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May 13, 2021

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**Re: NJ TRANSIT Contract No. 14-033
Integrity Oversight Monitoring Services for the
NJ TRANSITGRID MICROGRID CENTRAL FACILITY**

Subject: Work Authorization Request

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 ten percent (10%) DBE participation goal attached to work authorized under the subject Contract. Technical and Cost Proposals shall specifically detail proposed DBE participation under the Work Authorization.

In order to discuss the project and to address questions, NJ TRANSIT will hold a Pre-Proposal Conference at **2:30 p.m. on Thursday, May 20, 2021**. The Pre-Proposal Conference will be held utilizing a telephone and video conference via Microsoft Teams for the purpose of answering questions, providing directives, and providing clarification.

Questions or requests for clarification regarding the Work Authorization Request are to be submitted in writing no later than **3:00 p.m. on May 25, 2021** and are to be submitted to the attention of the undersigned at [REDACTED]. Questions are to be submitted in a non-scanned Word format.

IOM Firms are requested to submit an electronic copy of the technical & cost proposal no later than **4:00 p.m. on Tuesday, June 8, 2021** to [REDACTED].

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 five (5) calendar days of the receipt of the Work Authorization Request.

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.

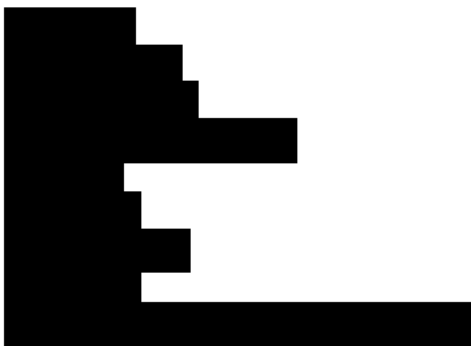
We look forward to receiving and reviewing your proposal.



Lead Contract Specialist
Procurement Department

Attachments

cc:



NJ TRANSIT Contract No. 14-033
Integrity Oversight Monitoring Services
Work Authorization Assignment Request for
Superstorm Sandy Integrity Oversight Monitoring Services
for NJ TRANSITGRID MICROGRID CENTRAL FACILITY

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. 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 (“NJT”) 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 (“IOMs”) generally consist of performing integrity oversight monitoring services to prevent and/or detect fraud, waste and abuse pursuant to NJT Contract No. 14-033 (the “Contract”). The IOMs monitor construction, repair and resiliency contracts funded by the FTA or other federal agencies in excess of \$5 Million in accordance with the scopes of work prescribed by NJT Internal Audit Department (IAD) in consultation with the NJT Accountability Officer under Executive Order 125 (Christie 2013) and the New Jersey Department of the Treasury.

B. PROJECT DESCRIPTION

The IOM selected for these Work Authorizations shall provide integrity oversight monitoring services in connection with NJ TRANSITGRID Project (NJ TRANSITGRID), which has two (2) components:

- i. Distributed Generation Solutions; and
- ii. Microgrid Central Facility.

This Work Authorization Request (WAR), however, is for only the Microgrid Central Facility (MCF). NJT issued a separate WAR for the Distributed Generation Solutions portion of this project. An outline of the MCF Project is provided in Attachment 1.

The IOM Services for the MCF Project will be divided into three (3) distinct Work Authorizations for the following phases and NJT anticipates that the monitoring services will cease in June 2024:

IOM Work Authorization Phase I	IOM Services for Design contract for the MCF Project (Contract No. 15-031 with Jacobs Engineering Group, Inc.)
IOM Work Authorization Phase II	IOM Services to monitor the procurement of the anticipated Joint Investment Partnership Agreement (JIPA) to design, build, finance, commission, operate and maintain the MCF
IOM Work Authorization Phase III	IOM Services to conduct risk assessment of NJT's anticipated JIPA and to review the contract compliance control mechanisms NJT will develop relative to the JIPA and make recommendations to support NJ TRANSIT in ensuring compliance with the anticipated JIPA and evaluating potential waivers of applicable State and Federal requirements.

NJ TRANSIT intends to award all three (3) Work Authorizations to one (1) IOM. A not-to exceed cost for each of these three (3) phases of the MCF project will be negotiated with the highest ranked IOM based on its proposed aggregate (cost and technical) value for all three (3) Work Authorization phases. The costs associated with each Work Authorization will be independently negotiated and authorized. The selected IOM will be disqualified from bidding on the anticipated future IOM Services to monitor the MCF construction. The monitoring of the MCF construction may also include design services separate from the Jacobs contract and the financing, commissioning, operating, and maintaining the MCF.

NJ TRANSIT reserves the right to modify any Work Authorization at any time during the course of the Project. NJ TRANSIT also reserves the right not to award a Work Authorization for any or all phases set forth in this Work Authorization Request.

C. SCOPE OF WORK:

Tasks and services to be performed by the selected IOM for Phases I and II include:

Task A – Monitoring (Phases I and II)

1. Phase I only - Monitoring Jacobs and its subcontractors, and subconsultants to ensure their compliance with applicable laws, regulations, codes, programs and contractual requirements.
2. Phase II only -- Monitoring NJT's procurement of the anticipated JIPA to ensure the procurement complies with applicable laws, regulations, and NJT policies and procedures.
3. Phases I and II -- Satisfying applicable FTA Federal Procurement Requirements and FTA Federal Register Notice Requirements for Oversight Monitoring 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 and providing necessary investigative services as required by NJT Internal Audit Department.

Task B – Developing and Implementing Integrity Programs (Phases I and II)

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 NJT. Procedures shall 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 by employees, Consultants, Contractors, customers, etc. through measures such as education and awareness, posters, leaflets, hotlines, etc.
3. Training (If applicable) -The IOM shall provide fraud, waste and abuse awareness or other training as may be required by NJT.

Task C – Conducting Background Checks, Reviews of Documents, and Investigations (Phases I and II)

1. Background checks of businesses, principals, officials, employees and other individuals by utilizing research of public records, databases, interviews, or other appropriate methods.
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 (Phases I, II, and III)

1. In accordance with N.J.S.A.52:15D-2, for all three (3) phases of this project, the IOM shall timely submit a quarterly report to the State Treasurer regarding activities performed by the IOM in the quarter utilizing the form included herein as Attachment 3.
2. Report integrity monitoring activities and results periodically to NJT as required by Section D. Deliverables, below, and as may be requested by NJT.
3. Comply 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, report to New Jersey Attorney General and State Comptroller.

Task E – Preparing and Maintaining a Fraud Risk Assessment (Phases I and II)

Provide a fraud risk assessment of the activities for Phases I and II of the Project noted in Section B above including at a minimum:

- a) The identification of potential fraud, waste, abuse and/or potential criminal activity risks/ scenarios/schemes including prioritization and probability and potential impact.

- i. Phase I -- The IOM shall review Jacobs design contract requirements and processes for susceptibility to fraud, waste, abuse and/or potential criminal activity.
 - ii. Phase II -- The IOM shall review NJT's procurement of JIPA 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 to mitigate, minimize and/or identify fraud, waste, abuse and/or potential criminal activity for each risk/scenario/scheme identified for NJT.
- c) A detailed plan for key fraud, waste, abuse and/or potential criminal activity risks. This plan must include, at a minimum:
 - i. Prioritized fraud, waste, abuse and/or potential criminal activity risk/scenario/schemes identified in the fraud risk assessment.
 - 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) Specific deliverables for each work program/audit program/other procedures.

Task F – Project-wide Activities (Phases I, II and III)

Provide any activity that pertains to the overall conduct of IOM project initiative and may include:

- 1. Provide periodic project status updates to the NJT Internal Audit Department ("IAD").
- 2. Attend required safety and other training as needed.
- 3. Prepare invoices and supporting documentation.
- 4. Any other project-wide activity that is directed by IAD.

Task G – JIPA Risk Assessment and Compliance Review and Recommendations (Phase III only)

For Phase III, conduct risk assessment of NJT's anticipated JIPA and review of NJT's contract compliance control mechanisms for the anticipated JIPA, including but not limited to, making recommendations to support NJ TRANSIT in ensuring compliance with the anticipated JIPA and evaluating potential waivers of applicable State and Federal requirements.

Additional activities to be conducted by the IOM may include, but not be limited to, the following in coordination with NJT Internal Audit Department:

1. Visiting sites regarding ongoing design and construction work, as needed.
2. Attending design review meetings and construction contract meetings as needed, in consultation with IAD.
3. To ensure procurements are conducted in accordance with NJT policies and procedures and that a level playing field is maintained throughout procurement process, attending scope reviews and meetings with NJT staff and attending pre-proposal conferences with NJT staff and potential contractors and vendors.
4. Reviewing information and activities in relation to the TRANSITGRID MCF Project noted in Section B above.
5. Taking actions to detect, investigate, prevent and remediate, waste, fraud, and abuse.
6. Other activities that may be defined or required by IAD.

D. DELIVERABLES

All deliverables must be in sufficient detail to allow:

1. NJT to verify and evaluate the conclusions, recommendations, plans, documentation, etc., provided by the IOM.
2. NJT to assess, in its sole judgment, the quality and acceptability of deliverables provided by the IOM.
3. The IOM, NJT, or a third party to implement the Detailed Monitoring Workplan (Workplan) for each IOM Work Authorization phase.

The IOM must ensure compliance with the following (apply to only Phases I and II; B.8 below applies to only Phase III):

A. Work Authorization Deliverables:

At a minimum, the IOM shall provide the following deliverables to the NJT IAD Project Manager based on the approved Workplan in accordance with the required timeline set forth by IAD based on the Workplan. The term "Workplan" includes both the Workplan submitted as part of the IOM's response to this Work Authorization request as well as the final Workplan accepted by IAD following the IOM's completion of the Fraud Risk Assessment. All Workplans MUST be in the format provided in Attachment 7. Deliverables to support work shall include, at a minimum, the following:

1. Fraud Risk Mitigation Strategy and final Workplan;
2. Work papers, reports and other required documentation in the format and content required by NJT to support all work;
3. Reports as may be revised or finalized by incorporating comments provided by NJT as appropriate, findings and other results of audits, reviews, investigations

and other assigned tasks, and use for a Close-Out and/or Interim Report. IAD can provide this template in electronic format upon request.

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 written findings to the Office of the State Comptroller and the Attorney General/OSC Taskforce with a copy to NJT 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 Updates

A written weekly status update will be required each Monday by noon following the prior week's work in the NJT prescribed format (to be provided upon engagement). NJ TRANSIT reserves the right to request the status updates be provided on a bi-weekly basis. IAD may elect to receive the updates on a bi-weekly basis. The update will be based on a template provided by IAD which includes the following:

- i. Total hours per Workplan;
- ii. Hours by Risk Category per Workplan;
- iii. Workpapers Provided to-date by Risk Category, Potential Fraud Risk;
- iv. Items That Require Clarification;
- v. Weekly Accomplishments/Deliverables Provided;
- vi. Risk Category/Potential Fraud Risk/Monitoring Procedures in-Progress;
- vii. Risk Categories/Potential Fraud Risk/Monitoring Procedures Planned in the Next Two Weeks; and
- viii. Start and end date of Work Authorization.

3. Quarterly Report (Attachment 3)

On the first business day of each calendar quarter, the IOM firm shall provide to the New Jersey State Treasurer, for distribution to the New Jersey Legislature and the Governor of New Jersey, a written 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 waste, fraud, or abuse.. 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 New Jersey Legislature and the Governor of New Jersey.

4. FTA Quarterly Report

Two weeks after the quarter ends, the IOM shall provide all information as identified by NJT 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

The IOM shall submit all document and information requests to the NJT IAD via email. The email shall contain in the subject line "Document/Information Request – Project Name".

7. Close-Out and Interim Reports:

In addition to other reporting requirements, prior to the expiration of the Work Authorization, or on an interim basis as necessary for longer-term engagements, the IOM shall submit a summary report of audit findings, observations, and process recommendations and/or best practice recommendations to NJT for its review and consideration. This report shall contain findings and observations from the IOM's review of documentation, site visits, and other work that was performed during the Work Authorization term. Also based on its work during the Work Authorization term, the report shall contain industry best practice recommendations regarding the processes it observed. The report will be due to NJT Internal Audit three weeks after NJT IA has completed its final review and acceptance of the workpapers for the Work Authorization. Due dates for interim reports will be mutually agreed upon by the parties. Attachment 9 is the template the IOM should use for a Close-Out and/or Interim Report. IAD can provide this template in electronic format upon request.

8. JIPA Risk Assessment and Compliance Review and Recommendations (Phase III only)

Within thirty (30) months of issuance of Work Authorization for Phase III, provide to NJT the results of the IOM's risk assessment of NJT's anticipated JIPA and review of NJT's contract compliance control mechanisms for the anticipated JIPA, including but not limited to, making recommendations to support NJ TRANSIT in ensuring compliance with the anticipated JIPA and evaluating potential waivers of applicable State and Federal requirements.

E. DBE PROGRAM REQUIREMENTS FOR THE IOM

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 of the Agreement and Exhibit D of NJT Contract Nos. 14-033A, 14-033B, 14-033C and 14-033D, the IOM shall cooperate with NJT in meeting its commitments and goals regarding 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 why and how the firm plans to work toward 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. SCHEDULE

The services to be provided by the IOM under this Work Authorization are anticipated to be completed by June 2024. The term of this Work Authorization is based upon the projected schedule of the TRANSITGRID MCF Project and may be amended at the discretion of NJT.

G. BACKGROUND CHECKS

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

H. 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, services and programs or have any other potential or actual conflict as determined by NJT.

The vendors/contractors for the NJ TRANSITGRID MCF Project which this Work Authorization applies are as follows:

Service	Contract #	Contractor
Design contract for the Microgrid Central Facility Project	15-031	Jacobs Engineering Group, Inc.

The IOM shall provide the following information to NJT with its proposal:

- (1) Any anticipated or potential or suspected or actual conflicts that it may incur during the projected course of a Work Authorization;
- (2) Any anticipated or potential or suspected or actual conflicts with the vendor listed above;

- (3) Any projects, past or present, it has performed for NJ TRANSIT including the dates of the project, the contract number, the project supervisor, and a brief description of the scope of work.
- (4) Certification (See Attachment 8) by the IOM that neither it nor any of its affiliates or subsidiaries or sub-consultants are involved in Superstorm Sandy Program Management or in the design, preparation or delivery of Superstorm Sandy Recovery and Resiliency contracts, task orders, projects, services and programs or any other involvement or activities to NJ TRANSIT or third-parties that could create a direct or indirect conflict with providing IOM services to NJT under its current IOM agreement either directly or as a member of a joint venture, partnership, or as a sub-consultants or subcontractor of any tier, attached to this Work Authorization Request.

The IOM shall submit to NJT with its proposal the following information related to its sub-consultants:

- (1) Any anticipated or potential or suspected or actual conflicts that it may incur during the projected course of a Work Authorization;
- (2) Any anticipated or potential or suspected or actual conflicts with the vendors listed above;
- (3) Any projects, past or present, it has performed for NJ TRANSIT, including the project, dates of the project, the contract number, the project supervisor, and a brief description of the scope of work;
- (4) Certification (See Attachment 8) that the sub-consultant is not involved in Superstorm Sandy Program Management or in the design, preparation or delivery of Superstorm Sandy Recovery and Resiliency contracts, task orders, projects, services and programs or any other involvement or activities to NJ TRANSIT or third-parties that could create a direct or indirect conflict with providing IOM services to NJ TRANSIT, either directly or as a member of a joint venture, partnership, or as a sub-consultant or subcontractor of any tier, attached to this Work Authorization Request.

Throughout the term of the Work Authorization, should the IOM, or its affiliates, or subsidiaries, or sub-consultants respond to a procurement or enter into a joint venture, partnership or subcontract relationship of any tier to provide any services, such as construction management, architectural and engineering, design, project management, or other related services, the IOM must notify NJ TRANSIT immediately. The IOM also is required to consult with NJ TRANSIT where there is concern on the part of the IOM or its sub-consultant that a conflict may exist.

NJ TRANSIT will determine whether the IOM or its sub-consultant has a conflict on a case by case basis. NJ TRANSIT has the sole discretion to determine whether a conflict or potential conflict is found to have arisen by such action on the part of the IOM or its affiliates, subsidiaries, or sub-consultants. NJ TRANSIT's determination regarding any question(s) of conflict of interest shall be final. Additionally, NJ TRANSIT may take all appropriate action as it deems necessary.

The IOM and sub-consultant personnel who are 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. The IOM will be required to execute

a “Confidentiality and No Conflict of Interest Certification” prior to commencing the Work Authorization.

The selected IOM will be disqualified from bidding on the anticipated future IOM Services to monitor the MCF construction. The monitoring of the MCF construction may also include design services separate from the Jacobs contract and the financing, commissioning, operating, and maintaining the MCF.

I. CONFLICT OF INTEREST WITH FUTURE CONTRACTORS & SUB-CONTRACTORS

Vendors/contractors for the MCF Project to which the Work Authorization applies, may not be known at the time a Work Authorization is issued to the IOM. Once the vendor/contractor(s) has been identified, the IOM shall provide NJ TRANSIT with any anticipated or potential or suspected or actual conflicts that the IOM or its sub-consultant may incur during the projected course of a Work Authorization. Please refer to the chart above for the list of known and unknown vendors.

Existence of conflicts will be determined on a case-by-case basis by NJ TRANSIT. At the time that the vendor/contractor has been identified by NJ TRANSIT, and an apparent conflict of interest exists, NJ TRANSIT will discuss the matter and take any appropriate action, which may include reassignment of the Work Authorization to another IOM.

J. PROPOSAL CONTENT

IOMs are requested to submit an electronic copy of the technical & cost proposal no later than 4:00 p.m. on June 8, 2021 to [REDACTED].

In order to discuss the project and to address questions, NJ TRANSIT will hold a Pre-Proposal Conference on May 20, 2021 at 2:30 p.m. The Pre-Proposal Conference, which is not mandatory, but participation is strongly encouraged, will be held utilizing a telephone and video conference via Microsoft Teams for the purpose of providing a project overview, answering questions, and providing clarification.

Questions or requests for clarification regarding the Work Authorization Request are to be submitted in writing no later than 3:00 p.m. on May 25, 2021 and are to be submitted [REDACTED]. 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 Work Authorization Request response due date. Communications regarding this Work Authorization Request 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 **five (5)** calendar days of the receipt of the Work Authorization Request.

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 considering 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 Workplan.

The IOM will identify disadvantaged owned business enterprises (DBEs) that will or may act as sub-consultants 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 Monitoring Workplan showing the number of person-hours proposed for each Task. This section shall include the detailed approach and methodology for accomplishing the tasks detailed the scope of work. All Workplans MUST be in the format provided in Attachment 7.

5. **TECHNICAL SECTION:** This section shall contain three (3) Workplans – one (1) for each phase of the project – to accomplish the project. Each Workplan shall address all tasks described in this Work Authorization Request. 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. **DBE PROGRAM REQUIREMENTS FOR THE IOM:** The IOM shall identify DBEs that will or may act as sub-consultants in accordance with NJ TRANSIT's established DBE goals.

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

7. **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.
8. **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.
9. **CONFLICTS:** In accordance with Section I above, the IOM and its sub-consultants shall provide the information identified above in Section H entitled "Conflict of Interest" and complete the Certification, attached hereto as Attachment 8.

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

- A. Three (3) separate cost proposals, one for each Work Authorization phase of the project, shall be submitted simultaneously in a separate file from the file containing the technical proposal.
- B. Each of the three (3) cost proposals shall be presented in a person-hour allocation format by firm, task, and personnel classification. (Attachment 5)
- C. NJ TRANSIT will pay for only 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 ninety (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 the Work Authorization for the phase 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 thirty (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, a copy of the DBE subconsultant's 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 why and how the firm plans to work toward meeting this goal in addition to documented evidence of good faith effort (see guidance in the DBE Requirements attached to the Agreement).

K. SELECTION PROCESS

NJ TRANSIT will review the proposals and select the IOM whose proposal is most advantageous, price, technical, 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 IOM 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 NJ TRANSIT's opinion 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.

L. ADMINISTRATION OF THE WORK AUTHORIZATION – STANDARD PROJECT INITIATION

IOM activities will be managed by 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 satisfy the requirements in Section D. Deliverables above. 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 satisfy the requirements in Section D, Deliverables above. 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 the Contract and the Work Authorization. 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

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

M. ADMINISTRATION OF THE CONSULTANT - IOM TEAM CHANGES

Where the IOM 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 IOM 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.

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

N. ADMINISTRATION OF THE IOM - COMPENSATION

Payment for services to be rendered under each Work Authorization 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 Contract. Payments of invoices will be made within forty-five (45) 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 IOM. 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 tasks performed and deliverables 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 order to support payment, the IOM 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.

O. 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.

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

Pursuant to Executive Order No. 125, signed by Governor Chris Christie on February 8, 2013, the New Jersey 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 Work Authorization Request is subject to the requirements of Executive Order No. 125. Accordingly, the OSC will post a copy of the contract, including the Work Authorization Request, 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 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.

Q. ATTACHMENTS

- Attachment 1: TRANSITGRID MCF Project 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: Detailed Monitoring Workplan Template
- Attachment 8: Conflict of Interest Certification
- Attachment 9: Close-Out/Interim Report Template

NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Work Authorization Request:
Superstorm Sandy Integrity Oversight Monitoring Services for
NJ TRANSITGRID MICROGRID CENTRAL FACILITY
Attachment 1

NJ TRANSITGRID – Microgrid Central Facility Project Information

New Jersey Transit Corporation (NJ TRANSIT) operates the largest statewide public transit systems in the U.S. and is the nation's third-largest provider of bus, rail and light rail transit by ridership. As a major systems operator, NJ TRANSIT transports more than 900,000 customers a day across a service region spanning more than 5,325 square miles, servicing areas in New Jersey, New York and Pennsylvania. The agency operates an active fleet of 2,245 buses, 1,172 trains and 93 light rail vehicles. Its network carries 251 bus routes, three light rail lines and 12 commuter rail lines throughout New Jersey, linking major points in New York, Philadelphia and centers in between. NJ TRANSIT also operates AccessLink, a paratransit service, and supports mobility programs in communities statewide.

NJ TRANSIT is a critical public transportation provider. Reliable power is an essential element of its service and operations, critical to its ability to operate commuter rail, bus, and light rail services. NJ TRANSIT also operates a network of 52 substations, and over 264 miles of catenary systemwide.

NJ TRANSIT is implementing the NJ TRANSITGRID ("Project"), designed to provide reliable power to support service and facilities for critical portions of NJ TRANSIT's transportation infrastructure. The Project's primary objective is to improve the reliability and resiliency of the electric power supply necessary to support transportation of passengers generally between the major transportation hubs of Hoboken Terminal, Penn Station New York, Secaucus Junction, Newark Penn Station and other stations in New Jersey within a targeted service area. The Project is being designed to provide power for electrified trains and light rail vehicles in an event of partial or full commercial grid outages. The Project will support rail transportation for the following rail corridors:

- NJ TRANSIT's Morris & Essex ("M&E") Line between Hoboken and Maplewood;
- NJ TRANSIT's Hudson-Bergen Light Rail ("HBLR") between Tonnelles Avenue and 8th Street; and
- Amtrak's Northeast Corridor ("NEC") between Penn Station New York and NJ TRANSIT's County Yard/Jersey Avenue Station.

Furthermore, in accordance with Governor Murphy's clean energy goals, NJ TRANSIT is soliciting financially and technically feasible renewables and clean energy technology enhancements to the Project that meet the service requirements of the NJ TRANSITGRID. NJ TRANSIT plans to prioritize such enhancements in the final design of the MCF. NJ TRANSIT encourages the use of net-zero technologies, such as renewable and storage resources, as a means to improve the overall carbon footprint of the Project immediately or over time. NJ TRANSIT is committed to evaluating financially and technically feasible net-zero energy concepts that can contribute to the energy resiliency goals of the Project.

To deliver the NJ TRANSITGRID project, NJ TRANSIT is considering financing, program, and project delivery options that could feature design-build-commissioning-operate-maintain methods. NJ TRANSIT is also examining the possibility of inviting proposals from qualified private partners who can demonstrate adequate technical, construction, financial, operational and management experience and capacity required to design, construct, finance, commission, maintain and operate the NJ TRANSITGRID project under the terms of an anticipated Joint Investment Partnership Agreement, or JIPA. In furtherance of this effort, NJ TRANSIT has issued a Request for Qualifications to solicit qualified potential bidders for the JIPA delivery model.

NJ TRANSITGRID

The proposed NJ TRANSITGRID consists of two primary elements:

1. NJ TRANSITGRID MICROGRID CENTRAL FACILITY involves the construction of a new electric power generating Microgrid Central Facility (MCF), electrical transmission and distribution lines, substations, associated infrastructure and other emergency generators required to distribute power to requisite areas. The MCF will utilize electric generating technology resulting in power generation capacity necessary to satisfy load requirements based on NJ TRANSIT peak and operational conditions at the specified utilization. The proposed site for the MCF is in Kearny, New Jersey, close to existing traction power substations and on a large tract of undeveloped land owned by NJ TRANSIT in an industrial zone within the Koppers Koke Redevelopment Area that is being actively encouraged as brownfield redevelopment. NJ TRANSIT is committed to including technically and financially feasible solutions to maximize renewables in the design consistent with Governor Murphy's Energy Master Plan and Clean Energy Goals.
2. NJ TRANSITGRID DISTRIBUTED GENERATION SOLUTIONS will provide power to certain train stations, bus garages and other transportation infrastructure facilities in northeastern New Jersey. (***This portion of the project will not be reviewed as part of these IOM services***)

The NEPA process commenced in Fall 2015 and the combined Final Environmental Impact Statement (FEIS) and Record of Decision (ROD) obtained on April 15, 2020 marked the completion of the Federal process, including obtaining public feedback on the current design of the Project over that time period. The Project, based on the original design concept, is currently developed to an approximately 20% level of design development with equipment sizing, layout, and identification of routing corridors for transmission and distribution infrastructure advanced to a conceptual level.

FTA Grant Funding

The U.S. Department of Transportation's (DOT) Federal Transit Administration (FTA) Emergency Relief program, established under MAP-21 legislation, enables FTA to aid public transit operators in the aftermath of an emergency or major disaster. The Disaster Relief Appropriations Act of 2013 (Pub. L. 113-2) provided the first appropriation for FTA's Emergency Relief Program, approximately \$10.2 billion allocated to states and transit operators for recovery, relief, and resilience efforts in areas affected by Superstorm Sandy. On December 26, 2013, FTA published a Federal Register Notice announcing the availability of approximately \$3 billion for projects "that will reduce the risk of damage from future disasters in the areas impacted by Hurricane Sandy."

The NJ TRANSITGRID project was one of the five projects that was selected for funding through this FTA competition. For the NJ TRANSITGRID project, NJ TRANSIT was allocated a total of \$409.8 million in a federal grant. Of that amount, NJ TRANSIT was allocated \$377.1 million for the Microgrid Central Facility portion of the NJ TRANSITGRID Project. The remaining \$32.6 million was allocated to NJ TRANSIT for the Distributed Generation Solutions portion. The allocated \$409.8 million represents 75 percent of the total grant application project cost. NJ TRANSIT is required to demonstrate that, at a minimum, a 25 percent matching cost, local share will be contributed to support the project's development.

PROCUREMENT

Projected Procurement Schedule for the design, build, financing, commissioning, operation, and maintenance of the MCF under the terms of the anticipated JIPA. Dates are subject to change.

Period Activity Targeted Timeframe

No.	Activity Description	Targeted Timeframe
1	Step 1 - Issue Request for Qualifications (RFQ)	November 25, 2020
2	Deadline for questions from Prospective Respondents	January 14, 2021
3	Intent to Propose Form	March 26, 2021
4	SOQ Responses Due	April 2, 2021
5	Shortlist of Respondents	June 30, 2021
6	Step 2 - Release of Request for Proposals (RFP) including all detailed project technical and legal documents	December 31, 2021
7	RFP Responses Due	June 2022
8	Financial and Commercial Close	April 2023

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Work Authorization Request:
Superstorm Sandy Integrity Oversight Monitoring Services
for NJ TRANSITGRID MICROGRID CENTRAL FACILITY**

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: (If applicable)
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: (if different from the current address)			
Municipality:	County:	State:	Zip Code:
Insurance Company Involved: (if applicable)		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: (if applicable)			Telephone No.:	NJ Contractor License No. (plumbing, electrical etc.):	
Business Address:			Web-Site / E-Mail of business:		
Check ALL that apply: <input type="checkbox"/> Arrested <input type="checkbox"/> Complaints Filed <input type="checkbox"/> Under Investigation <input type="checkbox"/> Contacted by Police <input type="checkbox"/> 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
Work Authorization Request:
Superstorm Sandy Integrity Oversight Monitoring Services
for NJ TRANSITGRID MICROGRID CENTRAL FACILITY**

Attachment 3: Quarterly Report Template

State of New Jersey
Department of Treasury
Integrity Oversight Monitoring Reporting Model
For Quarter Ending: xx/xx/2016

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/2016

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/2016

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
Work Authorization Request:
Superstorm Sandy Integrity Oversight Monitoring Services
for NJ TRANSITGRID MICROGRID CENTRAL FACILITY**

Attachment 4: Question Submittal Template

NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services

Transitgrid MCF Project

Questions or Request for Clarification

FIRM NAME: _____

[illegible]

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Work Authorization Request:
Superstorm Sandy Integrity Oversight Monitoring Services
for NJ TRANSITGRID MICROGRID CENTRAL FACILITY**

Attachment 5: Cost Proposal Format

**Please submit three (3) separate cost proposals,
one (1) for each phase of the project**

NJ TRANSIT Contract No. 14-033

Integrity Oversight Monitoring Services

Attachment 5 - Cost Proposal Format

(PRIME)

	Staffing Category	Partner/Principal/ Director	Program Manager/Project Manager	Subject Matter Expert	Supervisor/ Senior Consultant	Consultant Associate/ Staff	Administrative Support	Totals
Fill in Work plan Risk Categories as Appropriate	Hourly Billing Rate (\$)							
Fraud Risk Assessment	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Grant Management (Where applicable)	Hours	-		-				-
	Amount (\$)	-	-	-	-	-	-	-
Disbursement/ Invoicing	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Procurement	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Task Order Contractors (Where applicable)	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Subcontractors	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Disadvantaged Business Enterprises (Fraud)	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Change Orders	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Claims Management	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Fieldwork Construction (Where applicable)	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Construction Assistance (Design Only)	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Project-wide Activities	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
PRIME Total Hours		-	-	-	-	-	-	-
PRIME Total Travel Cost								
PRIME Total \$ Amount		-	-	-	-	-	-	-

NJ TRANSIT Contract No. 14-033

Integrity Oversight Monitoring Services

Attachment 5 - Cost Proposal Format

SUBCONSULTANT (ADD A SEPARATE SECTION FOR EACH SUBCONSULTANT ON THE TEAM AS NEEDED)

	Staffing Category	Partner/Principal/ Director	Program Manager/Project Manager	Subject Matter Expert	Supervisor/ Senior Consultant	Consultant Associate/ Staff	Administrative Support	Totals
Fill in Work plan Risk Categories as Appropriate	Hourly Billing Rate (\$)							
Fraud Risk Assessment	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Grant Management (Where applicable)	Hours	-	-	-	-	-	-	-
	Amount (\$)	-	-	-	-	-	-	-
Disbursement/ Invoicing	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Procurement	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Task Order Contractors (Where applicable)	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Subcontractors	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Disadvantaged Business Enterprises (Fraud)	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Change Orders	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Claims Management	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Fieldwork Construction (Where applicable)	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Construction Assistance (Design Only)	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Project-wide Activities	Hours							-
	Amount (\$)	-	-	-	-	-	-	-
Subconsultant Total Hours		-	-	-	-	-	-	-
Subconsultant Travel Cost								
Subconsultant Total \$ Amount		-	-	-	-	-	-	-
TEAM TOTALS (HOURS) (PRIME + Subconsultant)								
TEAM TOTALS (COST) (PRIME + Subconsultant)								

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Work Authorization Request:
Superstorm Sandy Integrity Oversight Monitoring Services
for NJ TRANSITGRID MICROGRID CENTRAL FACILITY**

Attachment 6: DBE Forms

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: _____

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

Project Title: _____

Date: _____

Prime Contractor/Consultant: _____

Telephone #: _____

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

	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

Project Title: _____

Date: _____

Prime Contractor/Consultant: _____

Telephone #: _____

COMPLETE THE INFORMATION BELOW FOR “ALL” FIRMS INCLUDING SUPPLIERS SOLICITED; INCLUDING THOSE THAT WILL WORK 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.

Bidder/Proposer Prime Name: _____

Project Title: _____

Date: _____

Prime Contract Value: _____

Name, Address and Telephone # of all Subcontractor/Subconsultants	FEIN #	Provide <u>Detailed</u> 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)?

Circle one. (Yes or No)

If yes, DBE Sub-Primes must complete and submit Form AA.

At what percent? _____%

Intend to subcontract any portion of its scope of work to a Non-DBE(s)?

Circle one. (Yes or No)

If yes, must complete and submit Form AA2.

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.

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.

DBE GOOD FAITH EFFORT- FORM D

IFB/RFP Number: _____ Project Title _____

If the dollar value of the goal for DBE participation in this project has not been met, the Bidder/Proposer/Prime is required to complete the following questions to describe efforts to obtain DBE participation. Copies of correspondence, return receipts, telephone logs, or other documentation will be required to support good faith efforts. Please provide information for each DBE.

I, _____
Name Titleof _____
Bidder/Proposer/Prime

Certify that on _____, I contacted the below named DBE to obtain a
Date
Bid/Proposal for work items to be performed on the Project named above.

DBE: _____
Firm NameType of work requested to be performed: _____
_____Method of Contact: ☐ Phone ☐ Fax ☐ Mail ☐ Email

Date Contacted: _____

To the best of my knowledge and belief, said DBE was unavailable for work on this project and was unable to prepare a bid for the following reason(s):

- ☐ No response
- ☐ Not interested: Indicate Reason(s) _____
- ☐ Unacceptable Sub Bid: Indicate Reason(s) _____

Please note: Unless the price difference is excessive or unreasonable, incurring additional costs in using and finding a DBE is not a sufficient reason to reject DBE quote.

Signature of Bidder/Proposer/Prime_____
Date

**The above statement is a true and accurate account of why I did not submit a bid on this project.
(Below is to be signed by DBE firm only)**

Signature of DBE Firm

Date

Name of DBE Firm_____
Print Name_____
Address_____
Print Title_____
Telephone #: ()

Task Assignment - Prime Contractor Monthly DBE Payment Report - FORM E

Name of Task Assignment: _____

NJT Task Assignment #: _____

Prime Original Task Value: _____

Report for the Month of: _____

Change Orders (Overall Inc. /Dec.): _____

Task Execution Date: _____

Total Contract Amount to Date: _____

NJT Project Mgr Name: _____

Total Payments Received from NJT Date: _____

Assigned DBE Goal %: _____

Name of DBE Subcontractor	Work Task Performed	Original Contract Amount \$	Change Order Amount \$ (+/-)	Amount of Invoice Received this Month (\$)	Date of Invoice Received in this Month	Payment(s) Made to DBE in this Month in \$\$ (Itemize)	Date(s) Payment Made This Month	Total DBE Payments made to Date in (\$)	% Overall Work Finished	Final Pmt (Y/N)
Total(s)→		\$	\$	\$	Total(s)	\$	Total(s)	\$		

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

Prime Contractor Information:

Prime Firm Name: _____

Project Director Name: _____

Address: _____

Project Director Signature: _____

Telephone #: _____ Date: _____

Federal EIN #: _____

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

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

TASK ASSIGNMENT - Form E - Prime Contractor's DBE Payment Certification

1. Have **all** DBE subcontractors with executed subcontracts been paid amounts due from previous progress payments?

☐ **If yes, skip the next section and go to number 3.**

☐ **If no**, please complete fields in box below: (Use additional paper, if needed)

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

2. Have you notified the DBE subcontractor(s) that you are withholding payment and the reason(s) why?

☐ **If yes**, provide a copy of written notification to the DBE subcontractor with this form, indicating the date of notification.

☐ **If no**, lack of prior written notification to the DBE(s) that you are withholding payment violates the prompt payment clause guidelines. **Please contact the DBE immediately, and provide a copy of written notification to the subcontractor with this form.**

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

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

PROJECT DIRECTOR NAME (PRINT)

PROJECT DIRECTOR (SIGNATURE)

____/____/____
DATE

Additional Reasons/Comments for Withholding Payment:

DO NOT WRITE BELOW. DEPARTMENTAL USE ONLY.

- ☐ Approved
☐ Denied

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

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

TASK ASSIGNMENT - DBE SUBCONTRACTOR Monthly Payment Report - Form E2

Name of DBE Firm: _____

Report for the Month of: _____

DBE's FEIN#: _____

Task Order Contract Number: _____

DBE Address: _____

Task Assignment Name: _____

DBE Telephone #: _____

DBE Task Start Date: _____

Prime Contractor's Information:

Name of Prime: _____ Address: _____ Telephone #: _____

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

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

Is retainage held on your subcontract? **Yes** or **No** (circle one) If yes, how much? \$_____. Did your final payment include retainage? **Yes** or **No** (circle one)**Past Due Invoice(s) Information:** List any invoice more than 40 days past due from date submitted to prime at the time you complete this form.

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

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

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

THIS FORM IS DUE ON THE 7TH OF EACH MONTH IMMEDIATELY FOLLOWING DBE's SUBCONTRACT START DATE, EVEN IF PAYMENT NOT RECEIVED. *Please mail this form to:*
NJ TRANSIT, Office of Business Development, One Penn Plaza East, 6th Fl, Newark, New Jersey 07105-2246

Do not alter this form in any way.

If you need assistance completing this form please call 973-491-7539, 8061 and 8068.

Rev Fed Form E2 – April 15, 2013

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Work Authorization Request:
Superstorm Sandy Integrity Oversight Monitoring Services
for NJ TRANSITGRID MICROGRID CENTRAL FACILITY**

Attachment 7: Detailed Monitoring Workplan Template

**Please submit three (3) separate Workplans,
one (1) for each phase of the project**

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>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Determine whether grant documentation intentionally misrepresented how grants will be used.
Grant Management	A.2	Falsified Reporting	L/M			Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Determine whether reports were intentionally misrepresented and/or contained inaccurate information.
Grant Management	A.3	Budget Manipulation	M/L			Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Determine whether costs are inappropriately charged to a specific grant or intentionally misclassified. Evaluate for possible budget manipulation where improper segregation of duties may exist.
Disbursement/ Invoicing	B.1	Payment Charged to Incorrect Grant Code	M/L	<describe the fraud risk as it relates to this project and/or the reasons why it is N/A>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Determine whether costs are inappropriately charged to a specific grant or intentionally misclassified.

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/ Invoicing	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) of primes and subs do not align with the contractual requirements.</p> <p>Determine whether quality and quantity of materials and services received were misreported/misrepresented.</p> <p>Review payments where supporting documentation are not adequate, missing or incomplete.</p> <p>Review whether prime is timely and accurately paying sub(s) in compliance with contractual requirements.</p>
Disbursement/ Invoicing		Payroll & Prevailing Wage	L/M			<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Conduct periodic prevailing wage reviews to mitigate the risk of ghost employees by checking payroll registers, paychecks including signatures, headcounts, and payments to unions for benefits if union requirement in place.</p> <p>Conduct spot reviews of a selection of contractors/subcontractors' certified payrolls for compliance and accuracy; conduct prevailing wage interview; send prevailing wage interview letters to workers and conduct periodic office visits to review payroll register and compare to information contained in certified payrolls.</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/ Invoicing		Equipment & Materials	L/M			Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Review whether charges (hourly rental rates/overhead rates/materials) align with the contractual requirements. Determine whether quality and quantity of materials and services received were misreported/ misrepresented. Review payments where supporting documentation are not adequate, missing or incomplete. Review whether Buy America requirements are complied with, where applicable.
Procurement - Contractor bid frauds	C.1.1	Bid Suppression	H/M	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Determine whether the non-winning bidders are retained via subcontracts. Determine why solicited firms did not bid. Analyze bids received versus internally developed cost estimates. Review ownership and affiliations of competitors to determine if there is shared ownership, past joint ventures, or an ongoing and repeated contractor/subcontractor relationship.
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	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Review bidders lists to determine whether contractor lists represented a legitimate pool of contractors. Determine why solicited firms did not bid. 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.
Procurement - Bribery / kickbacks	C.3	Bribery/Kickbacks	H/M	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. 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. Inquire from bidders, non-bidders and NJT personnel whether they were solicited for bribes/kickbacks. Review sole and single sourced contracts for award process and investigate if not in the best interests of the project or NJT.
Procurement - Contract frauds	C.4.1	Rigged Specifications	M/M	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Assess vendor contracting procedures and controls and

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.4.2	Manipulation of Contract Terms	M/M			identify weaknesses and/or compliance issues in the contracting process and investigate if not in the best interests of the project or NJT.
Procurement - Contract frauds	C.4.3	Intentionally Vague Scope Definition	H/H			Review contract RFP documentation, related 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>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.
Procurement - Bid Information Frauds	C.5.2	Accepting Late Bids	M/M			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.
Procurement - Bid Information Frauds	C.5.3	Improper Disqualification	M/M			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.
Procurement - Bid Information Frauds	C.5.4	Unjustified Sole Source Contracts	H/M			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

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:</p> <p>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:</p> <p>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	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Determine whether the task order contractor lists represents a legitimate pool of contractors. If competitive process, determine why solicited firms did not bid. 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.
Task Order Contractors (TOC's)	D.4	Schedule Manipulation	M/M	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. 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. Determine whether the GC and/or subcontractors manipulated the schedule in order to increase delay claims, change orders, and/or accelerated costs.
Task Order Contractors (TOC's)	D.5	Change Order Manipulation	H/H	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		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.)
Subcontractors	E.1	Duplicate Billings	H/H	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. 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.
Subcontractors	E.2	Cost Shifting	H/H	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. 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.
Disadvantaged Business Enterprise (DBE) - False Submission	F.1.1	False Certification Documentation	H/H	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. 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.
Disadvantaged Business Enterprise (DBE) - False Submission	F.1.2	False Compliance Documentation	H/H	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. 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.

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	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. 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.
Disadvantaged Business Enterprise (DBE) - Pass-Through	F.2	Pass-Through	H/H	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Evaluate whether the DBE is performing a commercially useful function.
Disadvantaged Business Enterprise (DBE) - Fronting	F.3	Fronting	H/H	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Verify authenticity of DBE Ownership and DBE supervision of work being performed. Review transactions for suspicious disbursements and transactions.

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

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	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Determine whether costs are reasonable, accurate, incurred, and valid, and are in the best interests of the project or NJT. Determine whether costs and/or tasks in the scope of the original contract were included in change orders.
Change Orders	G.4	Scope Manipulation	M/H	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Determine whether costs and/or tasks in the scope of the original contract were included in change orders. Determine whether scope and costs of change orders appear reasonable for the amount of work to be performed. Determine whether the number of change orders appear to be excessive and not in the best interests of the project or NJT.
Claims Management	H.1	Overpayment of Settlement Amounts	L/M	<u><describe the fraud risk as it relates to this project and/or the reasons why it is N/A></u>		Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Determine whether claims are valid, settled at a reasonable amount and are in the best interest of the project and NJT.

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>
Fieldwork Construction		Materials Testing	L/M			<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Periodic audits on materials to ensure compliance with contractual specifications.</p> <p>Perform periodic physical inspection of materials and compare with invoices, test results, daily tickets and job cost records.</p>
Fieldwork Construction	N/A	Fixed Assets Inventory Control	L/M			<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Onsite field observations to observe equipment in use, materials properly secured, and follow up with audit review of billings and inventory.</p>
Fieldwork Construction		Demo/Waste Disposal/Abatement	L/M			<p>Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate.</p> <p>Examine incident reports and make sure that all spills are reported and clean-up are documented.</p> <p>Review whether waste materials are properly disposed and disposal charges are for appropriate quantities and price.</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.)
Fieldwork Construction		Mgmt. Plans for Site Access & Safety	L/M			Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Review site safety inspections reports for reported infractions by workers. Identify contractor supplied safety equipment from bid and contract, site walkthroughs specifically to locate equipment on site.
Construction Assistance		Mgmt. Plans for Site Access & Safety	L/M			Potential Procedures - Generic: Review applicable supporting documentation to identify potential red flags and investigate as appropriate. Review transactions for suspicious disbursements and transactions.

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.)
<u>Additional Fraud Risks Identified for this Project</u> <u>(e.g., payroll, insurance, environmental, QA/QC, safety, permitting, etc.)</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.

Project: _____ IOM: _____

1) Time Overcharging
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) Conflicts of Interest
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>

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.

3) Kickbacks
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) Quality Control Testing
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) Materials Overcharging

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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) Discrepancies between contractor - provided quantity documentation and observed data, including yield calculations.
b) Refusal or inability to provide supporting documentation.
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) <u>Disadvantaged Business Enterprise (DBE) Fraud</u>
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) <u>Bid Rigging and Collusion</u>
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) <u>Product Substitution</u>
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) <u>Bribery</u>
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) <u>Debris Removal</u>
<u>False Claims</u>
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>

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Work Authorization Request:
Superstorm Sandy Integrity Oversight Monitoring Services
for NJ TRANSITGRID MICROGRID CENTRAL FACILITY**

Attachment 8: Conflict of Interest Certification

NJ TRANSIT CONTRACT NO. 14-033
INTEGRITY OVERSIGHT MONITORING (IOM) PROGRAM
CONFLICT OF INTEREST CERTIFICATION

The IOM and each of its sub-consultants must certify by completing this form that neither it nor any of its affiliates or subsidiaries or sub-consultants is involved in Superstorm Sandy Program Management or in the design, preparation or delivery of Superstorm Sandy Recovery and Resiliency contracts, task orders, projects, services and programs or any other involvement or activities to NJ TRANSIT or third-parties that could create a direct or indirect 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 sub-consultant or subcontractor of any tier.

COMPLETE ALL QUESTIONS BELOW	YES	NO
1. Has any person or the firm previously performed or is currently performing any materials, services, or any other work for NJ TRANSIT? <i>(If yes, complete and attach a form containing the contract number, contract title, dates, the contact person, and brief description of the work.)</i>	_____	_____
2. Has any person or the firm previously performed or is currently performing any design, preparation, delivery or any other services for the Superstorm Sandy Program or Resilience Program at NJ TRANSIT? <i>(If yes, attach a detailed explanation for each instance.)</i>	_____	_____
3. Has any person or the firm previously performed or is currently performing any design, preparation, delivery or any other services for Superstorm Sandy or Resilience Program for contractors, firms, entities, corporations or any other parties? <i>(If yes, attach a detailed explanation for each instance.)</i>	_____	_____
4. Are there now any potential, anticipated, or actual conflict of interests between any person or the firm either directly or as a member of a joint venture, partnership or as a sub-consultant or subcontractor of any tier <i>(If yes, attach a detailed explanation for each instance.)</i>	_____	_____

CERTIFICATION: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge that NJ TRANSIT is relying on the information contained herein and thereby acknowledge that I am under a continuing obligation from the date of this certification through the completion of any contracts with NJ TRANSIT to notify NJ TRANSIT in writing of any changes to the answers or information contained herein.

I, being duly authorized, certify that the information supplied above, including all attached pages, is complete and correct to the best of my knowledge. I certify that all of the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, that it will constitute a material breach of my agreement(s) with NJ TRANSIT and that NJ TRANSIT at its option, may declare any contract(s) resulting from this certification void and unenforceable.

COMPANY NAME: _____		_____ (Signature)
ADDRESS: _____	PRINT OR TYPE	_____ (Name)
_____		_____ (Title)
_____		_____ (Date)

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Work Authorization Request:
Superstorm Sandy Integrity Oversight Monitoring Services for
NJ TRANSITGRID MICROGRID CENTRAL FACILITY**

Attachment 9: Close-Out/Interim Report Template
(IAD can provide this template in electronic format upon request)

Attachment 9 begins on next page

NOTE: Cover page of report should be on IOM's letterhead.

INTEGRITY OVERSIGHT MONITOR'S CLOSE OUT (OR INTERIM) REPORT

IOM Name: _____

NJT Contract No: _____

Project Name: _____

In addition to other reporting requirements, prior to the expiration of the Integrity Oversight Monitor's Work Authorization (WA), or on an interim basis as necessary for longer-term engagements, the Integrity Oversight Monitor (IOM) shall submit to the NJ Transit Internal Audit Department (IA) a summary report of:

- audit findings,
- observations, and
- process recommendations and/or best practice recommendations for its review and consideration.

This report shall contain findings and observations from the IOM's review of documentation, site visits, and other work that was performed during the IOM Work Authorization term. Also based on its work during the IOM Work Authorization term, the report shall contain industry best practice recommendations regarding the processes it observed.

The report will be due to IA three (3) weeks after IA has completed its final review and acceptance of the workpapers for the IOM WA. Due dates for interim reports will be mutually agreed upon by the IOM and IA.

Report Type: Close-Out _____

Interim _____

Report Date: _____

Prepared and Submitted by:

Name and Title

NJT Distribution:

TABLE OF CONTENTS

I.	EXECUTIVE SUMMARY	- 10 -
II.	DETAILED REPORT: INTEGRITY OVERSIGHT MONITORING SERVICES – FINDINGS AND/OR OBSERVATIONS	- 11 -
III.....	DETAILED REPORT: PROCESS AND/OR BEST PRACTICE RECOMMENDATIONS	- 13 -

I. EXECUTIVE SUMMARY

Purpose

- Brief statement regarding the federal and state requirements requiring integrity oversight monitoring services.

Background

Suggested content:

- Date NJT advised IOM it had been awarded the contract
- Effective date and dollar amount of Limited Notice to Proceed
- Effective date and expiration date of Work Authorization(s) (include all revisions to original Work Authorization, including extensions of time, adding scope, increasing value of the of Work Authorization)
- The value and descriptions of the Contracts that were monitored by IOM under this engagement.
- Funding source(s) and funding amounts of the project(s) that were monitored.

Scope

- Brief description of:
 - fraud risk assessment categories that were addressed in the IOM's workplan;
 - the type of monitoring activities performed; and
 - if applicable, DBE Compliance Monitoring performed.
- Statement whether this is an interim report (for a longer-term IOM project) or whether this is a close-out report at the end of the engagement.

Conclusion

- Begin with a statement that whether there were findings of fraud, waste, or abuse. If no, please state as such. If there were findings of fraud, waste, or abuse, please provide an explanation of the finding as well as when and to whom the findings were reported. (Reminder: if there is a finding of a likely criminal violation or lesser degree of any malfeasance, inefficiency, waste, fraud, abuse or mismanagement of funds, the IOM must immediately report its written findings to the New Jersey Office of the State Comptroller and the New Jersey Attorney General's Office with a copy to NJ Transit Auditor General consistent with the requirements of N.J.S.A. 52:15D-2.) If the IOM is aware of how a fraud, waste, or abuse issue was resolved, please explain.
- Provide a summary of:
 - the audit findings,
 - observations, and
 - process recommendations and/or best practice recommendations for NJ Transit's review and consideration. Observations and recommendations should also be made in the Detailed section of the close-out or interim report. Indicate whether the Observations are operational, financial, compliance and/or technology-related.

II. DETAILED REPORT: INTEGRITY OVERSIGHT MONITORING SERVICES – FINDINGS AND/OR OBSERVATIONS

A. **Issue Statement** (statement of issue identified)

Finding 1:

Describe observation including specifics of findings identified.

Fraud Risk Category and Risk Description:

Specify the Fraud Risk Assessment Category of the workplan procedures that led to this observation.

Recommendation 1: (state type of Recommendation, e.g. operational, compliance, financial, information technology)

Recommendations should be based on strengthening internal controls and/or implementing industry best practices as appropriate.

Corrective Action Taken (if applicable)

Report actions taken by NJT during the engagement in response to observations relayed to NJT during the engagement.

(Repeat above categories for each Observation under Issue A)

B. Issue Statement for Observation (statement of issue identified)

Observation 1:

Fraud Risk Category and Risk Description:

Recommendation 1: (state type of Recommendation, e.g. operational, compliance, financial, information technology)

Corrective Action Taken (if applicable)

(Repeat above section categories for each Observation under Issue B)

III. DETAILED REPORT: PROCESS AND/OR BEST PRACTICE RECOMMENDATIONS

Report to NJ Transit process and/or best practice recommendations based on IOM activities during the engagement.

Add additional Issue Sections as needed.