

**From:** [Administration Integrity OversightMonitor](#)

**To:**

; [Ernst & Young, LLP](#);

**Bcc:**

**Subject:** EQ2014-007-P1-DCA Section 3 and M/WBE Compliance - Notice of Intent to Award

**Date:** Thursday, September 18, 2014 4:55:00 PM

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Successful Bidder: **Ernst & Young (EY)**

On behalf of the Department of Community Affairs, this is notice of the intent to award the DCA Section 3 and M/WBE Compliance Services engagement. This bid will be awarded to **EY** whose proposal is most advantageous to the State, price and other factors considered.

The successful bidder is instructed not to proceed until a task order and purchase order are issued by this office.

Thank you for your participation in this bid.

Sincerely,

David Ridolfino

Associate Deputy Treasurer/IM State Contract Manager

STATE OF NEW JERSEY <b>AGENCY PURCHASE ORDER</b>				DOCUMENT		DATE	REQUISITION NUMBER	FY
				TC	AGY	NUMBER		
P O #: 8042061				PO	082	20008042061	10/16/14	R
				(PB2) TERM CONTRACT AUTHORIZATION			VENDOR ID NUMBER	
CONTRACT NO	AGENCY REF	BUYER	TERMS					TOTAL AMOUNT
84044	MLC	MGJ	NONE					\$ 543636.00

**VENDOR NAME AND ADDRESS**

ERNST & YOUNG LLP  
PO BOX 751  
99 WOOD AVENUE S 9TH FL  
ISELIN NJ 08830-0471

**SHIP F.O.B. DESTINATION TO:**

DIV OF ADMINISTRATION (822000/S003)  
FISCAL/PROCUREMENT OFFICE  
50 WEST STATE ST 8TH FL  
PO BOX 211  
TRENTON NJ 08625-0211

Direct Purchase or Special Procurement, Indicate Date Quotation Received →

**BILL TO:**

DEPT OF TREASURY (822000/B003)  
DIV OF ADMINISTRATION  
FISCAL/PROCUREMENT OFFICE  
50 WEST STATE ST 8TH FL  
PO BOX 211  
TRENTON NJ 08625-0211

**IMPORTANT: THIS PURCHASE ORDER CONTAINS PROMPT PAYMENT INFORMATION**

VENDOR REFERENCE

BFY 14

FUND	AGCY	ORG CODE	SUBORG	APPR UNIT	ACTIVITY CD	OBJECT CD	SUB-OBJ	REV SRCE	SUB-REV	PROJECT/JOB NO
703	082	2000		013	0999	3610				

RPT CT	AMOUNT
1	543636.00
2	
3	

**INSTRUCTIONS TO VENDORS:** ENCLOSE PACKING SLIP WITH SHIPMENTS. SUBMIT ALL BILLS ON ATTACHED STATE VOUCHER FORMS. IF PARTIAL BILLING SUBMIT BALANCE ON SEPARATE STATE VOUCHER FORMS. SHOW PURCHASE ORDER NUMBER ON ALL BILLS OF LADING. INVOICES AND CORRESPONDENCE TO THE STATE AGENCY INDICATED ABOVE. N.J.S.A. 54:32B-1 ET SEQ. EXEMPTS NJ STATE AGENCIES FROM SALES OR USE TAXES. DO NOT INCLUDE THEM IN YOUR PRICE.

ITEM NO.	COMMODITY CODE/DESCRIPTION OF ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
00001	DELIVERY: SEE DELIVERY INFO COMMODITY CODE: 962-58-085755 [PROFESSIONAL SERVICES (NOT OTHERWISE...)] ITEM DESCRIPTION: CONTRACT LINE : 00009 PROGRAM AND PROCESS MANAGEMENT AUDITING PARTNER PRINICPAL DIRECTOR - HOURLY RATE YEAR 2	150.000	HOUR	329.00	\$ 49350.00
00002	COMMODITY CODE: 962-58-085756 [PROFESSIONAL SERVICES (NOT OTHERWISE...)] ITEM DESCRIPTION: CONTRACT LINE : 00010 PROGRAM AND PROCESS MANAGEMENT AUDITING PROGRAM MANAGER - HOURLY RATE	198.000	HOUR	319.00	\$ 63162.00

**AGENCY APPROVAL:** This transaction is authorized by the Director, Division of Purchase and Property in accordance with the provision of Chap. 107 P.L. 1985 as amended. The issuing Agency's Approval Officer's signature guarantees compliance with all provisions governing the authorization granted by the Director. Signature affixed to this document serves as certification that: 1) items purchased under DPA authorization are not currently available under the provisions of a current State contract, nor from the State Distribution Center, nor from DEPTCOR (State Use Industries); 2) funds required and authorized for this purpose are available. Unauthorized use is subject to prosecution.

Authorized Signature  
Operations Manager  
OCT 16 2014  
Title Date

**CONTINUATION SHEET**

**AGENCY PURCHASE ORDER**

DIV OF ADMINISTRATION  
 FISCAL/PROCUREMENT OFFICE  
 50 WEST STATE ST 8TH FL  
 PO BOX 211  
 TRENTON NJ 08625

NUMBER : 8042061  
 REQ NUMBER:  
 VENDOR : ERNST & YOUNG LLP

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 2

NO.	COMMODITY/SERVICE DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
00003	YEAR 2 COMMODITY CODE: 962-58-085757 [PROFESSIONAL SERVICES (NOT OTHERWISE...)] ITEM DESCRIPTION: CONTRACT LINE : 00011 PROGRAM AND PROCESS MANAGEMENT AUDITING PROJECT MANAGER - HOURLY RATE	278.000	HOUR	274.00	\$ 76172.00
00004	YEAR 2 COMMODITY CODE: 962-58-085758 [PROFESSIONAL SERVICES (NOT OTHERWISE...)] ITEM DESCRIPTION: CONTRACT LINE : 00012 PROGRAM AND PROCESS MANAGEMENT AUDITING SUBJECT MATTER EXPERT - HOURLY RATE	320.000	HOUR	274.00	\$ 87680.00
00005	YEAR 2 COMMODITY CODE: 962-58-085759 [PROFESSIONAL SERVICES (NOT OTHERWISE...)] ITEM DESCRIPTION: CONTRACT LINE : 00013 PROGRAM AND PROCESS MANAGEMENT AUDITING SUPERVISORY SENIOR CONSULTANT - HR. RATE	392.000	HOUR	236.00	\$ 92512.00
00006	YEAR 2 COMMODITY CODE: 962-58-085760 [PROFESSIONAL SERVICES (NOT OTHERWISE...)] ITEM DESCRIPTION: CONTRACT LINE : 00014 PROGRAM AND PROCESS MANAGEMENT AUDITING CONSULTANT - HOURLY RATE	420.000	HOUR	180.00	\$ 75600.00
00007	YEAR 2 COMMODITY CODE: 962-58-085761 [PROFESSIONAL SERVICES (NOT OTHERWISE...)] ITEM DESCRIPTION: CONTRACT LINE : 00015 PROGRAM AND PROCESS MANAGEMENT AUDITING ASSOCIATE STAFF - HOURLY RATE	420.000	HOUR	123.00	\$ 51660.00
00008	YEAR 2 COMMODITY CODE: 962-58-085842 [PROFESSIONAL SERVICES (NOT OTHERWISE...)] ITEM DESCRIPTION: CONTRACT LINE : 00074 MONITORING POOLS PASS THROUGH LINE FOR TRAVEL AND AS PER SECTION 3.6 OF THE RFQ. REIMBURSEMENT COSTS CATALOG NUMBER: E&Y CATALOG PRICE : \$ 47500.00000 TRAVEL COSTS	1.000	HOUR	47500.00	\$ 47500.00

<b>STATE OF NEW JERSEY</b> <b>PAYMENT VOUCHER</b> (VENDOR INVOICE)				DOCUMENT				BATCH				ACTG PER.	FY
				TC	AGY	NUMBER		TC	AGY	NUMBER		15	
PV 082		PP START		SCHED PAY		CHK CAT	OFF LIAB	F A	PY TP	CK FL	(A) VENDOR ID NUMBER		
		MO	DY	YR	MO	DY	YR						
P O #: 8042061		PV		DATE									

CONTRACT NO	AGENCY REF	BUYER	(B) TERMS	PAYEE: SEE INSTRUCTIONS FOR COMPLETING ITEMS (A) THROUGH (G)	(C) TOTAL AMOUNT
84044	MLC	MGJ	NONE		\$ 543636.00

(D) PAYEE NAME AND ADDRESS  <b>ERNST &amp; YOUNG LLP</b> <b>PO BOX 640382</b> <b>PITTSBURG PA 15264-0382</b>	(E) SEND COMPLETED FORM TO:  <b>DEPT OF TREASURY</b> <b>DIV OF ADMINISTRATION (822000/B003)</b> <b>FISCAL/PROCUREMENT OFFICE</b> <b>50 WEST STATE ST 8TH FL</b> <b>PO BOX 211</b> <b>TRENTON NJ 08625-0211</b>
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(F) PAYEE DECLARATION

I CERTIFY THAT THE WITHIN PAYMENT VOUCHER IS CORRECT IN ALL ITS PARTICULARS, THAT THE DESCRIBED GOODS OR SERVICES HAVE BEEN FURNISHED OR RENDERED AND THAT NO BDNUS HAS BEEN GIVEN OR RECEIVED ON ACCOUNT OF SAID DOCUMENT.

▶▶▶▶▶ \_\_\_\_\_  
PAYEE SIGNATURE

\_\_\_\_\_  
PAYEE TITLE

\_\_\_\_\_  
BILLING DATE

LINE NO	REFERENCE				LINE	(G) PAYEE REFERENCE
	CD	AGY	NUMBER			
1						
2						
3						

BFY 14

	FUND	AGCY	ORG CODE	SUBORG	APPR UNIT	ACTIVITY CD	OBJECT CD	SUB-OBJ	REV SRCE	SUB-REV	PROJECT/JOB NO
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2											
3											

	RPT CT	BS ACT	DESCRIPTION	DT	QUANTITY	AMOUNT	ID	PF	TX
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2									
3									

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CERTIFICATION BY RECEIVING AGENCY: I certify that the above articles have been received or services rendered as stated herein.  _____ Signature  _____ Title _____ Date	CERTIFICATION BY APPROVAL OFFICER: I certify that this Payment Voucher is correct and just, and payment is approved.  _____ Authorized Signature  _____ Title _____ Date
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**CONTINUATION SHEET**

**INVOICE**

DIV OF ADMINISTRATION  
 FISCAL/PROCUREMENT OFFICE  
 50 WEST STATE ST 8TH FL  
 PO BOX 211  
 TRENTON NJ 08625

NUMBER : 8042061  
 REQ NUMBER:  
 VENDOR : ERNST & YOUNG LLP

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**PAYEE INSTRUCTIONS**  
**ITEMS (A) THROUGH (G) ARE TO BE COMPLETED BY PAYEE**

**(A) PAYEE IDENTIFICATION NUMBER**

Complete the payee identification field with the federal employer identification number assigned to the business or the social security number if the payee is an individual.

**(B) TERMS**

The terms of sale, such as "NET", "2%, 15 days", etc.

**(C) TOTAL AMOUNT**

Enter the total amount of this invoice.

**(D) PAYEE NAME AND ADDRESS**

The name of the individual or company to whose name the check shall be drawn and the complete address where the check shall be mailed.

**(E) SEND COMPLETED FORM TO:**

The Department, Division, Bureau or Institution to whom the materials or services were furnished.

**(F) PAYEE DECLARATION**

Payee must sign the declaration.

Enter the date the document is prepared and signed.

**(G) PAYEE REFERENCE NUMBER**

Payee must show his own invoice or billing number or any other identification for reference purposes. This information is recorded on the check stub and aids the payee to identify the invoices which have been paid. Do not use more than 30 characters.

**PAYEE IS TO COMPLETE THE SCHEDULE OF ITEMS OR SERVICES SHOWING QUANTITY, UNIT, DESCRIPTION, UNIT PRICE AND AMOUNT. IF THE NUMBER OF ITEMS EXCEEDS THE SPACE, ATTACH A SCHEDULE SHOWING THE REQUIRED INFORMATION.**

**TO INSURE PROMPT PAYMENT, SEND COMPLETED INVOICE ONLY  
TO THE DEPARTMENT/AGENCY SHOWN IN ITEM (E)**

**VENDORS MAY BE ENTITLED TO INTEREST ON INVOICES IF PAYMENT IS NOT MADE WITHIN 60 DAYS OF THE DATE OF ACCEPTANCE OF A PROPERLY EXECUTED INVOICE OR RECEIPT OF GOODS OR SERVICES, WHICHEVER IS LATER. INQUIRES SHOULD BE MADE DIRECTLY TO THE DEPARTMENT OR AGENCY SHOWN IN ITEM E.**

**TASK ORDER #: DCA 1-1A-G**  
**CONTRACT # G-9004**  
**SUPERSTORM SANDY PROGRAM AND PROCESS MANAGEMENT CONSULTING**  
**DCA – “SECTION 3” COMPLIANCE SERVICES**  
**STATE OF NEW JERSEY**  
**EQ2014-007-P1**

September 24, 2014

**Authorizing Contract:**

This Task Order is governed by the terms and conditions set forth in the contract (G9004) and associated Method of Operation between the State of New Jersey and Ernst & Young, LLP.

**Task Order Name: State of New Jersey Super Storm Sandy Program and Process Management Consulting, New Jersey Department of Community Affairs (DCA), Tasks A-G, policy development, implementation and compliance monitoring services related to Department of Housing and Urban Development’ “Section 3” and Minority Business Enterprise/Women Business Enterprise (M/WBE).**

**1.0 Description of Task:**

As the Program and Process Management Consultants, Ernst & Young, LLP will provide policy guidance, implementation and compliance monitoring services related to “Section 3” and M/WBE requirements. The focus of the engagement is expected to be all programs funded from CDBG-DR funds.

**2.0 Task Activities and Work Plan:**

Ernst & Young, LLP will work with local firms and stakeholder groups to assist them to properly conduct “Section 3” outreach. In addition, they will be build relationships with relevant chambers of commerce, trade groups and advocacy organizations. They will develop, implement and document an outreach program as well as undertaking the educational activities as referenced in the Agreement. A “Section 3” training plan focusing on staff, “Section 3” businesses and “Section 3” covered persons will be prepared, executed and updated accordingly by Ernst & Young, LLP. They will monitor and document the activities that DCA and it sub-recipients utilize to comply with “Section 3” and M/WBE requirements. Moreover, Ernst & Young, LLP will monitor these processes/activities for adherence to grant assistance program guidelines, procurement rules and reporting requirements related to “Section 3.” Upon a finding of a likely criminal violation or lesser degree of any malfeasance, inefficiency, waste, fraud, abuse or mismanagement of funds, report finding to the State Attorney General and State Comptroller immediately, consistent with the requirements of the Act, and provide a copy to the State Contract Manager. They will also monitor and document that CDBG-DR program requirements are met and comply with applicable State and Federal guidelines, regulations and laws. Ernst & Young, LLP will provide oversight consistent with the plan(s) adopted in these Tasks and provide deliverables as set forth in the Engagement Query.

**3.0 Key Deliverables and Approximate Timelines:**

Ernst & Young, LLP will begin providing these services immediately following the kick-off meeting. They will provide minutes of the meeting (Task A-3.1) to the State Contract Manager within three (3) business days. They will partner with local firms and stakeholders (Task B-3.2) and develop relationships; which is to be completed within fifteen (15) business days of the completion of Task A. Ernst & Young will begin outreach and education activities with businesses and covered individuals (Task C-3.3) within thirty (30) business days of the completion of Task B. In addition, Ernst & Young, LLP will prepare and submit quarterly and annual reports (Task E-3.5) to the State for its submission to HUD on "Section 3" and M/WBE compliance as required by "Section 3" and the Agreement. The remaining tasks (Tasks D-3.4, F-3.6 & G-3.7) are on-going and may have completion dates assigned in the future. Ernst & Young, LLP will provide monthly status reports to DCA, copying the State Contract Manager.

Contract Job Title	Hours	Hourly Rate	Total
Partner/Principal/Director	150	\$329.00	\$49,350
Program Manager	198	\$319.00	\$63,162
Project Manager	278	\$274.00	\$76,172
Subject Matter Expert	320	\$274.00	\$87,680
Supervisor/Senior Consultant	392	\$236.00	\$92,512
Consultant	420	\$180.00	\$75,600
Associate/Staff	420	\$123.00	\$51,660
Travel			\$47,500

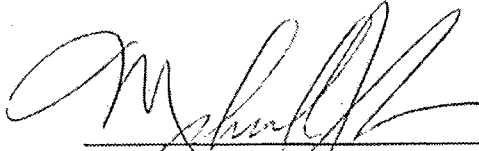
**4.0 Costs and Cost Estimate:**

You are hereby authorized a maximum of \$543,636 for this Task Order. Ernst & Young, LLP is authorized to arrange the travel for the employees as necessary according to the terms of the contract with the State of New Jersey. Expenses involved with performance under this Task Order or in the production of materials needed for the project shall be authorized as part of the Task Order. The above cost is an estimate, and all charges will be based on actual costs and reflected in monthly invoice statements. Ernst & Young, LLP will request authorization from the State Contract Manager before incurring any costs exceeding the maximum cost reflected above.

As agreed upon in the contract and associated Method of Operation, Ernst & Young, LLP agrees to adhere to the Travel and Expense polices outlined therein.



Agreed to By:



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Michael Simon, Auditor  
DCA Sandy Recovery Division

(Date)

10/14/2014



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Robert Reeves, Executive Director  
Ernst & Young, LLP

(Date)

10/16/2014

Task Order # DCA 1-1A-G