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Kim Guadagno, Lieutenant Governor
Richard T. Hammer, Acting Commissioner
Veronique Hakim, Executive Director

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

December 22, 2015

Mr. Paul Raffensperger
Cohn Reznick LLP
7501 Wisconsin Avenue, Suite 400E
Bethesda, Maryland 20814-6583

Mr. David Cace
Eisner Amper LLP
111 Wood Avenue South, Suite 600
Iselin, New Jersey 08830

Mr. Patrick Hagan
RSM US LLP
1185 Avenue of the Americas,
New York, NY 10036

Mr. Joseph Deluca
Thacher Associates, LLC
330 West 42nd Street, 23rd Floor
New York, New York 10036

**Re: NJ TRANSIT Contract No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Integrity Oversight Monitoring
Services for the Substation Program**

Dear Integrity Oversight Monitoring Firms:

In accordance with the procedures outlined in the above referenced contract, a scope of work is attached for the development of a technical and cost proposal for the subject assignment.

Firms are reminded that there is a 10% DBE participation goal attached to work authorized under the subject Contract. Technical and Cost Proposals shall specifically detail proposed DBE participation under the Assignment.

Questions or requests for clarification regarding the Request for Proposal are to be submitted in writing no later than 4:00 p.m. on Tuesday, January 5, 2016 and are to be submitted to the attention of the undersigned at tchapman@njtransit.com. Questions are to be submitted in a non-scanned Word format.

One (1) original and seven (7) copies of your technical proposal and one (1) original and three (3) copies of your cost proposal are to be submitted no later than **2:00 p.m. on Tuesday, January 19, 2016** and addressed as follows:

Ms. Taishida S. Chapman
Principal Contract Specialist
NJ TRANSIT
Procurement Department
One Penn Plaza East, 6th Floor
Newark, New Jersey 07105

Re: 14-033 –IOM Services for the Substation Program

Integrity Oversight Monitoring (IOM) Firms are also requested to submit an electronic copy of the technical & cost proposal no later than 4:00 p.m. on Tuesday, January 19, 2016 to Ms. Taishida Chapman at tchapman@njtransit.com.

NJ TRANSIT will enter into negotiations with the top ranked proposer to reach an agreement on the scope of services and the fair and reasonable compensation to be paid by NJ TRANSIT. If in the opinion of NJ TRANSIT a satisfactory agreement cannot be negotiated with the top ranked proposer, NJ TRANSIT will end negotiations and initiate negotiations with the second most qualified firm. NJ TRANSIT considers all aspects of a consultant's proposal negotiable.

If the IOM is unable to submit a proposal because of a conflict of interest or scheduling, the IOM must provide notice to NJ TRANSIT within three (3) business days of the receipt of the Request for Proposal.

This letter should not be interpreted as an award of a contract or as a commitment to reimburse for any costs incurred in the preparation of a proposal.

We look forward to receiving and reviewing your proposal.

Sincerely,



Taishida S. Chapman
Principal Contract Specialist
Procurement Department

Attachments

cc: D. Blazina
E. Daleo
A. Marvi
J. Rush-Gilbert
F. Savino
M. Strickland
K. Sundstrom

NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Integrity Oversight Monitoring Services
for the Substation Program

A. GENERAL INFORMATION:

On March 27, 2013, P.L. 2013, Chapter 37 (N.J.S.A. § 52:15D-1, et seq.), the Integrity Oversight Monitor Act (the Act) was enacted for the purpose of authorizing the use of Integrity Oversight Monitors (IOMs) for recovery and rebuilding contracts resulting from Superstorm Sandy and subsequent major storms in New Jersey. The Act authorizes the State Treasurer to require integrity oversight monitor services on any State or non-State federally funded recovery and rebuilding contract of \$5 million or more.

The NJ TRANSIT Superstorm Sandy Recovery and Resilience Program (“Program”), funded in part by the FTA, has been established to implement recovery and rebuilding and locally-prioritized resiliency projects based on damage assessments resulting from Superstorm Sandy in October 2012. 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.

The services of the Integrity Oversight Monitors shall generally consist of performing integrity monitoring (fraud, waste, and abuse) 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 NJ TRANSIT Internal Auditing Department (IAD) in consultation with the NJ TRANSIT Accountability Officer under Executive Order 125 and the New Jersey Department of the Treasury.

B. PROJECT DESCRIPTION

NJ TRANSIT Resilience Program – Substations Program

Gannett Fleming, Design Consultant, Contract 13-006A

Gannett Fleming is providing design services to repair in a resilient manner six (6) general power substations and the Mason Electric Traction Power Substation, and Ancillary Power Systems, as well as the replacement of the Gladstone Line catenary poles. These substations serve Hoboken Terminal, Meadows Maintenance Complex (MMC), Bay Head Yard, and traction power for the Morris & Essex Rail Line. The Gladstone Line poles project replaces the wooden catenary poles with concrete foundations and metal poles. The designs incorporate mitigation measures to prevent future damage and/or service disruption. The total Sandy Board Authorization for Gannett Fleming is \$10,640,000 of which \$10,463,113.08 has been authorized; \$9,694,730.19 for Substations Design, and \$768,382.89 for the Gladstone Poles Design and Construction Assistance.

The scopes, budgets and milestones for the following four (4) Substation Projects are provided in Attachment 1:

1. NJT00766, “SANDY Dmg 02RINF 4 ET Henderson St. Substation Repair”

2. NJT00768, "SANDY Dmg 02RINF 4 ET Bay Head Yard Substation Repair"
3. NJT00762, "SANDY Dmg 02RINF 4 ET Hoboken Terminal House Power Repair"
4. NJT01113, "SANDY Rsl 08MAS ROC Unit Substation"

C. 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 NJT IAD.
3. The IOM firm will provide monitoring services for the contracted services for construction, design and project management.

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.
3. Training (If Applicable) -The IOM firm will provide fraud, waste and abuse awareness or other training as may be required by NJ TRANSIT.

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.

Task E – Preparing and Maintaining a Fraud Risk Assessment.

Provide a fraud risk assessment of the contract activities for the Substations Program noted above including, but not be limited to, the identification of:

- a) Potential fraud, waste, abuse and/or potential criminal activity risks/scenarios/schemes including prioritization and probability and potential impact.
 - i. Included should be a review of all applicable construction contract requirements and processes for susceptibility to fraud, waste, abuse and/or potential criminal activity.
- b) Specific methodology and detailed work programs/audit programs/other procedures that will be employed by the IOM firm to mitigate, minimize and/or identify fraud, waste, abuse and/or potential criminal activity for each risk/scenario/scheme identified for NJ TRANSIT.
- c) Detailed plan for key fraud, waste, abuse and/or potential criminal activity risks. This plan must include but not be limited to:
 - i. Prioritized fraud, waste, abuse and/or potential criminal activity risk/scenario/schemes.
 - ii. Detailed strategy for the life of the project for how each 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.
- d) Provide the strategy and deliverables that the IOM firm will utilize to assess contractor(s) compliance with DBE requirements as specified in Section VI below.
- e) Specific deliverables for each work program/audit program/other procedures.

Activities to be conducted by the IOM firm personnel, may include, but not be limited to the following in coordination with IAD:

1. Visiting sites as to ongoing construction work where warranted.
2. Attending construction contract meetings as needed, in consultation with IAD.
3. Attending scope 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 construction contract.
5. Auditing to ensure procurement compliance.
6. Addressing construction contract specifications.
7. Taking actions to detect, investigate, prevent and remediate, waste, fraud, and abuse.

8. Making unannounced periodic headcounts of construction site workers in order to deter no-show jobs.
9. Other activities that may be defined or required by IAD

D. DELIVERABLES

All deliverables must be in sufficient detail to allow:

1. NJ TRANSIT to verify and evaluate the conclusions, recommendations, plans, documentation, etc. provided.
2. NJ TRANSIT to assess, in its sole judgment, the quality and acceptance of deliverables provided.
3. The IOM firm, NJ TRANSIT or a third party to execute the plan.

The IOM must ensure compliance with the following:

A. Work Authorization Deliverables

At a minimum, the following deliverables will be provided to the NJ TRANSIT Internal Audit Project Manager based on the approved plan. All work plans **MUST** be in the format provided in Attachment 7. Deliverables to support work will include but not be limited to the following:

1. Fraud Risk Mitigation Strategy and Detailed Work Plan
2. Work papers, reports and other required documentation in the format and content required by NJ TRANSIT to support all work.
3. 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.
4. Audits as required under the Work Authorization.
5. Other deliverables that may be defined or required.

B. Required Reports and Documents

1. Findings of potential fraud, malfeasance, or criminal activity

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 Office of the State Comptroller and the Attorney General/OSC Taskforce with a copy to NJ TRANSIT Auditor General **immediately** consistent with the requirements of N.J.S.A.52:15D-2. See Attachment 2 for reporting instructions and form.

2. Weekly Status Reports

A weekly status report will be required each Monday by noon following the prior week's work in the NJ TRANSIT prescribed format (to be provided upon engagement). The report will be based on a reporting template provided by NJT Internal Audit which includes the following:

1. Total hours per Workplan
2. Hours by Risk Category per Workplan

3. Workpapers Provided to-date by Risk Category, Potential Fraud Risk
 4. Items That Require Clarification
 5. Weekly Accomplishments/Deliverables Provided
 6. Risk Category/Potential Fraud Risk/Monitoring Procedures in-Progress
 7. Risk Categories/Potential Fraud Risk/Monitoring Procedures Planned in the Next Two Weeks
3. Quarterly Report (Attachment 3)

On the first business day of each calendar quarter, the IOM firm shall provide to the State Treasurer, for distribution to the Legislature and the Governor, a report detailing the IOM firm'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 IOM firm's provision of services and recommendations for corrective or remedial action relative to findings of malfeasance and inefficiency. The report shall not include any information which may compromise a potential criminal investigation or prosecution or any proprietary information. The report shall include a privilege log which shall detail each denial of sensitive information that the IOM firm exercises in preparing the report for transmission to the Legislature and the Governor.

4. FTA Quarterly Report

Two weeks after the quarter ends, the IOM firm is required to provide all information as identified by NJ TRANSIT IAD to meet the FTA quarterly reporting requirements.

5. Time Logs

Copies (and upon request, originals) of time logs shall be maintained by the IOM and shall include information on the allocation of hours worked by the IOM and staff to the respective federally-funded programs and all other data required in order to ensure compliance with all federal requirements.

6. Requests for Information/Documents

Submit all document and information requests to the NJ TRANSIT Internal Audit Project Manager via email. The email should contain in the subject line "Document/Information Request – Project Name".

E. DBE PROGRAM REQUIREMENTS FOR THE IOM FIRM

Note: NJ TRANSIT does not have a MBE, or WBE Program, and the State of New Jersey's SBE Program does not apply.

A ten percent (10%) Race Conscious DBE goal has been assigned to this project. In accordance with Article 22 and Exhibit D of NJ TRANSIT Contract Nos. 14-033A, 14-033B, 14-033C and 14-033D, the IOM will cooperate with NJ TRANSIT in meeting its commitments and goals with regard to the maximum utilization of Disadvantaged Business Enterprises (DBEs) and will use its best efforts to ensure that DBEs shall have the

maximum opportunity to compete for subconsultant work. If the ten percent (10%) DBE participation is not met on this Work Authorization; the IOM must provide a detailed explanation as to why and how the firm plans to work towards meeting this goal in addition to documented evidence of good faith effort. Technical and Cost Proposals shall specifically detail DBE participation under this Work Authorization. The Cost Proposal must also include the mandatory DBE Forms A, A-1, A-2, B, NJUCP DBE Certification, Form D (if applicable) and Trucking Commitment Agreement (if applicable). If applicable, the Cost Proposals must also include the supplemental DBE forms AA, AA1, AA2 and BB).

F. IOM FIRM DBE PROGRAM COMPLIANCE MONITORING OF CONTRACTORS

Note: NJ TRANSIT does not have a MBE, or WBE Program, and the State of New Jersey's SBE Program does not apply.

The IOM firm shall provide the strategy and deliverables that the IOM firm will utilize to assess contractor(s) compliance with DBE requirements, including but not limited to:

- a) Specific methodology and detailed work programs/audit programs/other procedures that will be employed by the IOM firm to assess and monitor contractor(s) compliance with DBE Program Requirements and deliverables. DBE Program Requirements of the contracts include but are not limited to:
 - i. Prompt payment of invoices
 - ii. Prompt payment of retainage
 - iii. Commercially useful function (CUF)
 - iv. Pass-throughs
 - v. All contract deliverables
 - vi. Award versus spend
 - vii. Actual DBE work performed matches credit
 - viii. Reporting non-compliance in Weekly reports to NJ TRANSIT Internal Audit
 - ix. Written requests and approvals for the addition or removal/replacement of a DBE firm
 - x. Good faith effort on contract(s) being monitored including change orders/revisions
 - xi. Evidence of payment to prime contractor by NJ TRANSIT, and the DBE by prime contractor
 - xii. Other relevant data as required by NJ TRANSIT
- b) Specific deliverables for each work program/audit program/other procedures.
- c) Detailed plan for IOM firm's to assessment and monitoring contractor(s) DBE compliance. This plan must include but not be limited to:
 - i. Prioritized risks to contractor compliance with the DBE Program Requirements.
 - ii. Detailed strategy for the life of the project for how each 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.

G. SCHEDULE

The services to be provided by the IOM under this Work Authorization are scheduled to be completed by December 2020. The term of this Work Authorization is based upon the projected schedule of the Substations Program and may be amended at the discretion of NJ TRANSIT.

H. BACKGROUND CHECKS

IOM firm personnel assigned to this Work Authorization must provide documented evidence that they have had appropriate background checks or agree to obtain a background check prior to commencing the Work Authorization.

I. CONFLICT OF INTEREST

Integrity Oversight Monitors shall not be a firm or an affiliate thereof involved in Superstorm Sandy Program Management or in the design, preparation or delivery of Superstorm Sandy Recovery and Resiliency contracts, task orders, projects and programs. The IOM should provide NJ TRANSIT at the time it submits its proposal any anticipated or potential or suspected conflicts that it may incur during the projected course of a Work Authorization. The vendors/contractors for the Substations Program which the Work Authorization applies are as follows:

Vendor	Contact
Project Manager:	NJ TRANSIT
Environmental:	NJ TRANSIT
Designer:	Gannett Fleming
Contractor:	TBD

An IOM shall certify as part of its responsive proposal that neither it nor any of affiliates or subsidiaries or subconsultants currently provides directly or indirectly construction management or similar or related services that could be in conflict with providing IOM services to NJ TRANSIT under its current IOM agreement either directly or as a member of a joint venture, partnership, or as a subconsultants or subcontractor of any tier. An IOM, or its affiliates, or subsidiaries, or subconsultants which in the future responds to a procurement or enters into a joint venture, partnership or subcontract relationship of any tier to provide directly or indirectly construction management or similar or related services to NJ TRANSIT that could be in conflict with providing IOM services to NJ TRANSIT shall be subject to appropriate action by NJ TRANSIT with respect to any then active Work Authorizations, in the event a conflict is found to have arisen by such action on the part of the IOM or its affiliates subsidiaries, or subconsultants as determined within the sole discretion of NJ TRANSIT.

IOM firm personnel assigned to this Work Authorization will be required to maintain in confidence all information disclosed and made available by NJ TRANSIT in association with the Work Authorization. IOM Firms will be required to execute a Confidentiality and No Conflict of Interest Certification prior to commencing the Work Authorization.

NJ TRANSIT will determine whether a particular IOM has a conflict on a case by case basis. The IOM is required to consult with NJ TRANSIT where there is concern on the part of the IOM that a conflict may exist. NJ TRANSIT's determination regarding any question(s) of conflict of interest shall be final.

J. CONFLICT OF INTEREST WITH FUTURE CONTRACTORS & SUBCONTRACTORS

The contractor(s) and subcontractor(s) for the contract to which the Work Authorization applies may not be known at the time a Work Authorization is issued. Once the contractor(s) has been identified, the IOM shall provide NJ TRANSIT with any anticipated or potential or suspected conflicts that it may incur during the projected course of a Work Authorization.

Existence of conflicts will be determined, on a case-by-case basis by NJ TRANSIT. In the event it is determined that an award of the contract to which the Work Authorization applies presents an apparent conflict of interest the matter will be discussed and appropriate action taken which may include reassignment of the Work Authorization.

K. PROPOSAL CONTENT

One (1) original and seven (7) copies of your technical proposal and one (1) original three (3) copies of your cost proposal are to be submitted no later than 2:00 p.m. on Tuesday, January 18, 2016 and addressed as follows:

Ms. Taishida S. Chapman
Principal Contract Specialist
NJ TRANSIT
Procurement Department
One Penn Plaza East, 6th Floor
Newark, New Jersey 07105

Re: 14-033 IOM Services for the Substations Program

IOM Firms are also requested to submit an electronic copy of the technical & cost proposal no later than 4:00 p.m. on Tuesday, January 18, 2016 to Ms. Taishida Chapman at tchapman@njtransit.com.

Questions or requests for clarification regarding the Assignment Request are to be submitted in writing no later than 4:00 p.m. on Tuesday, January 5, 2016 and are to be submitted Ms. Taishida Chapman at tchapman@njtransit.com. Questions are to be submitted using the attached template (Attachment 4). The compilation of all questions and answers will be sent to the group prior to the Request for Proposal response due date. Communications regarding this Request for Proposal are to be conducted through NJ TRANSIT's Procurement Department. All other contacts are considered improper and are prohibited.

If the IOM is unable to submit a proposal because of a conflict of interest or scheduling, the IOM must provide notice to NJ TRANSIT within **three (3)** business days of the receipt of the Request for Proposal.

The IOM's technical proposal must contain the following elements:

Technical Proposals shall follow the format outlined below.

1. **COVER LETTER:** The cover letter shall summarize key points of the proposal and include any introductory or explanatory remarks. The cover letter should convey an understanding of the overall contract objectives and the work required of the Consultant.
2. **QUALIFICATION OF INDIVIDUALS:** This section shall contain resumes of the key persons proposed to work on this project. Resumes shall cite formal education, professional licenses and certifications, entire work history, and training in industry skills. Specific skills and any other relevant experiences should be highlighted.
3. **QUALIFICATION OF FIRM(S) AND RELATED EXPERIENCE:** This section shall contain information about the project organizational structure of the team and the personnel required for the project. The availability of professional and technical staff for this project should be shown. Also show anticipated workload for the duration of this project taking into account resources involved with existing proposals and active projects.
4. **TEAM ORGANIZATION/RESOURCE ALLOCATION:** This section shall address the proposed management structure, manpower allocation, and assigned individuals for performing the Detailed Work Plan.

The Consultant will identify disadvantaged owned business enterprises (DBEs) that will or may act as subconsultants in accordance with NJ TRANSIT's established goals.

The Consultant shall certify that the listed 'key personnel' will be employed by the consultant and will be assigned to the project in the manner prescribed. The 'key personnel' identified by the consultant shall not be removed from the contract without written approval from NJ TRANSIT. Therefore, if a 'key personnel' member leaves the firm, NJ TRANSIT must be notified in writing within five (5) business days of their termination/separation.

The following information shall also be included in this section:

Team Organization and Staffing Chart showing the reporting and contractual relationships of all firms included in the proposal as well as the organization of key personnel by name, title and reporting relationship.

Detailed Work Plan showing the number of person-hours proposed for each Task. This section shall include the detailed approach and methodology (work plan) for accomplishing the tasks detailed the scope of work. All work plans **MUST** be in the format provided in Attachment 7.

5. **TECHNICAL SECTION:** This section shall contain the work plan for accomplishment of the project. The work plan shall address all tasks described in this RFP. Additional narrative on the services to be performed, which can be used to evaluate the Proposer's understanding of the objectives and overall purpose of the project, is encouraged. This section shall carefully reflect all tasks described in Section C above.
6. **IOM FIRM DBE PROGRAM COMPLIANCE MONITORING OF CONTRACTORS:** This section shall contain the detailed strategy and deliverables that the IOM Firm will utilize to assess the contactor(s) compliance with the DBE Requirements as detailed in Section F above.
7. **DBE PROGRAM REQUIREMENTS FOR THE IOM FIRM:** The IOM Firm shall identify DBEs that will or may act as subconsultants in accordance with NJ TRANSIT's established DBE goals.

This section shall also describe, in sufficient detail, how the IOM firm will meet its DBE requirements as prescribed in the Contract and the controls that are in place within the IOM firm to ensure compliance. DBE participation is to be highlighted and total DBE participation provided as a percentage only.

8. **SCHEDULE:** A schedule that shall identify the performance milestones and associated deliverable items to be submitted as evidence of completion of each task and/or sub-task.
9. **QUALITY ASSURANCE PLAN (QAP):** This section shall contain a summary of the Consultant's QAP outlining the process which will be followed for checking, reviewing and approving of the Consultant's work product to ensure it is consistent with NJ TRANSIT and New Jersey Department of the Treasury expectations, requirements and standards. Typical titles of responsible individuals shall be identified along with descriptions of experience and other qualifications required for these positions. A complete QAP is not required; however Consultant shall provide sufficient detail of its quality assurance program in order to permit a clear understanding.
10. **CONFLICTS:** In accordance with Section I above, an IOM firm shall certify as part of its responsive proposal that neither it nor any of its affiliates or subsidiaries or subconsultants currently provides directly or indirectly construction management or similar or related services that could be in conflict with providing IOM services to NJ TRANSIT under its current IOM agreement either directly or as a member of a joint venture, partnership, or as a subconsultants or subcontractor of any tier.

If the Consultant or any employee, agent or subconsultant of the Consultant may

have, or may give the appearance of a possible conflict of interest, the Consultant shall include in its proposal a statement indicating the nature of the conflict. Also, provide a description of how the firm avoids or addresses potential conflicts of interest. NJ TRANSIT reserves the right to disqualify the Consultant if, in its sole discretion, any interest disclosed from any source could create, or give the appearance of, a conflict of interest. NJ TRANSIT's determination regarding any question(s) of conflict of interest shall be final.

The IOM's cost proposal must contain the following elements:

- A. Cost proposals shall be submitted in a separate, sealed envelope.
- B. Cost proposals are to be presented in a person-hour allocation format by firm, task and personnel classification. (Attachment 5)
- C. NJ TRANSIT will only pay for straight time labor at the fully loaded rate with no overtime or night differential, i.e., NJ TRANSIT will not pay for travel, meals, lodging, commutation, overhead, profit, administration, or other expenses except as otherwise specifically provided below. Any other necessary expenses on a project basis will be at the sole discretion of NJ TRANSIT and all decisions are final. Rates shall be fully loaded and apply per job title.

There is an allowance established for reimbursement of reasonable, documented costs incurred in order to relocate staff members and managers to New Jersey where their primary residences are 90 or more miles from the City of Newark, New Jersey documented by computer mapping calculations. In such instances only costs of initial travel and move of personal property to New Jersey will be reimbursed and only where approved in writing by NJT IAD prior to move or travel occurring. No travel back and forth to primary residence during work assignment will be reimbursable; however, reasonable documented costs of transportation of assigned personnel and move of personal property will be paid upon conclusion of Work Authorizations to which staff member or manager has been assigned. Travel in relation to assigned duties shall not be reimbursable. All reimbursable travel expenses shall be in accordance with the Travel & Business Reimbursement Guidelines.

As to Subject Matter Experts (SMEs), only costs of travel and stays in hotel as well as breakfast and dinner will be reimbursable where SME attendance is required in New Jersey and has been previously approved in writing by NJT IAD for periods of 30 or fewer consecutive days. Travel in relation to assigned duties shall not be reimbursable. Stays of SMEs for more than 30 days will be reimbursed for reasonable, documented relocation costs as provided above as it applies to staff members and managers. All reimbursable travel expenses shall be in accordance with the Travel & Business Reimbursement Guidelines.

- D. The Cost Proposal must also include the mandatory attached DBE Forms A, A-1, A-2, B, NJUCP DBE Certification, Form D (if applicable) and Trucking Commitment Agreement (if applicable) as detailed in Section E above. If applicable, the Cost Proposals must also include the supplemental DBE forms AA, AA1, AA2 and BB. (Attachment 6). If the ten percent (10%) DBE participation is not met on this Work

Authorization; please provide a detailed explanation as to why and how the firm plans to work towards meeting this goal in addition to documented evidence of good faith effort.

L. SELECTION PROCESS

NJ TRANSIT will review the proposals and select the IOM whose proposal is most advantageous, price and other factors considered.

Oral Presentations may be required at the discretion of NJ TRANSIT. Oral Presentations, if necessary, will provide an opportunity for the firms/teams to clarify or elaborate on its written technical proposal. The Technical Evaluation Committee (TEC) will conduct the Oral Presentations. The TEC will use the Oral Presentations to confirm and/or reassess its understanding of the written technical proposals, and incorporate that information into its evaluation by revising the written technical evaluation scores accordingly. NJ TRANSIT reserves the right to assess and reassess its understanding of proposals and revise the rating and ranking of such proposals at any time prior to selection.

NJ TRANSIT will enter into negotiations with the top ranked proposer to reach an agreement on the scope of services and the fair and reasonable compensation to be paid by NJ TRANSIT. If in the opinion of NJ TRANSIT a satisfactory agreement cannot be negotiated with the top ranked proposer, NJ TRANSIT will end negotiations and initiate negotiations with the second most qualified firm. NJ TRANSIT considers all aspects of a consultant's proposal negotiable.

NJ TRANSIT will then issue a Work Authorization with a "not to exceed" clause to the engaged firm and begin the issuance of the assignment. A firm may submit pricing lower than its original proposal price for a specific project. Any change in the scope and/or fee must have the prior written consent of NJ TRANSIT's authorized representative.

Contract award is subject to the availability of federal funding. The level and amount of work to be awarded to the Integrity Oversight Integrity Monitor is not guaranteed.

M. ADMINISTRATION OF THE CONSULTANT – STANDARD PROJECT INITIATION

Consultant activities will be managed by NJ TRANSIT's Internal Audit Department (NJT IAD) in consultation with the New Jersey Department of the Treasury, NJ TRANSIT Accountability Officer and NJ TRANSIT's authorized Procurement representative with responsibility for initiating all contractual work and the administration of and resolution of all Work Authorization items.

A. Work Authorization

Work Authorizations executed between the IOM's authorized representative and NJ TRANSIT's authorized Procurement representative is required prior to any services being provided by the Consultant. The parties agree that the signing of a Work Authorization shall be necessary to commit NJ TRANSIT to compensate the IOM for accepted work referenced therein and to commit the IOM to perform the work according

to its written description, for an amount not to exceed the fee provided in the Work Authorization. Any change in the scope and/or fee must have the prior written consent of NJ TRANSIT's authorized Procurement representative. A separate Work Authorization shall be required for each assignment of the IOM.

Work Authorizations are intended to provide oversight monitoring of specific contracts from conception where practicable under the circumstances. An assigned IOM is to have its staff familiarize itself with the proposed contract scope and schedule and get to know the project management and design staff. The IOM is to become familiar with the contract to which it is assigned prior to the commencement of work. Contracts can be varied in scope and length of time. Some contracts will involve force account work and contract work at the same time and sometimes sequentially. Before actual construction work begins, IOM staff time will not be at full level. Similarly as a contract nears completion and closeout, IOM involvement will similarly lessen. The subject matter experts to be supplied by IOM will differ from assignment to assignment and possibly during the course of a contract where nature and scope of work may vary from phase to phase.

B. Acceptance

(1) Any items which the Consultant must deliver to NJ TRANSIT as noted in a Work Authorization shall be delivered to the NJT IAD. NJT IAD will review the deliverables and shall have the right, in its sole judgment, to refuse the acceptance of any items if they do not meet the Standards of Performance established by NJ TRANSIT. Such review does not relieve the Consultant of its liability for errors and omissions.

(2) Any items which the Consultant must deliver to New Jersey Department of the Treasury as noted in a Work Authorization and/or the reporting requirements shall be delivered to the New Jersey Department of the Treasury. New Jersey Department of the Treasury will review the deliverables and shall have the right, in its sole judgment, to refuse the acceptance of any items if they do not meet the performance standards set forth in NJ Transit Contract Nos. 14-033A, 14-033B, 14-033C and 14-033D. Such review does not relieve the Consultant of its liability for errors and omissions.

(3) If the services or any deliverables are not accepted, NJ TRANSIT has the option of terminating the Agreement, or terminating the associated Work Authorization.

(4) NJ TRANSIT and New Jersey Department of the Treasury reserve the right to seek reimbursement of all costs, expenses or damages incurred, because of any act, error or omission, neglect or negligence, or misconduct of said Consultant or its sub-consultants in the performance of the work outlined in this Agreement. In such an event, NJ TRANSIT may withhold payment pending resolution of disputed claim not to exceed the amount due under the item of dispute, but without limitation to the amount NJ TRANSIT or Treasury may seek or claim to the extent allowed by law or equity. NJ TRANSIT shall not be obligated to make any payment for work that is unsatisfactory or does not comply with the terms of this Agreement. Furthermore, the Consultant shall not receive additional compensation for the cost of redoing, correcting or otherwise revising work by reason of any act, error or omission, neglect or negligence, or misconduct of said Consultant or its sub-consultants in the performance of the work outlined in this Agreement.

C. Responsibilities

(1) NJ TRANSIT Responsibilities

NJ TRANSIT is responsible for managing and accepting the IOM's work and deliverables as well as approving its invoices.

(2) Integrity Oversight Monitor Responsibilities

IOMs are responsible for executing the work in an effective and efficient manner and to meet all requirements of the Contract including the reporting requirements as noted in Section IV. In addition, the IOM is required to provide all work directly to NJ TRANSIT Internal Audit. Any other interactions with NJ TRANSIT personnel including the execution of the contract work must be coordinated through the NJ TRANSIT Internal Audit Department with the exception of communications with the Office of Civil Rights/Business Development regarding the IOM firm's DBE program requirements.

N. ADMINISTRATION OF THE CONSULTANT - CONSULTANT TEAM CHANGES

Where the Consultant finds it necessary or prudent to vary the composition of its resources, the Consultant shall be required to submit for NJ TRANSIT and the New Jersey Department of the Treasury, as the case may be, a request for approval in advance with such information and justifications as are necessary to support the restructuring of the team. In making such changes, the Consultant must remain cognizant of all DBE participation requirements and goals as specified in the contract documents. For resources that are added, NJ TRANSIT will require a description of the resources' credentials and background. In addition, NJ TRANSIT may require an interview of the personnel.

NJT IAD and New Jersey Department of the Treasury shall have the right to pre-approve staffing and removal of particular staff members at its discretion.

If the Prime Consultant will be adding, removing and/or replacing a DBE subconsultant firm/employee on its team, it must be in accordance with Exhibit D, Articles 4.2, 4.3 and 4.4 of NJ TRANSIT's DBE Requirements.

O. ADMINISTRATION OF THE CONSULTANT - COMPENSATION

Payment for services to be rendered under this contract shall be on an hourly fee basis with a maximum not-to-exceed cost established for each individual Work Authorization authorized in accordance with the procedures described herein, and subject to the terms and conditions established for the overall contract. Payments of invoices will be made within thirty (30) days of approval by NJ TRANSIT Auditor General or his designee. No charges for work directed by unauthorized NJ TRANSIT or New Jersey Department of the Treasury personnel shall be binding upon NJ TRANSIT, and any work performed pursuant to such authorization shall be entirely at the risk of the Consultant. Additionally, no compensation will be allowed for the revision of work which has been rejected as failing to satisfy the requirements of a specific Work Authorization.

The Consultant shall use a standard invoice form detailing the particular tasks, deliverables completed, particular work completed, hours expended by personnel, cost basis and total cost, and other detailed information that may be required by NJ TRANSIT. The Consultant shall submit all itemized bills separately for each Work Authorization. Each invoice may be reviewed by NJT IAD and New Jersey Department of the Treasury as well as by the Accountability Officer, the Board's Representatives and NJ TRANSIT staff.

Monthly invoices with supporting schedules of billable hours, fees and deliverables for work performed must be issued for this Work Authorization. No travel or out-of-pocket expenses will be reimbursed unless pre-approved in accordance with NJ TRANSIT Contract No. 14-033. Payment of invoices will be contingent upon successful completion, delivery and sole acceptance of aforementioned deliverables in the form and substance required by NJ TRANSIT.

In addition to the weekly report, in order to support payment, the IOM firm must include in their billing detail a daily log of activities for each person on the Work Authorization. This includes, for each person, tasks performed by deliverable, identification of the employees or subconsultants (and their respective employees) met with, summarized work performed, all meetings attended, field visitations along with the name of employee and subconsultants (and their respective employee) in attendance, and any other information to sufficiently support billing. Billing must also include, by person, hours billed for the current period and hours billed to date and expenses billed for the current period and expenses billed to date. The above provisions also apply to all sub-consultants if employed by the IOM firm.

P. OWNERSHIP OF WORK

All work product produced by the IOM in accordance with this contract and Work Authorizations are the sole property of NJ TRANSIT. Work product includes, but is not limited to: reports, documents, analyses, worksheets, work papers, cost estimates, tapes (audio or video), correspondence, computer files/media storage/programs/data, sample lists, sign-in sheets, audits, photographs, drawings, spread sheets, graphics and all other information resulting from or obtained during the Consultant's work performed under this contract.

Q. NOTICE OF EXECUTIVE ORDER 125 REQUIREMENT FOR POSTING OF WINNING PROPOSAL AND CONTRACT DOCUMENTS

Pursuant to Executive Order No. 125, signed by Governor Christie on February 8, 2013, the Office of the State Comptroller (OSC) is required to make all approved State contracts for the allocation and expenditure of federal reconstruction resources available to the public by posting such contracts on an appropriate State website. Such contracts are posted on the New Jersey Sandy Transparency website located at:

<http://nj.gov/comptroller/sandytransparency/contracts/sandy/>

The contract resulting from this Request for Proposal is subject to the requirements of Executive Order No. 125. Accordingly, the OSC will post a copy of the contract,

including the Request for Proposal, the winning proposer's proposal and other related contract documents for the above contract on the Sandy Transparency website.

In submitting its proposal, a proposer may designate specific information as not subject to disclosure. However, such proposer must have a good faith legal and/ or factual basis to assert that such designated portions of its proposal (i) are proprietary and confidential financial or commercial information or trade secrets or (ii) must not be disclosed to protect the personal privacy of an identified individual. The location in the proposal of any such designation should be clearly stated in a cover letter, and a redacted copy of the proposal should be provided.

The State reserves the right to make the determination as to what is proprietary or confidential, and will advise the winning bidder accordingly. The State will not honor any attempt by a winning proposer to designate its entire proposal as proprietary, confidential and/or to claim copyright protection for its entire proposal. In the event of any challenge to the winning proposer's assertion of confidentiality with which the State does not concur, the proposer shall be solely responsible for defending its designation.

R. ATTACHMENTS

- Attachment 1: Substations Program Information
- Attachment 2: Disaster Fraud Theft Reporting Form
- Attachment 3: Quarterly Report Template
- Attachment 4: Question Submittal Template
- Attachment 5: Cost Proposal Format
- Attachment 6: DBE Forms
- Attachment 7: Work Plan Template

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Integrity Oversight Monitoring Services
for the Substations Program**

Attachment 1: Substations Program Information

**NJ TRANSIT RESILIENCE PROGRAM
SUBSTATIONS PROGRAM**

Current Vendor: Gannett Fleming, Design Consultant, Contract 13-006A

Gannett Fleming is providing design services to repair in a resilient manner six general power substations and the Mason electric traction power substation, and ancillary power systems, as well as the replacement of the Gladstone Line catenary poles. These substations serve Hoboken Terminal, Meadows Maintenance Complex (MMC), Bay Head Yard, and traction power for the Morris & Essex Rail Line. The Gladstone Line poles project replaces the wooden catenary poles with concrete foundations and metal poles. The designs incorporate mitigation measures to prevent future damage and/or service disruption. The total Sandy Board Authorization for Gannett Fleming is \$10,640,000 of which \$10,463,113.08 has been authorized; \$9,694,730.19 for substations design, and \$768,382.89 for the Gladstone Poles design and construction assistance.

The following is the scope, budget and milestones for the four federally funded Substation Projects:

NJT00766, "SANDY Dmg 02RINF 4 ET Henderson Street Substation Repair"

SCOPE:

This project involves the design and construction of the replacement Henderson Street Substation in Hoboken, including switch-gear, transformers and all other associated power cable, devices and controls. The replacement Substation will be located within the existing Hoboken Yard Boiler Building (boiler is decommissioned). Provisions for future relocation of the track switch facilities, with fiber optic connections between the RTU controls, and backup power will be included in the new facility. This work also includes modifications and repairs to, or demolition of, the existing boiler building structure/envelope necessary to accommodate installation of the Substation equipment. A redundant utility service feeder will be included in the replacement Substation. The Substation will be elevated to Design Flood Elevation or above, and utilize components designed to better withstand contact with salt water where elements cannot be raised, in a manner consistent with codes and standards.

BUDGET:

CPAS Category	Current Value
Design - In House	\$100,000
Design – Services	\$1,350,000
Project Administration - In House	\$250,000
Project Administration - Services	\$1,200,000
Oversight – Services	\$300,000
Contingency	\$2,325,000
Construction - In House	\$1,000,000
Construction – Services	\$12,000,000
Construction Mgmt - In House	\$250,000
Construction Mgmt - Services	\$1,625,000
Flagging - In House	\$150,000
Purchase – Materials	\$750,000
TOTAL	\$21,300,000

MILESTONES:

Milestone Category	Current Date
1 Concept Planning Complete	3/7/2013
2a Package to Procurement - Design	3/15/2013
2b Advertise Design Contract	3/21/2013
3 Board Approval Design Contract	4/10/2013
4a LNTP Design (Contract or In-House)	4/30/2013
4b NTP Design (Contract or In-House)	9/10/2014

SUPERSTORM SANDY RECOVERY AND RESILIENCE
Substations Program

4.1 NTP Environmental (NEPA)	2/3/2013
5 Design 30% Complete	3/5/2014
6 Environmental Complete	12/11/2013
7 Design 100% Complete	3/29/2016
8 Property Available	5/1/2013
12a Package to Procurement - Primary	4/6/2016
12b Advertise Primary Contract	6/27/2016
13 Board Approval Primary Contract	10/12/2016
14 NTP Primary (Contract or In-House)	1/5/2017
18 50% Complete	2/9/2018
19 Project Complete	9/24/2019
20 Closeout Complete	8/22/2020

NJT00768, "SANDY Dmg 02RINF 4 ET Bay Head Yard Substation Repair"

SCOPE:

This project involves the design and construction of a replacement Bay Head Yard Substation including switch-gear, transformers and all other associated power cable, devices, and controls. The replacement project will combine the functions of both existing Substations into a single new Substation. A redundant utility service feeder for the new Substation will also be included. The Substation will be elevated to Design Flood Elevation or above, and utilize components designed to better withstand contact with salt water where elements cannot be raised, in a manner consistent with codes and standards.

BUDGET:

CPAS Category	Current Value
Design - In House	\$125,000
Design – Services	\$1,700,000
Project Administration - In House	\$300,000
Project Administration – Services	\$900,000
Oversight – Services	\$381,000
Contingency	\$2,069,000
Construction - In House	\$1,000,000
Construction – Services	\$14,000,000
Construction Mgmt - In House	\$325,000
Construction Mgmt – Services	\$1,450,000
Demolition – Services	\$200,000
Flagging - In House	\$750,000
Purchase – Materials	\$500,000
TOTAL	\$23,700,000

MILESTONES:

Milestone Category	Current Date
1 Concept Planning Complete	3/7/2013
2a Package to Procurement - Design	3/15/2013
2b Advertise Design Contract	3/21/2013
3 Board Approval Design Contract	4/10/2013
4a LNTP Design (Contract or In-House)	4/30/2013
4b NTP Design (Contract or In-House)	9/10/2014
4.1 NTP Environmental (NEPA)	2/3/2013
5 Design 30% Complete	4/15/2014
6 Environmental Complete	6/25/2014
7 Design 100% Complete	1/12/2016
8 Property Available	5/1/2013
12a Package to Procurement - Primary	1/20/2016
12b Advertise Primary Contract	4/8/2016
13 Board Approval Primary Contract	8/10/2016
14 NTP Primary (Contract or In-House)	11/1/2016
18 50% Complete	1/22/2018
19 Project Complete	11/14/2019
20 Closeout Complete	10/12/2020

NJT00762, "SANDY Dmg 02RINF 4 ET Hoboken Terminal House Power Repair"

SCOPE:

This project involves the design and construction for the repair and replacement of the Hoboken Terminal House Power Supply (a.k.a. "Depot Substation") including switch gear, transformers and associated relays, circuit breakers, power cables, electrical system component, and ancillary equipment. The Depot Substation was damaged by Superstorm Sandy. To improve the resiliency of the Substation, it will be relocated above design flood elevation to the second floor of the Pullman and Immigrant building (a.k.a. "Immigrant" building), which is adjacent to the existing substation. The utility metering and isolation switch for the 13.2kV feed from Observer Highway will also be re-located to the second floor of the Immigrant building. The Immigrant building will be upgraded to meet structural requirements for the Substation and all modifications will comply with SHPO requirements.

BUDGET:

CPAS Category	Current Value
Design - In House	\$250,000
Design - Services	\$1,538,000
Project Administration - In House	\$500,000
Project Administration - Services	\$1,087,000
Oversight - Services	\$389,000
Contingency	\$6,504,000
Construction - In House	\$1,250,000
Construction - Services	\$9,058,000
Construction Mgmt - In House	\$400,000
Construction Mgmt - Services	\$1,583,000
Flagging - In House	\$1,000,000
Purchase - Materials	\$500,000
TOTAL	\$24,059,000

MILESTONES:

Milestone Category	Current Date
1 Concept Planning Complete	3/7/2013
2a Package to Procurement - Design	3/15/2013
2b Advertise Design Contract	3/21/2013
3 Board Approval Design Contract	4/10/2013
4 LNTP Design (Contract or In-House)	4/30/2013
4.1 NTP Environmental (NEPA)	2/3/2013
5 Design 30% Complete	5/1/2014
6 Environmental Complete (NEPA)	8/14/2014
7 Design 100% Complete	11/9/2015
8 Property Available	5/1/2013
12a Package to Procurement - Primary	11/24/2015
12b Advertise Primary Contract	2/16/2016
13 Board Approval Primary Contract	6/8/2016
14 NTP Primary (Contract or In-House)	8/30/2016
18 50% Complete	11/16/2017
19 Project Complete	5/13/2019
20 Closeout Complete	4/11/2020

NJT01113, "SANDY Rsl 08MAS ROC Unit Substation"

SCOPE:

This project includes construction of a replacement Substation to be built above Design Flood Elevation and integration of emergency power equipment to service the Rail Operations Center (ROC). The Design is being produced as part of the Building No. 9 Substation (NJT00772) which feeds the ROC Unit Substation. The Substation will be elevated to Design Flood Elevation or above, and utilize components designed to better withstand contact with salt water where elements cannot be raised, in a manner consistent with codes and standards.

BUDGET:

CPAS Category	Current Value
Project Administration - In House	\$10,000
Project Administration - Services	\$26,000
Oversight - Services	\$ 148,000
Contingency	\$443,000
Construction - In House	\$300,000
Construction - Services	\$5,492,000
Construction Mgmt - In House	\$ 15,000
Construction Mgmt - Services	\$26,000
Flagging - In House	\$50,000
Purchase - Materials	\$100,000
TOTAL	\$6,610,000

MILESTONES:

Milestone Category	Current Date
1 Concept Planning Complete	03/07/13
2a Package to Procurement - Design	03/15/13
2b Advertise Design Contract	03/21/13
3 Board Approval Design Contract	04/10/13
4 LNTP Design (Contract or In-House)	04/30/13
4.1 NTP Environmental (NEPA)	02/03/13
5 Design 30% Complete	12/20/13
6 Environmental Complete (NEPA)	11/25/13
7 Design 100% Complete	10/20/15
8 Property Available	05/01/13
12a Package to Procurement - Primary	10/29/15
12b Advertise Primary Contract	01/21/16
13 Board Approval Primary Contract	05/11/16
14 NTP Primary (Contract or In-House)	08/03/16
18 50% Complete	03/07/17
19 Project Complete	05/17/18
20 Closeout Complete	04/19/19

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Integrity Oversight Monitoring Services
for the Substations Program**

Attachment 2: Disaster Fraud Theft Reporting Form



**OFFICE OF THE ATTORNEY GENERAL
STATE OF NEW JERSEY**



Disaster Fraud/Theft Reporting Form

Reporting Agency:	Agency Case No.:	Reporting County:	Date:
Reporting Officer:	Badge No.:	Agency Telephone No.:	Department ORI: <i>(if applicable)</i>
Nature of Crime/Incident:	Crime Date:	Amount of Theft/Fraud:	Have Charges been Filed? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Pending

VICTIM / COMPLAINANT SECTION

Victim / Complainant:	D.O.B.:	Cellular Telephone No.:	
Current Address:	Home Telephone No.:		
Municipality:	County:	State:	Zip Code:
Address of Incident: <i>(if different from the current address)</i>			
Municipality:	County:	State:	Zip Code:

Insurance Company Involved: <i>(if applicable)</i>	Policy No.:
Insurance Company Address:	Telephone No.:

DEFENDANT / SUSPECT SECTION
(attach additional defendants if applicable or forward department incident report with this form)

Defendant's Name:	D.O.B.:	Telephone No.:			
Address:	Municipality:	County:	State:	Zip Code:	
Vehicle Year:	Make:	Model:	Color:	Type:	Registration No. & State:
Business/Company Representing: <i>(if applicable)</i>	Telephone No.:	NJ Contractor License No. (plumbing, electrical etc.):			
Business Address:	Web-Site / E-Mail of business:				

Check ALL that apply:

Arrested Complaints Filed Under Investigation Contacted by Police Only Reported to Police / NJ Division of Consumer Affairs

NARRATIVE SECTION
(provide a brief narrative of the incident)

E-MAIL COMPLETED FORMS TO SANDYFRAUD@NJDCJ.ORG

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Integrity Oversight Monitoring Services
for the Substations Program**

Attachment 3: Quarterly Report Template

State of New Jersey
 Department of Treasury
 Integrity Oversight Monitoring Reporting Model
 For Quarter Ending: xx/xx/2014

Reports required under A-60 will be submitted by Integrity Oversight Monitors on the first business day of each calendar quarter to the State Treasurer and will contain detailed information on the projects/contracts/programs funded by the Disaster Relief Appropriations Act.

No.	Recipient Data Elements	Response	Comments
A. General Info			
1.	Recipient of funding		
2.	Federal Funding Agency? (e.g. HUD, FEMA)		
3.	State Funding (if applicable)		
4.	Award Type		
5.	Award Amount		
6.	Contract/Program Person/Title		
7.	Brief Description, Purpose and Rationale of Project/Program		
8.	Contract/Program Location		
9.	Amount Expended to Date		
10.	Amount Provided to other State or Local Entities		
11.	Completion Status of Contract or Program		
12.	Expected Contract End Date/Time Period		
B. Monitoring Activities			
13.	If FEMA funded, brief description of the status of the project worksheet and its support.		
14.	Quarterly Activities/Project Description (include number of visits to meet with recipient and sub recipient, including who you met with, and any site visits warranted to where work was completed)		

State of New Jersey
 Department of Treasury
 Integrity Oversight Monitoring Reporting Model
 For Quarter Ending: xx/xx/2014

Reports required under A-60 will be submitted by Integrity Oversight Monitors on the first business day of each calendar quarter to the State Treasurer and will contain detailed information on the projects/contracts/programs funded by the Disaster Relief Appropriations Act.

No.	Recipient Data Elements	Response	Comments
15.	Brief Description to confirm appropriate data/information has been provided by recipient and what activities have been taken to review in relation to the project/contract/program.		
16.	Description of quarterly auditing activities that have been conducted to ensure procurement compliance with terms and conditions of the contracts and agreements.		
17.	Have payment requisitions in connection with the contract/program been reviewed? Please describe		
18.	Description of quarterly activity to prevent and detect waste, fraud and abuse.		
19.	Provide details of any integrity issues/findings		

State of New Jersey
 Department of Treasury
 Integrity Oversight Monitoring Reporting Model
 For Quarter Ending: xx/xx/2014

Reports required under A-60 will be submitted by Integrity Oversight Monitors on the first business day of each calendar quarter to the State Treasurer and will contain detailed information on the projects/contracts/programs funded by the Disaster Relief Appropriations Act.

No.	Recipient Data Elements	Response	Comments
20.	Provide details of any work quality or safety/environmental/historical preservation issue(s).		
21.	Provide details on any other items of note that have occurred in the past quarter		
22.	Provide details of any actions taken to remediate waste, fraud and abuse noted in past quarters		
C. Miscellaneous			
23.	Attach a list of hours and expenses incurred to perform your quarterly integrity monitoring review		
24.	Add any item, issue or comment not covered in previous sections but deemed pertinent to monitoring program.		

Name of Integrity Monitor: Name of Report Preparer: Signature: Date:

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Integrity Oversight Monitoring Services
for the Substations Program**

Attachment 4: Question Submittal Template

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Integrity Oversight Monitoring Services
for the Substations Program**

Attachment 5: Cost Proposal Format

NJ TRANSIT Contract No. 14-033
 Integrity Oversight Monitoring Services
 Attachment 5 - Cost Proposal Format

Firm Name:

Staffing Category	Hourly Billing Rate (\$)	Task 1		Task 2		Task 3		Task 4		Task 5		Task 6		Total Hours Per Staff Category	Total \$ Per Staff Category
		Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)		
Partner/Principal/Director															
Program Manager/Project Manager															
Subject Matter Expert															
Supervisor/Senior Consultant															
ConsultantAssociate/Staff															
Administrative Support															
TOTALS															

Total Direct Cost

Total Travel Cost

GRAND TOTAL

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Integrity Oversight Monitoring Services
for the Substations Program**

Attachment 6: DBE Forms

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.

First Tier DBE UTILIZATION - FORM A

Project Name: _____

NJT Contract No: _____

Assigned DBE Goal %: _____ 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 <u>Detailed</u> Scope of Work to be Performed (Identify all suppliers)	Dollar Value of Subcontract/Sub-consultant Work (\$) Awarded	Percentage of Subcontract Work (%)
			%
			%
			%
			%
			%
			%
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	\$	%

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: _____

Authorized Signature: _____

Company Address: _____

Print Name: _____

Title: _____

Federal Tax ID #: _____

Prime Contractor's DBE Liaison Officer: _____

Company Tel #: _____

Date Signed: _____

To Add Subs Use Additional Forms

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

NJT Contract No: _____

Project Title: _____

Prime Contractor: _____

Telephone #: _____

Date: _____

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			
Address			
City			
Zip			
County			
Phone			
Fax			
E-mail			
Owner			
Date Established			
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			
Primary NAICS Code:			

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

NJT Contract No: _____

Project Title: _____

Prime Contractor: _____

Telephone #: _____

Date: _____

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

	Subcontractor/Subconsultant	Subcontractor/Subconsultant	Subcontractor/Subconsultant
Company's Full Name			
Address			
City			
Zip			
County			
Phone			
Fax			
E-mail			
Owner			
Date Established			
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			
Primary NAICS Code:			

NON-DBE SUBCONTRACTOR UTILIZATION - FORM A2

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

NJ Transit Contract No: _____

Date: _____

Prime Contract Value: _____

Bidder/Proposer Prime Name: _____

Project Title: _____

Name, Address and Telephone # of all Subcontractor/Subconsultants	FEIN #	Provide Detailed Scope of Work to be Performed	Dollar Amount of Subcontractor/Sub-consultant Work (\$) Awarded	Percentage of Subcontract or Work (%)
			\$	%
			\$	%
			\$	%
			\$	%
			\$	%
Must provide a detailed scope of work; one-word descriptions are not acceptable.		TOTALS	\$	%

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.

Name of Bidder/Proposer/Prime:

Name of DBE Firm:

Project/Contract Name:

IFB/RFP Contract Number:

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 AA2.

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)).*

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 projected 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

Title

Print Name

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.

ADDENDUM

FORM D INSTRUCTION SHEET PRE AND POST AWARD GOOD FAITH EFFORT (IF APPLICABLE)

Required for all DBE subcontractors who decline to provide a quote.
Applies in pre and post-award.

Important

Bidder/proposer/prime compliance with contract goals and good faith efforts are handled as a matter of responsibility. If the bidder/proposer/prime did not meet the goal, they must document that they made Good Faith Efforts to do so. This requirement is an important and serious one. NJ Transit's Office of Business Diversity will make a fair and reasonable judgment as to whether the bidder made adequate Good Faith Efforts.

Bidders/proposers/primes are required to read the DBE Program Requirements and the guidelines/ instructions of all forms; and required to submit all forms in the Addendum (mandatory) and Supplemental Section (if applicable) with the bid/proposal or within seven (7) days after bid/proposal submission.

Guidelines to Bidder/Proposer/Prime:

- FORM D outlines actions that may be considered good faith efforts though it is not a mandatory checklist, nor is it intended to be exclusive or exhaustive. Please read DBE Program Requirements for further guidance.
- Bidder/Proposer/Prime must complete FORM D if and when it fails to meet the DBE goal.
- FORM D must be completed in this instance for any DBE firms which were solicited but declined to quote for the project.
- DBE firm must sign Page 2 of FORM D. If DBE declines to do so, submit completed form with bidder/proposer/prime signature only and the Office of Business Diversity will verify information with DBE.
- If/when the contract goal is not met, 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 failure to meet the contract DBE goal, as long as such costs are reasonable. Prime contractors are not, however, required to accept higher quotes from DBEs if the price difference is excessive or unreasonable.
 - In short, unless the price difference is excessive or unreasonable, incurring additional costs in using and finding a DBE is not sufficient reason to reject the DBE quote or not to meet the contract goal.

Instructions:

- On Page 1 of FORM D, indicate with a check mark the various types of detailed good faith efforts made and attach documentation of such efforts. Types of acceptable documentation are listed on Page 2.
- Document any other type of good faith efforts not listed on Page 1.
- Complete this form entirely.

Bidders/proposers/primes are to provide the required forms and instruction sheet, including the Supplemental section to their 1st Tier DBE subs. DBE sub-primes must provide required forms under Supplemental section to their 2nd Tier DBE/Non-DBE subs, if applicable. Please contact the compliance officer identified for this contract at the pre-bid/proposal conference for guidance on completing any of these forms.

DBE GOOD FAITH EFFORT- FORM D

IFB/RFP Number: _____

Project Title: _____

Bidder/Proposer/Prime Name: _____

Address: _____

Phone: _____ Email: _____

Date Signed: _____

The following is a list of the types of actions that may be considered good faith efforts. It is not intended to be a mandatory checklist, nor is it intended to be exclusive or exhaustive. Other factors or types of efforts may be relevant in appropriate cases, however please check all that apply in this instance. Please provide documentation for ALL instances selected.

- Selected portions of work to be performed by DBEs and, where appropriate, broke down contracts into economically feasible units to facilitate DBE participation.
- Provided interested DBE with adequate information about plans, specifications, and requirements of the contract.
- Negotiated in good faith with interested DBE, not rejecting DBEs as unqualified without sound reasons based on a thorough investigation of their capabilities.
- Made efforts to assist interested DBE in obtaining bonding, lines of credit, or insurance required by NJ Transit or Bidder.
- Made efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.
- Advertised subcontracting opportunities in appropriate media.
- Used the services of minority organizations, minority contractors' groups, local state and federal minority business assistance offices and other organizations that provide assistance identifying subcontractors.
- Provided written notice to DBEs in sufficient time to allow the DBE to respond. (Provide copy of documentation with Page 2.)
- Followed up initial solicitation of interest by contacting DBE to determine interest. (Provide proof of follow up with Page 2.)

Describe any other efforts not covered above that may indicate Good Faith Efforts to obtain DBE participation on this project and provide documentation.

SUPPLEMENTAL SECTION REQUIRED FORMS

ENCLOSED FOR COMPLETION (IF APPLICABLE):

- **Form AA; AA1; AA2; BB; & Trucking Commitment Schedule**

TO BE OBTAINED AND SUBMITTED (IF APPLICABLE):

- **Copy of a valid NJUCP DBE Certificate (Provided by 2nd Tier DBEs.)**

Consult DBE Program Requirements for further guidance.

SECOND TIER DBE UTILIZATION- FORM AA

Project Name: _____

NJT Contract No: _____

DBE Sub-Prime (First Tier) Subcontractor Contract Value (\$): _____

I plan to subcontract _____ % of my subcontract to Second Tier DBE subcontractor(s)/subconsultant(s) listed on the chart below to perform/supply the following:

Second Tier DBE subs must perform 100% of their scope of work.

Name, Address and Telephone # of Second Tier DBE Subcontractor/Subconsultant	Provide <u>Detailed</u> Scope of Work to be Performed	Dollar Value of Subcontractor/Sub-consultant Work (\$) Awarded	Percentage of Subcontractor Work (%)
			%
			%
			%
Any First-Tier DBE firm listed on the Form A must identify any DBE firm it will use to perform its scope of work.	TOTALS	\$	%

The undersigned understands its approval to perform on the above contract is based upon its identified DBE team listed above and its Non-DBE team listed on the Form AA2. The DBE Sub-Prime must receive written approval from the Office of Business Development for any changes to its DBE and/or Non-DBE subcontractors, their dollar values or scope of work identified on the Form AA and/or AA2 before making any changes. It attests that the identified firms will perform all work. Failure to adhere to, or falsification of any information contained herein shall result in breach of contract and subject to corrective action to be determined by NJ TRANSIT.

DBE Sub-Prime Firm: _____

Authorized Signature: _____

Company Address: _____

Print Name: _____

Title: _____

Federal Tax ID #: _____

Sub-Prime's DBE Liaison Officer: _____

Company Tel #: _____

Date Signed: _____

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM AA1

NJT Contract No: _____
 DBE Sub-Prime: _____
 Date: _____

Project Title: _____
 Telephone #: _____

Complete the information below for Second Tier contractor(s) participating on the project.

	Subcontractor/Subconsultant	Subcontractor/Subconsultant	Subcontractor/Subconsultant
Company's Full Name			
Address			
City			
Zip			
County			
Phone			
Fax			
E-mail			
Owner			
Date Established			
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			
Primary NAICS Code:			

NON-DBE SECOND TIER SUBCONTRACTOR UTILIZATION - FORM AA2

Directions: To be completed by any DBE Sub-Prime Contractor for "all" subs including suppliers participating on this contract.

NJ Transit Contract No: _____ Date: _____ DBE Sub-Prime Contract Value: \$ _____

DBE Sub-Prime Contractor Name: _____ Project Title: _____

Name, Address and Telephone # of all Second Tier Subcontractor(s)/Subconsultant(s)	FEIN #	Provide <u>Detailed</u> Scope of Work to be Performed	Dollar Amount of Subcontractor/Subconsultant Work (\$) Awarded	Percentage of Subcontractor Work (%)
			\$	%
			\$	%
			\$	%
			\$	%
			\$	%
			\$	%
Must provide a detailed scope of work; one-word descriptions are not acceptable.		TOTALS	\$	%

INTENT TO PERFORM AS A SECOND TIER DBE - FORM BB

The Bidder 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 AA must complete all information on this form and must complete Form AA2 for any Non-DBE subcontractor performing a portion of its subcontract.

Name of First Tier DBE/Sub-Prime: _____

Name of Second Tier DBE Firm: _____

Project/Contract Name: _____

IFB/RFP Contract Number: _____

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

Will you subcontract any portion of your scope of work to a DBE(s)? Circle one. (Yes or No)

Will you subcontract any portion of your scope of work to a Non-DBE(s)? Circle one. (Yes or No)

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)).*

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 DBE Sub-Prime named above. Circle one. (Yes or No)

The Prime Contractor projected 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 DBE Sub-Prime conditioned upon execution of a contract with the Prime on the project. As a Second Tier DBE subcontractor, I will cooperate with the certification, compliance and monitoring process set forth by NJ TRANSIT. I attest that I will perform 100% of my subcontract with my own workforce for the referenced project.

Signature of Second Tier DBE _____

Date

Title

Print Name _____

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 as determined by NJ TRANSIT.

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Integrity Oversight Monitoring Services
for the Substations Program**

Attachment 7: Work Plan Template

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Grant Management	A.1	Falsified Application Documents	L/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether grant documentation intentionally misrepresented how grants will be used.</p>
Grant Management	A.2	Falsified Reporting	L/M			<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether reports were intentionally misrepresented and/or contained inaccurate information.</p>
Grant Management	A.3	Budget Manipulation	M/L			<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether costs are inappropriately charged to a specific grant or intentionally misclassified.</p> <p>Evaluate for possible budget manipulation where</p>
Disbursement	B.1	Payment Charged to Incorrect Grant Code	M/L			<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether costs are inappropriately charged to a specific grant or intentionally misclassified.</p>

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Disbursement	B.2	Billing Schemes	L/M			<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Review whether charges (hourly rates/overhead rates/materials) do not align with the contractual requirements.</p> <p>Determine whether quality and quantity of materials and services received were misrepresented/misrepresented.</p> <p>Review payments where supporting documentation are not adequate, missing or incomplete.</p>
Procurement - Contractor bid frauds	C.1.1	Bid Suppression	H/M	<i><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></i>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether the non-winning bidders are retained via subcontracts.</p> <p>Determine why solicited firms did not bid.</p> <p>Analyze bids received versus internally developed cost estimates.</p> <p>Review ownership and affiliations of competitors to determine if there is shared ownership, past joint ventures, or an ongoing and repeated contractor/subcontractor relationship.</p>
Procurement - Contractor bid frauds	C.1.2	Complementary Bidding	H/M			
Procurement - Contractor bid frauds	C.1.3	Bid Rotation	H/M			
Procurement - Contractor bid frauds	C.1.4	Unbalanced Bids	H/M			

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Procurement - Conflicts of interest	C.2	Conflicts of Interest	H/M	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Review bidders lists to determine whether contractor lists represented a legitimate pool of contractors.</p> <p>Determine why solicited firms did not bid.</p> <p>Determine ownership and affiliations of competitors to determine if there is shared ownership, past joint ventures, familial relationships, and corporate relationships, etc. and investigate if not in the best interests of the project or NJT.</p>
Procurement - Bribery / kickbacks	C.3	Bribery/Kickbacks	H/M	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Assess vendor selection procedures and controls and identify weaknesses and/or compliance issues in the selection process and investigate if not in the best interests of the project or NJT.</p> <p>Inquire from bidders, non-bidders and NJT personnel whether they were solicited for bribes/kickbacks.</p> <p>Review sole and single sourced contracts for award process and investigate if not in the best interests of the project or NJT.</p>
Procurement - Contract frauds	C.4.1	Rigged Specifications	M/M	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p>
Procurement - Contract frauds	C.4.2	Manipulation of Contract Terms	M/M	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Assess vendor contracting procedures and controls and identify weaknesses and/or compliance issues in the contracting process and investigate if not in the best interests of the project or NJT.</p> <p>Review contract RFP documentation. related</p>

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Procurement - Contract frauds	C.4.3	Intentionally Vague Scope Definition	H/H			contract documents, other correspondence, questions, submitted during procurement, minutes from procurement meetings, contractor proposals, etc., and investigate if not in the best interests of the project or NJT.
Procurement - Contract frauds	C.4.4	Unreasonable Prequal Requirements	M/M			
Procurement - Bid Information Frauds	C.5.1	Leaked Bid Information	H/M	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Assess vendor procedures and controls and identify weaknesses and/or compliance issues and investigate if not in the best interests of the project or NJT.</p> <p>Review bid receipt, opening, and evaluation process and investigate if not in the best interests of the project or NJT, e.g., leaked information, acceptance of late bids, improper disqualification, unjustified sole/single source contracts, etc.</p> <p>Determine whether procurement employees have undisclosed relationships or affiliation with the winning bidder, e.g., social connections, trade associations, former projects, prior employment, legitimate business contacts</p>
Procurement - Bid Information Frauds	C.5.2	Accepting Late Bids	M/M			
Procurement - Bid Information Frauds	C.5.3	Improper Disqualification	M/M			
Procurement - Bid Information Frauds	C.5.4	Unjustified Sole Source Contracts	H/M			

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Task Order Contractors (TOC's)	D.1	Bribes/ Kickbacks	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Perform background checks NJT personnel and on assigned subcontractors and suppliers to determine if there are relationships that are not in the best interest of the project or NJT.</p> <p>Assess vendor assignment procedures and controls and identify weaknesses and/or compliance issues and investigate if not in the best interests of the project or NJT.</p> <p>Inquire NJT personnel, e.g., procurement, project management, construction management, etc., whether they were solicited for bribes/kickbacks.</p> <p>Review sole and single sourced contracts for award process and investigate if not in the best interests of the project or NJT.</p>
Task Order Contractors (TOC's)	D.2	Falsifying Records	M/M	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>For appropriate documentation submitted by the contractor, e.g., billing, time reports, completion reports, inspection, prevailing-wage reporting, etc., validate the completeness and accuracy of charges and investigate instances which are not in the best interests of the project or NJT.</p> <p>Review documentation for the selection and pricing of the TOC for and investigate instances which are not in the best interest of the project or NJT.</p>

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Task Order Contractors (TOC's)	D.3	Conflicts of Interest	H/M	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether the task order contractor lists represents a legitimate pool of contractors.</p> <p>If competitive process, determine why solicited firms did not bid.</p> <p>Determine ownership and affiliations of TOCs to determine if there is shared ownership, past joint ventures, familial relationships, and corporate relationships, etc. and investigate if not in the best interests of the project or NJT.</p>
Task Order Contractors (TOC's)	D.4	Schedule Manipulation	M/M	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Conduct periodic site monitoring of construction progress and compare to reported progress to ensure accuracy of all scheduling data and investigate instances that are not in the best interest of the project or NJT.</p> <p>Determine whether the GC and/or subcontractors manipulated the schedule in order to increase delay claims, change orders, and/or accelerated costs.</p>
Task Order Contractors (TOC's)	D.5	Change Order Manipulation	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		See Change Orders section below.

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Outsourced Programs	E.1	Duplicate Billings	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Validate the completeness and accuracy of charges submitted by the contractor, e.g., invoices, receipts, payroll records, overheads, etc., and investigate instances which are not in the best interests of the project or NJT.</p>
Outsourced Programs	E.2	Cost Shifting	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Investigate instances where costs may not be appropriately applied to the correct scope of work performed which are not in the best interests of the project or NJT.</p>
Disadvantaged Business Enterprise (DBE) - False Submission	F.1.1	False Certification Documentation	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Evaluate DBE Certification documents and determine whether there are any false documents, e.g., forgery, alterations, changes, etc. that are not in the best interest of the project or NJT.</p>
Disadvantaged Business Enterprise (DBE) - False Submission	F.1.2	False Compliance Documentation	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Evaluate and determine whether DBE documents accurately portray work performed and or payment history, etc., and investigate instances that are not in the best interest of the project or NJT.</p>

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Disadvantaged Business Enterprise (DBE) - False submission	F.1.3	False or Manipulated DBE Pricing	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether DBE pricing is inconsistent with cost schedules, purchase orders, estimates, etc., and investigate instances that are not in the best interest of the project or NJT.</p>
Disadvantaged Business Enterprise (DBE) - Pass-Through	F.2	Pass-Through	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Evaluate whether the DBE is performing a commercially useful function.</p>
Disadvantaged Business Enterprise (DBE) - Fronting	F.3	Fronting	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Verify authenticity of DBE Ownership and DBE supervision of work being performed.</p> <p>Review transactions for suspicious disbursements and transactions.</p>

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Change Orders	G.1	False Submissions	M/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Examine a sample of change orders and determine whether they are in the best interest of the project or NJT.</p> <p>Determine whether change orders do not align with contractual agreements.</p> <p>Evaluate the reasonableness of the percentage of change orders to contract value.</p> <p>Determine whether any costs (labor, materials or equipment) are not incurred and/or billed in accordance with contractual terms.</p>
Change Orders	G.2	Cost Shifting	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether change orders were actually necessary and represents a valid change from the original scope of work to be performed.</p> <p>Determine whether costs do not align with time sheets, cost records and other supporting documentation and/or were mis-reported.</p> <p>Determine whether costs and/or tasks in the scope of the original contract were included in change orders.</p>

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Change Orders	G.3	Cost Inflation	H/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether costs are reasonable, accurate, incurred, and valid, and are in the best interests of the project or NJT.</p> <p>Determine whether costs and/or tasks in the scope of the original contract were included in change orders.</p>
Change Orders	G.4	Scope Manipulation	M/H	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether costs and/or tasks in the scope of the original contract were included in change orders.</p> <p>Determine whether scope and costs of change orders appear reasonable for the amount of work to be performed.</p> <p>Determine whether the number of change orders appear to be excessive and not in the best interests of the project or NJT.</p>
Claims Management	H.1	Overpayment of Settlement Amounts	L/M	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether claims are valid, settled at a reasonable amount and are in the best interest of the project and NJT.</p>

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Claims Management	H.2	Fraudulent Settlement Bases	L/M			<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Determine whether claims are valid, settled at a reasonable amount and are in the best interest of the project and NJT.</p>

D R A F T
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
<p><u>Additional Fraud Risks Identified for this Project</u> <u>(e.g., payroll, insurance, environmental, QA/QC, safety, permitting, etc.)</u></p>						

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New Jersey Transit Corporation

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Potential Fraud Indicators

This list of potential fraud indicators may not be all inclusive. Additional indicators of fraud should be added based on risk associated with the project being monitored.

Project: _____ IOM: _____

1) <u>Time Overcharging</u>
a) Unauthorized alterations to timecards and other source records.
b) Billed hours and dollars consistently at or near budgeted amounts.
c) Timecards filled out by supervisors, not by employees.
d) Photocopies of timecards where originals are expected.
e) Inconsistencies between consultant's labor distribution records and employee timecards.
f) Frequent adjusting of journal entries with descriptions such as changed wrong "work order" or "contract number."
g) Labor charges inconsistent with contract progress.
h) Personnel files that cannot be found or "found" after a delay.
i) Lack of clear audit trail to verify propriety of labor charges.
<add others as appropriate>
2) <u>Conflicts of Interest</u>
a) Unexplained or unusual favoritism shown to a particular contractor or consultant.
b) NJ TRANSIT official disclosing confidential bid information to a contractor or assisting the contractor in preparing a bid.
c) Employee having discussions about employment with a current or prospective contractor or consultant.
d) Close socialization with and acceptance of inappropriate gifts, travel, or entertainment from a contractor.
e) Vendor or consultants address being incomplete or matching employee's address.
f) NJ TRANSIT official leasing or renting equipment to a contractor performing contract work.
g) Contracting or purchasing employee lives beyond his or her means.
h) Contracting employee fails to file Conflict of Interest or Financial Disclosure forms.
i) Employee declines promotion from a procurement position.
<add others as appropriate>
3) <u>Kickbacks</u>

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New Jersey Transit Corporation

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Potential Fraud Indicators

This list of potential fraud indicators may not be all inclusive. Additional indicators of fraud should be added based on risk associated with the project being monitored.

a) Unexplained or unreasonable limitations on the number of potential subcontractors contracted for bid or offer.
b) Continuing awards to subcontractors with poor performance records.
c) Non-award of subcontract to lowest bidder.
d) "No-value-added" technical specifications that dictate contract awards to particular companies.
e) Non-qualified and/or unlicensed subcontractors working on prime contracts.
f) Poor or no established contractor procedures for awarding of subcontracts through competition.
g) Kickback amount is passed back to NJ TRANSIT.
h) Lack of separation of duties between purchasing, receiving and storing.
i) Purchasing employees maintaining a standard of living exceeding their income.
<add others as appropriate>
4) <u>Quality Control Testing</u>
a) Contractor insisting on transporting quality control (QC) samples from the construction site to the lab.
b) Contractor not maintaining QC samples for later quality assurance (QA) testing.
c) Contractor challenges results or attempting to intimidate QA inspectors who obtain conflicting results.
d) Photocopies of QC test results where originals are expected.
e) Alterations or missing signatures on QC test results.
f) Contractor employees regularly taking or labeling QC samples away from inspector oversight.
g) Laboratory test reports are identical to sample descriptions and test results, varying only date and lot number tested.
h) Test results cannot be found or have been destroyed.
i) Test results are lost then "found" after delay.
<add others as appropriate>
5) <u>Materials Overcharging</u>
a) Discrepancies between contractor - provided quantity documentation and observed data, including yield calculations.
b) Refusal or inability to provide supporting documentation.

Draft

New Jersey Transit Corporation

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Potential Fraud Indicators

This list of potential fraud indicators may not be all inclusive. Additional indicators of fraud should be added based on risk associated with the project being monitored.

c) Contractor consistently loading job materials into equipment, away from inspector oversight.
d) Truck weight tickets or plant production records with altered or missing information.
e) Photocopies of quantity documentation where originals are expected.
f) Irregularities in color or content of weight slips or other contractor documents used to calculate pay quantities.
g) No receiving report for invoiced goods.
h) Unusually high volume of purchases from one vendor.
i) Invoiced goods cannot be located in inventory or accounted for.
<add others as appropriate>

Draft

New Jersey Transit Corporation

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Potential Fraud Indicators

This list of potential fraud indicators may not be all inclusive. Additional indicators of fraud should be added based on risk associated with the project being monitored.

6) Disadvantaged Business Enterprise (DBE) Fraud

- a) DBE owner lacking background, expertise, or equipment to perform subcontract work.
- b) Employees shuttling back and forth between prime contractor and DBE-owned business payrolls.
- c) Business names on equipment and vehicles covered with paint or magnetic signs.
- d) Orders and payments for necessary supplies made by individuals not employed by DBE-owned business.
- e) Prime contractor facilitated purchase of DBE-owned business.
- f) DBE owner never present at job site.
- g) Prime contractor always uses the same DBE.
- h) Financial agreements between prime and DBE contractors.
- i) Joint bank accounts (Prime/DBE).
- j) Absence of written contracts.

<add others as appropriate>

7) Bid Rigging and Collusion

- a) Unusual Bid Patterns: too close, too high, round numbers, or identical winning margins or percentages.
- b) Different contractors making identical errors in contract bids.
- c) Bid prices dropping when a new bidder enters the competition.
- d) Rotation of winning bidders by job, type of work, or geographical area.
- e) Losing bidders hired as subcontractors.
- f) Apparent connections between bidders: common address, personnel, or telephone numbers.
- g) Losing bidders submitting identical line-item bid amounts on non-standard items.
- h) Persistent high prices by all bidders.
- i) Joint venture bids by firms that usually bid alone.
- j) Losing bids do not comply with bid specifications or only one bid is complete and other bids are poorly prepared.

<add others as appropriate>

Draft

New Jersey Transit Corporation

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Potential Fraud Indicators

This list of potential fraud indicators may not be all inclusive. Additional indicators of fraud should be added based on risk associated with the project being monitored.

8) Product Substitution
a) Any mismarking or mislabeling of products and materials.
b) Contractor restricting or avoiding inspection of goods or services upon delivery.
c) Contractor refusing to provide supporting documentation regarding production or manufacturing.
d) Photocopies of necessary certification, delivery, and production records where originals are expected.
e) Irregularities in signatures, dates, or quantities on delivery documents.
f) High rate of rejections, returns, or failure.
g) Test record reflecting no failures or a high failure rate but contract is on time and profitable.
h) Unsigned certifications.
i) Contractor offers to select samples for testing programs.
j) Supplier entertains on provider gratuities to inspection personnel.
<add others as appropriate>

Draft

New Jersey Transit Corporation

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Potential Fraud Indicators

This list of potential fraud indicators may not be all inclusive. Additional indicators of fraud should be added based on risk associated with the project being monitored.

9) Bribery
a) Other government inspectors at the job site notice a pattern of preferential contractor treatment.
b) NJ TRANSIT official has a lifestyle that exceeds his or her salary
c) Contract change orders lack sufficient justification.
d) Oversight officials socialize with, or have business relationships with, contractors or their families.
e) Involvement of an unnecessary middleman or broker.
f) Contracting employee declines promotion to a non-procurement position.
g) Contracting employee insists contractors use a certain subcontractor or broker.
h) Keen interest by a contracting employee in the award of a contract on purchase order to a particular contractor or vendor.
<add others as appropriate>
10) Debris Removal
False Claims
a) False load tickets.
b) Inflated costs or double billing for work.
c) False or altered invoices.
d) False labor costs or payroll padding.
e) False pick-up locations for ineligible debris.
<add others as appropriate>

Draft

New Jersey Transit Corporation

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Potential Fraud Indicators

This list of potential fraud indicators may not be all inclusive. Additional indicators of fraud should be added based on risk associated with the project being monitored.

<u>False Statements</u>
f) Lies about paying subcontractors for services.
g) Inaccurate load capacities posted on trucks.
<i><add others as appropriate></i>
<u>Bribery</u>
h) Payments to influence contract award.
i) Payments for selection as subcontractor.
j) Payments during performance to ignore problems.
k) Payments to overstate debris volumes or weights.
l) Payments to write load tickets.
m) Payments from property owners to select dump site.
<i><add others as appropriate></i>
<u>Conflicts of Interest</u>
n) NJ TRANSIT official has dollar interest in contractor.
o) Contractor hires relative of contracting official.
<i><add other indicators of fraud as deemed appropriate></i>

Draft
New Jersey Transit Corporation
DBE Compliance Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Step #	Risk Category	DBE Program Requirement (per IOM Services RFP)	Review/ Monitoring Procedures (Modify as needed for this project and the risks identified)	DBE Compliance Auditing Staffing Hours										(For Future Reference)				
				Frequency of Task Performance	Partner/ Principal/ Director	Program Manager	Project Manager	Subject Matter Expert	Supervisor/ Senior Consultant	Consultant	Associate Staff	Admin. Support	Total Hours	Budget Hours	Actual To date	Variance		
1	IOM Firm DBE Program Compliance Monitoring of Contractors	Prompt payment of Invoices	<p>Confirm whether contract clause in subcontractor agreement(s) reflect(s) required language acknowledging that prompt payment will be issued to DBE subcontractors no later than 10 days following Prime contractor's receipt of payment from NJT.</p> <p>Confirm with NJT the dates of payment disbursements issued to Prime and compare to payment receipt dates reported by Prime to determine average days for "payments in transit".</p> <p>Compare payment receipt dates reported by Prime to disbursement dates of payments issued to subcontractor(s) / sub consultant(s) to determine whether Prime has issued prompt payment (i.e., within 10 days of receipt of funds from NJT). Determine whether the disbursement dates indicated by Prime align with the Prime Contractor's DBE Payment Certification (Form E) and DBE Subcontractor Monthly Payment Report (Form E2) filings submitted to NJT for the corresponding period(s).</p> <p>Obtain and review copies of the front and back of cancelled checks reflecting details of disbursements made to subcontractor(s). Note and report to NJT any discrepancies indicating possible non-compliance with prompt payment of invoices requirement.</p>	Monthly														
2	IOM Firm DBE Program Compliance Monitoring of Contractors	Prompt payment of retainage	<p>Upon satisfactory completion of work by DBE subcontractor(s), verify that punch list items have been completed and properly approved by Prime and NJT (as applicable).</p> <p>Review documentation provided by Prime to determine whether retainage release authorizations have been issued by NJT.</p> <p>Confirm whether retainage payments issued to subcontractor(s) were disbursed within 15 days of receipt of authorization for release.</p> <p>Confirm whether contract clause in subcontractor agreement(s) reflect(s) required language acknowledging that payment will be issued to DBE subcontractors no later than 15 days following satisfactory completion of the accepted scope of work.</p> <p>Obtain and review copies of the front and back of cancelled checks reflecting details of retainage release payment issued made to subcontractors. Note and report to NJT any discrepancies indicating possible non-compliance with prompt payment of retainage requirement.</p>	One Time (Upon Completion of Work)														
3	IOM Firm DBE Program Compliance Monitoring of Contractors	Commercially Useful Function	<p>Perform on-site observations of work, prepare and submit proprietary CUF Checklist with results of observations.</p> <p>Conduct laborer interviews of workers of prime contractor and subcontractor(s)</p> <p>Review DBE subcontractor(s) documentation including invoices to prime contractor, certified payroll reports, invoices from suppliers, purchase orders and payments issued by DBE subcontractor(s) to third parties in connection with the work.</p>	Monthly														

Draft
New Jersey Transit Corporation
DBE Compliance Work Plan

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Step #	Risk Category	DBE Program Requirement (per IOM Services RFP)	Review/ Monitoring Procedures (Modify as needed for this project and the risks identified)	DBE Compliance Auditing Staffing Hours										(For Future Reference)				
				Frequency of Task Performance	Partner/ Principal/ Director	Program Manager	Project Manager	Subject Matter Expert	Supervisor/ Senior Consultant	Consultant	Associate Staff	Admin. Support	Total Hours	Budget Hours	Actual To date	Variance		
4	IOM Firm DBE Program Compliance Monitoring of Contractors	Pass-Throughs	Examine invoices from vendors and suppliers and compare to amounts invoiced to prime contractor for indicators of potential pass-through activity. Conduct visits to business offices/locations of DBE subcontractor(s) to assess the possibility of DBE firms and non-DBE firms sharing addresses and/or to observe business activities and also determine whether other pass-through activities may be evident. Interview DBE personnel and managers as necessary to follow-up on any concerns related to potential pass-through activities. Compare observed work performed with work identified within the DBE Utilization Form A- submitted as part of the DBE bid. Evaluate whether any pass thorough's have occurred.	Monthly														
5	IOM Firm DBE Program Compliance Monitoring of Contractors	All Contract Deliverables	Review information reflected in Form A filings and verify that participation percentage calculations are supported by the information reflected in payment requisitions received from Prime and subcontractor(s). Review DBE subcontractor(s) information on Form A-1 Bidder Solicitation & Contractor Information and verify accuracy by comparing to DBE certification filings and Biznet website information. Review Form A2 – Non-DBE Subcontractor Utilization to identify any potential overlaps in scope of work and dollar values between DBE subcontractor(s) and non-DBE subcontractor(s). Compare details on Form B – Intent to Perform as a First Tier DBE to Form A –First Tier DBE Utilization Plan and DBE subcontract(s)/ purchase order(s).	Monthly														
5	IOM Firm DBE Program Compliance Monitoring of Contractors (Continued)	All Contract Deliverables	In the event that the prime contractor does not meet the DBE goal, review Form D - Good Faith Effort and verify information provided with those firms solicited. Verify whether all DBE subcontractor(s) are actively certified to perform the scope of work as described in the subcontract(s) / purchase order(s) and that the business description and/or any applicable industry code(s) under which each DBE is certified is in line with the scope of work being performed. Review Form E – Contractor's Monthly DBE Payment Report & Payment Certification Voucher and compare information reported to supporting documentation including subcontract(s) / purchase order(s), requisitions, payments to subcontractor(s) and verify accuracy of calculations (percentage complete, participation percentage, and participation credit for suppliers). Review Form E2 – DBE's Monthly Payment Report and supporting information and compare to information obtained during prompt payment reviews. Verify accuracy of calculations and participation credit on Forms A, E and E2 for suppliers to ensure no fraud in utilization credit. Verify that information reported for original subcontract amount, change order amount, total of monthly invoices submitted, total of monthly payments received, life-to-date total of payments received, and percentage of work complete are in line with anticipated results.	Monthly														
6	IOM Firm DBE Program Compliance Monitoring of Contractors	Award versus spend	Review DBE subcontractor(s) invoices to prime contractor, payments from prime contractor, and DBE subcontractor(s) job cost and cash receipts reports and compare to information reported in Form E – Contractor's Monthly DBE Payment Report & Payment Certification Voucher. Verify that award amounts reported on Form E – Contractor's Monthly DBE Payment Report & Payment Certification voucher are consistent with subcontract agreement(s).	Monthly														

**Draft
New Jersey Transit Corporation
DBE Compliance Work Plan**

Project Name: _____ Contract No. _____ IOM Firm _____ Date: _____

Step #	Risk Category	DBE Program Requirement (per IOM Services RFP)	Review/ Monitoring Procedures (Modify as needed for this project and the risks identified)	DBE Compliance Auditing Staffing Hours										(For Future Reference)				
				Frequency of Task Performance	Partner/ Principal/ Director	Program Manager	Project Manager	Subject Matter Expert	Supervisor/ Senior Consultant	Consultant	Associate Staff	Admin. Support	Total Hours	Budget Hours	Actual To date	Variance		
7	IOM Firm DBE Program Compliance Monitoring of Contractors	Actual DBE work performed matches credit	Review detailed scope of work contained in DBE subcontract(s) / purchase order(s). Review scope of work of any second tier subcontractor(s), suppliers or fabricators to the DBE subcontractor to determine that appropriate credit is being reported. Compare values for DBE scope of work between independent cost estimate and final schedule of values for reasonableness. Conduct observations of site work to ensure that DBE subcontractor (and not the prime or a non-DBE lower tier sub) is performing scope of work detailed in the subcontract agreement.	Monthly														
8	IOM Firm DBE Program Compliance Monitoring of Contractors	Reporting non-compliance in weekly reports to NJT Internal Audit	Discuss preliminary findings of non-compliance with NJ Transit Internal Audit. Report non-compliance on Weekly IOM Consultant Report. Draft memo detailing non-compliance and provide all supporting documentation as directed by NJT Internal Audit.	Weekly														
9	IOM Firm DBE Program Compliance Monitoring of Contractors	Written requests and approvals for the addition or removal / replacement of a DBE firm	When applicable: Review requests to obtain an understanding of events leading to the change/removal of a DBE Firm. Determine whether the nature of requests to remove/replace a DBE subcontractor may involve factors that could be indicative of non-compliance.	As Needed														
10	IOM Firm DBE Program Compliance Monitoring of Contractors	Good faith effort on contract(s) being monitored including change orders / revisions	When applicable: Determine whether the prime contractor is at risk for not meeting or is actually not meeting the DBE participation goals. Review information reflected on Form D – Good Faith Effort and perform independent verification to validate information reported on Form D. Review Form E – Contractor's Monthly DBE Payment Report & Payment Certification and assess whether change order approvals may trigger or actually cause Prime to fall below prescribed DBE participation goals.	As Needed														
11	IOM Firm DBE Program Compliance Monitoring of Contractors	Evidence of payment to prime contractor by NJ TRANSIT, and the DBE by prime contractor	In connection with the compliance review procedures specific to prompt payment provisions (above), note and report to NJT any instances where supporting documents are not timely, incomplete, or otherwise unavailable for review.	Monthly														
12	IOM Firm DBE Program Compliance Monitoring of Contractors	Other relevant data as required by NJ Transit	When applicable: Specific procedures will be determined in accordance with the specific tasks or deliverables requested by NJT.	As Needed														

If Required - Insert additional Monitoring Procedures

Total 0 0 0 0 0 0 0

DBE Sub-consultant Hours													
Net Prime Hours													
Total Hours													

NJ TRANSIT Contract No. 14-033
Integrity Oversight Monitoring Services
IOM Services for Substations Program
Questions and NJ TRANSIT Responses

Page #	RFP Section	Question	NJ TRANSIT Response
Cover Letter & Page 8	K. Proposal Content	Page 1 of the cover letter states that the due date for the proposal is 2:00 p.m. on Tuesday, January 19, 2016. Page 8, Section K of the RFP states the due date is 4:00 p.m. Tuesday, January 18, 2016. Please confirm the due date and time.	The due date for proposals has been extended to Thursday, February 4, 2016. The hard copies are due at 2:00 p.m. and the electronic submission is due by 4:00 p.m.
Page 1	Section B. Project Description	If Design Services are within the IOM Scope of Work, is the IOM Scope of Work with respect to Design Services limited to just the four (4) projects set forth in Attachment 1 or does it include the other projects referenced in the "Project Description" in Section B at page 1?	It is limited to the four projects set forth in Attachment 1. However, if any instance of fraud, waste or abuse is discovered, the scope can be expanded to the other projects.
Page 1	Section B. Project Description	The RFP refers to Gannett Fleming's design services to repair "six (6) general power substations, the Mason Electric Traction Power Substation and the Ancillary Power Systems." However, Attachment 1 provides the scope/budget for only four (4) substation projects. Is the Scope of Work limited to just the four (4) projects set forth in Attachment 1?	Yes, the scope is limited to the four federally funded projects listed in Attachment 1.
Pg. 2	C. Scope of Work, Task A, No. 3	The solicitation states: "The IOM firm will provide monitoring services for the contracted services for construction, design and project management." However, according to the milestone dates in Attachment 1, the Design Services are completed, or will be completed, by the time the IOM contract is awarded and the contractor begins work. Should we, therefore, assume the Design Services contract is not within the Scope of Work to be bid on?	Design Services work is within the Scope of Work, however, project management is not within scope. Please see the revised Task E in the Scope of Work section in the updated RFP.
Page 2	C. Scope of Work	Does NJT anticipate that the monitoring services effort will include a part of the design support from Gannett Fleming during the procurement and construction period?	Yes.
Page 3	Task E	Should the IOM rely upon the Eisner Amper Program-wide Risk Assessment when estimating time required to monitor risk areas?	Yes. You should include any additional risk categories that you deem necessary. Time is to be estimated based on the procedures in the workplan necessary to address the risk categories.
Page 7	I. Conflict of Interest	The RFP indicates that NJ TRANSIT will serve as the project manager. Are NJ TRANSIT's project management services within the IOM Scope of Work to be bid on?	No. The scope of monitoring is limited to the design contract and the construction contract(s).
Attachment 1	NTP Primary Milestone	Does NJT anticipate issuing a separate construction management contract or is this included with the "NTP Primary Contract" (as noted on line item #14 on each budget)?	Yes, NJ TRANSIT anticipates issuing a separate construction management contract or task assignment.

NJ TRANSIT Contract No. 14-033
Integrity Oversight Monitoring Services
IOM Services for Substations Program
Questions and NJ TRANSIT Responses

Attachment 1	Milestones	May we rely on the milestone dates contained in Attachment 1 for developing our cost proposal?	Yes.
Attachment 1	Attachment 1	Are the milestone dates set forth in the schedules accurate? If not, can NJ TRANSIT please provide an updated schedule, or advise on approximately how far behind schedule each milestone is?	The milestone dates are current as of the RFP issue date.
Attachment 5	Cost Proposal Format	Attachment 5 – Cost Proposal Format includes “Subject Matter Expert” as a Staffing Category and provides for the insertion of a billing rate and an estimated number of hours. Page 11 of the RFP, Paragraph C refers to reimbursable travel expenses for “Subject Matter Expert (SME).” It is our understanding that an SME is not part of the regular integrity monitoring team, but is employed on an ad hoc basis to address an unanticipated consideration as part of the usual and customary monitoring. Can you please confirm our understanding or define the circumstances under which an SME may be employed by the IOM? If it is only in limited circumstances, is it possible to eliminate the staffing category from our bid and bill NJ TRANSIT for such services only if needed, (and with NJ TRANSIT’s prior approval) as a pass through expense with no markup, other than an administrative handling fee?	If a SME is deemed necessary, the IOM Prime Consultants are to bill the SME at the hourly rate approved under the original Contracts.
Attachment 5	Cost Proposal Format	Will prior approval of a Work Plan be required before the IOM may start to bill for services rendered?	Yes.
Attachment 7	Work Plan Template	NJT has provided a revised version of Attachment 7 that appears to incorporate the Program-Wide Fraud Risk Assessment. Is it NJT’s intent to have the IOMs populate Attachment 7 for the Substation Projects with the fraud schemes as identified from the Program-Wide Fraud Risk Assessment?	Yes. IOMs need to complete the attachment 7 and update it by adding any additional risk categories that are deemed necessary.