer funds.¹⁹ CHSi, “the only private company operating shelters,”²⁰ especially benefitted from these new policies. It currently runs four shelters for unaccompanied migrant children with plans to open two more, has received \$222 million to operate the Homestead facility, and could receive an additional “\$341 million in payments between now and November.”²¹ In fact, as of April 11, 2019, one in six of the 12,500 minors in U.S. custody were located in the Homestead camp. And last month, the Department of Health and Human Services announced, “plans to expand bed capacity at the [CHSi facility in Homestead] from 2,350 to 3,200 beginning in mid-April of 2019 based on need resulting from a current increase in UAC referrals from DHS.”²² In other words, your company has and will continue to significantly profit from the policies General Kelly helped put in place.

It is disheartening that General Kelly, with his decades of public service, used his position to implement such cruel policies and then left the government to profit from them, and we are disappointed that General Kelly has ignored requests that he resign from the Caliburn Board of Directors.²³

¹⁴ New York Times, “Family Separation May Have Hit Thousands More Migrant Children Than Reported,” Miriam Jordan, January 17, 2019, <https://www.nytimes.com/2019/01/17/us/family-separation-trump-administration-migrants.html>.

¹⁵ Forbes, “One In Six Migrant Children In The U.S. Are Staying At A Shelter Operated By A Private Equity Tycoon,” Deniz Cam, April 10, 2019, <https://www.forbes.com/sites/denizcam/2019/04/10/one-in-six-migrant-children-in-the-us-are-staying-at-a-shelter-operated-by-a-private-equity-tycoon/#6dfb7595687c>.

¹⁶ NBC News, “Previously unreported sixth migrant child died in U.S. custody last year,” Alex Johnson and Associated Press, May 22, 2019, <https://www.nbcnews.com/news/us-news/previously-unreported-sixth-migrant-child-died-u-s-custody-last-n1009071>.

¹⁷ Forbes, “One In Six Migrant Children In The U.S. Are Staying At A Shelter Operated By A Private Equity Tycoon,” Deniz Cam, April 10, 2019, <https://www.forbes.com/sites/denizcam/2019/04/10/one-in-six-migrant-children-in-the-us-are-staying-at-a-shelter-operated-by-a-private-equity-tycoon/#6dfb7595687c>.

¹⁸ CBS News, “John Kelly joins board of company operating largest shelter for unaccompanied migrant children,” Graham Kates, May 3, 2019, <https://www.cbsnews.com/news/john-kelly-joins-board-of-caliburn-international-company-operating-largest-unaccompanied-migrant-children-shelter/>.

¹⁹ *Id.*

²⁰ *Id.*

²¹ CBS News, “Nation’s largest holding facility for migrant children expands again,” Graham Kates, April 4, 2019, <https://www.cbsnews.com/news/homestead-nations-largest-holding-facility-for-migrant-children-expands-again/>.

²² Department of Health & Human Services, “Fact Sheet: U.S. Department of Health and Human Services Unaccompanied Alien Children sheltered at Homestead Job Corps Site, Homestead, Florida,” May 10, 2019, <https://www.hhs.gov/sites/default/files/Unaccompanied-Alien-Children-Sheltered-at-Homestead.pdf>.

²³ Letter from Senator Elizabeth Warren to General John Kelly, May 3, 2019.

We introduced far-reaching ethics legislation, the *Anti-Corruption and Public Integrity Act*, which would make it illegal for Caliburn or any DHS contractor to pay General Kelly or any other former senior DHS official a dime for at least four years after they leave office.²⁴ We intend to keep working to make that plan law so that actions like General Kelly's rapid, cynical, and unethical shift from the government payroll to the contractor's payroll are no longer allowed. In order to help inform this legislation and better understand how General Kelly was appointed to the board of your company, we ask that you provide answers to the following questions no later than June 20, 2019.

1. When did Caliburn International, DC Capital, or CHSi begin discussions or negotiations with General Kelly about his appointment to the Board of Caliburn or other related entities?
 - a. Please provide a detailed timeline of all discussions and negotiations.
 - b. Are you aware of any discussions General Kelly had with DHS or White House ethics officials about his appointment or the negotiations and discussions that preceded his appointment?
 - c. Are you aware if DHS or White House ethics officials made any ethics determinations regarding General Kelly's appointment to the Board of Caliburn International? If so, please provide copies of any documents including, determinations, ethics guidance, or ethics advice in your possession.
2. Did Caliburn International, DC Capital Partners or CHSi officials, employees or representatives discuss ethics laws and rules in relation to General Kelly's role as a board Member of Caliburn International?
 - a. If so, please provide copies of all memoranda, notes or other materials discussing this issue.
3. Please provide detailed information of General Kelly's compensation package for serving as a board member of Caliburn International.
4. How much revenue did Caliburn International, DC Capital Partners, CHSi, or other related entities generate from operating shelters for unaccompanied migrant children in each of the last five years? Please provide annual revenues for each facility you operate for each year.
5. Please provide copies of all email or other communications between General Kelly or any associates of General Kelly and Caliburn International, CHSi, DC Capital Partners, or Homestead Jobs Corps facility employees or representatives involving General Kelly's offer and decision to join the Board of Caliburn.

Sincerely,

²⁴ *Anti-Corruption and Public Integrity Act*, <https://www.warren.senate.gov/newsroom/press-releases/warren-leads-30-colleagues-in-reintroducing-bill-to-require-the-president-and-vice-president-to-fully-divest-their-financial-conflicts-of-interests>.



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Pramila Jayapal
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