

Koval, Roseann

From: Administration Integrity Oversight Monitor
Sent: Thursday, November 14, 2013 2:30 PM
To: 'ADDX Corporation'; 'Brown & Company CPAs, PLLC'; CBIZ - MHM, LLC - Gary Rosen; 'CliftonLarsonAllen, LLP'; 'CohnReznick, LLP'; 'Customer Value Partners'; 'Deloitte Financial'; 'Fazio, Mannuzza, Roche, Tankel and Lapilusa, LLC'; 'Franklin & Turner'; 'FTI Consulting'; GMG Management Consulting, Inc. - Georgia Griffith, President; 'Grant Thornton'; 'Guidepost Solutions, LLC'; Innovative Emergency Management (Lloyd.Blanchard@iem.com); 'KPMG, LLP'; 'McEnerney, Brady & Co., LLC'; 'McGladrey, LLP'; 'Navigant Consulting, Inc.'; 'ParenteBeard, LLC'; 'PricewaterhouseCooper, LLP'; 'PricewaterhouseCooper, LLP(william.b.waldie@us.pwc.com)'; 'Rothstein-Kass'; 'Schneider & Company'; 'Smart Devine'; Smart Devine - Mark Gaydos; 'Thacher Associates, LLC'; 'Wiss & Company, LLP'; 'Chris Kisling'; 'Sandy Carlson'
Subject: Pool 3 Engagement Query--City of Elizabeth Veterans Memorial Waterfront Park-Amended Answer

To All Pool 3 Prequalified Contractors:

Regarding the **City of Elizabeth Veterans Memorial Waterfront Park Engagement Query due Friday, November 15, 2012:**

The State has reviewed and reconsidered its response to question #21 from the file 'Engagement Query--City of Elizabeth--Attachment 2 Q and A from 9-10-13 Engagement Query.'

Question #21:

In performing the monitoring work, there is a potential that negative findings may lead to litigation, and that the monitor would be required to provide support to this litigation. On what basis should bidders estimate the costs incurred through potential extended litigation?

Original Answer:

Bidders should estimate its cost for Litigation Support Services as a Blended Hourly Rate. A Blended Hourly Rate is comprised of all direct and indirect costs including, but not limited to: overhead, fee or profit, clerical support, travel expenses, per diem, safety equipment, materials, supplies, managerial support and all documents, forms, and reproductions thereof. This rate also includes portal-to-portal expenses as well as per diem expenses such as food.

Amended Answer:

Should a situation arise wherein the State requires the contractor to provide litigation support, the State Contract Manager will provide information on what support is required. The contractor shall provide the State Contract Manager with a written plan to meet the State's requirements that includes a budget of personnel assigned to litigation support efforts based upon the hourly rates in place for the personnel used by the contractor.

Please note, in the past, Contractors were blind copied on email messages. Going forward, Contractors will be visible on these messages since this information is available on the State of New Jersey, Department of the Treasury Storm Recovery site.

Thank you.

Roseann Koval
State of New Jersey

Department of the Treasury
Division of Administration
609.984.0056

**City of Elizabeth's Veterans Memorial Waterfront Park
Engagement Query**

**ADDENDUM # 1
Questions and Answers**

#	Page #	Engagement Query Section	Question	Answer
1	2	SOW	Is the Integrity Monitor performing the review of construction contractor's invoices for FEMA allowability, compliance with documentation requirements, and performing the necessary accounting reconciliations as a control point prior to City approval? Grants monitors typically perform this function, but we understand the City may have a different operating model.	The Integrity Monitor is to review policies and procedures, and determine if appropriate controls are in place. It is the Integrity Monitor's responsibility to define weakness, recommend corrective actions, and promote best practices.
2	NA	NA	At the Training Session, the State discussed a benchmark of up to 5% of the project budget, as Direct Administrative Costs, to fund this Engagement Query. Of this, the State noted that all may not be available if the City invests in other program management services. Is this funding method and benchmark still applicable to this project? Can the State provide an indication of the budget for this Engagement Query?	Information provided at the training was represented as a generalization. No IM budget information is necessary to price and submit a proposal for this engagement.
3	NA	NA	Please provide a copy of the most current Project Worksheet (PW). It will provide additional insight to regarding the scope and approved budget for the project.	The PW is a document that is constantly evolving, and is not considered final at this point. Attached is the PW that was used for the Risk Assessment.
4	NA	NA	An NJOEM Engagement Query was recently released to Group 2-Pool 2 vendors. One of the tasks in the	The City of Elizabeth Integrity Monitor will not be precluded from providing responses to the current NJOEM

			Engagement Query may require interaction with the Integrity Monitors to resolve issues. Can the State confirm that the City of Elizabeth Integrity Monitor will not be precluded from providing the NJOEM Group 2-Pool 2 services, as the NJOEM work involves collaboration with, and not oversight of, the project-level Integrity Monitors?	Engagement Query because it involves collaboration with, and not oversight of, the project-level Integrity Monitors.
5	1	Attachment 1	Due to the fact that the City of Elizabeth has estimated that the project costs will be less than \$5 million, has the City changed the projects that are to be completed from what was identified within the risk assessment? Or is it the State's understanding that the 4 restoration and rebuilding projects identified in the risk assessment are still expected to be completed by the City and will be monitored as part of the potential engagement?	The overall project cost for the City of Elizabeth's Veteran's Memorial Waterfront Park is greater than \$5M. Each area of focus within the project (1. the formal park area; 2. the municipal marina; 3. the recreation pier and boardwalk pier; and 4. The hike, bike and roll throughway are separate contracts below \$5M. The City has not changed the project that was identified within the Risk Assessment. It is the State's understanding that the 4 restoration and rebuilding contracts identified in the risk assessment are still expected to be completed by the City and will be monitored as part of the engagement.

ENGAGEMENT QUERY

City of Elizabeth's Veterans Memorial Waterfront Park

INTRODUCTION

In early September 2013, the Department of the Treasury (the Department) developed an Engagement Query for the Veteran's Memorial Waterfront Park on behalf of the City of Elizabeth (the City). The total estimated value of the original contracts was \$16.2M, and included multiple contracts and phased bidding/contracting for completion. The Engagement Query was developed based on original contract estimates that were expected to exceed \$5M on at least one phase of the project. On September 10, 2013, the Department sent out the Engagement Query to all Pool 3 contractors. Shortly after the question and answer period, the City informed the Department that they did not expect contracts to exceed \$5M based on responses to solicitations for the park project. As a result, the Department suspended the Engagement Query.

The Department, on behalf of the City, has reconsidered this Engagement Query, and is seeking quotes pursuant to the 'Program and Process Management and Auditing; Financial Auditing and Grant Management; and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance' contracts from the prequalified contractors in Pool 3 – Integrity Monitoring/Anti-Fraud (Contractor).

This Engagement Query is seeking to engage the services of a prequalified contractor with knowledge of FEMA Public Assistance Programs, and experience with state and local procurement processes, particularly the New Jersey Local Public Contracts Law (N.J.S.A. 40A:11-1), to serve as the City of Elizabeth's integrity oversight and anti-fraud monitor as pursuant to P.L. 2013, Chapter 37 (N.J.S.A. §§52:15D-1, et seq.), the Integrity Oversight Monitor Act (the Act).

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 \$5M or more between the City and its contractors. Since at least one contract was expected to exceed \$5M, a risk assessment was performed. Therefore, the State Treasurer is exercising his discretion to require an integrity oversight monitor on this project.

The focus of this engagement is the City of Elizabeth's Veterans Memorial Waterfront Park (FEMA Project Worksheet #3772 and any related project worksheets and contracts). See **Attachment 1** for the City of Elizabeth's Veterans Memorial Waterfront Park project description and risk assessment summary.

Please note: While the focus is still the City of Elizabeth's Veterans Memorial Waterfront Park, the Scope of Work and Deliverables have been modified from the previous Engagement Query for clarity. Questions and answers pertaining to the original Engagement Query, which are applicable to this Engagement Query, are included with this Engagement Query for reference. **Attachment 2**

I. BACKGROUND

On October 27, 2012, Governor Chris Christie signed Executive Order 104 (EO 104) declaring a State of Emergency in New Jersey related to the impact of Superstorm Sandy which caused massive property damage and loss of life. On October 27, 2012, President Obama declared a major disaster for New Jersey (DR-4086), thereby qualifying New Jersey for federal disaster assistance funds. Disaster assistance includes HUD Community Development Block Grant Funding-Disaster Relief (CBDG-DR) and FEMA Public Assistance, Individual Assistance, and Hazard Mitigation Grant Program funds, as well as other federal disaster assistance programs. The New Jersey Office of Emergency Management (OEM), in cooperation with other State entities, executed the State Emergency Operations Plan (EOP) in responding to the needs of the State during and immediately following the storm.

On March 27, 2013, P.L. 2013, Chapter 37 (N.J.S.A. §§52:15D-1, et seq.), the Integrity Oversight Monitor Act (the Law) was enacted authorizing the Treasurer to establish a pool of qualified integrity monitors (IM Pool) from which the Treasurer could require the use of services on any State or federally-funded recovery and rebuilding contracts. Consequently, the Treasurer has required integrity oversight monitoring on any such contracts valued at \$5 million or more. (Note: one 'project' could consist of multiple contracts.)

The pool of integrity oversight monitors includes, among others, those contractors procured under G-9004: "Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance" and T-2939: "Prequalification Pools: Auditing and Other Related Services in Support of Disaster Recovery." The firms under these two contracts provide services organized into three distinct groups: Group I - Program and Process Management Auditing, Group II - Financial Auditing and Grant Management, and Group III - Integrity Monitoring/Anti-Fraud.

II. SCOPE OF WORK (SOW) REQUIREMENTS

The Contractor must be able to perform all of the following tasks:

- A. Review policies and procedures in place for the management of the contract(s) to ensure that program/project requirements are met. Perform risk assessments and recommend loss prevention strategies to prevent duplication of benefits, inefficiency, waste, fraud, abuse, malfeasance and mismanagement of funds. Report to the City and copy State Contract Manager;
- B. Determine if appropriate compliance systems and controls are in place to comply with applicable State and Federal guidelines, regulations and law. Report to the City and copy State Contract Manager;
- C. During the length of the contract, test and monitor control environments related to internal controls, procurement, contracting, compliance, cost eligibility, contract management, invoicing, payment, etc. Define any weaknesses, recommend corrective actions, and communicate findings to the City immediately. Provide monthly status report to the City and copy the State Contract Manager;
- D. Monitor the City's management and the contractors' performance for this project to the extent necessary to ensure legal compliance, and promote best practices. Communicate findings and recommend corrective action to the City immediately. Provide monthly status report to the City and copy the State Contract Manager;

- E. Upon a finding of a likely criminal violation or lesser degree of any malfeasance, inefficiency, waste, fraud, abuse or mismanagement of funds, report findings to the State Attorney General and State Comptroller immediately consistent with the requirements of the Act. Provide a copy to the State Contract Manager;
- F. Administer forensic accounting and other specialty accounting services as required;
- G. Comply with all Federal, State and Local laws, regulations, and ordinances as they are applicable to the program; and
- H. Provide deliverables as set forth in this Engagement Query.

Note: Each interested contractor is strongly urged to review the Act; contracts G-9004 and T-2939 and their respective Methods of Operation; the project description and risk assessment summary; and this Engagement Query and its addenda to determine the best approach to developing their proposal and the meet the requirements of tasks A through H.

III. DELIVERABLES

The Contractor must ensure compliance with the following required timelines:

A. Required timelines:

- Task A is required to be completed within 40 business days of receipt of letter of engagement.
- Task B is required to be completed within 40 business days of receipt of letter of engagement.
- All other tasks shall be performed on an ongoing basis and in a timely manner for the duration of this engagement and may have completion dates assigned by Treasury at a later date.

B. Required reports and documents:

1. Upon a finding of a likely criminal violation or lesser degree of any malfeasance, inefficiency, waste, fraud, abuse or mismanagement of funds, report findings to the State Attorney General and State Comptroller immediately consistent with the requirements of the Act. Provide a copy to the State Contract Manager.
2. Monthly Status Report
 - Provide update on activities conducted on, or for, each task to include the type of activity, analysis, results, recommendations, resolutions, and/or preventative measures; and follow-up on any previous outstanding issues. Provide monthly status reports to the City and copy the State Contract Manager.
3. Quarterly Report (**Attachment 3**)
 - On the first business day of each calendar quarter, the Contractor shall provide to the State Treasurer, for distribution to the Legislature and the Governor, a report detailing the integrity oversight monitor'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 Contractor's provision of services and recommendations for corrective or remedial action relative to findings of malfeasance and inefficiency. The report shall include a privilege log which shall detail each denial of sensitive information that the Contractor exercises in preparing the

report for transmission to the Legislature and the Governor pursuant to this subsection. The report shall not include any information which may compromise a potential criminal investigation or prosecution or any proprietary information.

IV. OTHER CONTRACTOR REQUIREMENTS

The Contractor is required to comply with all of the terms, including pricing, of its State contract (contracts T-2939 or G-9004, as applicable), as well as the applicable provisions of the New Jersey Standard Terms and Conditions and the applicable Method of Operation and/or Notice of Award for the selected contract. For the purpose of this engagement, the Contractor's indemnification obligation shall be limited in the aggregate to 500% of the value of the contract.

Contracts are available on the Department of the Treasury, Division of Purchase and Property website:

Contract G-9004 http://www.state.nj.us/treasury/purchase/noa/contracts/g9004_13-r-23144.shtml

Contract T-2939 http://www.state.nj.us/treasury/purchase/noa/contracts/t2939_14-x-23110.shtml

V. CONFLICT FOR FUTURE ENGAGEMENTS

The Department of the Treasury will determine, on a case by case basis, if the Contractor will be eligible to receive additional integrity monitoring engagements. If it is determined that award of this engagement presents a conflict of interest for participation in future engagements, the Contractor will be precluded from accepting subsequent Engagement Queries.

VI. PROPOSAL CONTENT

The Contractor shall provide a detailed proposal with a detailed budget to perform the SOW in this engagement to the State Contract Manager:

Dave Ridolfino, Associate Deputy State Treasurer
IntegrityOversightMonitor@treas.state.nj.us
By 5pm on November 15, 2013

Questions related to this Engagement Query must be submitted to:
IntegrityOversightMonitor@treas.state.nj.us
by 5pm on November 1, 2013

Note: Use the attached template to submit questions. **(Attachment 4)**

If the Contractor is unable to bid because of a conflict of interest or scheduling, the Contractor must provide notice to the Department within **three (3)** business days of the receipt of Engagement Query.

The contractor's proposal must contain the following elements:

- A. A detailed proposal, including a detailed budget, to perform the scope of work reflecting the requirements of the Engagement Query for competitive price quotes;

- B. A contract 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;
- C. Person-hour and/or labor category mix: A comprehensive chart showing the person-hours proposed to meet the requirements of the Engagement Query. The chart shall be designed to reflect the tasks, sub-tasks, or other work elements required by the Engagement Query. The chart shall set forth, for each task, sub-task or other work element, the total number of person-hours, by labor category, proposed to complete the contract. The hourly rates used for each labor category shall be the hourly rates, or lower than the hourly rates specified in the contract. The person hours must be those bid or lower. Provide quotes for three (3) years using the Cost Quote sheet provided. **(Attachment 5)**;
- D. Detailed budget with person-hours and estimated travel and direct costs for the duration of the engagement **(Include total travel and direct cost on Attachment 5)**;
- E. A description of FEMA consulting experience on similar projects that demonstrates knowledge of eligibility, documentation and procurement requirements. Include client results in recovering the proposing contractor's fees as direct administrative costs, and a list of any deobligation of funds by FEMA in any of your projects;
- F. Detailed list of engagements or task orders in which the firm is currently providing services for any type of disaster recovery, including those of sub-contractors proposed for this engagement. The list must include the name of the contracting entity, a detailed list of the scope of services and the contract term;
- G. Identification of any sub-contractors to be utilized for this engagement which must be consistent with those identified in the original proposal/bid;
- H. Resumes of any primary contractor or sub-contractor individuals proposed for this engagement;
- I. Summary of experience of the primary and sub-contractor for engagements of similar scope and size; and
- J. If necessary, the contractor should have the ability to provide integrity monitoring services for professional specialties such as engineering and structural integrity services, etc. either directly or through a subcontractor relationship.

VII. SELECTION PROCESS

The State Contract Manager, on behalf of the Treasurer, or the Using Agency will review the proposals and select the contractor whose proposal represents the best value, price and other factors considered.

VIII. LIQUIDATED DAMAGES

To the extent that actions of the Contractor result in failure to meet performance standards, the State may suffer damages that could be difficult or impossible to quantify.

Given the significance of the rehabilitation of the City of Elizabeth's Veterans Memorial Waterfront Park, the necessity that all resources dedicated to the recovery from Superstorm Sandy be applied in an efficient manner, and the need to take all necessary precautions to prevent, detect, and remediate waste, fraud, and abuse, the State and the Contractor agree to the specified liquidated damage amounts for late delivery of the following deliverables.

The methodology utilized to calculate liquidated damages pertaining to development and implementation of a work plan, and reporting requirements are based on the assumption that failure to have these key elements in place will directly result in a delay of project construction, and the inability to properly monitor the program. Delays in construction are anticipated to result in economic impact to the City of Elizabeth, and could result in loss of Federal funds. Failure to provide reports could prevent the State from taking action to rectify issues with any rebuilding projects the monitor is overseeing, and may also cause harm to the public in the form of waste by the government and inefficiency in rebuilding projects.

Task	Deliverable	Due Date	Liquidated Damages
Task A	Review policies and procedures in place for the management of the contract(s) to ensure that program/project requirements are met. Perform risk assessments and implement loss prevention strategies to prevent duplication of benefits, inefficiency, waste, fraud, abuse, malfeasance and mismanagement of funds.	Completed within 40 business days after receipt of letter of engagement	\$1000 a day for each day past due date
Task B	Determine if appropriate compliance systems and controls are in place to comply with applicable state and federal guidelines, regulations and laws.	Completed within 40 business days after receipt of letter of engagement	\$1000 a day for each day past due date
Monthly Status Reports	Provide update on activities conducted on, or for, each task to include the type of activity, analysis, results, recommendations, resolutions, and/or preventative measures; and follow-up on any previous outstanding issues.	On the first business day of each month	\$1000 a day for each day past due date
Quarterly Reports	Report detailing the integrity oversight monitor's provision of services during the three-month period second preceding the due date of the report and any previously unreported provision of services.	On the first business day of each calendar quarter	\$1000 a day for each day past due date

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

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

The contract resulting from this Engagement Query is subject to the requirements of Executive Order No. 125. Accordingly, the OSC will post a copy of the contract, including the Engagement Query, the winning bidder's proposal and other related contract documents for the above contract on the Sandy Transparency website.

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

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

X. ATTACHMENTS

- Attachment 1: Project Description and Risk Assessment Summary
- Attachment 2: Questions and Answers from Engagement Query Released on 9/10/13
- Attachment 3: Quarterly Report
- Attachment 4: Question Template
- Attachment 5: Cost Quote

Project and Risk Assessment Summary

A. Project Title

City of Elizabeth's Veterans Memorial Waterfront Park

B. Project Description

The City has sustained major damage to the Elizabeth's Veterans Memorial Waterfront Park due to high winds, heavy rains, flooding and storm surge from Superstorm Sandy. The City has procured the services of Envar, an engineering and design firm, to draft the initial designs for the park and marina, and intends to use Envar for construction management and oversight during the reconstruction process (Contract cost \$600,000). This project consists of construction and repairs to the park, and is subdivided into four areas of focus. Restoration and rebuilding includes, but is not limited to:

- 1) Veteran's Memorial Waterfront Park (Originally estimated at \$7.5M): This area is the formal "park" area at the southern-most section of the property with over all dimensions of (305) by (445) feet with two (2) distinctly different waterfront piers that support wooden boardwalks and guard rails:
 - a) Pier A being approximately (490) linear feet at the north end; and
 - b) Pier B approximately (617) linear feet at the south end.

Additionally, this area consists of both landscaped and paved areas such as pathways and plazas along with lighting, decorative walls, monuments and fencing. The City has procured the services of Tomco Construction, Inc. for this segment.

- 2) Municipal Marina (Originally estimated at \$2.0M): This section of the park is just north of Area 1, with overall dimensions of (305) by (445) feet, and consists of:
 - a) A (1.5) story structure; and a vehicular parking/circulation bituminous paving area;
 - b) A fueling station and support structure; and
 - c) A floating wooden boat slip for (20) various sized vessels along with the boat ramp and bulk-head.
- 3) Recreation Pier and Boardwalk Pier (Originally estimated at \$4.5M): This section of the park is just north of Area 2, with overall dimensions of (290) by (195) feet, and consists of (2) separate areas:
 - a) Recreation Pier which contains a bituminous parking area, a (12) by (130) foot landscaped area and a boardwalk area of approximately (195) by (52) feet; and
 - b) Boardwalk Pier which contains an approximately (18) by (308) foot boardwalk and pier.
- 4) Hike, Bike and Roll Throughway (Originally estimated at \$1.6M): This section of the park is just north of Area 3, consists of three (3) separate pathway areas:
 - a) Pathway from Area 3, a (14) feet wide by approximately (630) linear feet timber decking;
 - b) Middle Pathway, a (10) feet wide by approximately (910) linear feet timber decking;
 - c) Plaza on the north end, a (22) by (32) foot concrete patio; and

- d) Atalanta Plaza: This section of the park is just north of Area 4, consists of a pathway from Area 4 of approximately (6.5) foot wide by (1 ,028) linear foot bituminous paving along the seawall.

C. Items Noted during Risk Assessment

- 1) The City has already procured the services of Envar to draft the initial designs for the park and marina, and intends to use Envar for construction management and oversight during the reconstruction process.
- 2) The City intends to procure three or four separate contractors to complete the construction under the New Jersey Local Public Contracts Law (N.J.S.A. 40A:11-1). Please note, since the risk assessment was completed, the City has procured the services of Tomco Construction, Inc. to complete construction on the Veteran's Memorial Waterfront Park area.
- 3) The audited FY2012 financial statements disclosed possible internal control deficiencies with bid processes and federal funding compliance.
- 4) Elizabeth is not new to receiving and working with federal funding.
- 5) The contract for the Memorial Waterfront Park has not gone out for bid as of yet.

D. Length of Engagement

Estimated completion date by Memorial Day Weekend 2014

E. Value

\$16.2M in Federal FEMA Public Assistance Funding

This amount is based on information from the project worksheet currently on file with FEMA/NJOEM and other ancillary information gathered at Treasury's August 20th meeting with the City of Elizabeth.

State of New Jersey
 Department of the Treasury
**City of Elizabeth’s Veterans Memorial Waterfront Park
 Engagement Query**

Questions and answers from the first Engagement Query released on 9/10/13.

These questions and answers are applicable to the current engagement and are provided for reference.

Please note: Financial Statements are available on the city website for those questions regarding the City’s finances: <http://elizabethnj.org/business/financials> Also, some questions have been combined or edited for clarity and readability.

Question #	Engagement Query Section	Questions	Answers
1	NA	Will the City provide more details concerning these “internal control deficiencies” to include a copy of the FY2012 financial statements?	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
2	Attachment 1 Financials	“The audited FY2012 financial statements disclosed possible internal control deficiencies with bid processes and federal funding compliance.” It is our assumption that the contractor will be provided the “possible internal control deficiencies.” Is our understanding correct?	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
3	General Documents	Will the awarded consultant have access to the FY2012 financial statements that disclosed possible internal control deficiencies with bid processes and federal funding compliance? Will the awarded consultant be responsible for the remediation of the identified internal control deficiencies?	This information for the City of Elizabeth will be provided to the firm awarded a Task Order resulting from this Engagement Query. The Contractor is responsible for recommending remediation and reporting on status only as it relates to oversight monitoring services leads to increase risk, and deobligation.
4		Is the City new to receiving federal funding from FEMA and/or HUD of this magnitude and working with the State, HUD and FEMA processes for large projects?	Elizabeth is not new to receiving and working with federal funding.

5	General Documents	Will you please supply a copy of the deficiencies with bid processes and federal funding compliance, as cited in Attachment 1 – Project Risk Assessment Summary, Section C3?	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
6	General Internal Controls	Can you provide additional information and the status of the internal control deficiencies with bid processes and federal funding compliance? Have these deficiencies been remediated? Is the City of Elizabeth subject to additional requirements related to federal funding as a result of these deficiencies? If yes, please describe.	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
7	Attachment 1 Financials	The Project Risk Assessment Summary states, “The audited FY 2012 financial statements ...” (Section C3). Does this refer to the City of Elizabeth’s financial statements or some other party? Also, can you provide a copy of the audits?	Please see the City of Elizabeth’s financials. The appropriate URL can be found at the beginning of this document.
8	General Internal Controls	Are your internal financial processes compliant with 44 CFR Part 13 – Uniform Administration Requirements for Grants and Compliance Agreements Relating to State and Local Governments?	The firm awarded the Task Order resulting from this Engagement Query must determine this as required in the Scope of Work.
9	General	When will the Integrity monitoring contract be awarded?	The State is committed to awarding the Task Order to result from this Engagement Query in early November.
10	General Contracts	<p>When do you plan to award the construction contracts for the work?</p> <p>What is the planned construction start date?</p> <p>How many months do you anticipate construction will take from beginning to end?</p>	<p>The City intends to begin awarding construction contracts for this work in October 2013.</p> <p>Completion Date: Memorial Day 2014</p>

11	General City Contractor	<p>Will all the construction contracts be contracted directly with the State (or City)?</p> <p>Do you anticipate Envar to holding any of these contracts as a Construction Manager?</p>	<p>The City will issue construction contracts.</p> <p>Envar Services will be providing Project Management and Construction Observation services.</p>
12	General IM Responsibility	Is it the expectation of the State or the City of Elizabeth that the Integrity Monitor be on site (full time) during the duration of the construction process?	The firm awarded this Task Order to serve as Integrity Monitor should use its best judgment in determining placement of its personnel in meeting the requirements of the contract and this Engagement Query.
13	General Project	Have you ever had any program violations?	Given the lack of specificity and context in the question, the State cannot provide an answer.
14	General Project	Have any waivers been requested and/or granted related to the project application?	Given the lack of specificity and context in the question, the State cannot provide an answer.
15	General Project	Will the Hurricane Sandy Rebuilding Task Force be involved in this project? If yes, please describe the role.	The State anticipates that the Task Force may be indirectly involved as this project progresses. The State cannot prospectively describe what role the Task Force may play.
16	General	Is there pre-determined number of site visits for the monitoring to occur? If so, what is that frequency?	This Engagement Query does not specify a predetermined number of site visits.
17	Section II, E	<p>How should we consider red flags that require further investigation in our work plan and budget?</p> <p>Once red flags are discovered, would the investigation of the red flags be considered an add-on to the task order, or would the investigation be included in current task order?</p>	<p>Red flags should be reported as outlined in P.L. 2013, c. 37.</p> <p>Please refer to Section II E of the Engagement Query.</p>
18	Section VI Proposal Content, specifically letters C & D,	If the contractor's proposal contains a completed Attachment 3, does this meet the requirements, or is the State looking for additional information concerning person-hour and labor/category mix?	Please refer to Section VI C and D of the Engagement Query.

19	Section VI, F	The RFQ asks for a "Detailed list of engagements or task orders in which the firm is currently providing services for any type of disaster recovery, including those of sub-contractors proposed for this engagement. The list must include the name of the contracting entity, a detailed list of the scope of services and the contract term". Does this just pertain to engagements/task orders we are doing for the State of New Jersey or more broadly asking for a list of all current disaster recovery work across the country?	All engagements
20	Attachment 3	Is it permissible to submit a range of the estimated hours or does a fixed number of hours need to be provided?	The response requires a fixed number of hours as the Letter of Engagement will include a "not to exceed clause."
21	VI. Proposal Content Cost Quote	In performing the monitoring work, there is a potential that negative findings may lead to litigation, and that the monitor would be required to provide support to this litigation. On what basis should bidders estimate the costs incurred through potential extended litigation?	Bidders should estimate its cost for Litigation Support Services as a Blended Hourly Rate. A Blended Hourly Rate is comprised of all direct and indirect costs including, but not limited to: overhead, fee or profit, clerical support, travel expenses, per diem, safety equipment, materials, supplies, managerial support and all documents, forms, and reproductions thereof. This rate also includes portal-to-portal expenses as well as per diem expenses such as food.
22	Section II. Proposal Content Cost Quote	Some of the Scope of Work tasks may be performed simultaneously (for example, in the construction context, an investigation may include a forensic accounting component, thus involving multiple tasks). Can we join tasks under one column in our cost quote?	As long as the costs are not duplicative and are clearly identified
23	Risk Assessment Summary	Is the recipient of this award expected to review and assess the process the City used to award the Envar contract?	The firm awarded a Task Order resulting from this Engagement Query is required to review and assess the process the City of Elizabeth used to award the Envar contract.

24	General Documents	In the risk assessment summary provided, Section E references the project worksheet currently on file with FEMA/NJOEM. Are you able to provide the project worksheet in advance of our proposal submission?	No, the Project Worksheet is a changing document that is not considered finalized at this time. This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
25	General Documents	What contract documents will be supplied to us? Contracts and Agreements between the City of Elizabeth and the State and Federal governments, including the NJ Office of Emergency Management, that delineate the specific terms, conditions and requirements for this specific project? Contracts between the City of Elizabeth and their vendors performing work under the project	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
26	General Documents	Will the company receiving the award be provided with a copy of the contract(s) awarded under the project; as well as other documents such as invoices by prime contractors, certified payroll reports, delivery schedules of work delivery, etc.? It is our understanding that in order to conduct a full compliance, this type of information will be made available throughout the life of the project. Is our understanding correct?	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
27	General Documents	What information will be available to assist the Integrity Monitor to develop its bid? For example: will any architectural plans, engineering plans, budgets, contracts or bid information be made available prior to the Integrity Monitor bid is due?	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
28	General Documents	Is a copy of the initial project application available – Action Plan?	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
29	General Documents	Is there a schedule for the construction that you are able to share that would enable us to align our monitoring program accordingly?	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.

30	General Documents	Is there a proposed construction schedule available? If so, could it be provided.	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
31	Section II, Risk Assessment Summary	Is the Envar contract funded by the subject project worksheet (i.e. included in the estimated \$16.2 million project)?	Yes.
32	Attachment 1 Project Cost	The Project Risk Assessment Summary indicates that the value of the project is \$16.2 million in Federal FEMA Public Assistance Funding. Is this the total estimated costs associated with City of Elizabeth's Veterans Memorial Waterfront Park project or just the value of the public assistance funding contributed to the project? Can the City of Elizabeth provide more information about how the creation of the project cost of \$16.2 million was determined?	The \$16.2 million figure cited is an estimated cost including all funding sources known at the time of the assessment. This was determined by the City of Elizabeth in conjunction with the Office of Emergency Management and FEMA.
33	Attachment 1 Project Cost	Can you provide a breakdown of the \$16.2 million budget by funding stream (e.g. FEMA, State, city, etc.)? Is the match included in that amount?	This information will be provided to the firm awarded a Task Order resulting from this Engagement Query
34	General IM Responsibility	With respect to the SOW, item G, is the City of Elizabeth responsible for making sure the project is built in compliance with the all State and city building codes, and as such this is not part of the engagement?	Please refer to Section II of the Engagement Query.
35	General IM Responsibility	Of the skill sets described in the RFP are there any that would be prioritized higher than the others?	Please refer to the Engagement Query.
36	General IM Responsibility	What is the expected role of the recipient of this award in the construction contractors' solicitation and procurement process?	Please refer to the Engagement Query.

37	Section II, Risk Assessment Summary	Given the City intends to use Envar for construction management and oversight, does the term “monitor the contractors’ performance” used in this task (D) denote the monitoring role of the recipient of this award is exclusively financial in nature (i.e. no engineering, work completeness, quality or contract adherence responsibilities)?	The Monitor must provide oversight as required in the Scope of Work of this Engagement Query and in compliance with the requirements of the RFQ/RFP as it relates to P. L. 2013, Chapter 37 for contracts.
38	General IM Responsibility	Can you clarify if the integrity monitor will have to provide any services regarding the overall grants management for this project including any services related to the review of the City's drawdown of federal funds and the filing of financial and project status reports?	Please refer Section 3.3 of the RFQ/RFP.
39	General IM Responsibility	What role will the Integrity Monitor have with the City of Elizabeth with respect to vendor contract awards, change orders including the timing and scheduling of those awards, processing and approving the contracts, contractor invoices, quality of work (from an engineering, architectural, etc. basis)?	The Integrity Monitor is to provide oversight as required in the Scope of Work to ensure project compliance. The IM is to monitor the contractors’ performance for this project to the extent necessary to ensure legal compliance, and promote best practices. The IM is responsible for communicating findings and recommending corrective action. Level of monitoring is associated with the level of risk in this engagement as determined by the Monitor.
40	General IM Responsibility	Will the Integrity Monitor have any responsibility for evaluating the quality of work?	Please refer to the Engagement Query.
41	General IM Responsibility	What aspects of this work would involve oversight of the City people and related departments? For example the permits, approvals and the interaction between the City and contractors.	Please refer to the Engagement Query.
42	General IM Responsibilities	Are we going to be requested to monitor/audit union payments as well as the subcontractors?	Please refer to the Engagement Query.
43	General IM Responsibilities	Will the Integrity Monitor have to assure compliance for all trades and people working on it?	Please refer to the Engagement Query.

44	General IM Responsibilities	Are there certified payroll requirements? Will the Integrity Monitor need to evaluate the controls around the certified payroll?	Given the lack of specificity and context in the question, the State cannot provide an answer.
45	General IM Responsibility	Clarification is sought relative to New Jersey Criminal Code 2C as it is applicable to A-60/S-2536. There are multiple 2C statues than can apply to criminal activity associated with fraud, waste and abuse. Short titles include Theft, Theft by Deception, Theft by Extortion, Receiving Stolen Property, Theft of Services, and Theft by Unlawful taking of Means of Conveyance, Forgery and Official Misconduct. Based on this information; it is our understanding that the company receiving the contract will serve as the Subject Matter Expert (SME) on the Federal, State, and municipal laws, regulations and ordinances for this project and will provide guidance as such. Is our understanding correct?	Please refer to the Engagement Query and the RFQ/RFP.
46	General Internal Controls	Can you describe whether the State of New Jersey has implemented an internal control structure surrounding the entire \$16 billion of federal funding received related to Hurricane Sandy? The request seems to indicate that the control process needs to be created at the project level (i.e. the City of Elizabeth's Veterans Memorial Waterfront Park), which seems to duplicate and potentially add risks if the selected contractor fails to suggest appropriate controls.	This Engagement Query is specific to the City of Elizabeth, the firm awarded the Task Order must recommend controls if such controls do not exist. If controls are in place, the firm must provide oversight as specified in the Scope of Work section of the RFQ/RFP and the Engagement Query to ensure project compliance.
47	General Policy	Do you have the infrastructure, control practices and policies in place to ensure compliance under the program requirements?	Please refer to the Engagement Query and the RFQ/RFP.
48	General Bids	What happens if the bids significantly exceed the available funding?	Given the lack of specificity and context in the question, the State cannot provide an answer.

49	General GSA Rates	New Jersey's reimbursement rate for travel using privately owned vehicles, as listed in section 3.6 (e) (page 12) of the original RFP, is 31 cents per mile, but the GSA rate for travel by privately owned vehicle is 56.5 cents per mile. Is the Department willing to use the GSA rate for travel by privately owned vehicle?	Please refer to Section 3.6 of the RFQ and Section 3.7 of the RFP.
50	Section II	The RFQ indicates "investigate and detect any malfeasance, inefficiency, waste, fraud, abuse or mismanagement of funds..." What is the materiality threshold for this?	Please refer to Section II E of the Engagement Query.
51	Section II, F Forensic and Specialty Accounting	Are these services limited to those that may be required as the results of item E above?	Performance of requirement F in Section II of the Engagement Query is not limited to findings under requirement E of Section II.
52	Section II, F	Item F of the Statement of Work identifies the following; "Administer forensic accounting and other specialty accounting services as required." Based on the findings and recommendations, it is our understanding that the contractor will be notified in advance by the NJ Department of Treasury prior to conducting additional accounting work, "as required" and the Level of Effort required for this additional "required" engagement. Is our understanding correct?	Given the lack of specificity and context in the question, the State cannot provide an answer.
53	Section VI, E	Is this requirement necessary for contractors providing integrity monitoring services? This seems to be a Program and Process Management, or Grant Management function.	Please refer to Section 3.3 of the RFQ/RFP.

54	II. Scope of Work Loss Prevention	<p>With respect to the SOW:</p> <p>Please clarify expectations on providing “loss prevention strategies.” Our understanding is that this pertains to internal control processes designed to prevent loss.</p> <p>Are there any other specific expectations related to this statement?</p> <p>“Duplication of benefits” can be a broad term. Please provide the specific types of benefits that are referenced here.</p>	<p>Integrity Oversight Monitor to determine as required in the Scope of Work.</p> <p>Loss prevention strategies include, but are not limited to risk assessment, including measures and controls; compliance auditing; and crisis management including incident investigations; and damage control.</p> <p>Duplication of benefits may include, but not be limited to, FEMA and insurance payments.</p>
55	General IM Responsibility	Does Task G (“Comply with all Federal, State and local laws, regulations, and ordinances as they are applicable to the program”) mean ensure contractor compliance with Federal, State and local law? If not, what does it refer to?	It refers to the City and all its contractors.
56	General Permits	Are there any particular licenses or permits (i.e., private investigation license) that the team will need to have in place before executing on this engagement?	Please review Section 5.12 of the RFP.
57	Section III. Scope of Work Deliverables	Is the contract manager/project liaison to whom we submit deliverables employed by the State of New Jersey or by the City of Elizabeth?	Please refer to Sections II and III of the Engagement Query.
58	IV Liquidated Damages	<p>Would the State consider any modifications to the liquidated damages clause?</p> <p>If not, is it safe to assume that such damages are only applied if the contracting agency and/or the third party vendor has not held up the process or withheld critical information that would prevent us from performing the required tasks?</p>	<p>The State will not accept modification of this section.</p> <p>The State cannot answer this hypothetical question.</p>

59	General City Contractor	<p>Is there a list of State approved vendors to be used by Envar and its subcontractors?</p> <p>Are subcontractors allowed to utilize other subcontractors?</p>	<p>The City is unaware of any State approved vendor list for Professional Services. The City does not specifically prohibit subcontractors from using other subcontractors in our contracts.</p> <p>Please refer to Section 4.4.1.5.2 of the RFP. This would be a business decision of the contractor and/or its subcontractor.</p>
60	Section VI. Proposal Content deobligates	<p>The RFP requires bidders to “include client results in recovering the proposing contractor’s fees as direct administrative costs, and a list of any deobligation of funds by FEMA in any of your projects.” FEMA deobligates funding for various reasons including circumstances beyond contractors’ control, and we could not disclose most instances of deobligation without our individual clients’ consent.</p> <p>Rather than reporting all instances of deobligation, is the Department interested in Direct Administrative Costs that have been deobligated due to noncompliance, ineligibility, or inability to demonstrate compliance?</p>	<p>The State requires the firm awarded the Task Order resulting from this Engagement Query to report all deobligation under the firm’s watch.</p>
61	VI. Proposal Content Subcontractors	<p>Our original proposal submitted to prequalify for the Pool included two subcontractors we would potentially utilize dependent upon the specific opportunity. Are we permitted to propose a different subcontractor on this or other opportunities that were not originally included in our initial proposal?</p>	<p>As specified within Section 5.6 of the RFP, the contractor shall forward a written request to substitute or add a subcontractor or to substitute its own staff for a subcontractor to the State Contract Manager for consideration. If the State Contract Manager approves the request, the State Contract Manager will forward the request to the Director for final approval. No substituted or additional subcontractors are authorized to begin work until the contractor has received written approval from the Director.</p>

62		<p>If a firm is appointed as the monitor of a project (e.g., City of Elizabeth) and during the course of the project the firm does not identify a cost/expense that is later disallowed by an inspector general audit or some other type of federal audit and the agency that provided the funding requests the funds to be returned, what is the liability to the firm?</p>	<p>Please refer to Section 5.5 of the RFQ, Section 5.14 of the RFP and Sections IV & VIII of the Engagement Query.</p>
63	<p>General Documents</p>	<p>Please clarify the chain of command and identify person(s) to be corresponded with regarding findings.</p> <p>Will you please provide an organization chart for the operational management of this contract?</p>	<p>Reporting requirements are outlined in P. L. 2013, c. 37, Sections II and III, and were explained at the training session.</p> <p>John F. Papetti, Jr. – Director of PW Anthony Botitta – Superintendent of Public Buildings, Markets and Docks Daniel J. Loomis – City Engineer Steven P. Rinaldi – Principal Engineer Anthony M. Zengaro – CFO Eric Goldman (Envar) – Project Manager Sydney Johnson (Envar) – Project Engineer Michael D’Emilio (Envar) - Inspector</p>
64	<p>Section III. Deliverables Reports</p>	<p>Status reports are required to be submitted quarterly; based on the project’s estimated completion date, are the expected quarterly reports due on December 31, 2013, March 31, 2014 and June 30, 2014?</p>	<p>Please note: Section III has been modified.</p> <p>Reporting requirements are outlined in P.L. 2013, Chapter 37, Sections II and III and were explained at the training session.</p>

65	Section III. Deliverables Reports	Construction delays are common occurrences in the prosecution of the work. Has the City of Elizabeth contemplated whether the Integrity Monitor needs to be flexible with the presentation of its last quarterly report or potentially issue additional quarterly reports if project delays occur? (i.e. a construction continues past Memorial Day 2014 and into the 3rd quarter would require the last quarterly report to be submitted 9/30/2014 as opposed to 6/30/2014)	This is a statutory requirement and due dates are not flexible. A final report is due once the project is completed regardless of date.
66	Section III. Deliverables Reports	Please confirm the expected number of quarterly reports the City of Elizabeth expects the Integrity Monitor to issue during the construction process.	Number of reports is predicated on the length of the engagement.
67	General Financial Experience	Are you (the City) experienced in managing the financial aspects related to large construction projects?	Yes, projects with hard and soft costs up to \$20 million.
68	Section II, Risk Assessment Summary	What training have City Employees received regarding proper documentation and accounting for FEMA grant funds?	Staff is trained in FHWA and NJDOT Grant Fund Accounting and Documentation. We have been told on numerous occasions by FEMA to follow our standard procurement and contract management procedures.
69	Section II, Risk Assessment Summary	Other than the deficiencies discussed in items noted during risk assessment 3), what other issues or deficiencies have the City encountered "working with federal funding?"	Other than the deficiencies discussed in the audit report, the City is unaware of any other issues or deficiencies encountered "working with federal funding."
70	Section II, Risk Assessment Summary	Does Envar have notable experience in management and oversight of FEMA funded construction projects?	Yes
71	General Contracts	When do you plan to award the construction contracts for the work?	We intend to begin awarding construction contracts for this work in October 2013.
72	General City Contractor	Will all the construction contracts be contracted directly with the State (or City), or do you anticipate Envar to holding any of these contracts as a Construction Manager?	Contracts will be with the City. Envar Services will be providing Project Management and Construction Observation services.

73	General Attorneys	Has the City of Elizabeth employed attorneys to assist in the contracting process? If yes, can the attorneys be identified and can you describe how involved legal counsel will be in the process?	The City has full time legal counsel onstaff. William R. Holzapfel (City Attorney) and Raymond T. Bolanowski (First Asst. Attorney). All contracts are reviewed by legal counsel and then are involved on an as needed basis.
74	General City Contractor	Do you (the City) intend to bond the contractors?	Contractors are required to provide a (100%) performance bond and 1-year (100%) maintenance bond.
75	General Contractor	Are you going to rely on the CM's approval? Do you have the CM agreement to see what they are going to do in the way of "oversight?"	The construction manager, Envar Services, will provide day to day contract oversight. The City is unsure what is meant by approval.
76	General City Contractor	Are there any Project Labor Agreements in place for this work, or is it just local jurisdiction union labor (on non-union)	No Project Labor Agreements are in place for this work; all work will be completed under the highest applicable prevailing wage (State or Davis-Bacon).
77	General Local Public Contracts Law	Please confirm your contracting process is compliant with NJ Local Public Contracts Law.	The City's contracting process is compliant with NJ Local Public Contracts Law.
78	General Policy	Is the project going to have a CPM (Critical Path Method)?	Not required, the Project Schedule will likely be developed in the form of a Gantt chart.
79	General Documents	Have vendors been chosen, or perhaps a short list of vendors, for the construction? Do you have a project budget that you can please share with us?	The construction projects will all be publicly bid which precludes the development of a short list of vendors. The project worksheet for the waterfront damage was written for approximately \$16.2 million which will be split into four (4) contracts based on type of construction and geographic location. Necessary information will be provided to the firm awarded a Task Order resulting from this Engagement Query.
80	Section II, Risk Assessment Summary	What is the status of any insurance claim(s) the city has pending for any properties included in this construction project?	All insurance claims for properties included in these projects have been settled.
81	General Policy	Are we going to receive CPM schedules so we can link the requisition into the CPM, or will this be done by the construction manager before submitting to us?	It is not likely that a CPM schedule will be developed for these projects.

82	Section II, A Paragraph C.3 of the Risk Assessment Summary	What if any of the \$16.2 million in estimated project costs will be offset by insurance proceeds?	Approximately \$1.16 million was recovered in the insurance settlement for damage to the properties to be reconstructed under these projects.
83	Section II, A Paragraph C.3 of the Risk Assessment Summary	Does the city currently have or is the city expecting to pursue other forms of funding (other than insurance questioned above) that would raise the potential for duplication of benefits?	No
84	General Sub grantee	Will there be any sub-recipients of the \$16.2M grant or will this all be awarded (allocated to) the City of Elizabeth?	The will be no sub-recipients of the grant, all funds will be allocated to the City of Elizabeth.
85	General Responsibility	Can the City of Elizabeth describe its expectations as to who will be responsible for processing and approving the contracts, contractor invoices, quality of work (from an engineering, architectural, etc. basis)?	<p>The City will process and approve the contracts. The Contractor invoices will be processed by the City upon recommendation by Envar. Envar will provide full time construction observation to oversee the quality of work produced.</p> <p>The Monitor is to provide oversight as required in the Scope of Work. It is the Monitor’s responsibility to ensure that city contractors adhere to the contracted terms and payment schedules with the City. Level of monitoring is associated with the level of risk in this engagement as determined by the Monitor.</p>
86	Section II, A Paragraph C.4 of the Risk Assessment Summary	What “compliance systems and controls” did the City use or is currently using to properly account for other federal funds received?	<p>The City has the following compliance systems and controls;</p> <ul style="list-style-type: none"> • General Ledger ComputerSystem • Budget Computer System • Encumbrance Computer System • Purchasing Manual & System • Written Grant Procedures (Federal, State, County) • Written Accounting Procedures and Controls • Written CDBG Monitoring Procedures

87	General Billing	What are the billing protocols incorporated into the contract documents? Are scheduled values utilized if it is a GMP contract? Who approves the upfront allocations as the work progresses?	The Contract schedule of values will be based on the lowest responsible bidders bid for each item. Contractors will be paid on the quantity installed or percent complete for each item on a monthly basis.
88	Generality Contractor	Is there a list of State approved vendors to be used by Envar and its subcontractors? Are subcontractors allowed to utilize other subcontractors?	The City is unaware of any State Approved vendors list for Professional Services. The City does not specifically prohibit subcontractors from using other subcontractors in our contracts.
89	General Documents	Please clarify the chain of command and identify person(s) to be corresponded with regarding findings. Will you please provide an organization chart for the operational management of this contract?	Reporting requirements are outlined in P.L. 2013, c. 37, and were explained at the training session. John F. Papetti, Jr. – Director of PW Anthony Botitta – Superintendent of Public Buildings, Markets and Docks Daniel J. Loomis – City Engineer Steven P. Rinaldi – Principal Engineer Anthony M. Zengaro – CFO Eric Goldman (Envar) – Project Manager Sydney Johnson (Envar) – Project Engineer Michael D’Emilio (Envar) - Inspector
90	Section II, C Paragraph C.2 of the Risk Assessment Summary	Will the projected completion date of “Memorial Day Weekend 2014” be an integral element of the construction award?	The contracts will be awarded to the lowest responsible bidders. The completion date is a contractual obligation of the low bidder.
91	Attachment 1	What is the timeline of this engagement? In particular, when is the target start date?	Estimated completion date by Memorial Day Weekend 2014. The City is requiring the contracts to be completed by May 1, 2014. The City anticipates the projects will begin (shovel in the ground) by the beginning of November 2013.
92	General Davis-Bacon; Prevailing Wage	Is this project subject to the Davis-Bacon Act or NJ Prevailing Wage Act?	Yes, the projects will be subject to Davis-Bacon Act and NJ Prevailing Wage Act. The Contractor is required to pay the higher of the two wages.
93	Section II, C Paragraph C.2 of the Risk Assessment Summary	What type(s) contracts (fixed fee, unit price, etc.) is expected to be awarded for the construction?	The contracts will be bid with a number of lump sum and unit price items summated into single contract values.

94	Attachment 1 Contracts	We understand from the risk assessment summary document, Section C, that the City intends to engage three to four additional contractors (in addition to Envar). What type of contract(s) will be executed with construction contractors (i.e., fixed price, time and materials, other)?	Envar is providing Professional Services with regard to design, construction management and construction observation for all four-construction projects. The four construction contracts will be publicly bid and contain a combination of lump sum and unit price items.
95	General City Contractor	What is the form of contractual agreement? Is it going to be a fixed cost, GMP or other type of contract?	The contractual agreement will be in the form of a number of lump sum and unit price items. Unit price costs will be based on an estimated contract quantity.
96	General City Contractor	Does the contract provide for a general contractor at a fixed price or is it going to be let as a series of prime contractors?	Each contract will have a single general contractor.

State of New Jersey
 Department of Treasury
 Integrity Monitoring Reporting Model
 For Quarter Ending: xx/xx/2013

Reports required under A-60 will be submitted by Integrity 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 Monitoring Reporting Model
 For Quarter Ending: xx/xx/2013

Reports required under A-60 will be submitted by Integrity 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 Monitoring Reporting Model
 For Quarter Ending: xx/xx/2013

Reports required under A-60 will be submitted by Integrity 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:

Engagement Query Questions or Request for Clarification

Page #	Engagement Query Section	Question

Cost Quote

Cell to be completed by Contractor
Protected Cells

Firm Name:	
Engagement Title:	

Cost Quote for: <input type="checkbox"/> Year 1 <input type="checkbox"/> Year 2 <input type="checkbox"/> Year 3	Fill in Task or Sub Task																								
Staffing Category	Hourly Billing Rate (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Total Hours Per Staff Category	Total \$ Per Staff Category
Partner/Principal/Director			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Program Manager			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Project Manager			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Subject Matter Expert			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Supervisor/Senior Consultant			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Consultant			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Associate/Staff			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Administrative Support			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Other			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Other			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Other			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00
Other			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0	\$0.00

Total Direct Cost (Attach a detailed person-hours and estimated direct cost for the duration of the engagement)		0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
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Total Travel Cost (Attach a detailed person-hours and estimated travel cost for the duration of the engagement)																									\$0.00
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Grand Total **\$0.00**