

Letter of Engagement

Joseph A. DeLuca
Executive Vice President and Chief Operating Officer
Thacher and Associates
330 West 42nd Street
New York, NY 10036
Sent via email: joe@thacherassociates.com

December 16, 2013

Dear Mr. DeLuca:

It is the intent of the Department of the Treasury to make a contract award to Thacher Associates, LLC pursuant to the proposal submitted in response to the Engagement Query: City of Elizabeth's Veterans Waterfront Memorial Park.

A signed Purchase Order and Task Order will be sent under a separate cover. You are instructed not to proceed until you receive a Purchase Order and Task Order from this office. We will be contacting you shortly to schedule the kick-off meeting.

Thank you for your participation in the Department of the Treasury's bid for an Integrity Oversight Monitor.

Sincerely,

David Ridolfino
Associate Deputy Treasurer
IM State Contract Manager

STATE OF NEW JERSEY AGENCY PURCHASE ORDER				DOCUMENT			DATE	REQUISITION NUMBER	FY
				TC	AGY	NUMBER			
P O #: 7902363				PO	082	20007902363	12/19/13	R	14
				(PB2) TERM CONTRACT AUTHORIZATION				VENDOR ID NUMBER	
CONTRACT NO	AGENCY REF	BUYER	TERMS	TOTAL AMOUNT					
84753	MLC	AMM	NONE	\$ 68761.00					

VENDOR NAME AND ADDRESS

THACHER ASSOCIATES LLC
330 WEST 42ND 23RD FLOOR
NEW YORK NY 10036

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
100	082	2000		A81	0999	3610				

RPT CT	AMOUNT
1	68761.00
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: AS SPECIFIED IN BID COMMODITY CODE: 958-39-086402 [FINANCIAL MANAGEMENT SERVICES] ITEM DESCRIPTION: CONTRACT LINE : 00001 POOL 1 - YEAR 1 PARTNER/PRINCIPAL/DIRECTOR	10.000	HOUR	272.50	\$ 2725.00
00002	COMMODITY CODE: 958-39-086403 [FINANCIAL MANAGEMENT SERVICES] ITEM DESCRIPTION: CONTRACT LINE : 00002 POOL 3 - YEAR 1 PROGRAM MANAGER	40.000	HOUR	240.00	\$ 9600.00
00003	COMMODITY CODE: 958-39-086404 [FINANCIAL MANAGEMENT SERVICES] ITEM DESCRIPTION:	120.000	HOUR	210.00	\$ 25200.00

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.

Anna M. Miller
Operations Manager
Authorized Signature
DEC 19 2013
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 : 7902363

REQ NUMBER:

VENDOR : THACHER ASSOCIATES LLC

PAGE

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NO.	COMMODITY/SERVICE DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
00004	CONTRACT LINE : 00003 POOL 3 - YEAR 1 PROJECT MANAGER COMMODITY CODE: 958-39-086405 [FINANCIAL MANAGEMENT SERVICES]	40.000	HOUR	265.00	\$ 10600.00
00005	ITEM DESCRIPTION: CONTRACT LINE : 00004 POOL 3 - YEAR 1 SUBJECT MATTER EXPERT COMMODITY CODE: 958-39-086406 [FINANCIAL MANAGEMENT SERVICES]	90.000	HOUR	160.00	\$ 14400.00
00006	ITEM DESCRIPTION: CONTRACT LINE : 00005 POOL 3 - YEAR 1 SUPERVISORY/SENIOR CONSULTANT COMMODITY CODE: 958-39-086409 [FINANCIAL MANAGEMENT SERVICES]	20.000	HOUR	70.00	\$ 1400.00
00007	ITEM DESCRIPTION: CONTRACT LINE : 00008 POOL 3 - YEAR 1 ADMINISTRATIVE SUPPORT COMMODITY CODE: 962-58-085841 [PROFESSIONAL SERVICES (NOT OTHERWISE...)]	1.000	EACH	486.00	\$ 486.00
00008	ITEM DESCRIPTION: CONTRACT LINE : 00025 MONITORING POOLS PASS THROUGH LINE FOR OTHER DIRECT COST CATALOG NUMBER: THACHER CATALOG PRICE : \$ 486.00000 DIRECT COSTS TASKS A-B	1.000	EACH	4350.00	\$ 4350.00
00008	ITEM DESCRIPTION: CONTRACT LINE : 00026 MONITORING POOLS PASS THROUGH LINE FOR TRAVEL AND REIMBURSEMENT COSTS CATALOG NUMBER: THACHER CATALOG PRICE : \$ 4350.00000 TRAVEL TASKS A-B	1.000	EACH	4350.00	\$ 4350.00

STATE OF NEW JERSEY AGENCY PURCHASE ORDER				DOCUMENT			DATE	REQUISITION NUMBER	FY
				TC	AGY	NUMBER			
P O #: 7902365				PO	082	20007902365	12/19/13	R	14
(PB2) TERM CONTRACT AUTHORIZATION							VENDOR ID NUMBER		
CONTRACT NO	AGENCY REF	BUYER	TERMS	TOTAL AMOUNT					
84753	MLC	AMM	NONE	\$ 165839.00					

VENDOR NAME AND ADDRESS

THACHER ASSOCIATES LLC
330 WEST 42ND 23RD FLOOR
NEW YORK NY 10036

SHIP F.O.B. DESTINATION TO:

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VENDOR REFERENCE

BFY 14

FUND	AGCY	ORG CODE	SUBORG	APPR UNIT	ACTIVITY CD	OBJECT CD	SUB-OBJ	REV SRCE	SUB-REV	PROJECT/JOB NO
100	082	2000		A81	0999	3610				

RPT CT	AMOUNT
1	165839.00
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: AS SPECIFIED IN BID COMMODITY CODE: 958-39-086403 [FINANCIAL MANAGEMENT SERVICES] ITEM DESCRIPTION: CONTRACT LINE : 00002 POOL 3 - YEAR 1 PROGRAM MANAGER	40.000	HOUR	240.00	\$ 9600.00
00002	COMMODITY CODE: 958-39-086404 [FINANCIAL MANAGEMENT SERVICES] ITEM DESCRIPTION: CONTRACT LINE : 00003 POOL 3 - YEAR 1 PROJECT MANAGER	180.000	HOUR	210.00	\$ 37800.00
00003	COMMODITY CODE: 958-39-086406 [FINANCIAL MANAGEMENT SERVICES] ITEM DESCRIPTION:	640.000	HOUR	160.00	\$ 102400.00

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.

John M. Miller
Authorized Signature
Operations Manager
DEC 19 2013
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 : 7902365
 REQ NUMBER:
 VENDOR : THACHER ASSOCIATES LLC

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NO.	COMMODITY/SERVICE DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
00004	CONTRACT LINE : 00005 POOL 3 - YEAR 1 SUPERVISORY/SENIOR CONSULTANT COMMODITY CODE: 958-39-086409 [FINANCIAL MANAGEMENT SERVICES]	60.000	HOUR	70.00	\$ 4200.00
00005	ITEM DESCRIPTION: CONTRACT LINE : 00008 POOL 3 - YEAR 1 ADMINISTRATIVE SUPPORT COMMODITY CODE: 962-58-085841 [PROFESSIONAL SERVICES (NOT OTHERWISE...)]	1.000	EACH	1189.00	\$ 1189.00
00006	PASS THROUGH LINE FOR OTHER DIRECT COST CATALOG NUMBER: THACHER CATALOG PRICE : \$ 1189.00000 DIRECT COST TASKS C-H	1.000	EACH	10650.00	\$ 10650.00
00006	COMMODITY CODE: 962-58-085842 [PROFESSIONAL SERVICES (NOT OTHERWISE...)] ITEM DESCRIPTION: CONTRACT LINE : 00026 MONITORING POOLS	1.000	EACH	10650.00	\$ 10650.00
00006	PASS THROUGH LINE FOR TRAVEL AND REIMBURSEMENT COSTS CATALOG NUMBER: THACHER CATALOG PRICE : \$ 10650.00000 TRAVEL TASKS C-H	1.000	EACH	10650.00	\$ 10650.00

TASK ORDER #: ELIZABETH 3-2C-H
CONTRACT # T-2939
SUPERSTORM SANDY INTEGRITY MONITORING/ANTI-FRAUD
CITY OF ELIZABETH'S VETERANS MEMORIAL WATERFRONT PARK
STATE OF NEW JERSEY
EQ2013-001-P3

December 19, 2013

Authorizing Contract:

This Task Order is governed by the terms and conditions set forth in the contract (T2939) and associated Method of Operation, between the State of New Jersey and Thacher Associates.

Task Order Name: State of New Jersey Super Storm Sandy Integrity Oversight Monitoring/Anti-Fraud, City of Elizabeth's Veteran's Memorial Waterfront Park, Task C-H, Test and Monitor City of Elizabeth's management and contractors' performance.

1.0 Description of Task:

As the integrity oversight monitor Thacher Associates will monitor the City of Elizabeth's control environment, management of this project and contractors' performance in the restoration of the Veteran's Memorial Waterfront Park.

2.0 Task Activities and Work Plan:

Thacher Associates will test and monitor control environments related to internal controls, procurement, contracting compliance, cost eligibility, contract management, invoicing, payment, etc. Thacher Associates will monitor the City of Elizabeth's management and the contractors' performance to ensure legal compliance and promote best practices. Thacher Associates is required to report weaknesses along with recommendations for corrective actions to the City of Elizabeth immediately after they are identified. Also, provide forensic accounting and other specialty accounting services as requested by the State Contract Manager. 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.

3.0 Key Deliverables and Approximate Timelines:

Thacher Associates will begin providing these services as required. Thacher Associates will provide monthly status reports to the City of Elizabeth, copying the State Contract Manager. Thacher Associates will also provide quarterly reports as required by the Integrity Monitoring Act.

Contract Job Title	Hours	Hourly Rate	Total
Program Manager	40	\$240.00	\$ 9,600

Project Manager	180	\$210.00	\$ 37,800
Supervisor/Senior Consultant	640	\$160.00	\$102,400
Administrative Support	60	\$ 70.00	\$ 4,200
Travel and Other Direct Costs			\$ 11,839

4.0 Costs and Cost Estimate:


You are hereby authorized a maximum of \$165,839 for this Task Order. Thacher Associates is authorized to arrange the travel and other allowable expenses for the employees as necessary according to the terms of the Thacher Associates 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. Thacher Associates 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, Thacher Associates agrees to adhere to the Travel and Expense polices outlined therein.

Agreed to By:



 David Ridolfino, State of NJ



 Joseph Deluca, Thacher Associates LLC

(Date)

 1/10/14

(Date)

 1/10/14

TASK ORDER #: ELIZABETH 3-1A&B
CONTRACT # T-2939
SUPERSTORM SANDY INTEGRITY MONITORING/ANTI-FRAUD
CITY OF ELIZABETH'S VETERANS MEMORIAL WATERFRONT PARK
STATE OF NEW JERSEY
EQ2013-001-P3

December 19, 2013

Authorizing Contract:

This Task Order is governed by the terms and conditions set forth in the contract (T2939) and associated Method of Operation, between the State of New Jersey and Thacher Associates.

Task Order Name: State of New Jersey Super Storm Sandy Integrity Oversight Monitoring/Anti-Fraud, City of Elizabeth's Veteran's Memorial Waterfront Park, Task A&B, Review and Assessment of Current Policies and Procedures, and Review of Compliance Systems and Controls.

1.0 Description of Task:

As the integrity oversight monitor Thacher Associates will review current policies and procedures for the City of Elizabeth's Veteran's Memorial Waterfront Park restoration to ensure compliance with applicable State and Federal guideless, regulations and laws. Thacher Associates will perform risk assessments and recommend loss prevention strategies.

2.0 Task Activities and Work Plan:

Thacher Associates will assess current practices as related to the City of Elizabeth's Veteran's Memorial Waterfront Park restoration to ensure program/project requirements are met. They will recommend strategies to prevent duplication of benefits, inefficiency, waste, fraud, abuse, malfeasance and mismanagement of funds. Thacher Associates will determine if appropriate compliance systems and controls are in place to comply with applicable State and Federal guidelines, regulations and law.

3.0 Key Deliverables and Approximate Timelines:

Thacher Associates will begin immediately after the "kick off" meeting with the State of NJ. This meeting will be scheduled for early January 2014. A full report to the City of Elizabeth, copying the State Contract Manager is due 40 days after the "kick off" meeting.

Contract Job Title	Hours	Hourly Rate	Total
Partner/Principal/Director	10	\$272.50	\$ 2,725
Program Manager	40	\$240.00	\$ 9,600
Project Manager	120	\$210.00	\$25,200
Subject Matter Expert	40	\$265.00	\$10,600
Supervisor/Senior Consultant	90	\$160.00	\$14,400

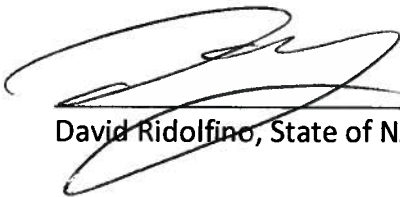
Administrative Support	20	\$ 70.00	\$ 1,400
Travel and Other Direct Costs			\$ 4,836

4.0 Costs and Cost Estimate:

You are hereby authorized a maximum of \$68,761 for this Task Order. Thacher Associates is authorized to arrange the travel and other allowable expenses for the employees as necessary according to the terms of the Thacher Associates 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. Thacher Associates 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, Thacher Associates agrees to adhere to the Travel and Expense policies outlined therein.

Agreed to By:



 David Ridolfino, State of NJ



 Joseph Deluca, Thacher Associates *llc*

(Date)

 1/10/14

(Date)

 1/10/14