

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Joseph D. Bertoni, Acting Board Chairman
Veronique Hakim, Executive Director



One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

July 22, 2014

Mr. Patrick Hagan
Partner
McGladrey LLP
224 Strawbridge Drive, Suite 1100
Moorestown, New Jersey 08057-4602

**Re: NJ TRANSIT Contract No. 14-033C
Integrity Oversight Monitoring Services**

Dear Mr. Hagan:

Enclosed for your use and files please find one (1) fully executed copy of NJ TRANSIT Contract No. 14-033C for the work associated with the above-referenced project. Also enclosed for billing purposes is NJ TRANSIT's Purchase Order No. B-51390.

NJ TRANSIT looks forward to working with your organization on this project and to its successful completion.

Should you have any questions regarding this matter, please do not hesitate to contact me at 973-491-8476 or e-mail at tchapman@njtransit.com.

Sincerely,

A handwritten signature in blue ink that reads 'Taishida Chapman'.

Taishida S. Chapman
Principal Contract Specialist
Procurement Department

Enclosures

cc: E. Daleo
W. Hersh
K. Rittenberry
J. Rush-Gilbert

**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

EXECUTED CONTRACT DOCUMENT WITH ALL ATTACHMENTS

AGREEMENT NO. 14-033C
BETWEEN
NEW JERSEY TRANSIT CORPORATION
AND
MCGLADREY LLP
FOR PROFESSIONAL SERVICES

This Agreement made as of July 15 PM 2014, between the New Jersey Transit Corporation (hereinafter "NJ TRANSIT") a public instrumentality of the State of New Jersey and McGladrey LLP having its principal place of business at One South Wacker Drive, Suite 800 Chicago, Illinois 60606 (hereinafter the "Consultant").

WITNESSETH:

WHEREAS, the Board of Directors of NJ TRANSIT, at its meeting of May 15, 2014, authorized the Executive Director to enter into this Agreement with the Consultant for Integrity Oversight Monitoring Services; and

WHEREAS, the said Consultant, for and in consideration of the payments hereinafter specified and agreed to be made by NJ TRANSIT, hereby covenants and agrees to commence and complete the work as follows:

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties hereto covenant and agree with each other as follows:

1. **CONSULTANT SERVICES:** The Consultant, at the direction of NJ TRANSIT, shall provide to NJ TRANSIT services in conformance with the scope of services set forth in Exhibit A (Project Services), annexed hereto and made a part hereof.

2. **COMPENSATION:** This Agreement is a cost reimbursable contract based upon the cumulative value of Work Authorizations issued by NJ TRANSIT for a three (3) year contract term. Costs associated with each Work Authorization, if any are subject to adjustment in accordance with Section 5, Modification of Agreement. NJ TRANSIT shall, subject to the availability of funds and audits, pay the Consultant for work identified in Exhibit A (Scope of Services) as more specifically detailed in each Work

Authorization to be issued by NJ TRANSIT. The Consultant's total costs and fees for these Project Services shall be determined on a per Work Authorization basis and shall be in accordance with the schedule set forth in Exhibit B (Cost Information), annexed hereto and made part hereof. Payment shall be made only for work which is actually performed and approved by NJ TRANSIT. The Consultant shall render monthly invoices for all charges incurred pursuant to this Agreement no later than two (2) weeks after the end of the month. NJ TRANSIT will make payment within thirty (30) days after approval of the Consultant's invoice. The invoices shall be detailed in accordance with procedures and formats prescribed by NJ TRANSIT.

Direct expenses shall be only those costs which are necessary to accomplish the scope of services and not excludable as direct costs by the Federal Acquisition Regulations or not otherwise compensated under the Consultant's direct labor and indirect cost rates. All direct expense purchases of goods, materials and services made by the Consultant on behalf of NJ TRANSIT shall be made competitively wherever practicable.

Direct expense compensation for travel, subsistence and lodging costs are not included in the all-inclusive hourly rates set forth in Exhibit B and will be billed in accordance with the NJ TRANSIT Travel and Business Expense Directive (Exhibit C) and with pre-approval from NJ TRANSIT.

All monies paid to the Consultant are subject to audit by NJ TRANSIT and further adjustment, if any, as determined by the audit(s).

Interest payable on excess amounts paid to the Consultant by NJ TRANSIT, and not previously remitted to NJ TRANSIT, shall accrue at the prime rate as established by the United States Federal Reserve and published in The Wall Street Journal. Interest shall be applied to balances owed in excess of \$5,000 as determined by either the Consultant or NJ TRANSIT. Application of interest to excess payments made in the preceding fiscal year shall begin six (6) months after the close of the Consultant's fiscal year. Interest shall continue to accrue monthly at the prime rate until all amounts have been remitted to NJ TRANSIT.

Costs incurred above the authorized contract amount are not reimbursable unless the Contracting Officer has authorized, in writing, the reimbursement of such costs.

All costs incurred under this Agreement by the Consultant and approved subconsultants, including those costs resulting from changes to, modifications of and termination of the Agreement, must as a minimum be considered allowable and allocable in accordance with the cost principles of Part 31 of the

Federal Acquisition Regulations (48 CFR, Part 31). The Contracting Officer's determination on the allowability, allocability and reasonableness of incurred costs shall be final and conclusive.

3. LIMITATION OF FUNDS:

A.) The Consultant estimates that performance of this Agreement will not cost NJ TRANSIT more than the estimated cost specified in Exhibit B. The Consultant agrees to make every effort to perform the work specified in Exhibit A and all obligations under this Agreement within the estimated cost.

B.) The Purchase Order specifies the amount presently available for payment by NJ TRANSIT and allotted to Phase I of the Scope of Services and the tasks the allotted amount will cover. The parties contemplate that NJ TRANSIT will allot additional funds incrementally to the Purchase Order up to the full estimated cost as specified in Exhibit B inclusive of all fees. The Consultant agrees to perform, or have performed, work on the Agreement up to the point at which the total amount paid and payable by NJ TRANSIT under the Agreement approximates but does not exceed the total amount actually allotted by NJ TRANSIT for each of the tasks identified in the Agreement.

C.) The Consultant shall notify the Contracting Officer in writing whenever it has reason to believe that within the next sixty (60) days the costs it expects to incur under this Agreement by each task, when added to all costs previously incurred, will exceed seventy-five percent (75%) of the total task amount so far allotted by NJ TRANSIT. The notice shall state the estimated amount of additional funds required to continue performance for the task, as specified in Exhibit A, beyond the total estimated allotted task amount.

D.) If, after notification, additional funds are not allotted for that task identified in Paragraph C the Contracting Officer may terminate this Agreement, in whole or in part, in accordance with the provisions of Section 13, Termination of the Agreement for Convenience.

E.) Except as required by other provisions of this Agreement:

1.) NJ TRANSIT is not obligated to reimburse the Consultant for costs incurred in excess of the total amount allotted by task or in total by NJ TRANSIT for this Agreement; and

2.) The Consultant is not obligated to continue performance under this Agreement (excluding actions under Section 13, Termination of the Agreement for Convenience) or otherwise incur costs in excess of the amount then allotted to the Agreement by NJ TRANSIT until the Contracting Officer notifies the Consultant in writing that the amount allotted by NJ TRANSIT has been increased and

specifies an increased amount, which shall then constitute the total amount allotted by task and in total by NJ TRANSIT for this Agreement.

F.) No notice, communication, or representation in any form other than that specified by the Contracting Officer, shall affect the amount allotted by NJ TRANSIT to this Agreement. In the absence of the notice specified in Paragraph C, NJ TRANSIT is not obligated to reimburse the Consultant for any costs in excess of the total amount allotted by NJ TRANSIT to this Agreement, whether incurred during the course of the Agreement or as a result of termination.

G.) Change orders shall not be considered an authorization to exceed the amount allotted by NJ TRANSIT specified in Exhibit B, unless they contain a statement increasing the amount allotted.

H.) Nothing in this clause shall affect the right of NJ TRANSIT to terminate this Agreement.

I.) If NJ TRANSIT does not allot sufficient funds to allow completion of the work, the Consultant is entitled to a percentage of the fee specified in Exhibit B equalling the percentage of completion of the work contemplated by this Agreement.

4. **EFFECTIVE DATE AND TERM OF AGREEMENT:** This Agreement shall become binding upon the parties hereto when executed on behalf of NJ TRANSIT by the Contracting Officer or his designee. The Consultant shall commence work upon the Project Services within five (5) working days upon receipt of a written Notice to Proceed to that effect which shall be issued on behalf of NJ TRANSIT by its Contracting Officer or his designee upon the execution of the Agreement by NJ TRANSIT. The total duration of the Agreement includes the time required to complete Work Authorizations authorized within three (3) years of the effective date of this Agreement. The Consultant shall complete the Project Services in accordance with the schedule established for each Work Authorization. The Contracting Officer for NJ TRANSIT shall be the Chief of Procurement & Support Services or his designees within NJ TRANSIT's Procurement Department.

5. **MODIFICATION OF AGREEMENT:**

A.) The Project Services set forth in Exhibit A of this Agreement may be reduced, modified or expanded within or beyond the scope of this Agreement by written contract modifications executed by NJ TRANSIT and the Consultant.

Except as provided in Paragraph B, below, in the event that NJ TRANSIT requires a reduction, expansion, or modification of the Project Services, the Contracting Officer shall issue to the

Consultant a written notification which specifies such reduction, expansion, or modification. Within fifteen (15) days after receipt of the written notification, the Consultant shall provide the Contracting Officer with a detailed cost and schedule proposal for the work to be performed or to be reduced. This proposal shall be accepted by NJ TRANSIT or modified by negotiations between the Consultant and NJ TRANSIT and, thereafter, a contract modification shall be executed in writing by both parties.

B.) Notwithstanding Paragraph A, above, the Contracting Officer may at any time, by written order, make changes within the general scope of this Agreement to the work to be performed by the Consultant. If any such change causes an increase or decrease in the estimated cost of, or the time required for, the performance of any part of the work under this Agreement, whether or not changed by the order, the Contracting Officer shall make such adjustments as are appropriate and equitable and shall modify the Agreement in writing accordingly. Any claim by the Consultant for adjustment under this clause must be asserted within thirty (30) days from the date of receipt by the Consultant of the notification of change; provided however, that the Contracting Officer, if he decides that the facts justify such action, may receive and act upon such claim asserted at any time prior to final payment under this Agreement. Failure to agree to any adjustment shall be a dispute within the meaning of Section 29 "Disputes". However, nothing in this clause shall excuse the Consultant from proceeding with the Agreement as changed.

C.) No services for which an additional cost or fee will be charged by the Consultant shall be furnished without the prior express written authorization of the Contracting Officer.

D.) Unless specified in a written contract modification, no change, reduction, modification or expansion of the Project Services within or beyond the scope of this Agreement shall serve to modify the terms and conditions of this Agreement.

E.) Whenever an "AS DIRECTED TASK" appears in Exhibit A "Scope of Work" and/or Exhibit B "Cost Information", NJ TRANSIT has provided an allowance for additional or supplemental Consultant work that has not yet been defined. This allowance is provided for the sole convenience of NJ TRANSIT and can only be used for work authorized by NJ TRANSIT.

All additional or supplemental work authorized under this provision will be incorporated into the Contract by Change Order pursuant to Article 5 MODIFICATION OF AGREEMENT. The Change Order will describe the additional or supplemental work with any associated cost changes and will

reduce the AS DIRECTED TASK allowance in the amount specified in the Change Order. Residual amounts remaining in the AS DIRECTED TASK Allowance at Final Completion will be deleted from the Contract Amount by NJ TRANSIT.

6. STATUS REPORTS: The Consultant shall submit to NJ TRANSIT a monthly written status report outlining the status of the Project to date. Each status report shall be a concise narrative description of activities to date and planned activities for the coming month. A final report, one (1) original and seven (7) copies, shall be submitted by the Consultant upon completion of the project.

7. REVIEWS: Until the completion of the Project Services and the final payment therefore by NJ TRANSIT, the Consultant shall allow representatives of NJ TRANSIT to visit the offices and other places of work of the Consultant periodically without prior notice to monitor the Consultant's work completed or in progress pursuant to this Agreement. NJ TRANSIT shall, within a reasonable time, review and act upon all documents submitted by the Consultant. Both parties agree that if either party deems it advisable to hold either a conference or any inspection of work in progress, all parties shall be notified and may participate.

8. OVERPAYMENTS: If at any point NJ TRANSIT determines that the Consultant has been overpaid, NJ TRANSIT shall notify the Consultant in writing of the overpayment. The Consultant shall repay the amount of overpayment to NJ TRANSIT within thirty (30) days of said notification.

9. ASSIGNMENT, SUBCONTRACT AND DISPOSITION APPROVAL: The Consultant shall not sell, transfer or otherwise dispose of this Agreement or its interest therein to any other parties without the prior written consent of NJ TRANSIT. The Consultant shall not, without the prior written approval of NJ TRANSIT, assign or subcontract any of the Project Services under this Agreement. Neither shall any subconsultant, without the prior written approval of NJ TRANSIT, further assign or subcontract any of the work to be performed pursuant to this Agreement.

The terms of this Agreement shall be incorporated into and made part of any assignment or subcontract pursuant to this Agreement. As a condition of obtaining NJ TRANSIT's approval of any proposed subconsultant, the Consultant shall provide NJ TRANSIT with sufficient documentation regarding the proposed subconsultant or assignee for NJ TRANSIT review and approval and shall provide to NJ TRANSIT a copy of the agreement established between the Consultant and its subconsultant or assignee. Any

assignment or subcontract of work to be performed under this Agreement, entered into without prior written approval by NJ TRANSIT, shall be void and unenforceable unless NJ TRANSIT subsequently gives written approval or consent.

If the Consultant's assignee or subconsultant fails to perform in accordance with the terms of its assignment or subcontract, the Consultant shall complete or pay to have completed the work which the assignee or subconsultant failed to complete at no additional cost to NJ TRANSIT.

10. INDEMNIFICATION: The Consultant shall defend, indemnify and save harmless the USDOT, State of New Jersey, New Jersey Department of the Treasury, NJ TRANSIT, and their officers, employees, servants and agents ("Indemnified Parties") from all suits, actions, or claims of any character including, but not limited to, expenditures and costs of investigations, hiring of witnesses, court costs, counsel fees, settlements, judgments or otherwise, brought because of any injuries or damage received or sustained by any person, persons, or property on account of the operations of said Consultant or its sub-consultants in the performance of the work in this Agreement; or because of any negligent act or omission, neglect, or intentional misconduct of said Consultant or its sub-consultants in the performance of the work outlined in this Agreement; or from any claims or amounts arising or recovered under the Worker's Compensation Act, or any other law, ordinance, order, or decree. So much of the money due the said Consultant under and by virtue of this Contract as may be considered necessary by NJ TRANSIT for such purpose may be retained for the use of NJ TRANSIT; except that money due to the Consultant will not be withheld when the Consultant produces satisfactory evidence that it is adequately protected by public liability and property damage insurance. NJ TRANSIT shall, as soon as practicable after a claim has been made against it, give written notice thereof to the Consultant along with full and complete particulars of the claim. If the suit is brought against NJ TRANSIT, NJ TRANSIT shall immediately forward to the Consultant every claim, demand, complaint, notice, summons, pleading or other process received by NJ TRANSIT or its representatives. NJ TRANSIT shall have the right, but not the obligation, to participate, to the extent it deems appropriate, in the defense of the matter and must concur in the terms of any settlement or other voluntary disposition of the matter. In the defense of any such claims, demands, suits, actions and proceedings, the Consultant shall not raise or introduce, without the express written permission in advance of the Attorney General of the State of New Jersey, any defense involving in any way the immunity of NJ TRANSIT or the State of New Jersey, the jurisdiction of the tribunal over NJ TRANSIT or the State of New Jersey, or the provisions of any statutes respecting suits against NJ

TRANSIT or the State of New Jersey. Notwithstanding the foregoing, the Consultant shall not be required to defend, indemnify or save harmless the Indemnified Parties from any suits, actions, or claims brought because of any negligent act or omission or intentional misconduct of any of the Idemnified Parties.

Neither Party shall be liable for or required to indemnify the other Party for any incidental, consequential, exemplary, special or punitive damages.

The Consultant is an independent professional firm contracting with NJ TRANSIT to provide specialized services. The Consultant, its officers, partners, employees, agents and servants are not to be deemed employees, agents or servants of NJ TRANSIT. The Consultant assumes full responsibility for liability arising out of their conduct whether by action or inaction. NJ TRANSIT assumes no liability or responsibility for the acts of the Consultant, its officers, partners, employees, agents or servants, by virtue of entering into this Agreement.

11. INSURANCE: The Consultant agrees to carry and shall require its assignees and subconsultants, if any, to carry professional liability insurance of the type necessary to protect the Consultant from any professional liability arising under this Agreement. Said insurance shall be in an amount not less than \$5,000,000 for any one claim and annual aggregate. The Consultant agrees to maintain this coverage for 3 years after completion of this Agreement including any amendments thereto. There shall be no exclusions in coverage for the insured's interest in a joint venture or Limited Liability Company or Limited Liability Partnership. There shall be no exclusions in coverage for pollution, mold or asbestos.

The Consultant agrees to carry, and shall require its assignees and subconsultants, if any, to carry, commercial general liability insurance using ISO Occurrence Form CG0001 10/93 or equivalent. The policy shall provide a minimum amount of \$5,000,000 each occurrence, \$5,000,000 personal and advertising injury, \$5,000,000 general aggregate and \$5,000,000 products completed operations aggregate. Coverage provided under this liability policy shall be on an occurrence basis and shall include, but not be limited to, bodily injury and property damage coverage including products liability/completed operations coverage, premises operations liability, blanket contractual liability, personal injury liability, advertising injury coverage, independent contractors liability, mobile equipment, damage from explosion, collapse and underground hazards, and cross liability and severability of interests clause. Additional insured endorsement CG2026 11/85, CG 2010 11/85 or CG 2010 10/93 (but only if modified to include both ongoing and completed operations) naming NJ TRANSIT and the Indemnified Parties and coverage must apply on a primary and non-

contributory basis. The policy shall allow the Consultant to waive its and its insurer's rights of subrogation. There shall be no coverage exceptions for property containing or adjacent to railroad facilities or other transportation facilities. The Consultant shall furnish completed operations insurance written to the limits stipulated herein for Commercial General Liability Insurance. Coverage shall be required and maintained in force for a minimum of three years following acceptance of the overall Contract, regardless of any beneficial occupancy by NJ TRANSIT during the Contract term.

The Consultant agrees to carry, and shall require its assignees and subconsultants, if any, to carry automobile liability insurance applicable to all owned, non-owned, hired or leased vehicle with a minimum of \$1,000,000 combined single limit for bodily injury and property damage. With respect to said insurance, NJ TRANSIT and the indemnified parties shall be named as an additional insured, under a blanket endorsement, at no additional cost to NJ TRANSIT.

The Consultant shall take out, secure and maintain during the term of this Agreement and shall require its assignees and subconsultants, if any, to secure and maintain during the term of this Agreement, a policy of workers' compensation insurance in compliance with the laws of the State where the work is to be performed. In case any class of employees on the project under this Agreement is not protected under the Worker's Compensation Statute, the Consultant shall provide and shall cause each subconsultant to provide employer's liability insurance for the protection of each of its employees as are not otherwise protected. Limits of Employer Liability are as follows: Employer's Liability: \$1,000,000 each accident / \$1,000,000 each employee disease / \$1,000,000 policy limit – disease.

If applicable to these Professional Services, the Consultant agrees to carry, and shall require its assignees and subconsultants, if any, to carry, contractor's pollution liability insurance covering the liability arising out of any sudden and/or non-sudden pollution or impairment of the environment, including clean-up costs and defense that arise from the operation of Consultant or its subconsultants. Coverage under this policy shall have limits of liability with a minimum of \$2,000,000 per occurrence. This policy shall name NJ TRANSIT and the indemnified parties as additional insured at no cost to NJ TRANSIT.

If applicable to these Professional Services, Tthe Consultant (or whomever is performing environmental removal or remediation work) must procure and maintain through the term of this Agreement Environmental Impairment Liability Insurance, including lead abatement if required, and removal operations in an amount of \$2,000,000 per occurrence and \$2,000,000 aggregate. Transport of any hazardous waste

generated under this Contract shall require Hazardous Waste Haulers Insurance (MCS90) in an amount of \$2,000,000 per occurrence or statutory minimum, whichever is greater.

If applicable to these Professional Services, should it be required, NJ TRANSIT will provide Railroad Protective Comprehensive General Liability Insurance coverage for this Contract.

All policies are to be written by insurance companies authorized to do business in New Jersey with an A.M. Best and Company rating of "A-" or better (or equivalent rating). All policies shall contain an endorsement that if the policy is canceled, non-renewed or is subject to any material reduction in limits, the Consultant will provide written notice to NJ TRANSIT's Contract Specialist for this project at least thirty (30) days prior to the occurrence of such event. The foregoing insurance coverage is not intended to nor does it limit the liability of the Consultant to hold the State and NJ TRANSIT harmless.

The Consultant shall provide NJ TRANSIT with evidence of the Consultant's insurance. Said insurance shall be maintained in full force and effect by the Consultant, subconsultant and assignee, if any, from the effective date of this Agreement until completion of and final payment for the Project Services. If the Consultant (subconsultant or assignee) shall fail or refuse to renew its insurance, as necessary, NJ TRANSIT may cancel or refuse to make payment of any further monies due under this Agreement. In lieu of requiring its assignees or subconsultants to carry this coverage, the Consultant may elect to cover them under its policies of insurance.

12. **AUDIT AND INSPECTION OF RECORDS:** The Consultant shall retain all records, data, documents, reports and material relating to the Agreement and Contract work and shall permit authorized representatives of NJ TRANSIT, and the Office of the State Comptroller, U.S. Department of Transportation (USDOT) and the Comptroller General of the United States, upon request, to inspect, audit and photocopy all project work, materials, payroll, and all data and records of the Consultant relating to products, transactions or services provided under its performance and its subconsultants and assignees, if any, under this Agreement from the effective date hereof through and until the expiration of five (5) years after completion of and final payment for the Project Services. The Consultant further agrees to include in all its subcontracts hereunder a provision to the effect that the subconsultant agrees that it will keep all Agreement records and that the Office of State Comptroller, NJ TRANSIT, the USDOT, and the Comptroller General of the United States and any of their duly authorized representatives shall, until the expiration of three years after final

payment under the subcontract, have access to and the right to examine any books, documents, and other records related to the subconsultant's performance under the subcontract.

Documents of every nature prepared pursuant to this Agreement shall be available to and become the property of NJ TRANSIT, and basic notes and other pertinent data shall be made available to NJ TRANSIT upon request without restriction as to their future use. Such documents shall be provided or made available within 30 days of NJ TRANSIT's request.

At least until the expiration of five (5) years after the completion of, and final payment by, NJ TRANSIT for the Project Services, the Consultant shall keep and maintain complete financial records showing actual time devoted and cost incurred in connection with services rendered under this Agreement, and it shall make same subject to inspection and audit by NJ TRANSIT, should NJ TRANSIT desire. Following passage of five (5) years from the date of completion of and final payment by NJ TRANSIT for the Project Services, the Consultant may request from NJ TRANSIT permission to dispose of the various records. NJ TRANSIT may either order the records be destroyed or surrendered to NJ TRANSIT.

Pursuant to N.J.S.A. 52:15C-14(d), the Consultant shall maintain all documentation related to products, transactions or services under this contract for a period of five (5) years from the date of final payment. Such records shall be made available to the New Jersey Office of State Comptroller upon request.

The periods of access and examination described above, for records which relate to (1) appeals under the "Disputes" clause of the Contract, (2) litigation or the settlement of claims arising out of the performance of this Contract, or (3) costs and expenses of this Contract as to which exception has been taken by NJ TRANSIT or the State of New Jersey or any of their duly authorized representatives, shall continue until such appeals, litigation, claims, or exceptions have been disposed of.

13. **TERMINATION OF THE AGREEMENT FOR CONVENIENCE:** NJ TRANSIT may terminate the Consultant's services in whole or in part for any reason at any time before completion. In that event, the Consultant shall be given written notice by the Contracting Officer of such termination specifying the effective date thereof. Compensation shall be paid to the Consultant pursuant to the terms of Section 2 of this Agreement for the work actually performed prior to such date. All documents begun or completed by the Consultant pursuant to this Agreement shall become the property of NJ TRANSIT. After receipt of such written notice, the Consultant shall not incur any new obligations without the prior written approval of the

Contracting Officer and shall cancel as many outstanding obligations so related as possible. NJ TRANSIT will evaluate each obligation deemed non-cancelable by the Consultant in order to determine its eligibility for inclusion in compensable costs. No damages of any nature shall be claimed against NJ TRANSIT in the event it exercises this right of termination.

14. **TERMINATION OF THE AGREEMENT FOR CAUSE:** NJ TRANSIT may terminate this Agreement in whole or in part at any time if the Consultant has materially failed to comply with terms of the Agreement. In the event of such failure, NJ TRANSIT shall promptly give written notification to the Consultant of its intent to terminate and the reasons therefore. The Consultant shall have ten (10) days, or such additional time as NJ TRANSIT may grant, after receipt of notice to cure its failure. If the failure is not cured to the satisfaction of NJ TRANSIT, the Consultant shall be held in breach of contract and the contract will be terminated (in whole or in part) effective immediately.

After receipt of notice of termination, the Consultant shall not incur any new obligations without the approval of NJ TRANSIT and shall cancel as many outstanding obligations as possible. NJ TRANSIT will evaluate each obligation deemed non-cancelable by the Consultant in order to determine its eligibility for inclusion in compensable costs. Compensation shall be made for Project Services pursuant to the terms of Exhibit B for work actually performed, completed and approved by NJ TRANSIT prior to the date of termination.

If this Agreement or any part thereof is terminated for cause, NJ TRANSIT may procure services similar to those so terminated. The Consultant shall be liable to NJ TRANSIT for any reasonable excess costs incurred for such similar services.

No damages of any nature shall be claimed against NJ TRANSIT in the event it exercises this right of termination. The rights and remedies available to NJ TRANSIT in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

If, after notice of termination of this Agreement under the provisions of this section, it is determined for any reason that the Consultant was not in default under the provisions of this section, or that the default was excusable under the provisions of this section, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 13 "Termination for Convenience".

15. BUSINESS REGISTRATION NOTICE: In accordance with N.J.S.A. 52:32-44, all New Jersey and out of State business organizations must obtain a Business Registration Certificate (BRC) from the Department of the Treasury, Division of Revenue, prior to conducting business with NJ TRANSIT. It is requested that proof of valid business registration be submitted by a proposer with its proposal. Failure to submit such valid business registration with a proposal will not render the proposal materially non-responsive. If not submitted with the proposal, the Business Registration Certificate must be submitted prior to award of a contract. The certificate must be valid at time of award. The business registration form (Form NJ-REG) can be found online at <http://www.state.nj.us/treasury/revenue/gettingregistered.html>.

A Subconsultant shall provide a copy of its business registration to any Consultant who shall forward it to NJ TRANSIT. No contract with a Subconsultant shall be entered into by any Consultant unless the Subconsultant first provides proof of valid business registration.

The Consultant shall provide written notice to all subconsultants that they are required to submit a copy of their business registration to the Consultant who shall forward them to NJ TRANSIT. No contract with a Subconsultant shall be entered into by any Consultant unless the Subconsultant first provides proof of valid business registration. The Consultant shall maintain a list of the names of any subconsultants and their current addresses, updated as necessary during the course of the contract performance and the Consultant shall submit the complete and accurate list to NJ TRANSIT before final payment is made for goods and services rendered under the Agreement.

The Consultant and any Subconsultant providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the "Sales and Use Tax Act, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State.

16. SOURCE DISCLOSURE REQUIREMENT – N.J.S.A. 52:34-13.2:

Under N.J.S.A. 52:34-13.2, effective August 5, 2005, all contracts primarily for services awarded by NJ TRANSIT shall be performed within the United States, except when the Contracting Officer certifies in writing a finding that a required service cannot be provided by a consultant or subconsultant within the United States and the certification is approved by the Executive Director.

All proposers seeking a contract primarily for services with NJ TRANSIT must disclose the location, by country, where services under the contract, including subcontracted services, will be performed.

If any of the services cannot be performed within the United States, the proposer shall state with specificity the reasons why the services cannot be so performed. NJ TRANSIT's Contracting Officer shall determine whether sufficient justification has been provided by the proposer to form the basis of his certification that the services cannot be performed in the United States and whether to seek the approval of the Executive Director.

Accordingly, the proposer should submit with its proposal the attached Source Disclosure Certification form. If the information is not submitted with the proposal, it shall be submitted within five (5) business days of NJ TRANSIT's request.

Failure to submit sourcing information when requested by NJ TRANSIT Shall preclude award of a contract to the proposer.

BREACH OF CONTRACT FOR SHIFT OF SERVICES OUTSIDE THE UNITED STATES

A shift to provision of services outside the United States during the term of the contract shall be deemed a breach of contract.

If, during the term of the contract, the consultant or subconsultant, who had on contract award declared that services would be performed in the United States, proceeds to shift the performance of the services outside the United States, the consultant shall be deemed to be in breach of its contract, which contract shall be subject to termination for cause pursuant to Article 14 of the Professional Services Agreement, unless previously approved by the Contracting Officer and the Executive Director.

17. USE OF BRAND NAME PRODUCTS IN DESIGN:

Federal Transit Administration Circular C4220.1E requires that all procurement actions be conducted in a manner providing full and open competition. A situation considered to be restrictive of competition involves specifying only a "brand name" product instead of allowing "an equal" product to be offered and listing the products salient characteristics. Accordingly, Consultants engaged in performing design work for NJ TRANSIT are required to include the salient characteristics of a product when it is identified by "brand name". Consultants may define salient characteristics by using language similar to the following:

- (a) 'Original Equipment Manufacturer (OEM) part #123 or approved equal that complies with the original equipment manufacturer's requirements or specifications and will not compromise

any OEM warranties'; or

- (b) 'Original Equipment Manufacturer part #123 or approved equal that is appropriate for use with and fits properly in [describe the bus, engine, or other].

18. PATENT RIGHTS AND RIGHTS IN DATA:

A.) Rights in Data

1.) The term "subject data" as used herein means recorded information, whether or not copyrighted, that is delivered or specified to be delivered under this Agreement. The term includes graphic or pictorial delineations in media such as drawings or photographs; text in specifications or related performance or design-type documents; machine forms such as punched cards; magnetic tape, or computer memory printouts; and information retained in computer memory. Examples include, but are not limited to, computer software, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information. The term does not include financial reports, cost analyses, and similar information incidental to contract administration.

2.) All "subject data" first produced in the performance of this Agreement shall be the sole property of NJ TRANSIT. The Consultant agrees not to assert any rights at common law or equity and not to establish any claim to statutory copyright in such data. Except for its own internal use, the Consultant shall not publish or reproduce such data in whole or in part, or in any manner or form, nor authorize others to do so, without the written consent of NJ TRANSIT until such time as NJ TRANSIT may have released such data to the public.

3.) As authorized by 49 CFR Part 18.34, the Consultant agrees to grant and does hereby grant to NJ TRANSIT and the Federal Transit Administration (FTA) and to its officers, agents, and employees acting within the scope of their official duties, a royalty-free, nonexclusive, and irrevocable license throughout the world:

a.) To publish, translate, reproduce, deliver, perform, use, and dispose of, in any manner, any and all data not first produced or composed in the performance of this Agreement but which is incorporated in the work furnished under this Agreement; and

b.) To authorize others so to do.

4.) The Consultant shall indemnify and save and hold harmless NJ TRANSIT, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Consultant of proprietary rights, copyrights, or rights of privacy, arising out of the publication, translation, reproduction, delivery, performance, use, or disposition of any data furnished under this Agreement.

5.) Nothing contained in this section shall imply a license to NJ TRANSIT under any patent or be construed as affecting the scope of any license or other right otherwise granted to NJ TRANSIT under any patent.

6.) Paragraphs 3 and 4, above, are not applicable to material furnished to the Consultant by NJ TRANSIT and incorporated in the work furnished under the Agreement; provided that such incorporated material is identified by the Consultant at the time of delivery of such work.

7.) In the event that the project, which is the subject of this Agreement, is not completed, for any reason whatsoever, all data generated under this Agreement shall become subject data as defined in this clause and shall be delivered as NJ TRANSIT may direct.

B.) Patent Rights

1.) If any invention, improvement, or discovery of the Consultant is conceived or first actually reduced to practice in the course of or under this Agreement, which invention, improvement or discovery may be patentable under the laws of the United States of America or any foreign country, the Consultant shall immediately notify NJ TRANSIT and provide a detailed report for transmission to FTA.

2.) The rights and responsibilities of NJ TRANSIT, the Consultant and FTA with respect to such invention, improvement, or discovery will be determined in accordance with applicable Federal laws, regulations, policies and any waiver thereof.

19. PUBLICATION AND PUBLICITY: The Consultant, its subconsultants, assignees, employees or agents shall not release or publish any information or material generated from this project to others outside of NJ TRANSIT without the express written permission of NJ TRANSIT except as specified in the Project Services.

20. EQUAL EMPLOYMENT OPPORTUNITY: The parties to this Agreement do hereby agree that the provisions of N.J.S.A. 10:2-1 through 10:2-4 and N.J.S.A. 10:5-31 et seq. (P.L. 1975, c.127) as

amended and supplemented and the rules and regulations promulgated pursuant thereto, and the provisions set forth in the State of New Jersey Equal Employment Opportunity Provisions for Professional Service Contracts, annexed hereto are hereby made a part of this Agreement.

- a. In accordance with N.J.S.A 10:2-1 the Consultant agrees that: In the hiring of persons for the performance of work under this Agreement or any subcontract hereunder, or for the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under this Agreement, no Consultant, nor any person acting on behalf of such Consultant or subconsultant, shall, by reason of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex, discriminate against any person who is qualified and available to perform the work to which the employment relates;
- b. No Consultant, subconsultant, nor any person on his behalf shall, in any manner, discriminate against or intimidate any employee engaged in the performance of work under this Agreement or any subcontract hereunder, or engaged in the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under such Agreement, on account of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex;
- c. There may be deducted from the amount payable to the Consultant by the contracting public agency, under this Agreement, a penalty of \$50.00 for each person for each calendar day during which such person is discriminated against or intimidated in violation of the provisions of the Agreement; and
- d. This Agreement may be canceled or terminated by the contracting public agency and all money due or to become due hereunder may be forfeited, for any violation of this section of the Agreement occurring after notice to the Consultant from the contracting public agency of any prior violation of this section of the Consultant.

21. EQUAL OPPORTUNITY FOR INDIVIDUALS WITH DISABILITIES: The Consultant and NJ TRANSIT agree that the provisions of Title II of the Americans With Disabilities Act of 1990 (the "Act")

(42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability by public entities in all services, programs, and activities provided or made available by public entities, and the rules and regulations promulgated thereto, are made a part of this Agreement. In providing any aid, benefit, or service on behalf of NJ TRANSIT pursuant to this Agreement, the Consultant agrees that the performance shall be in strict compliance with the Act. In the event that the Consultant, its agents, servants, employees, or subcontractors violate or are alleged to have violated the Act during the performance of this Agreement, the Consultant shall defend NJ TRANSIT and the State of New Jersey in any action or administrative proceeding commenced pursuant to this Act. The Consultant shall indemnify, protect, and save harmless NJ TRANSIT and the State, their agents, servants, and employees from and against any and all suits, claims, losses, demands, or damages of whatever kind or nature arising out of or claimed to arise out of the alleged violation. The Consultant shall, at its own expense, appear, defend, and pay any and all charges for legal services and any and all costs and other expenses arising from such action or administrative proceeding or incurred in connection therewith. If any action or administrative proceeding results in an award of damages against NJ TRANSIT or the State or if NJ TRANSIT or the State incur any expense to cure a violation of the ADA, the Consultant shall satisfy and discharge the same at its own expense.

NJ TRANSIT shall, as soon as practicable after a claim has been made against it, give written notice thereof to the Consultant along with full and complete particulars of the claim. If any action or administrative proceeding is brought against NJ TRANSIT or any of its agents, servants, and employees, NJ TRANSIT shall expeditiously forward to the Consultant every demand, complaint, notice, summons, pleading, or other process received by it or its representatives.

It is expressly agreed and understood that any approval by NJ TRANSIT of the services provided by the Consultant pursuant to this Agreement will not relieve the Consultant of the obligation to comply with the Act and to defend, indemnify, protect, and save harmless NJ TRANSIT pursuant to this paragraph.

The Consultant expressly understands and agrees that the provisions of this indemnification clause shall in no way limit the Contractor's obligations assumed in this Agreement, nor shall they be construed to relieve the Consultant from any liability, nor preclude NJ TRANSIT from taking any other actions available to it under any other provisions of this Agreement or otherwise at law.

22. **DISADVANTAGED BUSINESS ENTERPRISES:** Disadvantaged Business Enterprises, as defined in 49 CFR Part 26, shall have the maximum opportunity to participate in the performance of this Agreement and any subcontract under it. NJ TRANSIT and the Consultant shall take all necessary and reasonable steps, in accordance with 49 CFR Part 26 and the provisions set forth in Exhibit D, annexed hereto, to ensure that Disadvantaged Businesses have equal opportunity to participate. Failure by the Consultant to carry out the requirements of this section shall be deemed a material breach of this Agreement.

23. **COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAW:** The Consultant shall comply with applicable laws, ordinances, and codes of the United States, the State of New Jersey and local governments within the State. If NJ TRANSIT determines that the Consultant has violated or failed to comply with applicable federal, state or local laws with respect to its performance under this Agreement, NJ TRANSIT may withhold payments for such performance and take such other action that it deems appropriate under the circumstances until compliance or remedial action has been accomplished by the Consultant to the satisfaction of NJ TRANSIT. The Consultant acknowledges that federal requirements may change and the changed requirements will apply to the project as required, unless the Federal Government determines otherwise.

24. **CONFLICT OF INTEREST:** In the event that the Consultant deems that any work currently being performed by it on other projects or any work to be performed on future projects is in conflict directly or indirectly with this Agreement, the Consultant shall immediately so notify NJ TRANSIT. NJ TRANSIT, in its sole discretion, shall have the right to terminate this Agreement for convenience in accordance with Section 13 hereof.

25. **CONSULTANT'S EMPLOYEES:** All personnel employed on this project and their daily rates shall be approved in writing by NJ TRANSIT prior to assignment to this project and, in addition, any employee of the Consultant or its subconsultants declared undesirable by NJ TRANSIT shall be relieved of any work under this Agreement.

The Consultant must receive NJ TRANSIT's prior written approval of any change in the project organization/manpower and subconsultant project team approved for this project.

26. **PROHIBITED INTEREST:** No member, officer, or employee of NJ TRANSIT or its subsidiaries shall have any interest, direct or indirect, in this Agreement or the proceeds thereof. No former

member, officer or employee of NJ TRANSIT or its subsidiaries who, during his tenure, had a direct, substantial involvement with matters that are closely related to this Agreement, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

27. INTERESTS OF MEMBERS OF OR DELEGATES TO CONGRESS: No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit arising therefrom.

28. NJ TRANSIT CODE OF ETHICS FOR CONSULTANTS:

A.) The Consultant shall not employ any NJ TRANSIT officer or employee in the business of the Consultant or in professional activity in which the Consultant is involved with the NJ TRANSIT officer or employee.

The Consultant shall not offer or provide any interest, financial or otherwise, direct or indirect, to any NJ TRANSIT officer or employee, in the business of the Consultant or professional activity in which the Consultant is involved with the NJ TRANSIT officer or employee.

The Consultant shall not cause or influence, or attempt to cause or influence, any NJ TRANSIT officer or employee to act in his or her official capacity in any manner which might tend to impair the objectivity or independence of judgment of that NJ TRANSIT officer or employee.

The Consultant shall not cause or influence, or attempt to cause or influence, any NJ TRANSIT officer or employee to use or attempt to use his or her official position to secure any unwarranted privileges or advantages for that Consultant or any other person.

The Consultant shall not offer any NJ TRANSIT officer or employee any gift, favor, service or other thing of value under circumstances from which it might be reasonably inferred that such gift, service or other thing of value was given or offered for the purpose of influencing the recipient in the discharge of his or her official duties. In addition, employees or officers of NJ TRANSIT will not be permitted to accept breakfasts, lunches, dinners, alcoholic beverages, tickets to entertainment and/or sporting events, or any other item which could be construed as having more than nominal value.

B.) In accordance with N.J.A.C. 16:72-4.1, the Consultant may be suspended and/or debarred if the Consultant:

1.) Makes any offer or agreement to pay or to make payment of, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any

NJ TRANSIT Board member, officer, or employee or to any member of the immediate family of such Board member, officer, or employee, or any partnership, firm, or corporation with which they are employed or associated, or in which such Board member, officer, or employee has an interest within the meaning of N.J.S.A. 52:13D-13g;

2.) Fails to report to the Attorney General and to the Executive Commission on Ethical Standards in writing forthwith the solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any NJ TRANSIT Board member, officer, or employee;

3.) Undertakes, directly or indirectly, any private business, commercial, or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sale, directly or indirectly of any interest in such Consultant to, any NJ TRANSIT Board member, officer, or employee having any duties or responsibilities in connection with the purchase, acquisition, or sale of any property or services by or to NJ TRANSIT, or with any person, firm, or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52:13D-13g. Any relationship subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the NJ TRANSIT Board member, officer, or employee upon a finding that the present or proposed relationship does not present the potential, actuality, or appearance of a conflict of interest;

4.) Influences or attempts to influence or causes to be influenced, any NJ TRANSIT Board member, officer, or employee in his official capacity in any manner which might tend to impair the objectivity or independence of judgment of such Board member, officer, or employee; or

5.) Causes or influences or attempts to cause or influence, any NJ TRANSIT Board member, officer, or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the Consultant or any other person.

29. **POLITICAL ACTIVITY PROHIBITED:** None of the funds or services contributed by NJ TRANSIT or the Consultant under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office.

30. **NONSOLICITATION:** The Consultant warrants that it has not retained any party other than a bona fide employee working for the Consultant to solicit this Agreement, and that it has not paid or

agreed to pay any outside party consideration in any form contingent upon securing this Agreement. For breach of this warranty, NJ TRANSIT shall have the right to terminate this Agreement for cause.

31. **MERGER AND SEVERABILITY:** This Agreement embodies the entire agreement between the parties. If any provision herein is held invalid, it shall be considered deleted herefrom and shall not invalidate the remaining provisions hereof.

32. **NOTIFICATION:** Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted by this Agreement to be made upon, given or furnished to, or filed with one party by another party shall be in writing and shall be delivered by hand or by deposit in the mails of the United States, postage paid, in an envelope addressed as follows:

If to NJ TRANSIT:

Mr. James Schworn
Chief of Procurement & Support Services
NJ TRANSIT
One Penn Plaza East
Newark, New Jersey 07105-2246
Attn: Taishida S. Chapman, Principal Contract Specialist

With a copy to:

NJ TRANSIT
One Penn Plaza East
Newark, New Jersey 07105-2246
Attn: Warren Hersh, Auditor General

If to the Consultant:

McGladrey LLP
One South Wacker Drive, Suite 800
Chicago, Illinois 60606
Attn: Patrick Hagan, Partner

Either party to the Agreement may redesignate the recipient or change the address of the recipient of notifications hereunder by notifying the other party to this Agreement, in writing, of such change.

33. **DISPUTES:** Disputes arising in the performance of this Agreement which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of the Contracting Officer. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, the Consultant mails or otherwise furnishes a written appeal to the Contracting Officer. In connection with any such appeal, the Consultant shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Contracting Officer shall be binding upon the

Consultant and the Consultant shall abide by the decision. The New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., shall govern any action which may be brought by the Consultant as a result of NJ TRANSIT's decision.

34. OUT OF STATE CORPORATIONS: If the Consultant is a corporation organized under laws of a state other than New Jersey, the Consultant, shall have a certificate of authority to do business in New Jersey in accordance with N.J.S.A. 14A:13-3 . In addition, pursuant to N.J.S.A. 14A:4-1 et seq. the Consultant shall maintain a registered agent having a business office in New Jersey and shall file with the Secretary of State the name of said agent and address of said office and provide a copy thereof to NJ TRANSIT

Inquiries should be directed to:
State of New Jersey
Department of State
Division of Commercial Recording
CN-308
Trenton, New Jersey 08625
www.state.nj.us/njbgs

35. SUCCESSORS: This Agreement shall bind the heirs, representatives, successors, and assignees of the Consultant.

36. GOVERNING LAW: The parties hereto stipulate that the provisions of this Agreement shall be governed by and interpreted pursuant to the laws of the State of New Jersey.

37. QUALITY ASSURANCE PLAN: The Consultant shall perform all work according to the highest standards of professional care. The Consultant shall establish and maintain a Quality Assurance Plan, subject to NJ TRANSIT's approval, setting forth the Consultant's policy for quality assurance and procedures for implementing that policy. Such plan must apply to all persons engaged in work under this Agreement, include regular and written procedures for performance of all Project activities, and provide sufficient information to senior managers to enable effective supervision of the Project. The procedures shall provide for sufficient documentation to allow review and audit by NJ TRANSIT, and NJ TRANSIT may, in its discretion, review the Consultant's implementation of the procedures.

38. FALSE OR FRAUDULENT STATEMENTS AND CLAIMS:

A.) The Consultant recognizes that the requirements of the Program Fraud Civil Remedies Act of 1986, as amended, 49 USC § 3801 et seq. and USDOT regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its actions pertaining to the project. Accordingly, by signing the Agreement, the Consultant certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, or it may make pertaining to the Agreement. In addition to other penalties that may be applicable, the Consultant also acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986, as amended, on the Consultant to the extent the Federal Government deems appropriate.

B.) The Consultant also acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government in connection with an urbanized area formula project financed with Federal Assistance authorized by 49 USC § 5307, the Government reserves the right to impose on the Consultant the penalties of 18 USC § 1001 and 49 USC § 5307(n)(1), to the extent the Federal Government deems appropriate.

39. NO FEDERAL GOVERNMENT OBLIGATIONS TO THIRD PARTIES: The Consultant agrees that, absent the Federal Government's express written consent, the Federal Government shall not be subject to any obligations or liabilities to any subrecipient, any third party contractor, or any other person not a party to the contract in connection with the performance of the project. Notwithstanding any concurrence provided by the Federal Government in or approval of any solicitation, subagreement, or third party contract, the Federal Government continues to have no obligations or liabilities to any party, including the subrecipient and third party contractor.

40. EXCLUSIONARY OR DISCRIMINATORY SPECIFICATIONS: Apart from inconsistent requirements imposed by Federal statute or regulations, the Consultant agrees that it will comply with the requirements of 49 USC § 5323(h)(2) by refraining from using any Federal Assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications.

41. CLEAN WATER AND CLEAN AIR ACTS: If this Agreement shall be in an amount greater than \$100,000, the Consultant shall comply with Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, Environmental Protection Agency Regulations (40 CFR Part 15), and any other applicable standard, order or requirement issued pursuant to

Federal statute or regulation. The Consultant shall report violations to NJ TRANSIT, FTA and to the USEPA Assistant Administrator for Enforcement.

42. ENERGY CONSERVATION: The Consultant shall comply with mandatory standards and policies relating to energy efficiency contained in applicable State of New Jersey Energy Conservation Plans issued in compliance with the Energy Policy and Conservation Act (42 USC 6321 et seq.).

43. TITLE VI COMPLIANCE: During the performance of this Agreement, the Consultant, for itself, its assignees and successors in interest (hereinafter referred to as the "Consultant") agrees as follows:

A.) Compliance with Regulations: The Consultant shall comply with the Regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this Agreement.

B.) Nondiscrimination: The Consultant, with regard to the work performed by it during the Agreement, shall not discriminate on the grounds of race, religion, color, sex, age, or national origin in the selection and retention of subconsultants, including procurements of materials and leases of equipment. The Consultant shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when contract covers a program set forth in Appendix B of the Regulations.

C.) Solicitations for Subcontracts Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Consultant for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subconsultant or supplier shall be notified by the Consultant of the Consultant's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age, or national origin.

D.) Information and Reports: The Consultant shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by NJ TRANSIT or the FTA to be pertinent to ascertain compliance with such Regulations, orders and instruction. Where any

information is required or a Consultant is in the exclusive possession of another who fails or refuses to furnish this information, the Consultant shall so certify to NJ TRANSIT, or the FTA, as appropriate, and shall set forth what efforts it has made to obtain the information.

E.) Sanctions for Noncompliance: In the event of the Consultant's noncompliance with the nondiscrimination provisions of this Agreement, NJ TRANSIT shall impose such contract sanctions as it or the FTA may determine to be appropriate, including but not limited to:

1.) Withholding of payments to the Consultant under the Agreement until the Consultant complies; and/or

2.) Cancellation, termination or suspension of the Agreement, in whole or in part.

F.) Incorporation of Provisions: The Consultant shall include the provisions of Paragraphs A through F of this Section in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The Consultant shall take such action with respect to any subcontract or procurement as NJ TRANSIT or the FTA may direct as a means of enforcing such provisions including sanctions for noncompliance: provided, however, that, in the event a Consultant becomes involved in, or is threatened with, litigation with a subconsultant or supplier as a result of such direction, the Consultant may request NJ TRANSIT to enter into such litigation to protect the interests of NJ TRANSIT and, in addition, the Consultant may request NJ TRANSIT to enter into such litigation to protect the interest of the United States.

44. CONTRACT WORK HOURS AND SAFETY STANDARDS: During the performance of this Agreement, the Consultant, for itself, its assignees and successors in interest (hereinafter referred to as the "Consultant") agrees as follows for construction services:

A.) Overtime Requirements: No consultant or subconsultant contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any work week in which he or she is employed on such work to work in excess of eight hours in any calendar day or in excess of forty hours in such work week unless such laborer or mechanic receives compensation at rate not less than one and one-half times the basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of forty hours in such work week, whichever is greater.

B.) Violation; Liability for Unpaid Wages; Liquidated Damages: In the event of any violation of the clause set forth in subparagraph (b)(1) of 29 CFR Section 5.5, the Consultant and any subconsultant responsible therefore shall be liable for the unpaid wages. In addition, such Consultant and subconsultant shall be liable to the United States (in case the work done under contract for the District of Columbia or a territory, to such district or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (b)(1) of 29 CFR Section 5.5 in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of eight hours or in excess of the standard work week of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (b)(1) of 29 CFR Section 5.5.

C.) Withholding for Unpaid Wages and Liquidated Damages: DOT or NJ TRANSIT shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the Consultant or subconsultant under any such contract or any other Federal contract with the same prime consultant, or any other Federally-assigned contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime consultant, such sums as may be determined to be necessary to satisfy any liabilities of such consultant or subconsultant for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (B)(2) of 29 CFR Section 5.5.

D.) Nonconstruction Grants: The Consultant or subconsultant shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three (3) years from the completion of the Agreement for all laborers and mechanics, including guards and watchmen, working on the Agreement. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. These records shall be made available by the Consultant or subconsultant for inspection, copying, or transcription by authorized representatives of NJ TRANSIT, the FTA and the Department of Labor, and the Consultant or subconsultant will permit such representatives to interview employees during working hours on the job.

E.) Subcontracts: The Consultant or subconsultant shall insert in any subcontracts the clauses set forth in Paragraphs A through E of this Section and also a clause requiring the subconsultants to

include these clauses in any lower tier subcontracts. The prime consultant shall be responsible for compliance by any subconsultant or lower tier subconsultant with the clauses set forth in Paragraphs A through E of this Section.

45. CERTIFICATIONS REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTION

By signing this Agreement, the lower tier participant, defined as the Consultant and its subconsultants, is providing the certification set out below.

The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, NJ TRANSIT may pursue available remedies, including suspension and/or debarment.

The lower tier participant shall provide immediate written notice to NJ TRANSIT if at any time the lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

Certain terms used in this clause have the meanings set out in 2 CFR Part 1200 and 2 CFR Part 180.

The lower tier participant agrees by signing this Agreement that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized in writing by NJ TRANSIT.

The lower tier participant further agrees by signing this Agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction", without modification, in all lower tier covered transactions (valued at \$25,000 or more) and in all solicitations for lower tier covered transactions.

A participant in a covered transaction may rely upon a certification of a participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. Each participant shall check the U.S. Government System for Award Management (SAM) database.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

Except for transactions authorized under the fifth paragraph above, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to all remedies available to the Federal Government, NJ TRANSIT may pursue available remedies including suspension and/or debarment.

The lower tier participant certifies by signing this Agreement that neither it nor its "principals" (as defined 2 CFR 180.995) is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. A participant may decide the method and frequency by which it determines the eligibility of its principals.

When the lower tier participant is unable to certify to the statements in this certification, such participant shall submit a written explanation.

The lower tier participant shall also be currently registered and active with no exclusion on the U.S. Government System for Award Management (SAM) database.

46. LIMITATIONS ON LOBBYING: THE CONSULTANT AND ITS SUBCONSULTANTS SHALL COMPLY WITH 31 USC 1352, ENTITLED "LIMITATION ON USE OF APPROPRIATED FUNDS TO INFLUENCE CERTAIN FEDERAL CONTRACTING AND FINANCIAL TRANSACTIONS".

A.) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.

B.) Any Consultant and any subconsultant at any tier who requests or receives a Federally-assisted contract or subcontract in excess of \$100,000 from NJ TRANSIT shall file with

NJ TRANSIT the certification attached to this Agreement and entitled "Certification for Contracts, Grants, Loans and Cooperative Agreements" which certifies that the Consultant or subconsultant, as applicable, has not made, and will not make, any payment prohibited by paragraph A.) of this Article.

C.) Any Consultant and any subconsultant who has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action) which would be prohibited under paragraph A.) of this Article if paid for with appropriated funds, shall file with NJ TRANSIT a disclosure form entitled "Disclosure of Lobbying Activities", which is available from NJ TRANSIT.

D.) Any certification or disclosure form filed under paragraphs B.) and C.) of this Article shall be forwarded from tier to tier until received by NJ TRANSIT. Any certification or disclosure form shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared by any tier to which the erroneous representation is forwarded.

E.) The prohibition on the use of appropriated funds does not apply in the case of a payment of reasonable compensation to an officer or employee of a Consultant or subconsultant if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

F.) The prohibition on the use of appropriated funds does not apply in the case of any reasonable payment to an officer or employee of a Consultant or subconsultant or to a person, other than an officer or employee of a Consultant or subconsultant, if the payment is for professional or technical services rendered directly in the preparation, submission or negotiation of any bid, proposal or application for a Federal contract, grant, loan or cooperative agreement.

47. BUY AMERICA DESIGN REQUIREMENTS: The Consultant shall design the project to ensure that the plans and specifications produced by the Consultant under this Agreement permit compliance with Section 165 of the Surface Transportation Assistance Act of 1982 (P.L. 97-424). All iron, steel and manufactured products specified by the Consultant shall be of domestic manufacture or origin, except as otherwise approved by NJ TRANSIT. Whenever the Consultant lists a product by make, manufacturer or model number in the specifications, the Consultant shall first ensure that the product is of domestic manufacture or origin. Should the Consultant find it necessary to specify iron, steel, or manufactured products which are not produced in the United States in sufficient and reasonably available quantities, then the Consultant shall submit a written justification to the Contracting Officer describing in detail

the product, its estimated cost, the rationale for its use in the project and the basis for the Consultant's belief that the product is of limited domestic availability. NJ TRANSIT, in its sole discretion, will determine whether to seek a waiver of the Buy America requirements from the U.S. Secretary of Transportation. Should NJ TRANSIT determine that there is insufficient basis for seeking a waiver or if a waiver request is denied by USDOT, the Consultant shall redesign the project to conform with Buy America requirements at no additional cost to NJ TRANSIT.

48. FLY AMERICA REQUIREMENTS: The Contractor agrees to comply with 49 U.S.C. 40118 (the "Fly America" Act) in accordance with the General Services Administration's regulations at 41 CFR Part 301-10, which provide that recipients and subrecipients of Federal funds and their contractors are required to use U.S. Flag air carriers for U.S. Government-financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. The Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. The Contractor agrees to include the requirements of this section in all subcontracts that may involve international air transportation.

49. SETTING OFF TAX ARREARS AGAINST SUMS OWED: Whenever a taxpayer under contract with the State of New Jersey and is indebted for any State Tax in accordance with N.J.S.A. 54:49-19 the State of New Jersey shall seek to set off the indebtedness as follows:

Whenever any taxpayer under contract to provide goods or services to the State of New Jersey or its agencies or instrumentalities, and including the legislative and judicial branches of State government, is entitled to payment for the goods or services or on that construction project and at the same time the taxpayer is indebted for any State tax, the Director of the Division of Taxation shall seek to set off so much of that payment as may be necessary to satisfy the indebtedness. The Director, in consultation with the Director of the Division of Budget and Accounting in the Department of the Treasury, shall establish procedures and methods to effect a set-off. The Director shall give notice of the set-off to the taxpayer, the provider of goods or services or the contractor or subcontractor of construction projects and provide an opportunity for a hearing within 30 days of such notice under the procedures for protests established under N.J.S.A. 54:49-18, but no request for conference, protest, or subsequent appeal to the Tax Court from any protest under this section

shall stay the collection of the indebtedness. No payment shall be made to the taxpayer, the provider of goods or services or the contractor or subcontractor of construction projects pending resolution of the indebtedness. Interest that may be payable by the State pursuant to N.J.S.A.52:32-32 et seq., to the taxpayer, the provider of goods and services or the contractor or subcontractor of construction projects shall be stayed.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed
the 15th day of July 2014 to be effective as of the day and year first above written.

WITNESS:

NJ TRANSIT

By:

Brian LaBail
Senior Contract Specialist

By:

Paul C. Kelly
Contracting Officer or Duly Authorized Designee

WITNESS:

CONSULTANT

By:

Kathryn Kennedy
McGladrey LLP

By:

Patrick J. Hagen
McGladrey LLP

The aforementioned Agreement has been reviewed and approved as to form only.

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY

By:

[Signature]
Deputy Attorney General

7/11/14

**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

EXHIBIT A – PROJECT SERVICES

PROJECT BACKGROUND AND DESCRIPTION

A. Project Background - Sandy Recovery and Resiliency Program

The Superstorm Sandy Recovery and Resiliency Program ("Program"), currently being funded in part by the FTA, has been established in order to recover from damages to the NJ TRANSIT System, including but not limited to, equipment, Right of-Way and infrastructure caused by Superstorm Sandy in October of 2012, and to reconstruct the damaged elements in a more resilient manner as well as to construct new Resiliency Projects, that may or may not be related to such damage, but are designed to allow the NJ TRANSIT System to be better able to withstand future weather events and to reduce the risk of damage to public transportation assets by reason of natural disasters. The projects to be constructed vary in type, scope and location, but are principally in or are to be in northern and central New Jersey.

B. Project Description

The services of the selected Consultant(s) shall generally consist of performing integrity monitoring and Internal, IT and Construction Auditing in connection with the Program for construction and repair as well as resiliency contracts funded by the FTA or other federal agencies in excess of \$5 Million in accordance with the scopes of work prescribed by NJTIAD in consultation with the NJ TRANSIT Accountability Officer under Executive Order 125 and the New Jersey Department of the Treasury. The anticipated contract values subject to integrity monitoring services will be approximately \$100 Million in year one, \$140 Million in year two and \$200 Million in year three. The actual contract values and projects subject to integrity monitoring services in each year may change depending on availability of funds and the number of contracts awarded.

C. Consultant Qualifications

Integrity Monitoring Firms shall demonstrate:

1. At least five (5) years' experience providing similar Integrity Monitoring Services and Auditing Services in the specific areas identified herein.
2. The capacity to provide experienced and qualified staff, including subconsultants, who will be performing services hereunder.
3. Effective management approach for the performance of services identified herein including methodology, approach, and deliverables.
4. An effective quality assurance process.
5. The capacity to provide an estimated 6,000 to 30,000 hours per year of integrity monitoring services. Note that there is no guarantee as to number and size of Work Authorizations issued. The hours of integrity monitoring, including but not limited to auditing, required by NJ TRANSIT may increase or decrease in subsequent years depending upon NJ TRANSIT's needs.
6. The capacity to provide services in accordance with Generally Accepted Government Audit Standards (U.S. Government Accountability Office)

and/or the International Standard for the Professional Practice of Internal Auditing (Institute of Internal Auditors).

SCOPE OF SERVICES - GENERAL

A. The Consultant shall provide an organizational structure that will address each Work Authorization (WA), manage the budget, the schedule, product/staff quality, and expedite the successful completion of each WA. The Consultant will designate a single point of contact for each WA, who will manage and be accountable for all Consultant efforts of the WA and will serve as a focal point for contact between all parties affected in implementing the individual assignments. In addition:

1. The Consultant's point of contact shall represent the entire team and be responsible for all communications with NJIAD and the New Jersey Department of the Treasury.
2. The Consultant's single point of contact and key personnel utilized on each assignment shall be approved by NJTIAD in consultation with the New Jersey Department of the Treasury.
3. The Consultant shall attend and assist at all meetings required to inform and coordinate work with NJTIAD and the New Jersey Department of the Treasury.
4. The Consultant shall supply, at its own cost, all of its employees training and required hardware, software (the most current version of Visio, ACL and TeamMate) and other necessary equipment as required.
5. The Consultant shall provide reporting in accordance with Section IV below to New Jersey Department of the Treasury, Office of the State Comptroller, New Jersey Attorney General and NJIAD.

B. The Consultant shall maintain and make available, as requested, all documents, records and other evidence pertaining to services and costs thereof for a period of five (5) years from final payment under the contract and will be subject to audit by Office of the State Comptroller within said period.

Nothing contained in this RFP or any resultant contract is intended to relieve the Consultant of responsibility for maintaining adequate supervision/responsible charge over the services provided in order to guard NJ TRANSIT and the New Jersey Department of the Treasury against deficiencies in any work performed by the Consultant.

C. All submittals shall be prepared in a professional manner as agreed to for specific services and in accordance with the FTA, NJ TRANSIT and the New Jersey Department of the Treasury requirements and standards. All deliverables, such as work papers, reports, etc., will be required to be provided in the required format in accordance with this RFP and the WA.

- D. Services of the Consultant will be used on an as-directed basis. Individual project assignments will be negotiated and authorized in writing by NJ TRANSIT in consultation with the New Jersey Department of the Treasury and in accordance with the general terms and conditions of the contract as documented in the Work Authorization.
- E. NJTIAD and New Jersey Department of the Treasury shall have the right to pre-approve staffing and removal of particular staff members at their discretion.

SCOPE OF SERVICES - DETAILED SCOPE OF WORK

Tasks and services to be performed by the selected Consultant(s) may include, but are not limited to:

Task A – Monitoring Contractor/Vendor Compliance with Applicable Laws and Contract Requirements

1. Monitoring the compliance of contractors, vendors, and consultants to ensure their compliance with applicable laws, regulations, codes, programs and contractual requirements.
2. Satisfying applicable FTA Federal Procurement Requirements and FTA Federal Register Notice Requirements for Oversight Monitoring (See Attachment E – Federal Register May 29, 2013 pages 32301- 32302), State of New Jersey Department of the Treasury Requirements under N.J.S.A. 52: 15D-2 (See Attachment F) and providing necessary investigative services as required by NJTIAD.

Task B – Developing and Implementing Integrity Programs

1. Programs and procedures to prevent and deter fraud, corruption, conflicts of interest and illegal activity by entities doing, or seeking to do, business with NJ TRANSIT; Procedures should include methods to remediate or mitigate fraud, waste, corruption and abuse.
2. Assisting with a program for facilitating the reporting of illegal and improper conduct, through measures such as education and awareness, posters, leaflets, hotlines, etc.

Task C – Conducting Background Checks, Reviews of Documents and Investigations

1. Background checks of businesses, principals, officials, employees and other individuals by utilizing research of public records, databases, interviews, etc.;
2. Review of documents, including disclosure forms, payment requests, change orders, invoices, certified payrolls, manifests, etc., submitted by vendors for honesty and accuracy;
3. Investigations and inquiries; including interviews, site visits, surveillances, field activities and head counts, as well as research into public records and databases, for the prevention and detection of violations, fraudulent and/or illegal acts.

Task D – Reporting

1. Quarterly to the State Treasurer utilizing prescribed forms as to each assigned contract under a Work Authorization in a timely manner as to activities performed in accordance with N.J.S.A. 52:15-D-2.
2. Report integrity monitoring activities and results periodically to NJ TRANSIT as required
3. In compliance with malfeasance and inefficiency reporting protocols developed by the State Treasurer.
4. Immediately upon making finding of a likely criminal violation or lesser degree of waste, fraud or abuse, to New Jersey Attorney General and Comptroller with a copy to State Treasurer.

Task E – Preparing and Maintaining a Fraud Risk Assessment.

A fraud risk assessment including, but not be limited to:

- a) Potential Sandy Recovery and Resiliency Project fraud risks/ scenarios/ schemes including prioritization and probability and potential impact.
- b) Specific methodology and detailed work programs/ audit programs/ other procedures that are employed by the firm to mitigate, minimize and/or identify fraud for each risk/scenario/scheme.
- c) Specific deliverables for each work program/audit program/other procedures.
- d) Detailed plan for the assigned contract(s) under the WA addressing key fraud risks. This plan should include but not be limited to:
 - i. Prioritized fraud risk/scenario/schemes.
 - ii. Detailed strategy for the life of the project for how each fraud risk will be addressed.
 - iii. Deliverables for each risk.
 - iv. Level of effort (hours) needed for each risk by personnel category.
 - v. Other relevant data.

Task F – Internal, IT and Construction Auditing

Internal, IT, and Construction auditing (including pre-award, execution, change orders, closeout, etc.), forensic audits and reviews of Program related businesses, and government programs to identify areas of risk that could potentially lead to fraud and/or corruption, and providing recommendations for correcting these areas of risk and for improving the integrity of the affected areas; audits so as to ensure procurement compliance and other audit services (financial, attestation, or performance audits) as needed for the Program.

TASK DELIVERABLES

Deliverables to support all of the above Tasks A through F will include but not be limited to:

1. Work papers, reports and other required documentation in the format and content required by NJ TRANSIT to support all work.
2. Presenting reports, findings and other results of audits, reviews, investigations and other assigned tasks, and incorporating comments provided by NJ TRANSIT as appropriate and resubmitting the reports as final.
3. Audits as required under WA.
4. Preparing information to be included in Monthly and Quarterly Reports to FTA
5. Upon a finding of a likely criminal violation or lesser degree of any malfeasance, inefficiency, waste, fraud, abuse or mismanagement of funds, report findings to the State Comptroller and the Attorney General immediately consistent with the requirements of N.J.S.A. 52:15D-2.
6. Status Reports - Provide NJ TRANSIT update on activities conducted on, or for, each task to include the type of activity, analysis, results, recommendations, resolutions, and/or preventative measures; and follow-up on any previous outstanding issues.
7. Quarterly Report- On the first business day of each calendar quarter, the Consultant shall provide to the State Treasurer, for distribution to the Legislature and the Governor, a report detailing the Consultant's provision of services during the three-month period second preceding the due date of the report and any previously unreported provision of services, which shall include, but not be limited to, detailed findings concerning the Consultant's provision of services and recommendations for corrective or remedial action relative to findings of malfeasance and inefficiency. The report shall include a privilege log which shall detail each denial of sensitive information that the Consultant exercises in preparing the report for transmission to the Legislature and the Governor. The report shall not include any information which may compromise a potential criminal investigation or prosecution or any proprietary information.
8. Time Logs - Copies (and upon request, originals) of time logs shall be maintained by the Consultant and shall include information on the allocation of hours worked by the Consultant and staff to the respective federally-funded programs and all other data required in order to ensure compliance with all federal requirements.

Activities to be conducted by the Consultant(s) include, but not limited to the following:

1. Attending site meetings as to ongoing construction work where warranted.
2. Attending agency meetings.
3. Attending scopes reviews and meetings with prospective contractors and vendors in order to ensure procurements are conducted in accordance with NJ TRANSIT Rules and Regulations and that a level playing field is maintained.
4. Reviewing information and activities in relation to project contract/program.
5. Auditing to ensure procurement compliance.
6. Addressing work quality, safety, environmental, and historical preservation issues.
7. Taking actions to remediate, waste, fraud, corruption and abuse.
8. Making unannounced periodic headcounts of construction site workers in order to deter no-show jobs.

**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

EXHIBIT B – COST INFORMATION

NJ TRANSIT CONTRACT NO. 14-033
INTEGRITY OVERSIGHT MONITORING SERVICES
HOURLY RATES

MOGLADREY		Year 1		Year 2		Year 3	
Staffing Category		Hourly Rate		Hourly Rate		Hourly Rate	
Partner/Principal/Director	\$	245.00	\$	255.00	\$	265.00	
Program Manager / Project Manager	\$	175.00	\$	182.00	\$	189.00	
Subject Matter Expert	\$	245.00	\$	255.00	\$	265.00	
Supervisor/Senior Consultant/	\$	135.00	\$	140.00	\$	146.00	
Consultant/Associate/Staff	\$	110.00	\$	114.00	\$	119.00	
Administrative Support	\$	80.00	\$	83.00	\$	86.00	
Total							

**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

**EXHIBIT C –
NJ TRANSIT TRAVEL & BUSINESS REIMBURSEMENT GUIDELINES FOR
CONTRACTORS AND VENDORS**

Per Diem (Major Cities)*
Effective October 1, 2013

* \$46 Standard Meal Rate applies to all destinations not specifically listed
Average Per Diem Rates are listed below
A full listing of domestic Per Diem Rates can be found online at www.gsa.gov
Current foreign Per Diem Rates can be found at <http://aoprals.state.gov>

NJ TRANSIT

TRAVEL & BUSINESS REIMBURSEMENT GUIDELINES
FOR CONTRACTORS AND VENDORS

GENERAL:

All overnight travel must be authorized in writing by the Project Manager. Overnight lodging expenses for New York City are prohibited.

These guidelines are subject to periodic review and adjustment by NJ TRANSIT.

1. **Meals:** NJ TRANSIT has adopted the IRS-established "Major Cities" method for meal and incidental travel expenses within the continental United States.

The following table shows the average per diem rates for meals and incidental expenses while on travel. The M&IE rates differ by travel location. View the per diem rates for your destination to determine which M&IE rates apply.

M&IE Total	\$46.00	\$51.00	\$56.00	\$61.00	\$66.00	\$71.00
Breakfast	\$7.00	\$8.00	\$9.00	\$10.00	\$11.00	\$12.00
Lunch	\$11.00	\$12.00	\$13.00	\$15.00	\$16.00	\$18.00
Dinner	\$23.00	\$26.00	\$29.00	\$31.00	\$34.00	\$36.00
Incidentals	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00

"Incidentals" as defined by the IRS include "fees and tips given to porters, baggage carriers, bellhops, hotel maids, stewards and stewardesses and others on ships and hotel servants".

2. **Conveyances:** Travel expenses will be reimbursed subject to their reasonableness and subject to the following maximums (receipts required):
 1. **Air-Fare:** When authorized in writing and only at the prevailing coach rates. First class travel costs are not reimbursable.
 2. **Rail or Bus:** Only regular coach fares are reimbursable.
 3. **Automobile:** Mileage will be reimbursed at a rate of \$0.565 cents per mile. Mileage claims in excess of 30 miles one-way must be supported with documentation from a reputable online service (e.g. Map Quest). Gas, tolls and parking fees will be reimbursed only when validated by receipt.
3. **Lodging:** Reimbursed for single occupancy rates at reasonable, actual costs for the location. Lodging costs exceeding \$140.00 per night require prior approval of the Project Manager.

**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

**EXHIBIT D – DISADVANTAGED BUSINESS ENTERPRISES (DBE)
REQUIREMENTS AND FORMS**

**NEW JERSEY TRANSIT CORPORATION
DBE REQUIREMENTS FOR
RACE-CONSCIOUS
FEDERAL PROCUREMENT ACTIVITIES**

TABLE OF CONTENTS

TITLE OF ARTICLE	PAGE
1.1 POLICY.....	2
1.2 ASSURANCE.....	2
1.3 DBE GOAL FOR THIS PROJECT.....	3
1.4 GUIDANCE TO BIDDER/PROPOSERS/PRIMES.....	3
1.5 TRANSIT VEHICLE MANUFACTURERS (TVM).....	3-4
1.6 RESPONSIBLE BID/PROPOSAL CRITERIA.....	4
2.0 GUIDANCE ON A GOOD FAITH	4
2.2 A GOOD FAITH EFFORT.....	5
2.3 REQUIRED FORMS.....	5-6
2.4 SUPPLEMENTAL REQUIRED FORMS (IF APPLICABLE).....	7
2.5 INSTRUCTIONS FOR COMPLETING REQUIRED FORMS.....	7-9
2.6 INSTRUCTIONS FOR COMPLETING SUPPLEMENTAL REQUIRED FORMS.....	9-10
3.0 GUIDANCE ON COUNTING DBE PARTICIPATION	11
3.2 COUNTING DBE PARTICIPATION.....	11-12
3.3 DBE PRIME CONTRACTOR GUIDANCE.....	12
3.4 DBE TRUCKING FIRM GUIDANCE.....	12
3.5 LEASING TRUCKS.....	12-13
3.6 COUNTING MATERIALS AND SUPPLIES.....	13
4.0 TERMINATION OF DBE(s).....	13
4.2 ADDITION OF DBE(s).....	14
4.3 REPLACEMENT OR REMOVAL OF DBE(s).....	14-15
4.4 WITHDRAWN DBE(s).....	15
4.5 DECERTIFIED DBE(s).....	15-16
5.0 AWARD OBLIGATIONS.....	16
5.2 POST AWARD DELIVERABLES	16-17
5.3 PROMPT PAYMENT OF INVOICES TO SUBCONTRACTORS.....	17-18
5.4 SUBCONTRACT PAYMENT DISPUTE RESOLUTION.....	18
5.5 PROMPT PAYMENT OF SUBCONTRACTOR RETAINAGE.....	18-19
5.6 REMEDIES AND PENALTIES.....	19
5.7 LIQUIDATED DAMAGES.....	19-20
APPENDIX 1 (GLOSSARY).....	21-22

**NEW JERSEY TRANSIT CORPORATION
DBE REQUIREMENTS FOR
RACE-CONSCIOUS
FEDERAL PROCUREMENT ACTIVITIES**

The following pages provide Bidders/Proposers/Primes on federal contracts with New Jersey Transit (NJT), information about NJT's Disadvantaged Business Enterprise (DBE) Program, administered by the Office of Business Development (OBD). Prospective Bidders/Proposers/Primes will have an opportunity to ask questions regarding the directives contained in the DBE specifications at the pre-bid/pre-proposal conference(s). Further clarification of the DBE specifications, along with assistance in completing the forms, can be obtained by calling (973) 491-7593.

A list of certified DBE firms may be found in the NJ Unified Certification Program (NJUCP) Directory at www.njucp.net. **Note: Use of this list does not relieve the Bidder/Proposer/Prime contractor/consultant of responsibility to seek DBE participation from other sources. The list is updated daily and must be checked periodically, as firms are certified and decertified daily.**

These DBE specifications are a part of the Contract and shall be binding upon the successful Bidder/Proposer and Prime in the pre and post-award stages of NJT professional services, construction, and goods and services contracts. These specifications shall be binding upon sub-recipients and imposed on their contractors.

1.1 POLICY

As defined in the U.S. Department of Transportation (USDOT) Regulation 49 CFR Part 26, it is the policy of NJT that Disadvantaged Business Enterprises shall have the opportunity to compete for and participate in the performance of contracts financed in whole or in part with federal funds. Each subcontract a Prime signs with a subcontractor/subconsultant must include the following assurance referenced in article 1.2.

1.2 ASSURANCE

- 1.2.1 The Prime contractor/consultant, or subcontractor/subconsultant shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Prime contractor/consultant shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor/consultant to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate (49 CFR 26.13).
- 1.2.2 This language is included to comply with relevant Federal law and to ensure that all persons who enter into any direct or indirect form of contractual agreement with NJT are aware of their responsibilities and

the commitment of NJT to see that NJT's DBE Policy is carried out in all instances.

1.3 DBE GOAL FOR THIS PROJECT

As an aid in meeting the commitment of its DBE Program, NJT is setting a *race conscious* goal of awarding 10% percent of the gross sum bid/proposal to certified NJUCP DBE firms. Should the actual contract amount increase or decrease, through approved change order(s), the assigned goal may remain. The OBD will determine if the change orders and/or contract phases will result in an adjustment to the DBE participation goal.

1.4 GUIDANCE TO BIDDER/PROPOSERS/PRIMES

- 1.4.1 Failure by a Bidder/Proposer/Prime to comply with any of the requirements contained herein shall result in breach of contract and it shall be subject to the appropriate penalties, remedies, or liquidated damage(s). Refer to articles 5.6-5.7
- 1.4.2 All required forms, including the supplemental section (see articles 2.3-2.4) must be submitted in accordance with the requirements. Firms must be certified under the NJUCP at the time of contract award in order to obtain DBE credit toward the goal.
- 1.4.3 Price alone is not an acceptable basis for rejecting a DBE subcontractor/subconsultant's bid.
- 1.4.4 The Bidder/Proposer/Prime shall, at a minimum, seek DBEs in the same geographic area in which it generally seeks subcontractors/subconsultants. However, the Bidder/Proposer/Prime may be required to expand its search under specific circumstances as determined by OBD. Refer to article 2.0
- 1.4.5 Agreements between a Bidder/Proposer/Prime and a DBE in which the DBE promises not to provide subcontracting quotations to other Bidder/Proposers are prohibited.
- 1.4.6 The desire of a Bidder/Proposer/Prime to self-perform the work of a contract with its own organization is not an acceptable basis to not meet the goal or demonstrate a good faith effort to do so.
- 1.4.7 The Bidder/Proposer/Prime is responsible for verifying that the DBE is certified under the appropriate NAICS code for the scope of work identified. DBE credit shall be given only for work performed in the NAICS code(s) under which the DBE is certified.
- 1.4.8 A DBE firm listed on the First-Tier DBE Utilization Form (Form A) shall constitute a binding representation to NJT, by the Bidder/Proposer/Prime, that the DBE firm is qualified, available, and certified under the appropriate and required NAICS code to perform the scope of work identified. Refer to article 2.5a

1.5 TRANSIT VEHICLE MANUFACTURERS (TVM)

1.5.1 As a transit vehicle manufacturer, you must establish and submit for FTA's approval an annual overall DBE percentage goal. A TVM must certify that it submitted the annual DBE goal required by 49 CFR 26.49 and FTA has approved it or not disapproved it.

- (a) As a condition of being authorized to bid or propose on FTA assisted transit vehicle procurements, the Bidder/Proposer must complete and submit the TVM Certification form with the bid/proposal certifying that it has complied with the requirements of 49 CFR 26.49.

- 1.5.2 NJT may, with FTA approval, establish project-specific goals for DBE participation in the procurement of transit vehicles in lieu of complying with the procedures of this section.

1.6 RESPONSIBLE BID/PROPOSAL CRITERIA

- 1.6.1 As a matter of responsibility, the two lowest Bidders or two highest ranked Proposers must submit the required forms, including the supplemental section (if applicable), with the bid/proposal or within seven (7) days after the bid opening or proposal due date. *NJT may grant a formal written request to extend this 7-day requirement at its sole discretion on a case-by-case basis.*
- 1.6.2 Failure to satisfactorily complete or submit all required forms when due may result in determination by NJT that the Bidder/Proposer is non-responsible and may cause rejection of the bid or proposal.
- 1.6.3 If the two lowest Bidders/highest ranked Proposers submit the DBE forms, but fail to meet the DBE goal, the OBD will consider the efforts made to determine if a Bidder/Proposer/Prime has in fact, demonstrated a good faith effort. **See article 2.0**
- 1.6.4 If it is determined that efforts were made to include DBE participation on the contract, however these efforts did not result in meeting the goal, NJT may request that additional efforts be made within 10 business days of the request. If at this time the Bidder/Proposer fails to demonstrate a good faith effort to achieve the goal, NJT shall consider awarding the contract to the next lowest bidder or highest ranked proposer who offers a reasonable price and meets the DBE goal or demonstrates a good faith effort and other bid requirements or requirements of 49 CFR Part 26.

2. GUIDANCE ON A GOOD FAITH EFFORT

- 2.1 To demonstrate a good faith effort to meet the DBE goal, a Bidder/Proposer/Prime shall provide written documentation in addition to Form D (article 2.3e), of the steps it has taken, prior to the bid opening/proposal due date, or during the life of the contract to obtain DBE participation. **The Bidder/Proposer/Prime can meet this requirement in either of two ways:**
- (1) The Bidder/ Proposer/Prime can meet the goal.
 - (2) The Bidder/Proposer/Prime shall exhaust the available options referenced in article 2.2 in making a continuous good faith effort to meet the assigned contract goal for the life of the contract.
- (a) The efforts employed by the bidder should be those that one could reasonably expect a bidder to take if the bidder were actively and aggressively trying to obtain DBE participation sufficient to meet the contract goal.
- (b) In determining a good faith effort, the OBD will consider the quality, quantity, and intensity of the different kinds of efforts that the Bidder/Proposer/Prime has made. Mere *pro forma* efforts will not be considered as demonstration of good faith effort to meet the DBE contract requirements.
- (c) The Bidder/Proposer/Prime shall use good business judgment and consider a number of factors in negotiating with subcontractors/subconsultants, including DBE subcontractors/ subconsultants, and should take a firm's price and capabilities as well as contract goals into consideration. The fact that there may be some additional costs involved in finding and using DBEs is not in itself sufficient reason for a Bidder's/Proposer's failure to meet the contract DBE goal, as long as such costs are reasonable as determined by NJT. Primes are not, however, required to accept higher quotes from DBEs if the

price difference is excessive or unreasonable.

- (d) The Bidder/Proposer/Prime's ability or desire to perform the work of a contract with its own organization (self-performance) does not relieve the Bidder/Proposer/Prime of the responsibility to meet the goal or demonstrate a good faith effort.
- (e) The Bidder/Proposer/Prime shall not reject DBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The Bidder/Proposer/Prime's standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example, union vs. non-union employee status) are not legitimate causes for the rejection or non-solicitation of bids in the Bidder/Proposer/Prime's efforts to meet the assigned project goal.
- (f) The OBD will support the Bidder/Proposer/Prime in identifying ways to meet the assigned contract goal.

2.2 A GOOD FAITH EFFORT

The following is a list of actions that NJT will consider as evidence of a Bidder/Proposer/Prime's good faith effort to obtain DBE participation. While exhausting the available options in this list may count as a good faith effort, this list is not intended to be a mandatory checklist, nor is this list intended to be exclusive or exhaustive of all the efforts a Bidder/Proposer/Prime might make to achieve the assigned DBE goal. NJT may require a Bidder/Proposer/Prime to take action above and beyond those listed below to meet the assigned DBE goal.

- (a) The Bidder/Proposer/Prime shall solicit through all reasonable and available means (e.g. attendance at pre-bid meetings, advertising and/or written notices) the interest of all certified DBEs who have the capacity to perform the work of the contract.
 - (1) The Bidder/Proposer/Prime must solicit this interest within sufficient time to allow the DBE to respond to the solicitation.
 - (2) The Bidder/Proposer/Prime must take appropriate steps to follow up on initial solicitations in order to determine with certainty if the DBE firms are interested.
- (b) The Bidder/Proposer/Prime shall select portions of the work to be performed by DBEs in order to increase the likelihood that the DBE goals will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate DBE participation, even when the Prime might otherwise prefer to perform these work items with its own forces.
- (c) The Bidder/Proposer/Prime shall provide interested DBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.
- (d) The Bidder/Proposer/Prime shall negotiate with a DBE(s) with the intent to enter into a contract. It is the Bidder/Proposer's responsibility to make a portion of the work available to DBE subcontractors/subconsultants and suppliers and to select those portions of the work or material needs consistent with the available DBE Primes and suppliers, so as to facilitate DBE participation.
 - (1) Evidence of such negotiation includes: the names, addresses, and telephone numbers of DBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional agreements could not be reached for DBEs to perform the work.
- (e) The Bidder/Proposer/Prime shall make efforts to assist interested DBEs in obtaining bonding, lines of credit, or DBE Requirements for Federal Procurement Activities

insurance as required by NJT or the Prime contractor.

- (f) The Bidder/Proposer/Prime shall make efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.
- (g) The Bidder/Proposer/Prime shall effectively use the services of available minority/women community organizations; minority/women Prime contractors groups; local, State and Federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of DBEs.

2.3 REQUIRED FORMS

- (a) **Form A - First Tier DBE Utilization:** Lists all First Tier DBE firms scheduled to participate on this contract.
- (b) **Form A1 - Bidder/Proposer Solicitation and Contractor Information:** Lists all DBE and Non-DBE sub contractor/subconsultants, including suppliers, solicited for, and participating on this contract.
- (c) **Form A2- Non-DBE Sub Utilization:** Lists all DBE and Non-DBE subcontractors/ subconsultants, including suppliers, participating on this contract.
- (d) **Form B - Intent to Perform as a DBE Sub:** Identifies the work the 1st Tier DBE intends to perform including scope of work, subcontract dollar value, etc.
- (e) **DBE Good Faith Effort Form (if applicable):** Identifies any DBE subcontractor invited to quote, but declined to do so for any reason.
- (f) **Trucking Commitment Agreement (if applicable):** Identifies all trucking firms (DBE and Non-DBE) participating on this contract, at any tier.
- (g) **NJ UCP DBE Certification & NAICS Code Verification:** Confirms the DBE status and NAICS code(s) of each First Tier DBE subcontractor/subconsultant.
- (h) ***Form E - Contractor's Monthly DBE Payment Report & Payment Certification Voucher (Post-Award):** Records monthly payments issued to each DBE subcontractor/subconsultant/supplier and monthly payments Issued by NJ TRANSIT to the Prime. Certifies that DBE subs have been paid for previous month's Invoices.
- (i) **Form E2 - DBE's Monthly Payment Report (Post-Award):** Records monthly Invoices submitted by the DBE, payments owed to the DBE on past due invoices and payments received from the prime by each DBE subcontractor/subconsultant.
- (j) **Form E1- DBE Prime's Monthly Payment Report (For DBE Prime Only):** Records monthly payments issued to each DBE Prime by NJ TRANSIT to.

**This form is due from the Prime in each month following the notice to proceed issued by NJ TRANSIT. Refer to article 5.2.4*

2.4 SUPPLEMENTAL REQUIRED FORMS (IF APPLICABLE)

- (a) **Form AA - Second Tier DBE Utilization:** Lists all Second Tier DBE firms scheduled to participate on the DBE sub-Prime's contract.

- (b) **Form AA1 – Second Tier Bidder/Proposer Solicitation and Contractor Information:** Lists all Second Tier DBE firms participating on this contract as indicated on Form AA and Form AA2.
- (c) **Form AA2- Second Tier Non-DBE Sub Utilization:** Lists all DBE and Non-DBE firms including suppliers participating on the DBE sub-Prime's contract.
- (d) **Form BB - Intent to Perform as a Second Tier DBE Sub:** Identifies the work the 2nd Tier DBE intends to perform including scope of work, subcontract dollar value, etc.
- (e) **NJ UCP DBE Certification & NAICS Code Verification:** Confirms the DBE status and NAICS code(s) of each Second Tier DBE subcontractor/subconsultant.

2.5 INSTRUCTIONS FOR COMPLETING REQUIRED FORMS (see glossary for definition of terms)

(a) **Form A - First Tier DBE Utilization:**

Form A is a formal agreement between the Bidder/Proposer and the DBE(s). Replacement/removal of DBE subcontractors/subconsultants/supplier identified on Form A is prohibited after the bid or proposal is submitted to NJT. Refer to article 4.3. A DBE Bidder/Proposer, which lists itself on Form A, is committed to performing the work indicated with its own personnel.

DBEs performing as second tier sub(s) to a non-DBE sub Prime should be listed with the name of the non-DBE sub Prime's firm name in parenthesis next to the DBE sub's name. (Ex: DBE Electric Co. (Prime Contractor, Inc.))

(1) A first Tier DBE is required to perform at least 51% of its subcontract value with its own forces. Bidders/Proposers/Primes will not receive any credit for DBEs performing less than 51% and therefore must not be listed on this form.

(2) For DBE suppliers, identify all manufacturers, regular dealers, and brokers. If a DBE supplier is a *manufacturer*, indicate the full value of its subcontract. If a DBE supplier is a *regular dealer*, show its total contract value multiplied by 60% (Ex. \$100K x 60% = \$60K). If a DBE supplier is *neither a manufacturer nor a dealer*, indicate the fee/commission only, not the cost of materials or supplies. See article 3.0 for direction on determining credit toward the goal.

(3) A detailed scope of work must be provided; one-word descriptions are not acceptable. (Ex. *Haul and dispose of approximately 192,000 tons of contaminated soil to a clean earth facility at \$34.00 a ton*).

(b) **Form A1 - Bidder/Proposer/Prime Solicitation and Contractor Information:**

The Bidder/Proposer must complete and submit page one (1). The DBE and non-DBE subcontractors/subconsultants, including suppliers, solicited for, participating on, or expressed interest in this contract must complete page two (2).

(c) **Form A2- Non-DBE Sub Utilization:**

Bidders/Proposers are required to report and submit all dollars committed to non-DBE subcontractors/subconsultants/suppliers. The non-DBE portion of work is not counted toward the assigned DBE goal. See article 3.0

A detailed scope of work must be provided; one-word descriptions are not acceptable.

(Ex. Haul and dispose of approximately 192,000 tons of contaminated soil to a clean earth facility at \$34.00 a ton).

(d) **Form B - Intent to Perform as a First Tier DBE Sub:**

Each DBE subcontractor/subconsultant/supplier listed on Form A must complete and sign Form B. **Note: The Bidder/Proposer/Prime is prohibited from completing any portion of the form and from directing DBE(s) to sign a blank form.**

(1) The Bidder/Proposer/Prime must provide Interested DBEs with a copy of appropriate plans, specifications, and requirements of the contract in a timely manner to allow the DBE to prepare an appropriate price quote and submit on time.

(2) First Tier DBEs must perform at least 51% of the total dollar value of its subcontract, with its own forces. The firm must indicate the percentage of the total portion of work to be subcontracted to DBE and non-DBE firms. The non-DBE percentage of work is not counted toward the assigned goal.

(3) The OBD encourages DBE-to-DBE subcontracting in order to preserve DBE participation credit. See article 3.0

(4) The DBE must provide a detailed scope of work; one-word descriptions are not acceptable. Descriptions should include: *type of services provided, total number of units, price per unit, total cost, etc.*

(e) **DBE Good Faith Effort: (If Applicable)**

Form D applies to any Bidder/Proposer/Prime who failed to meet the assigned DBE goal. This form will assist the Bidder/Proposer/Prime in demonstrating a good faith effort.

If the DBE(s) solicited declines to sign this form, the completed form should be submitted with the Bidder/Proposer's signature only and the OBD will verify the information provided with the firm. Refer to articles 2.0-2.2 for guidance.

(f) **Trucking Commitment Agreement: (If Applicable)**

DBEs must provide information for all DBE and non-DBE trucking firms it will lease from or subcontract to. Subcontracting to a non-DBE trucker means that the non-DBE will perform a portion of the DBE firm's subcontract. Refer to article 3.4

The following documents must be attached for all trucks owned: copy of title(s)/finance agreement(s), registration card(s), insurance card(s), apportioned cab card(s) and/or hazardous material license(s) if applicable. A copy of the title or finance agreement is the only acceptable proof of ownership.

The following documents must be attached for all trucks leased: copy of lease agreement(s) established between both firms, title(s), registration card(s), insurance card(s), lease agreement(s), apportioned cab card(s) and/or hazardous material license(s) if applicable.

(g) **NJ UCP DBE Certification and NAICS Code Verification:**

All DBEs listed on Form A must be certified at the time of contract award. It is the Bidder/ Proposer's responsibility to ensure that DBEs are certified and that their NAICS code(s) match the scope of work to be performed on this contract. Credit will not be given for any work to be performed without the appropriate NAICS code. Status can be verified through www.njucp.net and www.census.gov/eos/www/naics/.

(h) **Form E - Contractor's Monthly DBE Payment Report & Payment Certification Voucher:**

Beginning the month following the contract's notice to proceed, the Prime must report monthly payment activity for each DBE subcontractor/subconsultant/supplier; certifies each DBE sub has been paid any amounts due from previous or current progress payments paid to the Prime. (article 5.2.4)

All Invoices 30 days past due from NJT must be listed in the appropriate field.

This report is due even if there is no payment activity. This form must be completed and submitted to the OBD by the 7th of each month to the attention of the OBD's Manager of Contract Compliance.

(i) **Form E1- DBE Prime's Monthly Payment Report (For DBE Prime Only)**

Beginning the subsequent month following the contract's execution date, the DBE Prime must report its monthly payments received by NJT. Refer to article 5.2.5.

All Invoices 30 days past due from NJT must be listed in the appropriate field.

This report is due even if there is no payment activity. This form must be completed and submitted to the OBD by the 7th of each month to the attention of the OBD's Manager of Contract Compliance.

(j) **Form E2 - DBE's Monthly Payment Report:**

The Prime must provide a copy of the Form E2 to each DBE subcontractor/subconsultant/ supplier(s).

Beginning the subsequent month following the DBE's execution date, the DBE firm must report its monthly payment activity.

This report is due even if there is no payment activity. **This form must be completed and submitted by the DBE only** to the OBD by the 7th of each month to the attention of the OBD's Manager of Contract Compliance.

All Invoices 30 days past due must be listed in the appropriate field. Identify concerns or issues in the comments section to be addressed by the OBD. (Refer to article 5.2.6)

2.6 INSTRUCTIONS FOR COMPLETING SUPPLEMENTAL REQUIRED FORMS:

- (a) **Form AA - Second Tier DBE Utilization:** The Second Tier DBE must perform 100% of its subcontract with its own forces. A formal request to waive this requirement may be granted, solely at the discretion of the OBD; however, approval is required.

A detailed scope of work must be provided; one-word descriptions are not acceptable.

(Ex. Haul and dispose of approximately 192,000 tons of contaminated soil to a clean earth facility at \$34.00 a ton).

(b) **Form AA1 – Second Tier Bidder/Proposer Solicitation and Contractor Information:**

The DBE sub-Prime must submit and complete page one (1). Second Tier DBE(s) solicited for and participating on this contract must complete page two (2).

(c) **Form AA2- Second Tier Non-DBE Subcontractor Utilization:**

DBE sub-Primes are required to report and submit all dollars committed to non-DBEs. The non-DBE portion of work is not counted toward DBE participation credit. Refer to article 3.0

A detailed scope of work must be provided; one-word descriptions are not acceptable.

(Ex. Haul and dispose of approximately 192,000 tons of contaminated soil to a clean earth facility at \$34.00 a ton).

(d) **Form BB - Intent to Perform as a Second Tier DBE Subcontractor:**

Each DBE firm listed on Form AA, must complete, and sign. Only Second Tier DBE(s) must complete and sign this form.

The Second Tier DBE must provide a detailed scope of work; one-word descriptions are not acceptable. Descriptions should include: type of services provided, total number of units, price per unit, total cost, etc

(e) **NJ UCP DBE Certification & NAICS Code Verification:**

All DBEs listed on Form AA must be certified at the time of contract award. It is the Bidder/Proposer/Prime's responsibility to ensure that DBEs are certified and that their NAICS code(s) match the scope of work to be performed on this contract. Credit will not be given for any work to be performed without the appropriate NAICS code. Status can be verified through www.nicup.net and www.census.gov/eos/www/naics/.

3.0 GUIDANCE ON COUNTING DBE PARTICIPATION

3.1 If a firm is not currently certified as a DBE in accordance with 49 CFR part 26 at the time of the execution of the contract, the firm's participation will not count toward the DBE goal.

3.1.1 A DBE performing less than 51% of its subcontract will not count toward the assigned goal and should not be listed on any forms.

3.1.2 When a DBE subcontracts part of the work of its contract to another firm, the value of the subcontracted work may be counted toward DBE goals only if the DBE's subcontractor/subconsultant is a DBE.

(a) Work that a DBE subcontracts to a non-DBE firm does not count toward the DBE contract goal.

(b) When a DBE performs as a participant in a joint venture with a Non-DBE, count the portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the DBE performs with its own forces toward DBE goals.

(c) A DBE performs a *commercially useful function* when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing and supervising the work involved.

A DBE does not perform a *commercially useful function* if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DBE participation.

3.2 COUNTING DBE PARTICIPATION

- 3.2.1 When a DBE participates in a contract, only the value of the work actually performed by the DBE is counted toward DBE goals.
- (a) The entire amount of that portion of a contract that is performed by the DBE's own forces is counted. This includes the cost of supplies and materials obtained by the DBE for the work of the contract, as well as supplies purchased or equipment leased by the DBE (*except supplies and equipment the DBE subcontractor/subconsultant purchases or leases from the Prime contractor or its affiliate*).
- 3.2.2 The entire amount of fees or commissions charged by a DBE firm for providing a bona fide service, such as professional, technical, consultant, or managerial services, or for providing bonds or insurance specifically required for the performance of a contract, is counted toward DBE goals, provided the fee is reasonable and not excessive as compared with fees customarily allowed for similar services by a DBE.

3.3 DBE PRIME CONTRACTOR GUIDANCE

- 3.3.1 If a **DBE Prime**, expenditures are counted toward DBE goals only if the DBE is performing a commercially useful function on that contract.
- 3.3.2 A DBE Prime must perform or be responsible at least 30% of the total cost of its contract with its own workforce.
- 3.3.3 If a DBE Prime does not perform or exercise responsibility for at least 30% of the total cost of its contract with its own workforce or subcontracts a greater portion of the work of a contract than would be expected on the basis of normal industry practice for the type of work involved, NJT will consider that it is not performing a commercially useful function and the DBE Prime shall be in breach of the contract and subject to the appropriate remedies and penalties. Refer to Articles 5.6-5.7

3.4 DBE TRUCKING FIRMS GUIDANCE

- 3.4.1 A DBE **trucking firm** is performing a commercially useful function if:
- (a) The DBE is responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there is not a contrived arrangement for the purpose of meeting DBE goals.
- (b) The DBE itself **owns and operates at least one** fully licensed, insured, and operational truck **to be used on the contract**.
- 3.4.2 The DBE receives credit for the total value of the transportation services it provides on the contract using trucks it owns, insures, and operates using drivers it employs.

3.5 LEASING TRUCKS

- 3.5.1 Leased trucks must display the name and identification number of the DBE.

3.5.2 The DBE may lease trucks from another DBE firm, including an owner-operator that is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract.

3.5.3 The DBE may also lease trucks from a non-DBE firm, including an owner-operator.

- (a) The DBE who leases trucks from a non-DBE is entitled to credit only for the fee or commission it receives as a result of the lease arrangement.

3.5.4 For the purposes of this section (Leasing), a lease must indicate that the DBE has exclusive use of and control over the truck.

- (a) This does not preclude the leased truck from working for others during the term of the lease with the consent of the DBE, so long as the lease gives the DBE absolute priority for use of the leased truck.

3.6 COUNTING MATERIALS AND SUPPLIES

3.6.1 Expenditures with DBEs for materials or supplies are counted toward DBE goals as provided in the following:

- (a) If the materials or supplies are obtained from a DBE manufacturer, 100% of the cost of the materials or supplies are counted toward DBE goals.
- (1) For purposes of this paragraph 3.6.1(a), a manufacturer is a firm that operates or maintains a factory or establishment that produces, on the premises, the material, supplies, articles, or equipment required under the contract and of the general character described by the specifications.
- (b) If the materials or supplies are purchased from a DBE regular dealer, sixty percent (60%) of the cost of the materials or supplies is counted toward DBE goals.
- (1) For purposes of this paragraph 3.6.1(b), a regular dealer is a firm that owns, operates, maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.
- (2) The firm must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question.
- (3) A person may be a regular dealer in such bulk items as petroleum products, steel, cement, gravel, stone, or asphalt without owning, operating, or maintaining a place of business as provided above if the person both owns and operates distribution equipment for the products. Any supplementing of regular dealers' own distribution equipment shall be by a long-term lease agreement and not on an ad hoc or contract-by-contract basis.
- (4) Packagers, brokers, manufacturers' representatives, or other persons who arrange or expedite transactions are not regular dealers within the meaning of this paragraph 3.6.1(b).
- (c) With respect to materials or supplies purchased from a DBE, which is neither a manufacturer nor a regular dealer, only the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees or transportation charges for the delivery of materials or supplies required on a job site, is counted toward DBE goals, provided the fees are determined to be reasonable and not excessive as compared with fees customarily allowed for similar service. However, any portion of the cost of the materials

and supplies themselves do not count toward DBE goals.

4.0 TERMINATION OF DBE(s)

- 4.1 The Bidder/Proposer/Prime shall not terminate for convenience, or any other reason, and then perform the work of the terminated subcontractor/subconsultant with its own forces (self-perform) or those of an affiliate without NJT's prior written consent. Refer to Article 4.3.

Submission of all REQUIRED FORMS is mandatory for the following Articles 4.2 through 4.5

4.2 ADDITION OF DBE(s)

- 4.2.1 Should the Bidder/Proposer/Prime wish to add a DBE not listed on Form A, a written request for the addition of a DBE(s) must be submitted by the Bidder/Proposer/Prime.
- 4.2.2 The Bidder/Proposer/Prime must receive written approval of the OBD prior to the addition of the DBE subcontractor/subconsultant in order for the addition to be credited toward the goal.

4.3 REPLACEMENT OR REMOVAL OF DBE(s)

- 4.3.1 When a Prime is considering replacing or removing a DBE due to performance issues, the OBD must be contacted as soon as possible.
- 4.3.2 Request for DBE replacement or removal may be made under the following conditions:
- 1) The DBE materially fails to successfully perform the contract tasks.
 - 2) Under unusual situations referenced in article 4.3.8.
- 4.3.3 A written request for replacement or removal of a DBE(s) listed on Form A, must be submitted by the Bidder/Proposer/Prime to the OBD with complete justification for the request. The process to follow such requests is as follows:
- (a) Written communications (over a period) from the Prime and/or NJT's PM/CM team to the DBE, notifying the DBE of its poor performance must be provided to the OBD.
 - (b) The OBD will arrange a meeting with the DBE, the Prime, and a representative from Procurement and project management to discuss the specifics of the performance issue.
 - (c) The DBE must provide a written plan identifying the efforts it will make to correct the deficiencies.
 - (d) The Prime must provide the DBE with a minimum of 30 calendar days from acceptance of its plan to improve its performance. Throughout the 30-day window, the Prime and/or NJT PM/CM team must provide written communication to the DBE of any additional/continued performance issues, with a copy to the OBD.
- 4.3.4 The Bidder/Proposer/Prime must receive written approval of the OBD prior to replacement or removal of the DBE subcontractor/subconsultant can be made, regardless of the reason for the replacement or removal.
- 4.3.5 If the OBD issues written approval for the removal of a DBE(s), NJT will require a Bidder/Proposer/Prime to continue to demonstrate a good faith effort to replace the removed DBE to the extent needed to meet the contract goal established by NJT for the procurement.
- These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the contract as the removed DBE.

4.3.6 Failure to obtain approval from the OBD prior to replacing or removing a DBE shall result in the Bidder/Proposer/Prime being found in breach of the contract and subject to the appropriate remedies, audits and penalties. **Articles 5.6-5.7**

4.3.7 If NJT finds that the Bidder/Proposer/Prime upon submission of its bid/proposal committed itself to the goal in good faith, the Bidder/Proposer/Prime may, in "unusual situations", be permitted to substitute a DBE subcontractor(s)/subconsultant(s).

4.3.8 The term "unusual situations", includes, but is not limited to, the following circumstances:

- (a) Failure to qualify as a DBE, or maintain DBE certification status.
- (b) Death or physical disability of a key individual.
- (c) Dissolution, if a corporation or partnership.
- (d) Bankruptcy of the subcontractor/subconsultant, subject to applicable bankruptcy law, and only in instances where the bankruptcy affects the subcontractor/subconsultant's ability to perform.
- (e) Inability to obtain, or loss of, a license necessary for the performance of the particular category of work.
- (f) Failure or inability to comply with a requirement of law applicable to Primes or, subcontractors/subconsultants.

4.4 WITHDRAWN DBE(s)

4.4.1 When a DBE is unable to complete a subcontract (withdraws), for any reason, NJT will require a Bidder/Proposer/Prime to make a good faith effort to replace a withdrawn DBE at least to the extent needed to ensure that the Prime contractor is able to meet the contract goal established by NJT for the procurement. **These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the contract as the removed DBE.**

4.4.2 The Bidder/Proposer/Prime is required to make a good faith effort to seek other DBE subcontractors/subconsultants in substitution of the original DBE. The good faith efforts described in **article 2** are required in finding another DBE to perform at least the same amount of work under the contract as the DBE that was terminated, to the extent needed to meet the contract goal established for the procurement.

4.5 DECERTIFIED DBE(S)

4.5.1 If the Prime has reason to doubt that a proposed DBE is still eligible due to change in ownership, management, or size, the Prime shall, within 10 days of learning this information, notify NJT of that fact in writing.

4.5.2 If the subcontract has not been executed before the DBE's ineligibility occurs, the Prime will not receive credit toward the contract goal for the ineligible DBE. The Prime may continue to use the ineligible DBE, however, DBE participation credit will not be granted.

- (a) To the extent necessary to meet the assigned contract goal, the Prime will make a good faith effort to replace the ineligible DBE within 10 days after notification by the OBD. The OBD will support the Prime in its efforts to replace with an eligible DBE firm in order to meet the contract goal.

4.5.3 If the contract has been executed before the firm has been notified of its ineligibility, the Prime may continue to use the firm on the contract and receive credit toward its DBE goal for the duration of that particular phase or option in the contract. This may not apply to future phases or options, which will be handled on a case-by-case

basis at the sole discretion of the OBD.

4.5.4 **Exception:** If the DBEs ineligibility is caused solely by its having exceeded the size standard during the performance of the contract the Prime may continue to count its participation on that contract only toward the contract goals. This may not apply to future phases or options and will be subject to determination by the OBD.

5.0 AWARD OBLIGATIONS

5.1 The Prime must designate a DBE Liaison Officer. The liaison officer will be responsible to NJT regarding DBE subcontract matters.

5.1.1 If at any point during the contract's life, the Prime's DBE participation falls below the assigned goal, the Prime must identify additional work or new work items for which it will subcontract to DBEs to the extent necessary to meet the assigned goal. Any new scope of work issued to the Prime shall still be subject to the assigned goal.

5.1.2 The OBD will support the Prime in identifying current/future opportunities in the contract to meet the assigned contract goal.

5.1.3 Should the Prime seek a change that addresses the DBE's performance, or affects the work scope and/or compensation, the OBD must be notified, prior to implementation, for its review and approval of the changes as soon as possible. No change will be allowed without prior review and approval by the OBD. Failure to notify the office and obtain approval prior to a change shall result in breach of the contract and may be subject to the appropriate remedies, audits, and penalties.

5.1.4 Whenever NJT issues project change orders the goal may still apply; the OBD will determine if increased DBE participation will be required.

5.1.5 To ensure that all obligations under subcontracts awarded to DBEs are met NJT shall review the Prime's DBE involvement efforts during the performance of the contract.

5.2 POST AWARD DELIVERABLES

5.2.1 After the execution of a contract with NJT, signed copies of subcontractor/subconsultant agreements between the Prime and DBE subcontractors must be submitted to the OBD no later than 10 business days after the Prime's contract execution date. The agreement between the Prime and DBE subcontractor shall remain firm for the duration of the contract.

5.2.2 The Prime shall provide a list of the anticipated job start date for all DBE subcontractors/subconsultants no later than two days after the initial pre-construction meeting.

5.2.3 **Certification of DBE(s) Payments** – submit monthly with the Form E to the Manager of the OBD and with its monthly invoice submittal to NJT project manager of this project. Refer to article 5.3.2

(a) The Prime will certify, prior to the issuance of each progress payment by NJT, that all DBE subs have been paid any amounts due on past due invoices from previous or current progress payments.

5.2.4 **Form E (Contractor's Monthly DBE Payment Report & DBE Payment Certification Voucher)** - submit monthly to the Manager of the OBD. Refer to articles 2.5h and 5.3.2.

Failure to submit this report on a monthly basis may result in breach of the contract and be subject to the appropriate remedies, penalties or liquidated damages as indicated in articles 5.6-5.7.

5.2.5 **Form E1 (DBE Prime's Monthly Payment Report) (For DBE Prime Only)** - submit monthly to the Manager of DBE Requirements for Federal Procurement Activities

the OBD.

5.2.6 Form E2 (DBE's Monthly Payment Report) – Refer to article 2.5j

(a) Forms E/E1 and E2 will be reviewed monthly to determine compliance with the assigned DBE goal, the subcontractor prompt payment regulation, and the DBE Program.

(b) Attainment of goals will be monitored and based upon actual payments received by the DBE.

Failure to submit Form E/E1 may result in suspension of payments or such other remedies as provided in article 5.6. *If at any time, NJT has reason to believe that any person or firm has willfully and knowingly provided incorrect information or made false statements, it shall refer the matter to the USDOT for inquiry.*

5.3 PROMPT PAYMENT OF INVOICES TO SUBCONTRACTORS

5.3.1 The Prime must pay each subcontractor under this contract for satisfactory performance of its work no later than **ten (10) days** from the receipt of each payment the Prime receives from NJT for the subcontractor's work. Failure to comply with this requirement shall result in breach of the contract and shall be subject to the appropriate remedies as determined by OBD.

5.3.2 In accordance with 49 CFR 26.29, the Prime shall certify, prior to the issuance of a progress payment by NJT that all subcontractors have been paid any amounts due on past due invoices (greater than 30 days) from previous or current progress payments. **The Prime must submit the Certification of DBE(s) Payments with its monthly invoice submittals to NJT project manager, and with its Form E to the OBD.**

5.3.3 The Prime will not be reimbursed for work performed by subcontractors/subconsultants unless and until the Prime ensures that the subs are promptly paid for the work performed. Alternatively, the Prime shall certify that a valid basis exists under the terms of the subcontractor's/subconsultant's or supplier's contract to withhold payment from the subcontractor/subconsultant and therefore payment is withheld.

5.3.4 If the Prime withholds payment from the subcontractor/subconsultant, the Prime shall provide to the subcontractor/subconsultant or supplier written notice thereof. The notice shall detail the reason for withholding payment and state the amount of the payment withheld. If a performance/payment bond has been provided under this contract, the Prime shall send a copy of the notice to the surety providing the bond for the Prime. A copy of the notice shall also be submitted to NJT with the certification that payments are being withheld.

5.3.5 If withholding payment is due to the Prime's failure to promptly pay the DBE in accordance with the prompt payment of invoices and/or retainage clauses, the OBD may request proof of payment to DBE(s) for delinquent invoices and/or retainage in order to issue release of payment to Prime.

5.3.6 Failure to comply with the above shall result in breach of the contract and may be subject to the appropriate penalties. **See article 5.6**

5.4 SUBCONTRACTOR PAYMENT DISPUTE RESOLUTION

5.4.1 The Prime is required to notify the OBD of its intention to withhold payment from a DBE as soon as possible and in advance of taking action. Should the Prime provide notice and proceed to withhold payment from any subcontractor/subconsultant or supplier due to a performance issue or unapproved work performed, an OBD representative shall make an effort to resolve the dispute.

- (a) OBD's efforts shall be limited to meeting with the Prime and the subcontractor/ subconsultant, and reviewing the relevant facts with both parties.
- (b) OBD will not act as a decider of fact nor will OBD direct a settlement to the dispute.
- (c) Any OBD effort is solely intended to assist the parties in understanding their respective positions and to encourage a reasonable resolution of the dispute. The Prime is required to send written notification of the above to the OBD immediately.

5.4.2 Should payments be withheld that are not related to the previous items mentioned, and/or a determination can be made that the withholding of payments violates the prompt payment clause, NJT may execute the appropriate remedies in accordance with article 5.6.

5.5 PROMPT PAYMENT OF SUBCONTRACTOR RETAINAGE (FOR CONSTRUCTION CONTRACTS ONLY)

5.5.1 The Prime must include a contract clause in the subcontractor agreement obligating the Prime to pay all retainage owed to the subcontractor/subconsultant for satisfactory completion of the accepted scope of work no later than 15 days after the DBE subcontractor's/subconsultant's work is satisfactorily completed.

5.5.2 Only subcontractors/subconsultants whose work has been 100% completed, including all punch list work or remaining work, and who have supplied closeout documents shall be eligible for release of retainage. *Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of NJT.*

5.5.3 NJT may agree to release an equivalent amount of Prime retainage provided that:

- (a) There is no offsetting claims from NJT (including, but not limited to, liquidated damages), other subcontractors/subconsultants, material men, or workers;
- (b) None of the other reasons to withhold payments specified under the Prime contract exists:

5.5.4 Prior to release of the Prime's retainage, the Prime shall provide to NJT executed copies of the following subcontractor closeout documents, (shown in Appendix A of the contract) as appropriate:

- (a) Consent of Surety to Final Payment to the Subcontractor
- (b) Certificate of Amounts Due and Owing to Subcontractor Employees
- (c) Subcontractor Release of Claims
- (d) Subcontractor Release of Liens and a Certificate of Final Acceptance of Subcontractor Work

5.5.5 Notwithstanding NJT's release or partial release of retainage, nothing in this clause shall be deemed to constitute NJT's partial or final acceptance of the work, or any portion thereof, unless either a Certificate of Partial Acceptance or a Certificate of Final Acceptance has been executed by NJT, in the form(s).

5.6 Audit and Penalties

During the performance of any contract and for a period of up to three (3) years following completion of the contract work, NJ TRANSIT may conduct reviews for compliance with the requirements of the DBE Program. Such reviews may include, but not be limited to, the evaluation of monthly reports, desk audits and site visitations.

5.6.1 Where a Prime is found to be in breach of the requirements of the DBE Program during the performance of the DBE Requirements for Federal Procurement Activities

contract, and does not promptly take corrective action, the following sanctions may be instituted (singularly, in any combination, and in addition to any other contractual remedies or otherwise provided by law):

- (a) The Prime may be ordered to stop work without penalty to NJT.
- (b) The contract may be terminated for breach.
- (c) Suspension or debarment proceedings may be commenced in accordance with New Jersey law.
- (d) The relevant performance bond may be enforced.
- (e) NJT may withhold payment of specific invoices.

5.7 LIQUIDATED DAMAGES

5.7.1 Liquidated damages (LD) may be assessed when the Prime fails to meet the established DBE goal on the contract.

5.7.2 If the DBE goal is not met, and the Prime has not demonstrated a good faith effort to do so, NJT may elect to subtract from the Prime's payment, as liquidated damages and not a penalty, the following:

The amount equal to the difference (in dollars) between the total contract value multiplied by the assigned DBE goal percentage, (originally established or as subsequently modified) and the actual DBE participation percentage (total dollars paid to DBEs divided by total dollars paid to the Prime).

5.7.3 This may be withheld from a series of payments or from the Prime's final payment, depending on the size of the liquidated damage.

5.7.4 If the Prime's final payment is not sufficient to satisfy the LD in full, the balance shall be due and owing from the Prime and subject to repayment terms as determined by NJT. NJT shall waive liquidated damages where good cause is shown for the deficiency in DBE participation upon determination by the OBD.

APPENDIX I

GLOSSARY

A Good Faith Effort - the efforts employed by the bidder, which should be those that one could reasonably expect a bidder to take if the bidder were actively and aggressively trying to obtain DBE participation sufficient to meet the contract goal.

Certification - means the process by which a business is determined to be a bona fide DBE. Any business applying for DBE certification must complete the appropriate NJ Unified Certification Program Application. Certification Applications are available at the OBD.

Disadvantaged Business Enterprise or DBE - means a small business concern:

Which is at least 51 percent owned by one or more socially and economically disadvantaged individuals, or in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more socially and economically disadvantaged individuals; and where one or more of the socially and economically disadvantaged owners controls management and daily business operations. A DBE shall not include a small business concern where that concern or a group of concerns controlled by the same socially and economically disadvantaged individual or individuals has annual average gross receipts in excess of \$22,410,000 over the previous three fiscal years or is not otherwise eligible as a small business as defined by the Small Business Administration in 13 CFR Part 121.

DBE Goal - means numerically expressed objectives for DBE participation on federal contracts. Prime contractors are required to make a good faith effort to achieve to the extent necessary to meet the assigned DBE goal.

DBE Sub-Prime - means any 1st Tier DBE subcontractor/subconsultant listed on the Form A that will subcontract any portion of its subcontract/scope of work to a DBE(s) and/or non-DBE(s) firm(s).

DBE Ineligibility - means a firm's DBE status changes or ceases due to change in ownership, management, or size, etc.

DBE Prime - means the successful Bidder is a DBE firm and has a direct contract with NJT.

DBE Trucking Firm - owns and operates at least one fully licensed, insured, and operational truck used on the contract. Is responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract.

First Tier DBE - refers to any DBE listed on the Bidder/Proposer/Prime's Form A and having a direct contract with the Prime.

Joint Venture - means an association of a DBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which parties combine their property, capital, efforts, skills and knowledge, and in which the DBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.

Prime - means any contractor or consultant, including a DBE contractor/consultant, who enters into a direct contractual relationship with NJT.

Race-conscious Measure or Program - is one that is focused specifically on assisting only DBEs, including women-owned DBEs.

Race-neutral Measure or Program - is one that is focused specifically on assisting all small businesses equally, including DBEs. Such activities include bonding, insurance, and technical assistance. For the purposes of this part, race-neutral includes gender-neutrality.

Reasonable Bid Price - means a price that shall be considered reasonable if the Bidder/Proposer/Prime would have been awarded the contract had the firm submitted the only bid.

Regular Dealer - means a firm that owns, operates, or maintains an establishment in which the materials or supplies required for the performance of a contract are bought, kept in stock and regularly sold to the public in the usual course of business.

The firm must engage in, as its principal business, and in its own name, the purchase and sale of products in question. Bulk items such as steel, cement and petroleum products need not be stocked, if the dealer owns or operates distribution equipment.

Note: Brokers and packagers are not regarded as regular dealers.

Second Tier DBE - refers to any DBE listed on the DBE Sub-Prime's Form AA.

Subcontractor/ Subconsultant - means any contractor/consultant, including suppliers, who enters into a contract issued by a Prime contractor.

Transit Vehicle Manufacturer (TVM) - is a manufacturer of vehicles used by NJT for the primary program purpose of public mass transportation (e.g., buses, railcars, vans). The term does not apply to firms, which rehabilitate old vehicles, or to manufacturers of locomotives or ferryboats. The term refers to distributors of or dealers in transit vehicles with respect to the requirements of 49 CFR Section 26.49.

U.S. DOT - means the U.S. Department of Transportation, including the Office of the Secretary, the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Federal Railroad Administration (FRA).

Withdrawn DBE - a DBE withdraws, or drops out of its contract, or fails to complete its work on the contract for any reason.

REQUIRED FORMS

ENCLOSED FOR COMPLETION (MANDATORY):

- **Form A; A1; A2; B; D & Trucking Commitment Schedule**

TO BE OBTAINED AND SUBMITTED (MANDATORY):

- **Copy of a valid NJUCP DBE Certificate (Provided by 1st Tier DBEs.)**

Consult DBE Program Requirements for further guidance.

2.5 INSTRUCTIONS FOR COMPLETING REQUIRED FORMS (see glossary for definition of terms)

(a) Form A - First Tier DBE Utilization:

Form A is a formal agreement between the Bidder/Proposer and the DBE(s). Replacement/removal of DBE subcontractors/subconsultants/supplier identified on Form A is prohibited after the bid or proposal is submitted to NJT. Refer to article 4.3. A DBE Bidder/Proposer, which lists itself on Form A, is committed to performing the work indicated with its own personnel.

DBEs performing as second tier sub(s) to a non-DBE sub Prime should be listed with the name of the non-DBE sub Prime's firm name in parenthesis next to the DBE sub's name. {Ex: DBE Electric Co. (Prime Contractor, Inc.)}

(1) A first Tier DBE is required to perform at least 51% of its subcontract value with its own forces. Bidders/Proposers/Primes will not receive any credit for DBEs performing less than 51% and therefore must not be listed on this form.

(2) For DBE suppliers, identify all manufacturers, regular dealers, and brokers. If a DBE supplier is a *manufacturer*, indicate the full value of its subcontract. If a DBE supplier is a *regular dealer*, show its total contract value multiplied by 60% (Ex. \$100K x 60% = \$60K). If a DBE supplier is *neither a manufacturer nor a dealer*, indicate the fee/commission only, not the cost of materials or supplies. See article 3.0 for direction on determining credit toward the goal.

(3) A detailed scope of work must be provided; one-word descriptions are not acceptable. (Ex. Haul and dispose of approximately 192,000 tons of contaminated soil to a clean earth facility at \$34.00 a ton).

(b) Form A1 - Bidder/Proposer/Prime Solicitation and Contractor Information:

The Bidder/Proposer must complete and submit page one (1). The DBE and non-DBE subcontractors/subconsultants, including suppliers, solicited for, participating on, or expressed interest in this contract must complete page two (2).

(c) Form A2- Non-DBE Sub Utilization:

Bidders/Proposers are required to report and submit all dollars committed to non-DBE subcontractors/subconsultants/suppliers. The non-DBE portion of work is not counted toward the assigned DBE goal. See article 3.0

A detailed scope of work must be provided; one-word descriptions are not acceptable.

(Ex. Haul and dispose of approximately 192,000 tons of contaminated soil to a clean earth facility at \$34.00 a ton).

(d) Form B - Intent to Perform as a First Tier DBE Sub:

Each DBE subcontractor/subconsultant/supplier listed on Form A must complete and sign Form B. **Note: The Bidder/Proposer/Prime is prohibited from completing any portion of the form and from directing DBE(s) to sign a blank form.**

(1) The Bidder/Proposer/Prime must provide interested DBEs with a copy of appropriate plans, specifications, and requirements of the contract in a timely manner to allow the DBE to prepare an appropriate price quote and submit on time.

(2) First Tier DBEs must perform at least 51% of the total dollar value of its subcontract, with its own forces. The firm must indicate the percentage of the total portion of work to be subcontracted to DBE and non-DBE firms. The non-DBE percentage of work is not counted toward the assigned goal.

(3) The OBD encourages DBE-to-DBE subcontracting in order to preserve DBE participation credit. See article 3.0

(4) The DBE must provide a detailed scope of work; one-word descriptions are not acceptable. Descriptions should include: *type of services provided, total number of units, price per unit, total cost, etc.*

(e) **DBE Good Faith Effort: (If Applicable)**

Form D applies to any Bidder/Proposer/Prime who failed to meet the assigned DBE goal. This form will assist the Bidder/Proposer/Prime in demonstrating a good faith effort.

If the DBE(s) solicited declines to sign this form, the completed form should be submitted with the Bidder/Proposer's signature only and the OBD will verify the information provided with the firm. Refer to articles 2.0-2.2 for guidance.

(f) **Trucking Commitment Agreement: (If Applicable)**

DBEs must provide information for all DBE and non-DBE trucking firms it will lease from or subcontract to. Subcontracting to a non-DBE trucker means that the non-DBE will perform a portion of the DBE firm's subcontract. Refer to article 3.4

The following documents must be attached for all trucks owned: copy of title(s)/finance agreement(s), registration card(s), insurance card(s), apportioned cab card(s) and/or hazardous material license(s) if applicable. A copy of the title or finance agreement is the only acceptable proof of ownership.

The following documents must be attached for all trucks leased: copy of lease agreement(s) established between both firms, title(s), registration card(s), insurance card(s), lease agreement(s), apportioned cab card(s) and/or hazardous material license(s) if applicable.

(g) **NJ UCP DBE Certification and NAICS Code Verification:**

All DBEs listed on Form A must be certified at the time of contract award. It is the Bidder/ Proposer's responsibility to ensure that DBEs are certified and that their NAICS code(s) match the scope of work to be performed on this contract. Credit will not be given for any work to be performed without the appropriate NAICS code. Status can be verified through www.njucp.net and www.census.gov/eos/www/naics/.

(h) **Form E - Contractor's Monthly DBE Payment Report & Payment Certification Voucher:**

Beginning the month following the contract's notice to proceed, the Prime must report monthly payment activity for each DBE subcontractor/subconsultant/supplier, certifies each DBE sub has been paid any amounts due from previous or current progress payments paid to the Prime. (article 5.2.4)

All invoices 30 days past due from NJT must be listed in the appropriate field.

This report is due even if there is no payment activity. This form must be completed and submitted to the OBD by the 7th of each month to the attention of the OBD's Manager of Contract Compliance.

(i) **Form E1- DBE Prime's Monthly Payment Report (For DBE Prime Only)**

Beginning the subsequent month following the contract's execution date, the DBE Prime must report its monthly payments received by NJT. Refer to article 5.2.5.

All invoices 30 days past due from NJT must be listed in the appropriate field.

This report is due even if there is no payment activity. This form must be completed and submitted to the OBD by the 7th of each month to the attention of the OBD's Manager of Contract Compliance.

(j) **Form E2 - DBE's Monthly Payment Report:**

The Prime must provide a copy of the Form E2 to each DBE subcontractor/subconsultant/supplier(s).

Beginning the subsequent month following the DBE's execution date, the DBE firm must report its monthly payment activity.

This report is due even if there is no payment activity. **This form must be completed and submitted by the DBE only** to the OBD by the 7th of each month to the attention of the OBD's Manager of Contract Compliance.

All invoices 30 days past due must be listed in the appropriate field. Identify concerns or issues in the comments section to be addressed by the OBD. (Refer to article 5.2.6)

2.6 INSTRUCTIONS FOR COMPLETING SUPPLEMENTAL REQUIRED FORMS:

- (a) **Form AA – Second Tier DBE Utilization:** The Second Tier DBE must perform 100% of its subcontract with its own forces. A formal request to waive this requirement may be granted, solely at the discretion of the OBD; however, approval is required.

A detailed scope of work must be provided; one-word descriptions are not acceptable.

(Ex. Haul and dispose of approximately 192,000 tons of contaminated soil to a clean earth facility at \$34.00 a ton).

- (b) **Form AA1 – Second Tier Bidder/Proposer Solicitation and Contractor Information:**

The DBE sub-Prime must submit and complete page one (1). Second Tier DBE(s) solicited for and participating on this contract must complete page two (2).

- (c) **Form AA2- Second Tier Non-DBE Subcontractor Utilization:**

DBE sub-Primes are required to report and submit all dollars committed to non-DBEs. The non-DBE portion of work is not counted toward DBE participation credit. Refer to article 3.0

A detailed scope of work must be provided; one-word descriptions are not acceptable.

(Ex. Haul and dispose of approximately 192,000 tons of contaminated soil to a clean earth facility at \$34.00 a ton).

- (d) **Form BB - Intent to Perform as a Second Tier DBE Subcontractor:**

Each DBE firm listed on Form AA, must complete, and sign. Only Second Tier DBE(s) must complete and sign this form.

The Second Tier DBE must provide a detailed scope of work; one-word descriptions are not acceptable. Descriptions should include: type of services provided, total number of units, price per unit, total cost, etc

- (e) **NJ UCP DBE Certification & NAICS Code Verification:**

All DBEs listed on Form AA must be certified at the time of contract award. It is the Bidder/Proposer/Prime's responsibility to ensure that DBEs are certified and that their NAICS code(s) match the scope of work to be performed on this contract. Credit will not be given for any work to be performed without the appropriate NAICS code. Status can be verified through www.njcup.net and www.census.gov/eos/www/naics/.

MANDATORY FORM FOR BIDDER/PROPOSER/PRIME: COMPLETE ENTIRELY

FORM A (Fed)

First Tier DBE UTILIZATION - FORM A

Project Name: Superstorm Sandy Recovery and Resiliency Integrity Oversight
Monitoring ServicesNJT Contract No: RFP NO. 14-033Assigned DBE Goal %: 10 NJT Procurement Specialist: _____

Contract Value (\$): _____

First Tier DBE must perform at least 51% of its subcontract value if subcontracting to a Second -Tier DBE or Non-DBE. Do not count Non-DBE portion toward the goal.

Name, Address and Telephone # of DBE Subcontractor/Subconsultant	Provide Detailed Scope of Work to be Performed (Identify all suppliers)	Dollar Value of Subcontract/Sub-consultant Work (\$) Awarded	Percentage of Subcontract Work (%)
HGM Management and Technologies, Inc. Washington, DC 20036 (202) 772-1088	Participate in consulting projects		%
			10 %
			%
			%
			%
For DBE suppliers, show original subcontract value multiplied by 60% (\$2,000*60%=\$1200). For DBE portion of work, subtract Non-DBE portion of work from original subcontract value.			%
TOTALS		\$	10 %

The undersigned will enter into a formal agreement with the DBE(s) listed in this schedule conditioned upon execution of a contract with NJ TRANSIT for the above referenced project. The undersigned understands that removal/replacement of the DBE(s) listed is NOT PERMISSIBLE for any reason (pre or post-award), without submitting a written request to the Office of Business Development and receiving WRITTEN APPROVAL from the Office of Business Development. Failure to obtain written approval shall result in the breach of contract and subject to corrective action to be determined by NJ TRANSIT.

Company Name: McGladrey LLPAuthorized Signature: Robert G. RooneyCompany Address: 1185 Avenue of the AmericasPrint Name: Robert G. Rooney

New York, NY 10036

Title: Director

Federal Tax ID #: _____

Prime Contractor's DBE Liaison Officer: _____

Company Tel #: 212.372.1033Date Signed: April 28 2014

To Add Subs Use Additional Forms

MANDATORY FORM: COMPLETE ENTIRELY

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

Form A1 (Fed)

NJT Contract No: RFP NO. 14-033

Prime Contractor: McGladrey LLP

Date: April 2, 2014

Superstorm Sandy Recovery and Resiliency Integrity

Project Title: Oversight Monitoring Services

Telephone #: 212.372.1033

Complete the information below for Bidder/Proposer/Prime(s) working on the project. Use Page 2 for all subcontractors/subconsultants participating on or solicited for this project.

	Bidder/Proposer/Prime	Bidder/Proposer/Prime	Bidder/Proposer/Prime
Company's Full Name	McGladrey LLP		
Address	1185 Avenue of the Americas		
City	New York		
Zip	10036		
County	New York		
Phone	212.372.1033		
Fax	212.918.1033		
E-mail	robert.rooney@mcgladrey.com		
Owner			
Date Established	1926		
Date Certified			
Ethnicity			
Gender			
Certification Status: DBE or Non-DBE			
Federal Tax ID # / SSN #			
Annual Gross Receipts: A - Less than \$500K B - \$500K to \$1M C - \$1M to \$2M D - \$2M to \$5M E - \$5M and over Indicate the letter that applies	B		
Primary NAICS Code:	541211, 541213 and 541611		

To Add Subs Use Additional Forms

MANDATORY FORM: COMPLETE ENTIRELY

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

Form A1 (Fed)

NJT Contract No: REP # 14-033

Prime Contractor: McGLADREY, LLP

Date: April 1, 2014

Project Title: INTEGRITY OVERSIGHT MONITORING SERVICES

Telephone #: _____

Complete the information below for *all* subcontractors/subconsultants solicited for or participating on this project.

Company's Full Name	Subcontractor/Subconsultant	Subcontractor/Subconsultant	Subcontractor/Subconsultant
Address	HGM Management and Technologies, Inc. 1050 Connecticut Ave., NW 10th Floor		
City	Washington, DC		
Zip	20036		
County			
Phone	(202) 772-1088		
Fax	(202) 772-3101		
E-mail	hmcormack@hgmteam.com		
Owner	HORACE McCORMACK		
Date Established	01-03-1997		
Date Certified	03-29-13		
Ethnicity	AFRICAN AMERICAN (BLACK)		
Gender	MALE		
Certification Status: DBE or Non-DBE	DBE		
Federal Tax ID # / SSN #			
Annual Gross Receipts: A - Less than \$500K B - \$500K to \$1M C - \$1M to \$2M D - \$2M to \$5M E - \$5M and over Indicate the letter that applies	C		
Primary NAICS Code:	541611, 541612, 541618, 541513		

MANDATORY FORM: COMPLETE ENTIRELY

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

Form A1 (Fed)

NJT Contract No: NJ Transit RFP 14-033

Prime Contractor: McGladrey LLP

Date: 04/02/2014

Project Title: Super Storm Sandy Recovery and Resiliency Integrity Oversight Monitoring Services

Telephone #:

Complete the information below for "all" subcontractors/subconsultants solicited for or participating on this project.

Company's Full Name	Subcontractor/Subconsultant	Subcontractor/Subconsultant	Subcontractor/Subconsultant
Address	THE MERIDIAN GROUP, LIMITED		
City	ONE LIBERTY PLACE		
Zip	1650 MARKET ST., 36TH FL., SUITE 3600		
County	PHILADELPHIA, PENNSYLVANIA		
Phone	19103		
Fax	PHILADELPHIA COUNTY		
E-mail	1-888-407-6550		
Owner	1-215-827-5217		
Date Established	escott@themeridiangrouppltd.com		
Date Certified	ANTHONY B. SCOTT		
Ethnicity	November 15, 2007		
Gender	PA UCP - 06/2012 NJ UCP - PENDING		
Certification Status: DBE or Non-DBE	AFRICAN-AMERICAN		
Federal Tax ID # / SSN #	MALE		
Annual Gross Receipts:	DBE-Certified		
A - Less than \$500K			
B - \$500K to \$1M			
C - \$1M to \$2M			
D - \$2M to \$5M			
E - \$5M and over			
Indicate the letter that applies	A		
Primary NAICS Code:	541211 and 541811		

MANDATORY FORM FOR BIDDER/PROPOSER/PRIME: COMPLETE ENTIRELY

FORM A2 (Fed)

NON-DBE SUBCONTRACTOR UTILIZATION - FORM A2

Directions: To be completed by any Bidder/Proposer/Prime for "all" subs including suppliers participating on this contract.

Bidder/Proposer Prime Name: McGladrey LLP

Superstorm Sandy Recovery and Resiliency Integrity Oversight

Project Title: Monitoring Services

Date: April 28, 2014

Prime Contract Value: _____

Name, Address and Telephone # of all Subcontractor/Subconsultants	FEN #	Provide Detailed Scope of Work to be Performed	Dollar Amount of Subcontractor/Subconsultant Work (\$)	Percentage of Subcontract or Work (%)
The Meridian Group, One Liberty Place 1650 Market Street 36th Floor, Suite 3600 Philadelphia, PA 19103 888-407-5550		Participate in consulting projects	\$	10 %
			\$	%
			\$	%
			\$	%
			\$	%
			\$	%
Must provide a detailed scope of work; one-word descriptions are not acceptable.			\$	%
TOTALS			\$	10 %

To Add Subs Use Additional Forms

INTENT TO PERFORM AS A 1ST TIER DBE - FORM B

The Bidder/Proposer/Prime is prohibited from completing any portion of this form and directing the DBE to sign a blank form.

DIRECTIONS: DBE(s) listed on the Form A must complete all information on this form.

McGLADREY, LLP

Name of Bidder/Proposer/Prime:

HGM Management and Technologies, Inc.

Name of DBE Firm:

Project/Contract Name: Integrity Oversight Monitoring
Services

IFB/RFP Contract Number: 14-033

Does the undersigned DBE (Answer Accordingly):

Intend to perform subcontract work in connection with the above-mentioned project as a Joint Venture? Circle one. (Yes or **No**)

Intend to subcontract any portion of its scope of work to a DBE(s)?
If yes, DBE Sub-Primes must complete and submit Form AA.

Circle one. (Yes or **No**)
At what percent? _____ %

Intend to subcontract any portion of its scope of work to a Non-DBE(s)?
If yes, must complete and submit Form AA.

Circle one. (Yes or **No**)
At what percent? _____ %

The undersigned will perform the following described work on the above-referenced project; (Provide a detailed description of the type of work you will perform on your subcontract. Attach a copy of quote approved and signed by Bidder (optional)).

Monitoring contractor/vendor compliance with applicable laws and contract requirements.

Developing and implementing integrity programs: Internal, IT and Construction Auditing.

Dollar Value of DBE Subcontract: \$ _____

Total Quantity/Units (if applicable): _____

Per Unit Cost (if applicable): \$ _____

The undersigned based the above scope of work and subcontract value on detailed project specs received from the Bidder contractor named above. Circle one. (Yes or **No**)

The Prime Contractor protected the following commencement and completion date for such work as follows:
DBE Contract Start Date: _____ DBE Contract Completion Date: _____

The undersigned DBE will enter into a formal agreement for the above work with the Prime Contractor conditioned upon execution of a contract with NJ TRANSIT. As a DBE subcontractor, I will cooperate with the certification, compliance and monitoring process set forth by NJ TRANSIT. I attest that I will perform at least 51% of my subcontract with my own workforce for the referenced project.

Signature of 1st Tier DBE

Date

HORACE G. McCORMACK

Print Name

President and CEO

Title

(202) 772-1088 (o) /

(m)

Telephone #:

Failure to adhere to these instructions or the falsification of any information on this form shall result in breach of contract and subject to the appropriate penalties to be determined by NJ TRANSIT.

MANDATORY FORM FOR 1ST TIER DBE; COMPLETE ENTIRELY

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
James S. Simpson, Board Chairman
James Weinstein, Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, NJ 07106-2248
973-491-7000

HGM MANAGEMENT AND TECHNOLOGIES, INC.
Horace G. McCormack, President
1050 Connecticut Avenue, 10th Floor
Washington, D.C., 20036

Dear Mr. McCormack:

Congratulations! We are pleased to inform you that your company has been found eligible to continue your certification as a Disadvantaged Business Enterprise (DBE) by NJ TRANSIT on behalf of the New Jersey Unified Certification Program (NJ UCP).

Your certification will remain in effect for three years provided that your company continues to meet the eligibility criteria established by Federal Regulation Title 49 CFR Part 26. On an annual basis, you must provide an affidavit and supporting documentation affirming that there have been no changes within your company that would affect your current eligibility as a DBE. It is your responsibility to notify this office in writing within 30 days of any changes. Failure to do so will result in a decertification process. Your company's identification number is 0028622M0400.

The following table lists the North American Industry Classification System (NAICS) code(s) and description(s) that have been assigned to your company in accordance with the service(s) your company render(s).

NAICS CODE	DESCRIPTION
541518	Computer Facilities Management Services
541612	Human Resources Consulting Services
541618	Other Management Consulting Services
611430	Professional and Management Development Training
541611	Administrative Management and General Management Consulting Services
561210	Facilities Support Services

Your firm's updated profile is listed in the NJ UCP Directory, which can be accessed at WWW.NJUCP.NET

On behalf of the NJ UCP partners, NJ TRANSIT congratulates you as a continued member of our DBE family. If you have any questions or concerns regarding the NJ UCP or certification issues, please contact our office at (973) 491-8089.

Sincerely,

Jannara Pressey
Business Development Specialist



New Jersey Unified Certification Program



THE PORT AUTHORITY OF NJ & NJ

CERTIFIED


DISADVANTAGED BUSINESS ENTERPRISE HGM MANAGEMENT AND TECHNOLOGIES, INC.

This certificate acknowledges that the above-named firm is certified as a Disadvantaged Business Enterprise as defined in Title 49, Part 26 of the US Code of Federal Regulations. This certificate will remain in effect for three years from the issue date and must be updated annually. NJ TRANSIT must be notified within 30 days of any changes in the business that may affect ownership and control.

Your firm will be listed in the NJ UCP directory under the following NAICS Code(s).

NAICS CODE	541513 Computer Facilities Management Services	541512 Human Resources Consulting Services	541518 Other Management Consulting Services	611430 Professional and Management Development Training	541511 Administrative Management and General Management Consulting Services	561210 Facilities Support Services
------------	--	--	---	---	---	---

NJ TRANSIT certified your firm as a DBE on behalf of all NJ UCP partners.

Signed: 
Leddis Sanders, Vice-President
Office of Civil Rights

ISSUE DATE: March 29, 2013

Signed: 
Jaihana Pressey
Business Development Specialist
EXPIRATION DATE: April 28, 2015

Fed Form E (Page 1 of 2)

Name of Project

Name of Project

NJ Contract #

Report for the Month of:

Notice to Proceed Date:

NJT Project Mgr Name:

Assigned DBE Goal %:

Name of DBE Subcontractor	Work Task Performed	Original Contract Amount \$	Change Order Amount \$ (+/-)	Amount of Invoice Received this Month (\$)	Date of Invoice Received In this Month	Payment(s) Made to DBE in this Month in \$\$ (itemize)	Dates Payment Made This Month	Total DBE Payments made to Date in (\$)	% Overall Work Finished	Final Pmt (Y/N)
		\$	\$	\$	\$			\$		
Itemize payments/invoices and dates if paid/received more than one payment/invoice between 4/1 - 4/30 each quarter.										

Assigned DBE Goal %: _____

Itemize payments/invoices and dates if paid/received more than one payment/invoice between the 1st and 31st of THIS Month.

Project Director Name:

Project Director Signature:

Federal TIN #:

Prime's Past Due Invoice Information: List any invoice more than 40 days past due from the date submitted to NJT at the time you complete this form.

Invoice #	Invoice Date	Invoice Amount (\$)	Number of Days Past Due	Comments:

This form is not to be altered in any way

Escrow Agent: _____

Fed Form E rev Sept 2010

Form E - Prime Contractor's DBE Payment Certification

1. Have all DBE subcontractors with executed subcontracts been paid amounts due from previous progress payments?
 - ☐ If yes, skip the next section and go to number 3.
 - ☐ If no, please complete fields in box below. (Use additional paper, if needed)

DBE SubContractor Name	Amount Withheld From Invoice (\$)	Total of Invoice Amount (\$)	Invoice Number	Invoice Date	Specific Reason for Withholding

2. Have you notified the DBE subcontractor(s) that you are withholding payment and the reason(s) why?
 - ☐ If yes, provide a copy of written notification to the DBE subcontractor with this form, indicating the date of notification.
 - ☐ If no, lack of prior written notification to the DBE(s) that you are withholding payment violates the prompt payment clause guidelines. Please contact the DBE immediately, and provide a copy of written notification to the subcontractor with this form.

3. By signing this form, I certify that all of the above represent true and accurate information.

Note: CFO or equivalent Sr. Manager must complete and sign off on this form.

PROJECT DIRECTOR NAME (PRINT) _____

PROJECT DIRECTOR (SIGNATURE) _____

_____/_____/_____
DATE

Additional Reasons/Comments for Withholding Payment _____

DO NOT WRITE BELOW. DEPARTMENTAL USE ONLY.

- ☐ Approved
☐ Denied

THIS FORM IS DUE ON THE 7TH OF EACH MONTH Please forward to:

Office of Civil Rights and Diversity Programs
 Business Development
 NJ TRANSIT
 One Penn Plaza East, 6th Fl
 Newark, New Jersey 07105-2246

This form is not to be altered in any way.

For assistance completing this form, call 973-491-7539, 8058, 8768, 8575, 8069, 8941 Fed Form E rev Sept 2010

DBE SUBCONTRACTOR Monthly Payment Report - Form E2

Name of DBE Firm: _____
 DBE's FEIN#: _____
 DBE Address: _____
 DBE Telephone #: _____
 Prime Contractor's Information: _____
 Name of Prime: _____
 Address: _____
 Telephone #: _____

Report for the Month of: _____
 Contract Number: _____
 Contract Name: _____
 DBE Contract Start Date: _____

DBE PAYMENT INFO: *Itemize payments/invoices and dates if received/submitted more than one payment/invoice between the 1st and 31st of THIS Month.*

Work Task Performed	Original Subcontract Amount \$	Change Order Amount (+/-)	Invoice #(s) Submitted in this month	Dollar Amount of Each Invoice Submitted in this Month	Date of Invoice(s) Submitted this Month	Total Payments Received by DBE in this Month * (\$)	Date Payment(s) Received in this Month	Total Payments Received by DBE To Date (\$)	Total % Work To Date	Final Payment? Y or N
	\$	\$		\$		\$		\$		

Is retainage held on your subcontract? Yes or No (circle one) If yes, how much? \$ _____

Past Due Invoice(s) Information: List any invoice more than 40 days past due from date submitted to prime at the time you complete this form. Did your final payment include retainage? Yes or No (circle one)

Invoice #	Invoice Date	Invoice Amount (\$)	Number of Days Past Due	Comments: use additional paper if necessary

Note: CFO or equivalent Sr. Manager must complete and sign off on this form.

Name: _____ Signature: _____ Title: _____ Date: _____

THIS FORM IS DUE ON THE 7TH OF EACH MONTH IMMEDIATELY FOLLOWING DBE's SUBCONTRACT START DATE, EVEN IF PAYMENT NOT RECEIVED.

Please mail this form to:
 NJ TRANSIT, Office of Business Development, One Penn Plaza East, 6th Fl, Newark, New Jersey 07105-2246

Do not alter this form in any way.

If you need assistance completing this form please call 973-491-7539, 8058, 8768, 8069, or 8941.

**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

EXHIBIT E – EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS

**STATE OF NEW JERSEY
EQUAL EMPLOYMENT OPPORTUNITY PROVISIONS
FOR PROCUREMENT, PROFESSIONAL AND SERVICE CONTRACTS**

I. BID REQUIREMENTS

This contract is subject to the provisions of N.J.S.A. 10:2-1 through 10:2-4 and N.J.S.A. 10:5-31 et seq. (P.L. 1975, c.127), and in accordance with the rules and regulations promulgated pursuant thereto, the proposer agrees to comply with the following:

At the time the signed contract is returned to NJ TRANSIT, the said proposer (contractor) shall submit one of the following three documents:

1. A Federal Affirmative Action Plan Approval which consists of a valid letter from the Office of Federal Control Compliance Programs; or
2. A Certificate of Employee Information Report from the State of New Jersey, Department of Treasury, Division of Public Contracts Equal Employment Opportunity Compliance; or
3. A Division of Public Contracts Equal Employment Opportunity Compliance Employee Information Report (Form AA-302).

A contractor shall not be eligible to submit an employee information report unless contractor certifies and agrees that it has never before applied for a certificate of employee information report in accordance with rules promulgated pursuant to N.J.S.A. 10:5-31 et seq.; and agrees to submit immediately to the Division of Public Contracts Equal Employment Opportunity Compliance a copy of the employee information report.

Contractors that have previously filed an Employee Information Report are required to apply for a renewal of the Certificate of Employee Information Report with the Department of Treasury, Division of Public Contracts Equal Employment Opportunity Compliance and submit a valid Certificate of Employee Information Report.

(NOTE: FOR THE PURPOSE OF THIS CONTRACT THE "PUBLIC AGENCY COMPLIANCE OFFICER" REFERENCED BELOW IS NJ TRANSIT'S ASSISTANT EXECUTIVE DIRECTOR, DIVERSITY PROGRAMS AND THE "PUBLIC AGENCY" IS NJ TRANSIT.)

II. SUBCONTRACTS; EQUAL EMPLOYMENT GOALS

The contractor agrees to incorporate these State of New Jersey EEO Provisions for Procurement, Professional and Service Contracts in its subcontracts for services.

In accordance with N.J.A.C. 17:27, Contractors and subcontractors are required to make a good faith effort to provide equal employment opportunity for minorities and women. Failure to make good faith efforts to provide equal employment opportunity for minorities and women may result in sanctions including fines/penalties, withholding of payment, termination of the contract, suspension/debarment or such other action as provided by law.

III. MANDATORY CONTRACT LANGUAGE

N.J.S.A. 10:5-31 et seq. and N.J.A.C. 17:27 MANDATORY AFFIRMATIVE ACTION LANGUAGE FOR PROCUREMENT, PROFESSIONAL AND SERVICE CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq. as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to afford equal employment opportunities to minority and women workers consistent with Good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2, or Good faith efforts to meet targeted county employment goals determined by the Division, pursuant to N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personal testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval
Certificate of Employee Information Report
Employee information Report Form AA302

The contractor and its subcontractor shall furnish such reports or other documents to the Division of Public Contracts Equal Employment Opportunity Compliance as may be requested by the Division from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Public Contracts Equal Employment Opportunity Compliance for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code at N.J.A.C.17:27.


**CERTIFICATE OF EMPLOYEE INFORMATION REPORT
INITIAL**

Certification 47777

This is to certify that the contractor listed below has submitted an Employee Information Report pursuant to N.J.A.C. 17:27-1.1 et. seq. and the State Treasurer has approved said report. This approval will remain in effect for the period of **15-MAR-2013** to **15-DEC-2014**

MCGLADREY & PULLER, LLP
212 NORTH BRADY
DAVENPORT

TA 52801


Andrew P. Sidamon-Eristoff
State Treasurer



**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

EXHIBIT F – CONSULTANT CERTIFICATIONS

NON-COLLUSION AFFIDAVIT

STATE OF NEW JERSEY

SS:

COUNTY OF

I, Robert G. Rooney of the City of New York
in the County of New York and the State of New York
of full age, being duly sworn according to law on my oath depose and say that:

I am a Director
of the firm of McGladrey LLP
the bidder making the Proposal for the above named project, and that I executed the said Proposal with full authority so to do; that said bidder has not, directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above named project; and that all statements contained in said Proposal and in this affidavit are true and correct, and made with full knowledge that the State of New Jersey relies upon the truth of the statements contained in said Proposal and in the statements contained in this affidavit in awarding the contract for the said project.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by McGladrey LLP

(Name of Contractor).

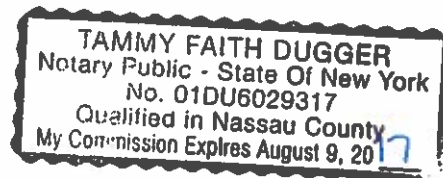
Robert G. Rooney
(Also type or print name of affiant under signature)
Robert G. Rooney

Subscribed and sworn to before me this

2nd day of April, 2014

Tammy Faith Dugger
Notary Public of

My commission expires 08/09 2017



**NEW JERSEY TRANSIT CORPORATION
REQUEST FOR PROPOSAL (RFP) NO. 14-033**

EXHIBIT 7 - INELIGIBLE CONTRACTORS CERTIFICATION

**NEW JERSEY TRANSIT CORPORATION
REQUEST FOR PROPOSAL (RFP) NO. 14-033**

EXHIBIT 7 - INELIGIBLE CONTRACTORS CERTIFICATION

INELIGIBLE CONTRACTORS CERTIFICATE

The McGladrey LLP (Name of Contractor)

hereby certifies that it is not listed on the "Report of Suspensions, Debarments and Disqualifications of Firms and Individuals" published by the State of New Jersey Department of the Treasury in accordance with New Jersey Executive Order No. 34.

McGladrey LLP

Company

By: Robert G. Rooney

Robert G. Rooney

Name

Director

Title

1185 Avenue of the Americas

Address

Date: April 2, 2014

**NEW JERSEY TRANSIT CORPORATION
REQUEST FOR PROPOSAL (RFP) NO. 14-033**

EXHIBIT 8- AFFIDAVIT OF COMPLIANCE (CODE OF VENDOR ETHICS)

**IMPORTANT NOTICE
TO
ALL CONTRACTORS AND CONSULTANTS**

NJ TRANSIT is an instrumentality of the State of New Jersey and its employees and officers, including members of the NJ TRANSIT Board of Directors, are public servants. NJ TRANSIT, its employees and officers are governed by a number of civil and criminal laws which control how NJ TRANSIT and its personnel do business with contractors and consultants. These provisions include the Conflicts of Interest Law, N.J.S.A. 52:13D-12 and contain unequivocal and stringent restrictions relating to gifts and gratuities.

Be advised that the law prohibits the receipt of gifts and gratuities by any NJ TRANSIT employee or officer from any person, company or entity doing business - or wanting to do business - with NJ TRANSIT. Concomitantly, NJ TRANSIT's own Code of Ethics and Code of Ethics for Vendors, prohibits NJ TRANSIT employees from accepting gifts and prohibits you, the contractors and consultants, from offering any gifts to any NJ TRANSIT employee.

The term "gift" is broadly and widely defined. It includes all things and objects, tangible or intangible, including services, gratuities, meals, entertainment, tickets to events, access to membership clubs, travel costs, and lodging. Simply put, a "gift" is any thing of value.

Do not, under any circumstance, tempt or put an NJ TRANSIT employee in the awkward position of having to refuse a gift or return a gift, no matter how well intentioned or innocuous the gift may be in your eyes.

The bright line rule for you and your staff in doing business with NJ TRANSIT is simple: Offer nothing and give nothing to any NJ TRANSIT employee or officer. It is your responsibility to circulate this Notice in your company and educate accordingly all personnel who do business with NJ Transit.

52:13D-24. Solicitation, receipt or agreement to receive, thing of value for service related to official duties; exceptions

a. No State officer or employee, special State officer or employee, or member of the Legislature shall solicit, receive or agree to receive, whether directly or indirectly, any compensation, reward, employment, gift, honorarium, out-of-State travel or subsistence expense or other thing of value from any source other than the State of New Jersey, for any service, advice, assistance, appearance, speech or other matter related to the officer, employee, or member's official duties, except as authorized in this section.

b. A State officer or employee, special State officer or employee, or member of the Legislature may, in connection with any service, advice, assistance, appearance, speech or other matter related to the officer, employee, or member's official duties, solicit, receive or agree to receive, whether directly or indirectly, from sources other than the State, the following:

(1) reasonable fees for published books on matters within the officer, employee, or member's official duties;

(2) reimbursement or payment of actual and reasonable expenditures for travel or subsistence and allowable entertainment expenses associated with attending an event in New Jersey if expenditures for travel or subsistence and entertainment expenses are not paid for by the State of New Jersey;

(3) reimbursement or payment of actual and reasonable expenditures for travel or subsistence outside New Jersey, not to exceed \$500.00 per trip, if expenditures for travel or subsistence and entertainment expenses are not paid for by the State of New Jersey. The \$500 per trip limitation shall not apply if the reimbursement or payment is made by (a) a nonprofit organization of which the officer, employee, or member is, at the time of reimbursement or payment, an active member as a result of the payment of a fee or charge for membership to the organization by the State or the Legislature in the case of a member of the Legislature; or (b) a nonprofit organization that does not contract with the State to provide goods, materials, equipment, or services.

Members of the Legislature shall obtain the approval of the presiding officer of the member's House before accepting any reimbursement or payment of expenditures for travel or subsistence outside New Jersey.

As used in this subsection, "reasonable expenditures for travel or subsistence" means commercial travel rates directly to and from an event and food and lodging expenses which are moderate and neither elaborate nor excessive; and "allowable entertainment expenses" means the costs for a guest speaker, incidental music and other ancillary entertainment at any meal at an event, provided they are moderate and not elaborate or excessive, but does not include the costs of personal recreation, such as being a spectator at or engaging in a sporting or athletic activity which may occur as part of that event.

c. This section shall not apply to the solicitation or acceptance of contributions to the campaign of an announced candidate for elective public office, except that campaign contributions may not be accepted if they are known to be given in lieu of a payment prohibited pursuant to this section.

d. (1) Notwithstanding any other provision of law, a designated State officer as defined in paragraph (2) of this subsection shall not solicit, receive or agree to receive, whether directly or indirectly, any compensation, salary, honorarium, fee, or other form of income from any source, other than the compensation paid or reimbursed to him or her by the State for the performance of official duties, for any service, advice, assistance, appearance, speech or other matter, except for investment income from stocks, mutual funds, bonds, bank accounts, notes, a beneficial interest in a trust, financial compensation received as a result of prior employment or contractual relationships, and income from the disposition or rental of real property, or any other similar financial instrument and except for reimbursement for travel as authorized in subsections (2) and (3) of paragraph b. of this section. To receive such income, a designated State officer shall first seek review and approval by the Executive Commission on Ethical Standards to ensure that the receipt of such income does not violate the "New Jersey Conflicts of Interest Law," P.L.1971, c. 182 (C.52:13D-12 et seq.) or any applicable code of ethics, and does not undermine the full and diligent performance of the designated State officer's duties.

(2) For the purposes of this subsection, "designated State officer" shall include: the Governor, the Adjutant General, the Secretary of Agriculture, the Attorney General, the Commissioner of Banking and Insurance, the Secretary and Chief Executive Officer of the Commerce and Economic Growth Commission, the Commissioner of Community Affairs, the Commissioner of Corrections, the Commissioner of Education, the Commissioner of Environmental Protection, the Commissioner of Health and Senior Services, the Commissioner of Human Services, the Commissioner of Labor, the Commissioner of Personnel, the President of the State Board of Public Utilities, the Secretary of State, the Superintendent of State Police, the Commissioner of Transportation, the State Treasurer, the head of any other department in the Executive Branch, and the following members of the staff of the Office of the Governor: Chief of Staff, Chief of Management and Operations, Chief of Policy and Communications, Chief Counsel to the Governor, Director of Communications, Policy Counselor to the Governor, and any deputy or principal administrative assistant to any of the aforementioned members of the staff of the Office of the Governor listed in this subsection.

e. A violation of this section shall not constitute a crime or offense under the laws of this State.

52:13D-14. State officer or employee or member of legislature; acceptance of thing of value to influence public duties

No State officer or employee, special State officer or employee, or member of the Legislature shall accept from any person, whether directly or indirectly and whether by himself or through his spouse or any member of his family or through any partner or associate, any gift, favor, service, employment or offer of employment or any other thing of value which he knows or has reason to believe is offered to him with intent to influence him in the performance of his public duties and responsibilities. This section shall not apply to the acceptance of contributions to the campaign of an announced candidate for elective public office.

AFFIDAVIT OF COMPLIANCE

I, Robert G. Rooney (name of individual), executing this document on behalf of the undersigned company, partnership, corporation, or entity hereinafter referred to as "Contractor", presently seeking to do business with NJ TRANSIT by way of a Request for Proposals ("RFP") or Invitation for Bids ("IFB"), hereby warrant and affirm to NJ TRANSIT as follows:

1. I warrant and affirm that Contractor has received a copy of NJ TRANSIT's Code of Vendor Ethics and that I have read and studied this document and distributed this document to all of Contractor's personnel involved in seeking to do business with NJ TRANSIT and required said personnel to fully read this document. In addition, I further warrant and affirm that Contractor has received from NJ TRANSIT a document entitled "Important Notice to All Contractors and Consultants" and that I have read and studied this document, including the page setting forth various New Jersey statutory provisions, and that Contractor has distributed this document to all of Contractor's personnel involved in seeking to do business with NJ TRANSIT and required said personnel to fully read this document.

2. Contractor warrants and affirms that it has issued written instructions to all of Contractor's personnel involved in seeking to do business with NJ TRANSIT instructing and requiring same to strictly adhere to the Contractor's responsibilities as set forth in NJ TRANSIT's Code of Vendor Ethics and in the "Important Notice to All Contractors and Consultants".

3. Contractor warrants and affirms that during the bidding or proposal process for the contract with NJ TRANSIT, no gratuities or other inducements have been offered or given or will be offered or given in any form including gifts, gratuities, benefits, inducements, meals (other than *de minimis* valued snacks such as coffee, tea, soda, pretzels, cookies, or similar non-meal items), entertainment, or any other thing of value or favors of any kind to any member of NJ TRANSIT's Board of Directors, officer or employee of NJ TRANSIT.

4. The Contractor warrants and affirms that during the RFP or IFB process for the contract with NJ TRANSIT, Contractor has not and will not make any offers of employment to any member of the NJ TRANSIT Board of Directors, officer or employee directly involved with this contract or solicit or interview therefor, directly or indirectly, without first seeking and obtaining written approval from NJ TRANSIT's Ethics Liaison Officer.

5. The Contractor warrants and affirms that during the RFP or IFB process for the contract with NJ TRANSIT it has and shall promptly report in writing to NJ TRANSIT every instance that comes to the Contractor's attention and knowledge regarding any member of NJ TRANSIT's Board of Directors, officer or employee of NJ TRANSIT who has solicited or asked Contractor to provide gifts, gratuities, benefits, inducements, meals (other than *de minimis* valued snacks such as coffee, tea, soda, pretzels, cookies, or similar non-meal items), entertainment or any other thing of value or favors of any kind or has made any solicitation or request, directly or indirectly, for employment with or through the Contractor.

6. The Contractor acknowledges and accepts that for breach or violation of the foregoing warranties and affirmations, NJ TRANSIT shall have the discretion and legal right to disqualify Contractor from bidding or proposing for a contract between the Contractor and NJ TRANSIT.

McGladrey LLP
(Print Name of Contractor)


(Signature of Authorized Principal or Officer)

Robert G. Rooney
(Print Name and Title of Signator)

**NEW JERSEY TRANSIT CORPORATION
REQUEST FOR PROPOSAL (RFP) NO. 14-033**

**EXHIBIT 9 – CERTIFICATION OF CONTRACTS, GRANTS, LOANS &
COOPERATIVE AGREEMENTS**

NEW JERSEY TRANSIT CORPORATION

RFP NO. 14-033

**CERTIFICATION FOR CONTRACTS, GRANTS, LOANS
AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



Signature of Authorized Official

Robert G. Rooney

Print Name

Director

Title

McGladrey LLP

Firm

April 2, 2014

Date

**NEW JERSEY TRANSIT CORPORATION
REQUEST FOR PROPOSAL (RFP) NO. 14-033**

EXHIBIT 10 - OWNERSHIP DISCLOSURE

THIS FORM CONTAINS PERSONAL AND/OR PROPRIETARY COMMERCIAL
AND/OR FINANCIAL INFORMATION AND HAS BEEN REMOVED

**NEW JERSEY TRANSIT CORPORATION
REQUEST FOR PROPOSAL (RFP) NO. 14-033**

**EXHIBIT 11 - STATE OF NJ DIVISION OF PURCHASE AND
PROPERTY DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN**

STATE OF NEW JERSEY -- DIVISION OF PURCHASE AND PROPERTY
DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN

Quote Number: RFP No. 14-033 Bidder/Offeror: McGladrey LLP

PART 1: CERTIFICATION

BIDDERS MUST COMPLETE PART 1 BY CHECKING EITHER BOX.
FAILURE TO CHECK ONE OF THE BOXES WILL RENDER THE PROPOSAL NON-RESPONSIVE.

Pursuant to Public Law 2012, c. 25, any person or entity that submits a bid or proposal or otherwise proposes to enter into or renew a contract must complete the certification below to attest, under penalty of perjury, that neither the person or entity, nor any of its parents, subsidiaries, or affiliates, is identified on the Department of Treasury's Chapter 25 list as a person or entity engaging in investment activities in Iran. The Chapter 25 list is found on the Division's website at <http://www.state.nj.us/treasury/purchase/pdf/Chapter25List.pdf>. Bidders must review this list prior to completing the below certification. Failure to complete the certification will render a bidder's proposal non-responsive. If the Director finds a person or entity to be in violation of law, s/he shall take action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

PLEASE CHECK THE APPROPRIATE BOX:

☒ I certify, pursuant to Public Law 2012, c. 25, that neither the bidder listed above nor any of the bidder's parents, subsidiaries, or affiliates is listed on the N.J. Department of the Treasury's list of entities determined to be engaged in prohibited activities in Iran pursuant to P.L. 2012, c. 25 ("Chapter 25 List"). I further certify that I am the person listed above, or I am an officer or representative of the entity listed above and am authorized to make this certification on its behalf. I will skip Part 2 and sign and complete the Certification below.

OR

☐ I am unable to certify as above because the bidder and/or one or more of its parents, subsidiaries, or affiliates is listed on the Department's Chapter 25 list. I will provide a detailed, accurate and precise description of the activities in Part 2 below and sign and complete the Certification below. Failure to provide such will result in the proposal being rendered as non-responsive and appropriate penalties, fines and/or sanctions will be assessed as provided by law.

PART 2: PLEASE PROVIDE FURTHER INFORMATION RELATED TO INVESTMENT ACTIVITIES IN IRAN

You must provide a detailed, accurate and precise description of the activities of the bidding person/entity, or one of its parents, subsidiaries or affiliates, engaging in the investment activities in Iran outlined above by completing the boxes below.

EACH BOX WILL PROMPT YOU TO PROVIDE INFORMATION RELATIVE TO THE ABOVE QUESTIONS. PLEASE PROVIDE THOROUGH ANSWERS TO EACH QUESTION. IF YOU NEED TO MAKE ADDITIONAL ENTRIES, CLICK THE "ADD AN ADDITIONAL ACTIVITIES ENTRY" BUTTON.

Name _____ Relationship to Bidder/Offeror _____
Description of Activities _____
Duration of Engagement _____ Anticipated Cessation Date _____
Bidder/Offeror Contact Name _____ Contact Phone Number _____

ADD AN ADDITIONAL ACTIVITIES ENTRY

Certification: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I attest that I am authorized to execute this certification on behalf of the above-referenced person or entity. I acknowledge that the State of New Jersey is relying on the information contained herein and thereby acknowledge that I am under a continuing obligation from the date of this certification through the completion of any contracts with the State to notify the State in writing of any changes to the answers of information contained herein. I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and that the State at its option may declare any contract(s) resulting from this certification void and unenforceable.

Full Name (Print): Robert G. Rooney

Signature: 

Title: Director

Date: April 2, 2014

**NEW JERSEY TRANSIT CORPORATION
REQUEST FOR PROPOSAL (RFP) NO. 14-033**

EXHIBIT 12 – SOURCE DISCLOSURE CERTIFICATION

N.J.S.A 52:34-13.2 CERTIFICATION

SOURCE DISCLOSURE CERTIFICATION FORM

Consultant: McGladrey LLP

Contract Number: RFP No. 14-033

I hereby certify and say:

I have personal knowledge of the facts set forth herein and am authorized to make this Certification on behalf of the Consultant.

The Consultant submits this Certification as part of its proposal in response to the referenced solicitation issued by NJ TRANSIT, in accordance with the requirements of N.J.S.A. 52:34-13.2.

The following is a list of every location where services will be performed by the consultant and all subconsultants.

<u>Consultant or Subconsultant</u>	<u>Description of Services</u>	<u>Performance Location(s) by Country</u>
McGladrey LLP		United States

Any changes to the information set forth in this Certification during the term of any contract awarded under the referenced solicitation or extension thereof will be immediately reported by the Consultant to the Director of Contracts, NJ TRANSIT Corporation, One Penn Plaza East, Newark, NJ 07105.

I understand that, after award of a contract to the Consultant, it is determined that the Consultant has shifted services declared above to be provided within the United States to sources outside the United States prior to a written determination by the Contracting Officer, that the services can not be performed in the United States, the Consultant shall be deemed in breach of contract, which contract will be subject to termination for cause pursuant to Article 14 of the Professional Services Agreement.

I further understand that this Certification is submitted on behalf of the Consultant in order to induce NJ TRANSIT to accept a proposal, with knowledge that NJ TRANSIT is relying upon the truth of the statements contained herein.

I certify that, to the best of my knowledge and belief, the foregoing statements by me are true. I am aware that if any of the statements are willfully false, I am subject to punishment.

Consultant: McGladrey LLP
[Name of Organization or Entity]

By: Robert G. Rooney

Title: Director

Print Name: Robert G. Rooney

Date: April 2, 2014



STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE

Taxpayer Name: MCGLADREY LLP
Trade Name:
Address: 331 W 3RD ST., STE 200
DAVENPORT, IA 52801
Certificate Number: 0852992
Effective Date: April 30, 1993
Date of Issuance: July 11, 2014

For Office Use Only:
20140711093426491



STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE

Taxpayer Name:	THE MERIDIAN GROUP LTD
Trade Name:	
Address:	1735 MARKET ST A 473 PHILADELPHIA, PA 19103
Certificate Number:	1689645
Effective Date:	January 23, 2012
Date of Issuance:	June 02, 2014

For Office Use Only:
20140602123312264

**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

ADDENDA(S)

March 20, 2014

ADDENDUM NO. 1

**Re: NJ TRANSIT Request for Proposal (RFP) No. 14-033
Integrity Oversight Monitoring Services**

To Whom It May Concern:

Proposers are hereby advised of the following additions and/or clarifications to the above referenced project:

I. GENERAL PROJECT INFORMATION

1. Pre-Proposal Conference Sign-In Sheets and Business Cards

The sign-in sheets and business cards from the Pre-Proposal Conference held on Thursday, March 20, 2014, are attached. (Attachment A)

2. RFP Section I.B Anticipated Consultation Selection Schedule (RFP Page 2)

The dates for Oral Presentations have been changed from April 14-16, 2014 to April 15-17, 2014. All other dates remain unchanged.

Pre-Proposal Conference	March 20, 2014 @ 11:00 am
Due Date for Proposer's Questions	March 24, 2014 @ 4:00pm
Proposal Due Date	April 3, 2014 @ 2:00 pm
Oral Presentations	April 15-17, 2014
Begin Negotiations	April 21-23, 2014
Selection of Firms	April 2014
Board Approval	May 2014
Notice to Proceed	June 2014

3. RFP Section IV, Task F – Internal, IT and Construction Auditing (RFP Page 11)

Task Deliverables item number 5 should read as follows:

Upon a finding of a likely criminal violation or lesser degree of any malfeasance, inefficiency, waste, fraud, abuse or mismanagement of funds, report findings to the State Comptroller and the Attorney General immediately consistent with the requirements of N.J.S.A. 52:15D-2.

II. QUESTIONS AND REQUESTS FOR CLARIFICATION

All questions and requests for clarifications must be received by NJ TRANSIT Procurement Department in writing, by March 24, 2014 at 4:00 p.m. Inquiries and requests for clarification may be faxed to (973) 232-4829 or e-mailed to tchapman@njtransit.com. All responses NJ TRANSIT provides will be made by a written Addendum to the RFP.

FOR PROSPECTIVE PROPOSERS ONLY

Firms are required to acknowledge receipt of all addenda by signing the "Acknowledgement of Receipt of Addenda" form. This form (Exhibit 5) shall be included as part of the proposal. Failure to acknowledge receipt of all addenda may render proposals nonresponsive.

Sincerely,



Taishida S. Chapman
Principal Contract Specialist

**NJ TRANSIT RFP No. 14-033
Addendum No. 1**

Attachment A

Pre-Proposal Conference Sign-In Sheet and Business Cards



Date: March 20, 2014
Location: NJ TRANSIT Headquarters - 6TH Floor Bid Room

Time: 11:00 a.m.

Representative Name	Company Name/ Address/E-Mail	Telephone No./Fax No.	DBE Firm (Y/N)
Taishida Chapman	Company Name: NJ TRANSIT Address: One Penn Plaza Newark, NJ 07105 E-Mail: tchapman@njtransit.com	Telephone No.: 973-491-8476 Fax No.:	
Whitaker Rush	Company Name: NJ TRANSIT Address: One Penn Plaza East Newark NJ 07105 E-Mail: WHITAKER@NJTRANSIT.COM	Telephone No.: 973-491-7067 Fax No.:	
Kevin E. Rittenberg	Company Name: NJ TRANSIT Address: 1 Penn Plaza East Newark NJ E-Mail: KRITTENBERG@NJTRANSIT.COM	Telephone No.: 973-491-7887 Fax No.:	
Jackie Rush-Gilbert	Company Name: NJ TRANSIT Address: NJ TRANSIT E-Mail: JRUSH-GILBERT@NJTRANSIT.COM	Telephone No.: Fax No.:	
	Company Name: Address: E-Mail:	Telephone No.: Fax No.:	



RFP No. 14-033
INTEGRITY OVERSIGHT MONITORING SERVICES
PRE-PROPOSAL CONFERENCE

Date: March 20, 2014
Location: NJ TRANSIT Headquarters - 6TH Floor Bid Room

Time: 11:00 a.m.

Representative Name	Company Name/ Address/E-Mail	Telephone No./Fax No.	DBE Firm (Y/N)
Harry Ammerman	Company Name: ADDEX CORPORATION Address: 4100 SEMINOLE RD SUITE 200 PARKERSBURG, VA E-Mail: HAmmerman@adexcorp.com	Telephone No.: 410-740-3328 Fax No.: 410-740-3328	Y
Michael Schwartz	Company Name: WESER MACHINIS Address: 135 W. 50 TH ST., NY, NY E-Mail: MICHAEL.SCHWARTZ@WELFAREMAZAKS.COM	Telephone No.: 212-375-6471 Fax No.: 212-375-6848	
NICOLAS KONISKI	Company Name: KPMG LLP Address: 345 PARK AVE NEW YORK, NY 10154 E-Mail: nkoniski@kpmg.com	Telephone No.: 212 954 6089 Fax No.: 212 913 7443 cell.	
Christopher Fejko	Company Name: EXPENS US, LLC Address: 4 Gulchall Drive, Floor 2 Parsippany, NJ 07054 E-Mail: Christopher.Fejko@expens.com	Telephone No.: 973-775-8419 Fax No.: 973-775-8401	
Jeffrey Buchakjian	Company Name: Eisner Amper Address: 111 Wood Ave South, Iselin, NJ 08830 E-Mail: jeffrey.buchakjian@eisneramper.com	Telephone No.: 215,881,8575 Fax No.: 215,881,8575	

Date: March 20, 2014

Time: 11:00 a.m.

Location: NJ TRANSIT Headquarters - 6TH Floor Bid Room

Representative Name	Company Name/ Address/E-Mail	Telephone No./Fax No.	DBE Firm (Y/N)
KIM LAW NRE/DBE	<p>Company Name: LS ENG'G. ASSOC</p> <p>Address: 150 RIVER RD MONTVILLE, NJ 07045</p> <p>E-Mail: KIMLAW@LSGA.CORP.COM</p>	<p>Telephone No.: 973-588-3122</p> <p>Fax No.: 973-588-3123</p>	YES
AMY B. ROSEN, CPA CFE, CFF, CVA, CGVA	<p>Company Name: CBIZ MANA, LLC</p> <p>Address: 1065 Avenue of the Americas NY NY 10018</p> <p>E-Mail: grosen@cbiz.com</p>	<p>Telephone No.: 212-790-5879</p> <p>Fax No.: 212-634-0079</p>	Y
Diana Cinotto	<p>Company Name: PAKER TILLY</p> <p>Address: 1 Penn Plaza SW, 3000 NY New York 10119</p> <p>E-Mail: Diana.Cinotto@Pakertilly.com</p>	<p>Telephone No.: 646 776-6134</p> <p>Fax No.: 646-776 6135</p>	N
Benjamin Mauch	<p>Company Name: Franklin & Turner International</p> <p>Address: 30 CENTRAL AVE, SUITE 201C NEWARK, NJ 07102</p> <p>E-Mail: Benmauch@yahoo.com</p>	<p>Telephone No.: 973 242-0075</p> <p>Fax No.: 973 242-1061</p>	Y
	<p>Company Name:</p> <p>Address:</p> <p>E-Mail:</p>	<p>Telephone No.:</p> <p>Fax No.:</p>	



Date: March 20, 2014
Location: NJ TRANSIT Headquarters - 6TH Floor Bid Room

Time: 11:00 a.m.

Representative Name	Company Name/ Address/E-Mail	Telephone No./Fax No.	DBE Firm (Y/N)
Charles Holmes	Company Name: Holmes & Company LLC Address: 210 Lake Drive East Cherry Hill, NJ 08002 E-Mail: Chalmes@holmescpas.com	Telephone No.: 856-320-4662 Fax No.: 856-812-0177	Y
NANCY MYERS	Company Name: GWIC, INC Address: 33 E BROAD STREET PALMYRA NJ 08065 E-Mail: NANCYMYERS@GWICINC.COM	Telephone No.: 856-829-7969 Fax No.: 856-829-7969	Y
Joseph Deluca	Company Name: Thacher Assoc LLC Address: 330 W. 42nd St 332 R NY NY 10036 E-Mail: Joe@ThacherAssociates.com	Telephone No.: 212-545-7532 Fax No.:	N
Rachel Ferguson	Company Name: Navigant Address: 90 Park Ave. 10 th Floor NY, NY 10016 E-Mail: rachel.ferguson@navigant.com	Telephone No.: 646-227-4254 Fax No.: 646-227-4259	N
Stephen Pittaniello	Company Name: NAVIGANT Address: 90 Park Ave, 10 th Floor NY, NY 10016 E-Mail: SPITANIELLO@NAVIGANT.COM	Telephone No.: 646-227-4650 Fax No.: 646-227-4259	N



RFP No. 14-033
INTEGRITY OVERSIGHT MONITORING SERVICES
PRE-PROPOSAL CONFERENCE

Date: March 20, 2014
Location: NJ TRANSIT Headquarters - 6TH Floor Bld Room

Time: 11:00 a.m.

Representative Name	Company Name/ Address/E-Mail	Telephone No./Fax No.	DBE Firm (Y/N)
Timothy A. M...NE	Company Name: Onilegost Solutions LLC Address: 45 Madison Avenue, 15 FL, NY, N.Y. 10017 E-Mail: timothy@onilegostsolutions.com	Telephone No.: (313) 817-6701 Fax No.: (313) 817-6701	
Sherril Kyle-Jones	Company Name: Talson Solutions, LLC Address: 306 Market Street, 4 th Floor, Philadelphia, PA 19106 E-Mail: Skylejones@talsolutions.com	Telephone No.: 215-592-9634 Fax No.: 215-592-9636	Yes
Tom Papachristos	Company Name: MAREH McEllan Address: 1060 State Road Princeton, N.J. 08540 E-Mail: tom.papachristos@marh.com	Telephone No.: 609-497-2270 Fax No.: 609-497-3412	
	Address:	Telephone No.: Fax No.:	
	E-Mail:	Telephone No.: Fax No.:	
	Company Name:	Telephone No.: Fax No.:	
	Address:	Telephone No.: Fax No.:	
	E-Mail:	Telephone No.: Fax No.:	



Date: March 20, 2014
Location: NJ TRANSIT Headquarters - 6TH Floor Bid Room

Time: 11:00 a.m.

Representative Name	Company Name/ Address/E-Mail	Telephone No./Fax No.	DBE Firm (Y/N)
HAROLD NEIL	Company Name: Homeland Defense Solutions Address: 5 Snowball Lane Hamlet, NJ 08619 E-Mail: hneil@hds.us.com	Telephone No.: 609 Fax No.: 638-3731	
BOB ROONEY	Company Name: MCGILVER LLP Address: 1185 AVENUE OF THE AMERICAS NY, NY 10036 E-Mail: ROBERT.ROONEY@MCGILVER.COM Company Name: COHN REZNICK	Telephone No.: 212 Fax No.: 372-1033 212 912-1033	N
GERARD FRECH	Address: 333 THURNALL AVE EDISON, NJ E-Mail: GERARD.FRECH@COHNREZNICK.COM Company Name: Thacher Associates	Telephone No.: 908-377-2900 Fax No.: 908-377-2900	N
Richard Vermeulen	Address: 330 W. 42nd St., NY NY E-Mail: rvermeulen@thacherassociates.com Company Name: THACHER ASSOCIATES	Telephone No.: 212-845-7535 Fax No.: 212-845-7535	
BRAD BEERIN	Address: 330 W. 42nd St. NY NY E-Mail: bbeerin@thacherassociates.com	Telephone No.: 212-845-7535 Fax No.: 212-845-7535	

Date: March 20, 2014

Time: 11:00 a.m.

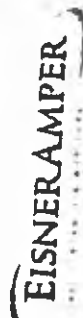
Location: NJ TRANSIT Headquarters - 6th Floor Bid Room

Representative Name	Company Name/ Address/E-Mail	Telephone No./Fax No.	DBE Firm (Y/N)
<i>TIM O'BRIEN</i>	<p>Company Name: <i>PARENTE BOARD</i></p> <p>Address: <i>ONE LIBERTY PLACE SUITE 4500</i> <i>1650 MARKET ST</i> <i>PHILADELPHIA, PA 19103</i></p> <p>E-Mail: <i>JAMES.O'BRIEN@parentboard.com</i></p> <p>Company Name: <i>Parente Board</i></p>	<p>Telephone No.: <i>215-972-2538</i></p> <p>Fax No.: <i>215-972-2538</i></p>	
<i>Sandra Thompson</i>	<p>Address: <i>ONE LIBERTY PLACE SUITE 4500</i> <i>1650 MARKET ST</i> <i>PHILADELPHIA, PA 19103</i></p> <p>E-Mail: <i>Sandra.Thompson@parentboard.com</i></p> <p>Company Name: <i>Parente Board</i></p>	<p>Telephone No.: <i>585-507-1906</i></p> <p>Fax No.:</p>	
<i>ALBERT MILLER</i>	<p>Company Name: <i>ONE LIBERTY PLACE</i></p> <p>Address: <i>1650 MARKET ST</i> <i>PHILADELPHIA, PA</i></p> <p>E-Mail: <i>ALBERT.MILLER@parentboard.com</i></p> <p>Company Name: <i>Grant Thornton LLP</i></p>	<p>Telephone No.: <i>215 557-2525</i></p> <p>Fax No.:</p>	
<i>E. David BERTH</i>	<p>Address: <i>333 JAMES RIVER ST SUITE 500</i> <i>ALEXANDRIA, VA 22314-5745</i></p> <p>E-Mail: <i>e.david.berth@us.gt.com</i></p> <p>Company Name: <i>Holmes & Company, LLC</i></p>	<p>Telephone No.: <i>267-312-6305</i></p> <p>Fax No.:</p>	
<i>Joel Rigueur Sr.</i>	<p>Address: <i>210 Holmes Drive East Suite 100</i> <i>Cherry Hill, NJ 08002</i></p> <p>E-Mail: <i>J.Rigueur@Holmes4AS.com</i></p>	<p>Telephone No.: <i>(856) 320-4662</i></p> <p>Fax No.: <i>856-812-0177</i></p>	<i>Y</i>



Gary B. Rosen CPA, CFE, CFF, CVA, CGMA
Managing Director

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Partner
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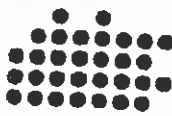
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PRINCIPAL

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Executive Office: 1000 Third Avenue, New York, NY 10017

19 East 61st Street
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Kim Law, P.E., CME
President

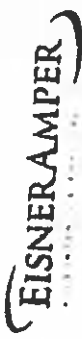


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Managing Partner
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N VIGANT

RICHARD T. FAUGHNAN



NAVIGANT

STEPHEN DIANELO, P.E.

MANAGING DIRECTOR CONSULTING

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Philadelphia, PA 19103-7341

ParenteBeard

CONSULTING THROUGH CLARITY

James T. O'Brien, CPA, CFP

Partner

Forensic, Litigation & Valuation Services

James.O'Brien@ParenteBeard.com

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ParenteBeard

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Sandra E. Thompson, CPA

Manager

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ParenteBeard

CONSULTING THROUGH CLARITY

Albert Miller

Managing Director Client Services

Albert.Miller@ParenteBeard.com

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201.337.4250

One Liberty Place
Suite 4500
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ParenteBeard is a member of the PwC network



TALSON SOLUTIONS LLC

Sherri Kyle-Jones

skylejones@talsonsolutions.com
www.talsonsolutions.com



March 27, 2014

ADDENDUM NO. 2

**Re: NJ TRANSIT Request for Proposal (RFP) No. 14-033
Integrity Oversight Monitoring Services**

To Whom It May Concern:

Proposers are hereby advised of the following additions and/or clarifications to the above referenced project:

QUESTIONS AND REQUESTS FOR CLARIFICATION

The following are questions received from prospective proposers and NJ TRANSIT's responses:

1. Page 16 of the RFP requests that the firm "Provide a list of previous placements made by the Consultant relating to the services to be performed as outlined in Section IV. Include a description of the assignments, client names, start and end dates, total cost of the assignment, and a contact (name, telephone number and email address) as required to confirm said information."

In that to provide a list of all such engagements performed by our firm Thacher Associates over the past several decades would be well beyond the 5-page limitation for Qualification of Firm and Related Experience, and the information relating to the older engagements may be difficult to gather and/or out-of-date. Do you mean to only refer to the three examples requested, and if not, (i) is it anticipated that the descriptions for each assignment will be very brief, (ii) can a limited a time frame (i.e., past 5 years) be placed on our response, and (iii) may we exceed the 5-page limitation?

NJ TRANSIT Response: NJ TRANSIT intended three assignments to be a minimum; a prospective consultant may include additional examples so long as they are within the required overall response page limitation.

2. On page 7 of the RFP, under Section II (C) Consultant Qualifications, it states that the Integrity Monitoring Firms shall demonstrate #6) The capacity to provide services in accordance with Generally Accepted Government Audit Standards and/or the International Standards for the Professional Practice of Internal Auditing. Furthermore, on page 10, under Section IV Scope of Services – Detailed Scope of Work, Task F describes reviews of Program related businesses, and audits (financial, attestation or performance audits) as needed for the Program.

NJ TRANSIT Response: The terms "financial, attestation or performance audits" are defined in the Generally Accepted Government Audit Standards.

3. Please clarify whether NJ Transit will be requesting firms to perform CPA type services such as audits of financial statements and/or programs and providing independent audit reports therein, or are you just looking for firms to perform forensic audits of Program related businesses and government programs for fraud, waste and abuse and providing recommendations for improvement. If CPA type services are required, can a subconsultant provide those services, or must the prime consultant perform those services?

NJ TRANSIT Response: These are scope requirements as defined by the regulations and a consultant may use qualified subconsultants for these services so long as subconsultants are approved in accordance with the RFP.

4. Attachment A references 6000-18,000 hours of capacity, yet Section II(C) references 6,000-30,000 hours of capacity, what is the capacity requirement?

NJ TRANSIT Response: The correct projection is 6,000 – 30,000 for all estimates. Therefore Attachment A, question number 6 should read as follows: "Does the firm have the capacity to potentially provide an estimated 6,000 to 30,000 hours per year of integrity monitoring services?"

5. Does "IT" refer to Information Technology?

NJ TRANSIT Response: Yes

6. Can a DBE firm propose and work with more than one contractor?

NJ TRANSIT Response: Yes

7. Assuming your solicitation was made to firms qualified by the State of New Jersey under their Auditing and Other Related Services for Disaster Recovery (Hurricane Sandy) T2939 proposal, are contractors required to use such approved contractual rates?

NJ TRANSIT Response: No, this is a new solicitation being issued by NJ TRANSIT in collaboration with New Jersey Department of the Treasury. Consultants may include different rates; however the new rates will be binding as to all Work Authorization's issued by NJ TRANSIT.

8. We intend to utilize sub-consultants or subcontractors (such as investigative firms, law firms and technical experts). Must such intended sub-consultants or subcontractors be included as "joint venture" partners as that term is used in Section E, page 3 of the RFP? Or is our understanding correct that a sub-consultant or subcontractor is not necessarily a "joint venture" partner since 1) typical sub-consultant or subcontractor relationships do not include any equity investment or profit sharing arrangements and 2) sub-consultants or subcontractors are strictly compensated based on the number of hours they incur times their respective hourly rates?

NJ TRANSIT Response: Yes, they can certainly be subconsultants and do not need to be joint venture partners; regulatory bodies may in fact limit such arrangements in any event. Also a Consultant may utilize subconsultants to satisfy requirements so long as subconsultants are selected in accordance with the RFP.

9. Included in the qualifications for the consultant listed in the RFP are "The capacity to provide services in accordance with Generally Accepted Government Audit Standards (U.S. Government Accountability Office) and/or the International Standard for the Professional Practice of Internal Auditing (Institute of Internal Auditors)."

In what areas do the NJ Transit anticipates conducting an Audit or Internal Audit of? Would this be an audit or Internal Audit of a department of the NJ Transit, or of a construction project?

NJ TRANSIT Response: The audit activities will generally be based on a signed contract as identified in the RFP (Attachment G). The specific scope and integrity monitoring activities will be determined based on the fraud risk identified for each contract. In addition, there may be special audits that are not contract specific and are program-based. Such special audits will be under a specific Work Authorization.

10. According to the RFP, the Proposal Section for "Qualification of Firm(s) and Related Experience" should include a table with "three (3) major projects where the Consultant has provided Integrity Monitoring services and auditing services similar in scope as required in this RFP." The max page length for this section is 5 Pages. Is the three project requirement a minimum or a maximum?

NJ TRANSIT Response: The three project requirement is a minimum. A Consultant may provide more so long as the total pages submitted for the proposal are within the required page length limitation.

11. According to the RFP, the reference section should include "a minimum of three (3) references" for the key team members including the Project Manager. Should this be a letter of reference/recommendation or only contact information (address, e-mail address and telephone)? Further, can we include any supplementary information, such as a brief narrative of any engagement previously performed in collaboration with the reference (i.e., the reference serving as the client of said engagement)?

NJ TRANSIT Response: The references should include current contact information for the references submitted. The Consultant can include supplemental information so long as the overall length limitations as to number of pages of a proposal are not exceeded.

12. When proposing in conjunction with a DBE firm, should the following sections of the Proposal contain both the documentation for the proposing firm and the DBE, or only the proposing firm:

- Qualification of Individuals
- Qualification of firm(s) and related experience

- Key Personnel Certification

In other words, would members of the DBE partner be considered "key personnel" with respect to the instructions and requirements in the RFP?

NJ TRANSIT Response: The information should be included for both of the firms if the firms are submitting a proposal as a joint venture. If not, then they should be included as a DBE subconsultant.

13. Please provide some clarifications between:
- a. Providing a Fraud Risk/Scenario/Schemes Assessment (from the **TECHNICAL SECTION** on page 15); and
 - b. Preparing and Maintaining a Fraud Risk Assessment (Task E on p10 of the RFP)
- Are these two different tasks?

NJ TRANSIT Response: The first (a) refers to a general risk assessment based on the projects in Attachment G. The latter (b) refers to a specific task to prepare and/or maintain a specific Fraud Risk Assessment at NJ TRANSIT's requests over and above the initial Fraud Risk Assessment due at proposal submission.

14. Page 10 of RFP refers to Tasks A through H. The tasks only appear to go up to Task F, is that correct? Should we develop our cost proposal based on the estimated staff hours listed on Attachment C – Cost Proposal Format? 18,200 hrs for Year 1 – 26,700 hours for Year 2 – 36,600 hours for Year 3?

NJ TRANSIT Response: Correct – The tasks should only go to task F. Therefore the last sentence on page 10 of the RFP should read as follows, "Deliverables to support all of the above Tasks A-F will include but not be limited to".

Cost proposal should be developed based on Attachment C hours.

15. Page 16 of RFP: FULL-TIME OFFICE CERTIFICATION: The proposal shall contain the Consultant's certification that a full time office will be maintained during the project period, and that the Consultant's Project Manager can be reached through this office during regular working hours. Does the full time office have to be at NJ Transit site?

NJ TRANSIT Response: No, a full time office is not required at the NJ TRANSIT site, but should be within 90 miles of the site if not closer.

16. Please provide the results of any reviews that have been performed over the services that have been provided for the Superstorm Sandy Recovery and Resiliency Program, to include any findings or control weaknesses noted.

NJ TRANSIT Response: Following the execution of a contract, the results of any completed reviews may be released to the Consultant at NJ TRANSIT'S discretion. Public information is available on the public documents section of the Superstorm Sandy website at:

<http://superstormsandyrecovery.com/documents.html>.

17. For similar reviews performed by or for NJ TRANSIT relating to the Superstorm Sandy Recovery Program, have there been any issues completing the work or accomplishing the project objectives.

NJ TRANSIT Response: No.

18. Are there any changes planned for technology or the internal control structure for the next few years?

NJ TRANSIT Response: None that we foresee at this time.

FOR PROSPECTIVE PROPOSERS ONLY

Firms are required to acknowledge receipt of all addenda by signing the "Acknowledgement of Receipt of Addenda" form. This form (Exhibit 5) shall be included as part of the proposal. Failure to acknowledge receipt of all addenda may render proposals nonresponsive.

Sincerely,



Taishida S. Chapman
Principal Contract Specialist

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
James S. Simpson, Board Chairman
Veronique Hakim, Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

April 17, 2014

ADDENDUM NO. 3

**Re: NJ TRANSIT Request for Proposal (RFP) No. 14-033
Integrity Oversight Monitoring Services**

To Whom It May Concern:

Proposers are hereby advised of the following revisions to the above referenced project:

I. GENERAL PROJECT INFORMATION

1. NJ TRANSIT is making the following revision to RFP Section I entitled "General Project Information", the second paragraph should read as follows (RFP Page 1):

NJ TRANSIT intends to award up to four (4) Contracts to independent firms which will serve as pools from which Work Authorizations (WA) for particular assignments will be made through NJ TRANSIT's Internal Audit Department.


2. NJ TRANSIT is making the following revision to RFP Section XI entitled "Negotiation and Award", the first sentence should read as follows (RFP Page 20):

It is NJ TRANSIT's intention to award up to four (4) contracts.

FOR PROSPECTIVE PROPOSERS ONLY

NJ TRANSIT is issuing this Addendum electronically via e-mail using delivery and read receipts tracking which will provide NJ TRANSIT with the Acknowledgement that the prospective proposers have received Addendum No. 3.

Sincerely,



Taishida S. Chapman
Principal Contract Specialist

Chapman, Taishida S. (CPRCTSC)

From: Rooney, Bob <Robert.Rooney@mcgladrey.com>
To: Chapman, Taishida S. (CPRCTSC)
Sent: Thursday, April 17, 2014 4:43 PM
Subject: Read: RFP 14-033 Integrity Oversight Monitoring Services Addendum No. 3

Your message was read on Thursday, April 17, 2014 4:43:06 PM (GMT-05:00) Eastern Time (US & Canada).

**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

CERTIFICATE OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/13/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh USA Inc. 2405 Grand Boulevard, #900 Kansas City, MO 64108	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS:	FAX (A/C, No):
824056--GAWU-13-14 6/13 75810 c.bice	INSURER(S) AFFORDING COVERAGE	
INSURED McGladrey LLP One South Wacker Drive, Suite 800 Chicago, IL 60606	INSURER A: Sentry Insurance A Mutual Company	NAIC # 24988
	INSURER B: Federal Insurance Company	20281
	INSURER C: Sentry Casualty Company	28460
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES**CERTIFICATE NUMBER:**

CHI-004951370-01

REVISION NUMBER: 3

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			90-18524-04	11/30/2013	11/30/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPOP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			90-18524-05 (AOS) 90-18524-06 (MA)	11/30/2013 11/30/2013	11/30/2014 11/30/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			9364-18-93	11/30/2013	11/30/2014	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	90-18524-01 (AOS) 90-18524-02 (WI)	11/30/2013 11/30/2013	11/30/2014 11/30/2014	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E L EACH ACCIDENT \$ 1,000,000 E L DISEASE - EA EMPLOYEE \$ 1,000,000 E L DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

NJ Transit and the Indemnified Parties are named as Additional Insured (except Workers Compensation) if required to be so by written contract. Coverage shown is primary and non-contributory if required to be so by written contract. Waiver of Subrogation is granted if required to be so by written contract.

CERTIFICATE HOLDER**CANCELLATION**NJ Transit
One Penn Plaza East
Newark, NJ 07105

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.

Keith A. Stiles



ADDITIONAL INSURED - AUTOMATIC STATUS WHEN REQUIRED BY CONTRACT
OR AGREEMENT WITH YOU

- A. Section II - Who Is An Insured is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
 2. The acts or omissions of those acting on your behalf;
- in the performance of your ongoing operations for the additional insured.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

- B. The type and amount of insurance provided the additional insured does not exceed that required by the written contract or agreement, subject to your policy provisions and limits of liability. The most we will pay on behalf of the additional insured is the lesser of the amount payable under Section III - Limits Of Insurance or the amount of insurance required by the contract or agreement.
- C. Notwithstanding any requirement, term or condition of any contract or agreement with respect to which this endorsement may pertain, the insurance afforded to the additional insured is subject to all the terms, exclusions and conditions of the Commercial General Liability Coverage Part to which this endorsement is attached.

CG 80 18 12 04



ADDITIONAL INSURED - AUTOMATIC STATUS WHEN REQUIRED BY CONTRACT
OR AGREEMENT WITH YOU

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM

- A. Section II, Liability A, Coverage 1, Who Is An Insured is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy.

The status of an additional insured under this endorsement ends when your operations for that additional insured are completed.

- B. The most we will pay on behalf of the additional insured is the lesser of the amount payable under Section C, Limit Of Insurance or the amount of insurance required by the contract or agreement.
- C. Notwithstanding any requirement, term or condition of any contract or agreement with respect to which this endorsement may pertain, the insurance afforded to the additional insured is subject to all the terms, exclusions and conditions of the Commercial Auto Coverage Form to which this endorsement is attached.

CA 80 07 02 06



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY -
OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to the OTHER INSURANCE Condition and supersedes any provision to the contrary:

PRIMARY AND NONCONTRIBUTORY INSURANCE

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

CG 20 01 04 13

Copyright, Insurance Services Office, Inc., 2012

MCG 90-18524-04 01 131
11-22-13
PAGE 001



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

07/08/14

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Insurance Services 200 East Randolph Street, 4 th Floor Chicago, IL 60601	CONTACT NAME	
	PHONE (A/C No. Ext)	
INSURED McGladrey LLP One South Wacker Drive, Suite 800 Chicago, IL 60606	FAX (A/C No.)	
	E-MAIL ADDRESS	
	INSURER(S) AFFORDING COVERAGE	
	NAIC #	
	INSURER A: Swiss Re International	
	INSURER B:	
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY						
	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
							MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
							GENERAL AGGREGATE \$
							PRODUCTS - COMP/OP AGG \$
							\$
	AUTOMOBILE LIABILITY						
	<input type="checkbox"/> ANY AUTO						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per person) \$
	<input type="checkbox"/> H RED AUTOS						BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
	UMBRELLA LIAB						EACH OCCURRENCE \$
	EXCESS LIAB						AGGREGATE \$
	<input type="checkbox"/> OCCUR						\$
	<input type="checkbox"/> CLAIMS-MADE						\$
	DED						\$
	RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						
	<input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						WC STATUTORY LIMITS
	<input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below						OTH-ER
							E.L. EACH ACCIDENT \$
							E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability Insurance			MH74171.4	07/01/14	07/01/15	\$5,000,000 Per Claim and in the Annual Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

NJ Transit
One Penn Plaza East
Newark, NJ 07105

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

**NJ TRANSIT AGREEMENT NO. 14-033C
INTEGRITY OVERSIGHT MONITORING SERVICES**

PURCHASE ORDER



ONE PENN PLAZA EAST
NEWARK, NJ 07105-2246

HOW TO CONTACT ACCOUNTS PAYABLE
VOICE: 973-491-8399 FAX: 973-491-4621
E-MAIL: APHELP@NJTRANSIT.COM

PURCHASE ORDER INSTRUCTIONS

- ALL PACKAGES MUST BE ACCOMPANIED BY A PACKING SLIP.
- REFERENCE PURCHASE ORDER NUMBER AND NJT CATALOG NUMBER ON ALL INVOICES, PACKING SLIPS AND BILLS OF LADING.
- VENDOR MUST SUPPLY ORIGINAL INVOICE AND ANY FREIGHT BILLS IN EXCESS OF \$100 TO:
NJ TRANSIT ACCOUNTS PAYABLE
P.O. BOX 5519
NEWARK, NJ 07105-5519
- VENDOR MUST ALSO SUPPLY COPY OF INVOICE TO CONSIGNEE.
- VENDOR: IF PRICE ON PO DOES NOT MATCH, DO NOT SHIP MATERIAL, CONTACT BUYER.

PURCHASE ORDER & RELEASE NO		REV NO
B - 51390		0
VENDOR NO	ISSUE DATE	
70104728	06/13/14	
DATE CHANGED	PAGE NO	
	4	
PURCHASING FAX: 973-491-7547		

VENDOR:

MCGLADREY LLP
ONE SOUTH WACKER DRIVE, STE. 800
CHICAGO, ILLINOIS 60606

SHIP TO:

NJ TRANSIT HEADQUARTERS
*DELIVER 9-11 AM OR 2-4 PM ONL
ONE PENN PLAZA EAST
NEWARK, NJ 07105

BUYER: Taishida Chapman 973-491-8476 CPRCTSC@NJTRANSIT.COM

NJ TRANSIT IS EXEMPT FROM NJ SALES & USE TAXES PURSUANT TO SECT 9(A)(1), OF NJSA 54:32B-1 ET SEQ.
FEDERAL T.I.N.: 22-228-1352
TAX EXEMPT #'S 21-60000928 (NJ)
22-75-0050K (FEDERAL)

TERMS	FREIGHT TERMS	FOB	SHIP VIA	BUYER NO
NET 30 D	PREPAID	DELIVERED	BEST WAY	081

NJ TRANSIT ETHICS CODE: NJ TRANSIT IS AN INSTRUMENTALITY OF THE STATE OF NEW JERSEY AND ITS EMPLOYEES AND OFFICERS AND MEMBERS OF THE NJ TRANSIT BOARD OF DIRECTORS ARE PUBLIC SERVANTS AND ARE GOVERNED BY CIVIL AND CRIMINAL LAWS THAT CONTROL HOW NJ TRANSIT AND ITS PERSONNEL CONDUCT BUSINESS WITH VENDORS, CONTRACTORS AND CONSULTANTS. THESE PROVISIONS INCLUDE THE CONFLICTS OF INTEREST LAW, NJSA 52:13D-12; THE GIFTS TO PUBLIC SERVANTS LAW, NJSA 2C:27-6; AND THE COMPENSATION FOR PAST OFFICIAL BEHAVIOR LAW, NJSA 2C:27-4. THESE PROVISIONS CONTAIN UNEQUIVOCAL AND STRINGENT RESTRICTIONS RELATING TO GIFTS AND GRATUITIES BY ANY NJ TRANSIT EMPLOYEE OR ANY PERSON, COMPANY OR ENTITY DOING BUSINESS WITH OR WANTING TO DO BUSINESS WITH NJ TRANSIT. THE TERM "GIFT" INCLUDES ALL THINGS AND OBJECTS, TANGIBLE OR INTANGIBLE INCLUDING SERVICES, GRATUITIES, MEALS, ENTERTAINMENT, EVENT TICKETS, MEMBERSHIP CLUB ACCESS, TRAVEL COSTS AND LODGING. ALSO, NJ TRANSIT'S CODE OF ETHICS AND CODE OF CONTRACTORS AND CONSULTANTS PROHIBITS OFFERING ANY GIFTS TO ANY NJ TRANSIT EMPLOYEE. DO NOT, UNDER ANY CIRCUMSTANCES, TEMPT OR PUT AN NJ TRANSIT EMPLOYEE IN THE AWKWARD POSITION OF HAVING TO REFUSE A GIFT OR RETURN A GIFT NO MATTER HOW WELL INTENTIONED OR INNOCUOUS THE GIFT MAY BE.

LINE ITEM	QUANTITY	UNIT OF MEASURE	NJT CATALOG NUMBER	DESCRIPTION	UNIT PRICE	AMOUNT
1		EA	95	CONTRACT/BID NO: 14-033C NJ TRANSIT CONTRACT NO. 14-033C INTEGRITY OVERSIGHT MONITORING SERVICES PROJECT MANAGER: WARREN HERSH THIS AGREEMENT IS A COST REIMBURSABLE CONTRACT BASED UPON THE CUMULATIVE VALUE OF THE WORK AUTHORIZATIONS ISSUED BY NJ TRANSIT FOR A THREE (3) YEAR CONTRACT TERM. *REFER TO CONTRACT NO. 14-033C FOR THE COMPLETE TERMS OF THIS AGREEMENT.* ***** MR# NONE PROM DATE: GL# NJ TRANSIT CONTRACT NO. 14-033C INTEGRITY OVERSIGHT MONITORING SERVICES *****	1.0000	.0000

CONTINUE

☐ WHEN BOX IS CHECKED, THE TERMS AND CONDITIONS OF THE ATTACHED CONTRACT REPLACE THOSE SHOWN ON THE REVERSE SIDE OF THIS PURCHASE ORDER.

See Page 2
VENDOR COPY

AUTHORIZED NJ TRANSIT SIGNATURE/DATE



HOW TO CONTACT ACCOUNTS PAYABLE
VOICE: 973-491-8399 FAX: 973-491-4621
E-MAIL: APHELP@NJTRANSIT.COM

- ALL PACKAGES MUST BE ACCOMPANIED BY A PACKING SLIP.
- REFERENCE PURCHASE ORDER NUMBER AND NJT CATALOG NUMBER ON ALL INVOICES, PACKING SLIPS AND BILLS OF LADING.
- VENDOR MUST SUPPLY ORIGINAL INVOICE AND ANY FREIGHT BILLS IN EXCESS OF \$100 TO:
NJ TRANSIT ACCOUNTS PAYABLE
P.O. BOX 5519
NEWARK, NJ 07105-5519
- VENDOR MUST ALSO SUPPLY COPY OF INVOICE TO CONSIGNEE.
- VENDOR: IF PRICE ON PO DOES NOT MATCH, DO NOT SHIP MATERIAL, CONTACT BUYER.

PURCHASE ORDER & RELEASE NO		REV NO
B-51390		0
VENDOR NO	ISSUE DATE	
70104728	06/13/14	
DATE CHANGED	PAGE NO	
	2	
PURCHASING FAX: 973-491-7547		

SHIP TO: NJ TRANSIT HEADQUARTERS
*DELIVER 9-11 AM OR 2-4 PM ONL
ONE PENN PLAZA EAST
NEWARK, NJ 07105

NJ TRANSIT IS EXEMPT FROM NJ SALES & USE
TAXES PURSUANT TO SECT 9(A)(1), OF
NJSA 54:32B-1 ET SEQ.
FEDERAL T.I.N.: 22-228-1352
TAX EXEMPT #'S 21-60000928 (NJ)
22-75-0050K (FEDERAL)

BUYER NO
081

LINE ITEM	QUANTITY	UNIT OF MEASURE	NJT CATALOG NUMBER	DESCRIPTION	UNIT PRICE	AMOUNT
					** TOTAL:	\$.00

AUTHORIZED NJ TRANSIT SIGNATURE/DATE