

Best and Final Offer (BAFO) – Price Schedule State of New Jersey



Prequalification Pools: Auditing and Other Related Services in Support of Disaster Recovery (Hurricane Sandy)

**Request for Proposal (RFP) #: 14-X-23110
June 6, 2013 – 5pm**

June 6, 2013

Department of Treasury
Division of Purchase and Property
Procurement Bureau
ATTN: Damian Fantini
33 W. State Street, 9th Floor
PO Box 230
Trenton, NJ 08625-0230

Franklin & Turner
30 Central Avenue, Suite 201C
Newark, NJ 07102
T 301.474.0147
F 301.474.0146
www.usfti.com

Subject: Request for Proposal (RFP) Audit Integrity Monitoring Solicitation No. 14-X-23110

Dear Mr. Damian Fantini,

Franklin & Turner (F&T) is pleased to submit this proposal to provide Financial Auditing Services for the Disaster Recovery (DR) and Long Term Planning Project to the State of New Jersey. The pages following this letter make up our Best and Final Offer (BAFO) – Price Schedule and include all sections required by the Request for Proposal (RFP).

F&T is a New Jersey SBE; SBA 8(a); Minority-Woman Owned Small Business; Licensed Certified Public Accounting and Management Consulting Firm. We have offices in the United States, including New Jersey, Maryland and Washington, DC. Currently we are a licensed CPA firm in Maryland and the District of Columbia and we are in good standing. Our current AICPA peer review report is good till June 2014. F&T prides itself on the excellent service and value we provide to our clients. Members of our staff have provided disaster compliance services for FEMA and HUD and are familiar with the subject matter contained in this RFP and will be ready to begin this engagement immediately if awarded. F&T possesses all required Federal and State licensing. We acknowledge all of the additions, deletions, clarifications and modifications to the RFP and/or New Jersey Standard Terms and Conditions relative to this RFP as set forth in all addenda. We have provided a 5% (five percent) discount of our prices from original proposal.

Thank you for the opportunity to submit a proposal for this important project. We trust you will find that F&T provides excellent experience and qualifications to the State of New Jersey, and we look forward to the opportunity to work with you on this effort. Should you require any additional information, please contact me at (301) 474-0147 or melissa.hamilton@usfti.com. Our proposal is valid for 120 days from date of submission.

Sincerely,



Melissa Hamilton, CPA, MBA, PMP
Principal

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Pool 2: Financial Auditing And Grant Management	2
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BEST AND FINAL OFFER (BAFO) - PRICE SCHEDULE

RFP 14-X-23110

AUDITING AND OTHER RELATED SERVICES FOR DISASTER RECOVERY (HURRICANE SANDY)

Refer to RFP [Section 3.0](#) (Scope of Work) for task requirements and deliverables, [Section 4.4](#) (Organizational Support and Experience), and [Section 6.7.2](#) (Bidder's Price Schedule) for additional information regarding this Price Schedule. Failure to submit all information required will result in the proposal being considered non-responsive.

Bidder's Name: Franklin & Turner - June 6, 2013

POOL 1: PROGRAM AND PROCESS MANAGEMENT AUDITING

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
1	Partner/Principal/Director	\$175.75	\$181.02	\$186.45
2	Program Manager	\$159.60	\$164.39	\$169.32
3	Project Manager	\$146.65	\$151.05	\$155.58
4	Subject Matter Expert	\$171.00	\$176.13	\$181.41
5	Supervisory/Senior Consultant	\$115.81	\$119.29	\$122.87
6	Consultant	\$97.76	\$100.70	\$103.72
7	Associate/Staff	\$83.11	\$85.60	\$88.17
8	Administrative Support Staff	\$43.99	\$45.31	\$46.67

Line #	Pass Through Price Lines *	Year 1	Year 2	Year 3
9	Other Direct Costs	N/A	N/A	N/A
10	Travel Expenses and Reimbursements	N/A	N/A	N/A

- The State makes no guarantee of volume of work effort.
- * The Pass Through Price Lines shall be used to reimburse for Travel and Other Direct Costs only. No mark-up will be provided for Price Lines 9 and 10.

Bidder's Name: Franklin & Turner – June 6, 2013

POOL 2: FINANCIAL AUDITING AND GRANT MANAGEMENT

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
11	Partner/Principal/Director	\$175.75	\$181.02	\$186.45
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Bidder's Name: Franklin & Turner – June 6, 2013

POOL 3: INTEGRITY MONITORING/ANTI-FRAUD

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PRICING ASSUMPTIONS, TERMS AND CONDITIONS

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Best and Final Offer (BAFO) – Price Schedule State of New Jersey



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Volume 2 – Technical Proposal (Sections 4.4.3 & 4.4.4) State of New Jersey



Prequalification Pools: Auditing and Other Related Services in Support of Disaster Recovery (Hurricane Sandy)

**Request for Proposal (RFP) #: 14-X-23110
May 31, 2013 – 2pm**

Response to Pools 1, 2, & 3

May 31, 2013

Department of Treasury
Division of Purchase and Property
Procurement Bureau
ATTN: Kelly Anderson-Thomas
33 W. State Street, 9th Floor
PO Box 230
Trenton, NJ 08625-0230

Franklin & Turner
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Newark, NJ 07102
T 301.474.0147
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Subject: Request for Proposal (RFP) Audit Integrity Monitoring Solicitation No. 14-X-23110

Dear Ms. Anderson-Thomas,

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Principal

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POOL 1 RESPONSE

Section 1: Technical Proposal



On October 21, 2012, Governor Chris Christie signed Executive Order (EO) 104 declaring a State of Emergency in New Jersey related to the aftermath of Hurricane Sandy, which caused massive property damage and loss of life. On October 30, President Obama declared New Jersey a major disaster area. The New Jersey Office of Emergency Management (NJOEM), in cooperation with the New Jersey Office of Homeland Security and Preparedness (OHSP) and other State entities, executed the State's existing Emergency Operation Plans (EOP) in responding to their needs during and immediately following the hurricane. As the State moves into the recovery phase in the aftermath of the storm, it seeks strategic consultant services designed

to support all facets of intermediate and long-term recovery efforts.

On March 12, the Office of Management and Budget (OMB) released guidance to executive departments and agencies on the internal controls and planning required for aid received through the Disaster Relief Appropriations Act (Public Law 113-2) (Disaster Relief Act). Because relief funding of this magnitude (\$50.5 billion) carries additional risk, OMB is requiring agencies to ensure that the funds appropriated under the act are used for their intended purposes. By March 31, each Federal agency was required to submit an internal control plan to OMB, the Government Accountability Office (GAO), and the agency's Inspector General (IG).

Recently, Governor Christie unveiled the State's Community Development Block Grant Disaster Recovery (CDBG DR) Action Plan delineating the ways in which the State will spend the first phase of the funds provided by the U.S. Department of Housing and Urban Development (HUD). To address the extensive devastation caused by the storm, the plan proposes a range of programs to provide relief. As recovery efforts get underway, the State must put in place auditing of programs, processes, and finances, including monitoring the integrity of spending to ensure that funds are spent for their intended purpose. The State has issued a request for proposal for firms to provide these services.

1.1 Our Firm

We have assembled the right resources and qualifications to perform all of the services across each of the three pools.



Franklin and Turner (F&T) is a New Jersey SBE; SBA 8(a); Minority-Woman Owned Small Business; Licensed Certified Public Accounting and Management Consulting Firm that offers a full scope of accounting, auditing, grants management, budgeting, internal controls, risk assessment, program management, business process

improvement, financial management and information technology support services. F&T assists federal, state and local governments address complex financial and management issues, compliance requirements, and other challenges. F&T has technical knowledge and experience in Federal accounting concepts and principles, Government Auditing Standards (GAGAS), and Federal regulations related to allowable costs. We have significant knowledge and understanding of the requirements and standards used in auditing financial statements of grantees. Additionally, F&T understands the government's responsibility for maintaining adequate controls to prevent fraud, waste and abuse and promote efficient and effective operations in accordance with OMB Circular A-123, Management's, Responsibility for Internal Controls.

Audits of Grants and Contracts Funded with Federal Support and Assuring Compliance with Regulations, Accounting & Industry Standards, and Contractual Obligations. F&T has performed numerous audits in compliance with the government accounting and auditing standards and various OMB Circulars, including A-133. Our professionals, when requested, also engage in efforts to design, direct, or recommend corrective action programs to assist government agencies remediate deficient practices and establish effective accounting protocols, systems, and procedures. Many of our

engagements have been comprehensive in nature and include complex projects requiring coordination of multiple tasks for numerous entities within short timelines.

F&T has in-depth knowledge and experience with cost accounting standards, cost allowability and allocability, budgeting and time reporting and labor distribution systems. In addition, we have assisted clients in developing their indirect cost rates and structuring their indirect cost pools. F&T has also performed numerous in-depth reviews of clients' internal controls to assess whether controls required by government regulations are in place and identify areas where controls could be strengthened and procedures established to accomplish this goal. We are also intimately familiar with OMB Circulars A-21, A-87, A-110, A-122, and A-127 as well as Circular A-133, and the federal acquisition regulations (FAR).

We've supported the National Institute of Standards and Technology (NIST), the Maritime Administration (MARAD), the Federal Emergency Management Agency (FEMA) and the Department of Housing and Urban Development on grants, loans and contract compliance monitoring.

F&T maintains clearable, educated, certified, highly skilled and experienced personnel with CPA, PMP, CISA, CIA, CGFM, CISSP and CFE designations. F&T has offices in New Jersey, Maryland, and Washington DC.

1.2 Our Value Proposition

F&T is comprised of highly talented personnel that stand ready to meet the needs of the State of New Jersey on day one. We bring well-established methodologies and practices, grounded in strong internal controls that will help New Jersey maintain the highest integrity in its grant spending. We offer you:

- **Expert services:** F&T brings the talents and experience of personnel with specializations in disaster recovery, grants management, financial management, audit/internal controls, e-Grants technology, and engineering. Our people are what make our firm, bringing a wealth of experiences with a deep skill base that for our clients to leverage. In addition to the bench of consultant and advisory resources, we bring a cadre of former Federal and State executives with reach back to assist with challenges and issues that arise at both the Federal and State level. The State of New Jersey will get the right mix of expertise and diversity from a firm with the ability to draw on a deep bench of resources and from local New Jersey firms representing the small business community.
- **Solid prior disaster recovery expertise:** Our firm has direct experience with disaster recovery from "boots on the ground" support to routine monitoring and reporting to providing strategic advice and direction on issues at the local, State, and Federal level. We have helped with FEMA and other disaster recovery grants and are familiar with the myriad of regulations and guidance on the use of grant funding.
- **Audit perspective:** As an Independent Public Accounting firm, F&T brings deep experience and understanding on what can go wrong with the internal controls on disaster recovery grants. We have helped many Federal and State organizations with their grants monitoring functions, implementing internal control programs that monitor the right activities and outcomes. In addition, we have leveraged data effectively for fraud monitoring assisting Federal IGs with research on their hotline tips on possible fraud.
- **e-Grants experience:** Our firm has direct experience with a variety of Federal electronic grants management software platforms, including FEMA eGrants. eGrants is used by FEMA to track all of their non-disaster mitigation grant applications, awards, and reports. Our personnel will be able to bring to the State of New Jersey not only an in-depth understanding of the technical components of the system, but more importantly, the data within the system and how that data is compiled and reviewed.

1.3 Program and Process Management Auditing

The State of New Jersey, and ultimately its many political subdivisions throughout the impacted areas of Superstorm Sandy, are eligible to participate in numerous Federal grant programs designed to aid in short and long term recovery. F&T will demonstrate its unique ability to provide grantees and subgrantees with a framework, based on a long history of previous performance, to successfully administer and manage these programs.

1.1.1 Task A: Development of processes, controls and technologies to support the execution of the following FEMA-administered programs: Public Assistance (PA), Hazard Mitigation, and Individual Assistance (HMGP); HUD-administered Community Development Block Grant (CDBG) program; and other Federal and State grant and assistance programs in compliance with Federal and State guidance, including OMB circulars.

Critical to the success of any major grant administration program are the development of repeatable processes and controls and the use of technologies to manage massive volumes of data and records that represent billions of Federal dollars. F&T has worked with the National Institute of Standards and Technology (NIST) and the Maritime Administration (MARAD) to design repeatable processes for the administration of the major Federal grant programs.

F&T also has experience with OMB circulars A-123 and A-133, along with OMB disaster relief guidance. In addition to our State Government experience in designing and managing the framework for State grant programs, we have provided grant management services to numerous local Government and private non-profit subgrantees.

Process Design and Optimization: F&T understands the complexities of Federal disaster grant management programs and the fact that many public sector agencies may underestimate the level of effort and time commitment associated with managing these programs. We understand that creating a repeatable process with input from all relevant stakeholders is critical to a successful grant management program. Our methodology for process design will include:

- **Data / input gathering:** To include focus group meetings with stakeholders (e.g., FEMA, HUD, NJOEM, Office of Recovery, NJDEP, local building officials, etc.) to understand requirements and concerns of all agencies;
- **Process design:** Using flow charting and other technologies to visually depict process/document/reimbursement flow;
- **Development:** Creating forms, technology solutions, and other tools that will serve as conduits for the process flow;
- **System simulation:** Modeling process flow within the system (prior to implementation) in order to meet the requirements of administering agencies and subgrantees;
- **Process training:** Staff training, regional workshops, white papers, manuals, and other tools educate system users on process techniques.
- **System optimization:** Review and enhancing processes to remove inefficiencies throughout the period of performance.

Controls: Given the number of agencies and stakeholders involved in the grant administration process, controls must be put in place to ensure program accountability. More specifically, controls are put in place to ensure output and production. Specific controls that F&T will assist end-users in implementing include:

- **Progress reporting:** To include weekly meetings and progress reporting;
- **Document templates and checklists:** To ensure consistency amongst multiple users; and
- **Reviews and delegations of authority:** To ensure that critical documents are being reviewed by staff at appropriate levels within the agency particularly when they involve the expenditure of funds.

Technology Solutions: Technology plays a critical role in effective grant management. Given the huge volume of potential grant management staff at all levels, including applicants and Project Worksheets (PW), process managers must have effective communications, technology tools, and platforms. F&T routinely implements:

- **Microsoft Sharepoint sites** (primarily for program/project management) and custom database and document management development;
- **Dashboards** to summarize program statistics into easy to read formats; and

1.1.2 Task B: Review and improve procedures addressing reimbursement review backlogs and financial management.

Disaster grant programs, such as the FEMA PA or HUD CDBG-DR programs, are designed to be reimbursement-based programs tied to actual expenditures associated with the scope of the repair. However, due to the size and scale of the

grants at the local level, many times in the tens of millions of dollars, subgrantees are faced with additional financial hardships as they await funding disbursement. F&T will provide end users with strategies to improve their financial situation as a participant in these programs. Specifically:

- **Review of the State PA administrative plan:** Understanding the State holdback/retainage program in place for large PWs or utilization of the State administration allowance, or the feasibility of the State of New Jersey to participate in local cost share;
- **Review of the State funding disbursement program:** Understanding the New Jersey Treasury office's program to deliver PW bundles to subgrantees which will provide greater visibility and understanding of the nature of cash flow back to their general fund;
- **Development/review of the audit/closeout checklist:** Quickly disseminate an audit checklist and closeout process guidance to program participants so that they can begin close out on completed projects;
- **Develop/review process for the State project review queue:** Provide a program for the State to quickly and systematically review and approve PWs prior to entry into the FEMA EMMIE system or HMGP applications prior to NEMIS; and
- **Review of the Department of Community Affairs's CDBG-DR administration program:** Provide a review of the draw request process or program milestones to enable participants to quickly access grant funds up-front. F&T can provide guidance and tools to subgrantees that will aid in reducing the local match requirements.
- **Encouraging the use of Federal programs:** FEMA programs such as **Immediate Needs Funding (IMF)** or grants based on estimates to provide up-front funding for large projects; and
- **Encouraging methods of offsetting local cost shares:** Provide information on how CDBG-DR or other HUD grants may offset local match for HMGP buyout costs or FEMA PA projects or documenting/accounting for donated resources to offset local cost shares. Strategies like these can maximize the use of Federal dollars while minimizing the local output for reconstruction projects.

1.1.3 Task C: Resources to perform workload analysis, skills gap analysis, organizational effectiveness and workforce recruiting strategies.

It is critical to the success of any grant management program to have a dedicated workforce of the appropriate size with the necessary skills and competencies to complete the project and be prepared for audit. Many times Government agencies attempt to manage a grant with existing staff resources that lack the knowledge, experience, and training to run the program or may be overwhelmed with regular duties. In managing major infrastructure and financial management programs across the US in disaster and non-disaster scenarios, F&T will provide subgrantees with specific strategies to improve an organization's effectiveness.

Workload analysis: Workload analysis utilizes historical data to predict and plan work and required skill sets. Utilizing grant management data, F&T will assist end users in defining reasonable production levels for assigned tasks. F&T will review the workload across each agency and define reasonable production levels in order to derive appropriate staffing levels. Based on the findings collected during the analysis, F&T senior management will review strategies to improve organizational efficiencies.

Skills gap analysis: Skills gap analysis involves defining the skills required for effective job completion against the current workforce skill set. Many subgrantees will lack the program management, accounting, and administrative skills necessary to successfully complete a complex or unfamiliar grant. F&T will customize existing forms to gather information about the subgrantee. Information about the sub recipient, such as recent staff turnover in key financial positions, frequency of disaster grant award (e.g., do they receive annual HUD allocations), size of potential grant awards (above \$10 million), and performance using the FEMA benefit-cost analysis tool and organizational size.

F&T has observed that applicants and subgrantees frequently are not eligible for certain funding because they lack a full understanding of available programs. Examples include:

- 1) Record keeping requirements for labor, equipment, and temporary and subcontract personnel are stringent under the PA program and shortcomings and mistakes can often be corrected by trained personnel before they become an issue;

- 2) Direct administrative costs for administrations of the PA program are allowed for applicant staff, including reasonable cost to procure contractors to assist in preparation and assembly of documentation to support a grant or specific project that has been completed or proposed;
- 3) Procurement of contractors using appropriate types of contracts is critical to meeting PA eligibility requirements and ensuring maximum value is received;
- 4) Alternate (restoring or enhancement of a facility at another location) and improved projects (improvements beyond pre-disaster conditions) may be eligible costs by the PA program; and
- 5) Existing insurance coverage pays first and uninsured losses are usually eligible for reimbursement.

Organizational Effectiveness: The ultimate goal of any major disaster grant management program is to provide funding to help a community or agency recover in the short and long term from a major disaster event. F&T can assist the subgrantees with understanding their opportunities to effectively leverage Federal grant dollars available to become a more disaster resilient community. Information may be collected on their participation in Long Term Community Recovery Planning (LTCRP) activities; utilization of mitigation programs, such as Section 406 and 404; marrying housing and non-housing CDBG projects to revitalize impacted areas; and understanding private sector and non-traditional grants (e.g., Environmental Protection Agency [EPA], Department of Energy [DOE], and US Department of Agriculture [USDA]). F&T can assist end users in evaluating organizational effectiveness utilizing a number of proven methods including balanced scorecard and appreciative inquiry.

Workforce Recruiting: Quite simply, most Government agencies do not have the pre-disaster workforce (either in terms of number of employees or skill sets) to handle a major grant administration programs. Full or part-time employees or contractors must supplement the workforce; and in the case of HUD CDBG-DR programs, must meet certain hiring guidelines such as Section 3 or Davis-Bacon. Given our role as program managers for Federal, State, and local clients we are routinely assembling workforces with specific skill sets. F&T has Human Resource (HR) departments and on-boarding/recruitment programs skilled at staffing major Government programs.

1.1.4 Task D: Compliance Sanctions Program for those applicants that fail to meet Federal and State Guidelines

Disaster grant programs contain program and reporting requirements that require grantees and subgrantees to adhere to program guidelines and provide reports and data on a regularly prescribed basis. Grantees and subgrantees that fail to adhere to program guidelines, fail to report, fail to report in a timely manner, or submit reports with significant errors or material omissions should be considered a “non-compliant grantee”. For example, grantees and subgrantees must adhere to the provisions of:

- | | |
|---|--|
| ▪ FEMA 9500 Series Guidance; | ▪ CDBG-DR Administrative Manual; |
| ▪ OMB Circular A-87 Revised, Cost Principles for State, Local, and Indian Tribal Governments; | ▪ Hurricane Sandy Disaster Relief Bill; |
| ▪ OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments; | ▪ Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended; and |
| ▪ FEMA 300 Series Guidance Documents; | ▪ The Code of Federal Regulation, Title 44, Emergency Management and Assistance. |

Examples of potential sanctions for non-compliance may include:

- | | |
|---|---|
| ▪ Requirement for repayment of Federal grant dollars (full or partial); | ▪ Surcharges or fees for various services until requirements are met; |
| ▪ Subrogation of benefits (insurance proceeds); | ▪ Debarment; and |
| ▪ Prohibition from participating in future Federal grant programs; | ▪ Civil and/or criminal penalties |

F&T is prepared to assist end-users in training agency staff on how to identify and manage non-compliant grantees, particularly those grantees demonstrating an egregious level of disregard for data quality, completeness, and timeliness. Furthermore, F&T will assist the agencies in designing and/or managing a compliance sanctions program. Elements of a compliance sanction program may include:

- Systems that allow for grantees to file late reports and/or correct potentially erroneous data from prior reports;
- Communications that notify grantees of their continued failure to comply through a series of formal communications; and
- Progressive penalties to include payment suspensions, demands for re-payment, debarment/suspension, civil / criminal action, etc.

1.1.5 Task E: Consulting services to support account reconciliations necessary to control and report on existing PW accounts, applicant balances, system interfaces, and other control balances.

F&T provides consulting services to support PW account reconciliation, applicant fund balances, and project controls. Most frequently, the minimum tasks implemented to support this effort include:

- Staffing programs with appropriate levels of staff with the proper skill sets and competency;
- Staff and applicant(grantee) training programs specific to PW tracking and reconciliation (including duplication of benefits tracking);
- Effective program and project management (including regular progress reporting);
- Controls including software dashboards featuring GIS-level accuracy, checklists, timelines, and accurate points of contact for support; and
- Interface with SIROMS, SAGE, and other grants management systems.

1.1.6 Task F: Quality Assurance (QA)/Quality Control (QC) reviews and assessments associated with the payments process to ensure that they are in compliance with Federal and State regulations and conform to industry best practices.

F&T uses a traditional definition of QC as a system of routine technical activities to measure and control the quality of the products and services as they are being developed. This also ensures that products and services meet the Federal and State regulations associated with receiving the grants, which could ultimately lead to de-obligations of these funds by the grantor to the State. Our QA plan is designed to provide routine and consistent checks to ensure data integrity, correctness and completeness; identify and address errors and omissions; document and archive inventory material; and record all QC activities.

QA activities include a planned system of review procedures conducted by personnel not directly involved in the compilation and development process. Reviewers verify that data quality objectives are met, ensure that the products and services represent the best possible understanding given the current knowledge and data available, and support the effectiveness of the QC program.

F&T has built its QC and QA control reviews and assessments regarding the payment process associated with State and Federal grants to be in compliance with Federal and State regulations and to both conform to, and in some cases, exceed industry best practices. F&T will employ the use of our Microsoft Excel-based issue tracking tool to keep track of common deficiencies. The tracking tool will identify the issue, reason for the issue, an action plan to help remediate the deficiency within a prescribed period of time, and a Point of Contact (POC) for monitoring the resolution to completion. F&T used a similar tool at the U.S. Department of Treasury to track Corrective Action Plans (CAP) related to internal control deficiencies.

1.1.7 Task G: Risk analysis and identify options for risk management for the Federal and State grant payment process.

In order to manage Government grants effectively, applicants need to understand their risks and vulnerabilities. Risks can come in many different forms, including procurement risks, environmental/historical risks, improper payment risk, cash flow management risks, fraud, waste, and abuse. We accomplish the identification of risks through the use of a customized questionnaire to collect information from functional area leads to determine risk appetite and risk factors focused on the existing control environment. Qualitative data is in-depth for each functional area lead and involves personal viewpoints and opinions. For example, the grantee or subgrantee may have differing views on the severity and likelihood of risks, where one individual sees the procurement for \$200 million in reconstruction projects as the greatest risk, whereas another

believes that the challenge of maintaining Federal compliance during program execution as a much greater risk. Using that example:

- 1) We will extrapolate results from the risk assessment to create a risk appetite statement that links the risk to the strategic direction and objectives of the subgrantee;
- 2) We will inventory all identified risks and use tools to assign an overall rating for each risk to determine the probability/impact of the risks;
- 3) We will develop a risk register template to capture risks, including risk scores, responses, triggers, and risk owners and rank the risks in order of severity; and
- 4) We will meet with the State of New Jersey senior-level management to listen and discuss the risk assessment findings and create a corresponding risk management plan that includes project schedule, resources, risk thresholds, risk prioritization, and mitigation plans.

1.1.8 Task H: Consulting services to reduce the reconciliation backlog for the Request for Reimbursements process.

In order to facilitate the request for reimbursement process and reduce the reconciliation backlog, it is important for supporting documentation to be collected, maintained, and updated throughout the duration of the recovery. Constant monitoring of grant applications, project progress, requests for reimbursement, and reimbursement received inherently reduces the backlog and aids the speed of recovery. In addition, it eases the eventual grant closeout and reduces the risk of future de-obligations. There are many methods for the State to manage the request for reimbursement process associated with State and local grant programs including:

- Appropriate levels of staffing with the proper skill sets and competency;
- Staff and applicant(grantee) training programs specific to the request for reimbursement process;
- Effective program and project management (including regular progress reporting);
- Establishing information accessibility policies to maximize real-time tracking and minimize duplication of effort; and
- Controls including dashboards, checklists, timelines, and accurate points of contact for support.

F&T has an extensive history of implementing, reconciling, and monitoring the request for reimbursement process internally and on behalf of our Federal, State, and local clients. While many agencies and subgrantees still wait for reimbursement from previous disasters, such as Hurricane Irene in 2012, our goal is to leverage the spirit of the Sandy Recovery Act and expedite the economic recovery of the region through strategies such as the State closeout and audit program, PW appeals process, HMGP application review and CDBG project approval process.

1.1.9 Task I: Consulting services providing SME knowledge of required standards for related monitoring and financial standards for Disaster Relief set forth in HUD's Community Planning and Development Monitoring Handbook 6509.2

F&T has direct experience providing detailed monitoring and reporting for CDBG-DR funds to sub-recipients and direct grantees. CDBG-DR project processes and functions must be continuously monitored and assessed to maintain focus on scope and remain efficient. We propose implementing an ongoing analytical process to assess project status and resource allocations of the sub-recipient and/or contractor(s) to make sure that projects remain effective and efficient.

The program monitoring and financial oversight activities will be coordinated with the State and include input from the team on monitoring and financial standards that are required for the CDBG-DR funds. HUD provides specific templates that can be used for reporting and monitoring. It is important that these templates and system interfaces are tested and implemented for compliance.

1.1.10 Task J: Conducting on-site and remote monitoring for compliance with CDBG-DR requirements, cross cutting federal requirements including Section 3 compliance, FEMA, SBA, EPA, OMB circulars and other federal and state requirements.

Based on the State's recently published SuperStorm Sandy CDBG-DR Action Plan (Action Plan), the State has allocated \$1.8B of the total \$5.4B for recovery and rebuilding efforts to local governments, residents and businesses throughout the

impacted area. By accepting these grants, subgrantees are required to comply with numerous federal standards established by HUD, FEMA, Small Business Administration (SBA), EPA and OMB.

F&T understands the requirements for the State and subgrantees to perform on-site and off-site monitoring of program related activities as described in Section 6.6 of the Action Plan. This may include monitoring of:

- Environmental reviews,
- Section 3 compliance,
- Davis-Bacon Act and other labor standard provisions,
- State and local procurement regulations,
- Fair housing and equal opportunity requirements,
- OMB A-87 compliance,
- Program income, and
- New Jersey Executive Order 125
- Federal Register 5582-N-01

F&T will assess the subgrantees Section 3 Plans, procurement procedures, minority business enterprise reports and fair housing activity statements against HUD regulations and State Executive Orders or Statutes. During implementation, F&T may utilize an electronic data collection tool and tracking/reporting spreadsheet for compliance monitoring. This will include Electronic Section 3 participation form for vendors to complete and Microsoft Excel spreadsheet for on-going tracking, monitoring and reporting.

F&T will also develop the training program and conduct training for the Section 3 program. F&T will provide training documents to inform staff involved on Section 3 program elements and vendors who will be required to comply with the Section 3 program.

F&T will monitor vendor compliance with the CDBG-DR program through the following methods:

1. **Initial Capabilities Assessment** – Following the Compliance Vendor Training, F&T will perform an assessment of the Vendor's familiarity to HUD regulations and capabilities of maintain compliance with the program. A findings report will be generated and shared with the subgrantee.
2. **On-Site Monitoring Visit** – F&T will schedule a monthly site visit with the vendor to discuss HUD CDBG-DR compliance. This could include interviews with the vendor's Section 3 staff members and supervisor(s). In addition, F&T staff will work with Vendor or subgrantee staff to review other HUD compliance activities during the same site visit. The frequency of site visits may vary based on the initial capabilities assessment for the contractor. As complex technical issues arise, F&T can remain on site on an interim basis.
3. **Remote Monitoring** – Based on the performance during the on-site monitoring phase, F&T will schedule and complete some monitoring activities over the telephone with the vendor and subgrantee to discuss CDBG-DR compliance. This could include an interview with the vendor's Section 3 staff members and supervisor(s). In addition, F&T staff will work with the Vendor's HR staff to review Davis-Bacon compliance and other regulatory issues. If requested, F&T can provide a Help Desk or web-based program reference guide to answer ongoing technical queries.

The use of HUD CDBG-DR funds is subject to Section 3 provisions. The goal of Section 3 is to provide job opportunity and training for persons who meet the income and location requirements in the communities where the funds are being spent. F&T will work with the existing Section 3 plan and if necessary, provide a CDBG-DR plan that carries through to all subcontractors to ensure compliance with HUD requirements. We recognize that every agency that receives HUD funding, may have a different policy or approach to meeting or exceeding HUD Section 3 requirements.

Affirmatively Furthering Fair Housing (AFFH) Planning. The recent enabling legislation and the HUD Notice both have a requirement to consider Fair Housing concerns, including Affirmatively Furthering Fair Housing (AFFH) issues, when spending CDBG-DR Funds. This requirement is inclusive of all the housing programs. With the disparate impact rule recently released by HUD, it is important not only to avoid intentional housing discrimination, but also unintentional actions resulting in fewer services or opportunities to participate in the programs being provided to protected classes (race, color, religion, national origin, sex, disability, and familial status) than other persons.

F&T suggests designing an AFFH Plan to show how program tools will be used to target housing rehabilitation or reconstruction for lower income or under-represented racial or ethnic persons in the community. The AFFH Plan would look at the race or ethnicity of buyouts of coastal properties and look for corresponding relocation opportunities for appropriate protected classes. Finally, F&T would develop a data base tracking system for the race, ethnicity, and disability protected

classes to ensure that they are receiving benefits in proportion to their reported damages and population totals within the impacted areas.

As provided by Section 312 of the Stafford Act, duplication of benefits is prohibited in accordance with the HUD Federal Register 5582-N-01. DCA will continuously monitor for compliance with this requirement. FEMA, National Flood Insurance Program, private insurers, the U. S. Army Corps of Engineers, SBA and other agencies will be contacted and data sharing agreements put into place to ensure that there is no duplication of benefits occurring within the various programs. F&T will work with the DCA to ensure that all funded recovery projects comply with federal regulations.

Section 2: Management Overview

F&T views project planning as the first critical component of any project. For each project, we will deliver a formal project plan with specific milestones, deliverables and activities to New Jersey based on task order requirements.

2.1 Understanding of Objectives and Nature of Required Work.

We understand that Superstorm Sandy caused loss of life and unprecedented damage to New Jersey's housing, business, infrastructure, health, and social services. As required by OMB's Disaster Relief Act guidance, New Jersey must submit an internal control plan to OMB, GAO and its Inspector General's Office. The plan must include the auditing of programs, processes and finances, including monitoring the integrity of spending to ensure that funds are spent for their intended purpose. As the State moves into the recovery phase in the aftermath of the storm, we understand that it seeks strategic consultant services designed to support all facets of intermediate and long-term recovery efforts.

2.2 Action plan for responding to requests for an engagement.

Our ability to provide the required services begins with our team and task management capabilities. Our approach to managing our team combines disciplined task order management with proactive communication for efficient coordination of team resources to deliver compliant, quality services as one, seamless team. Our task order management process, illustrated in **Figure 1**.

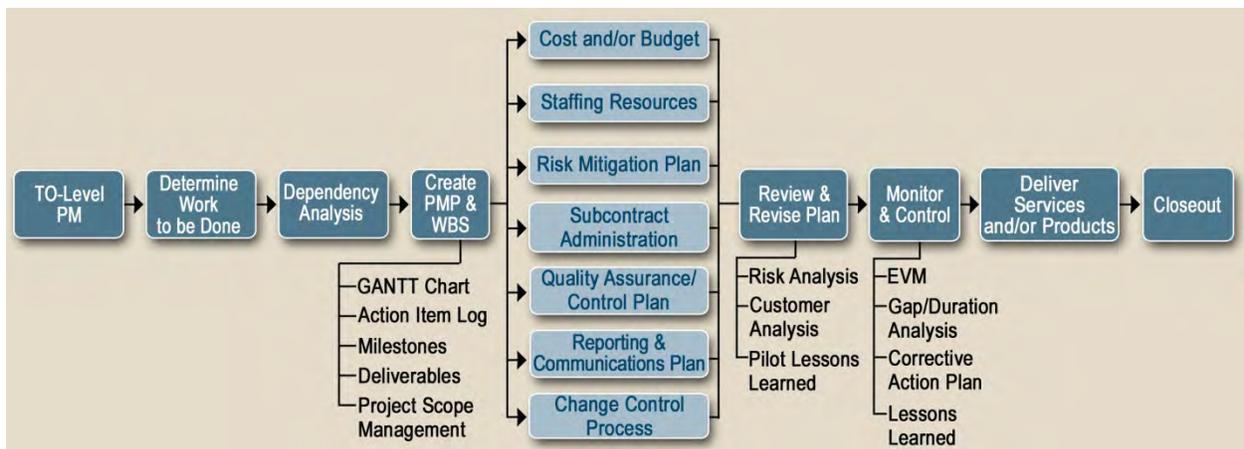


Figure 1. Task Order Management Process

We interact well in advance of commencing a task order so personnel understand requirements, goals, and objectives, as well as quality and performance standard expectations. Our leadership team evaluates each task order approving final solution and resource composition to meet customer requirements and mitigate anticipated risks.

2.3 List of previously held, or currently held, contracts with similar services provided by the bidder

Section 6 contains information on contracts held that demonstrate our experience and the value of key contracts.

Section 3: Contract Management

The magnitude of the Hurricane Sandy recovery requires vast and diverse resources to ensure the necessary financial oversight. F&T will provide the State New Jersey with a wide array of resources and mechanisms to adequately monitor the financial integrity of this unprecedented recovery effort.

3.1 Plan to Manage, Control, and Supervise Task Orders.

F&T TO response preparation process will be as follows:

- F&T receives a TO.
- F&T PM will immediately post it on the team portal and identify potential personnel with the capabilities required while considering small business goals.
- The PM will analyze the TO to make a bid determination. With our team's breadth of capabilities and lack of conflict of interest, we do not anticipate a "no-bid" decision; however, if a no-bid decision is made, we will provide the TO CO a no-bid justification by the proposal due date.
- F&T will use the team portal to develop the TO response, including technical approach, staffing, deliverables, schedule, QC approach, and pricing.
- F&T will submit the TO response to the State of NJ.

After State of NJ awards the TO, we will manage it using the following approach:

Plan and initiate the task. F&T contracting staff will ensure that all personnel are formally engaged. We will hold a kickoff meeting to review our proposed approach and schedule. We will update and finalize the Project plan, develop a detailed Work Breakdown Structure (WBS), indicating all agreed upon deliverables and related schedules, notify the client of impacts to the task schedule or cost, and input task information in our financial management system and Quality Management System (QMS).

Execute the task. Our TO manager will have authority to work directly with State of New Jersey to make task-level decisions to ensure adherence with task planning, development, and delivery of all requirements. We will adhere to the plan, communicate frequently with the client, make necessary adjustments, and review quality.

Track and report the task. We use F&T's Real Time cost tracking system to assess actual costs to date. Our quality system tracks deliverable due dates, quality reviews, and review status. The TO manager reviews progress against the technical plan and budget. We will roll up subcontractor reports into our system for consolidated reporting to State of New Jersey. The TO manager will deliver TO-level reports including a status report to the State of New Jersey sponsor that summarizes technical and schedule status.

Close out the task. When we finish the task, the PM or TO manager will meet with the State of New Jersey Official to ensure that all deliverables are accepted and ensure disposition of working materials. The TO manager will close out the task in our financial system and QMS. We will also send a customer satisfaction survey. Lessons-learned documentation and survey responses will become part of a body of knowledge that will aid our continuous improvement and inform future team selection, TO responses, and program execution.

3.2 Communications with the State Contract Manager or Cooperative Partner

Contract Oversight and Compliance: In addition to providing high quality services and deliverables, our Engagement Leadership team will work with our contract compliance specialists to ensure that we adhere to all contract provisions, including but not limited to:

- **Litigation Services:** Fully cooperating (at our own expense) with the State and providing all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions in any matter before any Federal, State or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the our recommendations.
- **Travel Expenses and Reimbursements:** Adherence to the General Services Administration (GSA) published travel rules and rates to include disaster specific amendments in accordance with the Federal Travel Regulations.
- **Data Confidentiality:** The protection and confidentiality of all data, including the completion of confidentiality agreements, security awareness and confidentiality training, and security clearances/background checks for all staff.
- **Document Retention/Material Ownership:** Document retention in accordance with Federal and State requirements and the transfer of ownership for all materials and technology solutions to the State (unless otherwise agreed to).
- **Insurance:** The maintenance of all required professional liability insurance. The insurance shall be in the amount of not less than \$5,000,000 and in such policy forms approved by the State.

- **Liquidated Damages:** The adherence to liquidated damages provisions associated with a failure to meet any required milestones, standards or deliverables, as appropriate.
- **Compensation and Payment:** Compliance with invoicing and payment terms as agreed to by the State, and in accordance with both Federal and State requirements.
- **Potential Conflicts of Interest:** The identification and avoidance of any and all potential conflicts of interest.

By providing designated Program Managers for each Pool, a standardized Project Management Process, ongoing communication, and rigorous contract oversight, F&T team will ensure that all Task Orders are completed to the highest standard and in accordance with all contract provisions.

Section 4: Organizational Support and Experience

F&T has assembled a team to deliver deep experience in each task areas required by the State. F&T’s experience, commitment to quality and value set us apart from other service providers. In a field of worthy competitors, F&T will stand alone in bringing you cost-effective services tailored to your needs.

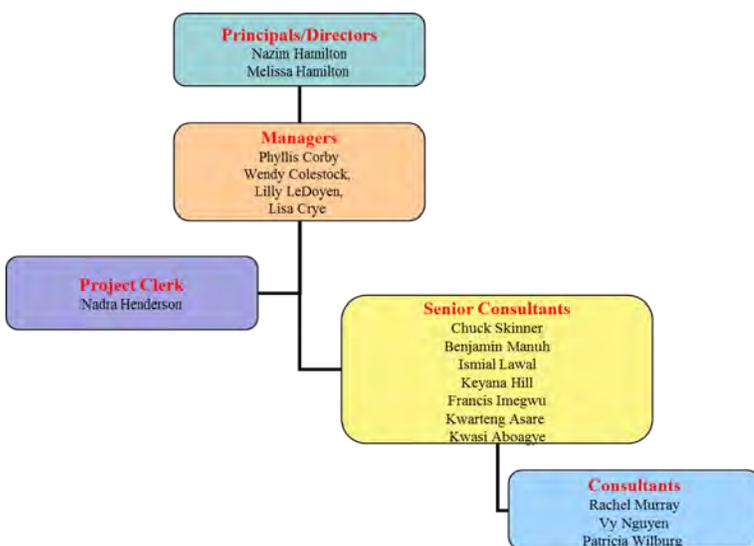
4.1 Personnel

F&T includes professionals with deep experience in audit, disaster recovery, engineering, financial management, fraud, waste and abuse detection, organizational improvement, information technology, and human capital. We have provided resumes of personnel with significant depth and breadth of skills gained from years of consulting experience in both the public and private sectors. All of the key personnel proposed have relevant experience and expertise to allow for outstanding and seamless service delivery.

Across F&T we have a deep bench of staff and expertise allowing us to match skills to specific need of the engagement. Our staff has a broad range of certifications, including information, auditing, accounting, business process improvement, project management, and technology. Our team includes named individuals who are at the ready to support New Jersey and who have the following certifications:

- Certified Government Financial Manager (CGFM);
- Certified Fraud Examiner (CFE);
- Certified Grants Management Specialist (CGMS);
- Certified Internal Auditor (CIA);
- Certified Information Systems Auditor (CISA);
- Certified Information Systems Manager (CISM);
- Certified Public Accountant (CPA);
- Project Management Professional (PMP);

The firm organizational structure is shown in **Figure 2**.



The location where this contract will be managed will be our offices at
 30 Central Avenue, Suite 201C
 Newark, NJ 07102
 T 301.474.0147
 F 301.474.0146
Contact Person: Melissa Hamilton, CPA, MBA, PMP

Figure 2. Pool 1 Organizational Structure

The proposed team structure is shown in **Figure 3**.

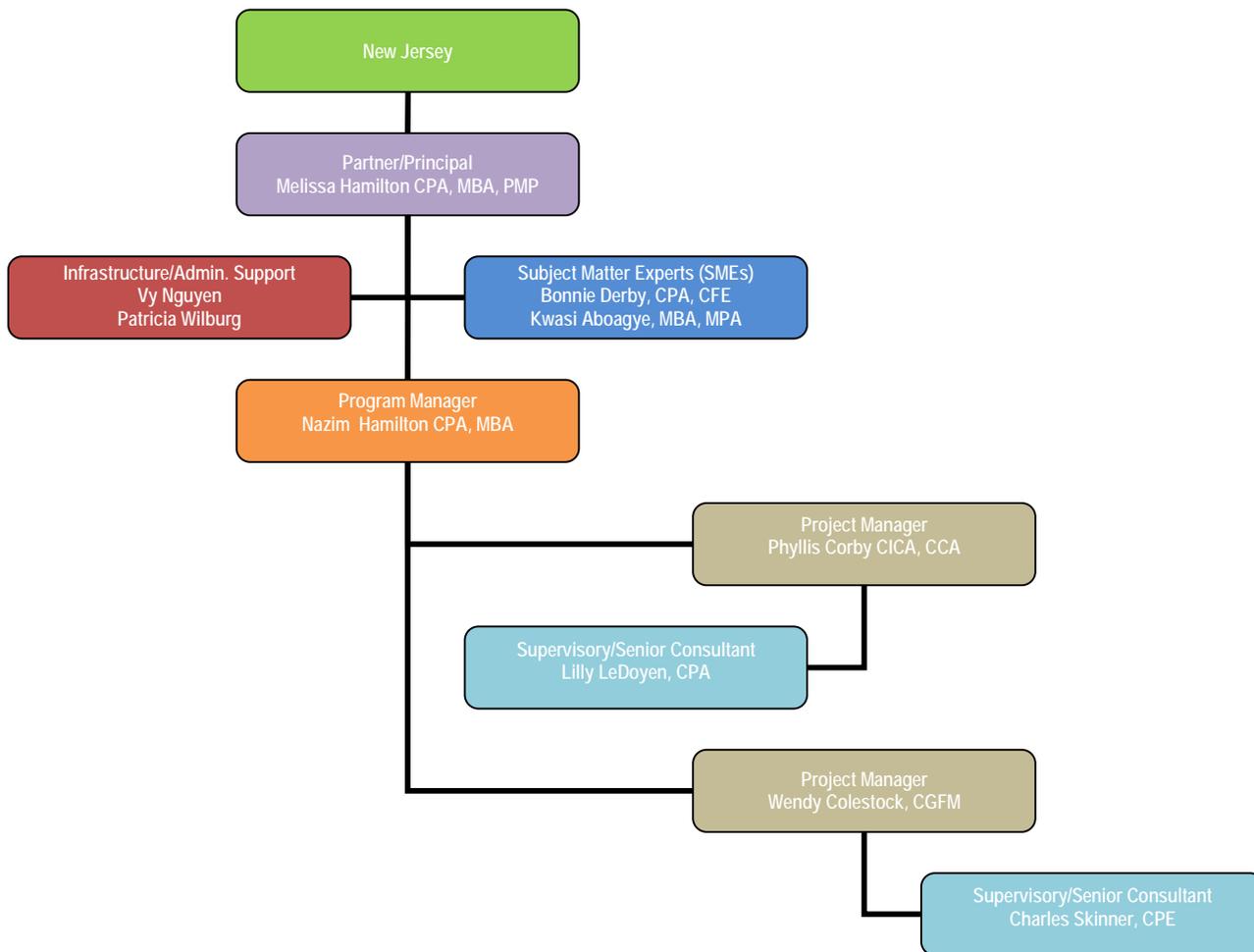


Figure 3. Pool 1 Proposed Team Structure

Melissa Hamilton, CPA, MBA, PMP is a **principal/partner** with Franklin & Turner and is currently leading our team in providing **compliance review services** to numerous agencies including FEMA and NIST.

Nazim Hamilton, CPA, MBA with Franklin & Turner, has 15 years of experience providing audit, accounting and advisory services with expertise in planning and executing audit, advisory, and audit remediation engagements. He has managed highly complex, multi-location audits, communicating with multiple stakeholders. Mr. Hamilton is a specialist in Enterprise Risk Management, Project Management, Financial Audit, Information Technology Audit, Internal Audit, and External Audit. He is proposed as **program manager**.

Subject Matter Experts:

Bonnie Derby, CPA, CFE a Senior Advisor with Franklin and Turner, has over 25 years of experience in the Federal government and private sector. Ms. Derby is recognized as having adopted a progressive role for expanding GAO's Financial Management and Assurance (FMA) team's area of expertise in grants accountability work. Developed GAO's FMA initial grant accountability audit methodology. This methodology was used to identify numerous internal control weaknesses and potential improper payments at multiple agencies and grantees. Developed close working relationships with other GAO team managers to reduce inefficiencies and to coordinate activities to ensure a smooth merger of both the programmatic and financial grants accountability work into one final audit report. Developed GAO's initial forensic audit methodology which has resulted in the identification of internal control weaknesses that resulted in millions of dollars of improper payments. As a result of one of her forensic audits, a government sub-contractor was ordered to return \$2.9 million to the U.S.

government. Delivered frequent presentations on internal controls, risk assessments, and grants management within GAO, as well as to external organizations including the International Organization of Supreme Audit Institutions (INTOSAI), the Association of Government Accountants (AGA), National Grant Management Association (NGMA), U.S. Department of Treasury, Society of Military Controllers, Texas Society of CPAs, Federal Reserve Bank of Philadelphia, and various chapters of the Intergovernmental Audit Forum. Drafted numerous high-quality GAO reports and testimonies that were well received by Congress. The reports included recommendations for improvements to agency internal controls to reduce the likelihood of improper payments. Authored the feature article for AGA’s Winter 2003 edition of the Journal of Government Financial Management – “Data Mining for Improper Payments”. Collaborated with senior international government representatives in the design and implementation of internal control toolbox to serve as reinforcement for managers and auditors worldwide in their understanding of internal controls. Actively participated in AGA working groups in developing a fraud prevention, detection, and awareness website and a guide for improving efficiency in resolving open audit recommendations.

Kwasi Aboagye, MBA, MPA a Project Manager with Franklin and Turner with over 20 years of experience. A highly motivated and results oriented management professional with strategic problem solving experience in the following functional areas: Corporate Finance, Public Finance/Administration, Business Development, and Strategic Management. Developed strong background in budgetary formulation and execution, policy studies, CPIC, Portfolio management, statistical and econometric analysis. He has excellent teambuilding and project management skills and a proven track record for simplifying and conveying complex concepts to executives, line managers and lower level staff around the world. Mr. Aboagye provides financial analysis in the area of budgeting, CPIC, financial modeling, revenue recovery, risk analysis, cost management and expense control (using ABC/M). Mr. Aboagye has a solid background in policy studies and has applied strategic budgetary management to improve performance; integrate resources to support strategic vision and operations; collecting and analyzing data to support business decisions and alternatives; developing performance measurement programs to improve organizational productivity and efficiency in government, non-profit and private sector organizations. **Mr. Aboagye supports FEMA CIO in disaster recovery efforts.**

The proposed staff to support Pool 1 are shown in **Figure 4** and their resumes are included in Attachment A.

Name	Labor Category	Company	Task A	Task B	Task C	Task D	Task E	Task F	Task G	Task H	Task I	Task J
Melissa Hamilton, CPA, MBA, PMP	Principal/Partner	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Nazim Hamilton, CPA, MBA	Program Manager	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Phyllis Corby, CICA, CCA	Project Manager	F&T	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Wendy Colestock, CGFM	Project Manager	F&T			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>			
Bonnie Derby, CPA, CFE	Subject Matter Expert	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>				
Kwasi Aboagye, MBA, MPA	Subject Matter Expert	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>				
Lilly Ledoyen, CPA	Supervisory/Senior Consultant	F&T	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			
Charles Skinner, CFE	Supervisory/Senior Consultant	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Benjamin Manuh, CPA	Consultant	F&T		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		
Ismail Lawal, CPA, MBA	Consultant	F&T		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		
Rachael Murray	Consultant	F&T		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		
Vy Nguyen	Associate/Staff	F&T		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		
Patricia Wilburg	Administrative Support	F&T										

Figure 4 Pool 1 Proposed Staff

Back-up Plan/Staff

F&T has a back-up plan is to recruit more personnel when needed. We have agreements with Robert Half International for any urgent staffing needs. Robert Half International is one of the nation’s leading accounting and finance staffing firms. All of our back-up candidates have or will have clearances. We also have access to pools of candidates for back-up from resume databases such as monster and career builder.

Franklin and Turner’s Unique Value

In addition to the named individuals that are included in the organization chart, F&T includes depth and breadth of experience to ensure that we are ready to respond to your full suite of needs with accounting, forensics, grants, internal controls, project management, and related skill sets – and also with deep engineering, geology, and planning skills and experience

4.2 Experience

F&T has the requisite knowledge, resources, and capabilities to lead the work necessary for the State of New Jersey. Our experience is demonstrated by our successful execution of numerous similar engagements for Governmental entities in both size and scope. F&T is confident in our ability to deliver outstanding service. In Section 6, we have included a matrix of clients with requirements relevant to the State of New Jersey. The scope and breadth of these engagements demonstrate our experience in each of the task areas in Pool 1.

Section 5: Resumes

Resumes for F&T can be found in Attachment A.

Section 6: Experience of Bidder on Contracts of Similar Size

F&T brings a wealth of past performance experience in FEMA disaster recovery, grants management, internal controls, auditing, program management, process management/improvement, and fraud detection. We have carefully selected a representative set of engagements that best demonstrate our experience for each pool area.

Pool 1 Past Performance: Our experience in this pool includes disaster recovery assistance to FEMA in planning, management, execution and financial management related to the award and processing of disaster recovery grants. The technical approaches, methodologies and systems deployed demonstrate exceptional ability to plan, implement and manage the processes, risks and controls needed in the aftermath of a disaster. The State of New Jersey will benefit from our extensive hand-on experience in managing engagements of similar scope and size to that expected with Hurricane Sandy recovery efforts. **Figure 5** presents a subset of our past performances that highlight our experience in program and process management auditing.

F&T Experience	Task Area									
	A	B	C	D	E	F	G	H	I	J
FEMA, Resource Management and Capital Planning	☑	☑	☑	☑	☑	☑	☑			
NIST, Grants Audit Support Services		☑	☑	☑	☑	☑	☑	☑	☑	☑
Treasury, A-123 Support Services		☑	☑	☑	☑	☑	☑	☑	☑	☑
GAO, SEC Internal Controls Support Services	☑	☑	☑	☑	☑	☑	☑	☑		
MARAD, ARRA Grants Compliance Audits			☑	☑		☑	☑		☑	
HUD, A-123 Support Services	☑	☑	☑		☑	☑	☑	☑		
HUD, Contract Compliance Reviews	☑	☑	☑			☑	☑	☑		
BBG, Improper Payments Audits	☑	☑	☑			☑			☑	☑

Figure 5. Pool 1 Past Performance Experience

Listed below are detailed descriptions of the first three past performances from **Figure 5**.

Name of Contracting Activity	FEMA OCIO Resource Management, Performance Management, Oversight of Division's Budgetary and Capital Planning Support Services		Role	Prime
Period of Performance	Contract Number	Contract Pricing Arrangement	Total Contract Value	
1/23/2012 – Present	HSFE30-12-C-0213	Labor-Hour	\$2,176,653.23	
Program Manager				
Ms. Sheree Everhart/COR Telephone: 540-542-2284 E-mail:sheree.everhart@dhs.fema.gov				
Specific Duties				
<ul style="list-style-type: none"> ▪ Resource Management ▪ Oversight of OCIO Budget ▪ Reports and Management briefings ▪ Capital Planning ▪ Performance Management 				
Contract Description				
<input checked="" type="checkbox"/> Similar in size, scope and requirements for types of services envisioned under the DOC OCIO Project Management office Support Services BPA contract		<input checked="" type="checkbox"/> Demonstrated cost savings / operational efficiencies to increase mission capabilities & agency performance		
		<input checked="" type="checkbox"/> Advice and assistance increased agency success		
Project Summary:				
<p>Franklin and Turner (F&T) is providing subject matter expertise in resource management, performance management and capital planning support services on an as needed basis and as directed by the COR to perform a variety of services for FEMA OCIO at the Headquarters in Washington D.C. and other locations as designated and approved by the COR. The objective of this project is to provide support to the FEMA OCIO in the oversight and management of the division's budgetary and capital planning responsibilities. This includes capital planning and budgeting activities of financial resources from multiple appropriations, monitoring specific disaster spending requests, and developing and presenting financial reports/exhibits to provide status information on the division financial operations to the director, other senior OCIO management, DHS, OMB, Congress, and the public.</p>				
Specifically:				
<ul style="list-style-type: none"> • Led the strategic development and execution of FEMA OCIO IT Budget (investment and financial management). Provide strategic support in managing IT budget by providing visibility, traceability, accountability and manageability. • Implement and reengineer appropriate measures to ensure FEMA Information Technology Service Division (ITSD) had a cost conscious budget process. • Conduct and assess baseline budgetary information necessary to maintain organizational effectiveness and the re-establishment of FEMA Capital Planning Investment Control (CPIC) processes. • Develop policies, processes, procedures and systems for establishing, operating, and assessing the effectiveness of administrative control systems such as those designed to prevent waste, loss, unauthorized use, or misappropriation of funds. • Identify and provide resolutions to full range budgetary and strategic management issues. • Assess, develop, and execute accounting policies and procedures for compliance with Government standards, accounting principles, and multi-tiered system application standards. • Prepare milestone status reports and presentations for FEMA upper management. • Prepare annual budget submissions. Analyze budget estimate for completeness, accuracy, and conformance with established procedures, regulations, and organizational objectives. • Assist in formulating and developing the Division's annual expenditure plan; executing the mid-year review and end of year closeout. • Provide assistance in formulating, justifying, and monitoring the execution of long-range (5-year) budget plans to fund major programs and services. Develop detailed estimates and narrative justifications. • Employ cost-benefit analysis to review financial requests, assess program trade-offs, and explore alternative funding 				

methods.

- Prepare draft acquisition plans, program plans, sole source justifications, statements of work, and other contract documentation in accordance with DHS/FEMA policy and ITSD/OCIO procedures. Assist with development of ITSD FYHSP and Congressional Justification budget allocation, execution and updates thereto.
- Research and resolve various technical, programmatic and budget issues as directed.
- Provide administrative support in coordinating and conducting CPIC review of FEMA projects by different Boards such as the Technical Review Working Group (TRWG), Information Resources Management Boards (IRMB), DHS Enterprise Architecture Board (EAB), Joint Requirements Council (JRC), Asset and Services Management Board (ASMB), Investment Review Board when required. Including relevant activities involved in FEMA project reviews by these various Boards such as but no limited to:
 - a. Assisting Project Managers/Program Officers in the preparation of briefings, providing necessary guidance, reviewing rooms, analyzing, providing comments and revising as necessary to improve the quality of briefings and document deliverables prepared by the Project Managers;
 - b. Reserving conference, scheduling meetings, notifying and coordinating with Board members and Project Managers/Program officials, setting up facilities for the presentation;
 - c. Preparing handouts for the distribution, preparing, finalizing, distributing and maintaining meeting minutes and maintaining accurate and current records and other requisite CPIC support as required; and revising or developing as necessary, and maintain updated FEMA CPIC Policy, CPIC related instructions, and develop any required policies and Standard Operating Procedures (SOPs) related to planning and controlling FEMA's investments in accordance with the DHS CPIC guidance.
 - d. Completing and entering FEMA Exhibits 300s.
 - e. Preparing and reviewing periodic reports, and PMA scorecard information.
 - f. Maintaining FEMA CPIC document library.

(1) Client Name:	Department of Commerce National Institute of Standards and Technology Grants & Agreements Management Division
(2) Nature of Work Performed:	Grants Management Audit Resolution, Audit Recovery Administration, Process Improvement and Development of Audit Recovery Process
(3) Contract Description: <p>Franklin and Turner (F&T) assisted the National Institute of Standards and Technology (NIST) grant office in resolving Office of Inspector General (OIG) audit findings by reviewing grantee audit reports and findings (financial and non-financial), assessing the adequacy of grantee's audit remediation, and developing Audit Resolution Proposals on behalf of the NIST grant office for review and concurrence from the OIG. F&T also developed and administered an audit recovery process, including a tracking and reporting system to identify and recover overdue audit reports from Advanced Technology Program grantees. F&T trained the grant office on the new audit recovery process and system.</p> <p>F&T's scope of work for audit resolution proposals included:</p> <ul style="list-style-type: none">• Review of OIG findings and recommendations on OIG desk review of grantees.• Researched and reviewed Department of Commerce Grants Management policies and procedures, ATP requirements, and applicable laws and regulations.• Reviewed GAMD grantee files, cooperative agreements, grantee comments, and additional supporting evidence provided.• Conducted analysis to support conclusions.• Drafted Audit Resolution Proposals (ARPs) to communicate the resolution or additional corrective action required by the grantee to resolve the finding.• Obtained GAMD, Program Office, Federal Assistance Law Division (FALD), and OIG concurrence with ARPs to be issued to grantees. <p>F&T supported the audit recovery process including:</p> <ul style="list-style-type: none">• Developed audit recovery listing of ATP grantees not in compliance with audit requirements of the grant.	

(1) Client Name:	Department of Commerce National Institute of Standards and Technology Grants & Agreements Management Division
	<ul style="list-style-type: none"> Developed and documented the Audit Recovery Process. Developed a comprehensive and sustainable audit recovery tracking system to meet the requirements of the OIG and GAMD. Supported GAMD in the audit recovery process by reviewing files and documentation to determine the status of audit reports. Prepared letter to recipients identifying non-compliance and applicable laws and regulations. Contacted recipients with outstanding audit reports and recovered audit reports. Updated audit recovery tracking system with grantee contact information and recovered audit reports. Developed audit recovery process training system and trained GAMD staff. <p>F&T helped FRD improve the efficiency and effectiveness of its operations including:</p> <ul style="list-style-type: none"> Developed an audit recovery process and procedures, including process map, timelines, draft letter, call script, and escalation process to recover audit reports in a timely and efficient manner. Identified management internal control/process issues related to audit recovery and incorporated best practices and corrective actions into the audit recovery process to address and mitigate these issues.
(4) Contracting Organization's name and address:	
	U.S. Department of Commerce National Institute of Standard and Technology Grants & Agreements Management Division 100 Bureau Drive, Mail Stop 1650 Gaithersburg, MD 20899
(5) Point of Contact: (Name, Address, Phone, Fax, Email):	Monifa Coleman, Contract Specialist Acquisition Management Division (AMD), Team D 100 Bureau Drive, Mail Stop 1640 Supply and Plant (301), Room B129 Gaithersburg, MD 20899 Phone: (301) 975-6321 Fax: (301) 975-3839 Email: monifa.coleman@nist.gov
(6) Contract Number:	SB1341-12-NC-0308
(7) Contract Type:	Fixed-Price
(8) Period of Performance:	July 9, 2012 to December 31, 2012
(9) Dollar value of contract:	\$449,736.26

Quoter	Franklin & Turner (F&T)	
Company Group/ Division	Franklin and Turner (F&T)	
Program, Project, or Task	Government-Wide Accounting and Compilation, OMB Circular A-123 Internal Controls, Process Improvement and Audit Remediation	
REFERENCE INFORMATION		
1	Customer Name:	United States Department of Treasury, Financial Management Service (FMS), Financial Reports Division (FRD)
2	Address:	PGMC II, 3700 East West Highway, Hyattsville, MD 20782
Customer Information	Contracting Contract	Program / Project Manager or COR

Quoter		Franklin & Turner (F&T)	
Company Group/ Division		Franklin and Turner (F&T)	
Program, Project, or Task		Government-Wide Accounting and Compilation, OMB Circular A-123 Internal Controls, Process Improvement and Audit Remediation	
3	Name & Title:	Victor Chavez	Patricia Smith
4	Organization:	Financial Management Service	Financial Management Service
5	Address:	3700 East West Highway Hyattsville, MD 20782	3700 East West Highway Hyattsville, MD 20782
6	Phone No.:	(202) 874-6963	(202) 874-6434
7	Fax No.	(202) 874-7275	(202) 874-6434
8	Email:	victor.chavez@fms.treas.gov	patricia.smith@fms.treas.gov
9	Contract Number	TFMS-HQ-10-C-0009	
10	Contract Type (e.g. contract, BPA, task order) and pricing type (e.g. fixed price, cost reimbursement):	Labor-Hour	
11	Dollar Value (Not-to Exceed):	\$3,369,968	
	Cumulative funded amount:	\$2,327,464	
12	Project Start Date	September 27, 2010	
	Estimated/ Actual Completion Date	September 26, 2015	
13	Current status, e.g. completed and/or in progress	In-Progress	
Description of Work Performed and Relevance to Requirements in this RFQ			
<p>F&T is assessing, documenting, testing, reporting and remediating FRD's internal control over financial reporting in accordance with OMB Circular A-123; resolving GAO material weaknesses and audit deficiencies; supporting year-end financial reporting; assisting with researching and resolving intra-governmental differences; conducting risk assessments; and researching regulations and standards to develop white papers and position papers.</p> <p>F&T's scope of work for financial reporting includes:</p> <ul style="list-style-type: none"> ▪ Conducting agency data analysis on GFRS submissions. ▪ Conducting subject matter analysis including tracing amounts to agency PARs, drafting footnotes, confirming compliance with GAAP, and verifying accuracy and completeness of reported amounts. ▪ Conducted year-end intra-governmental analysis to resolve material intra-governmental differences. ▪ Conducted edit checks at the government-wide level to identify and monitor material variances flagged by GFRS. ▪ Conducting variance analysis, researching and resolving material differences. <p>F&T's scope of work for internal controls includes:</p> <ul style="list-style-type: none"> ▪ Developed a comprehensive and sustainable system of internal control to meet the requirements of FRD, FMFIA, OMB Circular A-123 and FFMIA. This includes utilizing a five phase approach: planning and scoping, developing and implementing internal controls, documenting and assessing the design, testing and evaluating the operational effectiveness and reporting. ▪ Documented and evaluated FRD's entity-level controls. These are organizational-level controls that have a pervasive effect on the organization as a whole. The evaluation was based on the COSO framework: controls environment, risk assessment, controls activities, information and communication and monitoring. ▪ Performed a risk assessment of FRD's programs and processes to determine risk levels and control gaps by utilizing both quantitative and qualitative materiality factors. <p>F&T has supported the resolution of audit findings including:</p> <ul style="list-style-type: none"> ▪ Proposed approaches, white papers and implemented corrective action plans to address control deficiencies and audit findings on issues such as cost allocation on the consolidated Statement of Net Cost, reconciling Revenue to Receipts, SOSI traceability approach and Significant Entities. ▪ Developed management reports to categorize and prioritize audit findings, track corrective actions and monitor resolution. <p>F&T helped FRD improve the efficiency and effectiveness of its operations including:</p> <ul style="list-style-type: none"> ▪ Revised 31 standard operating procedures to ensure internal controls are adequate and documented, including identifying 			

Quoter	Franklin & Turner (F&T)
Company Group/ Division	Franklin and Turner (F&T)
Program, Project, or Task	Government-Wide Accounting and Compilation, OMB Circular A-123 Internal Controls, Process Improvement and Audit Remediation
	and prioritizing any gaps and making process improvement recommendations.
	<ul style="list-style-type: none"> ▪ Developed risk assessment models and integrated these models into their program management to focus limited resources on areas with the highest impact to the division and its stakeholders.
Problems and Resolution	
No problems were encountered during the project period of performance.	

Section 7: Additional Experience of Bidder

F&T has assisted grantees and subgrantees through all aspects of the disaster grant cycle – to prepare, respond, and manage. We understand how to apply sound financial and Governmental accounting practices, processes, and controls to every aspect of this cycle. Most importantly, we bring to bear our significant experience in grants compliance and close-outs to enhance every aspect of the grant cycle, always working with the end-result in mind.

In the aftermath of disasters and expenditure of funds, State and subgrantees are constantly at risk of having Federal funds de-appropriated based on reviews by FEMA and OIG audits. We apply our in-depth understanding of commonly found audit exceptions, typically resulting from a failure to comply with Federal guidelines, inadequate documentation, and inadequate accounting practices, to help mitigate the de-appropriation of funds. We apply this knowledge and experience throughout every step of the grant cycle to help ensure a positive end result.

Section 8: Financial Capability of the Bidder

Financial Statements for F&T can be found in Volume 1 - Forms.

POOL 2 RESPONSE

Section 9: Technical Proposal



On October 21, 2012, Governor Chris Christie signed Executive Order (EO) 104 declaring a State of Emergency in New Jersey related to the aftermath of Hurricane Sandy, which caused massive property damage and loss of life. On October 30, President Obama declared New Jersey a major disaster area. The New Jersey Office of Emergency Management (NJOEM), in cooperation with the New Jersey Office of Homeland Security and Preparedness (OHSP) and other State entities, executed the State's existing Emergency Operation Plans (EOP) in responding to their needs during and immediately following the hurricane. As the State moves into the recovery phase in the aftermath of the storm, it seeks strategic

consultant services designed to support all facets of intermediate and long-term recovery efforts.

On March 12, the Office of Management and Budget (OMB) released guidance to executive departments and agencies on the internal controls and planning required for aid received through the Disaster Relief Appropriations Act (Public Law 113-2) (Disaster Relief Act). Because relief funding of this magnitude (\$50.5 billion) carries additional risk, OMB is requiring agencies to ensure that the funds appropriated under the act are used for their intended purposes. By March 31, each Federal agency was required to submit an internal control plan to OMB, the Government Accountability Office (GAO), and the agency's Inspector General (IG).

Recently, Governor Christie unveiled the State's Community Development Block Grant Disaster Recovery (CDBG DR) Action Plan delineating the ways in which the State will spend the first phase of the funds provided by the U.S. Department of Housing and Urban Development (HUD). To address the extensive devastation caused by the storm, the plan proposes a range of programs to provide relief. As recovery efforts get underway, the State must put in place auditing of programs, processes, and finances, including monitoring the integrity of spending to ensure that funds are spent for their intended purpose. The State has issued a request for quote for firms to provide these services.

9.1 Our Firm

We have assembled the right resources and qualifications to perform all of the services across each of the three pools.



Franklin and Turner (F&T) is a New Jersey SBE; SBA 8(a); Minority-Woman Owned Small Business; Licensed Certified Public Accounting and Management Consulting Firm that offers a full scope of accounting, auditing, grants management, budgeting, internal controls, risk assessment, program management, business process

improvement, financial management and information technology support services. F&T assists federal, state and local governments address complex financial and management issues, compliance requirements, and other challenges. F&T has technical knowledge and experience in Federal accounting concepts and principles, Government Auditing Standards (GAGAS), and Federal regulations related to allowable costs. We have significant knowledge and understanding of the requirements and standards used in auditing financial statements of grantees. Additionally, F&T understands the government's responsibility for maintaining adequate controls to prevent fraud, waste and abuse and promote efficient and effective operations in accordance with OMB Circular A-123, Management's, Responsibility for Internal Controls.

Audits of Grants and Contracts Funded with Federal Support and Assuring Compliance with Regulations, Accounting & Industry Standards, and Contractual Obligations. F&T has performed numerous audits in compliance with the government accounting and auditing standards and various OMB Circulars, including A-133. Our professionals, when requested, also engage in efforts to design, direct, or recommend corrective action programs to assist government agencies remediate deficient practices and establish effective accounting protocols, systems, and procedures. Many of our

engagements have been comprehensive in nature and include complex projects requiring coordination of multiple tasks for numerous entities within short timelines.

F&T has in-depth knowledge and experience with cost accounting standards, cost allowability and allocability, budgeting and time reporting and labor distribution systems. In addition, we have assisted clients in developing their indirect cost rates and structuring their indirect cost pools. F&T has also performed numerous in-depth reviews of clients' internal controls to assess whether controls required by government regulations are in place and identify areas where controls could be strengthened and procedures established to accomplish this goal. We are also intimately familiar with OMB Circulars A-21, A-87, A-110, A-122, and A-127 as well as Circular A-133, and the federal acquisition regulations (FAR).

We've supported the National Institute of Standards and Technology (NIST), the Maritime Administration (MARAD), the Federal Emergency Management Agency (FEMA) and the Department of Housing and Urban Development on grants, loans and contract compliance monitoring.

F&T maintains clearable, educated, certified, highly skilled and experienced personnel with CPA, PMP, CISA, CIA, CGFM, CISSP and CFE designations. F&T has offices in New Jersey, Maryland, and Washington DC.

9.2 Our Value Proposition

F&T is comprised of highly talented personnel that stand ready to meet the needs of the State of New Jersey on day one. We bring well-established methodologies and practices, grounded in strong internal controls that will help New Jersey maintain the highest integrity in its grant spending. We offer you:

- **Expert services:** F&T brings the talents and experience of personnel with specializations in disaster recovery, grants management, financial management, audit/internal controls, e-Grants technology, and engineering. Our people are what make our firm, bringing a wealth of experiences with a deep skill base that for our clients to leverage. In addition to the bench of consultant and advisory resources, we bring a cadre of former Federal and State executives with reach back to assist with challenges and issues that arise at both the Federal and State level. The State of New Jersey will get the right mix of expertise and diversity from a firm with the ability to draw on a deep bench of resources and from local New Jersey firms representing the small business community.
- **Solid prior disaster recovery expertise:** Our firm has direct experience with disaster recovery from "boots on the ground" support to routine monitoring and reporting to providing strategic advice and direction on issues at the local, State, and Federal level. We have helped with FEMA and other disaster recovery grants and are familiar with the myriad of regulations and guidance on the use of grant funding.
- **Audit perspective:** As an Independent Public Accounting firm, F&T brings deep experience and understanding on what can go wrong with the internal controls on disaster recovery grants. We have helped many Federal and State organizations with their grants monitoring functions, implementing internal control programs that monitor the right activities and outcomes. In addition, we have leveraged data effectively for fraud monitoring assisting Federal IGs with research on their hotline tips on possible fraud.
- **e-Grants experience:** Our firm has direct experience with a variety of Federal electronic grants management software platforms, including FEMA eGrants. eGrants is used by FEMA to track all of their non-disaster mitigation grant applications, awards, and reports. Our personnel will be able to bring to the State of New Jersey not only an in-depth understanding of the technical components of the system, but more importantly, the data within the system and how that data is compiled and reviewed.

9.3 Financial Auditing and Grant Management

The State of New Jersey, and ultimately its many political subdivisions throughout the impacted areas of Superstorm Sandy, are eligible to participate in numerous Federal grant programs designed to aid in short and long term recovery. F&T will provide grantees and subgrantees with expert financial auditing and grant management services based on our history of previous performance on similar engagements.

1.1.11 Task A: Plan, implement, administer, coordinate, monitor and evaluate the specific activities of all assigned financial and administrative functions. Develop and modify policies/procedures/systems in accordance with organizational needs and objectives, as well as applicable Government regulations.

The first steps to effectively plan, implement, administer, coordinate, monitor, and evaluate the specific activities of all assigned financial and administrative functions is to have effective and useful policies and procedures.

F&T has developed an effective and comprehensive methodology to address client requirements to develop and modify financial policies and procedures. Our methodology is based on a lifecycle of seven distinct phases, implemented through various tasks aimed at providing clients with the assurance of high quality policy and procedures deliverables. Recognizing the uniqueness of each engagement, our approach allows for deviations from the activities and tasks of each phase in order to meet the goals and objectives of a client and deliver high-quality products and services. **Figure 6** depicts this methodology.

During each phase of the methodology, described briefly in **Figure 6**, we will work closely with the client’s POC and financial management community to deliver high quality, user-friendly material. Note, however, that phases are not necessarily completed sequentially on each engagement. Rather they may be executed simultaneously or in coordination with each other, depending upon the specific requirements and state/condition of the existing policy and procedural documents.

Phases	Benefits
<p>Phase 1 – Review and assess existing policies. We will conduct a detailed assessment of existing policy statements, desktop procedures, and available materials before updates are made to ensure new documents conform to best practices and authoritative pronouncements.</p>	<p>The client will obtain knowledge of specific needs based on F&T ‘s assessment and will know new policy Statements, desktop procedures, and other available materials will be founded in best practices.</p>
<p>Phase 2 – Develop gap analysis. We will establish the “as-is” state of existing policy statements, desktop procedures and other available materials, recommending remedies to overcome gaps and/or weaknesses in the present state.</p>	<p>The client will benefit from the elimination of gaps in current documents and improved buy-in from staff personnel through their participation in the policy and procedure development process. We will address actions needed to rectify the gaps and/or weaknesses.</p>
<p>Phase 3 – Develop communication plan. We will identify all stakeholders, milestones, communication mediums, internal and external to the State, discuss the roles and responsibilities of each key stakeholder and entity directly involved in communications, and determine the most appropriate mechanisms to be used to maintain effective communications across the organization.</p>	<p>The State will make key policy Statements, desktop procedures, and other materials available to more than just accounting personnel so that there is a greater awareness of the importance of accounting and financial matters; garner stakeholder buy-in and encourage end-to-end involvement in the development and update process.</p>
<p>Phase 4 – Develop web-enabled content management system. We will work to help the State understand the purpose of updating and maintaining policy statements, desktop procedures, and other available materials; will garner staff buy-in for both the development and update process; and will determine if the State has an existing system or portal to maintain, track, and store documents.</p>	<p>The State will update its system or portal regularly to help ensure that its documents are always current and maintained in a secure environment. We will work with the State to help ensure its preferred tool for document maintenance is hosted in a secure environment.</p>
<p>Phase 5 – Edit, revise and develop policies. We will establish a clear, consistent process for developing new and revised policy and desktop procedures, taking into account the State’s business practices, preferences and uniqueness. This ensures elimination of deficiencies in existing documents.</p>	<p>The State will enhance its documentation to comply with accounting pronouncements and Federal/State accounting standards, plus be in a better position to provide up-to-date information to assist auditors. We will maintain a version control folder to help ensure all client review comments are properly addressed.</p>

Phases	Benefits
<p>Phase 6 – Develop methodology for updating policies. We will help establish a methodology for updating policy and desktop procedures to incorporate changes quickly and reissue guidance on a timely basis. F&T will help guide the State through the creation and implementation of the change process, helping to ensure timely updates.</p>	<p>The State will gain from F&T’s expertise in assisting other clients in the update function to avoid having outdated policy Statements and procedures. Knowing these policies and procedures are current helps to strengthen the State’s financial and grant management oversight function.</p>
<p>Phase 7 – Develop and deliver training. We will identify the State staff to be trained on how to develop, update and maintain policies and procedures. We will train them on the “why” as well as the “what” in producing new and revised policies and procedures.</p>	<p>The State will see the benefit of engaging its staff in training activities to learn the proper procedures and techniques to use in developing and updating policies and procedures.</p>

Figure 6. Policy and Procedures Methodology

We will implement this methodology and share our knowledge with the State as we have successfully done with many clients. A list of current and past clients where F&T was the prime contractor is presented in **Figure 7**. In all of these entities, our work has helped standardize processes, increase efficiency, and strengthen internal controls. In addition, we have provided clients with a framework for updating policies and procedures. Through our existing methodology, library of templates, relationships with and knowledge of various clients, and our experienced staff and knowledgeable advisors, we will also “get it right” the first time, reducing the burden on your staff.

Client	Description of Work
Department of Treasury	Agency-wide financial policy development Financial reporting and Statement preparation Overall financial management improvement Desktop accounting operations
Federal Emergency Management Agency	Budgeting and funds management
Federal Trade Commission	Overall accounting operations
Transportation Security Administration	Overall accounting operations

Figure 7. List of Current and Past Clients for Financial Policy and Procedure Work

In addition, we have substantial experience in developing and modifying policies, procedures, and systems in accordance with organizational needs and objectives, as well as applicable Government regulations specifically related to A-123 engagements. F&T has provided OMB Circular A-123, Appendix A implementation support to over 5 Federal agencies. As part of our A-123 engagements, we develop/document and modify (through updates) clients existing financial management procedures including documentation of their internal controls in order to meet circular A-123 Appendix A requirements (organizational need/Government requirement). At the Department of Transportation, Maritime Administration (MARAD), we assessed the adequacy and effectiveness of internal controls for the Revised Circular A-23 Appendix A and Federal Managers Financial Integrity Act (FMFIA) program. During this process, F&T documented the grant making and monitoring process for formula and discretionary grants. This included reviewing applications in MARAD’s grants management system for completeness.

1.1.12 Task B: Provide technical knowledge and expertise to assist in the integration of the Electronic-Grants management program into the State finance and accounting system.

F&T has both the subject matter expertise and technical experience to help New Jersey with the integration of their E-Grants System (SAGE) with the New Jersey Comprehensive Financial System (NJCFIS) accounting system. Our team has been working with grants management systems and grants-related data for the last 5 years. Our solutions have been used to manage the application, review, award, and post-award monitoring. In addition, members of our team have extensive experience in data management, integration, and migration with specific experience in developing and deploying solutions

for the automated daily migration and integration of mainframe Extended Binary Coded Decimal Interchange Code (EBCDIC) based raw datasets to and from UNIX and Windows-server databases.

This specific experience in grants management, systems development, and data integration and migration places our team in a unique position to assist New Jersey with this task. If necessary, F&T would be able to adapt and customize the most current iteration of this system, eGrATIS, for use by both New Jersey management and monitoring personnel, as well as subgrantees. The system allows for the electronic submission (via secure web-based portal) of subgrantee applications for funding, to include the submission of detailed work plan activities, detailed line-item budget justification, and the linkages between them, as well as any performance measures (milestones, deliverables, and target metrics, etc.). Finally, eGrATIS has a comprehensive built-in ad hoc reporting platform that provides visibility and access to data across all subgrantees for both high level summary reporting (dashboards, scheduled and emailed reports, etc.) as well as more detailed line-item level reporting.

1.1.13 Task C: Review and make recommendations to streamline the grant management and fiscal management processes to ensure accountability of funds and compliance with State and Federal program regulations.

F&T has the knowledge, expertise, and proven performance credentials to review and streamline the State's grants and fiscal management processes. F&T is well versed in compliance with disaster-related regulations and will work with the State to update processes in a way that enhances both accountability and compliance.

We will help establish processes that allow the State to monitor awarded projects by first determining related requirements and eligible cost based on the type of project, periodically reviewing cost estimates and project schedules while pro-actively advising the State, as well as subgrantees if desired. Grants and financial management processes will incorporate the end-to-end process of initiating, monitoring and auditing projects utilizing disaster-relief funding.

The new processes will also include mechanisms for periodic progress reports to check for accuracy, completeness, and alignment with program objectives. In accordance with CDBG requirements, we will help to ensure the State uses at least half of DR funds for activities that principally benefit low-and moderate-income persons and that eligible activities meet at least one of three program national objectives. These objectives include benefiting persons of low and moderate income, aiding in the prevention or elimination of slums or blight, or meeting other urgent community development needs because existing conditions pose a serious and immediate threat to the health and welfare of the community where other financial resources are not available. We will further provide guidance and assistance to the State on documentation requirements, keeping in mind the Code of Federal Regulations Title 44, the FEMA Disaster Assistance Policy, and other audit-specific requirements. Specifically, we will help to institute processes that validate that projects are fully supported and audit ready, based on the cost types claimed. We will confirm that the process includes a checklist/program guide to make grant and subgrant applicants aware of all required documentation for the major different cost types incurred (where applicable). The improved processes will follow up with the subgrantees throughout the recovery process to monitor the progress of awarded projects. Specifically, they will use methods such as comparing percentage of project completion to the budget or comparing actual costs incurred to the budget to determine if the project is on schedule and within budget. There will also be a mechanism for monitoring projects through regular site inspections to determine if projects and related costs are in line with the approved scope of work and causes of project delays are properly documented.

The improved grants and financial management processes will allow the State to review cost overruns, help subgrantees process requests for improved projects and advances, and identify potential unallowable costs. Identifying unallowable costs early in the project will enable the grantee or subgrantee to avoid including these costs in the final PW. ***As a result, the State will save on audit-related costs because the earlier in the process we can prevent or detect and correct issues, the more efficient and expeditious required audits will run.*** The updated processes will also include steps to request project extensions or change requests. Active project monitoring will allow the State to determine necessary extensions earlier and more accurately.

A key component of any new process is monitoring and reporting. We will help the State design and populate ad-hoc reports to monitor cost overruns, budget status, impending risks, and matters requiring additional attention. These recommended process updates and tracking/monitoring tools will ensure accountability of funds and compliance with State and Federal program regulations.

1.1.14 Task D: Provide tools to be used by Using Agencies for the assessment of the performance of the financial transaction processes.

As an overall program management tool, F&T has the ability to implement the performance management branch, which focuses on three key strategies: 1) committing to the needs of the state, its subgrantees and other known stakeholders; 2) enabling a successful workforce; and 3) delivering timely, accurate, and reliable deliverables. In support of this project, F&T can provide the following key services:

- Stand up the program infrastructure;
- Provide thought leadership in the areas of balanced scorecards and dashboards;
- Coordinate monthly data collection processes;
- Produce a monthly performance dashboard compiling results and trends for noted performance measures;
- Advise the State on key trends and opportunities through analysis of the performance data;
- Provide communication support and workgroup stewardship; and
- Supported the State of New Jersey Governance structure and decision-making process.

In addition, we will help set up customized checklists that will then be incorporated into tailored project plans, which will be provided to the State (and Using Agencies) with set milestones and due dates for required activities. The process will validate that ongoing monitoring activities are conducted in accordance with project guidelines and payment requests are promptly and correctly processed based on the project type (small versus large project), the needs of individual Using Agencies (availability of cash flow), and in accordance with applicable FEMA regulations and State laws. F&T will also employ the use of our Microsoft Excel-based issue tracking tool to keep track of common deficiencies, such as missed deadlines. The tracking tool will identify the issue, reason for the issue, an action plan to help remediate the deficiency, within a prescribed period of time, and a POC for monitoring the resolution to completion. F&T will train the Using Agencies on these tools and any other tools necessary to track and assess performance of the financial transaction process. *We believe these tangibles coupled with our experienced staff are the key to providing you the service you deserve.*

1.1.15 Task E: Monitor all grant management, accounting, budget management, and other business office functions regularly.

As a requirement of receiving FEMA and CDBG disaster recovery funds, each grantee is responsible for the design, implementation, and oversight of its grant program, including the monitoring of subgrants and any activities undertaken through the grant.

F&T has a proven grants methodology and approach, which has been used to support all aspects of the grants life cycle from pre-award activities to post award monitoring and oversight. Our methodology will be the foundation used to ensure effective monitoring of all grant management, including related accounting, budget, and other business office functions as needed.

We believe that the best way for us to serve the State is to provide you with a team of experienced professionals, who will recognize risks and address potential issues as they occur, in order to provide you with the most valuable service. *The initial staff members that will be assigned to this task are currently performing or have performed FEMA grants compliance reviews in other States.* We know which regulations consistently cause confusion and will work to mitigate any confusion during the project's execution and ongoing activities. Our institutional experience allows our professionals to understand the unique set of challenges in coordinating and monitoring Federally funded disaster grants such as retaining the proper documentation to support cost, procuring goods/services using eligible contracting methods, and applying other funds received to the project in order to reduce FEMA claimed amounts, ultimately minimizing the risk of FEMA de-obligating funds. This knowledge will help us model your processes in a way that increases accountability, targets compliance, and minimizes findings.

1.1.16 Task F: Provide and/or identify training for staff in the area of detection and prevention of fraud, waste and abuse.

Inadequate subgrantee monitoring often leads to the misuse, abuse, and waste of Federal funds. Effective oversight, internal control, and proper training are of fundamental importance in assuring the proper and effective use of Federal funds to achieve program goals, including detecting and preventing fraud, waste, and abuse. Effective internal control systems provide reasonable assurance to taxpayers that grants are awarded properly, recipients are eligible, and Federal funds are used as intended and in accordance with applicable laws and regulations. *Our understanding of Federal grants, from an*

auditing perspective, allows us to identify areas most susceptible to material errors early in the process and provide the State with the proper training to avoid these mistakes.

We will work with the State by reviewing current training agendas and assessing staff knowledge and capabilities to determine whether adequate and effective training and resources (i.e. policies and procedures, operating manuals, and quick-reference desk guides) are in place to navigate successfully the recovery process. We stand ready to address any gaps identified in the State's training needs. For example, F&T has created and delivered a 2-day comprehensive training course on the public assistance grant program. The course is designed to provide an understanding of FEMA PA grant guidelines, how these guidelines should be applied to subgrant applications, and how the subgrantees' projects will be reviewed and audited. Specifically, the training course provides an overview of the program and discusses the different cost types, allowable and unallowable costs, common mistakes and omissions when documenting the project, and sources for obtaining additional information. *As we already have a training course ready, we can quickly tailor it to the State's specific needs surrounding content, budget, required travel, and other considerations if desired.* A clear understanding of the rules and regulations will minimize waste and abuse while effective internal controls will aid in the detection and prevention of fraud.

1.1.17 Task G: Ensure compliance with all applicable Federal and State accounting and financial reporting requirements.

F&T believes the best way to ensure compliance is to perform individual compliance reviews (which include site visits) of subgrantee projects. This strategy allows us to properly understand the individual projects, the entity executing the project, challenges faced and more importantly identify non-compliance early, allowing the grantee/subgrantee to correct the issues prior to the governing body (FEMA CDBG etc.) auditing the project. F&T takes a multi-phased approach to our compliance review process. The phases include planning, fieldwork and reporting. Each phase is explained in more detail in the subsequent sections.



Planning. During the planning stage, F&T will review the PW to clearly understand the project, the scope, the cost involved, and the requirements. After we obtain an initial understanding of the project, we will coordinate with the subgrantee to schedule the site visit to perform the actual compliance review. In order to facilitate an efficient site visit, we will send the subgrantee an information request list commonly referred to as the Provided by Client (PBC) list. The initial PBC list will include payroll (including overtime) policies, and procedures; purchasing/procurement policies and procedures; and the population/data file for each expense type claimed on the PW the following, as applicable depending on expense types involved).

We will request these items be provided prior to the site visit so that we are able to review all policies and procedures and select and submit samples to the subgrantee in order to prepare for the site visit. For each sample selected, our initial request for support documentation will include but is not limited to the following:

- **FA labor:** Timesheet, payroll registers, benefit calculations, and salary information;
- **FA equipment/FA materials:** Inventory listings, usage logs, and rate schedules;
- **Purchases (materials or equipment):** Requisitions, purchase orders, invoices, receipts, and proof of payment;
- **Rentals:** Rental agreements, purchases orders, invoices, and rented/leased equipment logs;
- **Contracts:** Signed contracts, bid solicitation, submitted bids, award documentation, notice of acceptance, EPLS testing documentation, and invoices purchase orders;
- **DAC:** FA Labor support or contracts support depending on type of DAC charged; and
- **Debris removal:** Signed contracts, load and unit tickets, monitoring logs, invoices, and proof of payment.

Fieldwork. After the planning and pre-work is complete, we will have an official fieldwork kick-off meeting in which we will meet with the subgrantee. An agenda will be provided, which will include the contacts (both subgrantee and F&T members assigned to the review), discussion on the areas under review, timeline, subgrantee and F&T responsibilities, as well as logistics and administrative items.

Ideally, at the fieldwork kick-off meeting, the subgrantee will have the requested documentation available for scanning and testing. However, we understand that this is a new process for some subgrantees and will work with them to obtain the proper documentation. During the fieldwork phase, for each expense type noted in the PW, we will use one sample item to walk through the process from the point the need is determined through payment. For example, if water is purchased for evacuees, we will walk through the purchase of the water from the development of the purchase order through delivery and payment. This helps us understand the subgrantee policies and procedures in place during the disaster and identify any controls in effect during the disaster related to the specific expense. Typically, controls identified are approval and authorization controls. This is not a comprehensive internal control review of the entity, rather a disaster-focused internal control review to compliment the compliance review.

The general objective of testing the different expense types is to determine whether the funds awarded under the PW were expended and accounted for in accordance with applicable Federal and State laws, and with the provisions of the grant. We noted the major expense types include, force account labor, force account equipment, force account materials and purchases, direct administrative cost, contracts and debris removal. Below we will describe our plan for reviewing each expense type.

FA Labor. The purpose of testing FA labor is to determine that the labor worked by subgrantee employees was in scope of the project, properly supported by timesheets, for disaster-related activities, and actually incurred. Accordingly, we will review tasks performed by each employee selected in our testing sample to determine that the task performed was within scope and the PW period. We will then review timesheets to validate the hours claimed and review HR records to validate the rate claimed for each employee. We will verify employees were employed by the subgrantee at time of expense by reviewing termination records. If any fringe benefits were claimed, we will recalculate those amounts in accordance with the specified policies and procedures. Lastly, we will review payroll registers to verify payment was made to the employee prior to amount being claimed to FEMA. *Per the FEMA PA Guide, Chapter 5, FEMA provides assistance only for those costs incurred up to the latest approved completion date for a particular project. However, the project still must be completed for any funding to be eligible for that project.* We will verify that costs claimed equal actual amounts incurred. While testing FA Labor, we will test for allowable costs including, but not limited to, the following:

- Verify that only overtime hours are claimed to FEMA for debris removal for Category A;
- Determine whether the 24/16 rule was followed for Category A and B projects; and
- Determine whether costs fall within the 72 hour rule referenced in Disaster Assistance Policy 9523.9.

FA Equipment. The purpose of testing FA equipment is to determine whether equipment was owned by the subgrantee at the time of disaster, used for disaster related activities, and claimed to FEMA using appropriate rates. Depending on the type of equipment used, we will review inventory listings or other ownership documents such as titles and registrations to verify the equipment was owned by the subgrantee prior to disaster. To verify usage, we will obtain equipment logs and trace logged hours to operator timesheets if equipment requires an operator. We will also determine whether the lower of State and local rates or FEMA rates were used, validate the rates with the appropriate schedule, and use the rates to recalculate the claimed amount (hours used X proper rate).

FA Materials and Purchases. FA materials will be tested similarly to FA equipment with the exception of the rate tables. There are no known rate tables for materials. However, we will test the rates of materials used from subgrantee inventories by using purchase documentation, if available, or market price at the time of disaster of similar materials. Procedures over usage logs and inventory listings to verify usage and ownership, respectively, are consistent with procedures that will be performed for FA equipment.

We will test purchases to determine whether the purchases are within the scope and proper time period of the project, valid, supported, recorded accurately, and necessary for the disaster. We will review purchase orders to confirm purchases were in scope (including the proper time period) and determine whether the purchase was necessary for the project. We will agree the purchase orders to the invoices and/or receipts to verify that the purchase was valid, accurate, and properly supported. Then we will test for proof of payment to confirm the purchases were incurred. Proof of Payment is typically tested using cancelled checks or bank Statements. Lastly, we will perform testing to determine whether project-specific equipment was disposed of for salvage value by reviewing inventory listings and the equipment account in the accounting

system. This is an important step as FEMA, per the FEMA PA Guide, Chapter 2, requires that claims be reduced by all applicable credits, such as anticipated insurance proceeds and salvage values.

Rentals. After we determine that rentals are within scope (including the PW period), we will review the rental agreement to verify conditions are met and the rentals claimed to FEMA are supported by the agreement. Specifically, we will review the invoices and purchase orders to determine the rates, dates, and usage are in accordance with the signed agreements. Proof of payment will be used to verify the expense was incurred. Depending on the type of rental, other procedures will be performed to validate rentals are allowable.

Contracts. For each contract selected in our sample, we will determine whether the contract was competitively bid, if applicable (contracts over specified thresholds), by reviewing bid advertisements, submitted bids, award letters, etc. If a contract is a Statewide contract, the procurement of the contract would be reviewed once and not on a subgrantee by subgrantee basis. *Per 44 Code of Federal Regulations, subgrantees must not make any award or permit any award at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension."* As such, we will review the subgrantee's documentation of their check of the EPLS during the time the contract was initiated to verify that the vendor was not on the list. If the subgrantee did not perform EPLS testing at the time of the award, we will perform it for the current time period. We will test selected invoices and purchase orders against the contract to determine contract conditions were met including rates used, services/goods provided and time period. Then, we will determine the type of contract and perform additional procedures based on the specific contract type including, but not limited to:

- **Fixed Price:** Compare contractor invoices/progress invoices with schedule of values to contract and FEMA claimed amount;
- **Time and Materials:** Verify that invoiced rates and usage are within contract parameters, performing additional labor or equipment testing as necessary. In addition, determine whether the 70-hour rule was adhered to if applicable;
- **Professional Services:** Verify that invoiced rates and hours agree to the contract. Validate necessity and applicability of travel expense claims; and
- **Cost Plus a Percentage of Cost:** In accordance with 44 Code of Federal Regulations, verify that this contracting method is not used.

Lastly, as tested for all expense types, we will verify proof of payment for any contract service provided.

DAC. *Per Disaster Assistance Policy 9525.9, FEMA will reimburse DAC incurred by grantees and subgrantees when it is properly documented and directly chargeable on a PW for a specific project.* DAC covers cost incurred in requesting, obtaining, and administering the grants. DAC typically comes in two forms, FA labor (labor performed by subgrantee's personnel) and management group DAC (contracted labor). For FA labor DAC, we will perform FA labor testing as noted above and for management group DAC charges, we will perform contracts testing as noted above.

Debris Removal. For debris removal projects, we will verify that activities claimed were a direct result of a Presidentially-declared disaster, occurred within the designated disaster area, were the legal responsibility of the subgrantee, and were in the interest of the public. Eligible debris removal activities include the clearance of trees and woody debris; building components or contents; sand, mud, and gravel; wreckage etc. Debris removal and monitoring activities can be performed by subgrantee personnel or contracted. If the removal is performed by subgrantee personnel, FA labor and FA equipment testing may be required. If debris removal activities are performed by contractors, we will perform contracts testing as noted above over the debris removal and debris monitoring contracts. *Per PA Debris Monitoring Guide 327, debris removal activities should be monitored and "failure to properly monitor debris removal operations may jeopardize PA funding."* Accordingly we will test monitoring activities in accordance with the guide.

For the load ticket testing, we will obtain the sampled load tickets and the monitoring file and validate that each load ticket includes detailed information such as pick-up and disposal time, debris monitor's name and signature, debris type, and estimated fill percentage or weight if scales are used. We will perform attribute testing over the load tickets to verify accuracy and eligibility while ensuring that tickets trace to a specific invoice. *We will then perform analytical procedures over the monitoring file to test for anomalies based on FEMA guidance.* Some analytical procedures performed include, but are not limited to, pick up times before sunrise and disposal times after sunset, load quantities over 100%, excessive mileage, trips over multiple days, trip time based on type of debris, etc. We will also perform testing over tipping

fees, staging charges and FHWA reduction, where applicable. To verify other types of funding were applied to costs before determining FEMA claimed amount, we will obtain revenue receipts for recycled materials, mulch diverted for beneficial use, and salvage value received. Lastly, as tested for all expense types, we will verify proof of payment for all debris removal costs claimed.

Insurance, Donated, and Other Funds. In accordance with Disaster Assistance Policy 9525.2 and 9525.3, we understand that claims to FEMA should be net of funds provided from other sources such as insurance companies, grants/funds from other Governmental entities, salvage value from the sale of equipment, refunds from contractors/vendors and donated resources. To test insurance, we will first obtain the subgrantee's insurance policies, insurance Statement, Statement of loss, and insurance payments to determine whether the project was subject to insurance proceeds. If it is determined that insurance proceeds were received or will be received, we will obtain support for the total insurance allowed and review how the subgrantee applied the insurance to verify that all insurance proceeds were accounted for and that amount claimed to FEMA is net of applicable insurance proceeds. If no insurance policy was in place but should have been in place due to past disasters, State ordinances, or other requirements, costs will be questioned in the amount of proceeds that would have been received had the policies been in place. To test for additional sources of funding, we will review bank Statements received for proof of payment request for instances of miscellaneous receipts or other revenue. We will also review the equipment account for instances of salvage value. Lastly, we will obtain a signed "Attestation for Duplication of Benefits for FEMA PA Grant" from the subgrantee. The attestation will require the subgrantee to certify with a signature what additional funds were received or that no additional funds were provided in support of the project.

For all expense types tested, we will document our results and conclusions including any instances of non-compliance noted in the related work papers, which will then be summarized in the compliance report.

Reporting. Upon completion of the fieldwork phase of each project, we will discuss the finding and recommendations with the grantee/subgrantee. We will also prepare a project summary report, which will include an introduction, project description, summary of results, questioned costs/findings by expense category, other observations, subgrantee's response and conclusion. Our report will conclude on the supporting documentation reviewed for the subgrantee expenditures and evaluate compliance with Title 44 Code of Federal Regulations, other relevant statutes, regulations and OMB circulars and grant agreements.

Section 10: Management Overview

F&T views project planning as the first critical component of any project. For each project, we will deliver a formal project plan with specific milestones, deliverables and activities to New Jersey based on task order requirements.

10.1 Understanding of Objectives and Nature of Required Work.

We understand that Superstorm Sandy caused loss of life and unprecedented damage to New Jersey's housing, business, infrastructure, health, and social services. As required by OMB's Disaster Relief Act guidance, New Jersey must submit an internal control plan to OMB, GAO and its Inspector General's Office. The plan must include the auditing of programs, processes and finances, including monitoring the integrity of spending to ensure that funds are spent for their intended purpose. As the State moves into the recovery phase in the aftermath of the storm, we understand that it seeks strategic consultant services designed to support all facets of intermediate and long-term recovery efforts.

10.2 Action plan for responding to requests for an engagement.

Our ability to provide the required services begins with our team and task management capabilities. Our approach to managing our team combines disciplined task order management with proactive communication for efficient coordination of team resources to deliver compliant, quality services as one, seamless team. Our task order management process, illustrated in **Figure 8**

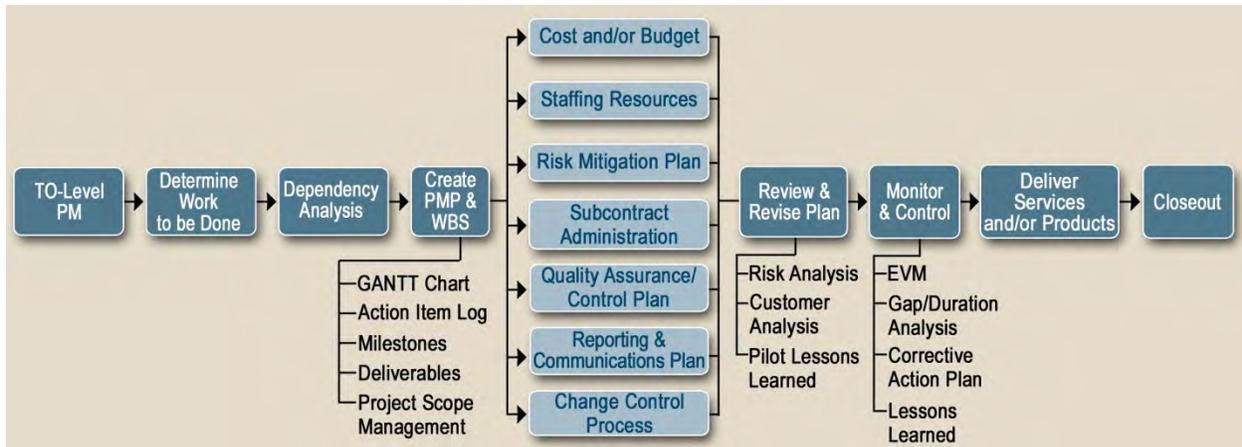


Figure 8. Task Order Management Process

We interact well in advance of commencing a task order so personnel understand requirements, goals, and objectives, as well as quality and performance standard expectations. Our leadership team evaluates each task order approving final solution and resource composition to meet customer requirements and mitigate anticipated risks.

10.3 List of previously held, or currently held, contracts with similar services provided by the bidder

Section 14 contains information on contracts held that demonstrate our experience and the value of key contracts.

Section 11: Contract Management

The magnitude of the Hurricane Sandy recovery requires vast and diverse resources to ensure the necessary financial oversight. F&T will provide the State New Jersey with a wide array of resources and mechanisms to adequately monitor the financial integrity of this unprecedented recovery effort.

11.1 Plan to Manage, Control, and Supervise Task Orders.

F&T TO response preparation process will be as follows:

- F&T receives a TO.
- F&T PM will immediately post it on the team portal and identify potential personnel with the capabilities required while considering small business goals.
- The PM will analyze the TO to make a bid determination. With our team's breadth of capabilities and lack of conflict of interest, we do not anticipate a "no-bid" decision; however, if a no-bid decision is made, we will provide the TO CO a no-bid justification by the proposal due date.
- F&T will use the team portal to develop the TO response, including technical approach, staffing, deliverables, schedule, QC approach, and pricing.
- F&T will submit the TO response to the State of NJ.

After State of NJ awards the TO, we will manage it using the following approach:

Plan and initiate the task. F&T contracting staff will ensure that all personnel are formally engaged. We will hold a kickoff meeting to review our proposed approach and schedule. We will update and finalize the Project plan, develop a detailed Work Breakdown Structure (WBS), indicating all agreed upon deliverables and related schedules, notify the client of impacts to the task schedule or cost, and input task information in our financial management system and Quality Management System (QMS).

Execute the task. Our TO manager will have authority to work directly with State of New Jersey to make task-level decisions to ensure adherence with task planning, development, and delivery of all requirements. We will adhere to the plan, communicate frequently with the client, make necessary adjustments, and review quality.

Track and report the task. We use F&T's Real Time cost tracking system to assess actual costs to date. Our quality system tracks deliverable due dates, quality reviews, and review status. The TO manager reviews progress against the

technical plan and budget. We will roll up subcontractor reports into our system for consolidated reporting to State of New Jersey. The TO manager will deliver TO-level reports including a status report to the State of New Jersey sponsor that summarizes technical and schedule status.

Close out the task. When we finish the task, the PM or TO manager will meet with the State of New Jersey Official to ensure that all deliverables are accepted and ensure disposition of working materials. The TO manager will close out the task in our financial system and QMS. We will also send a customer satisfaction survey. Lessons-learned documentation and survey responses will become part of a body of knowledge that will aid our continuous improvement and inform future team selection, TO responses, and program execution.

11.2 Communications with the State Contract Manager or Cooperative Partner

Contract Oversight and Compliance: In addition to providing high quality services and deliverables, our Engagement Leadership team will work with our contract compliance specialists to ensure that we adhere to all contract provisions, including but not limited to:

- **Litigation Services:** Fully cooperating (at our own expense) with the State and providing all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions in any matter before any Federal, State or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the our recommendations.
- **Travel Expenses and Reimbursements:** Adherence to the General Services Administration (GSA) published travel rules and rates to include disaster specific amendments in accordance with the Federal Travel Regulations.
- **Data Confidentiality:** The protection and confidentiality of all data, including the completion of confidentiality agreements, security awareness and confidentiality training, and security clearances/background checks for all staff.
- **Document Retention/Material Ownership:** Document retention in accordance with Federal and State requirements and the transfer of ownership for all materials and technology solutions to the State (unless otherwise agreed to).
- **Insurance:** The maintenance of all required professional liability insurance. The insurance shall be in the amount of not less than \$5,000,000 and in such policy forms approved by the State.
- **Liquidated Damages:** The adherence to liquidated damages provisions associated with a failure to meet any required milestones, standards or deliverables, as appropriate.
- **Compensation and Payment:** Compliance with invoicing and payment terms as agreed to by the State, and in accordance with both Federal and State requirements.
- **Potential Conflicts of Interest:** The identification and avoidance of any and all potential conflicts of interest.

By providing designated Program Managers for each Pool, a standardized Project Management Process, ongoing communication, and rigorous contract oversight, F&T team will ensure that all Task Orders are completed to the highest standard and in accordance with all contract provisions.

Section 12: Organizational Support and Experience

F&T has assembled a team to deliver deep experience in each task areas required by the State. F&T's experience, commitment to quality and value set us apart from other service providers. In a field of worthy competitors, F&T will stand alone in bringing you cost-effective services tailored to your needs.

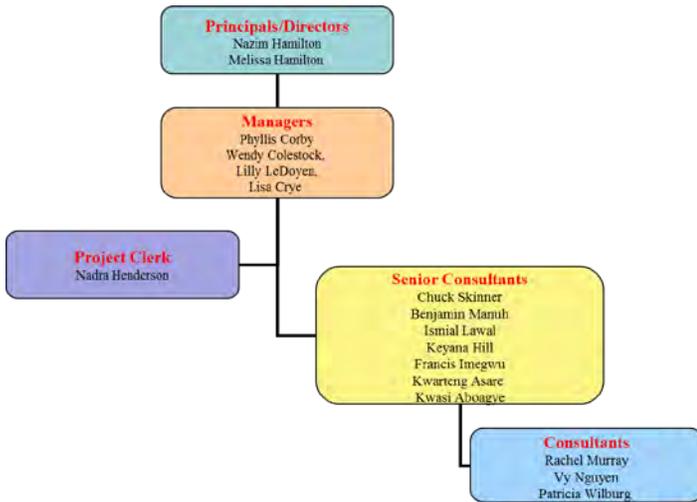
12.1 Personnel

F&T includes professionals with deep experience in audit, disaster recovery, engineering, financial management, fraud, waste and abuse detection, organizational improvement, information technology, and human capital. We have provided resumes of personnel with significant depth and breadth of skills gained from years of consulting experience in both the public and private sectors. All of the key personnel proposed have relevant experience and expertise to allow for outstanding and seamless service delivery.

Across F&T we have a deep bench of staff and expertise allowing us to match skills to specific need of the engagement. Our staff has a broad range of certifications, including information, auditing, accounting, business process improvement, project management, and technology. Our team includes named individuals who are at the ready to support New Jersey and who have the following certifications:

- Certified Government Financial Manager (CGFM);
- Certified Fraud Examiner (CFE);
- Certified Grants Management Specialist (CGMS);
- Certified Internal Auditor (CIA);
- Certified Information Systems Auditor (CISA);
- Certified Information Systems Manager (CISM);
- Certified Public Accountant (CPA);
- Project Management Professional (PMP);

The firm organizational structure is shown in the **Figure 9**.



The location where this contract will be managed will be our offices at
 30 Central Avenue, Suite 201C
 Newark, NJ 07102
 T 301.474.0147
 F 301.474.0146
Contact Person: Melissa Hamilton, CPA, MBA, PMP

Figure 9. Pool 2 Organizational Structure

The proposed team structure is shown in the **Figure 10**

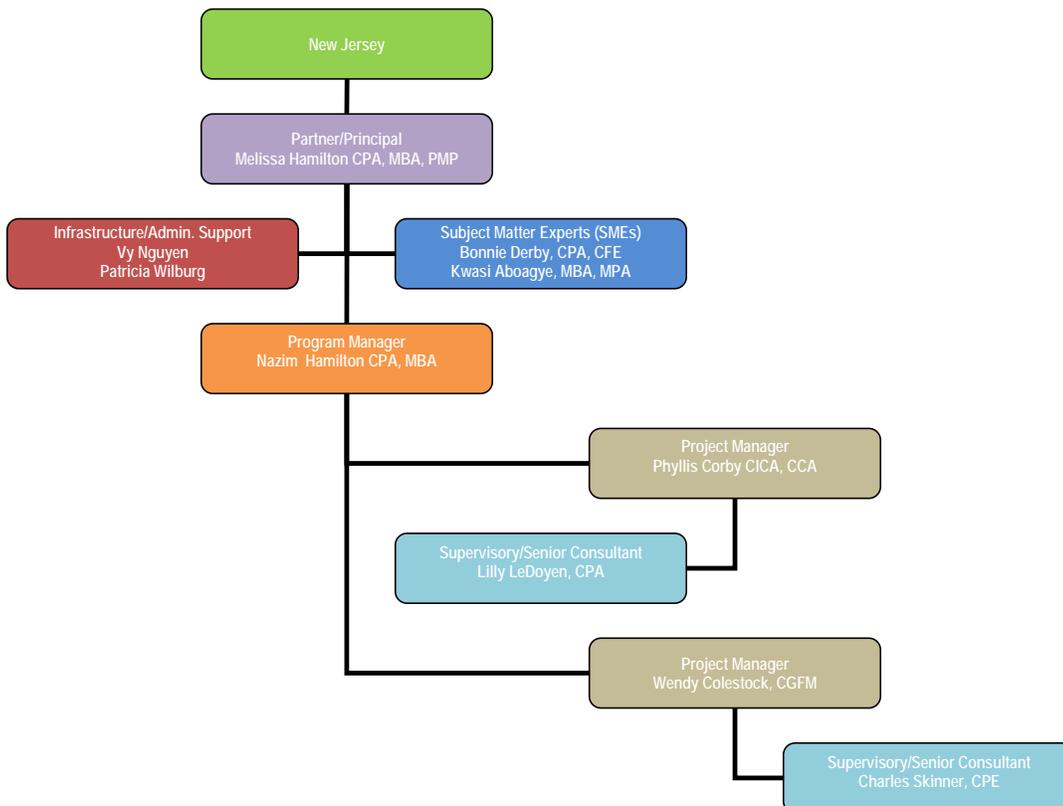


Figure 10. Pool 2 Proposed Team Structure

Melissa Hamilton, CPA, MBA, PMP is a **principal/partner** with Franklin & Turner and is currently leading our team in providing **compliance review services** to numerous agencies including FEMA and NIST.

Nazim Hamilton, CPA, MBA with Franklin & Turner, has 15 years of experience providing audit, accounting and advisory services with expertise in planning and executing audit, advisory, and audit remediation engagements. He has managed highly complex, multi-location audits, communicating with multiple stakeholders. Mr. Hamilton is a specialist in Enterprise Risk Management, Project Management, Financial Audit, Information Technology Audit, Internal Audit, and External Audit. He is proposed as **program manager**.

Subject Matter Experts:

Bonnie Derby, CPA, CFE a Senior Advisor with Franklin and Turner, has over 25 years of experience in the Federal government and private sector. Ms. Derby is recognized as having adopted a progressive role for expanding GAO's Financial Management and Assurance (FMA) team's area of expertise in grants accountability work. Developed GAO's FMA initial grant accountability audit methodology. This methodology was used to identify numerous internal control weaknesses and potential improper payments at multiple agencies and grantees. Developed close working relationships with other GAO team managers to reduce inefficiencies and to coordinate activities to ensure a smooth merger of both the programmatic and financial grants accountability work into one final audit report. Developed GAO's initial forensic audit methodology which has resulted in the identification of internal control weaknesses that resulted in millions of dollars of improper payments. As a result of one of my forensic audits, a government sub-contractor was ordered to return \$2.9 million to the U.S. government. Delivered frequent presentations on internal controls, risk assessments, and grants management within GAO, as well as to external organizations including the International Organization of Supreme Audit Institutions (INTOSAI), the Association of Government Accountants (AGA), National Grant Management Association (NGMA), U.S. Department of Treasury, Society of Military Controllers, Texas Society of CPAs, Federal Reserve Bank of Philadelphia, and various chapters of the Intergovernmental Audit Forum. Drafted numerous high-quality GAO reports and testimonies that were well received by Congress. The reports included recommendations for improvements to agency internal controls to reduce the likelihood of improper payments. Authored the feature article for AGA's Winter 2003 edition of the Journal of Government Financial Management – "Data Mining for Improper Payments". Collaborated with senior international government representatives in the design and implementation of internal control toolbox to serve as reinforcement for managers and auditors worldwide in their understanding of internal controls. Actively participated in AGA working groups in developing a fraud prevention, detection, and awareness website and a guide for improving efficiency in resolving open audit recommendations.

Kwasi Aboagye, MBA, MPA a Project Manager with Franklin and Turner with over 20 years of experience. A highly motivated and results oriented management professional with strategic problem solving experience in the following functional areas: Corporate Finance, Public Finance/Administration, Business Development, and Strategic Management. Developed strong background in budgetary formulation and execution, policy studies, CPIC, Portfolio management, statistical and econometric analysis. He has excellent teambuilding and project management skills and a proven track record for simplifying and conveying complex concepts to executives, line managers and lower level staff around the world. Mr. Aboagye provides financial analysis in the area of budgeting, CPIC, financial modeling, revenue recovery, risk analysis, cost management and expense control (using ABC/M). Mr. Aboagye has a solid background in policy studies and has applied strategic budgetary management to improve performance; integrate resources to support strategic vision and operations; collecting and analyzing data to support business decisions and alternatives; developing performance measurement programs to improve organizational productivity and efficiency in government, non-profit and private sector organizations. **Mr. Aboagye supports FEMA CIO in disaster recovery efforts.**

The proposed staff to support Pool 2 are shown in **Figure 11** and their resumes are included in Attachment A.

Name	Labor Category	Company	Task A	Task B	Task C	Task D	Task E	Task F	Task G
Melissa Hamilton, CPA, MBA, PMP	Partner	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Nazim Hamilton, CPA, MBA	Program Manager	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Phyllis Corby, CICA, CCA	Project Manager	F&T	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Wendy Colestock, CGFM	Project Manager	F&T	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bonnie Derby, CPA, CFE	Subject Matter Expert	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Kwasi Aboagye, MBA, MPA	Subject Matter Expert	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Lilly Ledoyen, CPA	Supervisory/Senior Consultant	F&T	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Charles Skinnner, CFE	Supervisory/Senior Consultant	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Benjamin Manuh, CPA	Consultant	F&T	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ismail Lawal, CPA, MBA	Consultant	F&T	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rachael Murray	Consultant	F&T	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vy Nguyen	Associate/Staff	F&T	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Patricia Wilburg	Administrative Support	F&T	<input type="checkbox"/>						

Figure 11 Pool 2 Proposed Staff

Back-up Plan/Staff

F&T has a back-up plan is to recruit more personnel when needed. We have agreements with Robert Half International for any urgent staffing needs. Robert Half International is one of the nation’s leading accounting and finance staffing firms. All of our back-up candidates have clearances. We also have access to pools of candidates for back-up from resume databases such as monster and career builder.

Franklin and Turner’s Unique Value

In addition to the named individuals that are included in the organization chart, F&T includes depth and breadth of experience to ensure that we are ready to respond your full suite of needs with accounting, forensics, grants, internal controls, project management, and related skill sets – and also with deep engineering, geology, and planning skills and experience

12.2 Experience

F&T has the requisite knowledge, resources, and capabilities to lead the work necessary for the State of New Jersey. Our experience is demonstrated by our successful execution of numerous similar engagements for Governmental entities in both size and scope. F&T is confident in our ability to deliver outstanding service. In Section 14, we have included a matrix of clients with requirements relevant to the State of New Jersey. The scope and breadth of these engagements demonstrate our experience in each of the task areas in Pool 2.

Section 13: Resumes

Resumes for F&T can be found in Attachment A.

Section 14: Experience of Bidder on Contracts of Similar Size

F&T brings a wealth of past performance experience in FEMA disaster recovery, grants management, internal controls, auditing, program management, process management/improvement, and fraud detection. We have carefully selected a representative set of engagements that best demonstrate our experience for each pool area.

Pool 2 Past Performance: Our experience in this pool includes disaster recovery assistance to FEMA in planning, management, execution and financial management related to the award and processing of disaster recovery grants. The technical approaches, methodologies and systems deployed demonstrate exceptional ability to plan, implement and manage the processes, risks and controls needed in the aftermath of a disaster. The State of New Jersey will benefit from our extensive hand-on experience in managing engagements of similar scope and size to that expected with Hurricane Sandy recovery efforts. **Figure 12** presents a subset of our past performances that highlight our experience in Financial Auditing and Grant Management.

F&T Experience	Task Area						
	A	B	C	D	E	F	G
FEMA, Resource Management and Capital Planning	☑	☑	☑	☑	☑	☑	☑
NIST, Grants Audit Support Services		☑	☑	☑	☑	☑	☑
GAO, SEC Internal Controls Support Services		☑	☑	☑	☑	☑	☑
Treasury, A-123 Support Services	☑	☑	☑	☑	☑	☑	☑
MARAD, ARRA Grants Compliance Audits			☑	☑		☑	☑
HUD, A-123 Support Services	☑	☑	☑		☑	☑	☑
HUD, Contract Compliance Reviews	☑	☑	☑			☑	☑
BBG, Improper Payments Audits	☑	☑	☑			☑	

Figure 12. Pool 2 Past Performance Experience

Detailed descriptions of this past performance are as follows:

Quoter		Franklin & Turner (F&T)	
Company Group/ Division		Franklin and Turner (F&T)	
Program, Project, or Task		Securities and Exchange Commission (SEC) Information System Controls Audit Support Services	
REFERENCE INFORMATION			
1	Customer Name:	U.S. Government Accountability Office (GAO)	
2	Address:	441 G Street N.W., Washington, D.C. 20548	
	Customer Information	Contracting Contract	Program / Project Manager or COR
3	Name & Title:	Carmencita Jones, Contracting Officer	Bernice Lemaire, Project Manager
4	Organization:	Government Accountability Office	Government Accountability Office
5	Address:	441 G Street N.W., Washington, D.C. 20548	441 G Street N.W., Washington, D.C. 20548
6	Phone No.:	(202) 512-6475	(202) 512-7809
7	Fax No.	(202) 512-3999	(202) 512-3999
8	Email:	jonescd@gao.gov	lemaireb@gao.gov
9	Contract Number	GAO-10-CO-0011and GAO-11-CO-0008	
10	Contract Type (e.g. contract, BPA, task order) and pricing type (e.g. fixed price, cost reimbursement):	Firm Fixed Price	
11	Dollar Value (Not-to Exceed):	\$1,032,062	
	Cumulative funded amount:	\$1,032,062	
12	Project Start Date	June 2010	
	Estimated/ Actual Completion Date	November 2011	
13	Current status, e.g. completed and/or in progress	Completed	
Description of Work Performed and Relevance to Requirements in this RFQ			
<p>F&T provided value added support and expertise in assisting GAO in auditing the Securities and Exchange Commission's (SEC) Information Systems (IS) Controls in accordance with U.S. generally accepted government auditing standards, the GAO/PCIE Financial Audit Manual (FAM), Federal Information Security Management Act (FISMA) of 2002, specifically the standards referred to by the National Institute of Technology (NIST) Special Publications 800-53 (SP 800-53), Recommended Security Controls for Federal Information Systems and the Federal Information Systems Control Audit Manual (FISCAM). Information system controls consist of general controls (entity-wide, system and business process application levels), business process application controls (input, processing, output, master file, interface and data management system controls) and user</p>			

Quoter	Franklin & Turner (F&T)
Company Group/ Division	Franklin and Turner (F&T)
Program, Project, or Task	Securities and Exchange Commission (SEC) Information System Controls Audit Support Services
controls (controls performed by people interacting with information systems).	
<p>The audit required a full scope general controls review and testing of the following financial system application and end-user computing (EUC) controls: General Support System (GSS), The Electronic Data Gathering, Analysis, and Retrieval system (EDGAR), EDGAR/Fee Momentum, Phoenix, Momentum, The Financial Reporting and Analysis (FRA) Tool, Budget and Program Performance Analysis System (BPPAS), Federal Personnel and Payroll System (FPPS)/Quick time and Microsoft Excel Spreadsheets/Databases.</p> <p>Additionally, F&T assessed the impact of any IS-related concerns identified in the most recent Department of Interior SSAE 16 (formerly SAS 70) report concerning SEC's payroll system as well as followed up on all prior year IS audit issues. F&T performed a vulnerability assessment by scanning the following systems: Unix Environment, Windows Environment, Workstations (Laptops and Desktops) and Databases (Oracle, SQL Server and Sybase). We also tested the integrity of the Momentum General Ledger System.</p>	
Problems and Resolution	
No problems were encountered during the project period of performance.	

Quoter	Franklin & Turner (F&T)	
Company Group/ Division	Franklin and Turner (F&T)	
Program, Project, or Task	OMB Circular A-123, FISMA and NIST SP 800-53 Support Services	
REFERENCE INFORMATION		
1	Customer Name:	U.S. Department of Housing and Urban Development/FHA
2	Address:	470 L'Enfant Plaza, Washington, D.C. 20410
	Customer Information	Contracting Contract Program / Project Manager or COR
3	Name & Title:	Teresa Lindsey-Joiner, GTR Susan Betts, Director
4	Organization:	Federal Housing Administration Federal Housing Administration
5	Address:	451 7 th Street, SW 451 7 th Street, SW Washington, D.C. 20410 Washington, D.C. 20410
6	Phone No.:	(202) 402-3438 (202) 402-2885
7	Fax No.	(202) 402-3438 (202) 402-2885
8	Email:	teresa.lindseyjoiner@hud.gov susan.betts@hud.gov
9	Contract Number	C-OPC-23376
10	Contract Type (e.g. contract, BPA, task order) and pricing type (e.g. fixed price, cost reimbursement):	Firm Fixed Price
11	Dollar Value (Not-to Exceed):	\$1,100,000
	Cumulative funded amount:	\$1,100,000
12	Project Start Date	October 2008
	Estimated/ Actual Completion Date	September 2009
13	Current status, e.g. completed and/or in progress	Completed
Description of Work Performed and Relevance to Requirements in this RFO		
F&T assisted the prime contractor in assessing, evaluating, documenting, and testing FHA's internal control over financial		

Quoter	Franklin & Turner (F&T)
Company Group/ Division	Franklin and Turner (F&T)
Program, Project, or Task	OMB Circular A-123, FISMA and NIST SP 800-53 Support Services
<p>reporting in accordance with OMB Circular A-123 Appendix A Internal Control over Financial Reporting (Implementation Guide). This was documented through a comprehensive annual assurance statement, included in the Department's Performance and Accountability Report (PAR), addressing the achievement of the objectives of the Federal Managers' Financial Integrity Act (FMFIA), OMB Circular A-123, Appendix A, and the Federal Financial Management Improvement Act (FFMIA). The objective was to provide a basis for FHA's management's assurance over the effectiveness of internal control over financial reporting including FHA's quarterly and annual consolidated financial statements and other financial reports required by the Department of Treasury, and Office of Management and Budget (OMB). F&T's accomplishments included:</p> <ul style="list-style-type: none"> • Developed a comprehensive and sustainable system of internal control to meet the requirements of FHA, FMFIA, OMB Circular A-123 and FFMIA. This included utilizing a five phase approach: planning and scoping, developing and implementing internal controls, documenting and assessing the design, testing and evaluating the operational effectiveness and reporting. • Documented and evaluated FHA's entity-level controls. These are organizational-level controls that have a pervasive effect on the organization as a whole. The evaluation was based on the COSO framework: controls environment, risk assessment, controls activities, information and communication and monitoring. • Performed a risk assessment of FHA programs and processes to determine risk levels and control gaps by utilizing both quantitative and qualitative materiality factors. • Evaluated the General, Application and User Controls based on the following categories: Security Management, Access Controls, Configuration Management, Segregation/Separation of Duties, Contingency/Continuity Planning, Business Process, Interface and Data Management. • Provided FHA management with updated and/or initial business cycle memorandums for 22 FHA business cycles related to Single Family and Multifamily loans, cash management, Real Estate Owned, insurance and asset management programs and financial systems and processes supporting these programs. • Prepared flowcharts of the Business processes to include IT financial systems information flows. • Prepared test plans/scripts and conducted walkthroughs and testing of critical/key business process controls for the 10 business cycles identified as high risk areas. Testing included review of loan/borrowers underwriting and servicing files to determine borrower eligibility per the HUD guidelines as well as review of Real Estate Owned (REO) asset management marketing and disposition of property. • Identified management control issues and prepared recommendations to address these issues in the form of management letter comments and corrective action plans. • Provided technical advice and assistance in updating FHA's systems documentation to conform to FISCAM and National Institute of Standards and Technology (NIST) standards and guidance. • Created a Risk Control Matrix (RCM). The RCM displayed the list of process controls aligned to mitigate process-level risks. This also included the test procedures and results of each process controls tested. 	
Problems and Resolution	
No problems were encountered during the project period of performance.	

(1) Client Name:	Broadcasting Board of Governors (BBG)
(2) Nature of Work Performed:	Improper Payments Elimination and Recovery Act of 2010 (IPERA)
(3) Contract Description:	
<p>Franklin and Turner (F&T) is assessing risk, conducting payment audits, and establishing corrective action plans to resolve Department of State and the BBG Office of Inspector General (OIG) audit findings. We established and are executing a process to improve BBG's compliance with the Improper Payments Elimination and Recovery Act of 2010 (IPERA) in accordance with OMB Circular A-123, Appendix C guidance.</p> <p>The objectives of the contract are to:</p>	

(1) Client Name:	Broadcasting Board of Governors (BBG)
<ul style="list-style-type: none"> • Identify payment errors due to overpayments and collection of overpayments • Define the reasons for overpayments • Provide recommendations to prevent future overpayments • Provide required documentation for IPERA to bring the agency into compliance with IPERA and resolve existing audit findings. <p>F&T developed a corrective action plan to address the OIG’s audit findings and performed the following corrective actions:</p> <ul style="list-style-type: none"> • Conducted a qualitative and quantitative risk assessment to identify programs susceptible to significant improper payments. • Conducted statistical sampling on all programs to estimate the improper payment rate (in-progress). • Analyzed self-reported improper payments for root causes and developed corrective actions to address. • Drafted the FY12 PAR IPERA disclosure to include all OMB Circular A-136 required disclosures and best practices. • Developed an IPERA compliance process, including procedures for conducting an annual risk assessment, testing payments, conducting root cause analysis and developing corrective actions, and producing the PAR to include all required components related to improper payments as required by OMB. <p>F&T also plans to implement a recapture audit program to include predictive modeling and data mining for duplicate and improper payments.</p>	
(4) Contracting Organization’s name and address:	
(5) Point of Contact: (Name, Address, Phone, Fax, Email):	Joshua Williams, COR Office of the Chief Financial Officer Broadcasting Board of Governors 330 Independence Avenue, SW Cohen Building, Room 1655 Washington , DC 20237 Tel: (202) 203-4598 Email: jwilliams@bbg.gov
(6) Contract Number:	BBG50-P-12-0369
(7) Contract Type:	Labor Hour
(8) Period of Performance:	9/19/2012 – 9/18/2016
(9) Dollar value of contract:	\$575,956.80

Section 15: Additional Experience of Bidder

F&T has assisted grantees and subgrantees through all aspects of the disaster grant cycle – to prepare, respond, and manage. We understand how to apply sound financial and Governmental accounting practices, processes, and controls to every aspect of this cycle. Most importantly, we bring to bear our significant experience in grants compliance and close-outs to enhance every aspect of the grant cycle, always working with the end-result in mind.

In the aftermath of disasters and expenditure of funds, State and subgrantees are constantly at risk of having Federal funds de-appropriated based on reviews by FEMA and OIG audits. We apply our in-depth understanding of commonly found audit exceptions, typically resulting from a failure to comply with Federal guidelines, inadequate documentation, and inadequate accounting practices, to help mitigate the de-appropriation of funds. We apply this knowledge and experience throughout every step of the grant cycle to help ensure a positive end result.

Section 16: Financial Capability of the Bidder

Financial Statements for F&T can be found in Volume 1 - Forms.

POOL 3 RESPONSE

Section 17: Technical Proposal



On October 21, 2012, Governor Chris Christie signed Executive Order (EO) 104 declaring a State of Emergency in New Jersey related to the aftermath of Hurricane Sandy, which caused massive property damage and loss of life. On October 30, President Obama declared New Jersey a major disaster area. The New Jersey Office of Emergency Management (NJOEM), in cooperation with the New Jersey Office of Homeland Security and Preparedness (OHSP) and other State entities, executed the State's existing Emergency Operation Plans (EOP) in responding to their needs during and immediately following the hurricane. As the State moves into the recovery phase in the aftermath of the storm, it seeks strategic consultant services designed

to support all facets of intermediate and long-term recovery efforts.

On March 12, the Office of Management and Budget (OMB) released guidance to executive departments and agencies on the internal controls and planning required for aid received through the Disaster Relief Appropriations Act (Public Law 113-2) (Disaster Relief Act). Because relief funding of this magnitude (\$50.5 billion) carries additional risk, OMB is requiring agencies to ensure that the funds appropriated under the act are used for their intended purposes. By March 31, each Federal agency was required to submit an internal control plan to OMB, the Government Accountability Office (GAO), and the agency's Inspector General (IG).

Recently, Governor Christie unveiled the State's Community Development Block Grant Disaster Recovery (CDBG DR) Action Plan delineating the ways in which the State will spend the first phase of the funds provided by the U.S. Department of Housing and Urban Development (HUD). To address the extensive devastation caused by the storm, the plan proposes a range of programs to provide relief. As recovery efforts get underway, the State must put in place auditing of programs, processes, and finances, including monitoring the integrity of spending to ensure that funds are spent for their intended purpose. The State has issued a request for quote for firms to provide these services.

17.1 Our Firm

We have assembled the right resources and qualifications to perform all of the services across each of the three pools.



Franklin and Turner (F&T) is a New Jersey SBE; SBA 8(a); Minority-Woman Owned Small Business; Licensed Certified Public Accounting and Management Consulting Firm that offers a full scope of accounting, auditing, grants management, budgeting, internal controls, risk assessment, program management, business process

improvement, financial management and information technology support services. F&T assists federal, state and local governments address complex financial and management issues, compliance requirements, and other challenges. F&T has technical knowledge and experience in Federal accounting concepts and principles, Government Auditing Standards (GAGAS), and Federal regulations related to allowable costs. We have significant knowledge and understanding of the requirements and standards used in auditing financial statements of grantees. Additionally, F&T understands the government's responsibility for maintaining adequate controls to prevent fraud, waste and abuse and promote efficient and effective operations in accordance with OMB Circular A-123, Management's, Responsibility for Internal Controls.

Audits of Grants and Contracts Funded with Federal Support and Assuring Compliance with Regulations, Accounting & Industry Standards, and Contractual Obligations. F&T has performed numerous audits in compliance with the government accounting and auditing standards and various OMB Circulars, including A-133. Our professionals, when requested, also engage in efforts to design, direct, or recommend corrective action programs to assist government agencies remediate deficient practices and establish effective accounting protocols, systems, and procedures. Many of our

engagements have been comprehensive in nature and include complex projects requiring coordination of multiple tasks for numerous entities within short timelines.

F&T has in-depth knowledge and experience with cost accounting standards, cost allowability and allocability, budgeting and time reporting and labor distribution systems. In addition, we have assisted clients in developing their indirect cost rates and structuring their indirect cost pools. F&T has also performed numerous in-depth reviews of clients' internal controls to assess whether controls required by government regulations are in place and identify areas where controls could be strengthened and procedures established to accomplish this goal. We are also intimately familiar with OMB Circulars A-21, A-87, A-110, A-122, and A-127 as well as Circular A-133, and the federal acquisition regulations (FAR).

We've supported the National Institute of Standards and Technology (NIST), the Maritime Administration (MARAD), the Federal Emergency Management Agency (FEMA) and the Department of Housing and Urban Development on grants, loans and contract compliance monitoring.

F&T maintains clearable, educated, certified, highly skilled and experienced personnel with CPA, PMP, CISA, CIA, CGFM, CISSP and CFE designations. F&T has offices in New Jersey, Maryland, and Washington DC.

17.2 Our Value Proposition

F&T is comprised of highly talented personnel that stand ready to meet the needs of the State of New Jersey on day one. We bring well-established methodologies and practices, grounded in strong internal controls that will help New Jersey maintain the highest integrity in its grant spending. We offer you:

- **Expert services:** F&T brings the talents and experience of personnel with specializations in disaster recovery, grants management, financial management, audit/internal controls, e-Grants technology, and engineering. Our people are what make our firm, bringing a wealth of experiences with a deep skill base that for our clients to leverage. In addition to the bench of consultant and advisory resources, we bring a cadre of former Federal and State executives with reach back to assist with challenges and issues that arise at both the Federal and State level. The State of New Jersey will get the right mix of expertise and diversity from a firm with the ability to draw on a deep bench of resources and from local New Jersey firms representing the small business community.
- **Solid prior disaster recovery expertise:** Our firm has direct experience with disaster recovery from "boots on the ground" support to routine monitoring and reporting to providing strategic advice and direction on issues at the local, State, and Federal level. We have helped with FEMA and other disaster recovery grants and are familiar with the myriad of regulations and guidance on the use of grant funding.
- **Audit perspective:** As an Independent Public Accounting firm, F&T brings deep experience and understanding on what can go wrong with the internal controls on disaster recovery grants. We have helped many Federal and State organizations with their grants monitoring functions, implementing internal control programs that monitor the right activities and outcomes. In addition, we have leveraged data effectively for fraud monitoring assisting Federal IGs with research on their hotline tips on possible fraud.
- **e-Grants experience:** Our firm has direct experience with a variety of Federal electronic grants management software platforms, including FEMA eGrants. eGrants is used by FEMA to track all of their non-disaster mitigation grant applications, awards, and reports. Our personnel will be able to bring to the State of New Jersey not only an in-depth understanding of the technical components of the system, but more importantly, the data within the system and how that data is compiled and reviewed.

17.3 Integrity Monitoring/Anti-Fraud

F&T's solution to integrity monitoring/anti-fraud is scalable and fast—and works with large data sets. It can operate in proprietary information processing systems or cloud computing environments. It tracks program operations and disbursements in programs focused on health care and social insurance or in the management of funds for acquisition, grants and loans disbursements. Wherever government funds are paid, our solution provides tracking of pre-payment anticipated outcomes or post-disbursement results.

4.1.1 Task A: Forensic accounting and all specialty accounting services.

F&T services track with program operations and disbursements to provide analysis of either pre-payment anticipated outcomes or post-disbursement results. These services provide unique capabilities that are directly germane to the State of New Jersey's anti-fraud objectives.

F&T forensic services are designed to prevent improper payments by detecting potential fraud, waste, and abuse before any funds are disbursed. In addition, these services are designed to identify potential internal control issues quickly and to allow the responsible New Jersey State Government agencies to dynamically re-target requisite oversight resources based on what is learned from the identified issues. The key elements of F&T's services include:

- Application of a five step, payment cycle analytics tool to each entity that conducts business with the State of New Jersey. It begins with a robust initial vetting process for each business/grant applicant with the State, supported by ongoing analytics of each payment transaction with that entity, after they are qualified;
- Data handling, error detection modeling, and historical analytics powered by F&T's high performance data processing systems designed for the kind of complex analysis that the State of New Jersey requires to help stop fraud in as near to real time as possible;
- Intuitive, visual analytics tools to manage high volume data flow with software technology that enhances human cognition of complex data sets to provide a rapid production of high volume analytics; and
- Superior investigative, forensic review, and program management expertise provided by F&T.

Our robust suite of tools to ensure the integrity of each entity doing business with the State of New Jersey on an ongoing basis, and each payment transaction that the State completes with that entity. The strategy has five components: 1) authentication 2) verification 3) pre-payment screening 4) payment processing and 5) post-payment review /recoupment of possible improper payment. Each step is discrete, but inter-dependent, to mitigate the risk of suspicious businesses doing work for the State.

Steps 1 and 2 reduce the risk that the State of New Jersey may even form a business relationship with suspicious business partners / subgrantees. This is done through authentication and verification of their credentials before they are engaged as partners / subgrantees. These steps enforce the perception and the reality that the State is ever vigilant in monitoring business integrity. It integrates with FEMA PA, HUD, and other disaster grant application approval processes.

Step 1: Authentication. Performed during the grant or contract application phase and is designed to vet the identity and credibility of each potential business organization; recipients of direct funding, as well as subgrantees and vendors. This is done through cross checking of available business documents on each business, including tax ID numbers, financial statements; and that the business has some longevity / track record reviewed by independent sources.

Step 2: Verification. Designed to ensure each business has not been sanctioned by third parties. In this step, F&T reviews whether the business has been placed on any business "watchdog" lists. As an example, the US Department of the Treasury has implemented its "do not pay" program. This tool prevents organizations / individuals from doing any business with the Government and is the ultimate sanction by the Federal Government for prior fraudulent behavior. As an additional example, it is now routinely used by the Federal Department of Health and Human Services (HHS) to prevent applicants with dubious personal and/or financial profiles from receiving further assistance via loans or grants under the National Health Service Corps, when they begin fulfillment of their post-graduate service obligations in distressed communities.

While the behavior of organizations and individuals may not warrant their placement on such "do not pay" lists, they may have been previously sanctioned or currently part of a disciplinary action. In these instances, F&T will check to see if businesses currently appear or have appeared on "corporate integrity lists". This step is designed to raise the "yellow caution flag" initially when organizations are being pre-qualified to do business with the State of New Jersey. Later on after being successfully qualified, these checks will be applied when any payment-related transactions, or disbursements are made to businesses working on the Sandy relief effort. When completed, the outcomes of Steps 1 and 2 are designed to ensure that business contractors as well as subgrantees under Sandy Relief are credible, eligible, and authorized to do business with New Jersey. Organizations that do not pass the screening in Steps 1 and 2 are prevented from even being considered for doing work with the State or to receive funds as a subgrantee.

After each business applicant is fully vetted prior to processing any of its individual payment transactions, F&T proactively applies its forensic accounting and related services during the remainder of the payment cycle.

Step 3: Pre-payment analytics. Designed to thwart payments or other transactions for billed services that do not pass certain screening tests for otherwise credible businesses. Such checks may include screenings to prevent billings by businesses against accounts, that are not pre-authorized, or are closed, suspended, or have reached a max limit on dollar billings. They may also prevent billings by businesses for services that are not covered by specific business service lines. At this stage, our primary goal is to *prevent* erroneous payments. Comprehensive predictive analytic reviews are integrated with geospatial mapping that can immediately identify potential improper payment issues for swift intervention and appropriate remedies.

Step 4: Payment processing. Intended to ensure that actual payments are accurate (can be reconciled with agreed upon business milestones and rates), and are supported by active contracts, allowable adjustment rules and contract time periods. In this step, analytic tools and interventions occur to trap payments from occurring that violate state or Federal requirements for internal controls.

Step 5: Post-payment recoupment /feedback. This step is a series of interventions designed to recoup payments that may have escaped and/or averted the internal controls created during Steps 1-4. The best internal controls rarely eliminate risk, thus Step 5 interventions are primarily retrospective in their focus, and are triggered immediately, once post-payment forensics determine that payments were made improperly. Step 5 also plays a larger role in the grand scheme for ensuring the integrity and compliance of all payments against commercial and public sector business rules. In short, in addition to recoupment of previous improper payment requests, Step 5 informs the algorithms, business analytics, internal controls and analyses completed at all prior phases of the payment cycle.

Our solution moves surveillance over payment processing closer to real time. It begins at the pre-payment or pre-decisional stage, with advanced program operations data aggregation and mining.

Step 5 allows for intervention to verify and validate identified savings. As one of the largest accounting firms in the United States, F&T's audit capabilities are a core function, and our forensic practice has experience with government and business clients at all levels. Our skilled and focused reviews determine the depth, breadth, and substance of identified issues and provide a sound basis from which to pursue recovery actions.

An additional benefit of this intensive analysis phase is identifying and remediating compromised or outdated internal controls—and enhancing the compliance process. Post-payment fraud, waste, and errors are monitored and analyzed, with results used not only for overpayment recovery, but to inform and refine the rules and edits for continuous improvement of the pre-payment surveillance stage.

4.1.2 Task B: Risk assessments and loss prevention strategies.

A key portion of any risk management program is effective internal controls and ongoing monitoring of compliance. We have experience in reviewing grant management operations and assessing the adequacy and effectiveness of internal controls. F&T implemented a full-cycle internal control program at the Treasury to meet the OMB Circular A-123 program requirements. We provided a full service engagement from identification of key business processes to verification of correction of findings. F&T identified and documented key business processes, conducted risk assessments, developed test plans, coordinated testing of multiple sites, documented results and reported findings. F&T also proposed CAPs and developed verification and monitoring techniques to ensure that corrective actions were completed and effective.

F&T proposes a four-phased approach for meeting the State's need for internal control assessment services. Our approach conforms to the American Institute of Certified Public Accountants (AICPA) Statement on standards for consulting services. Our team has experience implementing this approach to establishing an internal control program that includes documenting and testing business processes for agencies throughout the Federal Government in the Executive as well as the Judiciary Branch. In our experience, this approach is most effective and basic when built upon the following principles:

- Seamless, transparent coordination of all assessment and improvement approaches;
- Customized steps and activities for each phase to focus and execute in meeting the unique needs of the State;
- Open, regular, and consistent communications with stakeholders; and
- Integrated service delivery team that shares lessons learned and facilitates access to experienced technical individuals as needed.

At the planning phase of the work, we identify key stakeholders to help establish the tone of the internal control program. The key to any internal control environment is the “tone at the top.” F&T will work with leadership to emphasize the importance of internal controls and support for the internal control assessment and financial reporting program development.

Document process: We will identify relevant stakeholders in the internal control and grants management process. We will reach out to the stakeholders and schedule interview sessions to gain an understanding of the current process. During these interview sessions, we will also introduce our overall risk-based approach with employees to gain a full understanding of relevant risks, significant processes and related controls within the organization; and to identify recent or anticipated changes that could impact the perceived level of risk, within the grants management process, to the organization. Although there may be many risks that effect an organization, our risk assessment model focuses on the following risks, at the control level: inherent, control, combined and fraud risk. Once we complete the interview stage, we will create a process narrative with the information gathered during the interviews. This narrative will contain the grants management process, its relevant sub-processes, corresponding controls and a flowchart to depict the process.

Document design effectiveness: The evaluation of the design effectiveness of a control begins with a Control Matrix (CM) assessment of the control’s design. We will, at the process level, determine if the controls in place were designed to achieve the desired outcome. We will determine the effectiveness of the design of internal controls over the grants management process by comparing the design to the internal control requirements, and inherent risk related to the chosen process and other applicable entities, and by applying the following criteria to each significant control:

- Does the control activity mitigate inherent risk to an acceptable level?
- Is the person who performs the control activity qualified to perform it?
- Is the control activity directly related to a control objective?
- Is the control activity efficient, i.e., cost beneficial?
- Does the control contain proper segregation of duties?
- Is the control documented properly and is proper delegation of authority in place where applicable?

While documenting the nature and content of controls over grants management, F&T may identify internal control deficiencies. In these instances, F&T will provide deficiency documents that highlight the specific deficiency and describe the criteria, cause and effect associated with each deficiency.

Our team has extensive experience evaluating entity and process level controls. Our team will review and update documented controls as required. These steps will allow the State to better understand if its internal controls are designed in accordance with Federal and other requirements. This process provides a foundation for testing the operating effectiveness of the respective internal controls, which is discussed below.

Planning for, performing and documenting control testing outcomes is a highly integrated effort that requires the involvement of numerous stakeholders, including process owners and internal control team members. Transaction level testing will be conducted based upon risk assignments previously established during process level evaluation.

Develop project testing plan: We will use a specific project testing plan to detail the test procedures by process area. Our test plans contain the following elements that can be tailored to the State’s needs: specific controls and its objectives to test against for each process, risk levels, document request list, date and place of testing, tester, sample sizes, testing method and results. In addition, the test procedures will be in the form of templates for the specified key controls.

Test operating effectiveness: We test operating effectiveness by leveraging the approved test plans to perform one or more of the following tests: inquiry, inspection, observation, and re-performance.

Identify control gaps and compensating controls: We identify any design gaps via the comparison of controls to various requirements, to see if the controls sufficiently meet the Stated requirements. If a design gap is identified, F&T considers the

extent of the gap and the impact the gap will have. F&T will also determine, for every control gap identified, if a compensating control is in place to mitigate the risk associated with the control gap. If compensating controls are in place, F&T performs tests of design and operating effectiveness of the compensating controls in the same manner as for primary controls.

Document test results: To help ensure documentation is prepared with sufficient detail to provide a clear understanding of its purpose, source and the conclusions reached, the test results documentation and work papers will include an evaluation of the level of assurance provided by the tested controls, considering the nature and application of the control, and the manner in which and by whom the control is applied. As part of the test result documentation, F&T will highlight potential control deficiencies.

In our testing phase, we work closely with respective process owners and management to provide an insight into our findings as they occur to allow for resolution as appropriate.

F&T will adhere to the same practice both at the conclusion of each phase and at the end of the engagement. We will provide a summary overview of all internal control deficiencies noted during the engagement, with prioritized recommended improvements. Timely reporting of deficiencies will allow process owners and management to begin to develop corrective action and remediation plans early in the process. This is the type of proven best practice that you can expect from our experienced team, having gained insight from working on A-123 evaluation process engagements over the past years.

F&T will compile the results of our analysis of controls and provide the State with our recommendations for improving, modifying or implementing additional controls. Our documentation for each finding/deficiency will include:

- **Condition.** Description of the finding;
- **Criteria.** Policies or requirements supporting the control;
- **Cause.** Reason for the deficiency; and
- **Effect.** Effect of the deficiency on the grants management process.

Our proposed methodology can be scaled to fit various organization sizes and structures as needed. Our recommendations will be directed at developing controls over OMB Circular A-133 compliance requirements to allow management and employees to prevent, detect and correct noncompliance.

4.1.3 Task C: Performance and program monitoring and promotion of best practices as applicable to each task order issued under this contract.

We will work with the State to implement a program of ongoing compliance monitoring of grants rather than only waiting until close-out. F&T can help develop stewardship solutions quickly, precisely and with maximum effective results. We are committed to its superior design, capability, operation and sustainability.

4.1.4 Task D: Fraud and misconduct investigation, prevention, detection and remediation.

F&T is comprised of seasoned forensics professionals who understand the principles of Government program stewardship and the conduct of investigations to determine fraud or misconduct, as well as the range of preventative, detection, and remediation strategies that pertain, as well. Our forensic technology professionals possess backgrounds in accounting, finance, anti-fraud, computer science, computer forensics, data acquisition and mining, law enforcement, and investigations.

4.1.5 Task E: Implementation and management of appropriate compliance systems and controls required by State and Federal governing guidelines, regulations and law.

F&T provides as a key component of its service offerings, a range of program management and audit engagement services for implementation management, compliance systems, and internal controls and compliance system reviews of Government programs. These services are available to provide the New Jersey DR and Long Term Planning Project with complete controls and compliance assurance as required by New Jersey and Federal guidelines, regulations and applicable laws.

4.1.6 Task F: Development and implementation of policies and procedures to assist in ensuring that program requirements are met, including preventing a duplication of benefits, and measures to detect and prevent fraud, waste abuse and mismanagement of funds; Compliance with Federal and State laws, and DRGR regulations as applicable.

The continuous operation of the Program Integrity Lifecycle produces the QA that the program requirements and the rigor of internal controls are such to warrant compliance with Federal and State laws as well as the regulations applicable to DR Block Grants.

4.1.7 Task G: Compliance with local regulations and ordinance as applicable.

All prevailing local regulations and ordinances will be followed and complied with in the operation of F&T Program Integrity operations in this engagement.

4.1.8 Task H: Disseminate information regarding the Anti-Fraud hotline maintained by the Office of the State Comptroller.

All information received from the State Comptroller's Anti-Fraud hotline will be thoroughly reviewed and investigated during Program Integrity operations.

4.1.9 Task I: Develop data management systems/programs for the purpose of collecting, conducting and reporting required compliance and anti-fraud analytics.

The deployment of F&T's solutions includes the development of the requisite data management systems, software and tools to provide the aggregation, analysis, and disposition of the compliance and anti-fraud requirements of this engagement.

Section 18: Management Overview

F&T views project planning as the first critical component of any project. For each project, we will deliver a formal project plan with specific milestones, deliverables and activities to New Jersey based on task order requirements.

18.1 Understanding of Objectives and Nature of Required Work.

We understand that Superstorm Sandy caused loss of life and unprecedented damage to New Jersey's housing, business, infrastructure, health, and social services. As required by OMB's Disaster Relief Act guidance, New Jersey must submit an internal control plan to OMB, GAO and its Inspector General's Office. The plan must include the auditing of programs, processes and finances, including monitoring the integrity of spending to ensure that funds are spent for their intended purpose. As the State moves into the recovery phase in the aftermath of the storm, we understand that it seeks strategic consultant services designed to support all facets of intermediate and long-term recovery efforts.

18.2 Action plan for responding to requests for an engagement

Our ability to provide the required services begins with our team and task management capabilities. Our approach to managing our team combines disciplined task order management with proactive communication for efficient coordination of team resources to deliver compliant, quality services as one, seamless team. Our task order management process, illustrated in **Figure 13**.



Figure13. Task Order Management Process

We interact well in advance of commencing a task order so personnel understand requirements, goals, and objectives, as well as quality and performance standard expectations. Our leadership team evaluates each task order approving final solution and resource composition to meet customer requirements and mitigate anticipated risks.

18.3 List of previously held, or currently held, contracts with similar services provided by the bidder

Section 26 contains information on contracts held that demonstrate our experience and the value of key contracts.

Section 19: Contract Management

The magnitude of the Hurricane Sandy recovery requires vast and diverse resources to ensure the necessary financial oversight. F&T will provide the State New Jersey with a wide array of resources and mechanisms to adequately monitor the financial integrity of this unprecedented recovery effort.

19.1 Plan to Manage, Control, and Supervise Task Orders.

F&T TO response preparation process will be as follows:

- F&T receives a TO.
- F&T PM will immediately post it on the team portal and identify potential personnel with the capabilities required while considering small business goals.
- The PM will analyze the TO to make a bid determination. With our team's breadth of capabilities and lack of conflict of interest, we do not anticipate a "no-bid" decision; however, if a no-bid decision is made, we will provide the TO CO a no-bid justification by the proposal due date.
- F&T will use the team portal to develop the TO response, including technical approach, staffing, deliverables, schedule, QC approach, and pricing.
- F&T will submit the TO response to the State of NJ.

After State of NJ awards the TO, we will manage it using the following approach:

Plan and initiate the task. F&T contracting staff will ensure that all personnel are formally engaged. We will hold a kickoff meeting to review our proposed approach and schedule. We will update and finalize the Project plan, develop a detailed Work Breakdown Structure (WBS), indicating all agreed upon deliverables and related schedules, notify the client of impacts to the task schedule or cost, and input task information in our financial management system and Quality Management System (QMS).

Execute the task. Our TO manager will have authority to work directly with State of New Jersey to make task-level decisions to ensure adherence with task planning, development, and delivery of all requirements. We will adhere to the plan, communicate frequently with the client, make necessary adjustments, and review quality.

Track and report the task. We use F&T's Real Time cost tracking system to assess actual costs to date. Our quality system tracks deliverable due dates, quality reviews, and review status. The TO manager reviews progress against the technical plan and budget. We will roll up subcontractor reports into our system for consolidated reporting to State of New

Jersey. The TO manager will deliver TO-level reports including a status report to the State of New Jersey sponsor that summarizes technical and schedule status.

Close out the task. When we finish the task, the PM or TO manager will meet with the State of New Jersey Official to ensure that all deliverables are accepted and ensure disposition of working materials. The TO manager will close out the task in our financial system and QMS. We will also send a customer satisfaction survey. Lessons-learned documentation and survey responses will become part of a body of knowledge that will aid our continuous improvement and inform future team selection, TO responses, and program execution.

19.2 Communications with the State Contract Manager or Cooperative Partner

Contract Oversight and Compliance: In addition to providing high quality services and deliverables, our Engagement Leadership team will work with our contract compliance specialists to ensure that we adhere to all contract provisions, including but not limited to:

- **Litigation Services:** Fully cooperating (at our own expense) with the State and providing all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions in any matter before any Federal, State or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the our recommendations.
- **Travel Expenses and Reimbursements:** Adherence to the General Services Administration (GSA) published travel rules and rates to include disaster specific amendments in accordance with the Federal Travel Regulations.
- **Data Confidentiality:** The protection and confidentiality of all data, including the completion of confidentiality agreements, security awareness and confidentiality training, and security clearances/background checks for all staff.
- **Document Retention/Material Ownership:** Document retention in accordance with Federal and State requirements and the transfer of ownership for all materials and technology solutions to the State (unless otherwise agreed to).
- **Insurance:** The maintenance of all required professional liability insurance. The insurance shall be in the amount of not less than \$5,000,000 and in such policy forms approved by the State.
- **Liquidated Damages:** The adherence to liquidated damages provisions associated with a failure to meet any required milestones, standards or deliverables, as appropriate.
- **Compensation and Payment:** Compliance with invoicing and payment terms as agreed to by the State, and in accordance with both Federal and State requirements.
- **Potential Conflicts of Interest:** The identification and avoidance of any and all potential conflicts of interest.

By providing designated Program Managers for each Pool, a standardized Project Management Process, ongoing communication, and rigorous contract oversight, F&T team will ensure that all Task Orders are completed to the highest standard and in accordance with all contract provisions.

Section 20: Organizational Support and Experience

F&T has assembled a team to deliver deep experience in each task areas required by the State. F&T's experience, commitment to quality and value set us apart from other service providers. In a field of worthy competitors, F&T will stand alone in bringing you cost-effective services tailored to your needs.

20.1 Personnel

F&T includes professionals with deep experience in audit, disaster recovery, engineering, financial management, fraud, waste and abuse detection, organizational improvement, information technology, and human capital. We have provided resumes of personnel with significant depth and breadth of skills gained from years of consulting experience in both the public and private sectors. All of the key personnel proposed have relevant experience and expertise to allow for outstanding and seamless service delivery.

Across F&T we have a deep bench of staff and expertise allowing us to match skills to specific need of the engagement. Our staff has a broad range of certifications, including information, auditing, accounting, business process improvement, project management, and technology. Our team includes named individuals who are at the ready to support New Jersey and who have the following certifications:

- Certified Government Financial Manager (CGFM);
- Certified Fraud Examiner (CFE);
- Certified Grants Management Specialist (CGMS);
- Certified Internal Auditor (CIA);
- Certified Information Systems Auditor (CISA);
- Certified Information Systems Manager (CISM);
- Certified Public Accountant (CPA);
- Project Management Professional (PMP);

The firm organizational structure is shown in the **Figure 14**.



Figure 14. Pool 3 Organizational Structure

The proposed team structure is shown in the **Figure 15**.

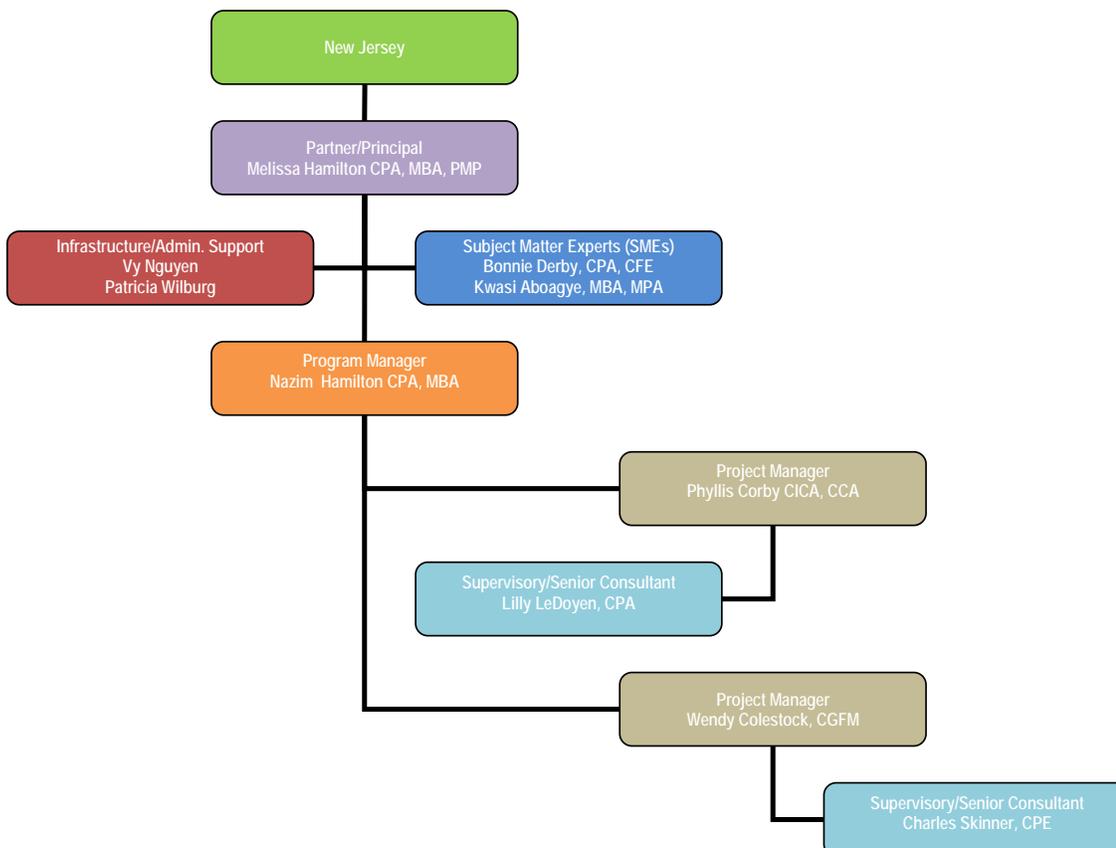


Figure 15. Pool 3 Proposed Team Structure

Melissa Hamilton, CPA, MBA, PMP is a **principal/partner** with Franklin & Turner and is currently leading our team in providing **compliance review services** to numerous agencies including FEMA and NIST.

Nazim Hamilton, CPA, MBA with Franklin & Turner, has 15 years of experience providing audit, accounting and advisory services with expertise in planning and executing audit, advisory, and audit remediation engagements. He has managed highly complex, multi-location audits, communicating with multiple stakeholders. Mr. Hamilton is a specialist in Enterprise Risk Management, Project Management, Financial Audit, Information Technology Audit, Internal Audit, and External Audit. He is proposed as **program manager**.

Subject Matter Experts:

Bonnie Derby, CPA, CFE a Senior Advisor with Franklin and Turner, has over 25 years of experience in the Federal government and private sector. Ms. Derby is recognized as having adopted a progressive role for expanding GAO's Financial Management and Assurance (FMA) team's area of expertise in grants accountability work. Developed GAO's FMA initial grant accountability audit methodology. This methodology was used to identify numerous internal control weaknesses and potential improper payments at multiple agencies and grantees. Developed close working relationships with other GAO team managers to reduce inefficiencies and to coordinate activities to ensure a smooth merger of both the programmatic and financial grants accountability work into one final audit report. Developed GAO's initial forensic audit methodology which has resulted in the identification of internal control weaknesses that resulted in millions of dollars of improper payments. As a result of one of my forensic audits, a government sub-contractor was ordered to return \$2.9 million to the U.S. government. Delivered frequent presentations on internal controls, risk assessments, and grants management within GAO, as well as to external organizations including the International Organization of Supreme Audit Institutions (INTOSAI), the Association of Government Accountants (AGA), National Grant Management Association (NGMA), U.S. Department of Treasury, Society of Military Controllers, Texas Society of CPAs, Federal Reserve Bank of Philadelphia, and various chapters of the Intergovernmental Audit Forum. Drafted numerous high-quality GAO reports and testimonies that were well received by Congress. The reports included recommendations for improvements to agency internal controls to reduce the likelihood of improper payments. Authored the feature article for AGA's Winter 2003 edition of the Journal of Government Financial Management – "Data Mining for Improper Payments". Collaborated with senior international government representatives in the design and implementation of internal control toolbox to serve as reinforcement for managers and auditors worldwide in their understanding of internal controls. Actively participated in AGA working groups in developing a fraud prevention, detection, and awareness website and a guide for improving efficiency in resolving open audit recommendations.

Kwasi Aboagye, MBA, MPA a Project Manager with Franklin and Turner with over 20 years of experience. A highly motivated and results oriented management professional with strategic problem solving experience in the following functional areas: Corporate Finance, Public Finance/Administration, Business Development, and Strategic Management. Developed strong background in budgetary formulation and execution, policy studies, CPIC, Portfolio management, statistical and econometric analysis. He has excellent teambuilding and project management skills and a proven track record for simplifying and conveying complex concepts to executives, line managers and lower level staff around the world. Mr. Aboagye provides financial analysis in the area of budgeting, CPIC, financial modeling, revenue recovery, risk analysis, cost management and expense control (using ABC/M). Mr. Aboagye has a solid background in policy studies and has applied strategic budgetary management to improve performance; integrate resources to support strategic vision and operations; collecting and analyzing data to support business decisions and alternatives; developing performance measurement programs to improve organizational productivity and efficiency in government, non-profit and private sector organizations. **Mr. Aboagye supports FEMA CIO in disaster recovery efforts.**

The proposed staff to support Pool 3 are shown in **Figure 16** and their resumes are included in Attachment A.

Name	Labor Category	Company	Task A	Task B	Task C	Task D	Task E	Task F	Task G	Task H	Task I
Melissa Hamilton, CPA, MBA, PMP	Partner/Principal	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Nazim Hamilton, CPA, MBA	Program Manager	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Phyllis Corby, CICA, CCA	Project Manager	F&T	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Wendy Colestock, CGFM	Project Manager	F&T			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		
Bonnie Derby, CPA, CFE	Subject Matter Expert	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Kwasi Aboagye, MBA, MPA	Subject Matter Expert	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Lilly Ledoyen, CPA	Supervisory/Senior Consultant	F&T	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Chuck Skinnner, CFE	Supervisory/Senior Consultant	F&T	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Benjamin Manuh, CPA	Consultant	F&T		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
Ismail Lawal, CPA, MBA	Consultant	F&T		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
Rachael Murray	Consultant	F&T		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
Vy Nguyen	Associate/Staff	F&T		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
Patricia Wilburg	Administrative Support	F&T									

Figure 16 Pool 3 Proposed Staff

Back-up Plan/Staff

F&T has a back-up plan is to recruit more personnel when needed. We have agreements with Robert Half International for any urgent staffing needs. Robert Half International is one of the nation’s leading accounting and finance staffing firms. All of our back-up candidates have clearances. We also have access to pools of candidates for back-up from resume databases such as monster and career builder.

Franklin and Turner’s Unique Value

In addition to the named individuals that are included in the organization chart, F&T includes depth and breadth of experience to ensure that we are ready to respond your full suite of needs with accounting, forensics, grants, internal controls, project management, and related skill sets – and also with deep engineering, geology, and planning skills and experience

20.2 Experience

F&T has the requisite knowledge, resources, and capabilities to lead the work necessary for the State of New Jersey. Our experience is demonstrated by our successful execution of numerous similar engagements for Governmental entities in both size and scope. F&T is confident in our ability to deliver outstanding service. In Section 22, we have included a matrix of clients with requirements relevant to the State of New Jersey. The scope and breadth of these engagements demonstrate our experience in each of the task areas in Pool 3.

Section 21: Resumes

Resumes for F&T can be found in Attachment A.

Section 22: Experience of Bidder on Contracts of Similar Size

F&T brings a wealth of past performance experience in FEMA disaster recovery, grants management, internal controls, auditing, program management, process management/improvement, and fraud detection. We have carefully selected a representative set of engagements that best demonstrate our experience for each pool area.

Pool 3 Past Performance: Our experience in this pool includes disaster recovery assistance to FEMA in planning, management, execution and financial management related to the award and processing of disaster recovery grants. The technical approaches, methodologies and systems deployed demonstrate exceptional ability to plan, implement and manage the processes, risks and controls needed in the aftermath of a disaster. The State of New Jersey will benefit from our extensive hand-on experience in managing engagements of similar scope and size to that expected with Hurricane Sandy recovery efforts. **Figure 17** presents a subset of our past performances that highlight our experience in Integrity Monitoring/Anti-Fraud.

F&T Experience	Task Area								
	A	B	C	D	E	F	G	H	I
FEMA, Resource Management and Capital Planning	☑	☑	☑	☑	☑	☑	☑		
NIST, Grants Audit Support Services		☑	☑	☑	☑	☑	☑	☑	☑
GAO, SEC Internal Controls Support Services		☑	☑	☑	☑	☑	☑	☑	☑
Treasury, A-123 Support Services	☑	☑	☑	☑	☑	☑	☑	☑	
MARAD, ARRA Grants Compliance Audits			☑	☑		☑	☑		☑
HUD, A-123 Support Services	☑	☑	☑		☑	☑	☑	☑	
HUD, Contract Compliance Reviews	☑	☑	☑			☑	☑	☑	
BBG, Improper Payments Audits	☑	☑	☑			☑			☑

Figure 17. Pool 3 Past Performance Experience

Detailed descriptions of this past performance are as follows:

(1) Client Name:	Department of Commerce National Institute of Standards and Technology Grants & Agreements Management Division
(2) Nature of Work Performed:	Grants Management Audit Resolution, Audit Recovery Administration, Process Improvement and Development of Audit Recovery Process
(3) Contract Description:	
<p>Franklin and Turner (F&T) assisted the National Institute of Standards and Technology (NIST) grant office in resolving Office of Inspector General (OIG) audit findings by reviewing grantee audit reports and findings (financial and non-financial), assessing the adequacy of grantee’s audit remediation, and developing Audit Resolution Proposals on behalf of the NIST grant office for review and concurrence from the OIG. F&T also developed and administered an audit recovery process, including a tracking and reporting system to identify and recover overdue audit reports from Advanced Technology Program grantees. F&T trained the grant office on the new audit recovery process and system.</p> <p>F&T’s scope of work for audit resolution proposals included:</p> <ul style="list-style-type: none"> • Review of OIG findings and recommendations on OIG desk review of grantees. • Researched and reviewed Department of Commerce Grants Management policies and procedures, ATP requirements, and applicable laws and regulations. • Reviewed GAMD grantee files, cooperative agreements, grantee comments, and additional supporting evidence provided. • Conducted analysis to support conclusions. • Drafted Audit Resolution Proposals (ARPs) to communicate the resolution or additional corrective action required by the grantee to resolve the finding. • Obtained GAMD, Program Office, Federal Assistance Law Division (FALD), and OIG concurrence with ARPs to be issued to grantees. 	

(1) Client Name:	Department of Commerce National Institute of Standards and Technology Grants & Agreements Management Division
<p>F&T supported the audit recovery process including:</p> <ul style="list-style-type: none"> • Developed audit recovery listing of ATP grantees not in compliance with audit requirements of the grant. • Developed and documented the Audit Recovery Process. • Developed a comprehensive and sustainable audit recovery tracking system to meet the requirements of the OIG and GAMD. • Supported GAMD in the audit recovery process by reviewing files and documentation to determine the status of audit reports. • Prepared letter to recipients identifying non-compliance and applicable laws and regulations. • Contacted recipients with outstanding audit reports and recovered audit reports. • Updated audit recovery tracking system with grantee contact information and recovered audit reports. • Developed audit recovery process training system and trained GAMD staff. <p>F&T helped FRD improve the efficiency and effectiveness of its operations including:</p> <ul style="list-style-type: none"> • Developed an audit recovery process and procedures, including process map, timelines, draft letter, call script, and escalation process to recover audit reports in a timely and efficient manner. • Identified management internal control/process issues related to audit recovery and incorporated best practices and corrective actions into the audit recovery process to address and mitigate these issues. 	
(4) Contracting Organization's name and address:	
U.S. Department of Commerce National Institute of Standard and Technology Grants & Agreements Management Division 100 Bureau Drive, Mail Stop 1650 Gaithersburg, MD 20899	
(5) Point of Contact: (Name, Address, Phone, Fax, Email):	Monifa Coleman, Contract Specialist Acquisition Management Division (AMD), Team D 100 Bureau Drive, Mail Stop 1640 Supply and Plant (301), Room B129 Gaithersburg, MD 20899 Phone: (301) 975-6321 Fax: (301) 975-3839 Email: Monifa.Coleman@nist.gov
(6) Contract Number:	SB1341-12-NC-0308
(7) Contract Type:	Fixed-Price
(8) Period of Performance:	July 9, 2012 to December 31, 2012
(9) Dollar value of contract:	\$449,736.26

(1) Client Name:	Broadcasting Board of Governors (BBG)
(2) Nature of Work Performed:	Improper Payments Elimination and Recovery Act of 2010 (IPERA)
(3) Contract Description:	
Hamilton Enterprises LLC d/b/a Franklin and Turner International (F&T) is assessing risk, conducting payment audits, and establishing corrective action plans to resolve Department of State and the BBG Office of Inspector General (OIG) audit findings. We established and are executing a process to improve BBG's compliance with the Improper Payments Elimination and Recovery Act of 2010 (IPERA) in accordance with OMB Circular A-123, Appendix C guidance.	

(1) Client Name:**Broadcasting Board of Governors (BBG)**

The objectives of the contract are to:

- Identify payment errors due to overpayments and collection of overpayments
- Define the reasons for overpayments
- Provide recommendations to prevent future overpayments
- Provide required documentation for IPERA to bring the agency into compliance with IPERA and resolve existing audit findings.

F&T developed a corrective action plan to address the OIG's audit findings and performed the following corrective actions:

- Conducted a qualitative and quantitative risk assessment to identify programs susceptible to significant improper payments.
- Conducted statistical sampling on all programs to estimate the improper payment rate (in-progress).
- Analyzed self-reported improper payments for root causes and developed corrective actions to address.
- Drafted the FY12 PAR IPERA disclosure to include all OMB Circular A-136 required disclosures and best practices.
- Developed an IPERA compliance process, including procedures for conducting an annual risk assessment, testing payments, conducting root cause analysis and developing corrective actions, and producing the PAR to include all required components related to improper payments as required by OMB.

F&T also plans to implement a recapture audit program to include predictive modeling and data mining for duplicate and improper payments.

(4) Contracting Organization's name and address:**(5) Point of Contact: (Name, Address, Phone, Fax, Email):**

Joshua Williams, COR
 Office of the Chief Financial Officer
 Broadcasting Board of Governors
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(6) Contract Number:

BBG50-P-12-0369

(7) Contract Type:

Labor Hour

(8) Period of Performance:

9/19/2012 – 9/18/2016

(9) Dollar value of contract:

\$575,956.80

Quoter		Franklin & Turner (F&T)	
Company Group/ Division		Franklin and Turner (F&T)	
Program, Project, or Task		Securities and Exchange Commission (SEC) Information System Controls Audit Support Services	
REFERENCE INFORMATION			
1	Customer Name:	U.S. Government Accountability Office (GAO)	
2	Address:	441 G Street N.W., Washington, D.C. 20548	
	Customer Information	Contracting Contract	Program / Project Manager or COR
3	Name & Title:	Carmencita Jones, Contracting Officer	Bernice Lemaire, Project Manager
4	Organization:	Government Accountability Office	Government Accountability Office

Quoter		Franklin & Turner (F&T)	
Company Group/ Division		Franklin and Turner (F&T)	
Program, Project, or Task		Securities and Exchange Commission (SEC) Information System Controls Audit Support Services	
5	Address:	441 G Street N.W., Washington, D.C. 20548	441 G Street N.W., Washington, D.C. 20548
6	Phone No.:	(202) 512-6475	(202) 512-7809
7	Fax No.	(202) 512-3999	(202) 512-3999
8	Email:	jonescd@gao.gov	lemaireb@gao.gov
9	Contract Number	GAO-10-CO-0011and GAO-11-CO-0008	
10	Contract Type (e.g. contract, BPA, task order) and pricing type (e.g. fixed price, cost reimbursement):	Firm Fixed Price	
11	Dollar Value (Not-to Exceed):	\$1,032,062	
	Cumulative funded amount:	\$1,032,062	
12	Project Start Date	June 2010	
	Estimated/ Actual Completion Date	November 2011	
13	Current status, e.g. completed and/or in progress	Completed	
Description of Work Performed and Relevance to Requirements in this RFQ			
<p>F&T provided value added support and expertise in assisting GAO in auditing the Securities and Exchange Commission's (SEC) Information Systems (IS) Controls in accordance with U.S. generally accepted government auditing standards, the GAO/PCIE Financial Audit Manual (FAM), Federal Information Security Management Act (FISMA) of 2002, specifically the standards referred to by the National Institute of Technology (NIST) Special Publications 800-53 (SP 800-53), Recommended Security Controls for Federal Information Systems and the Federal Information Systems Control Audit Manual (FISCAM). Information system controls consist of general controls (entity-wide, system and business process application levels), business process application controls (input, processing, output, master file, interface and data management system controls) and user controls (controls performed by people interacting with information systems).</p> <p>The audit required a full scope general controls review and testing of the following financial system application and end-user computing (EUC) controls: General Support System (GSS), The Electronic Data Gathering, Analysis, and Retrieval system (EDGAR), EDGAR/Fee Momentum, Phoenix, Momentum, The Financial Reporting and Analysis (FRA) Tool, Budget and Program Performance Analysis System (BPPAS), Federal Personnel and Payroll System (FPPS)/Quick time and Microsoft Excel Spreadsheets/Databases.</p> <p>Additionally, F&T assessed the impact of any IS-related concerns identified in the most recent Department of Interior SSAE 16 (formerly SAS 70) report concerning SEC's payroll system as well as followed up on all prior year IS audit issues. F&T performed a vulnerability assessment by scanning the following systems: Unix Environment, Windows Environment, Workstations (Laptops and Desktops) and Databases (Oracle, SQL Server and Sybase). We also tested the integrity of the Momentum General Ledger System.</p>			
Problems and Resolution			
No problems were encountered during the project period of performance.			

Section 23: Additional Experience of Bidder

F&T has assisted grantees and subgrantees through all aspects of the disaster grant cycle – to prepare, respond, and manage. We understand how to apply sound financial and Governmental accounting practices, processes, and controls to every aspect of this cycle. Most importantly, we bring to bear our significant experience in grants compliance and close-outs to enhance every aspect of the grant cycle, always working with the end-result in mind.

In the aftermath of disasters and expenditure of funds, State and subgrantees are constantly at risk of having Federal funds de-appropriated based on reviews by FEMA and OIG audits. We apply our in-depth understanding of commonly found audit exceptions, typically resulting from a failure to comply with Federal guidelines, inadequate documentation, and inadequate accounting practices, to help mitigate the de-appropriation of funds. We apply this knowledge and experience throughout every step of the grant cycle to help ensure a positive end result.

Section 24: Financial Capability of the Bidder

Financial Statements for F&T can be found in Volume 1 - Forms.

Attachment A: Resumes

This section contains resumes for those individuals named in the technical proposal for Pools 1, 2, or 3. These resumes are provided in the relative order in which they appeared on organization charts, with the partner resume included first, followed by program manager resumes and other resumes, ending with administrative support resumes.

Melissa Hamilton, MBA, CPA, PMP

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Partner/Principal
Clearance:	Top Secret
Total Years of Relevant Experience:	18+
Education:	MBA, Strategy, Georgetown University Bachelor of Arts in Economics, University of Maryland
Professional Licenses/ Memberships	Licensed Certified Public Accountant Certified Project Management Professional (PMP) Member, Project Management Institute, Association of Government Accountants, AICPA and MACPA

Summary of Qualifications

Ms. Hamilton is a Principal with Franklin and Turner (F&T). She has more than 18 years of auditing and financial management experience including public accounting, financial management, project management, federal financial reporting, financial statement analysis and compilation, fraud detection, business process improvement, cost and budget analysis, risk assessment, internal controls evaluation/documentation, business process design, system integration, testing and implementation. As Principal, Ms. Hamilton plays an active role in all including pre-engagement planning, performance monitoring, deliverable reviews, and final presentations.

Ms. Hamilton has a strong knowledge of federal accounting/auditing standards (including GAAS and GAGAS) and leadership proven by her ability to manage teams in serving government executives to initiate and manage positive change and resolve issues.

Experience Relevant to SOW

Federal Emergency Management Agency (FEMA): Ms. Hamilton reviewed applicants' claims for reimbursement. She reviewed applicant claims for compliance with regulations, reasonableness, duplication, and adequate documentation. During the course of her reviews, she researched eligibility issues, interviewed applicants, and consulted FEMA to ensure that the applicant received all the monies it was eligible for within the law. Her reviews for one applicant resulted in the discovery of \$2.6 million in questionable documentation, unreasonable or non-compliant billing, or duplication in an applicant's \$18 million claim. The applicant was completely unaware of most of these issues and they had passed through three levels of review prior to Ms. Hamilton uncovering them. Ms. Hamilton worked with the applicants and FEMA personnel to resolve all the issues that she uncovered. Ultimately, her analysis led to the resolution and withdrawal of \$9 million out of \$48 million across various applicant claims.

National Institute of Science and Technology (NIST): Ms. Hamilton served as Program Director for a team contracted to review grantee audit findings (financial and non-financial) and supporting documentation to draft audit resolution proposals and to develop and administer an audit recovery process and system to recover overdue audit reports. Ms. Hamilton ensured the engagement was properly managed, best practices and approaches were applied appropriately, and all deliverables were of high quality, exceeding client expectations. Ms. Hamilton handled all contractual matters and participated in client progress meetings.

Broadcasting Board of Governors (BBG): Ms. Hamilton served as the Program Director for a team contracted to assess risk, conduct payment audits, and establish corrective action plans to resolve Department of State and the BBG Office of Inspector General (OIG) audit findings. She oversaw the development of a process to improve BBG's compliance with the Improper Payments Elimination and Recovery Act of 2010 (IPERA) in accordance with OMB Circular A-123, Appendix C guidance and disclosure requirements in accordance with OMB circular A-136.

U.S. Department of Treasury – Financial Reports Division (OMB Circular A-123, financial reporting audit readiness and remediation): Ms. Hamilton leads a team to perform audit readiness and remediation, financial reporting and process improvement. She developed a comprehensive and sustainable system of internal control to meet the requirements of FRD, FMFIA, OMB Circular A-123, FAM, and FFMIA. She developed white papers and conducted research to provide justification and recommendations for FRD's cost allocation methodology, reporting entity policy,

Melissa Hamilton, MBA, CPA, PMP

revenue to receipts reconciliation. Ms. Hamilton developed and implemented recommendations for process improvement to enhance FRD's operating effectiveness and efficiency.

U.S. Government Accountability Office/Securities and Exchange Commission - Information System (IS/IT) Controls Audit (FISCAM and NIST 800-53): Ms. Hamilton was the Director on the GAO entity-level, general and application Information system controls audit in support of the CFO Act audit of Securities and Exchange Commission (SEC) 2011 financial statements. She documented process narratives, identified and audited key controls over financial reporting, issued findings and made recommendations for corrective action related the General Ledger integrity and balancing routines and financial reporting process.

Federal Trade Commission (FTC): Ms. Hamilton served as the Program Director for a team contracted to:

- Performing financial analyses and reconciling financial data, including reviewing unexpended prior year appropriations and determining ULOs that needs to be de-obligated.
- Preparing or assisting in preparing various financial reports and supporting schedules as needed.
- Documenting the financial policies which govern internal operations as established by the Financial Management Office (FMO).
- Documenting business policies and related procedures, including Managing Budgetary Resources, which includes budget distribution, budgetary controls, commitment processing, and obligation processing.
- Identifying opportunities to revise current business processes and procedures to improve the efficiency and/or effectiveness of existing processes.
- Identifying and documenting key internal controls that have been designed and placed into operation.

Department of Navy: Ms. Hamilton was part of a team to document, review, and analyze the problem disbursement related business processes and data flows to ultimately recommend process improvements to minimize or eliminate problem disbursements. She completed research on businesses processes, performed data analysis on problem disbursements, captured problems and recommendations during client interviews, and created work papers and narratives to be used in the final report to the client. She developed a sampling methodology to ensure that the sample used during the interview process identified the inefficient business practices contributing to the problem disbursement issue.

Internal Revenue Service (IRS): Ms. Hamilton developed system manuals detailing system processing, explaining system data and reports, and developing new business processes to ensure financial data integrity and accuracy, maintain strong internal controls, and comply with the Joint Financial Management Improvement Program (JFMIP) and the Federal Financial Management Improvement Act (FFMIA). Ms. Hamilton researched various Internal Revenue Manuals and Federal financial accounting concepts to implement and document the proper accounting and recognition of tax operations transactions.

U.S. Agency for International Development (USAID): Ms. Hamilton developed various processing and pay procedures for USAID's payroll division to address a data integrity issue. She developed tools to ease the analysis and created template work papers for each employee analysis to provide all the necessary audit detail and support necessary for the corrections made. She trained 17 people and managed the workflow and provided quality assurance oversight to a review team ranging in size from 2 to 10 people. Ms. Hamilton provided management with a report of the T&A review findings that summarized the problems found and explained their effect on employees' leave and pay balances. Ms. Hamilton also made recommendations to redesign the client's process for making system corrections. Her design stemmed from a centralized correction mechanism, which increased ease in data entry and analysis, improved the audit trail, and increased automation of the corrections.

Defense Finance and Accounting Service (DFAS): Ms. Hamilton customized a project methodology to develop a standardized method for process development, testing, implementation, monitoring, and change management. In addition, she developed project timelines, work breakdown structures and was responsible for the overall direction, progression and quality of the project deliverables. Ms. Hamilton oversaw various process improvement projects including: enhancing the LOA information available to the shippers and DFAS, implementing an automated interface to update the PowerTrack chart of accounts, and performing assessment and compliance reviews. Ms. Hamilton developed implementation plans and schedules, training materials and oversaw the automation of shipper sites to enable the automated payment and accounting process throughout the DoD.

Employment History

- Franklin and Turner, Principal – Jun 2006 to Present.
- IBM Global Business Services, Sr. Managing Consultant – Dec 2003 to Sept 2010.
- Airlines Reporting Corporation, Sr. Financial Analyst – May 2003 to Dec 2003.
- American Express Financial Advisors, Inc., Financial Advisor – Nov 2002 to Mar 2003.
- PricewaterhouseCoopers LLP, Consultant – Aug 2000 to Nov 2002.

Melissa Hamilton, MBA, CPA, PMP

- Oxford Realty Financial Group, Inc., Senior Accountant – Jul 1997 to Aug 1998.
- Kamerow, Weintraub & Swain, LLP, In-charge Accountant – Sept 1995 to Jul 1997.
- Meridian International Center, Staff Accountant – Feb 1995 to Sept 1995.

Nazim Hamilton, MBA, CPA

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Program Manager
Clearance:	NACI/Public Trust
Total Years of Relevant Experience:	15+
Education:	Master's in Business Administration, Finance, University of Maryland B.S., Accounting and Finance, <i>cum laude</i> , University of Maryland
Professional Licenses/ Memberships	Licensed Certified Public Accountant Member, American Institute of Certified Public Accountant, Association of Government Accountants

Summary of Qualifications

Mr. Hamilton is a Principal with Franklin and Turner (F&T). He has more than 15 years of assurance, attestation and advisory experience. Includes public accounting, financial management, project management, due diligence, financial reporting, financial statement analysis and compilation, fraud detection, business process improvement, cost and budget analysis, information technology audits, risk assessment and internal controls evaluation/documentation. As Principal, Mr. Hamilton plays an active role in all aspects of his engagements, including pre-engagement planning, interviews and fieldwork, data analysis, report development, up to and including final presentations.

Mr. Hamilton has a strong knowledge of federal accounting/auditing standards (including GAAS and GAGAS) and leadership proven by his ability to manage teams in serving government executives to initiate and manage positive change and resolve issues. He also has experience in information systems reviews (including general and application system controls) in support of Chief Financial Officer's (CFO) Act audits of government agencies and Statement of Auditing Standards (SAS) 70 Examinations (Type I and Type II) of government and state agencies and private sector.

Experience Relevant to SOW

U.S. Department of the Treasury, Office of Chief Financial Officer (OCFO) - OMB Circular A-123 Internal Controls Testing and OMB Circular A-136 Financial Reporting: Mr. Hamilton planned, prepared and reviewed the Quarterly/Annual financial statements for the interim audit and year-end audit in accordance with Treasury FMS Regulations, FASAB and OMB Circular A-133/136. Prepared financial statement footnotes, schedules and analyses (fluctuation analysis) of financial information as requested by the external auditors in connection with the annual audit. Developed and documented detail procedures for critical financial statement functions and recommended strategy to improve the financial statement preparation process. Reviewed, prepared and evaluated intra-department and interagency elimination transaction documentation. Assisted in the preparation and reviewing of the Office of Internal Control portion of the Performance and Accountability Report in accordance with OMB Circular A-123. Prepared various financial management policies and standards in accordance with FASAB and OMB guidance.

U.S. Government Accountability Office/Securities and Exchange Commission - Information System (IS/IT) Controls Audit (FISCAM and NIST 800-53): Mr. Hamilton lead a team to perform entity-level, general and application Information system controls audit in support of the CFO Act audit of Securities and Exchange Commission (SEC) 2010 financial statements. The audit was performed in accordance with GAO's Federal Information Systems Controls Audit guidelines (FISCAM) and NIST guidance. The audit scope covered the testing of the general support system (GSS) and key business applications for the following areas: General Controls [Security Management (SM), Access Controls (AC), Configuration Management (CM), Segregation of Duties (SD) and Contingency Planning (CP)], Application Controls [Application Level General Controls (AS), Business Process Controls (BP), Interface Controls (IN) and Data Management (DA)] and End-User Computing Controls (EUCs).

U.S. Agency for International Development – Account Reconciliation Support: Mr. Hamilton analyzed and verified sick leave, military leave, danger pay and other pay issues for the U.S. Agency for International Development. He performed validation analysis by comparing and reconciling historical data and fiscal year data in the auxiliary ledger database, to actual reports. He also tested and documented the obligations, disbursements and advances data from select foreign missions.

Nazim Hamilton, MBA, CPA

U.S. Department of Housing and Urban Development – Federal Housing Administration (OMB Circular A-123, Appendix A): Mr. Hamilton led a team to perform OMB Circular A-123 Internal Controls documentation and testing of FHA's key business programs and processes. He developed a comprehensive and sustainable system of internal control to meet the requirements of FHA, FMFIA, OMB Circular A-123 and FFMIA. This included utilizing a five phase approach: planning and scoping, developing and implementing internal controls, documenting and assessing the design, testing and evaluating the operational effectiveness and reporting. Mr. Hamilton performed the following:

- Documented and evaluated FHA's entity-level controls. These are organizational-level controls that have a pervasive effect on the organization as a whole. The evaluation was based on five standards: controls environment, risk assessment, controls activities, information and communication and monitoring.
- Performed a risk assessment of FHA programs and processes to determine risk levels and control gaps by utilizing both quantitative and qualitative materiality factors.
- Provided FHA management with updated and/or initial business cycle memorandums for 22 FHA businesses.
- Prepared test plans/scripts and conducted walkthroughs and testing of critical/key business process controls for the 10 business cycles identified as high risk areas.
- Identified management control issues and prepared recommendations to address these issues in the form of management letter comments and corrective action plans.
- Created a Risk Control Matrix (RCM). The RCM displayed the list of process controls aligned to mitigate process-level risks. This also included the test procedures and results of each process controls tested.

U.S. Department of Treasury – Office of Financial Stability (OMB Circular A-123, Appendix A): Mr. Hamilton performed internal control testing related to loans and debt issuance under the Trouble Asset Relief Program (TARP). Testing was performed on the underwriting, closing, funding, servicing, securitization, and reporting of loans and debt issuance related to the Auto Industry (GM, Ford and Chrysler) and Financial Institutions (Bank of America, GMAC, Citigroup, etc.).

Freddie Mac (Sarbanes Oxley Act, Section 404): Mr. Hamilton was a manager in the financial risk, controls, monitoring and compliance group in charge of audits related to single family, multifamily and guarantor securitization business areas. He led a team performing audits of single family and multifamily mortgages in the Freddie Mac retained and sold portfolios. Areas tested include origination, closing, servicing, securitization, asset management and financial reporting. Mr. Hamilton also evaluated the general and application IT controls based on five categories: Security Management, Access Controls, Configuration Management, Segregation of Duties and Contingency Planning.

Employment History

- Franklin and Turner International, Principal – June 2006 to Present
- Freddie Mac, Internal Audit/Controls Senior Manager – September 2004 to June 2006
- BearingPoint Inc., Senior Consultant – February 2004 to September 2004
- PricewaterhouseCoopers, LLP/IBM, Senior Consultant – February 2001 to February 2004
- Raffa & Associates P.C., Supervisory Senior Auditor – December 1998 to February 2001
- University of Maryland, Clerk – August 1996 to December 1998

Bonnie Derby, CPA, CFE

Current Employer:	Independent Consultant
Role on this Project:	Subject Matter Expert (SME)
Clearance:	Public Trust
Total Years of Relevant Experience:	25+
Education:	Bachelor of Science in Accounting, State University of New York
Professional Licenses/ Memberships	Licensed Certified Public Accountant and Certified Fraud Examiner Member, Association of Government Accountants (AGA), National Grant Management Association (NGMA), Association of Certified Fraud Examiners (ACFE)

Summary of Qualifications

Ms. Derby is a Senior Advisor with Franklin and Turner, has over 25 years of experience in the Federal government and private sector. Ms. Derby is recognized as having adopted a progressive role for expanding GAO's Financial Management and Assurance (FMA) team's area of expertise in grants accountability work. Developed GAO's FMA initial grant accountability audit methodology. This methodology was used to identify numerous

Bonnie Derby, CPA, CFE

internal control weaknesses and potential improper payments at multiple agencies and grantees. Developed close working relationships with other GAO team managers to reduce inefficiencies and to coordinate activities to ensure a smooth merger of both the programmatic and financial grants accountability work into one final audit report. Developed GAO's initial forensic audit methodology which has resulted in the identification of internal control weaknesses that resulted in millions of dollars of improper payments.

As a result of one of her forensic audits, a government sub-contractor was ordered to return \$2.9 million to the U.S. government. Delivered frequent presentations on internal controls, risk assessments, and grants management within GAO, as well as to external organizations including the International Organization of Supreme Audit Institutions (INTOSAI), the Association of Government Accountants (AGA), National Grant Management Association (NGMA), U.S. Department of Treasury, Society of Military Controllers, Texas Society of CPAs, Federal Reserve Bank of Philadelphia, and various chapters of the Intergovernmental Audit Forum. Drafted numerous high-quality GAO reports and testimonies that were well received by Congress. The reports included recommendations for improvements to agency internal controls to reduce the likelihood of improper payments. Authored the feature article for AGA's Winter 2003 edition of the Journal of Government Financial Management – "Data Mining for Improper Payments". Collaborated with senior international government representatives in the design and implementation of internal control toolbox to serve as reinforcement for managers and auditors worldwide in their understanding of internal controls. Actively participated in AGA working groups in developing a fraud prevention, detection, and awareness website and a guide for improving efficiency in resolving open audit recommendations.

Experience Relevant to SOW

Burma - UN and U.S. Agencies Assisted Cyclone Victims in Difficult Environment, but Improved U.S. Monitoring Needed: In response to a congressional mandate, Ms. Derby led the financial side of GAO's review of the \$85 million of U.S. contributions provided in response to Cyclone Nargis. Specifically, my team (1) assessed USAID, USAID grantee, and USAID subgrantee actions to help ensure funds were used as intended and did not benefit sanctioned entities and (2) described challenges responders experienced and the lessons learned. We reviewed financial and program documents; interviewed U.S., UN, and nongovernmental organization (NGO) officials; and traveled to Thailand and remote areas of Burma devastated by Cyclone Nargis. We also performed (1) internal control reviews at international grantees and subgrantees and (2) transaction testing of select grantee and subgrantee expenditures to ensure compliance with grant agreements and USAID ADS requirements. Developed recommendations that the Administrator of USAID (1) take four actions to improve the management of grants related to Burma, including enhancing financial monitoring and reinforcing the requirement to document site visits, and (2) review the questionable costs for international travel GAO identified.

Haiti - U.S. Efforts Have Begun, Expanded Oversight Still to Be Implemented: Ms. Derby led GAO's effort to evaluate USAID's internal controls for overseeing its portion of the more than \$1.14 billion in supplemental funds Congress appropriated for reconstruction assistance needed due to the January 12, 2010 earthquake in Haiti that killed an estimated 230,000 people, displaced about 2 million more, and exacerbated longstanding challenges. To do so, Ms. Derby interviewed U.S. government officials in Washington, D.C., and Haiti, as well as officials from Haitian ministries, Interim Haiti Recovery Commission (IHRC), and nongovernmental organizations, and reviewed U.S. and IHRC documents. She contributed to 4 recommendations to strengthen ongoing efforts to gear up for the expected influx of substantial funds from multiple donors.

Recovery Act - North Carolina: Ms. Derby was a member of the GAO team responsible for our oversight of bimonthly reviews of the American Recovery and Reinvestment Act of 2009 (Recovery Act) spending in North Carolina. The Recovery Act specifies several roles for GAO, including conducting these bimonthly reviews of selected states' and localities' use of funds made available under the act. The bimonthly reports addressed such concerns as the: (1) state's and localities' uses of Recovery Act funds, (2) the approaches taken by North Carolina and its localities to ensure accountability for Recovery Act funds, and (3) North Carolina's plans to evaluate the impact of the Recovery Act funds they received. Each report provided overall findings and discussed the status of actions in response to the recommendations we made in our earlier reports.

Africa -Partner Selection and Oversight Follow Accepted Practices but Would Benefit from Enhanced Planning and Accountability: Ms. Derby led the oversight and monitoring portion of GAO's review of the President's Emergency Plan for AIDS Relief (PEPFAR). This involved reviews of financial and program documents; interviews with U.S., Embassy, and nongovernmental organization (NGO) officials; and travel to South Africa and Namibia, which included visits to several remote HIV/AIDS clinics. We also performed (1) internal control reviews at international grantees and subgrantees and (2) transaction testing of select grantee and subgrantee expenditures to ensure compliance with grant agreements and USAID ADS requirements. We identified several weaknesses that limited USAID's ability to oversee partners' and sub-partners' PEPFAR activities and thus ensure accountability for PEPFAR funds. For example, our assessments of 15 implementing partners' internal controls showed that one implementing partner and six sub-partners were constrained in their ability to account for the use of PEPFAR funds, because they did not consistently carry out established policies and procedures.

Education - Management Attention to Long-standing Concerns Needed to Improve Education's Oversight of Grant Programs: Ms. Derby managed the review of the extent to which the Department of Education (Education) monitors the financial and programmatic performance of grantees that receive Title III and V funds. Under my direction, my team conducted financial site visits at 7 institutions. We reported that lack of site visits to grantees has impeded Education's ability to adequately monitor grantees. Because Education lacks a comprehensive approach to target monitoring, it lacks assurance that grantees appropriately manage federal funds, increasing the potential for fraud, waste, or abuse. For example,

Bonnie Derby, CPA, CFE

we identified more than \$100,000 in questionable expenditures at one grantee institution, including student trips to locations such as resorts and amusement parks, and an airplane global positioning system. We recommend Education develop a comprehensive, risk-based approach to target monitoring and technical assistance; follow-up on improper uses of grant funds identified in this report; ensure staff training needs are fully met; disseminate information about implementation challenges and successful projects to grantees; and develop appropriate feedback mechanisms.

Cuba - U.S. Democracy Assistance for Cuba Needs Better Management and Oversight: Ms. Derby performed limited testing for 10 USAID grantees and identified questionable expenditures and significant internal control weaknesses with 3 grantees of those grantees. We found that USAID's Cuba program office did not adequately manage at-risk grantees and lacked formal review or oversight procedures for monitoring grantee activities. We recommended and the USAID Administrator directed the appropriate bureaus and offices to improve management of grants related to Cuba by taking the following actions:

- Improving the timeliness of pre-award reviews to ensure they are completed prior to the awarding of funds.
- Improving the timeliness and scope of follow-up procedures to assist in tracking and resolving issues identified during the pre-award reviews.
- Requiring that grantees establish and maintain adequate internal control frameworks, including developing approved implementation plans for the grants.
- Providing grantees specific guidance on permitted types of humanitarian assistance and cost-sharing, and ensuring that USAID staff monitors grantee expenditures for these items.
- Developing and implementing a formal and structured approach to conducting site visits and other grant monitoring activities, and utilizing these activities to provide grantees with guidance and monitoring.

Employment History

- Independent Contractor – April 2012 to Present.
- U.S. Government Accountability Office (GAO), Director – January 1989 to March 2012.

Kwasi Aboagye, MBA, MPA

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Subject Matter Expert (SME)
Clearance:	Secret
Total Years of Relevant Experience:	20+
Education:	<p>Master of Business Administration, Finance and Strategic Innovation Management, Syracuse University</p> <p>Master of Public Administration, Public Finance, Policy, Budgeting and Technology Management, Maxwell School of Public Affairs, Syracuse University</p> <p>Bachelor's in Arts, University of Maryland</p>
Professional Licenses/ Memberships	Member, Project Management Institute

Summary of Qualifications

Mr. Aboagye is a Project Manager at Franklin and Turner with over 20 years of experience. A highly motivated and results oriented management professional with strategic problem solving experience in the following functional areas: Corporate Finance, Public Finance/Administration, Business Development, and Strategic Management. Developed strong background in budgetary formulation and execution, policy studies, CPIC, Portfolio management, statistical and econometric analysis. He has excellent teambuilding and project management skills and a proven track record for simplifying and conveying complex concepts to executives, line managers and lower level staff around the world. Mr. Aboagye provides financial analysis in the area of budgeting, CPIC, financial modeling, revenue recovery, risk analysis, cost management and expense control (using ABC/M). Mr. Aboagye has a solid background in policy studies and has applied strategic budgetary management to improve performance; integrate resources to support strategic vision and operations; collecting and analyzing data to support business decisions and alternatives; developing performance measurement programs to improve organizational productivity and efficiency in government, non-profit and private sector organizations. **Mr. Aboagye supports FEMA CIO in disaster recovery efforts.**

Experience Relevant to SOW

Department of Homeland Security (FEMA) Office of the Chief Information Officer (OCIO): Mr. Aboagye led the strategic development and execution of FEMA IT Budget (Investment, and financial management) for the CIO. Provided strategic support in managing IT budget by providing visibility, traceability, accountability and manageability. Implemented and reengineer appropriate measures to ensure FEMA Information Technology Service Division (ITSD). Conduct and assess baseline budgetary information necessary to maintain organizational effectiveness and the re-establishment of FEMA CPIC processes. Developed policies, processes, procedures and systems for establishing, operating, and assessing the

Kwasi Aboagye, MBA, MPA

effectiveness of administrative control systems such as those designed to prevent waste, loss, unauthorized use, or misappropriation of funds. Provided support to the CIO in the oversight and management of the division's budget, which includes financial management of financial resources from multiple appropriations, monitoring specific disaster spending requests, and developing and presenting financial reports/exhibits to provide status information on the division financial operations to the director, other senior OCIO management, DHS, OMB, Congress, and the public.

Department of Homeland Security, Office of the Chief Information Officer (OCIO): Mr. Aboagye led the strategic development and execution of Infrastructure Operations IT Budget (Investment, and financial management) for the CIO office. Applied the principles of the Federal budget process, the Government Performance and Results Act (GPRA), and the President's Management Agenda in the Infrastructure Operations Office of the OCIO (DHS) budget office. Conducted cost benefit analysis to provide alternative analysis to make recommendations to the Director of Infrastructure Operations. A dynamic leader, provided leadership on multiple engagements on variety of topics including budgeting, CPIC, performance accountability, strategic planning and procurement process. Performed and provided financial, budgetary and statistical analyses using techniques/methodologies and articulated findings/recommendations (quantitative and qualitative) to both senior and midlevel staff at OCIO. Identified and provided resolutions to full range budgetary and strategic management issues to the Director of Infrastructure Operations.

- Led the establishment and the management of the Infrastructure Operations Business Office
- Managed an annual budget of over 400m - Including the following;
 - Infrastructure Transformation Program (ITP) Level 1 Program with an annual budget of 109m
 - HSDN Level 1 Investment with an annual budget of 33m
 - Wireless Management Office Level 1 program with an annual budget of 86m
 - National Capital Area (WCF) with an annual budget of 110m
 - Managed budget formulation (RAP, RAP, passback,) and execution (commitment, obligation and expenses)
- Improved efficiency on many fronts, including procurement, expenditures and invoicing.
- Reviewed and evaluated all Purchase Requests initiated from the Infrastructure Operations Office.
- Reviewed and evaluated all Infrastructure Operations Office OMB 300s (3 level 1 investments & 1 level 3 investment) before submission
- Supervised division's year end close-out.
- Provided direction and guidance for the OCIO CPIC processes
- Supervised the review and reconciliation Division's funds against obligations, invoices and interest penalties. Tracking Contract information, such a Period of Performance (POP), Option Year(s), Contract Expiration, Funding Date, Contract Ceiling etc.
- Prepared COMSEC OMB 300
- Developed IOFM- a financial management tool used to track expenditures against appropriations
- Proficient in the use of DHS Portfolio, Investment management systems and procurement systems (IMS, ProSight PRS, FYHSP, Prism)

Employment History

- Franklin and Turner, Manager – January 2012 to Present.
- Independent Consultant – January 2003 to December 2012
- PricewaterhouseCoopers, LLP, Senior Consultant – May 1993 to December 2002

Wendy Colestock, CGFM

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Project Manager
Clearance:	Secret
Total Years of Relevant Experience:	37+
Education:	BS, Business Management, National Louis University AS, Financial Management, Community College of the Air Force
Professional Licenses/ Memberships	Certified Government Financial Manager (CGFM) Association of Government Accountants, American Society of Military Comptrollers

Summary of Qualifications

Ms. Colestock is a CGFM with extensive experience managing accounting operations in large scale organizations, business process reengineering, implementing Financial Systems, Business Enterprise Architecture, Financial Improvement, and Audit Readiness. She has successfully managed teams, project schedules, working groups, and identified/implemented educational needs to improve efficiency of operations and streamline/reengineer processes.

Wendy Colestock, CGFM

Experience Relevant to SOW

U.S. Department of Treasury – Financial Reports Division (OMB Circular A-123, financial reporting audit readiness and remediation): Ms. Colestock assisted with the compilation of the *Financial Report of the U.S. Government (FR)*. Developed a white paper to address GAO audit findings, incorporate materiality levels, and present a Memorandum of Understanding (MOU) with roles and responsibilities and timelines for Treasury and OMB to identify and notify agencies (determined to be significant to the FR) of their reporting requirements. In addition, provided in depth analysis on intragovernmental transactions not reconciling to trading partners and/or associated with the Treasury's general fund. Ms. Colestock updated Standard Operating Procedures (SOP) to improve and streamline processes and incorporated adequate internal controls. She also conducted testing of internal controls for operating effectiveness.

U.S. Air Force and U.S. Transportation Command: Ms. Colestock served as a Financial Specialist, assigned to the Compliance Section for the development of the Defense Enterprise Accounting System (DEAMS). Managed the development of business process flows and narratives for end-to-end processes IAW OMB A-123. Performed preliminary system audit IAW Federal Information Systems Audit Manual in preparation of DEAMS Status of Budgetary Resources Audit Assertion in FY 13.

U.S. Air Force: Managed contractor staff and performed analysis of Air Force business processes and led teams in reengineering current processes to obtain efficiency, effectiveness, and cost savings/avoidance. Concentrated effort on material weaknesses and areas identified by internal and external auditors. Streamlined and standardized procedures for Military Intergovernmental Purchase Requests. Developed and monitored official publication of an Air Force Instruction for proper procedures for purchases using this medium. Coordinated and worked high level financial issues including pay and benefits, commercial payments, and legal matters ensuring proper resolution.

DoD Business Management Modernization Program: Managed contractor staff providing Defense Engineering Services and performed key roles on the Department of Defense's Business Management Modernization Program. Lead accountant on Human Resource Domain, validating requirements for non-appropriated funds and education and training. Assisted in the development of the Standard Financial Information Structure (SFIS), providing a standard accounting structure mandating use across the Department of Defense.

U.S. Air Force: Managed financial management employees at Major Command and installation levels while advising the CFO and CEO on Financial management matters. Selected by the Assistant Secretary of the Air Force for Financial Management to lead many major projects: prepared financial managers deployed to remote operations to support the war on terrorism; determined training requirements for future financial operations; and led subject matter experts on the development of training aids to support the needs of financial managers providing continuity of operations.

Employment History

- Franklin and Turner International, Managing Consultant – April 2012 to Present.
- Kearney and Company, Senior Manager – January 2005 to April 2012.
- Computer Science Corporation, Program Manager – March 2003 to December 2004.
- United States Air Force, Senior Financial Manager – November 1973 to June 2003.

Phyllis Corby, CICA, CCA

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Project Manager
Clearance:	Secret
Total Years of Relevant Experience:	12+
Education:	Bachelor of Science in Business Management, University of Maryland
Professional Licenses/ Memberships	Certified Internal Control Auditor (CICA), Certified Construction Auditor (CCA)

Summary of Qualifications

Ms. Corby is a Manager with Franklin and Turner (F&T). She has more than 12+ years of consulting, accounting and auditing experience in Federal and State Government, public accounting, not-for-profit, retail, manufacturing, real estate development, construction and real estate. Ms. Corby is an experienced manager with proven leadership skills

Phyllis Corby, CICA, CCA

Ms. Corby has a strong knowledge of federal accounting/auditing standards (including GAAS and GAGAS) as well as OMB Circulars A-11, A-102, A-110, A-123, A-127, A-133, A-134, and A-136.

Experience Relevant to SOW

Broadcasting Board of Governors (BBG): Ms. Corby performed risk assessment of programs to identify, estimate and report on programs and activities susceptible to significant improper payments. She compiled an inventory of all payments and outlays, identifying all payment streams in each program; performed a review and analyzed the sample payments through audit/verification to assess errors by: incorrect disbursements/incorrect recordation, insufficient documentation/incomplete paperwork, overpayments, and underpayments. Ms. Corby calculated an error rate from the sample and projected an estimated improper payment amount for the program; developed a Corrective Action Plan for high risk programs with improper payments exceeding required thresholds; identified root causes of improper payments; established reduction targets for future years. She developed a root cause analysis with recommendations; Risk Assessment and IPERA PAR preparation process and IPERA testing process. Ms. Corby presented all findings and recommendations to BBG executive management.

National Institute of Science and Technology (NIST): Ms. Corby led a team of 5 consultants assisting the NIST grant office in resolving Office of Inspector General (OIG) audit findings by reviewing grantee audit reports and findings (financial and non-financial), assessing the adequacy of grantee's audit remediation, and developing Audit Resolution Proposals on behalf of the NIST grant office for review and concurrence from the OIG. The team also developed and is administering an audit recovery process, including a tracking and reporting system to identify and recover overdue audit reports from Advanced Technology Program grantees.

U.S. Department of Health and Human Services (HHS): Ms. Corby served as a Financial Specialist and Manager for American Recovery and Reinvestment Act of 2009 (ARRA) Community Services Block Grant reviews for the Office of Community Services Administration for Children and Families. She conducted onsite compliance audits of grantees including review of grantee contracts/subcontracts, indirect cost rate calculations and agreements, and tax returns. ARRA funds were considered high risk and susceptible to significant risk of improper payments due to the quick turn-around requirements of the funding. Ms. Corby performed risk assessments of the program and grantees. Ms. Corby conducted in-depth interviews of individuals at State and local levels to define administrative, financial, program and accounting practices and identified systems issues that facilitated grantee compliance with ARRA requirements. The review included specific procedures to identify the risk of improper payments at each grantee and specific identification and recovery of improper payments.

U.S. Election Assistance Commission (USEAC): Ms. Corby performed compliance audits related to the Help Americans Vote Act (HAVA) grants to 50 states and territories. She managed the audit of one state and trained Managers with regard to requirements, policies, and procedures related to the HAVA during audits of other states. The audit included the voting equipment and software, security of the equipment, purchases and improper payments, including the recovery of funds, calculation of error rate and projected improper payment amounts. She also completed an OMB A-123 compliance review of the Office of Communications.

Federal Communications Commission (FCC): Ms. Corby planned and performed compliance audits. This included collaborating with information systems to obtain data and develop data definitions. She reviewed the data, policies, and procedures to determine if appropriate laws and regulations were followed. Ms. Corby managed, reengineered, planned and performed the CFO Act Audit of the internal controls, financial statements and notes. She trained peers and staff on the CFO Act Audit, accounts receivable, accounts payable, purchases, disbursements, including improper payments, notices of findings and recommendations, recommended corrective actions and review of corrective actions implementation and resolution of audit findings for prior years.

Community Services for Autistic Adults and Children: Ms. Corby planned, managed and performed OMB Circular A-133 non-profit audit of financial statements, notes and disclosures.

Administrative Offices of U.S. Courts: Ms. Corby planned and performed compliance audits of internal controls for the U.S. federal court system. The internal controls audits also included risk assessments and specific procedures related to purchasing and improper payments. She then presented findings to the Administrative Offices of the U.S. Courts, Chief, Judge, and Court Executives.

Centers for Medicare and Medicaid Services (CMS): Ms. Corby provided OMB Circular A-123 internal controls review, documented internal controls, policy and procedure manuals. This included making recommendations for improved processes and controls, providing training and assisting in drafting, preparing, and presentation of project deliverables. Ms. Corby performed a Statement on Auditing Standards No. 70 reviews of the Centers for Medicare and Medicaid Services for various Medicare providers.

Phyllis Corby, CICA, CCA

U.S. Department of the Treasury: Ms. Corby managed the CFO Act audit of Non-entity Assets, Non-Entity Costs, and Custodial Revenue Schedule for the U.S. Department of the Treasury's Financial Management Services using GAGAS, FAM and GAAS. She performed analytical reviews of financial statements and notes and worked with third parties to obtain, test, and document support for the financial statements and notes. She prepared financial statements and determined whether financial statement notes were properly presented and disclosed. Ms. Corby reviewed the internal controls and corrective action plans for resolution of financial and IT audit findings.

Making Home Affordable Program (MHA): Ms. Corby planned, designed and conducted onsite audits for servicers of Non-GSE Mortgages and recipients of Federal funds from the MHA Program. This included analyzing risk and data as well as presenting observations/findings and recommendations to servicers and Senior Executives of Freddie Mac. She assisted in the implementation of the Electronic Document Retention Program.

Employment History

- Franklin and Turner, Manager – July 2012 to Present.
- McGladrey & Pullen, LLP, Manager – October 2011 to June 2012.
- JBS International, Inc., Financial Specialist – January 2010 to October 2011.
- Clifton Gunderson LLP, Manager – Jul 2001 to Jan 2010.

Lilly LeDoyen, CPA

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Supervisory/Senior Consultant
Clearance:	Top Secret
Total Years of Relevant Experience:	8+
Education:	B.A., Accounting and Finance, Ohio University
Professional Licenses/ Memberships:	Licensed Certified Public Accountant

Summary of Qualifications

Ms. LeDoyen is a Managing Consultant with Franklin and Turner (F&T). She has more than 8 years of accounting and audit experience. Includes financial statement preparation, grant accounting and auditing, financial management, federal financial reporting, financial statement analysis and compilation, fraud detection, business process improvement, cost and budget analysis, risk assessment, internal controls evaluation/documentation, system integration, testing and implementation. As a Managing Consultant, Ms. LeDoyen plays an active role in all aspects of the engagements, including pre-engagement planning, interviews and fieldwork, data analysis, report development, and final presentations.

Ms. LeDoyen has a strong knowledge of federal accounting/auditing standards (including GAAS and GAGAS) and experience in designing audit procedures for grants associated with OMB Circular A-123 and A-133. She also has experience with Federal Acquisition Regulations (FAR), OMB Circular A-11, and the Federal Agencies Centralized Trial Balance System.

Experience Relevant to SOW

Federal Trade Commission (FTC): Ms. LeDoyen performed the follow tasks:

- Financial analyses and reconciling financial data, including reviewing unexpended prior year appropriations and determining ULOs that needs to be de-obligated.
- Preparing or assisting in preparing various financial reports and supporting schedules as needed.
- Documenting the financial policies which govern internal operations as established by the Financial Management Office (FMO).
- Documenting business policies and related procedures, including Managing Budgetary Resources, which includes budget distribution, budgetary controls, commitment processing, and obligation processing.
- Identifying opportunities to revise current business processes and procedures to improve the efficiency and/or effectiveness of existing processes.
- Identifying and documenting key internal controls that have been designed and placed into operation.

U.S. Department of Treasury – Financial Reports Division: Ms. LeDoyen conducted financial analysis to determine progress made on resolution of intra-governmental differences at the Governmentwide level. She also reviewed agency intra-governmental reports for consistency and adequacy of explanations. Ms. LeDoyen shadowed an FRD employee to document the intra-governmental process steps in an administrator's

Lilly LeDoyen, CPA

manual.

U.S. Securities and Exchange Commission (SEC) and Office of Inspector General (OIG): Ms. LeDoyen was responsible for all aspects of the project, review and assessing PP&E and internal controls, including developing test plans, testing, preparation of report of findings to client and preparation of report of corrective actions for the client to implement.

Department of Justice, Justice Management Division (JMD and QCCG): Ms. LeDoyen:

- Worked with JMD Finance Staff to verify that components within the OBDs continue to implement effective financial management practices and receive unqualified audit opinions.
- Led a team of five that provided audit support to the OBDs including internal mock audits, pre-audit reviews and recommendations, and external audit assistance
- Assisted in the strategic planning of internal mock audits for 40 components within DOJ OBDs and led audit teams at sites such as (AFMS) Asset Forfeiture Management, (ATR) Antitrust Division, (EOUSA) Executive Office for US Attorneys, (EXECOFF) Executive Offices, (OIR) Executive Office of Immigration Review, (OLC) Office of Legal Counsel, (RCLO) Regime Crimes Liaison Office, (ITFM) International Training FIN MGT, and (OVW) Office on Violence against Women
- Provided guidance and advisory support to DOJ components regarding audit procedures and responses while serving as a liaison between the department and the external auditor
- Provided analysis of high-priority items as identified by JMD Finance Staff Management and through audit findings, resulting in business process improvements at the DOJ, JMD; at both an operational and quality control level
- Issued (CAP) Corrective Action Plans to components to resolve weaknesses identified by the internal mock audits prior to external auditors review
- Assisted in training personnel; developed a training plan and provided training and materials relating to obligation and reimbursement receivables and grant management training. The training development included all current OMB and Treasury regulations as well as JMD policies and procedures.
- Served as a subject matter expert in the established policies and procedures of JMD, OMB, and the (GAO) Government Accountability Office as well as the principles set forth in the United States Code, Code of Federal Regulations United States Treasury Financial Manual, and the (GAAP) Generally Accepted Accounting Principles

U.S. Agency for International Development (USAID): Ms. LeDoyen provided financial management support including preparation of the agency's annual financial statements, and quarterly interim statements, as required by federal regulatory reporting requirements, while also working with agency financial management personnel towards achieving an unqualified opinion. Specifically Ms. LeDoyen:

- Coordinated data collection from accounting stations in 51 different countries, which were used to prepare necessary adjustments to the agency's general ledger, as well as preparing financial statement footnotes and required disclosures.
- Lead a team of six personnel in maintaining the reliability of the general ledger. This task required the maintenance of suspense accounts, various reconciliations, analysis of abnormal transactions, transfers, warrants, accruals, advances, expenditures, tie point test, and having an extensive understanding of the normal business practices related to federal government agencies and United States Standard General Ledger (USSGL).
- Preparation, completion, and analysis of the Statement of Net Cost, Statement of Changes in Net Position, Statement of Budgetary Resources, and the Balance Sheet
- Assisted in addressing and resolving the material weaknesses and reportable conditions identified in audit findings
- Trained client and other contract staff on preparing the quarterly and year-end financial statements

U.S. Department of Navy (DOD): Ms. LeDoyen conducted the project profit and loss analysis, prepared the delivery excellence 7-Keys status report, provided ad-hoc analyses, collaborated with key members of a lean six sigma team in collecting applicable data, documenting, analyzing and finalizing data for the "labor life cycle" and reimbursable process to help build in lean six sigma capabilities and metrics and conducted lean six sigma value stream mapping data analysis.

Employment History

- Franklin and Turner, Managing Consultant – May 2012 to Present.
- Castro & Company, Auditor – Sept 2011 to Jun 2012
- IBM Business Consulting Service, Consultant – Mar 2007 to Aug 2011
- AXA, Financial Advisor – Nov 2004 to Jan 2007

Charles Skinner, CFE

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Supervisory/Senior Consultant
Clearance:	Public Trust
Total Years of Relevant Experience:	7+
Education:	Bachelor of Science in Economic Crime Investigation, Utica College, 2006
Professional Licenses/ Memberships:	Certified Fraud Examiner, Association of Certified Fraud Examiners, 2008

Summary of Qualifications

Mr. Skinner is a Senior Consultant with Franklin and Turner. He has more than seven years of experience in examining financial compliance and programs related to OMB Circular A-133 using the Compliance Supplement provided by the Office of Management and Budget. He has six years of experience that includes tax, audit, financial statement preparation, budgeting, and financial investigation.

Mr. Skinner has a strong knowledge of federal accounting/auditing standards (including GAAS and GAGAS) and experience in designing audit procedures for grants in compliance with OMB Circulars A-123 and A-133. He has managed staff on concurrent engagements.

Experience Relevant to SOW

U.S. Department of Treasury – Financial Reports Division (OMB Circular A-123, financial reporting audit readiness and remediation): Ms. Skinner performs audit readiness and remediation, financial reporting and process improvement. He developed a comprehensive and sustainable system of internal control to meet the requirements of FRD, FMFIA, OMB Circular A-123, FAM, and FFMIA. He developed white papers and conducted research to provide justification and recommendations for FRD's cost allocation methodology, reporting entity policy, revenue to receipts reconciliation. Ms. Skinner developed and implemented recommendations for process improvement to enhance FRD's operating effectiveness and efficiency.

National Institute of Science and Technology (NIST): Mr. Skinner reviewed grantee audit findings (financial and non-financial) and supporting documentation to draft audit resolution proposals on behalf of the NIST grant office and OIG. He created supporting workpapers and cited applicable regulations to support his recommendations. He functioned as a team lead, tracking work progress and conducting technical reviews. Mr. Skinner developed an audit recovery tracking system to identify and track recovery of overdue audit reports.

New York State and Local Governments: Mr. Skinner designed and performed audit services including financial statement review and Single Audit procedures according to OMB Circular A-133. Designed risk based audit approach for review of Federal grant programs. Identified deficiencies and issues of noncompliance with federal regulations and presented resolution recommendations. Mr. Skinner provided services to many local and state governments in New York State including but not limited to: County of Onondaga, New York; City of Syracuse, New York; City of Rome, New York; Oneida County, New York; Various New York State school districts and Board of Cooperative Educational Services facilities.

Mr. Skinner designed and implemented new Internal Control Audit procedures as required by the New York State Comptroller's Five Point Plan. This included performing risk assessments, testing of controls, providing recommendations, and implementation.

Employment History

- Franklin and Turner, Senior Consultant – June 2012 to Present.
- Testone, Marshall and Discenza, LLP, Senior Accountant – January 2011 to March 2012.
- Advocates for Upstate Medical University, Finance Committee Chairman – May 2011 – March 2012.
- Research Associates of Syracuse, Inc., Accounting Consultant – December 2009 to March 2010.
- D'Arcangelo & Co., LLP, Senior Accountant – June 2006 to October 2009.

Benjamin Manuh, CPA

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Consultant
Clearance:	Public Trust
Total Years of Relevant Experience:	17+
Education:	Bachelor of Science in Accounting, Rutgers University

Benjamin Manuh, CPA

Professional Licenses/ Memberships

Licensed Certified Public Accountant in New York State

Summary of Qualifications

Mr. Manuh is a Consultant with Franklin and Turner (F&T). He is a Certified Public Accountant with extensive public and private sector financial management experience. Mr. Manuh has a strong knowledge of federal accounting/auditing standards (including GAAS and GAGAS) as well as OMB Circular A-123 and A-133.

Experience Relevant to SOW

National Institute of Science and Technology (NIST): Mr. Manuh reviewed grantee audit findings (financial and non-financial) and supporting documentation to draft audit resolution proposals on behalf of the NIST grant office and OIG. He created supporting workpapers and cited applicable regulations to support his recommendations, and assisted with the administration of the audit recovery process.

US Department of Transportation Maritime Administration (MARAD): Mr. Manuh led a project at the Maritime Administration for the monitoring and reviewing of annual financial statements of outstanding grant contracts for the Title XI Program. The Title XI Program provides a full faith and credit guarantee by the U.S. Government of debt obligations issued by (1) U.S. flag vessels or eligible export vessels constructed, reconstructed, or reconditioned in U.S. shipyards; and (2) U.S. shipyards for the purpose of financing advanced ship building technology and modern shipbuilding technology of a privately owned general shipyard facility located in the United States. Additionally, under the American Recovery and Reinvestment Act (ARRA), supervised a team to review 525 grant applications to determine which shipyards were eligible for ARRA funds.

Newark Board of Education: Participated in an OMB Circular A-133 Single Audit and A-123 internal control process improvement project aimed at reviewing the current effectiveness of controls. This project focused on documentation of key business processes, compliance with OMB Circular A-133, control testing and reporting on the effectiveness of internal controls over financial reporting as well as remediation recommendations.

Department of Health and Human Services (DHHS) Head Start Bureau: Reviewed the quarterly and annual financial statements for compliance with federal regulations and Head Start performance standards. Assisted in the preparation of the Performance and Review Report.

Baltimore City Community College (BCCC): Member of a team that performed financial analysis aimed at reviewing the financial feasibility of a real estate developer. Performed additional tasks aimed to review the Developer's financial records, financial statements, confirmation of cash and debt balances and other pertinent financial information to determine whether the Developer has the financial capacity to execute a potential redevelopment of the Baltimore Inner Harbor Campus. Also, submitted a recommendation on the financial strength and stability of the Developer to undertake this project in the context of the Developer's existing and projected pipeline of projects.

Employment History

- Franklin and Turner, Consultant – August 2008 to Present.
- Independent Contractor – June 2002 to August 2008.
- Swiss Re-Asset Management Inc., Corporate Account Supervisor – 2001 to 2002.
- Merrill Lynch & Co., Senior Financial Analyst – 1999 to 2001.
- Ernst & Young, LLP Staff and Senior Auditor – 1995 to 1999.

Ismail Lawal, CPA, MBA

Current Employer:

Franklin and Turner (F&T)

Role on this Project:

Consultant

Clearance:

Public Trust

Total Years of Relevant Experience:

15+

Education:

Master's in Business Administration, Morgan State University
Bachelor of Science in Accounting, Howard University

Professional Licenses/ Memberships

Licensed Certified Public Accountant in Maryland
Member, Maryland Association of Public Accountants and American Institute of Certified

Ismail Lawal, CPA, MBA

Public Accountant

Summary of Qualifications

Mr. Lawal is a Consultant with Franklin and Turner (F&T). He is a Certified Public Accountant with extensive public and private sector financial management experience. Mr. Lawal has a strong knowledge of federal accounting/auditing standards (including GAAS and GAGAS) as well as OMB Circular A-123 and A-133.

Experience Relevant to SOW

National Institute of Science and Technology (NIST) – Mr. Lawal reviewed grantee audit findings (financial and non-financial) and supporting documentation to draft audit resolution proposals on behalf of the NIST grant office and OIG. He created supporting workpapers and cited applicable regulations to support his recommendations and assisted with the administration of the audit recovery process.

National Aeronautics and Space Administration (NASA) Goddard Space Flight Center (GSFC): Mr. Lawal performed closing out and reconciling grants at National Aeronautics and Space Administration (NASA). These tasks require reviewing, reconciling and validating all information included in the closeout package. Verified that the financial information included in the closeout package is accurate and all forms are prepared in accordance with NASA's grant requirements and guidelines. Ensured that appropriate Federal regulations pertaining to grants area were adhered to before the information was processed in NASA's core financial management system (SAP). Reconciled the information in the Legacy Resource Consulting Corporation Grant and Cooperative Agreement Closeout Record (Old System) and the final Federal Cash Transaction Report (SF272) to SAP. Prepared a comparative analysis of grants information derived from SAP, NASA's Legacy system and the Department of Health and Human Services Payment Management System. These tasks were done according to NASA grant requirements, grants monitoring procedures, relevant OMB Circulars, and FAS cost principles.

Chesapeake Bay Gateway Network (CBGN): Mr. Lawal performed the audit of grants approved under the Chesapeake Bay Gateway Network (CBGN) grant program. As part of the scope of work, we determined whether the organization complied with:

- 2 CFR Title 215, Uniform Administrative Requirements for Grants and Agreements
Federal Acquisition Regulations.
- Office of Management and Budget (OMB) Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations
- OMB Circular A-122, Cost Principles for Non-Profit Governments, and Non-Profit Organizations
- Maintained and monitored all purchase orders, vendor's invoices, employee payroll data and other records to ensure that all federal policies, procedures, regulations and guidelines were adhered to in the execution of the "grants".
- Tested the allowability of costs charged to the projects.

Department of Justice: Mr. Lawal performed the financial statements audit of the Offices, Boards, Divisions (OBDs) for fiscal year 2004. Specific duties included:

- Performed Internal Controls review and substantive test work over Grants Management.
- Performed various risks assessments of the on- going processes at the department.
- Drafted findings and made recommendation for deficiencies noted during the audit.

Department of Homeland Security – Bureau of Immigration and Customs Enforcement: Mr. Lawal performed the Internal Controls over certain Customs Accounting Cycles. Specific duties performed included: Participated in the observation of Inventory of Personal Property, Aircraft Parts, and Marine Parts. In fiscal year 2003, participated in the full financial statement audit of the U.S. Customs.

Government National Mortgage Association (Ginnie Mae): Mr. Lawal conducted the reviews and analyzes of financial statements received from institutions approved to conduct business as Ginnie Mae issuers and Federal Housing Administration (FHA) mortgagees. Specific duties performed included:

- Ensured that all required information was included in the package.
- Reviewed reports (audit report, internal control report, compliance report, net worth calculation, and insurance coverage report) to determine whether the issuers/mortgagees meet Ginnie Mae and FHA financial requirements.
- Identified any noncompliance or internal control issues raised by the Independent Public Accountant (IPA) in the audit reports.
- Entered results of the review into Ginnie Mae's IPA automated system.
- Performed follow-up contacts with issuers/mortgagees that did not comply with reporting requirements.

Federal Bureau of Investigation (FBI): Mr. Lawal performed the financial statements audit of the FBI. Duties included:

Ismail Lawal, CPA, MBA

- Performed test work on revenue, accounts receivable, payroll, accounts payable, statement of budgetary resources and contingent liability.
- Drafted findings and made recommendations for significant deficiencies found during the audit.

Employment History

- Franklin and Turner , Consultant – July 2012 to Present.
- T. Curtis & Company, P.C., Senior Consultant – January 2008 to July 2012
- Reid Consulting, LLC, Consultant – January 2004 to January 2008
- KPMG, LLP, Senior Auditor – January 2003 to January 2004
- Williams, Adley & Company, LLP, Senior Auditor – January 1996 to January 2003
- DC Express Company, Staff Accountant – September 1993 to January 1996

Rachel Murray

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Consultant
Clearance:	Public Trust
Total Years of Relevant Experience:	5+
Education:	Bachelor of Science in Accounting, Morgan State University Master's in Business Administration, St. Thomas University
Professional Licenses/ Memberships	Member, AICPA

Summary of Qualifications

Ms. Murray is a Consultant with Franklin and Turner (F&T). She has strong leadership skills with more than 5 years of accounting and audit experience. Ms. Murray's comprehensive knowledge and experience includes federal budget, administration, and procurement laws and regulations such as Federal Acquisition Regulations, the Code of Federal Regulation, and Office of Management and Budget Circulars. In addition, Ms. Murray has experience with auditing Federal grants including but not limited to funds relating to the American Recovery and Reinvestment Act. Ms. Murray has advanced knowledge of federal accounting/auditing standards (including GAAS and GAGAS).

Experience Relevant to SOW

U.S. Department of Treasury – Financial Reports Division (OMB Circular A-123, financial reporting audit readiness and remediation): Ms. Murray performs audit readiness and remediation, financial reporting and process improvement. She developed a comprehensive and sustainable system of internal control to meet the requirements of FRD, FMFIA, OMB Circular A-123, FAM, and FFMIA. She developed white papers and conducted research to provide justification and recommendations for FRD's cost allocation methodology, reporting entity policy, revenue to receipts reconciliation. Ms. Murray developed and implemented recommendations for process improvement to enhance FRD's operating effectiveness and efficiency.

Defense Contract Management Agency (DCMA): Ms. Murray developed audit plan for specialized rules and regulations as dictated by the Defense Contract Management Agency to conduct an audit in accordance with Generally Accepted Government Auditing Standards. She also scheduled, conducted and organized audits of varying complexity for conformity with government regulations and internal policies with little to no supervision for the Defense Contract Management Agency, Department of Homeland Security, and United States Department of Agriculture. Ms. Murray performed compliance testing in areas such as Emergency Mitigation grant compliance, Government Purchase Card Program compliance, and American Recovery and Reinvestment Act.

Deva & Associates: Ms. Murray performed oversight, surveillance and compliance monitoring of Loss Share Agreements (LSA) for Single Family (SF) and Non-Single Family (Non-SF) loss share loans for the Federal Deposit Insurance Corporation (FDIC). She performed compliance testing in areas such as due diligence of loan servicing with respect to maximizing recoveries for the FDIC, assuming bank's marketing efforts of bank owned assets, accuracy and allowability of loss share claims reported to the FDIC, and accuracy of loan information reported to the FDIC.

Employment History

- Franklin and Turner International, Senior Consultant – June 2012 to Present.
- Deva & Associates, PC, Senior Accountant – January 2011 to June 2012
- Regis & Associates, PC, Audit Supervisor – August 2009 to December 2010

Rachel Murray

- Deloitte & Touche USA, LLP, Audit Associate – September 2007 to June 2009

Vy Nguyen

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Associate/Staff
Clearance:	Public Trust
Total Years of Relevant Experience:	5+
Education:	Master of Science in Accounting Bachelor of Art in Business Administration
Professional Licenses/ Memberships	Completed/Passed the CPA exam

Summary of Qualifications

Ms. Nguyen is an Accountant/Auditor with Franklin and Turner (F&T). She has more than five years of experience providing accounting/auditing support to state and local governments and for-profit organizations. Ms. Nguyen has a strong knowledge of auditing standards (including GAAS and GAGAS).

Experience Relevant to SOW

Maryland Aviation Authority (MAA): Ms. Nguyen conducted research and analysis, assisted in conducting audit procedures and identifying potential project issue and problems. She created supporting work-papers and cited applicable regulations to support her recommendations.

National Institute of Science and Technology (NIST): Ms. Nguyen conducted research and analysis, assisted in conducting audit procedures and identifying potential project issue and problems. She created supporting work-papers and cited applicable regulations to support her recommendations.

For-profit organizations: Ms. Nguyen assisted performing audit procedures in accordance with Sarbanes Oxley. Performed compilation. Performed internal control over financial reporting as related to various business cycles such as financial reporting, costing, fixed assets, revenues, expenditures, treasury and payroll.

Employment History

- Franklin and Turner, Accountant/Auditor – August 2012 to Present.
- The Energy Conscious, Accountant – April 2012 to August 2012
- HACT Construction, Accountant – September 2009 to April 2012

Patricia Wilburg

Current Employer:	Franklin and Turner (F&T)
Role on this Project:	Administrative Support Staff
Clearance:	Public Trust
Total Years of Relevant Experience:	5+
Education:	Bachelor of Science in Business Administration, American University

Summary of Qualifications

Ms. Wilburg is a Project Clerk with Franklin and Turner (F&T). She has more than 5 years of administrative and customer service experience. She has experience with Federal grant process and in the drafting of resolution reports and correspondence letters.

Experience Relevant to SOW

Patricia Wilburg

National Institute of Science and Technology (NIST): Ms. Wilburg conducted research and analysis, assisted in conducting audit procedures and identifying potential project issue and problems. She created supporting workpapers and cited applicable regulations to support her recommendations.

Administration for Children and Families, Office of Community Services (OCS): Assisted the Audit Resolution Specialists in providing timely advice, technical assistance, interpretation and consultation to Federal Staff and States/Grantees regarding the full range of ACF audit resolution matters. Facilitated the flow of documents from the program offices to the Director and Deputy Director. Assisted senior specialists in preparing correspondence for Congressional Letters, Notice of Awards, and Grantee Support Letters. Assisted OGM/ART Team Leader and others responsible for audit management matters to determine accountability and allowability of expenditures and assist in mitigating risk associated with the identified program. Reviewed, analyzed, and provided written recommendations and briefs for audit decisions, determinations and reports.

Employment History

- Franklin and Turner, Project Clerk – July 2012 to Present.
- Administration for Children and Families – September 2010 to June 2012
- American University, Office Assistant – May 2008 to November 2009
- Office Depot, Customer Service Specialist – April 2007 to May 2008

Volume 3 – Price Schedule (Sections 4.4.5) State of New Jersey



Prequalification Pools: Auditing and Other Related Services in Support of Disaster Recovery (Hurricane Sandy)

**Request for Proposal (RFP) #: 14-X-23110
May 31, 2013 – 2pm**

May 31, 2013

Department of Treasury
Division of Purchase and Property
Procurement Bureau
ATTN: Kelly Anderson-Thomas
33 W. State Street, 9th Floor
PO Box 230
Trenton, NJ 08625-0230

Franklin & Turner
30 Central Avenue, Suite 201C
Newark, NJ 07102
T 301.474.0147
F 301.474.0146
www.usfti.com

Subject: Request for Proposal (RFP) Audit Integrity Monitoring Solicitation No. 14-X-23110

Dear Ms. Anderson-Thomas,

Franklin & Turner (F&T) is pleased to submit this proposal to provide Financial Auditing Services for the Disaster Recovery (DR) and Long Term Planning Project to the State of New Jersey. The pages following this letter make up our price schedule/sheet and include all sections required by the Request for Proposal (RFP).

F&T is a New Jersey SBE; SBA 8(a); Minority-Woman Owned Small Business; Licensed Certified Public Accounting and Management Consulting Firm. We have offices in the United States, including New Jersey, Maryland and Washington, DC. Currently we are a licensed CPA firm in Maryland and the District of Columbia and we are in good standing. Our current AICPA peer review report is good till June 2014. F&T prides itself on the excellent service and value we provide to our clients. Members of our staff have provided disaster compliance services for FEMA and HUD and are familiar with the subject matter contained in this RFP and will be ready to begin this engagement immediately if awarded. F&T possesses all required Federal and State licensing. We acknowledge all of the additions, deletions, clarifications and modifications to the RFP and/or New Jersey Standard Terms and Conditions relative to this RFP as set forth in all addenda.

Thank you for the opportunity to submit a proposal for this important project. We trust you will find that F&T provides excellent experience and qualifications to the State of New Jersey, and we look forward to the opportunity to work with you on this effort. Should you require any additional information, please contact me at (301) 474-0147 or melissa.hamilton@usfti.com. Our proposal is valid for 120 days from date of submission.

Sincerely,



Melissa Hamilton, CPA, MBA, PMP
Principal

Table of Contents

- 4.4.5 Price Schedule/Sheet _____ 1
 - Pool 1: Program And Process Management Auditing _____ 1
 - Pool 2: Financial Auditing And Grant Management _____ 2
 - Pool 3: Integrity Monitoring/Anti-Fraud _____ 3
 - Pricing Assumptions, Terms And Conditions _____ 4
- 4.5 Disclosure _____ 4

4.4.5 PRICE SCHEDULE/SHEET

PRICE SCHEDULE

RFP 14-X-23110

AUDITING AND OTHER RELATED SERVICES FOR DISASTER RECOVERY (HURRICANE SANDY)

Refer to RFP [Section 3.0](#) (Scope of Work) for task requirements and deliverables, [Section 4.4](#) (Organizational Support and Experience), and [Section 6.7.2](#) (Bidder's Price Schedule) for additional information regarding this Price Schedule. Failure to submit all information required will result in the proposal being considered non-responsive.

Bidder's Name: Franklin & Turner

POOL 1: PROGRAM AND PROCESS MANAGEMENT AUDITING

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
1	Partner/Principal/Director	\$185.00	\$190.55	\$196.27
2	Program Manager	\$168.00	\$173.04	\$178.23
3	Project Manager	\$154.37	\$159.00	\$163.77
4	Subject Matter Expert	\$180.00	\$185.40	\$190.96
5	Supervisory/Senior Consultant	\$121.91	\$125.57	\$129.33
6	Consultant	\$102.91	\$106.00	\$109.18
7	Associate/Staff	\$87.48	\$90.10	\$92.81
8	Administrative Support Staff	\$46.31	\$47.70	\$49.13

Line #	Pass Through Price Lines *	Year 1	Year 2	Year 3
9	Other Direct Costs	N/A	N/A	N/A
10	Travel Expenses and Reimbursements	N/A	N/A	N/A

The State makes no guarantee of volume of work effort.

* The Pass Through Price Lines shall be used to reimburse for Travel and Other Direct Costs only. No mark-up will be provided for Price Lines 9 and 10.

Bidder's Name: Franklin & Turner

POOL 2: FINANCIAL AUDITING AND GRANT MANAGEMENT

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
11	Partner/Principal/Director	\$185.00	\$190.55	\$196.27
12	Program Manager	\$168.00	\$173.04	\$178.23
13	Project Manager	\$154.37	\$159.00	\$163.77
14	Subject Matter Expert	\$180.00	\$185.40	\$190.96
15	Supervisory/Senior Consultant	\$121.91	\$125.57	\$129.33
16	Consultant	\$102.91	\$106.00	\$109.18
19	Associate/Staff	\$87.48	\$90.10	\$92.81
18	Administrative Support Staff	\$46.31	\$47.70	\$49.13

Line #	Pass Through Price Lines *	Year 1	Year 2	Year 3
19	Other Direct Costs	N/A	N/A	N/A
20	Travel Expenses and Reimbursements	N/A	N/A	N/A

The State makes no guarantee of volume of work effort.

* The Pass Through Price Lines shall be used to reimburse for Travel and Other Direct Costs only. No mark-up will be provided for Price Lines 9 and 10.

Bidder's Name: Franklin & Turner

POOL 3: INTEGRITY MONITORING/ANTI-FRAUD

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
21	Partner/Principal/Director	\$185.00	\$190.55	\$196.27
22	Program Manager	\$168.00	\$173.04	\$178.23
23	Project Manager	\$154.37	\$159.00	\$163.77
24	Subject Matter Expert	\$180.00	\$185.40	\$190.96
25	Supervisory/Senior Consultant	\$121.91	\$125.57	\$129.33
26	Consultant	\$102.91	\$106.00	\$109.18
27	Associate/Staff	\$87.48	\$90.10	\$92.81
28	Administrative Support Staff	\$46.31	\$47.70	\$49.13

Line #	Pass Through Price Lines *	Year 1	Year 2	Year 3
29	Other Direct Costs	N/A	N/A	N/A
30	Travel Expenses and Reimbursements	N/A	N/A	N/A

The State makes no guarantee of volume of work effort.

* The Pass Through Price Lines shall be used to reimburse for Travel and Other Direct Costs only. No mark-up will be provided for Price Lines 9 and 10

PRICING ASSUMPTIONS, TERMS AND CONDITIONS

- ❖ **Period for Acceptance:** F&T agrees to hold prices firm for 120 calendar days from May 31, 2013.
- ❖ **Labor Rates:** F&T rates shown under the hourly rates column are fully burdened rates including profit. Our rates escalate 3% annually.
- ❖ **Travel:** F&T understands that travel will be on a reimbursable basis and paid in accordance with OMB Circular 12-14 and the Federal Travel Regulation (FTR).
- ❖ All prices for items in proposals shall be submitted F.O.B Destination.

4.5 DISCLOSURE

To the best of our knowledge, F&T has not provided services on the State contract G-8034 Consulting: Disaster Recovery, G-8037 Housing Strategy Advisor, or any other consultant providing consulting services on disaster recovery services.



FOR: AUDITING AND OTHER RELATED SERVICES FOR DISASTER RECOVERY (HURRICANE SANDY)

Term Contract #: T2939
Requesting Agency: PROCUREMENT BUREAU
Requisition #: 1041262

ESTIMATED AMOUNT: \$ 0.00
CONTRACT EFFECTIVE DATE: July 01, 2013
CONTRACT EXPIRATION DATE: June 30, 2016
COOPERATIVE PURCHASING: NO
SET ASIDE: SMALL BUSINESS SUBCONTRACTING

TO ASK QUESTIONS CONCERNING THE CONTENTS OF THIS RFP:
Please go to the Advertised Solicitation Current Bid Opportunities Web Page and click on the Quicklink button labeled Q&A.
<http://www.state.nj.us/treasury/purchase/bid/summary/14x23110.shtml>

PURSUANT TO N.J. STATUTES, REGULATIONS AND EXECUTIVE ORDERS, PROPOSALS WHICH FAIL TO CONFORM WITH THE FOLLOWING REQUIREMENTS WILL BE SUBJECT TO REJECTION:

- 1) PROPOSALS MUST BE RECEIVED AT OR BEFORE THE PUBLIC OPENING TIME OF 2:00 PM EASTERN TIME ON May 30, 2013 AT THE FOLLOWING ADDRESS (NOTE: TELEPHONE, EMAIL, TELEFACSIMILE OR TELEGRAPH PROPOSALS WILL NOT BE ACCEPTED):
DEPARTMENT OF THE TREASURY
PROCUREMENT BUREAU, PO BOX 230
33 WEST STATE STREET - 9TH FLOOR
TRENTON, NEW JERSEY 08625-0230
- 2) THE BIDDER MUST SIGN THE PROPOSAL.
- 3) THE PROPOSAL MUST INCLUDE ALL PRICE INFORMATION. PROPOSAL PRICES SHALL INCLUDE DELIVERY OF ALL ITEMS, F.O.B. DESTINATION OR AS OTHERWISE PROVIDED. PRICE QUOTES MUST BE FIRM THROUGH ISSUANCE OF CONTRACT.
- 4) ALL PROPOSAL PRICES MUST BE TYPED OR WRITTEN IN INK.
- 5) ALL CORRECTIONS, WHITE-OUTS, ERASURES, RESTRIKING OF TYPE, OR OTHER FORMS OF ALTERATION, OR THE APPEARANCE OF ALTERATION, TO UNIT AND/OR TOTAL PRICES MUST BE INITIALED IN INK BY THE BIDDER.
- 6) THE BIDDER MUST COMPLETE AND SUBMIT ALL FORMS, CERTIFICATIONS, REGISTRATIONS AND OTHER DOCUMENTS AS REQUIRED IN THE RFP. SEE THE ADVERTISED SOLICITATION, CURRENT BID OPPORTUNITIES WEBPAGE
<http://www.state.nj.us/treasury/purchase/bid/summary/14x23110.shtml>
- 7) THE BIDDER MUST ATTEND THE MANDATORY PRE-PROPOSAL CONFERENCE(S) AND SITE VISIT(S) AT THE FOLLOWING DATE(S) AND TIME(S):
- 8) FOR SET ASIDE CONTRACTS ONLY, A BIDDER MUST BE REGISTERED WITH THE N.J. DIVISION OF REVENUE AS A SMALL BUSINESS BY THE DATE OF PROPOSAL OPENING. (SEE N.J.A.C. 17:13-3.1 & 13.3.2).

ADDITIONAL REQUIREMENTS

- 9) BY SIGNING AND SUBMITTING THIS PROPOSAL, THE BIDDER CERTIFIES AND CONFIRMS THAT NEITHER THE BIDDER, ITS REPRESENTATIVES, AGENTS OR LOBBYISTS HAVE INITIATED ANY INAPPROPRIATE CONTACT WITH ANY EXECUTIVE BRANCH EMPLOYEE DURING THE PROCUREMENT TO ATTEMPT TO AFFECT THE BIDDING PROCESS AND SHALL NOT DO SO AFTER SUBMISSION OF THE PROPOSAL.
- 10) PERFORMANCE SECURITY: \$ N/A or N/A %
- 11) PAYMENT RETENTION N/A %
- 12) BY SIGNING AND SUBMITTING THIS PROPOSAL, THE BIDDER CONSENTS TO RECEIPT OF ANY AND ALL DOCUMENTS RELATED TO THIS RFP AND THE RESULTING CONTRACT BY ELECTRONIC MEDIUM OR FACSIMILE.

TO BE COMPLETED BY BIDDER

- 13) FIRM NAME: Franklin & Turner CITY: Newark
ADDRESS 1: 30 Central Ave Ste 201C STATE: New Jersey
ADDRESS 2: ZIP: 07102
- 14) THE BIDDER MUST SUBMIT WITH THE PROPOSAL BID SECURITY IN THE AMOUNT OF \$ _____ N/A OR _____ N/A %.
CHECK THE TYPE OF BID SECURITY SUPPLIED:
 ANNUAL BID BOND ON FILE BID BOND ATTACHED NONE
 CERTIFIED OR CASHIERS CHECK ATTACHED LETTER OF CREDIT ATTACHED
- 15) DELIVERY CAN BE MADE _____ DAYS OR _____ WEEKS AFTER RECEIPT OF ORDER. 16) REQUESTED DELIVERY: 30 DAYS AFTER RECEIPT OF ORDER
- 17) CASH DISCOUNT TERMS (SEE RFP) _____%, _____ DAYS: NET _____ DAYS.
- 18) BIDDER PHONE NO: (301) 474-0147 EXT: _____
- 19) BIDDER FAX NO: (301) 474-0146 EXT: _____ 21) FEDERAL EMPLOYER IDENTIFICATION NUMBER _____
- 20) BIDDER EMAIL ADDRESS: melissa.hamilton@usfti.com

SIGNATURE OF THE BIDDER ATTESTS THAT THE BIDDER HAS READ, UNDERSTANDS, AND AGREES TO ALL TERMS, CONDITIONS, AND SPECIFICATIONS SET FORTH IN THE REQUEST FOR PROPOSAL, INCLUDING ALL ADDENDA, FURTHERMORE, SIGNATURE BY THE BIDDER SIGNIFIES THAT THE REQUEST FOR PROPOSAL AND THE RESPONSIVE PROPOSAL CONSTITUTES A CONTRACT IMMEDIATELY UPON NOTICE OF ACCEPTANCE OF THE PROPOSAL BY THE STATE OF NEW JERSEY FOR ANY OR ALL OF THE ITEMS BID, AND FOR THE LENGTH OF TIME INDICATED IN THE REQUEST FOR PROPOSAL. FAILURE TO ACCEPT THE CONTRACT WITHIN THE TIME PERIOD INDICATED IN THE REQUEST FOR PROPOSAL, OR FAILURE TO HOLD PRICES OR TO MEET ANY OTHER TERMS AND CONDITIONS AS DEFINED IN EITHER THE REQUEST FOR PROPOSAL OR THE PROPOSAL DURING THE TERM OF THE CONTRACT, SHALL CONSTITUTE A BREACH AND MAY RESULT IN SUSPENSION OR DEBARMENT FROM FURTHER STATE BIDDING. A DEFAULTING CONTRACTOR MAY ALSO BE LIABLE, AT THE OPTION OF THE STATE, FOR THE DIFFERENCE BETWEEN THE CONTRACT PRICE AND THE PRICE BID BY AN ALTERNATE VENDOR OF THE GOODS OR SERVICES IN ADDITION TO OTHER REMEDIES AVAILABLE.

22) ORIGINAL SIGNATURE OF BIDDER

Melissa Hamilton

23) DATE

May 30, 2013

24) PRINT/TYPE NAME
Melissa Hamilton

25) TITLE Principal