

BEST AND FINAL OFFER (BAFO) - PRICE SCHEDULE

RFP 14-X-23110

AUDITING AND OTHER RELATED SERVICES FOR DISASTER RECOVERY (HURRICANE SANDY)

Refer to RFP [Section 3.0](#) (Scope of Work) for task requirements and deliverables, [Section 4.4](#) (Organizational Support and Experience), and [Section 6.7.2](#) (Bidder's Price Schedule) for additional information regarding this Price Schedule. Failure to submit all information required will result in the proposal being considered non-responsive.

Bidder's Name: Navigant Consulting, Inc. (June 6, 2013) (Pool 3)

POOL 1: PROGRAM AND PROCESS MANAGEMENT AUDITING

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
1	Partner/Principal/Director	N/A	N/A	N/A
2	Program Manager	N/A	N/A	N/A
3	Project Manager	N/A	N/A	N/A
4	Subject Matter Expert	N/A	N/A	N/A
5	Supervisory/Senior Consultant	N/A	N/A	N/A
6	Consultant	N/A	N/A	N/A
7	Associate/Staff	N/A	N/A	N/A
8	Administrative Support Staff	N/A	N/A	N/A

Line #	Pass Through Price Lines *	Year 1	Year 2	Year 3
9	Other Direct Costs	N/A	N/A	N/A
10	Travel Expenses and Reimbursements	N/A	N/A	N/A

- The State makes no guarantee of volume of work effort.
- * The Pass Through Price Lines shall be used to reimburse for Travel and Other Direct Costs only. No mark-up will be provided for Price Lines 9 and 10.

Bidder's Name: Navigant Consulting, Inc.

POOL 2: FINANCIAL AUDITING AND GRANT MANAGEMENT

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
11	Partner/Principal/Director	N/A	N/A	N/A
12	Program Manager	N/A	N/A	N/A
13	Project Manager	N/A	N/A	N/A
14	Subject Matter Expert	N/A	N/A	N/A
15	Supervisory/Senior Consultant	N/A	N/A	N/A
16	Consultant	N/A	N/A	N/A
19	Associate/Staff	N/A	N/A	N/A
18	Administrative Support Staff	N/A	N/A	N/A

Line #	Pass Through Price Lines *	Year 1	Year 2	Year 3
19	Other Direct Costs	N/A	N/A	N/A
20	Travel Expenses and Reimbursements	N/A	N/A	N/A

- The State makes no guarantee of volume of work effort.
- * The Pass Through Price Lines shall be used to reimburse for Travel and Other Direct Costs only. No mark-up will be provided for Price Lines 9 and 10.

Bidder's Name: Navigant Consulting, Inc.

POOL 3: INTEGRITY MONITORING/ANTI-FRAUD

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
21	Partner/Principal/Director	\$275	\$275	\$275
22	Program Manager	\$275	\$275	\$275
23	Project Manager	\$275	\$275	\$275
24	Subject Matter Expert	\$275	\$275	\$275
25	Supervisory/Senior Consultant	\$275	\$275	\$275
26	Consultant	\$275	\$275	\$275
27	Associate/Staff	\$275	\$275	\$275
28	Administrative Support Staff	\$90	\$90	\$90

Line #	Pass Through Price Lines *	Year 1	Year 2	Year 3
29	Other Direct Costs	N/A	N/A	N/A
30	Travel Expenses and Reimbursements	N/A	N/A	N/A

- The State makes no guarantee of volume of work effort.
- * The Pass Through Price Lines shall be used to reimburse for Travel and Other Direct Costs only. No mark-up will be provided for Price Lines 9 and 10.

VOLUME 2: TECHNICAL PROPOSAL

*Pool 3: Integrity Monitoring/Anti-Fraud Support Services
(RFP No. 14-X-23110)*

Presented to:



May 30, 2013

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I. Technical and Management Approach

A. Overview

Navigant (NYSE: NCI) is a specialized consulting firm providing integrity monitoring, investigative, operational, risk management and advisory services to government agencies, public authorities, corporations, legal counsel and other organizations. We have approximately 2,200 professionals company-wide, with more than 250 professionals in our New York office, where our integrity monitoring practice is based. We also have two offices in New Jersey.¹ Our integrity monitoring personnel include forensic investigators (including former federal and state law enforcement agents and prosecutors); Certified Public Accountants; Certified Fraud Examiners; Professional Engineers; Registered Architects; and specialists in computer forensics and surveillance. Navigant is uniquely qualified to provide integrity monitoring services to the State of New Jersey for its Hurricane Sandy Disaster Recovery efforts for several reasons.

First, we have in our local office the multi-disciplinary expertise to perform all of the integrity monitoring services required by RFP 14-X-23110, including expertise in construction fraud investigations, forensic audits, compliance reviews, the development and implementation of fraud prevention and awareness programs to detect and prevent fraud and to encourage employees to report unethical, fraudulent or illegal activity, and the experience to coordinate an effective response to evidence of fraud or corruption with appropriate New Jersey officials and law enforcement agencies. We have specific experience with monitoring major Hurricane Sandy Relief efforts, having served as one of New York City's integrity monitors for its Hurricane Sandy Rapid Repair Program where we have been assisting the City in complying with all federal regulations so that it is fully reimbursed for the costs of the program by the Federal Emergency Management Agency ("FEMA"). Our monitoring team will be led by a former federal corruption prosecutor with extensive experience in complex construction fraud, bribery and safety cases; a former Inspector General of New York State who also served as a Special Agent for the FBI investigating organized crime and public corruption; and a registered professional engineer with 25 years of diverse construction and engineering experience in managing major

¹ Our New Jersey offices are located at 100 American Metro Blvd, Suite 108, Hamilton, NJ 08619, and 2000 Lenox Drive, Suite 100, Lawrenceville, NJ 08648. We also have staff who are residents of New Jersey and who are familiar with the devastation caused by Hurricane Sandy and its continuing effects, including Project Manager Richard Faughnan.

construction projects. The remainder of our monitoring team consists of former FBI agents and police officers with extensive organized crime experience, six certified public accountants, three certified fraud examiners, architects and engineers, all with prior integrity monitoring experience in the construction industry. Backing up our planned monitoring team is a deep bench of other seasoned professionals with integrity monitoring experience, including former FBI agents, former IRS agents, and additional engineers and construction professionals.

Second, Navigant has performed integrity monitoring services on some of the largest and most complex construction projects in the New York metropolitan area and beyond, and is thus well-prepared to provide such services to the State of New Jersey. As explained in greater detail below, Navigant has provided integrity monitoring services at, among other locations, the World Trade Center (WTC) site, the New York City Second Avenue Subway and Fulton Street Transit Centers, John F. Kennedy Airport, and the Central Artery/Third Avenue Tunnel project, also known as "The Big Dig," in Boston. In addition to monitoring large construction projects, we have, as mentioned above, monitored Hurricane Sandy Disaster Relief efforts in New York City, and we have served as the integrity monitor over individual construction companies. We are thus intimately familiar with the nature of the work contemplated in RFP 14-X-23110, and the integrity, construction, programmatic, safety and environmental issues that will accompany that work.

Third, distinguishing Navigant from all of our competitors, we have one of the largest construction consulting practices in the United States, with experience on thousands of construction projects and the unique ability to deploy as few or as many experienced resources with multi-faceted skills to meet client and project demands. We will never need to retain a subconsultant to obtain the hands-on construction expertise to inform our investigative judgments. Unlike our competitors, some of whom may employ a limited number of engineers on staff, Navigant's Construction Practice consists of over 100 professional engineers, registered architects, certified forensic claims consultants, Critical Path Method schedulers, planning and scheduling professionals, construction managers and other industry experts.

Finally, Navigant has various proprietary technology tools to enhance our monitoring services, including state-of-the-art data mining and analytic software that enables us to analyze large volumes of data for anomalies and evidence of fraud. In addition, depending on the nature of the specific construction project,

we have the expertise to utilize high-intensity cameras to support our on-site investigators and add an extra layer of surveillance and deterrence.

In sum, based on our expertise, experience and resources (both human and technological), Navigant is uniquely qualified to provide integrity monitoring services to the State of New Jersey for its Hurricane Sandy Disaster Recovery projects.

B. Technical and Management Approach

The key factors that set Navigant apart as an integrity monitor are the impressive career experience of our individual team members, the collective experience of our monitoring team on prior integrity monitoring engagements with various government agencies, our thorough understanding of the types of integrity and construction risks that appear on major construction projects, and the effective strategies we have developed to manage those risks by detecting and deterring all varieties of fraudulent conduct without interfering with the efficient and timely completion of the construction project.

The two leaders of our monitoring team whose prior law enforcement careers uniquely qualify them to lead integrity monitorships are Project Manager Richard Faughnan and Program Manager Joseph Spinelli. Mr. Faughnan was an Assistant U.S. Attorney for the Eastern District of New York for more than thirteen years where he served as Chief of the Public Integrity Section, overseeing all investigations and prosecutions of government corruption and government fraud, including construction fraud. While at the U.S. Attorney's Office, Mr. Faughnan investigated and successfully prosecuted every variety of fraud affecting the construction industry, including corruption by elected public officials, corruption by government and private construction inspectors, corruption by senior executives of construction companies on major public construction projects, DBE/MBE/WBE frauds, prevailing wage frauds, overbilling schemes, and OSHA manslaughter cases. With respect to overbilling schemes, Mr. Faughnan uncovered the largest construction overbilling scheme in recent years when he exposed the now notorious "8+2" scheme carried out by executives at Bovis Lend Lease ("Bovis"). That case ultimately resulted in the convictions of two senior Bovis executives, a deferred prosecution agreement for Bovis, and forfeiture, penalties and fines exceeding \$50 million.

Mr. Spinelli served for eight years as the first ever Inspector General for New York State where he was responsible for corruption investigations affecting all

New York State Government. Before becoming Inspector General, Mr. Spinelli served as an FBI Special Agent for ten years where he played a central role in some of the most celebrated organized crime and public corruption cases in memory. He served as an undercover agent at JFK Airport with Special Agent Joe Pistone (whose undercover persona was Donnie Brasco) resulting in seven convictions of Gambino crime family members; he infiltrated the New Jersey Decalvacante crime family and investigated it's involvement in professional boxing; he worked two years on the UNIRAC investigation resulting in convictions of two Gambino crime family capos; he served as the Organized Crime Coordinator for the FBI in the State of Connecticut; and he was one of the case agents on the ABSCAM investigation into Congressional corruption resulting in the conviction of Congressman Patrick Murphy.

In addition to their extensive relevant experience in government, after joining the private sector, both Mr. Faughnan and Mr. Spinelli have led significant integrity monitoring engagements in the construction industry at, among other locations, the WTC site, JFK Airport, major MTA infrastructure projects in New York City, and New York City's Hurricane Sandy Rapid Repair Program where their efforts have identified more than \$10 million in improper contractor charges. As will be further explained in Section II, below, Mr. Faughnan and Mr. Spinelli will be joined by a team of highly experienced former federal and state law enforcement agents, as well as certified public accountants, forensic auditors, and construction management and design experts. In short, we field a monitoring team whose experience and depth is second to none.

The technical and management approaches Navigant utilizes in integrity monitorships of the construction industry are designed to detect and deter the different varieties of fraud that have historically plagued major construction projects, including bid-rigging; infiltration by organized crime and labor racketeering; payroll schemes either designed to or resulting in the overbilling of the client agency; schemes that subvert government programs to encourage the hiring of disadvantaged subcontractors whether they be SBEs, WBEs, MBEs, or DBEs; overbilling of the client agency through inflated payment applications and change orders; and prevailing wage fraud, among other schemes. The following is an outline of our approach.

1. Risk Assessment

We believe an essential first step in any monitorship is to conduct a comprehensive risk assessment of the project to be monitored and the relevant

project processes and procedures that are to be employed by the client agency focusing on the areas of the project most vulnerable to fraud, corruption, cost abuse, safety and environmental risk. This involves a review of the bid process, the procurement process, invoice and requisition procedures, certified payroll procedures, change order procedures, and SBE/DBE, environmental and safety compliance programs. The risk assessment involves a review of the documented policies and procedures relating to the project, as well as interviews with key agency personnel to assess how policies and procedures are actually implemented. We produce a written report on the results of our risk assessment for the State Contract Manager. The risk assessment typically encompasses the first eight to ten weeks of the monitoring engagement, depending on the size and complexity of the project.

2. Corruption Prevention Program

Following the risk assessment, we design and work with the State Contract Manager or other relevant agency representative overseeing the project to implement a corruption prevention program for the project based on our approved findings from the risk assessment. The purpose of the corruption prevention program is to put in place policies, procedures and controls to ensure that the fraud, corruption, safety and environmental risks identified in the risk assessment do not infect the project. In our capacity as integrity monitor on other major construction projects, we have already performed comprehensive risk assessments, and have already designed and implemented corruption prevention programs on projects in New York City and beyond. As a result, we are in a position to review the proposed processes and procedures for whichever project we may be called upon to monitor, and to design and implement a corruption prevention program to address the risks relevant to that project.

Navigant's corruption prevention program typically includes, but is not limited to, the following components:

- **On-Site Inspections of Work:** Our Construction experts (*see* Section II, below) conduct regular on-site inspections of the progress of work focusing on the percentage of completion of the work (which will be relevant to a review of monthly payment applications and change orders), any construction issues that might delay or complicate the project, and any safety or environmental hazards. Our Construction experts also review safety and environmental plans and procedures to ensure that those plans and procedures are consistent with all laws,

rules and regulations. Our Construction experts work alongside our fraud investigators to ensure that our regular on-site observations capture both construction and fraud risks.

- **On-Site Inspections of Labor:** Our fraud investigators (*see* Section II, below) conduct regular on-site spot identification checks on the labor force of both the General Contractor and subcontractors to confirm their identity, and trade and union affiliation. This is one component of a series of tests we perform to ensure that organized crime has not infiltrated the construction site with, for example, **no-show employees**.
- **Project Employee Database:** On each project, we create a project employee database for all of the employees who are subjected to our regular testing procedures, including employees of the General Contractor and all subcontractors. This database, and our proprietary data mining and analytic software, enables us, as the project progresses, to run searches for duplicate names, addresses or other identifiers that may uncover payments to fictitious or no-show employees, or duplicate payments to genuine employees who may be fraudulently receiving payments from a General Contractor and a subcontractor for the same hours worked. We also look for various anomalies or red flags in the data, such as, wage and hourly pay rates that conflict with the rates in the Collective Bargaining Agreements (“CBAs”), and unusual patterns of hours and overtime claimed, and sick and holiday leave allegedly taken. Such anomalies may reflect the existence of illegal payroll schemes, like the Bovis “8+2” scheme, where Bovis rewarded its foremen by guaranteeing them 2 hours of overtime everyday even though they seldom if ever worked the overtime. Bovis ran a similar scheme in which it guaranteed paid vacation for its foremen even though paid vacation was not guaranteed in the CBA, by recording the foremen as working a 40-hour week when they in fact were on vacation. The scheme was uncovered, in part, because during those paid vacation weeks, the foremen did not receive credit for their regular 2 hours of unworked overtime.
- **Compliance with Collective Bargaining Agreements and State and Federal Labor Laws, including the Davis-Bacon Act and the Rates established by the New Jersey Department of Labor and Workforce Development, Division of Wage and Hour Compliance, Public Contracts Section:** Navigant performs a series of monthly procedures

to ensure compliance with Collective Bargaining Agreements (“CBAs”) and State and Federal labor laws, including the requirement that all contractors and subcontractors pay the prevailing wage to their workers. These procedures involve, among other things, reviewing the Union CBAs and the rates established for the contracts by the New Jersey Department of Labor and Workforce Development, Division of Wage and Hour Compliance, Public Contracts Section for all trades to identify the correct wage and benefit rates to be applied on the contracts. Then on a monthly basis we select a sample of employees from different trades and perform several procedures: first, we compare their wages and benefits as recorded in the Certified Payrolls to the required rates from the State’s schedule to ensure that the correct rates are being used; next we compare the time entries on the Certified Payrolls for those employees to the underlying time sheets maintained at the job site to ensure that the time recorded on the Certified Payrolls is accurate; and, in the event of discrepancies, we compare the wages to be paid to these employees according to the Certified Payrolls to the cancelled checks issued to the employees or to the contractor’s check register to ensure that the employees were paid the correct amount. We also review the Certified Payrolls to ensure that the taxes withheld for the selected employees appear to be accurate.

- **Small Business/DBE Compliance:** Navigant designs and implements a project-wide program to monitor compliance with New Jersey’s Small Business Program and, if applicable, its implementation of the Disadvantaged Business Enterprise (“DBE”) requirements of any relevant federal agency. This would involve performing background checks on all proposed SBE/DBEs to ensure that each is certified and in fact satisfies all of the legal and contractual requirements to be a legitimate SBE/DBE. We then conduct regular field investigations to confirm that each SBE/DBE is performing a commercially useful function on the project, and is not simply being used as a front for the General Contractor or a non-SBE/DBE subcontractor. In particular, we confirm that the proposed SBE/DBEs do not have an inappropriate relationship with the General Contractor (*i.e.*, the SBE/DBE is owned by the wife of a principal of the General Contractor). We also perform spot reviews of SBE/DBE utilization reports to confirm that they are accurate and properly completed. And finally, we conduct periodic training sessions with the General Contractor, any subcontractors utilizing SBE/DBEs on the project, and the SBE/DBEs themselves to

ensure that they understand and are following the legal and contractual requirements of the SBE/DBE programs.

➤ **Review of Payment Applications, Change Orders and Other Project Costs:** We regularly review project costs, including payment applications, change orders, payments to vendors, equipment invoices, bond payment reconciliations, site logs and trucking manifests. Examples of some of the investigative techniques we use include:

➤ Our Construction experts evaluate the payment applications of the general contractor monthly to confirm their accuracy and reasonableness when compared to the contract terms, the percentage of completion of the project, and the terms of any approved change orders.

➤ We closely review change orders to separate the proposed new or changed scope of work from the original contract work. Navigant also assesses the reasonableness of the change order costs with a detailed review of the change order process and pricing in accordance with contract terms (*i.e.*, mark ups, labor rates, equipment rates, *etc.*).

➤ We track the general contractors' payments to subcontractors and suppliers to ensure that those payments are timely.

➤ For materials and equipment invoices, we conduct spot checks at the construction site to confirm that the material or equipment referenced in an invoice/payment application was in fact purchased or leased, delivered to the site, and is being utilized at the site pursuant to the contract being billed.

➤ Especially in the beginning of the project, we ensure that the general contractor sets up an adequate system of site logs and trucking manifests that will support appropriate audits to confirm adherence to contract terms and all laws, rules and regulations. A proper system of logs and manifests also promotes site security and facilitates compliance with environmental and safety rules.

➤ We track communication between the general contractor and its bonding agency to ensure that the industry standard communication regarding estimated project costs are being

appropriately communicated. We also perform a final bond reconciliation to ensure that only the actual costs of the bond are reimbursed by the relevant New Jersey agency.

- Where applicable, we periodically review the budgets of the general contractor covering budgetary amounts allocated for each trade, general condition and contingency costs, with particular attention to any changes in scope, holds, contingencies, allowances or other miscellaneous additions or credits. In addition, we will review any budget variances to identify potential risks in the project's schedule and/or costs. Navigant also reviews the contractor's use of contingency, allowance and hold that may be included in its contract price to ensure that the amounts are being transferred within the contract and budget in accordance with industry standards and that the contractor's records provide a complete and accurate history for auditing purposes.
- **Compliance Audits of Waste Disposal Facilities and Trucking Companies:** In other monitorships, Navigant has performed compliance audits and background investigations of waste disposal facilities and transportation companies in order to evaluate a site's or a carrier's compliance with federal, state and local laws and regulations, and to ensure that the disposal site or carrier does not have links to organized crime. We have reviewed many of the disposal sites and carriers operating in this area, and thus have an understanding of the industry that will facilitate any compliance audit we undertake for any project we are selected to monitor.
- **Review of Document Management Processes:** Navigant reviews the document management processes including retention and project specific filing policies of the general contractor, and confirms, through periodic audits, that it properly maintains its records relating to the bidding process, change orders, payment applications, insurance certifications, and environmental and safety records. Periodic document reviews also focus on each entity's adherence to its document management policies and procedures.
- **Background Investigations:** Navigant ensures that all contractors complete a Background Qualification Questionnaire, as required, and file appropriate updates. We also conduct background investigations

on all contractors, subcontractors, key vendors and suppliers to ensure that they are free of any disqualifying connection with organized crime or present any other performance or integrity issues. Other potentially disqualifying issues could include a history of serious ERISA or OSHA violations, or evidence of financial instability. Navigant has trained staff members who perform these background investigations full time and who are expert in performing them thoroughly and efficiently. In one of our current monitorships, we recently identified that a subcontractor approved by the client agency in fact had been convicted of a felony Prevailing Wage fraud in recent months. As a result, the agency is planning to require the subcontractor to retain an integrity monitor.

- **Ongoing Forensic Auditing and Investigative Services:** Navigant provides ongoing forensic auditing and investigative services throughout the term of the monitorship as necessary and as directed by the client agency. Many of the potential subjects of an investigation have already been discussed above. Navigant is also always alert to the possibility that contractors or New Jersey agency staff may be complicit in improper or illegal conduct. As noted above, our monitoring team will be led by Richard Faughnan, a former federal corruption prosecutor with extensive experience in complex construction fraud and bribery cases, and by Joseph Spinelli, a former Inspector General of New York State who also served as a Special Agent for the FBI investigating organized crime and public corruption. Both Mr. Faughnan and Mr. Spinelli are well qualified to lead such investigations and because they maintain relationships with law enforcement agencies throughout the metropolitan area, they are well positioned to meet with law enforcement officials if warranted.
- **Fraud Prevention Hotline:** We would disseminate information regarding the Anti-Fraud hotline maintained by the Office of the State Comptroller to the general contractor, subcontractors and any other participants in the project being monitored.
- **Corruption Prevention Training:** Finally, to the extent feasible and in coordination with the client agency, we would design and conduct corruption prevention training for the general contractor and subcontractors on the project on selected topics, including bribery and improper payments, gifts and entertainment involving government or

union officials; bid rigging; and avoiding all associations with organized crime.

3. Compliance Focus

Navigant's approach in monitoring a construction project is compliance oriented. Although our team is led by former senior law enforcement officials, our aim is not primarily to play "gotcha" or to build criminal cases against contractors, although we will be alert to any evidence of criminality and will pursue any such leads in coordination with the appropriate state and law enforcement officials as soon as we detect them. Instead, our focus is to help ensure that the project proceeds according to schedule and without any ethical or legal lapses.

4. Reporting

Our policy as an integrity monitor is to be transparent, responsive and accountable to the agency for whom we work. Depending on the size and complexity of the project, we expect to report to the State Contract Manager, Cooperative Partner or designated agency point of contact as follows:

- We will immediately notify the State Contract Manager or his or her designee by telephone or email of any evidence of criminal activity or any issue of site safety or security requiring a prompt response.
- We will submit regular activity reports by email to provide the status of our monitoring activities and any relevant intelligence on the project. The frequency of these reports will be determined in consultation with the State Contract Manager. We have provided such reports on other monitorships on a daily, weekly or monthly basis.
- We will submit more formal monthly and quarterly written reports. The quarterly reports will follow the requirements of P.L. 2013, c. 37, N.J.S.A. section 52:15D-2e.

We would expect to have in person status meetings at least every quarter or more frequently as directed by the Contract Manager.

5. Organization

Mr. Faughnan and Mr. Spinelli personally oversee and are responsible for all of

the work performed by Navigant professionals during the course of a monitorship. They are assisted by a staff of highly trained professionals, all of whom have experience working on major monitorships. The monitoring team is divided into three specialty areas -- Forensic Audit, Investigations and Engineering -- each headed by an experienced supervisor. Forensic Audit is headed by Daniel Gill, a CPA and former Special Agent for the FBI who led the New York Office of the FBI's Forfeiture Unit for many years where he was involved in numerous organized crime and public corruption investigations. The Investigations Group is headed by Michael Angerhauser, also a CPA and former Lieutenant for the New York City Police Department, who led our investigative field team for New York City's Hurricane Sandy Rapid Repair Program. Also part of our Investigative Group are Robert Huff, an attorney and former FBI Special Agent, and William Burns, a CPA and former NYPD Sergeant and member of the NYPD's Organized Crime Control Bureau, both of whom have had extensive training and experience in organized crime investigations. Our Engineering team is headed by Stephen Pitaniello, a registered professional engineer with 25 years of diverse construction and engineering experience in managing major construction projects. His Engineering Group includes Michael Scharff, a registered architect in New York, New Jersey and Connecticut, with more than 25 years of diverse design and construction experience who has worked on multiple construction monitorships, including the Hurricane Sandy Rapid Repair Program, the MTA's Second Avenue Subway and Fulton Street Transit Center projects, and monitorships at the World Trade Center site and JFK Airport. The work of more junior members of the monitoring team will be reviewed by the Group supervisor to whom they report, or by Messrs. Faughnan or Spinelli to ensure the quality of the work.

As can be seen from our personnel, many of our team members are cross-trained as both CPAs and investigators. Moreover, our engineers are accustomed to working alongside our auditors and investigators. We believe that one of the strengths of our team is the multi-disciplinary character of our individual team members, which increases our versatility and enables us to analyze issues fully whether they arise during a planned audit, on-site inspection or field investigation.

6. Cost Controls

We control costs in two ways. First, we formulate a written plan at the beginning of each month, which we submit to the State Contract Manager, outlining the tasks to be performed that month, the hours allocated to those tasks and the staff

expected to perform the tasks. This control tends to ensure that planned tasks are within budget and are in fact performed. Second, we control costs by assigning staff to each task with the appropriate level of experience, and in the appropriate numbers, and by obtaining the client agency's prior approval for any tasks that we anticipate being unusual or significant. We closely monitor our monthly tasks and budget, as well as the budget for the overall contract.

7. Potential Problems and Navigant's Recommended Solutions

Based on our experience, a typical challenge in almost every monitorship relates to the degree to which the contractor to be monitored understands the monitor's role and responsibilities. Quite often a contractor presumes that the very existence of a monitor on the project is an affront to the contractor's integrity, resulting in the contractor being resistant and resentful. We have successfully addressed this problem through Project Kick-off meetings with the contractor and the client agency where the State Contract Manager or other agency official introduces the monitor and explains why the State has required a monitor on the project for reasons unrelated to the character of the particular contractor. Right after the Project Kick-off meeting, we then schedule a meeting between Navigant and the contractor to fully explain our role and to work out lines of communication and document production protocols, and to further dispel any lingering misconceptions the contractor may continue to harbor. It's usually at this smaller meeting where monitor and contractor can begin to develop a cooperative, working relationship.

Another potential challenge for work of this type might be the location of the project to be monitored. This is not a problem for Navigant, however, given our two offices in New Jersey and our office in midtown Manhattan, and given that we have members of the monitoring team who reside in New Jersey.

C. Experience²

Navigant has extensive experience in serving as an integrity monitor on behalf of various government agencies and public authorities in a variety of industries. Moreover, as noted above, because construction is a major industry practice group within Navigant, we are able to bring technical construction management,

² This section addresses the requirement in section 4.4.3 of RFP # 14-X-23110 to list previously held or currently held contracts with similar services, and section 4.4.4.5's requirement of providing similar contracts with references.

engineering, architectural, environmental and safety expertise to any monitoring engagement involving the construction industry. Illustrative engagements across industry sectors are described below.

1. Monitorships in the Construction Industry

Hurricane Sandy Rapid Repair Program – Navigant was selected by the New York City Department of Investigation (DOI) to serve as one of the integrity monitors for New York City’s Rapid Repair program, which provides emergency repairs to thousands of homes damaged by Hurricane Sandy. Navigant has been in the field monitoring construction crews seven days a week during this intensive program to provide heat, electrical service and hot water to New York City residences that lost those services as a result of the hurricane. We are monitoring two prime contractors and numerous subcontractors to prevent and detect fraud, waste and abuse; to ensure that performed repairs are within the program’s scope; to track quality and safety issues; to monitor labor compliance; and to audit contractor payment applications. The construction costs for the contracts Navigant is monitoring exceed \$140 million. To date, Navigant has identified improper contractor charges of more than \$10 million. We have also been assisting the City in complying with all federal regulations so that it is fully reimbursed for the costs of the program by FEMA. (November 2012–June 2013) (Client: DOI; Project References: Rose Gill Hearn, Commissioner, 212-825-5900, rhearn@doi.nyc.gov; Michael Carroll, Assistant Commissioner, 212-825-3338, mcarroll@doi.nyc.gov)

Second Avenue Subway – Navigant was selected by the Chief Compliance Officer of the New York City Metropolitan Transportation Authority (“MTA”) to serve as the integrity monitor over the Second Avenue Subway project valued at approximately \$3 billion. The term of the monitorship is five years. Navigant is responsible for monitoring the project for labor compliance issues, fraudulent billing schemes, organized crime infiltration and project safety. (2012-17) (Client: MTA Chief Compliance Officer; Project References: Daniel Worrell, MTA Director of Internal Controls, (646) 252-1303, dworrell@mtahq.org; Lamond W. Kearse, MTA Chief Compliance Officer, (646-252-1330, lkearse@mtahq.org)

Fulton Street Transit Center – Navigant was selected by the Chief Compliance Officer of the MTA to serve as the integrity monitor over the Fulton Street Transit Center project valued at approximately \$1.4 billion. The term of the monitorship is five years. Navigant is responsible for monitoring the project for labor compliance issues, fraudulent billing schemes, organized crime infiltration and

project safety. (2012-17) (Client: MTA Chief Compliance Officer; Project References: Daniel Worrell, MTA Director of Internal Controls, (646) 252-1303, dworrell@mtahq.org; Lamond W. Kearse, MTA Chief Compliance Officer, (646-252-1330, lkearse@mtahq.org)

World Trade Center – Port Morris Tile & Marble Corporation – Navigant was selected by the Port Authority Inspector General’s Office to be the integrity monitor of the Port Morris Tile and Marble Corporation (“Port Morris”) in its performance of approximately \$45 million in contracts at the WTC site following the federal fraud indictment of Port Morris’ principal owner and Chief Executive Officer. The term of the monitorship is 5 years. Navigant’s duties as integrity monitor include, among other things, designing and monitoring the implementation of a corruption prevention program for Port Morris, which includes a corporate compliance program, code of business ethics and system of internal accounting controls; conducting investigations and forensic audits to ensure Port Morris’ compliance with all criminal and civil laws, and with the terms of the Monitoring Agreement and Port Morris’ contracts with the Port Authority; and establishing and monitoring a 24-hour “Hot-Line” to facilitate the reporting of suspected improper or illegal conduct by Port Morris’ employees. (2009-15) (Client: Port Authority Inspector General’s Office; Project Reference: Steven A. Pasichow, Port Authority Inspector General’s Office, 973-565-4366, spasichow@panynj.gov; Robert Joyce, Port Authority Inspector General’s Office, 973-565-4366, rjoyce@panynj.gov)

JFK Airport – Tutor-Perini Corporation – Navigant was selected by the Port Authority Inspector General’s Office to be the integrity monitor of the Tutor-Perini Corporation (“Tutor-Perini”) following the federal indictment of Tutor-Perini’s former President and Director of Purchasing, who were involved in a fraudulent Disadvantage Business Enterprise (“DBE”) scheme. Navigant was responsible for monitoring Tutor-Perini’s performance of a \$220 million contract to rehabilitate the main runway at John F. Kennedy International Airport (“JFK Airport). The term of the monitorship was 3 years. Navigant’s duties as integrity monitor included, among other things, designing and monitoring the implementation of a corruption prevention program for Tutor-Perini, which included a corporate compliance program, code of business ethics and system of internal accounting controls; conducting investigations and forensic audits to ensure Tutor-Perini’s compliance with all criminal and civil laws, and with the terms of the Monitoring Agreement and Tutor-Perini’s two contracts with the Port Authority; and establishing and monitoring a 24-hour “Hot-Line” to facilitate the reporting of suspected improper or illegal conduct by Tutor-Perini’s

employees. (2009-12) (Client: Port Authority Inspector General's Office; Project Reference: Steven A. Pasichow, Port Authority Inspector General's Office, 973-565-4366, spasichow@panynj.gov; Robert Joyce, Port Authority Inspector General's Office, 973-565-4349, rjoyce@panynj.gov)

World Trade Center – Tutor-Perini Corporation – Navigant was selected by the Port Authority Inspector General's Office to be the integrity monitor of Tutor-Perini for its \$177.6 million contract to brace the box that encloses the MTA's Number 1 subway line at Greenwich Street in lower Manhattan, which bisects the WTC site. The term of the monitorship was 3 years. Navigant's duties as integrity monitor included, among other things, designing and monitoring the implementation of a corruption prevention program for Tutor-Perini, which included a corporate compliance program, code of business ethics and system of internal accounting controls; conducting investigations and forensic audits to ensure Tutor-Perini's compliance with all criminal and civil laws, and with the terms of the Monitoring Agreement and Tutor-Perini's two contracts with the Port Authority; and establishing and monitoring a 24-hour "Hot-Line" to facilitate the reporting of suspected improper or illegal conduct by Tutor-Perini's employees. (2009-12) (Client: Port Authority Inspector General's Office; Project Reference: Steven A. Pasichow, Port Authority Inspector General's Office, 973-565-4366, spasichow@panynj.gov; Robert Joyce, Port Authority Inspector General's Office, 973-565-4349, rjoyce@panynj.gov)

Miami-Dade County Performing Arts Center – One of Navigant's project leaders (Mr. Spinelli) was selected by Miami-Dade County as an independent monitor to oversee construction of their performing arts center, built at a cost in excess of \$220 million. The engagement focused on all aspects of the project from design to occupancy. Mr. Spinelli ensured compliance with contract terms as well as Miami-Dade and Florida laws and regulations. An assessment of the procurement policies was performed and recommendations for improvement were made. (2005) (Client: Miami-Dade County; Reference: Cathy Jackson, Director of Audit and Management Services 305-349-6100, CJ5680@miamidade)

World Trade Center Demolition and Debris Removal – One of Navigant's project leaders (Mr. Spinelli) led the financial oversight of the demolition and debris removal at the WTC following the September 11, 2001 attacks. This project involved the review of over \$500 million in contractor and subcontractor invoices on behalf of the New York City Department of Design and Construction ("DDC") and the New York City Office of Management and Budget ("OMB"). This assignment included daily interaction with leaders from all trades and

unions, including, but not limited to, Local 14 (Operating Engineers), Local 40 (Ironworkers), Local 78 (Laborers) and Local 3 (Electricians). The review and monitoring of invoices was designed to prevent any and all types of fraudulent billings, payroll schemes, violations of New York Labor Law § 220 and payments to organized crime. A system of internal controls was established to ensure compliance with all relevant City, State and Federal laws, rules and regulations. This system was instrumental in assisting the DDC in submitting a successful claim for reimbursement to the Federal Government through FEMA (2001-03) (Clients: DDC and OMB; Project References: Steven A. Pasichow, formerly DOI, now Port Authority Inspector General's Office, 973-565-4366, spasichow@panynj.gov; Eric MacFarlane, Deputy Commissioner, Infrastructure Division, DDC, 718-391-2251, Macfarla@ddc.nyc.gov; Bud Larson, Associate Director, OMB, 212-788-5801, LarsonB@omb.nyc.gov)

Central Artery/Third Avenue Tunnel Project (aka "The Big Dig") – Power Fasteners – Navigant was selected by the Massachusetts Office of the Attorney General to be the monitor of Power Fasteners, Inc., a manufacturing company that supplied adhesives used to hold bolts in place on the \$15 billion Central Artery/Third Avenue Tunnel Project, also known as "The Big Dig." The failure of the company's adhesives led to a fatality that resulted in a deferred prosecution agreement for the company. Navigant's responsibilities included reviewing and revising the company's corporate compliance agreement, monitoring its adherence to the terms of the deferred prosecution agreement, and submitting an annual report of the reviews we conducted to all parties, including the Federal Highway Administration. (2009-12) (Client: Massachusetts Office of the Attorney General; Project Reference: Edward Bedrosian Jr., Deputy First Assistant Attorney General, 617-963-2028, ed.bedrosian@state.ma.us)

2. Monitorships in Other Industries

School Bus Companies - Navigant was selected by the Special Commissioner of Investigation for the New York City School District ("SCI") to be the integrity monitor of the Logan Family of Bus Companies (totaling 9 bus companies) as a result of its involvement in a kickback scheme with union officials with organized crime ties and city bus inspectors. Navigant is responsible for monitoring Logan's performance of approximately \$618 million in contracts to provide school bus service. The term of the monitorship is 3 years. Navigant's duties as integrity monitor include, among other things, designing and monitoring the implementation of a corruption prevention program for Logan, which includes a corporate compliance program, code of business ethics and

system of internal accounting controls; conducting investigations and forensic audits to ensure Logan's compliance with all criminal and civil laws, and with the terms of the Monitoring Agreement and Logan's school bus contracts; and establishing and monitoring a 24-hour "Hot-Line" to facilitate the reporting of suspected improper or illegal conduct by Logan's employees. (2010-13) (Client: SCI; Project Reference: Daniel Schlachet, Special Counsel, 212-510-1418; dschlachet@nycsci.org)

Westchester County Solid Waste Commission – Navigant was selected by the Westchester County Solid Waste Commission to serve as the integrity monitor of a carting company with links to organized crime. The term of the monitorship is three years. Navigant is responsible for monitoring the company for labor compliance issues, fraudulent billing schemes, organized crime infiltration and environmental issues. (2013-15) (Client: Westchester County Solid Waste Commission; Project References: Bruce Berger, Executive Director, 914-813-6860, bbb1@westchetergov.com)

Waterfront Commission of New York Harbor – Navigant was selected by the Waterfront Commission of New York Harbor to serve as the integrity monitor of one of the major stevedore companies. The term of the monitorship is two years. Navigant is responsible for monitoring the company for labor compliance issues, fraudulent billing schemes, organized crime associations and safety issues. (2013-15) (Client: Waterfront Commission of New York Harbor; Project References: Ronald Goldstock, Commissioner, 212-742-9280; Walter M. Arsenault, Executive Director, 212-742-9280)

New York City Department of Education – Navigant is currently serving as the independent auditor, appointed by the United States District Court, Southern District of New York, to monitor the timely implementation of special education impartial hearing orders. This monitorship is the result of a class action suit brought on behalf of special education students in New York City. A Stipulation and Agreement of Settlement reached between the plaintiffs and the New York City Department of Education ("DOE") granted both compensatory and injunctive relief. Navigant's responsibilities related to compensatory relief involve the review of claims for the purpose of either approving or disapproving the claims and determining the specific dollar value each claimant will receive. Our responsibilities related to injunctive relief involve reviewing all the impartial hearing orders and their related action items on a quarterly basis and investigating whether those orders and related action items were timely implemented. Navigant professionals developed the review processes,

procedures and protocols for both the compensatory and injunctive relief audits, and developed the case management system to record findings and evidentiary documentation. (2008-present) (Client: DOE; Project Reference: Judith Nathan, First Deputy Counsel, 212-374-2993, jnathan@schools.nyc.gov)

American Stock Exchange and Philadelphia Stock Exchange – Navigant professionals served as the integrity monitor of two stock exchanges pursuant to administrative orders issued by the United States Securities and Exchange Commission (“SEC”) as a result of findings that both exchanges had numerous regulatory violations of trading, investigations and surveillance rules. The monitorship involved regular audits and reports to the exchanges and the SEC. (2008-10) (Clients: American Stock Exchange (now owned by the New York Stock Exchange), and the Philadelphia Stock Exchange (now owned by NASDAQ); Project References: Claudia Crowley, Chief Executive Officer and Chief Regulatory Officer for NYSE Regulation, Inc., 212-656-4631, ccrowley@nyx.com; Meyer S. Frucher, formerly President and Chief Executive Officer of the Philadelphia Stock Exchange, now Vice Chairman of NASDAQ)

The Children’s Place—Navigant professionals served as integrity monitor on behalf of the Massachusetts Office of the Attorney General regarding a consent decree that was imposed on The Children’s Place clothing stores in Massachusetts and New Hampshire. Navigant personnel assisted The Children’s Place with the design and implementation of a compliance program to ensure there was no further discrimination in its sales and customer relationship efforts. The project involved visiting innumerable stores in Massachusetts and New Hampshire to ensure compliance.

Diocese of Manchester, New Hampshire — Navigant professionals assisted the New Hampshire Attorney General’s Office in effectuating their consent decree imposed on the Diocese of Manchester, New Hampshire. Navigant professionals monitored compliance with the consent decree, which related to alleged acts of sexual abuse committed by members of the Diocese of Manchester. Navigant professionals also made numerous recommendations regarding pro-active due diligence to be conducted by the Diocese for its members prospectively.

3. Investigations for the Government

New York City Wastewater Treatment Plant – Navigant assisted DOI in a forensic investigation related to allegations that engineering contractors involved in the design of a major, \$8 billion wastewater treatment plant in New York City

engaged in various improper billing practices, such as treating multiple contracts with the New York City Department of Environmental Protection (“DEP”) as one contract and billing work for one contract to another contract, thereby creating the risk that the DEP might make multiple payments for the same services. This engagement also involved evaluating the increased design costs in change orders; evaluating the management of the project and the auditing of invoices by the agency; and making recommendations on how the agency should manage large scale projects in the future to mitigate fraud, waste and abuse. (2008–Present) (Client: DOI; Project References: Rose Gill Hearn, Commissioner, 212-825-5900, rhearn@doi.nyc.gov)

CityTime Project – Navigant assisted DOI in a forensic investigation related to allegations that consultants working for the City to develop a common automated timekeeping system for all municipal employees engaged in an elaborate scheme to defraud the City of hundreds of millions of dollars. Navigant performed an analysis of the numerous contract modifications over the course of the decade-long project to show how the consultants steadily eliminated project controls and shifted project risk from the consultants to the City, conducted dozens of interviews to determine whether any consultants currently working on the project were implicated in the scheme, and helped quantify the extent of overbilling by the various consulting firms involved in the project. Based on our analysis, the City recovered \$500 million in restitution from the project’s general contractor, Science Applications International Corporation. (2010–11) (Client: DOI; Project References: Rose Gill Hearn, Commissioner, 212-825-5900, rhearn@doi.nyc.gov)

California Public Employees’ Retirement System Special Review - Navigant was retained by the California Public Employees’ Retirement System (“CalPERS”) to provide forensic and analytical services in furtherance of a special review examining the apparent arrangements, financial and otherwise, between CalPERS and its external money managers, and between those external money managers and third-party placement agents. Navigant conducted an extensive forensic examination of records obtained from placement agents; performed analyses of financial records related to transactions and financial relationships between CalPERS, placement agents and external money managers; and conducted record and data analyses and interviews related to internal control weaknesses identified in connection with certain travel and procurement processes. As a result of the special review, CalPERS successfully obtained approximately \$300 million in fee concessions and recoveries from the investment managers, and CalPERS implemented numerous reforms and revised

policies to guard against future wrongdoing.

Federal Reserve Bank of New York – The Federal Reserve Bank of New York (“FRBNY”), which was charged with the oversight of one of the largest economic bailout programs in U.S. history, engaged Navigant to perform comprehensive background investigations of program applicants. The investigations led to the identification of numerous entities and individuals implicated in regulatory, criminal and civil proceedings directly related to allegations of improper and illegal practices that were arguably at the heart of the financial crisis. This insight allowed the FRBNY to make an informed decision regarding the distribution of bailout funds. In a related matter, Navigant performed in-depth reputational and asset recovery investigations of property owners and/or guarantors of residential and commercial loans, owned by FRBNY, that were either in or at risk of default.

Arkansas Desegregation Investigation – Navigant was selected by the State of Arkansas to conduct a special investigation regarding desegregation funding provided by the Arkansas Department of Education to three Pulaski County school districts, which are located in and around Little Rock. Navigant performed a financial and operational analysis of the budget and expenditure patterns of the school districts to determine how their desegregation funding was accounted for and spent, and also identified weaknesses in the internal control environment of the school districts that may have led to fraud, waste, mismanagement or abuse of the desegregation funding. As a result of our efforts, the State of Arkansas enacted Act 701, which allows the State to hire outside consultants to provide oversight of and ensure accountability in the use of desegregation funding provided by the State. The Act requires both the Department of Education and the school districts to provide the consultants with all requested documents and access to personnel.

Consumer Protection Unit of the State of Delaware – Navigant professionals provided forensic accounting assistance to the Consumer Protection Unit of the State of Delaware, investigating a large-scale mortgage fraud scheme. The subjects of the scheme have victimized possibly over 100 homeowners who faced imminent foreclosure. In furtherance of this fraud, struggling homeowners sell their homes to third parties to avoid foreclosure based on the false promise that they can repurchase their homes through a complex sale/lease-back arrangement when their financial situations improve. Instead, these schemes impose exorbitant hidden fees that take thousands of dollars of equity away from homeowners, and they ultimately lose their homes, unable to obtain financing to

repurchase them. Navigant professionals provided extensive support to this agency, which included analyses of the fraudulent mortgage loans and conveyances and asset tracing. Navigant's findings recently assisted this agency with their successful efforts to obtain a racketeering indictment, arrest and search warrants, and asset forfeiture restraining orders and liens filed and recorded against the assets of the defendants' indicted to-date.

II. Organizational Support and Experience

A. Organizational Support³

1. Project Manager

Richard T. Faughnan, J.D., is a Managing Director in Navigant's New York Office and is co-leader of Navigant's Public Sector and Monitoring Practice. He has more than twenty-five years of litigation and investigative experience. Mr. Faughnan is currently leading or co-leading the Navigant teams that were selected by DOI to help monitor the City's Rapid Repair Program providing emergency repairs to thousands of homes damaged by Hurricane Sandy, by the MTA's Chief Compliance Officer to monitor the Second Avenue Subway and Fulton Street Transit Center projects, and by the Port Authority's Inspector General (PAIG) to monitor the Port Morris Tile and Marble Corporation in its performance of approximately \$45 million in contracts at the WTC site. He previously led the Navigant team monitoring the Tutor-Perini Corporation for the PAIG in its performance of approximately \$400 million in contracts at JFK Airport and the WTC site. Before joining Navigant, Mr. Faughnan was an Assistant U.S. Attorney in the Eastern District of New York for more than thirteen years where he served as Chief of the Public Integrity Section, supervising investigations and prosecutions of public corruption and government fraud. While at the Eastern District, Mr. Faughnan directed numerous investigations into an assortment of crimes committed by individuals and corporations, including bribery, bank and securities fraud, mail and wire fraud, money laundering and tax evasion. Among other cases, Mr. Faughnan directed the bribery investigation and prosecution of a federal contracting officer, and executives of the general contractor, a subcontractor and the construction quality management firm on a \$500 million federal construction project. He directed a series of investigations and prosecutions of construction companies, accountants and a labor lawyer for systematically evading the obligation to pay the prevailing wage to workers pursuant to the Davis-Bacon Act and New York Labor Law § 220. He directed the investigation and prosecution of a New York City Council member for demanding a \$1.5 million bribe from a developer in exchange for the Council member's support for the developer's multi-million

³ Navigant is a publicly traded company and as such does not have partners or principals. The two leaders of our integrity monitoring team, Project Manager Richard Faughnan and Program Manager Joseph Spinelli, are both Managing Directors of Navigant and are the co-leaders of Navigant's Public Sector and Monitoring Practice.

dollar construction project, and the investigation and prosecution of 20 New York City Plumbing and Boiler Inspectors, including the Chief Inspectors for Manhattan, Brooklyn, Queens and the Bronx, for extortion.

2. Program Manager

Joseph Spinelli, J.D., is a Managing Director in our New York office and leads Navigant's Anti-Corruption and Investigative Due Diligence Practice. He is a leading authority on white-collar crime with more than 30 years of forensic experience. He joined a "Big Four" accounting firm as a principal in 1994, founding its Forensic Practice. During his 12-year tenure there, Mr. Spinelli was Office Coordinating Partner for the Northeast and Public Services Industry Leader. Prior to his "Big Four" experience, Mr. Spinelli served for eight years as New York State's first Inspector General where he led fraud, waste, abuse and corruption investigations for all New York State agencies and authorities. He also served as Assistant Director of Criminal Justice for the State of New York, with responsibilities for the investigation of criminal complaints and fraud allegations throughout state government. In 1987, Mr. Spinelli co-authored the New York State Internal Control Act. Mr. Spinelli also served as one of the Independent Monitors for the World Trade Center project post-September 11, 2001, and as the IPSIG for Miami-Dade County with investigative, compliance and monitoring responsibilities over the construction of the county's \$220 million Performing Arts Center. Until recently, Mr. Spinelli served as a Commissioner and Acting Chair of the New York State Public Integrity Commission. In 2012, he was appointed by Governor Andrew Cuomo to the Board of the New York Racing Association and was named Chairman of the Audit Committee in 2013. Mr. Spinelli spent ten years as a Special Agent with the FBI specializing in organized crime, white-collar crime, bank fraud, mail fraud and health care fraud, and served as Organized Crime Coordinator for the FBI in Connecticut in the mid-1980s. He is currently co-leading the Navigant teams selected by DOI to help monitor the City's Rapid Repair program, and by the MTA's Chief Compliance Officer to monitor the Second Avenue Subway and Fulton Street Transit Center projects.

3. Forensic Auditors

Daniel Gill, CPA, is a Director and a retired FBI Special Agent with 23 years of extensive investigative and forensic accounting experience. He is a Certified Public Accountant (CPA). Mr. Gill served as the Supervisory Special Agent of the FBI's New York Office Asset Forfeiture Unit for over nine years, for which he

was responsible for the coordination and management of numerous highly successful organized crime, public corruption, white collar crime, and counter-terrorism forfeiture and financial investigations. During his nineteen-year assignment to the Asset Forfeiture Unit, Mr. Gill developed a renowned expertise with respect to the identification of assets and the tracing of illegal proceeds in hundreds of complex financial investigations. Mr. Gill has been qualified as an expert witness in U.S. District Court with respect to his knowledge of alternative money remittance schemes, and has also testified as the Government's summary financial witness in many different high profile trials in U.S. District Court.

Alex V. Shea, CFE, CFI, is an Associate Director in our New York Office. He has experience assisting clients in forensic accounting and financial investigations, anti-money laundering, criminal tax, integrity monitorship and investigative due diligence matters. Mr. Shea is a member of the Navigant teams selected by DOI to monitor New York City's Rapid Repair program, by the MTA to monitor the Second Avenue Subway and Fulton Street Transit Center projects, and by the Special Commissioner of Investigation for the New York City School District (SCI) to monitor nine school bus companies that had been involved in a bribery scheme involving Department of Education Bus Inspectors and Union Officials with organized crime associations. He has also conducted investigative due diligence services for a financial branch of the United States Government pertaining to recipients of government funding. Prior to joining Navigant, Mr. Shea worked in the forensic accounting practice of a "Big Four" accounting firm where he provided forensic accounting and financial investigations services in connection with illicit payments and embezzlement matters, including the investigation of a construction company which was faced with U.S. political corruption charges. Mr. Shea is a Certified Anti-Money Laundering Specialist (CAMS), Certified Fraud Examiner (CFE) and Certified Forensic Interviewer (CFI).

Allison May, CPA, CFE, CFF is a Managing Consultant in Navigant's New York Office. She has experience in forensic accounting and financial investigations, anti-money laundering, and monitorships. Ms. May has worked as part of the Navigant teams selected to monitor New York City's Rapid Repair Program and major public works projects related to the WTC, the Fulton Street Transit Center and the Second Avenue Subway. Prior to joining Navigant, Ms. May was a consulting manager with AlixPartners Financial Advisory Services Group where she worked on a wide variety of investigations and litigation support engagements. Ms. May has also held positions in internal audit at the Tribune

Company and in Ernst & Young's audit practice, where she led the year-end audits and Sarbanes-Oxley implementation for major public companies. Ms. May is a Certified Public Accountant (CPA), Certified Fraud Examiner (CFE) and Certified in Financial Forensics (CFF).

Julian Lee, CPA, CFE, is a Senior Consultant in our New York Office. He has worked on a variety of projects that relate to integrity monitorship, Ponzi schemes, accounting manipulation and tax fraud. Mr. Lee is a member of the Navigant teams selected by DOI to monitor New York City's Rapid Repair program and by SCI to monitor nine school bus companies previously involved in a bribery scheme involving Department of Education Bus Inspectors and Union Officials with organized crime associations. Prior to joining Navigant, Mr. Lee worked as an auditor for KPMG LLP, and focused on clients in the Financial, Real Estate, and Manufacturing industries. Mr. Lee is a licensed CPA.

4. Investigators

Michael Angerhauser, CPA, is a Director in Navigant's New York office. As a certified public accountant and former lieutenant of the New York City Police Department, Mr. Angerhauser brings a wealth of accounting, law enforcement, and internal investigations expertise. Prior to joining Navigant, Mr. Angerhauser worked for a "Big Four" accounting firm where he managed, coordinated, supervised and conducted various types of forensic engagements. Mr. Angerhauser has conducted numerous forensic accounting investigations and performed fraud, waste and mismanagement reviews of numerous school districts. Furthermore, he has managed, supervised and conducted multiple IPSIG compliance monitoring engagements for government agencies of business entities affiliated with the construction, education and telecommunication industries. Mr. Angerhauser is currently supervising Navigant's field operations for our monitorship of the City's Rapid Repair Program. In addition to his being a CPA, Mr. Angerhauser is a Certified Anti-Money Laundering Specialist (CAMS), Certified in Financial Forensics (CFF) and a member of the Association of Certified Fraud Examiners.

Robert W. Huff, JD, is a Director and leads Navigant's Investigative Due Diligence group. As an attorney and former Special Agent of the FBI, Mr. Huff has over 22 years of experience in complex criminal and civil investigations, controls assessments, and business intelligence matters, assisting both public and private sector clients worldwide. He has worked on integrity monitoring engagements, and has led complex fraud investigations, investigative due

diligence reviews, strategic intelligence engagements for corporations, law firms, financial services firms and non-profits worldwide. He also performs third party anti-corruption due diligence and investigations. Mr. Huff has held practice leadership roles at several global accounting and investigation consulting firms. While he was an FBI Agent, Mr. Huff led high profile criminal investigations, including organized crime and complex financial fraud cases. The targets of his organized crime investigations included complex organized international criminal gangs involved in drug and arms trafficking. As a member of the FBI's UNABOM Task Force, Mr. Huff participated in the investigation and ultimate arrest of Theodore Kaczynski. Mr. Huff began his career as a practicing civil litigation attorney. He is a frequent speaker on business intelligence and investigations topics, as well as anti-bribery and corruption matters. He has testified at trial as well as before Grand Juries.

William Michael Burns, CPA, is an Associate Director in Navigant's New York office. He is a certified public accountant and a certified fraud examiner with 29 years of professional experience involving law enforcement, financial statement audits and forensic accounting. Among other matters, Mr. Burns was a member of the monitoring team led by Mr. Spinelli at the WTC following September 11, 2001, and is a member of the Navigant team assisting DOI in monitoring New York City's Rapid Repair program. In addition to integrity monitorships, he has provided auditing, forensic accounting and dispute analysis services to clients in the banking, financial services and construction industries. He has managed numerous investigations involving asset tracing for hedge funds and financial lending institutions. Mr. Burns' engagements have involved sophisticated loan schemes which included concealing credit delinquencies, falsifying financial contracts and subverting the Company's internal controls and reporting systems. Before joining Navigant, Mr. Burns was a manager at the New York forensic practice of a "Big Four" public accounting firm. He has managed high profile litigation support cases involving the interpretation and application of Generally Accepted Accounting Principles and compliance with Generally Accepted Auditing Standards. Prior to entering the public accounting field, Mr. Burns conducted numerous investigations while working in the Organized Crime Control Bureau of the New York City Police Department. In addition to being a CPA and CFE, Mr. Burns is a Certified Internal Auditor (CIA), Certified Anti-Money Laundering Specialist (CAMS), Certified Information Systems Auditor (CISA) and Certified in Financial Forensics (CFF).

Andrew Obuchowski is an Associate Director in our New York office. He is an expert in matters involving surveillance, data breach investigations, information

security, digital forensic analysis, electronically stored information (ESI) and intellectual property theft. Mr. Obuchowski also brings more than 12 years of law enforcement investigative knowledge as a Sergeant, instructor at numerous police academies, and longtime member of several computer and financial crime task forces in Massachusetts where, among other things, he developed an expertise in the use of surveillance technology. With this wide range of experience, Mr. Obuchowski delivers industry-leading technical and consultative expertise to government agencies, law firms and corporations.

Michael Hamilton, J.D., is a Senior Consultant in our New York Office. He has experience assisting clients in compliance, white collar and anti-money laundering investigations. Mr. Hamilton is an investigator on the Navigant team selected by DOI to monitor New York City's Rapid Repair program and several other monitorship projects seeking to identify associates of organized crime. He also conducts international and domestic enhanced due diligence in connection with large scale international Foreign Corrupt Practices Act, fraud, white-collar crime, and asset tracing investigations. Prior to joining Navigant Consulting, Mr. Hamilton was an attorney in private practice in New York and Wisconsin and represented clients in the areas of anti-money laundering, white collar fraud, tax controversy, asset forfeiture and employment litigation matters. He is currently a member of the New York and Wisconsin State Bars.

Keith Flyer is a Consultant in our New York Office. Mr. Flyer is a member of the Navigant teams selected by DOI to monitor New York City's Rapid Repair program, by the MTA to monitor the Second Avenue Subway and Fulton Street Transit Center projects, and by SCI to monitor nine school bus companies that had been involved in a bribery scheme involving Department of Education Bus Inspectors and Union Officials with organized crime associations.

5. Engineers and Architects

Stephen Pitaniello, P.E., CFCC, is a Managing Director in the Construction Practice of Navigant Consulting. Mr. Pitaniello is a registered Professional Engineer (PE) and Certified Forensic Claims Consultant (CFCC) with 25 years of diverse construction and engineering experience in the public and private sectors. His 13 years of consulting experience includes supervising our construction experts in integrity monitoring engagements, preparing and analyzing various complex construction claims, and providing risk management and advisory services on ongoing capital construction projects. He is overseeing Navigant construction professionals on our monitorship of the Rapid Repair Program for

DOI and the Second Avenue Subway and Fulton Street Transit Center projects for the MTA. He is the project manager on multiple public agency contracts, including those with the State of Connecticut's Department of Transportation and Department of Construction Services, the University of Connecticut and the New York City Law Department. Mr. Pitaniello has consulted on construction management issues, including procurement, schedule delays, construction costs, damages, and errors and omissions on various projects, such as airports, bridges, highways, hospitals, power plants, railroads, schools, universities, utility projects and sports complexes. Mr. Pitaniello has provided expert testimony in mediation, arbitration, depositions and at trial. Most recently, Mr. Pitaniello assisted the Connecticut Department of Transportation with the resolution of multiple construction claims, led the Navigant team that assisted the New York City Law Department in the analysis of a potential design error and omissions claim against the project design team on a ferry terminal construction project, and led the Navigant team that analyzed a delay and labor productivity claim brought by a contractor against a public utility for work related to the installation of underground 345kV power lines.

Michael J. Scharff, A.I.A. – LEED® AP, is a Director in our Construction Practice. Mr. Scharff is a registered architect (AIA) in New York, New Jersey and Connecticut, with more than 25 years of diverse design and construction experience. Most recently, he has been a member of the Navigant teams selected by DOI to monitor the City's Rapid Repair Program, by the MTA to monitor the Second Avenue Subway and Fulton Street Transit Center projects, and by the PAIG to monitor the Tutor-Perini Corporation in its performance of contracts at JFK Airport and the WTC site, and the Port Morris Tile and Marble Corporation working at the WTC site. His consulting experience also includes the analysis and preparation of various complex construction claims. Mr. Scharff has consulted on design and construction issues, including standard of care, defective construction, schedule delays, construction costs and damages. Prior to joining Navigant, Mr. Scharff was the Project Manager for Turner Construction on the construction of the \$150 million New York Times Headquarters and Times Center Project. The Times Building is a 52 story office tower, containing approximately 1.6 million square feet. Mr. Scharff purchased and negotiated trade contracts, managed schedules and cost controls, maintained owner and design team relations, coordinated subcontractors and was intimately involved in project safety.

William P. Harkins, E.I.T., is an Associate Director in our Construction Practice. He has over 12 years of professional experience working in the engineering,

construction and consulting fields and is a certified Engineer in Training (EIT). Most recently, he has been a member of the Navigant teams selected by DOI to monitor the City's Rapid Repair Program, and by the MTA to monitor the Second Avenue Subway and Fulton Street Transit Center projects. His other project experience has encompassed project management, schedule delay analysis, issue analysis, field inspections, cost analysis, change order analysis, loss of productivity analysis, Errors and Omission analysis and litigation support. He has worked on various infrastructure, power, government, industrial, commercial and environmental projects. As a Project Engineer with Vollmer Associates, he worked on various New York based projects including the South Ferry Subway Rehabilitation, Route 9A Reconstruction Project, and the Downtown Alliance Broadway Streetscape Improvement Project.

Nathan Matisoff, MBA, B.S. in Mechanical Engineering, is an Associate Director in our Construction Practice. He has 6 years of construction consulting experience with Navigant, and 12 years of experience in engineering and project management. While at Navigant, Mr. Matisoff has worked on varied projects including construction monitorships, project advisory services, schedule analysis, delay claims analysis and arbitration preparation for construction projects, as well as real estate advisory services and claims in the telecommunications and software development areas. Mr. Matisoff was a member of the monitoring team for New York City's Rapid Repair Program, and has also been providing consulting services at the World Trade Center site for the past 4 years.

Robert Sasson, E.I.T., is a Senior Consultant in our Construction Practice and is a certified EIT. Mr. Sasson was previously employed by VN Engineers, a civil and transportation engineering firm based in Connecticut, where he worked on both state and federally funded highway and transportation projects. He was responsible for design, field inspection, preparation of contractor payment applications and change orders on Connecticut DOT highway, bridge and railroad projects. With Navigant, Mr. Sasson is currently engaged in the integrity monitoring of New York City's Rapid Repair program, and on behalf of the State of Connecticut, monitoring on-site construction activities as part of the remediation of a state-owned multi-facility complex. His other project experience involves forensic analysis of construction claims, performing schedule and cost analyses, delay and productivity analyses, change order analyses, and construction advisory services. His engagements include buildings, power plants, underground utility installations, and various Connecticut and NY State projects.

6. Back-up Staff

We include a sampling of the other professionals that comprise Navigant's deep bench of integrity monitoring staff. Our back-up staff enables us to be responsive to multiple concurrent integrity monitoring engagements.

a. Program Manager/Project Manager

Ellen Zimiles, J.D., is a Managing Director in our New York office and leads Navigant's Global Investigations and Compliance Practice. She has more than 20 years of litigation and investigative experience, including 10 years as a federal prosecutor. Before joining Navigant, Ms. Zimiles was a principal at a "Big Four" accounting firm, where she coordinated the forensic practice across all industry segments and was practice leader for the financial services industry. She is a leading authority on anti-money laundering programs, fraud control and public corruption matters. Ms. Zimiles speaks frequently on these matters before banking, legal, compliance and academic audiences. She served as the independent monitor for the International Brotherhood of Teamsters as part of a federal court consent agreement, and is currently co-leading the Navigant team selected by DOI to help monitor the City's Rapid Repair program. Before her "Big Four" experience, Ms. Zimiles was an assistant United States attorney in the Southern District of New York for more than 10 years. She served in the civil and criminal divisions and was Chief of the Forfeiture Unit for more than six years. Ms. Zimiles was responsible for many high-profile money laundering, fraud and forfeiture cases.

b. Forensic Auditors/Investigators

Salvatore LaScala, J.D., is a Managing Director in Navigant's New York office. He has more than 15 years of investigative and forensic experience specializing in financial fraud investigations and independent monitoring projects including the WTC project. Mr. LaScala has also served on independent monitorships for more than a dozen construction and waste removal companies where he reviewed books and records for fraud, labor violations, bid-rigging, environmental violations and dissipation of assets. Mr. LaScala conducted field work and site visits and trained personnel on compliance and ethics matters and maintained an independent monitor hotline. Additionally, Mr. LaScala has deep expertise with anti-money laundering investigations and compliance matters. Before joining Navigant, Mr. LaScala was a Managing Director in the forensic practice of a "Big Four" accounting firm, and prior to his Big Four experience, he

was a Special Agent with the Internal Revenue Service Criminal Investigation Division and practiced law in New York State.

Richard Kando, CPA, is a Director in Navigant's New York office. Mr. Kando combines his criminal-investigation skills as a former law enforcement officer with an accounting background to investigate and prevent fraud and mismanagement. Before joining Navigant, Mr. Kando served as a special agent with the Internal Revenue Service's Criminal Investigation Division in New York City. As a special agent, he conducted long-term, high-profile investigations into corporate fraud, public corruption, embezzlement schemes and identity theft. Mr. Kando has experience investigating multi-defendant, white-collar criminal conspiracies and corporate entities.

Jeffrey Locke, JD, is a Director in Navigant's New York office. Before joining Navigant, he was an assistant New York State Attorney General serving in the Criminal Prosecutions Bureau. In this role, Mr. Locke conducted high-profile, long-term investigations into market timing and late-trading in the mutual fund industry, as well as bid-rigging in the insurance brokerage industry. Mr. Locke also conducted an investigation into fraud in the subprime housing mortgage industry. Before becoming an assistant attorney general, he worked as a legal officer in the Prosecutor's Office for the United Nations Mission in Kosovo, where he investigated and prosecuted war crimes, organized crime and terrorism cases. He also worked as an assistant public defender in Philadelphia.

Steven R. Hegemann, CPA, CFF, CFE, is an Associate Director in our New York office. He is a licensed CPA in the State of New York and earned a Masters of Professional Accountancy degree. Mr. Hegemann is a member of the Navigant team that was selected by the PAIG to be the integrity monitor of the Tutor-Perini Corporation in its performance of major construction contracts at JFK Airport and the WTC site, and the Port Morris Tile and Marble Corporation also working at the WTC site. He is also assisting in an investigation of allegations of inappropriate gifts to union officials by an international pharmaceutical company, and an investigation into the real estate mortgage practices of one of the largest mortgage servicers in the country. Prior to joining Navigant, Mr. Hegemann worked as an auditor at a Big Four public accounting firm where he assisted Mr. Spinelli in providing financial oversight of all construction contractors' billings relating to the demolition and debris removal at the WTC site.

John Kang CPA, CFF, CFE, is an Associate Director in our New York Office. In

his four years at Navigant, Mr. Kang has provided integrity monitoring, litigation, accounting, financial and forensic consulting services to government agencies, organizations and defense counsel. Prior to joining Navigant, Mr. Kang spent three years at Deloitte & Touche LLP and provided audit and attestation services to commercial, retail and financial service organizations.

John Gallagher is a Managing Consultant in Navigant's New York Office. He focuses on accounting investigations, anti-money laundering compliance, litigation support, and integrity monitorships. Mr. Gallagher was a member of the Navigant teams monitoring, on behalf of the PAIG, the Tutor-Perini Corporation at JFK Airport and the WTC site, and the Port Morris Tile and Marble Corporation at the WTC site.

c. Engineers/Construction Professionals

Phil Spinelli, B.S., Mechanical Engineering, is a Director in our Construction Practice. He often interacts with owners, architects, engineers and contractors to identify and resolve issues that will potentially affect the project budget and completion milestones. Mr. Spinelli has proactively monitored the progress of contractors against project baseline schedules and schedule updates, reviewed contractor change order requests for reasonableness and negotiated the equitable resolution of changes in project scope. Mr. Spinelli has worked on major transportation related projects such as the Central Artery / Third Harbor Tunnel Project in Boston ("the Big Dig"), JFK International Airport and various projects for the Connecticut DOT.

John J. Byrne, P.E., B.S., Civil Engineering, is a Director in our Construction Practice and a registered Professional Engineer with over 25 years of diverse construction and engineering experience managing projects and disputes for both contractors and owners. He was the former Senior Project Manager for the Washington Group on the construction of the Hudson-Bergen Light Rail system.

Stephen McDonnell, MBA, B.S., Civil Engineering, is an Associate Director in our Construction Practice with 20 years of combined experience in construction, civil/environmental engineering, and construction consulting. His broad range of industry experience includes construction management, environmental remediation, engineering design, cost estimating, constructability review, technical and cost analysis, quality assurance/quality control management, procurement, health and safety, and environmental technology. Mr. McDonnell was previously a project manager at Weston Solutions (formerly Roy F. Weston, Inc.), and a construction manager for Camp, Dresser & McKee, Inc.

Marshall D. Harris, B.S., Mechanical Engineering, is a Managing Consultant in our Construction Practice, specializing in project scheduling, project risk management, schedule analysis and delay allocation in litigation and non-litigation related disputes.

Emily Federico, P.S.P., B.S., Industrial Engineering, is an Associate Director in our Global Construction Practice with more than 10 years of construction consulting experience. She is a certified Planning Schedule Professional (PSP). Her experience includes proactive baseline and project schedule update monitoring from a technical and risk management perspective, as well as the preparation and analysis of various schedule delay, acceleration, loss of productivity and cost overruns claims. She has worked on numerous highway and bridge projects in Connecticut, Vermont and Rhode Island.

Melissa A. Morea, PMP, B.S., Civil Engineering, is a Director in our Construction Practice and a certified Project Management Professional (PMP). She has 17 years of experience in analyzing schedule delays resulting in cost overruns and providing risk management services on major construction projects, including at the WTC site.

Steve Reighard, CPA, is a Director in our Global Construction Practice with 34 years of financial experience in the construction industry. His positions include twenty four years as CFO/Controller for contractors, as well as 10 years as a construction consultant. Mr. Reighard has prepared and analyzed construction costs and damages on numerous construction projects and government contracts totaling over \$7 billion.

B. Location and Contact

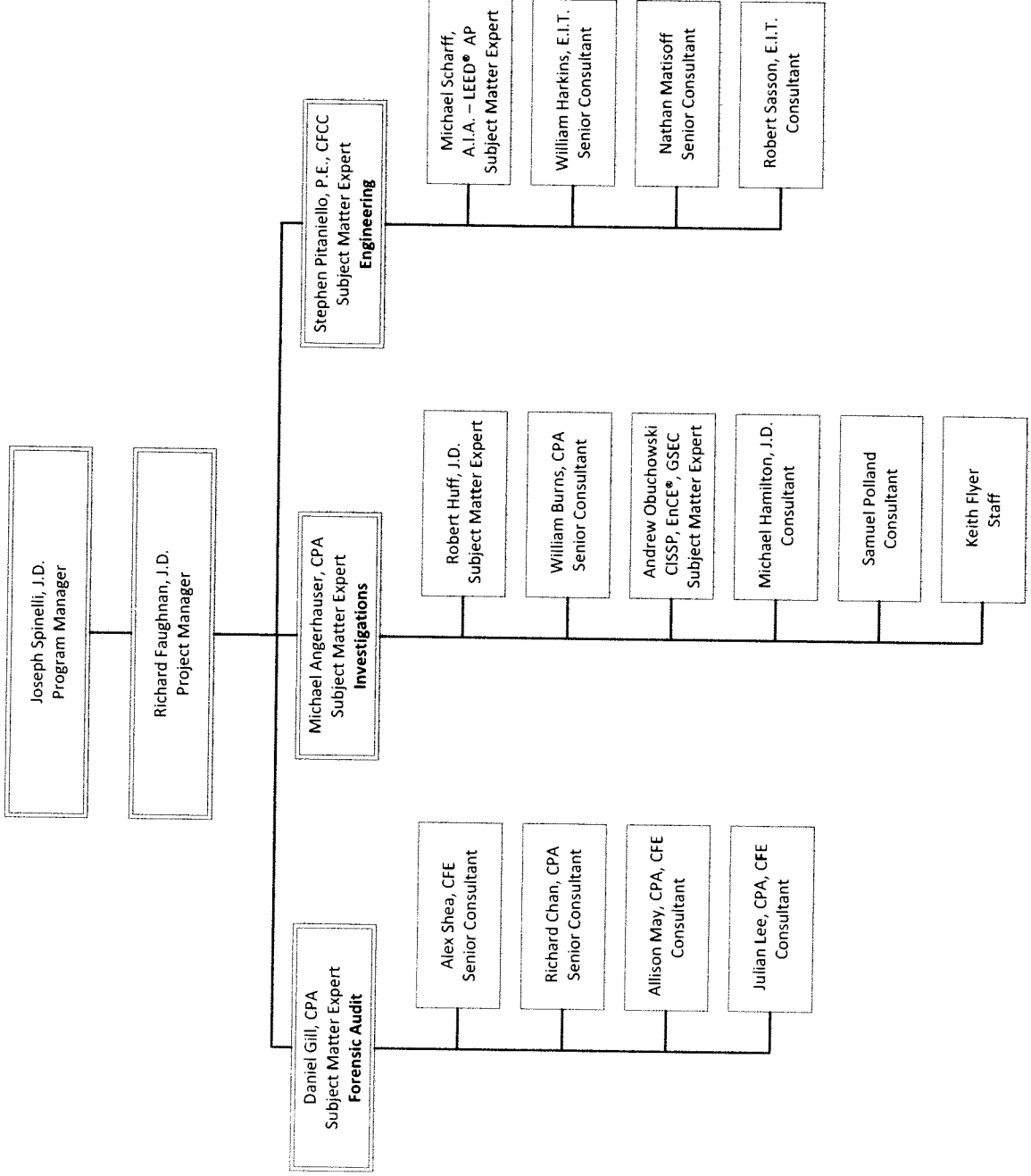
This contract would be managed out of Navigant's New York City Office located at: 90 Park Avenue, 10th Floor, NY, NY 10016. Depending on the specific location of the project, Navigant may utilize one or both of its New Jersey offices as well, which are located at 100 American Metro Blvd, Suite 108, Hamilton, NJ 08619, and 2000 Lenox Drive, Suite 100, Lawrenceville, NJ 08648.

The point of contact for Navigant will be: Richard Faughnan, Project Manager; Office: 646.227.4234, Mobile: 646.592.1269, Rich.faughnan@navigant.com.

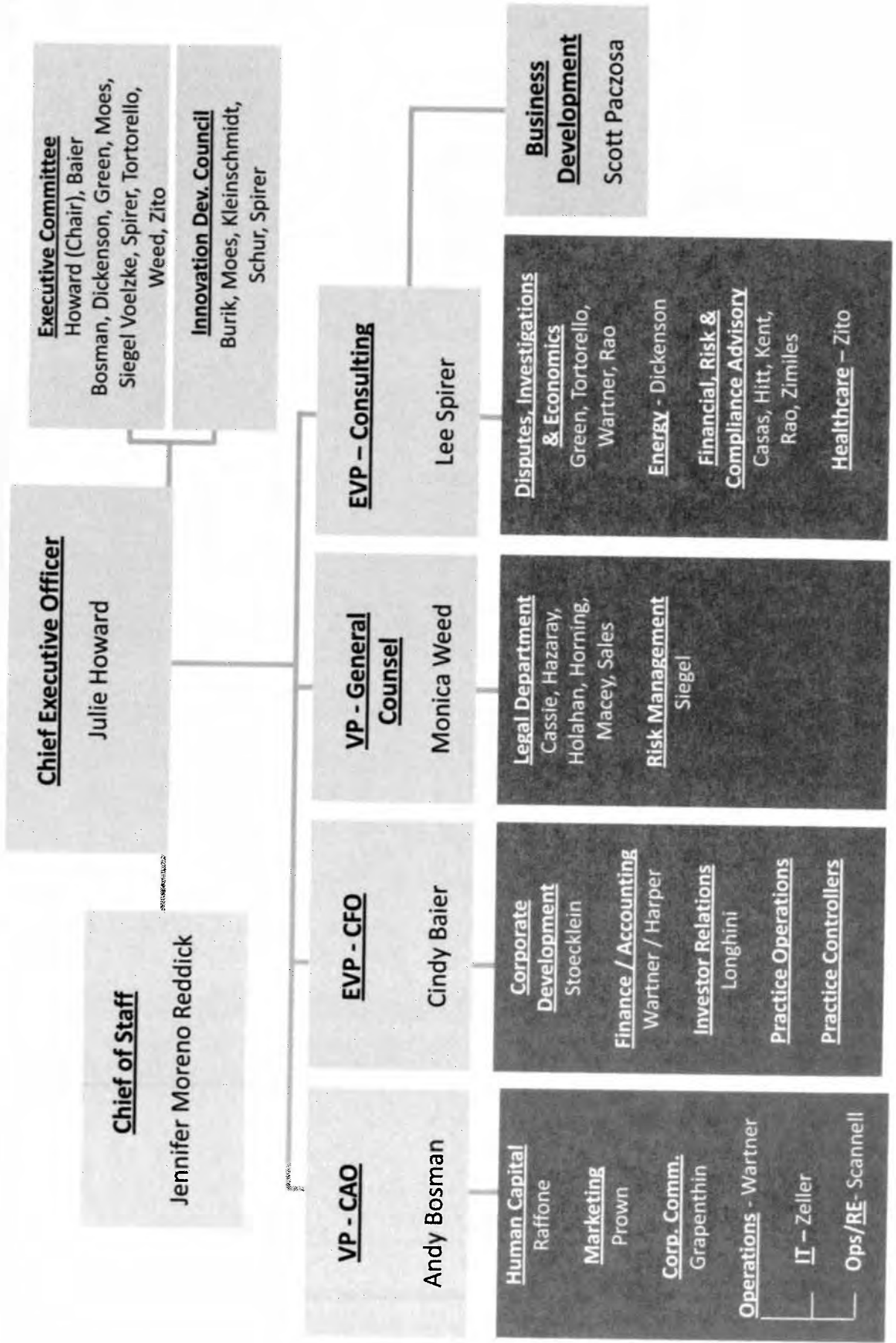
C. Organizational Charts

We attach an organizational chart for this project, followed by organizational charts for the entire firm.

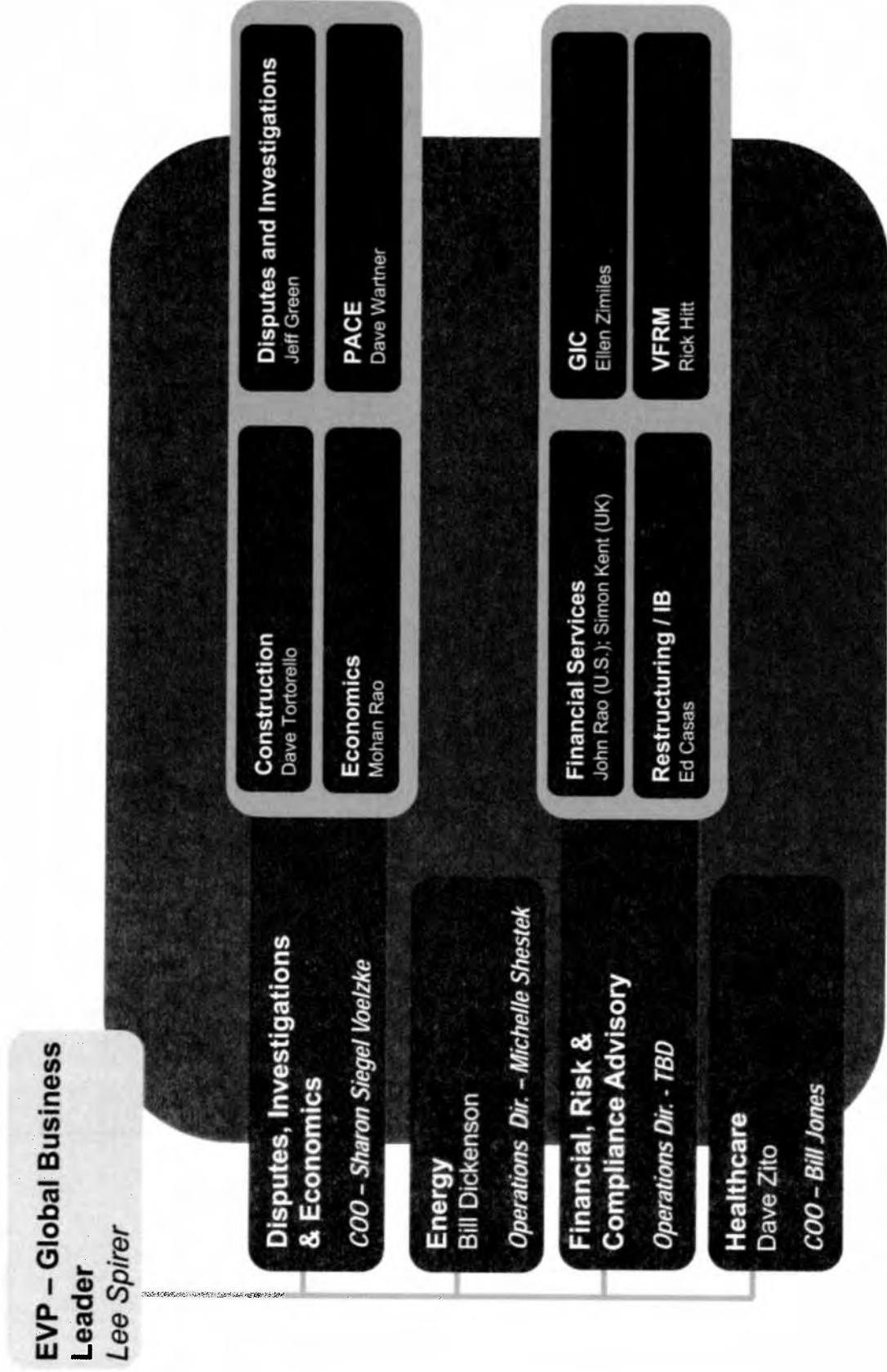
Organizational Chart



Corporate Leadership Structure



Global Management Model



D. Resumes

Resumes for all members of the Navigant monitoring team are attached.

Richard T. Faughnan

Richard T. Faughnan
Managing Director

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Mobile: 646-592-1269
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Professional History

- 1995-2009
Office of the United States Attorney
Eastern District of New York
Brooklyn, New York
Chief, Public Integrity Section
- 1983-1995
Office of the District Attorney of
Kings County, Brooklyn, New York
Deputy Chief, Appeals Bureau

Education

- J.D., The George Washington
University, National Law Center
Washington, D.C.
- B.A., Rutgers College
New Brunswick, New Jersey

Professional Associations

- American Bar Association
- Association of the Bar of the City of
New York
- Federal Bar Council

Richard Faughnan is a Managing Director in Navigant's New York Office and co-leader of Navigant's Public Sector and Monitoring Practice. Mr. Faughnan focuses on corporate investigations, compliance matters and monitorships. Prior to joining Navigant, Mr. Faughnan was an Assistant U.S. Attorney for the Eastern District of New York for more than thirteen years where he served as Chief of the Public Integrity Section, supervising investigations and prosecutions of government corruption and government fraud. While at the Eastern District, Mr. Faughnan directed numerous investigations into an assortment of crimes committed by corporations and individuals, including bank and securities fraud, mail and wire fraud, money laundering, bribery and federal tax offenses. Mr. Faughnan's extensive experience as a federal prosecutor gives him a thorough understanding of investigations into a wide range of fraudulent conduct in various industries.

Professional Experience

The following is a brief list of representative consulting engagements:

Leading the Navigant team selected to be the Integrity Monitor of a construction company performing contracts at the World Trade Center site. (2009-15)

Leading the Navigant team selected to be the Integrity Monitor of nine related school bus companies on behalf of the New York City Department of Education. (2010-13)

Co-leading the Navigant team selected to be the Integrity Monitor of two major infrastructure projects for the Metropolitan Transportation Authority. (2012-17)

Co-leading the Navigant team selected to be one of the Integrity Monitors for New York City's Rapid Repair Program providing emergency repairs to homes damaged by Hurricane Sandy.

NAVIGANT

(November 2012-June 2013)

Co-leading the Navigant team selected to be the Integrity Monitor of a stevedore company for the Waterfront Commission of New York Harbor. (2013-15)

Co-leading the Navigant team selected to be the Integrity Monitor of a carting company for the Westchester County Solid Waste Commission. (2013-15)

Led the Navigant team that conducted a construction fraud audit of dozens of construction projects for a major corporation. (August 2012-February 2013)

Led the Navigant team that conducted an internal fraud investigation for an international corporation into violations of the internal revenue code by former management. (2011-12)

Led the Navigant team selected to be the Integrity Monitor of a construction company performing contracts at the World Trade Center site and at John F. Kennedy International Airport. (2009-12)

Co-Led the Navigant team that assisted the New York City Department of Investigation in an investigation into a \$500 million fraud scheme perpetrated by consultants working for the City to develop an automated timekeeping system for municipal employees. (2010-11)

Co-Led the Navigant team retained by counsel to the Audit Committee of a major public utility to conduct a company-wide review of their anti-fraud and other internal control and compliance functions following the indictment of a managerial-level construction employee by the Justice Department in a multi-million dollar kickback scheme. (2010-11)

Led the Navigant team that conducted an internal fraud investigation for an international healthcare corporation in Africa. (2010-11)

The following is a brief list of representative federal prosecutions:

Directed the investigation and prosecution of the top executives of Allou Healthcare, Inc., for a \$177 million bank fraud, securities fraud and insurance fraud, as well as for bribery, money laundering and obstruction of justice. Obtained guilty pleas from the Chief Executive Officer, the Chief Financial Officer, the Vice President and five other co-conspirators to charges ranging from conspiracy to commit bank fraud, securities fraud, honest services mail fraud and obstruction of justice, to securities fraud and money laundering.

Directed the investigation and prosecution of the principals of Razor FX, a foreign currency trading firm, for a decade-long Ponzi scheme that defrauded investors of more than \$60 million. Obtained guilty pleas from both principals to conspiracy to commit mail and wire fraud, and recovered nearly \$30 million in forfeited assets.



Directed the investigation and prosecution of a member of the New York City Council for demanding a \$1.5 million bribe from a developer in exchange for the councilman's political support for the developer's multi-million dollar construction project. Obtained guilty pleas from the councilman and his co-conspirator to extortion.

Directed the bribery investigation and prosecution of a federal contracting officer, and executives of the general contractor, a subcontractor, and the construction quality management firm on a \$500 million federal construction project. Obtained guilty pleas from all defendants to bribery.

Directed the investigation and prosecution of 20 New York City Plumbing and Boiler Inspectors, including the Chief Inspectors for Manhattan, Brooklyn, Queens and the Bronx, for extortion. Obtained guilty pleas from all defendants to extortion.

Oversaw the investigation of eleven construction supervisors from a major public utility for receiving more than \$1 million in bribes from a contractor on utility construction projects throughout New York City.

Directed a series of investigations and prosecutions of construction companies, accountants and a labor lawyer for systematically evading their obligation to pay the prevailing wage to their workers pursuant to the Federal Davis Bacon Act and New York Labor law section 220.

Conducted a series of investigations and prosecutions of construction companies for negligently causing the death of workers by willfully violating safety standards established by the Occupational Safety and Health Administration. Obtained guilty pleas from all defendants charged.

Directed the investigation and prosecution of the top executives of the Cumberland Packing Corporation (makers of Sweet'n Low) for federal tax fraud and obstruction of justice. Convicted the Chief Financial Officer and the Production Manager on all charges at trial, and obtained guilty pleas from all remaining co-conspirators.

Participated in the investigations and prosecutions arising out of the assault of Abner Louima by officers of the 70th Police Precinct in Brooklyn.

Oversaw the investigation and prosecution of ten federal prison guards from the Metropolitan Detention Center in Brooklyn, including a Captain and a Lieutenant, for civil rights violations.

Joseph A. Spinelli

Joseph A. Spinelli
Managing Director

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[Fax: 212-554-2601

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Professional History

- Navigant Consulting
- Daylight Forensic & Advisory LLC
2006-2010
- KPMG
1994-2006

Education

- JD, John Marshall School of Law
- BA, Ricker College

Mr. Spinelli is a Managing Director in Navigant Consulting's Disputes and Investigations Practice and currently serves as Navigant's FCPA coordinator.

Professional Experience

Joseph Spinelli is a leading authority on white-collar crime with more than 30 years of forensic experience. He joined a Big Four accounting firm as a principal in 1994, founding its forensic practice. During his 12-year tenure there, Joe was office coordinating partner for the Northeast and public services industry leader.

Before his Big Four experience, he spent eight years as New York State's first Inspector General, leading fraud, abuse, waste and corruption investigations for all New York State agencies and authorities. Joe also served as Assistant Director of Criminal Justice for the State of New York, with responsibilities for the investigation of criminal complaints and fraud allegations throughout state government. His efforts resulted in a wide array of high-profile criminal convictions for fraud and corruption.

Prior to his appointment as Inspector General, Joe served as a Special Agent for the Federal Bureau of Investigation in both the New York and New Haven field offices. Joe also served as independent private sector inspector general for Miami-Dade County and was an independent fiscal monitor during the post-Sept. 11 recovery efforts at the World Trade Center, with investigative, compliance and monitoring responsibilities. He has also served as independent auditor for the Securities and Exchange Commission for two Stock Exchanges.

Joe earned a bachelor's degree from Ricker College and a law degree at John Marshall Law School. In 2004, Joe was elected to the Board of Regents of the Association of Certified Fraud Examiners, an international professional association with 40,000 members.

Recently, Mr. Spinelli was appointed Acting Chairman of The New York State Commission on Public Integrity.

Daniel Gill
Director

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Washington, DC 20006
Tel 202-973-2416
Cell: 202-420-1339

daniel.gill@navigantconsulting.com

Education

- B.S. Accounting
George Mason University School of Management

Professional Certifications

- Certified Public Accountant
- Certified in Financial Forensics
- Chartered Global Management Accountant

Professional History

- Director-Navigant Consulting
- Managing Director-Daylight Forensic & Advisory
- Special Agent-Federal Bureau of Investigation

Professional Associations

- American Institute of Certified Public Accountants (AICPA)
- Virginia Society of CPA's
- Society of Former Special Agents of the FBI
- International Association of Asset Recovery
- Association of Certified Fraud Examiners

Thought Leadership

- "Old Ways Hamper AML Efforts in the Middle East"
American Banker
October 12, 2007

Daniel Gill, CPA, CFF, CGMA

Daniel Gill is a Director in the Global Investigations and Compliance practice of Navigant Consulting and has over 33 years of experience in connection with fraud investigations, forensic accounting, anti-money laundering and asset tracing matters.

Areas of Expertise

Prior to joining Navigant, Mr. Gill spent over 3 years as a Managing Director with Daylight Forensic & Advisory, where he managed and conducted numerous complex financial investigations which required extensive forensic accounting expertise and related analyses of financial records. Mr. Gill has conducted forensic accounting investigations into alleged illicit payments made by U.S. publicly traded companies to foreign public officials, internal investigations on behalf of major U.S. companies related to commercial bribery and kickback schemes, and project management of forensic accounting reviews related to integrity monitorships of commercial entities. He has conducted and managed several large investigations both domestically and internationally, including investigations in the Hong Kong, mainland China, the Mideast and Europe.

Mr. Gill served 23 years as a Special Agent with the Federal Bureau of Investigation where he conducted and supervised asset tracing, money laundering and financial investigations of major criminal organizations.

Mr. Gill is a Certified Public Accountant, certified in Financial Forensics, and holds the Chartered Global Management Accountant designation for management accounting. He also has a Bachelor of Science in Accounting from the George Mason University School of Management.

Representative Experience

Current and previous management of numerous forensic accounting investigations into alleged illicit payments made by U.S. publicly traded companies to foreign public officials.

Currently managing the ongoing forensic accounting review of a New York City school bus company operating under an integrity monitorship agreement with the Special Commissioner of Investigation for the New York City School District. (December 2010)

to present)

Currently managing the ongoing forensic accounting review of a New Jersey based stevedore company operating under a monitorship agreement with the Waterfront Commission of New York Harbor. (February 2013 to present)

Currently managing the ongoing forensic accounting review of a Westchester County NY based carting company operating under a monitorship agreement with the Westchester Solid Waste Commission. (March 2013 to present)

Managed the asset forfeiture investigation and served as the FBI's liaison with the court ordered monitors and trustees of ten (10) New York City and Long Island based carting companies pursuant to RICO forfeiture actions filed against the defendant companies. (March 1989-December 1992; and July 1996-May 1999)

Managed the asset forfeiture investigation and served as the FBI's liaison with the court ordered special master of a large east coast armored car and counting facility pursuant to a money laundering forfeiture action filed against the defendant owners and company. (February 1993 – January 1994)

Managed and conducted a forensic accounting analysis for U.S. prosecutors to assist with the tracing of assets owned or controlled by a defendant utilizing numerous alter-ego entities to shield his assets and income from a U.S. District Court civil money judgment.

Managed and conducted a forensic accounting analysis to assist outside counsel representing a large U.S. state pension fund in connection with alleged "play for pay" conduct with outside placement agents by former board members and other state officials.

Managed and conducted several internal investigations on behalf of major U.S. companies in the telecommunications and entertainment industry related to commercial bribery and kickback schemes.

Managed and conducted an internal investigation for a major private U.S. university for alleged fraud and conflict of interest related to their student loan program.

Alex V. Shea

Alex V. Shea
Associate Director

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Tel: 212-554-2682

alex.shea@navigant.com

Professional History

- Navigant Consulting, Inc.
- Ernst & Young, LLP
- Grant Thornton, LLP

Education

- BS, Utica College of Syracuse University

Professional Certifications

- Certified Anti-Money Laundering Specialist (CAMS)
- Certified Fraud Examiner (CFE)
- Certified Forensic Interviewer (CFI)

Alex Shea is an Associate Director within the Global Investigations & Compliance Practice of Navigant's New York City office. He is a Certified Anti-Money Laundering Specialist (CAMS), Certified Fraud Examiner (CFE) and Certified Forensic Interviewer (CFI).

Mr. Shea has experience assisting clients in forensic accounting and financial investigations, anti-money laundering ("AML"), criminal tax, integrity monitorship, and investigative due diligence ("IDD") matters. He has provided services to law firms, corporate counsel and audit committees for Fortune 500 companies in multiple industries, with a primary focus in financial services and internationally across the Americas, Asia and Europe. He has also assisted counsel representing individual corporate officers in white-collar matters.

Professional Experience

Select representative engagements:

- » *Construction* – Member of the Navigant team selected to be one of the Integrity Monitors for New York City's Rapid Repair Program providing emergency repairs to homes damaged by Hurricane Sandy (November 2012 - Present).
- » *Construction* – Member of the Navigant team selected to be the Integrity Monitor for two major infrastructure projects for the Metropolitan Transportation Authority (September 2012 - Present).
- » *Transportation* – Assisted in managing a 3-year Integrity Monitorship team overseeing nine school bus companies that had been involved in a bribery scheme involving Department of Education Bus Inspectors and Union Officials with organized crime associations. Corresponded directly with the bus companies executives to conduct payroll and vendor accounting testing, conducted investigative due diligence on vendors and performed risk assessments for internal control weaknesses (December 2011 - Present).

- » *Individuals (Current)* – Assisted counsel in the criminal defense of individuals in a sensitive criminal tax investigation. Traced the assets of off-shore accounts and conducted extensive IDD to determine the legitimacy of the activity in question. A report of findings was delivered to the clients and subsequently used in a presentation to the Internal Revenue Service (November 2011 - Present).
- » *Distributing (Current)* – Served as the point person in a complex forensic accounting and criminal tax engagement, which included quantifying potential damages due to underreported income, underreported payroll tax and offshore account exposure related to a prominent private jewelry company (August 2011 – November 2012).
- » *Technology* – Managed a complex workplan of a third-party vendor review to assist with anti-corruption and bribery compliance initiatives for a Fortune 100 software company. This task included creating a methodology tailored to the client’s need and ensuring that it was properly executed by a team of over twenty members. The team included member from all levels and were located in multiple countries and locations across the US. Navigant selected the engagement to be in the Navigant Client Service Hall of Fame due to the success of the engagement, (February 2011 – August 2011).
- *Financial Services* – Retained by the benefits disbursement group of a Fortune 500 financial institution to investigate a complex embezzlement by an employee over the course of several years. Conducted interviews in Pittsburgh, Pennsylvania, managed quantifying the funds taken illegally and worked closely with the client, providing status updates, summarizing methods of the embezzlement, providing guidance to increase internal controls and assisting in delivery of the report of findings (August 2010 – February 2011).
- *Financial Services* – Assisted counsel to a large hedge fund in the defense of the restitution of fees which were attributable to a multi-billion Ponzi scheme. Conducted interviews, created a valuation financial model and final report which was presented to the New York Attorney General (July 2010 - November 2011).
- *US Government* – Conducted enhanced due diligence services for a financial branch of the United States Government pertaining to recipients of government funding. Engagement involved extensive report writing and aggressive deadlines (March 2011 – April 2011).
- *Financial Services (2009)* – Assisted a commercial bank regarding mortgage fraud allegations brought by the Federal Reserve Board. Reviewed mortgage loan files to determine the extent and magnitude of the potential fraud, created a financial model which quantified the potential exposure to the financial statements and calculated an off-balance sheet loan loss reserve in accordance with GAAP standards. As a result, the FRB accepted the reserve calculation and the bank reserved the recommended amount (September 2009 – January 2011).

Richard Chan, CPA, CFF

Richard Chan
Associate Director

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Fax: 212.554.2679

richard.chan@navigant.com

Professional History

- Navigant Consulting, Inc.
Associate Director
2010 – Present
- Daylight Forensic & Advisory LLC
Manager
2007 – 2010
- KPMG LLP
Forensic Services Practice Manager
2003 – 2007
- Ernst & Young LLP
Audit Senior
2000 – 2003
- BDO Seidman LLP
Audit Associate
1998 – 2000

Education

- Pace University
BBA, Accounting, 1998

Professional Certification

- Certified Public Accountant (CPA), New York
- AICPA, Certified in Financial Forensic (CFF)

Professional Associations

- Member, American Institute of Certified Public Accountants
- Member, New York State Society of Certified Public Accountants
- Associate Member, Association of Certified Fraud Examiners
- Member, The Institute of Internal Auditors

Richard Chan is an Associate Director in Navigant's Global Investigations & Compliance practice with experience providing forensic accounting, investigative and litigation support services for attorneys, corporate managers and government officials on a variety of matters involving accounting irregularities, business disputes and fraudulent actions.

He has conducted internal and financial fraud investigations and also provided AML investigation and review services. Richard is a Certified Public Accountant and has over 14 years of accounting, auditing and forensic accounting investigative experience. He is also Certified in Financial Forensics.

Prior to his forensic accounting and investigative experience, Richard managed and performed independent financial statement audits of privately held companies for a Big Four accounting firm. As an auditor, he evaluated and tested the effectiveness of the companies' internal controls and monitoring programs related to the detection and prevention of fraudulent financial reporting.

Monitorships

- December 2012 to Current

Currently serving as a member of the Integrity Monitoring team on behalf of the New York City Department of Investigation for the Hurricane Sandy Rapid Repairs Program. The primary function of the Integrity Monitor is to deter and identify fraud, waste and abuse involving the reconstruction work performed by two general contractors in residential homes in the aftermath of Hurricane Sandy. The monitorship involves visiting select homes during reconstruction to document the crews working, nature of the work being performed and speak with the homeowners on any issues. After reconstruction, measurements and quantity counts are conducted at select homes to corroborate and identify discrepancies with the general contractors' invoiced amounts to the City.

Monitorships (continued)

- June 2008 to January 2012

Managed an independent auditor engagement of a large public school system as appointed by the United States District Court, Southern District of New York. Responsible for the review and approval of compensatory claims related to special education impartial hearing orders. Additionally, established the audit processes and protocols, including the process to record findings and evidentiary documentation.

Forensic Accounting and Investigative Experience

- Engaged by a City investigative agency to conduct a forensic investigation of an ongoing large information technology project that the City outsourced to consultants over 12 years ago in which the project cost is was over 10 times the original cost. Analyzed consultant invoices and timesheets to identify the timing, nature and extent of the cost overruns. Also interviewed the consultants to assess their roles and whether they have the appropriate background for the project, and to identify additional potential allegations of fraud, abuse and embezzlement in connection with the project.
- Conducted a forensic investigation of a large scale waste water treatment plant for a large municipal investigative agency involving allegations of “cross-billing” design costs between various engineering and design contracts and multiple payments for the same services. Evaluated the increased design costs in change orders, assessed project management and audited design invoices. Additionally, provided recommendations on how the agency should manage large scale projects in the future to mitigate fraud, waste and abuse.
- Engaged by a State Attorney General to perform a financial and operational analysis of the budget and expenditure patterns of three large school districts to determine how restricted funding was accounted for and spent. Identified areas of weaknesses in internal controls, policies and procedures that may have allowed fraud, waste, mismanagement or abuse of the restricted funding to occur.
- Assisted a law firm to conduct a special review of a large State pension fund that involved the use of placement agents by investment funds to secure investments in the pension fund. This review included identifying whether any current or former pension fund employees or board members violated their fiduciary duties by their direct or indirect involvement with placement agents or other parties to secure investments by the pension fund.
- Conducted an internal investigation of a domestic, privately held subsidiary of a global pharmaceutical company related to allegations of irregularities in payments to certain vendors.

Allison May

Allison May
Managing Consultant

Navigant Consulting, Inc.
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Allison.May@navigant.com

Professional History

- Managing Consultant, Navigant Consulting, Inc.
- Consulting Manager, AlixPartners
- Senior Internal Auditor, Tribune Company
- Senior Auditor, Ernst & Young

Education

- Masters of Accountancy, University of Wisconsin - Madison
- BBA, Accounting and Theater, University of Wisconsin - Madison

Professional Certifications

- Certified Public Accountant (CPA)
- Certified Fraud Examiner (CFE)
- Certified in Financial Forensics (CFF)

Allison May is a Managing Consultant in the Global Investigations & Compliance practice in Navigant's New York Office. Ms. May focuses on corporate investigations and monitorships. Prior to joining Navigant, Ms. May was a consulting manager with AlixPartners Financial Advisory Services Group where she worked on a wide variety of investigations and litigation support engagements. Ms. May has also held positions in Ernst & Young's audit practice and in internal audit at the Tribune Company. Ms. May holds CPA, CFE and CFF designations.

Professional Experience

Ms. May has the following professional experience:

- » Served as an Integrity Monitor of construction companies performing major public works projects related to NYC's Rapid Repair program, the World Trade Center site, the Fulton Street Transit Center, and the 2nd Avenue Subway (June 2012 – Present).
- » Assisted in forensic accounting and financial investigations and anti-money laundering ("AML") engagements (April 2012 – Present).
- » Served as a Manager for a "Big Four" public accounting firm where she led the year-end audits and the Sarbanes-Oxley implementation for major public companies (2011 – March 2012).
- » Served as the manager of a team engaged by counsel to analyze and summarize cash sources and uses over a three-year period for use in expert testimony. Oversaw the analysis performed by numerous staff members and summarized this analysis for the related expert testimony report (2010).

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- » Investigated and reported on accounting fraud schemes related to various accounting areas such as lease accounting, accruals, investment cash flows, and the proper capitalization of expenses (2006 – 2009).
- » Developed strategies and work-plans for the analysis of intercompany accounts to be used in bankruptcy procedures. Supervised the team performing the intercompany analyses once the work-plan had been established (2009).
- » Assisted with the operations of an entity put under receivership control due to a suspected Ponzi scheme. Duties included the management of daily cash receipts and disbursements activity, along with the preparation of analyses requested by the SEC and DOJ to assist with their investigation (2008).
- » Analyzed accounting procedures related to trade spending accrual calculations and developed recommendations to improve controls and the related accounting processes. Once these procedures were implemented, provided monitoring services on an on-going basis to ensure the company was in compliance with new lender requirements (2007 - 2008).
- » Developed arbitration arguments supporting valuations related to purchase price disputes (2007).

Ms. May earned a master's degree in accounting from the University of Wisconsin – Madison. She is also a Certified Public Accountant (CPA), Certified Fraud Examiner (CFE), and Certified in Financial Forensics (CFF).



Julian Lee, CPA, CFE

Julian Lee
Senior Consultant
Global Investigations & Compliance

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julian.lee@navigant.com

Professional History

- Senior Consultant, Navigant Consulting, Inc.
- Audit Associate, KPMG LLP

Education

- BA, University of California – Los Angeles

Professional Certifications

- Certified Public Accountant (CPA)
- Certified Fraud Examiner (CFE)

Languages

- Mandarin
- Cantonese

Mr. Lee is a Senior Consultant within the Global Investigations & Compliance practice of Navigant's New York City office. He is a Certified Public Accountant (CPA) and Certified Fraud Examiner (CFE). His professional experience at Navigant Consulting, Inc., and KPMG LLP allows him to provide quality financial, accounting, and forensic consulting services to various clients. He attended school in Hong Kong and is fluent in both Mandarin and Cantonese.

Professional Experience

Navigant Consulting, Inc.

» Serving as team member of a 3-year Integrity Monitorship team overseeing nine school bus companies that had been involved in a bribery scheme involving Department of Education Bus Inspectors and Union Officials with organized crime associations. Conducting ongoing analysis and sample testing of the company's payroll and vendors, while participating in site visits. (May 2011 - Present)

» Current member of the Navigant team selected to be one of the Integrity Monitors for New York City's Rapid Repair Program providing emergency repairs to homes damaged by Hurricane Sandy. (November 2012 - Present)

» Currently assisting Court-appointed Bankruptcy Trustee in several bankruptcies involving multi-million dollar Ponzi schemes. Mr. Lee traces check support to QuickBooks and bank records in order to develop transaction and clawback analyses to assist with the legal proceedings with related investors in a timely manner. (May 2011 - Present)

- » Assisted Court-appointed Bankruptcy Trustee in the bankruptcy of a mortgage lender that was involved in fraudulent mortgage refinance schemes. Mr. Lee was in charge of reviewing accounting and bank records, loan files, and developing a database of detailed transactions in order to trace key beneficiaries for recovery purposes. (July 2011 – January 2013)
- » Assisted a prominent jewelry distributor to investigate suspected tax evasion amounting to \$60 million. Mr. Lee was responsible for reviewing QuickBooks, tax returns and bank statement records to provide analysis of different schemes the company used to under report their taxes. He participated in several interviews of the company employees for fact gathering and to quantify the impact of inappropriate accounting treatment of sales and expenses over the span of six years. (August 2011 – February 2012)
- » Performed detailed analysis for a globally known client in the fashion industry where the ex-CFO of the company was suspected of accounting manipulation and intentional fraud of over \$20 million that overstated the company's financial performance. Mr. Lee worked with the company's Contoller and reviewed three years of the company's journal entries to determine which entries were directly related to the manipulation process. (May 2011 – September 2011)

KPMG LLP

- » Executed all phases of the audit process including planning, substantive testing, financial analysis, review and analysis of internal control compliance and presentation of audit findings to management. Specialized in Financial Services, Real Estate, and Manufacturing clients. (2008 - 2010)
- » Assisted with the preparation and review process for 10-K and 10-Q filings, and interviewed client personnel to understand, document, and test internal controls, SOX procedures. (2008 - 2010)
- » Engaged in a government compliance project related to a Fortune 500 pharmaceutical company. Performed data analysis and reconciliation of incentive payments to customers for the client's various rebate programs. (2010)
- » Assisted a Fortune 500 global bank's corporate audit team to perform test work over mortgage loan servicing and assessing compliance procedures related to key government regulations. (2009)
- » Performed research to determine the appropriate accounting guidance for the accounting treatment of large, significant, or unusual transactions. (2008 - 2010)

Michael J. Angerhauser, CPA, CFF, CAMS, CCA

Michael J. Angerhauser
Senior Director

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Michael.Angerhauser@navigant.com

Professional History

- Director, Daylight Forensic & Advisory
- Manager, KPMG Forensic
- Lieutenant, New York City Police Department

Education

B.S. - Accounting,
New York University, Stern School of
Business, New York, New York

Professional Associations

- Member, American Institute of Certified Public Accountant
- Member, New York State Society of Certified Public Accountants
- Member, Independent Private Sector Inspector General ("IPSIG")
- Member, National Association of Construction Auditors
- Associate Member, Association of Certified Fraud Examiners
- Member, The Institute of Internal Auditors ("IIA")
- NYSSCPA's Anti-Money Laundering / Terrorist Finance Committee

Michael Angerhauser is a Senior Director in Navigant's Global Investigations & Compliance practice in New York with experience providing forensic accounting, Independent Private Sector Inspector General ("IPSIG") compliance monitoring services, Anti-Bribery and Corruption due diligence and investigation services, BSA/AML investigations and reviews, litigation support services and has conducted numerous internal and financial fraud investigations.

Michael specializes in forensic accounting and financial fraud investigations. He also managed, coordinated, supervised, and conducted various types of engagements relative to asset misappropriation, financial statement fraud, construction matters, insurance claims and regulatory compliance. Michael has managed, supervised, and conducted numerous IPSIG compliance monitoring engagements for government agencies of business entities affiliated with the construction, education and telecommunication industries.

Michael has performed numerous frauds, waste and mismanagement reviews of in various industries consisting of public, private and government entities and has worked on numerous Anti-Bribery and Corruption related cases. Michael has conducted independent investigations into alleged illegal acts concerning financial statement fraud in accordance with section 10A of the Securities Exchange Act. Furthermore, he has provided investigative due diligence services in connection within fraud investigations asset tracing, vendor pre-qualification, anti-money laundering compliance and other types of forensic reviews.

Michael is a Certified Public Accountant, Certified in Financial Forensic by the AICPA, a Certified Anti-Money Laundering Specialist and a Certified Construction Auditor.

Before joining Navigant, Michael was a Director at Daylight Forensic & Advisory LLC and a Manager in a "Big Four" Forensic Practice. Furthermore, Michael is a retired Lieutenant from the New York City Police Department with extensive experience managing and conducted criminal and internal investigations.

Monitoring and IPSIG Experience

- Currently serving as the Independent Auditor, appointed by the United States District Court, Southern District of New York, to monitor the timely implementation of special education impartial hearing orders; this monitorship is the result of a class action suit where a Stipulation and Agreement of Settlement was formulated and consisted of both compensatory and injunctive relief audits. Responsibilities related to compensatory relief portion involves the review of proofs of claims for the purpose of either approving or disapproving the claims and identify the specific dollar value claimant will receive. Responsibilities related to injunctive relief portion involves identifying all the impartial hearing orders and their related action items, on a quarterly and over established benchmark periods, and investigate whether these orders and related action items were timely implemented. **(March 2008-Current)**
- Currently overseeing field operations for Navigant's integrity monitoring team monitoring prime contractors that are providing emergency repairs to thousands of homes damaged by Hurricane Sandy on behalf of the New York City Department of Investigation. This Integrity monitoring project involves the monitoring of two prime contractors and numerous subcontractors to prevent and detect fraud, waste and abuse, to ensure that they are performing repairs within the program's scope, conducting field monitoring of the construction crews seven days a week, tracking quality and safety issues, monitoring labor compliance and auditing contractor payment applications. **(November 2012-Current)**
- Pursuant to a deferred prosecution agreement, was approved by the Massachusetts Attorney General's Office to act as an independent reviewer. The function of the independent reviewer was to monitor and review the corporate compliance agreement adapted by the entity, which entered into the deferred prosecution agreement, to insure that they are complying with certain standards of conduct to protect the public safety and promote corporate integrity for a period of three years. The review required submissions of certified annual report of reviews performed to all parties involved. **(January 2009-January 2012)**
- Provided Independent Monitor services of a national structural design and architectural firm. Engaged by the New York City School Construction Authority ("SCA"), NCI professionals developed a code of conduct, established and administered the firm's "hotline" and provided guidance on other compliance matters, including training programs. In addition, these professionals reviewed the firm's billings for compliance with applicable laws and SCA policies. **(June 2004-May 2006)**

Forensic Accounting and Investigative Experience

- Currently coordinating and supervising a financial fraud investigation for the NYC Law Department and the NYC Department of Investigation (collectively referred to as the "City"). Providing forensic accounting and investigative services in support a fraud investigation involving the implementation of an automated timekeeping system by several third party contractors. These contractors were hired to manage and perform the system implementation, and were indicted by the US Attorney's Office, Southern District of New York, for allegedly of defrauding the City by creating a multi-million dollar kickback scheme and falsifying employee timesheets. The investigation consisted of conducting over 100 interviews; performing background investigation of over 150 individuals and entities; performing a review of timesheets and related invoices to identify any potential fraudulent activity and investigate the reasonableness of billed hours; analyzing various inventory systems and equipment purchased by these third party contractors on behalf of the City; and identifying potential areas of weaknesses in internal controls, policies and procedures that may have

allowed fraud, waste, mismanagement or abuse to occur and provide recommendations to mitigate these weaknesses. **(December 2010-June 2012)**

- Managed a forensic investigation for the New York City Department of Investigation related to allegations of “cross-billing” design costs between various engineering and design contracts and multiple payments for the same services at a large scale wastewater treatment plant. This engagement also involved evaluating the increased costs of design costs in change orders; evaluate the project management of the project and the auditing of invoices by the agency, and make recommendations on how the agency should manage large scale projects in the future to mitigate fraud, waste and abuse. **(December 2007-November 2010)**

Robert W. Huff

Robert W. Huff, JD
Director

bob.huff@navigant.com

Professional History

- Navigant
- Aon Consulting
- Kroll Associates
- Ernst & Young
- Federal Bureau of Investigation
- Law Firms

Education

- J.D., Vanderbilt University
- B.B.A. Finance, University of Wisconsin - Madison,

Professional Associations

- Illinois State Bar
- Wisconsin State Bar
- Licensed California Private Investigator

Bob Huff is a Director in Navigant's Global Investigations & Compliance Practice. A former attorney and federal law enforcement agent, Bob has over 22 years of experience in the fields of business intelligence and investigations, assisting both private and public sector clients worldwide. He has managed and led investigative due diligence, strategic intelligence and complex fraud investigations for corporations, law firms, private equity firms, investment banks, hedge funds and non-profits worldwide. Bob also performs third party anti-corruption due diligence and investigations, as well as internal controls assessments. His public sector work has included leading organized crime investigations as a federal law enforcement agent, as well as serving on a court-appointed Independent Monitor team hired to oversee the Los Angeles Police Department's (LAPD) compliance with a Federal Consent Decree.

Bob works with clients to develop and assess controls protocols, and conducts reviews and assessments of such existing controls. Bob also frequently assists clients in developing sophisticated business intelligence regarding matters involving merger & acquisition targets, joint-venture partners, litigation subjects, vendors, key hires and competitor activity. For most of his career Bob has regularly assisted clients in connection with suspected fraud activity, including intellectual property theft, embezzlement, harassment and whistleblower initiated matters. He has led numerous litigation support engagements, including asset investigations and vetting of expert witnesses.

From 2004 to 2006, Bob was a member of the court-appointed Independent Monitor team hired to oversee the LAPD's compliance with a Consent Decree entered into with the Department of Justice. As a member of the Monitor team, Bob was responsible for assessing and reporting on the LAPD's compliance with the Consent Decree, including those sections mandating reforms related to Use of Force, Training, Search & Arrest Procedure, Use of Confidential Informants, Initiation of Complaints, Internal Affairs and Programs for Responding to Mental Illness.

From 1995 – 2000, Bob led and worked on numerous organized crime investigations while an agent with both the FBI's San Francisco and Los Angeles Divisions. These investigations targeted complex organized international criminal gangs involved in drug and arms trafficking. Bob's work included interviewing subjects and witnesses, drafting and serving search warrants, conducting surveillance, conducting Title III wiretaps, working with confidential informants, and executing arrest warrants.

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Bob is a frequent speaker on business intelligence and investigations topics, as well as anti-bribery and corruption matters. He has testified at trial as well as before Grand Juries.

Earlier in his career, Bob held practice leadership roles at several global accounting and investigation consulting firms. Bob is a former FBI Agent, where he led high profile criminal investigations, including complex organized crime and financial fraud cases. As a member of the FBI's UNABOM Task Force, Bob participated in the investigation and ultimate arrest of Theodore Kaczynski.

Bob began his professional career as a practicing civil litigation attorney.

Wm. Michael Burns, CPA/CFF, CIA, CISA

Wm. Michael Burns
Associate Director

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Professional History

- Manager, Daylight Forensic & Advisory
- Manager, KPMG Forensic
- Sergeant of Police, New York City Police Department

Education

B.B.A. - Accounting,
Pace University, Lubin School of Business,
New York, New York

Professional Associations

- Member, American Institute of Certified Public Accountants
- Member, New York State Society of Certified Public Accountants
- Member, Association of Certified Fraud Examiners
- Member, Information Systems Audit and Control Association
- Member, Association of Certified Anti-Money Laundering Specialists
- Member, Institute of Internal Auditors

Wm. Michael Burns is an Associate Director in Navigant's Global Investigations & Compliance practice. He is a Certified Public Accountant and has extensive experience in conducting forensic accounting and other types of investigations in local government as well as the financial and construction industries. He has provided compliance and forensic services relating to fraud, waste and abuse on numerous monitorship engagements to various agencies in state and local government.

William is also a retired Sergeant of Police from the New York City Police Department. As a Sergeant of Police he was assigned to conducting complex internal investigations for the Organized Crime Control Bureau in the NYPD. He has conducted numerous complex investigations related to organized crime.

William has also obtained the Certified in Financial Forensics credential from the AICPA. He is also a Certified Anti-Money Laundering Specialist, a Certified Internal Auditor, a Certified Fraud Examiner and a Certified Information Systems Auditor.

Professional Experience

The following is a selected overview of representative matters:

Investigative and Monitoring Experience

- Provided forensic accounting expertise supporting independent monitors supervising the recovery effort at the World Trade Center site subsequent to the Sept. 11, 2001 terrorist attacks. Provided real time information regarding removal of debris by construction companies from Ground Zero to city officials. (October 2001 to May 2003)
- Supervised the review and approval of injunctive claims related to special education impartial hearing orders for the NYC Department of Education. Analyzed supporting documentation and prepared cases to recommend approval of claims or requests for additional supporting documentation. (May 2008 to May 2009)
- Managed a deferred prosecution agreement approved by the Massachusetts Attorney General's Office to act as an independent reviewer. The function of the independent reviewer was to monitor and review the corporate compliance agreement adopted by the entity that was the basis of the deferred prosecution agreement. (July 2009 to January 2012)
- Providing real time integrity monitoring services for the NYC Department of Investigation for the Rapid Repairs Program which is providing repairs to homes damaged by Hurricane Sandy. (November 2012 to May 2013).

Andrew P. Obuchowski, Jr

Andrew P. Obuchowski, Jr.
Associate Director

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Andy.Obuchowski@navigant.com

Professional History

- Managing Consultant, Kroll, Inc.
- Adjunct Professor, Anna Maria College
- Sr. Information Protection Specialist, CIGNA Healthcare
- Sergeant, Millville Police Department
- Supervisory Forensic Analyst, Regional Electronic & Computer Crime Task Force
- Instructor, Massachusetts Municipal Police Training Committee

Education

- M.S. in National Security, University of New Haven
- Graduate Certificates in Computer Forensic Investigations and Information Security, University of New Haven
- M.S. in Business Administration, Anna Maria College (Currently Pursuing)
- B.S. Criminal Justice, Anna Maria College

Professional Certifications

- Certified Information Systems Security Professional (CISSP)
- EnCase® Certified Examiner, (EnCE®) in EnCase® Forensic Edition
- SANS GIAC Security Essentials (GSEC)

Honors and Awards

- Kroll, Employee Recognition Award, 2010
- Alpha Phi Sigma National Honor Society

Andrew Obuchowski is an Associate Director with Navigant's Disputes and Investigations group in New York. As an expert in his field, he provides services and solutions for clients in preparation of and response to matters involving data breach investigations, information security, digital forensic analysis, electronically stored information (ESI), and intellectual property theft. With this wide range of experience, Mr. Obuchowski delivers industry-leading technical and consultative expertise to law firms, corporations and government agencies.

Professional Experience

Prior to joining Navigant, Mr. Obuchowski consulted on global matters relating to information security, digital forensics, and e-Discovery with Kroll's Secure Information Services and Computer Forensic Consulting Practice. While at Kroll, he developed and implemented new client service offerings relating to incident response plan development, electronic data collection practices and policy review, digital forensic laboratory assessment, and wireless network vulnerability analysis. Mr. Obuchowski also managed teams responsible for data breach investigations, complex digital forensic collections, network vulnerability and rapid security assessments.

His previous employment experience includes overseeing senior level e-Discovery, digital forensic investigations, and information security functions at CIGNA Healthcare. In this role, Mr. Obuchowski assessed and implemented new policies and procedures pertaining to digital evidence preservation, collection, and storage in accordance with accepted industry practices. He was also charged with ensuring confidential information was protected during storage and transmission relating to the daily operations of this global organization.

Mr. Obuchowski also brings more than 12 years of law

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enforcement investigative knowledge as a Sergeant, instructor at numerous police academies, and longtime member of several computer and financial crime task forces in Massachusetts.

As a former Supervisory Forensic Analyst with the Regional Electronic & Computer Crime Task Force (REACCT), he managed digital-related investigations on all types of media, ensured compliance with accepted computer forensic protocols, and presented testimony for numerous criminal cases related to computer crime and digital forensics. Mr. Obuchowski has also lectured across the country on the subject of computer crime investigations, for both law enforcement and school personnel.

Mr. Obuchowski is currently an adjunct professor in criminal justice for eight years at Anna Maria College in Paxton, Mass., where he developed and teaches graduate and undergraduate students on information security, computer forensics, and computer crime investigations.

His extensive education includes a Masters in National Security and earned Graduate Certificates in Computer Forensic Investigations and an Information Protection from the University of New Haven, W. Haven, CT. He is currently pursuing his M.B.A., at Anna Maria College, where he also received his Bachelors in Criminal Justice.

Deposition and Expert Testimony

Passlogix v. 2FA Technology, et al., United States District Court, Southern District of New York, New York City. Case No. 08-CV-10986. January 2010.

Leor Exploration and Production, et al. v. GumaAguiar, United States District Court, Southern District of Florida, Miami Division, Florida. Case No. 09-60136-CIVIL-SEITZ. December 2009. Evidentiary Hearing.

Passlogix v. 2FA Technology, et al., United States District Court, Southern District of New York, New York City. Case No. 08-CV-10986. November 2009.

Leor Exploration and Production, et al. v. GumaAguiar, United States District Court, Southern District of Florida, Miami Division, Florida. Case No. 09-60136-CIVIL-SEITZ. October 2009. Evidentiary Hearing.

Skanska USA Building Inc. v. Long Island University, et al., Supreme Court, Kings County, New York. Index No. 15097/2006. June 2009.

Town of West Bridgewater v. Lieutenant Raymund Rogers, Board of Selectmen Executive Session. October 2007. Administrative Hearing.

Substantial experience providing testimony in the following types of proceedings:

- Motions, Depositions, Grand Jury, Hearings, Bench and Jury Trials

This testifying experience is estimated to be in excess of 500 civil and criminal case appearances.

Selected Technical/Professional Presentations

ALPFA Law – Privacy and Information Security Landscape in the Wake of Wikileaks, ALPFA Boston and ALPFA Law Board, April 2011

Social Networking, Data Warehouses and Digital Cultures, Ohio Association of Chiefs of Police In-Service Training, Columbus, Ohio, 2010

Social Networking Sites, Related Digital Communication Issues, & Basic Investigation Methods, Creating Safe Schools Conference, Cambridge, Ohio, 2009

School Safety Update Seminar - Digital Mayhem in Schools & Social Networking Sites, Various Locations across the U.S., 2006 - 2008

School Safety Update – Social Networking Sites, Rutgers University, New Jersey, 2008

Preserving Digital Evidence, Boston, Massachusetts, 2007

Technology and Computer Crime in Public Schools, CyberCrime Summit, Kennesaw, Georgia, 2007

Students Use of Digital Media and Technology in School Systems, Creating Safe Schools Conference, Ohio, 2007

Internet Safety for Parents, Educators, & Caretakers, Molly Bish Foundation, Anna Maria College, Paxton, Massachusetts, 2006

Internet Law and Public School Systems, Upton, Massachusetts, 2006

Computer Crime Investigations, Massachusetts Bankers Association, Marlboro, Massachusetts, 2006

Selected Articles/Publications

Tweet, Post, & Read All About Me: A Discussion on Technology, Social Networking, & The Workplace, OACP Magazine, 2010

Digital Mayhem in Schools, Author, Omni Publishing Company, 2007

Email Investigations and Instant Message Tracking, Author, Omni Publishing Company, 2007

Preserving Digital Evidence, Author, Omni Publishing Company, 2007

Digital Forensic Investigations, Author, Omni Publishing Company, 2006

Professional Organizations

Member, Alpha Phi Sigma National Criminal Justice Honor Society, July 2003 - Present

Member, High Technology Crime Investigation Association, 2004 & Present

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Member, High Technology Crime Consortium, 2002 – Present

Member, International Information Systems Forensics Association, 2007– Present

Member, Law Enforcement and Emergency Services Video Association, 2004

Member, Massachusetts Financial Crimes Task Force, 2006 – Present



Michael J. Hamilton
Senior Consultant

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Professional History

- Attorney in NY & WI

Education

- University of Wisconsin Law School
- University of Wisconsin-Madison

Michael J. Hamilton

Michael J. Hamilton is a Senior Consultant with Global Investigations & Compliance Team in its New York office. Michael is one of the primary investigators within Navigant's Investigative Due Diligence (IDD) team. Michael also conducts international and domestic enhanced due diligence in connection with large scale international Foreign Corrupt Practices Act ("FCPA"), fraud, white-collar crime, and asset tracing investigations. Using a wide range of investigative research tools and databases, Michael assesses the client's exposure to possible FCPA violations in high risk geographies and strengthens litigation based on the investigative findings he identifies.

Michael utilizes a global network of field agents and in-house investigators to gather intelligence supporting enhanced due diligence reports related to political exposure and possible FCPA violations. With the assistance of these field agents he conducts in-depth public record and media analysis to evaluate regulatory and reputational risks associated with money laundering, terrorist financing, bribery, fraud, sanctions and embargoes.

Michael has also conducted investigative due diligence for public monitorships in the construction, transportation, and maritime industries. The focus of these investigations has been to identify instances of corruption conducted by executives and members of these organizations, including associations to fraud schemes and organized crime. (2011-12)

In addition, Michael administers the day-to-day operations of a large scale anti-corruption compliance program for one of the largest companies in the world. Michael also has experience providing Bank Secrecy Act (BSA)/ Anti-Money Laundering (AML) investigations and review services. Specifically, Michael has conducted AML transaction monitoring alert reviews, AML transaction monitoring investigations, prepared and reviewed suspicious activity reports (SAR), and has conducted 314 (a) and (b) subpoena investigations.

Prior to joining Navigant Consulting, Michael was an attorney in private practice in New York and Wisconsin and represented clients in the areas of anti-money laundering, white collar fraud, tax controversy, asset forfeiture, and employment litigation matters.

During his law school career, Michael was a legal extern at the Wisconsin Department of Justice assisting in fraud and RICO prosecutions under the direction of Assistant Attorneys General and was a judicial intern/clerk in the Dane County Circuit Criminal Court.

Michael J. Hamilton

Michael received his law degree from the University of Wisconsin Law School, is a member of the New York and Wisconsin Bar Associations, and holds a B.S. degree with a major in Political Science from the University of Wisconsin-Madison.



Samuel J. Polland
Senior Consultant

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Professional History

- NYC Dept. of Investigation
- US Investigations Services (USIS)

Education

- John Jay College of Criminal Justice
- University of Wisconsin-Madison

Samuel J. Polland

Samuel J. Polland is a Senior Consultant with Navigant Consulting in its New York office. Samuel is one of the primary investigators within Navigant’s Investigative Due Diligence (IDD) team. He conducts international enhanced due diligence in connection with large scale international Foreign Corrupt Practices Act (“FCPA”) investigations. Using a wide range of investigative research tools and databases, Samuel assesses the client’s exposure to possible FCPA violations in high risk geographies.

Samuel utilizes a global network of field agents and in-house investigators to gather intelligence supporting enhanced due diligence reports related to political exposure and possible FCPA violations. With the assistance of these field agents he conducts in-depth public record and media analysis to evaluate regulatory and reputational risks associated with money laundering, terrorist financing, bribery, fraud, sanctions and embargoes.

In addition, Samuel administers the day-to-day operations of two large scale anti-corruption compliance programs for an entity that is a major supplier of industrial equipment, and an entity focused on security equipment. Samuel was also an on-the-ground Integrity Monitor for the New York City Department of Investigation for the New York City Rapid Repair Program.

Prior to joining Navigant Consulting, Samuel was criminal investigator with the New York City Department of Investigation, a law enforcement agency focused on criminal and administrative investigations pertaining to white collar crimes committed against the City of New York, including allegations of fraud, waste, abuse and employee misconduct. Samuel conducted a wide variety of complex white collar fraud investigations, the outcomes of which identified over \$250,000 in misappropriated taxpayer money that was ordered returned to the City of New York.

Prior to joining the New York City Department of Investigation, Samuel worked as a Senior Investigator at the U.S. Investigations Services where he conducted federal background and falsification investigations for the U.S. Federal Investigative Services, U.S. Capital Police, Department of Defense, and U.S. Department of Homeland Security.

Samuel holds a Bachelors of Arts in Legal Studies from University of Wisconsin — Madison, and a Master of Arts in Criminal Justice from the John Jay College of Criminal Justice.

Keith Flyer

Keith Flyer
Consultant

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Professional History

- Navigant Consulting, Inc.
- U.S. Department of Labor, Office of the Inspector General

Education

- BS, Rutgers University

Mr. Flyer is a Consultant within the Global Investigations & Compliance practice of Navigant's New York City office.

Mr. Flyer has experience assisting clients in integrity monitorship and investigative due diligence ("IDD") matters. He has provided services to government agencies and companies in multiple industries.

Professional Experience

Select representative engagements:

- » *Transportation* – Assisted in a 3-year Integrity Monitorship team overseeing nine school bus companies that had been involved in a bribery scheme involving Department of Education Bus Inspectors and Union Officials with organized crime associations. Conducted payroll and vendor accounting testing and investigative due diligence on vendors to identify adverse information regarding organized crime connections and labor law violations. (July 2012 – Present)
- » *Construction* – Member of the Navigant team selected to be one of the Integrity Monitors for New York City's Rapid Repair Program providing emergency repairs to homes damaged by Hurricane Sandy. Conducted site visits to damaged homes to identify any fraud, waste, or abuse and investigative due diligence on subcontractors to identify adverse information regarding organized crime, integrity, financial and safety issues. (November 2012 – Present)
- » *Construction* – Member of the Navigant team selected to be the Integrity Monitor for two major infrastructure projects for the Metropolitan Transportation Authority. Conducted investigative due diligence on subcontractors to identify adverse information regarding organized crime, integrity, financial and safety issues. (October 2012 – Present)



Stephen Pitaniello, P.E., CFCC

Education

- M.S., Systems Management, Golden Gate University
- B.S., Mechanical Engineering, Clarkson University

Professional Registrations

- Professional Engineer – California
- Professional Engineer – Connecticut
- Certified Forensic Claims Consultant (“CFCC”)

Employment History

- Navigant Consulting, Inc. (May 2000 – Present)
- Encon Heating & Air Conditioning (Project Manager & Operations Manager) (10/94 – 4/00)
- Turner Construction Company (Superintendent) (11/92 – 9/94)
- USAF, Captain – Civil Engineering Group (9/88 – 10/92)

Professional Experience

Mr. Pitaniello is a Managing Director with Navigant’s Global Construction Practice. Mr. Pitaniello is a registered professional engineer with more than 24 years of diverse construction and engineering experience. His broad range of construction experience includes construction management, Integrity Monitoring, engineering design, estimating, contract administration, and construction inspection in both the public and private sector. Throughout his career he has acquired solid project management skills by directly managing construction projects and teams of junior engineers and tradesmen.

Mr. Pitaniello’s experience includes Critical Path Method (CPM) schedule development, owner’s representation services, Integrity Monitoring, and construction project controls development. His experience also includes the preparation and analysis of various complex delay, acceleration and loss of productivity claims. Services included Critical Path Method (CPM) schedule development, detailed schedule analyses, construction cost accounting, damage analyses, disputed extra work reviews, issue analysis, litigation support and expert testimony on a variety of projects. His experience while at Navigant encompasses the following construction project types:

- | | |
|-------------------------|------------------------------|
| Airports | Railroad / Railroad Stations |
| Bridges and Highways | Retail Shopping |
| Correctional Facilities | Schools/Universities |
| Hospitals | Sporting Complexes |
| Power Plants | Utility Projects |

A sampling of Mr. Pitaniello’s engagements is as follows:

New York City’s Rapid Repair Integrity Monitorship

Mr. Pitaniello managed the construction personnel during the monitorship of two general contractors selected to perform repairs on homes damaged by Hurricane Sandy. The monitorship included a review of the work being performed to ensure it was in accordance with the prescribed scope of work and the work hours and materials used were accurately recorded. We coordinate with the Navigant investigations and audit staff to report all discrepancies and continue to work in the evaluation of the general contractor invoices in comparison to the noted labor and materials utilized. (2012 – present)

New York City MTA Integrity Monitorship

Mr. Pitaniello manages the construction personnel on the monitorship of two general contractors on the MTA’s Fulton Street Transit Center and Second Avenue Subway projects. The monitorship includes periodic site visits, a review of the work in place as compared to monthly billings, a review of the change orders, and a review of the documentation management procedures. We coordinate with the Navigant investigations and audit staff to report all discrepancies and/or areas of concern. (2012 – present)

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Construction Fraud Audit (Confidential Financial Institution)

Mr. Pitaniello led the construction team that analyzed the project records of multiple contractors and subcontractors that were engaged by the client for any indication of fraudulent activity. This forensic review included the analysis of proposals, bids, contracts, invoices, and change orders among other items. Subsequent to the initial assignment, the client requested and Navigant performed on-site monitoring services for two of its on-going construction projects. (2012)

Connecticut Department of Transportation On Call Claims Consultant: Mr. Pitaniello provides technical analysis of construction issues and claims. These services include; developing as-built schedules, analyzing as planned and as built schedules, performing schedule delay analyses, analyzing productivity claims, providing litigation support and expert testimony on multiple transportation projects within the state of Connecticut. He has analyzed more than 20 claims ranging from \$1 million to \$100 million in alleged damages that have involved issues related to differing site conditions, third party interference, quantity overruns, delays and acceleration. The project types include: (2000 - Present)

- Lift Bridge Construction
- Bridge Construction and Bridge Rehabilitation
- Railroad Station and Rail Facility Construction
- Roadway/Highway Construction and Resurfacing
- Railroad Bridge and Catenary Wire Replacement
- Airport Terminal Construction

345kV Underground Transmission Line, Connecticut

Mr. Pitaniello is currently assisting a public utility company with the analysis of contractors' claims for productivity loss and schedule delay associated with a 5.6 mile 345kV underground transmission line in Connecticut. The contractor has claimed differing site conditions as the cause of its damages. Our analysis includes a detailed productivity and manpower study, schedule delay analysis, and damages analysis. Navigant offered expert testimony in State Court. The final decision is forthcoming. (2008 - 2013)

Highway & Tunnel Project, New Jersey

Mr. Pitaniello assisted URS, the designer of a \$300 million design-build project in Atlantic City, New Jersey in defense of claims by the contractor. This project consisted of a 2.5 mile route that included a 2,200 foot long tunnel along with 10 bridges and 15 ramps. Mr. Pitaniello reviewed the damages asserted by the contractor and assembled damages for the client as part of a counterclaim. He also analyzed the contractors schedule delay analysis. Mr. Pitaniello presented Navigant's analyses in a series of mediation proceedings. The matter was ultimately settled without the need for litigation. (2003)

Conrail – North Bergen Double Track Project, New Jersey

Mr. Pitaniello performed a schedule delay and issue analysis for this multi-million dollar railroad construction project. The claimed issues ranged from alleged interference from train operations to differing site conditions as a result of buried Fiber Optic Cables. Navigant's findings were captured in an expert report to which Mr. Pitaniello testified to during the arbitration proceedings. (2005)

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Tomlinson Bridge, Connecticut

Mr. Pitaniello performed a critical path method schedule delay analysis related to the construction of a new vertical lift bridge totaling \$88 million. The contractor submitted a \$100 million claim, the largest claim against the state in its history, for wrongful termination. Mr. Pitaniello analyzed the 2,600 activity baseline schedule and subsequent updates in performing the delay analysis. Schedule impacts included differing site conditions and structural steel procurement. The original contract duration was 1,220 days and at the time of alleged termination the contractor was not complete and the project was delayed by 1,734 days. Mr. Pitaniello testified to his analyses and findings in arbitration. (2004)

Bridge Construction Project, Vermont

Mr. Pitaniello analyzed the schedule impacts caused by the subcontractor that was responsible for the 22 drilled shaft foundations in an ongoing, calendar constrained, new 22 span bridge in Vermont. Navigant performed a schedule delay analysis which included a detailed variance analysis of delays and mitigations on an activity by activity basis along the as-built critical path. Navigant then assigned responsibility for the quantified delay to the appropriate parties. Mr. Pitaniello submitted an expert report of findings that was to be the basis of his expert testimony in this arbitration. The arbitration was averted as the parties reached a successful settlement days prior to the scheduled arbitration hearings. (2007)

SEPTA Railroad Station, Pennsylvania

Mr. Pitaniello performed a schedule delay analysis related to the construction of two railroad stations in Pennsylvania. He analyzed the contractor's as-planned and as-built schedules. He quantified the delays to the critical path and assigned responsibility for those delays after an analysis of the impacting issues. Mr. Pitaniello presented Navigant's findings during the mediation proceeding. (2003)



Michael J. Scharff, A.I.A. – LEED® AP

Professional History

- Director
Navigant Consulting, Inc.
- Project Manager
Turner Construction
- Founder/Owner
Michael J. Scharff, AIA Architect
- Project Architect
Ecoplan Architects
- Project Manager
Walter Leicht Architects

Education

- Bachelor of Architecture - cum laude
New Jersey Institute of Technology
- Juris Doctor Curriculum 1999–2000
New York Law School

Professional Associations

- Registered Architect:
New York
New Jersey
Connecticut
- LEED Accredited Professional
- AIA Member
- NCARB Certified

Honors and Fellowships

- Alpha Rho Chi Medal, 1985
- Excellence in design related to construction & engineering, 1984
- Excellence in design, 1983 & 1982

Mr. Scharff is a Director with Navigant’s Global Construction Practice. He has more than 25 years of experience in the design and construction industries. He is experienced in the analysis and resolution of complex technical disputes involving design and construction issues on large scale building projects. Mr. Scharff has experience in preparing expert reports on his analysis’ and associated expert testimony in deposition, as well to assistance in mediation. He is an experienced member of an Integrity Monitoring team providing oversight on large scale public construction projects. Michael has provided project advisory services on a hospital project, as a member of Navigant’s health care construction team. He founded and built an architectural practice providing a full spectrum of architectural and construction management services for institutional, commercial and residential clients. He managed the construction of The New York Times headquarters and Times Center project. His extensive and diverse experience as a licensed professional has led to the successful completion of numerous building projects.

Professional Experience

- » Performs construction inspections, analyzes payment applications and change orders for large scale public projects in New York City, as an integral member of several Integrity Monitoring teams, including teams monitoring New York City’s Rapid Repair Program (November 2012-May 2013), the Second Avenue Subway and Fulton Street Transit Center Projects for the MTA (2012-17), the Tutor-Perini Corporation on projects at JFK Airport and the World Trade Center site for the Port Authority, and the Port Morris Tile and Marble Corporation for work at the World Trade Center site for the Port Authority (2009-15).
- » Provides expert analysis and testimony regarding design and construction processes including standard of care, errors and omissions and defective work. Projects include multi-family senior housing facilities, commercial offices, educational facilities, retail facilities and court house.

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- » Provides expert analysis of coordination between building design and medical equipment planning on hospital projects with Navigant's health care real estate group.
- » Performs inspections of retail chain establishments throughout the New York metropolitan area. Analyzes existing conditions for building code compliance, design and construction standard of care, and prepares expert reports on findings.
- » Led the construction team as Project Manager for Turner Construction in the construction of the \$150M New York Times headquarters and Times Center project. The building is a leading example of environmentally responsible "green" high-rise design, incorporating an integrated dimmable lighting and shade control system as well as an under floor air distribution (UFAD) system. The facilities include 27 floors of office space, conference center, cafeteria, news room, data center and Times Center Auditorium. Maintained effective owner relations, schedule and cost controls. Purchased and negotiated trade contracts. Managed engineering and accounting staff, coordinated subcontractors and brought project to successful completion.
- » Founded and built an architectural practice providing site and building evaluation, due diligence, feasibility studies, planning and zoning reviews, program and budget development, site design, building design, construction management and approval services for institutional commercial and residential construction projects. Drove the firm's strategic direction and managed company operations and finances. Developed comprehensive services and practice tools, managed a highly qualified and multi-disciplined team of professionals, and developed firm's client base and market exposure.
- » Served as municipal zoning and building consultant, conducting extensive reviews of institutional, commercial and residential projects for compliance with state and local code requirements. Assisted architects in developing projects to assure compliance with architectural design requirements of municipality.
- » Served as architectural and planning consultant to a leading New York based developer on large scale multi-family and single family housing projects.
- » Practiced with institutional, commercial and residential architectural design firms.

Testimony Experience

Mr. Scharff is an experienced testifier in planning, zoning and building code related matters. He has provided expert testimony in front of planning and zoning commissions as well as the New York State Codes Division, for commercial, institutional and residential projects. Mr. Scharff has participated in mediation and has testified in deposition regarding construction and design matters.

William P. Harkins

William P. Harkins
Associate Director

Navigant Consulting Inc.
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10th Floor
New York, NY 10016

Tel: 646-227-4381
Mobile: 201-788-2105
Fax: 646-227-4219

wharkins@navigant.com

Education

- B.S., Civil Engineering
Manhattan College 1999

Employment

- Navigant Consulting, Inc.
- Vollmer Associates, LLP

Professional Registrations:

- Engineer-In-Training: New York
- A.S.C.E.

Mr. Harkins is an Associate Director in the Construction Practice at Navigant Consulting, Inc. He has over 13 years of professional experience working in the engineering and construction fields. He has experience on many projects working in the field at location on construction sites representing the owner, the contractor or outside agencies as a monitor. His project experience has encompassed monitorships, project advisory services, schedule delay analysis, issue analysis, field inspections, cost analysis, change order analysis, loss of productivity analysis, Errors and Omission reports, and litigation support. Mr. Harkins is responsible for supervising and directing teams of Consultants involved in the analysis of multi-million dollar construction claims on various industrial, commercial, government, infrastructure, power and environmental projects. He is proficient in various computer software applications including scheduling with Primavera, database management in Access.

His experience ranges from large construction jobs including power plants, a stadium complex, a liquefied natural gas plant, and city agency projects to smaller projects, and various site development jobs.

Rapid Repairs Program (DEP/DOI) – Value TBD (2012 - Present)

Working for the Department of Investigation in overseeing the work performed on the Department of Environmental Protection Project – New York City Rapid Repairs. Navigant is providing monitorship work of all aspects of two of the prime contractors on the Rapid Repair project brought upon by superstorm Sandy. Oversight includes fraud prevention/awareness, site inspections of homes, verification of payroll and payment applications, and verification of scope compliance.

Metropolitan Transportation Authority (MTA/DOI) – Various capital projects with a value in excess of \$700 million (2012 - Present)

Perform monitorship work for the MTA on various major capital projects and contracts, specifically, 2nd Avenue Subway and Fulton Street Transit Center. The work as monitor consists of review/audit of contractor performance to ensure compliance with contract and other related agreements with NYC union and subcontractors. Tasks include site visits, status meeting attendance, payment application review, change order review, and certified payroll review among other documents to ensure compliance.

Coal Fired Power Plant - \$2.0 billion construction cost (2011 - Present)

Grassroots construction of a 695 megawatt coal fired power plant in West Virginia. Navigant is performing ongoing work for the Owner in assessing Contractor submitted Requests for Equitable Adjustment. Tasks include schedule analysis, issue analysis, and project document review. Contractor's claims are in excess of \$250 million.

Nuclear Power Plant Condenser Replacement Project - \$33 million construction cost (2011-12)

The Project entailed the removal and retrofit installation of a condenser at an existing nuclear power plant. Navigant assisted the owner in mediation preparation which led to a favorable resolution to the dispute. Tasks include schedule analysis, issue analysis, and project document review. Contractor's claims are in excess of \$40 million.

Financial Institution - Confidential (2010-11)

The project involved a confidential financial institution engaging Navigant to perform an audit and financial trace of improper transactions performed by an employee over the course of two years. The audit was performed to determine how many improper transactions were performed and to determine the total monetary value. The financial trace involving multiple account types and currencies revealed the source and original monetary values used in the improper transactions.

EPCM Contractor - Confidential (2011)

The client engaged Navigant to assist in auditing and compiling a justification for additional moneys owed for work being performed for the United States Government. Assisted in the presentation and auditing of cost estimates being provided to the United States Government for the maintenance and operations of fully operational overseas military bases.

The Osborn, Rye, NY - \$20 million construction cost (2010)

Mr. Harkins was responsible in the compilation of an Errors and Omissions analysis. Performed a detailed review of the applicable change orders and categorized them appropriately into recoverable and non-recoverable categories. He prepared spreadsheets and presentations for use by the NCI Expert in a deposition.

FGD Power Plant Projects, MD - \$1.5 billion construction cost (2008-09)

Navigant represented the Owner during the construction of three (3) FGD power plant projects located throughout Maryland. Set up and maintained project controls for management of the Program with total construction cost of approximately \$1.5 billion. Individual responsibilities included performing project schedule and cost reviews for one of the three (3) FGD projects. The Navigant team performed cost and schedule reporting across all three construction sites on a project and program basis.

Cameron LNG Plant - \$500 million construction cost (2008)

His team assisted the contractor in drafting a Change Order which accounted for delay and damages in excess of \$100M for a Liquefied Natural Gas Plant. He performed a detailed schedule delay analysis on the various critical areas of this project, including an analysis on the plant process area, including pipe and equipment installation. In addition to the schedule analysis, he assisted in performing a Change Order analysis, and loss of productivity analysis.

CATTO Community School and Boys & Girls Club - \$40 million construction cost (2007)

Mr. Harkins was responsible for performing a schedule analysis to justify a claim for general conditions cost on the project. He calculated the general conditions cost using project records including payment applications. The schedule analysis was done with the subcontractor's daily reports and the existing project schedule updates.

Hospice Ministries - \$5 million construction repair cost (2007)

Mr. Harkins was responsible for verifying the Architect's repair cost estimate. He analyzed the repairs in order to classify them as a result of defective construction, defective design, or a combination of both.

East Windsor School District - \$50 million construction cost (2007)

Mr. Harkins was responsible for the review and analysis of more than 250 change orders involved with construction of 6 buildings consisting of new construction as well as the renovation of existing buildings. An Expert Report was prepared using the analysis.

Turning Stone Casino - \$50 million construction cost (2007)

This project involved the construction of a three-story hotel resort associated with the Turning Stone Casino. The construction involved many complex finishes and luxury amenities. Mr. Harkins performed a schedule delay analysis on the project as well as a compilation of all project documentation.

Lincoln Financial Field - \$500 million construction cost (2006-07)

His responsibilities on this assignment included the review, organization, and analysis of project documentation and data. The data consisted of contractor payment applications, contractor cost reports, and equipment and material invoices. He performed a change order cost analysis, a study on productivity loss, the preparation of technical issue analysis and providing litigation support services.

Previously, as a Project Engineer with Vollmer Associates, he assisted in the preparation of contract documents, including construction plans, specification writing, and cost and quantity estimating. He worked on multiple types of projects including site developments, roadways and utilities. He is also accomplished in general highway and site design work for private and public clients throughout New York and New Jersey. The following is a representative list of projects he performed while with Vollmer Associates:

South Ferry Subway Rehabilitation, New York, NY (2005)

Mr. Harkins performed an inspection and investigation of the existing sewers on the project. In conjunction with the RFP documents, he assisted in creating construction drawings for replacing the sewer where needed. This included putting together a comprehensive package that was submitted to the New York City Department of Environmental Protection for approval. That package contains plans, profiles and details, including the design of turning chambers.

Route 9A Reconstruction Project, New York, NY (2003-05)

Mr. Harkins was a Project Engineer on the design of the utility relocation work. All work was done in concert with the redevelopment of the adjacent World Trade Center site. The work included surveying, test-pit work, relocation design of sewer, water, telephone, electric, gas, steam and other utility systems in preparation for new roadway construction with State and City agencies, the Port Authority, Battery Park City Authority and the private utility companies.

Downtown Alliance Broadway Streetscape Improvement, New York, NY (2000-04)

As Project engineer, his responsibilities included design, estimation of quantities, assisting the project manager on developing specifications for new items, monthly meetings with public agencies for approvals on plans, profiles, pavement markings, utilities, etc. He attended weekly progress meetings with various consultants and construction companies to monitor progress throughout the length of the job. This project involved construction support which included site visits in order to ensure the project was built in accordance with the plans and specifications.

Roslyn Road At-Grade Crossing Elimination Project, Village of Mineola, Long Island, NY (2004)

Mr. Harkins was the Project Engineer in the design and preparation of contract drawings for the elimination of a dangerous At-Grade crossing of the LIRR and Roslyn Road. The work included defining alignments using inroads, developing grading plans, general roadway pavement plans and developing a complete engineer's cost estimate.

Newport Development, Jersey City, NJ (1999-2003)

Mr. Harkins was the Project Engineer responsible for all site design, utility design and infrastructure work including roadways, parking layouts, landscaping and new sewer and water main construction on various stages of a 230-acre mixed-use waterfront development along the Hudson River. Additional tasks performed included on-site inspections during the installation of underground piping on the project.



Nathan Matisoff

Professional History

- Navigant Consulting Inc.
April 2007 - Present
- Sikorsky Aircraft Corporation –
Corporate Strategy & Advanced
Programs
Feb 2006 – April 2007
- Sikorsky Aircraft Corporation –
Loads & Survivability
July 2001 - Feb 2006

Education

- BS, Mechanical Engineering -
University of Connecticut, 2001
- BS, Materials Science &
Engineering - University of
Connecticut, 2001
- MBA, concentration in
Management – Quinnipiac
University, 2006

Honors and Fellowships

- Beta Gamma Sigma,
International Business School
Honor Society

Nathan is an Associate Director with Navigant's Global Construction Practice. He joined the Construction practice area of Navigant in the spring of 2007. Nathan's experience at Navigant includes project advisory services, construction monitorship activities, delay claims analysis and arbitration preparation for construction projects, as well as real estate advisory services and claims in the telecommunications and software development areas.

Prior to joining Navigant, Nathan worked for the Sikorsky Aircraft Corporation, first in the Engineering Department and later in Corporate Strategy and Advanced Programs. He spent the first five years at Sikorsky as a Survivability Analyst, dealing with the design, analysis, and testing of flight critical systems and components against various ballistic, nuclear, chemical, and biological threats. The final year at Sikorsky was spent as a Research and Development Project Manager in the Corporate Strategy & Advanced Programs group, managing cutting edge internal and contract R&D projects to technical and financial targets.

Nathan holds degrees in Mechanical Engineering and in Materials Science from the University of Connecticut, and a Master of Business Administration from Quinnipiac University.

Professional Experience

Navigant Consulting

» *Rapid Repairs Program (DEP/DOI) - (2012 - Present)*

Working for the New York City Department of Investigation in overseeing the work performed on the New York City Department of Environmental Protection's Rapid Repairs Project. Navigant is engaged as Integrity Monitors for all aspects of two of the Rapid Repair project's prime contractors. Rapid Repairs is New York City's response to the damage caused to residences in the five boroughs by superstorm Sandy, and aims to perform emergency repairs to restore heat, hot water, and electrical service to flood damaged homes. Oversight includes fraud prevention/awareness, site inspections of homes, verification of payroll and payment applications, and verification of scope compliance.

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» *World Trade Center – (2008 - Present)*

Embedded as the primary on-site Navigant team member assisting Silverstein Properties in the construction of three office towers at the World Trade Center site in New York City. NCI is engaged in a Project Advisory role assisting in the coordination of office tower construction schedules with other stakeholders' projects at the WTC site, and tracking major milestones for the construction of the entire site, including heavy civil infrastructure projects. Additionally, the team is reviewing and analyzing relationships between projects using design drawings and the master schedule for the infrastructure projects and the construction schedules of other stakeholders to help identify potential future problems.

» *Military Air Base Runway Reconstruction – (2012)*

Worked with a leading construction firm reviewing schedule delays on a large-scale military runway reconstruction project. NCI was engaged to review schedule delays and impacts throughout the project.

» *Overseas Petrochemical Facility – (2011)*

Worked with an international construction firm reviewing schedule delay claims and change orders on an overseas petrochemical facility. NCI was engaged to provide opinions on the reasonableness of both schedule delay impact and financial damages claims and change order estimates. A high level of interaction with the client was required for the project.

» *Midtown Manhattan Real Estate – (2011)*

Worked with Navigant's Real Estate Group representing an international lender to maximize recovery of a senior secured \$130 million acquisition and development loan for a proposed luxury hotel in the Manhattan Plaza submarket. The sponsor defaulted on the loan and after years of litigation, the lender decided to market and sell the loan and/or foreclose on the property. Navigant was engaged to evaluate the options of the lender and effectuate maximum recovery of the position. Responsibilities included sourcing and conducting in-person meetings with potential interested buyers; and leading the structured note sales process.

» *International Telecommunications Software Development – (2007)*

Worked on an international telecommunications software development/deployment project, involving several Navigant offices. NCI was engaged to provide expert testimony on both schedule delay impact and financial damages. Extensive investigation and data gathering were necessary to recreate project plans and fill in gaps in information necessary to determine schedule delay causes and impacts. A high level of interaction with the client and former employees of the client was necessary in the project.

Sikorsky Aircraft Corporation

» Project Manager for the Corporate Strategy and Advanced Programs group from early 2006 until April 2007.

- Managed internal and contract research and development projects, with a total budget of around three million dollars.

NAVIGANT

- Worked collaboratively across the rotorcraft industry with competitors, suppliers, government customers, and academia through the Center for Rotorcraft Innovation funded projects and initiatives.
 - Managed a portfolio of projects with a complex mix of fully customer funded and cost-share initiatives, as well as multiple internal sources of funding.
 - Lead successful cost-share and fully funded proposal efforts, totaling over \$2,500,000.
- » Survivability Analyst in the Loads and Survivability Engineering group from 2001 – 2006, responsible for survivability analysis against conventional ballistic threats as well as nuclear, biological, and chemical threats.
- Provided Survivability analysis and guidance for research and development programs, as well as production aircraft programs.
 - Contributed to the design of several flight critical components, including transmissions, flight controls, and airframe structures.
 - Performed ballistic vulnerability analysis on company's military aircraft line, including Blackhawk, Seahawk, Comanche, CH-53E and others. Ballistic vulnerability analysis includes a system wide (entire aircraft) analysis to determine the aircraft's vulnerability to multiple projectile threats, based on aircraft component materials, location, durability, redundancy, etc.
 - Lead test efforts in all phases of the product life cycle, from basic research to risk reduction to qualification.
 - Developed, in collaboration with United Technologies Research Center, methodology and models for using large deformation FEA tools in explosive ballistic analysis. Technology of this type had not previously existed at Sikorsky Aircraft



Robert Sasson, E.I.T

Education

- B.S., Science, Civil Engineering
The University of Connecticut
- Applied Mathematics
The College of William and Mary

Professional Certifications & Affiliations

- Engineering-In-Training (EIT) –
License #EIT.9748
- ASCE

Professional Experience

Mr. Sasson is a Consultant in Navigant's Global Construction Practice with over 3 years of professional experience. Mr. Sasson was previously employed by VN Engineers, a civil and transportation engineering firm based in Connecticut, where he worked on both state and federally funded highway and transportation projects. He was responsible for design, field inspection, preparation of contractor payment applications and change orders on Connecticut DOT highway, bridge, and railroad projects. Mr. Sasson obtained his Engineering-in-Training Certificate while earning a B.S. in Civil Engineering from The University of Connecticut.

With Navigant, Mr. Sasson's experience involves forensic analysis of construction claims performing schedule and cost analyses, delay and productivity analyses, change order analysis, construction advisory, providing litigation support and on-site integrity monitoring. His engagements include buildings, power plants, underground utility installation, and various Connecticut and NY state projects.

Previous Experience

Fairfield, CT Train Station

As an employee of VN Engineers, Mr. Sasson served as a project engineer on the construction of a \$32 million train station in Fairfield, CT. On-site every day for roughly two years, Mr. Sasson inspected the erection of a pedestrian overpass, a vehicular bridge over the railroad tracks, two 1,000 FT train station platforms as well as drainage installation, electrical work, pipe jacking, paving and line striping. In addition to his inspection responsibilities, Mr. Sasson was responsible for assigning daily inspection tasks, producing a daily report of construction activity, and computing contract payments as work was being performed. As Office Engineer, he also tracked time and material work on-site, prepared and submitted change orders to the State District, assessed lump sum payments, and reviewed AIA documents. As the project closed out, Mr. Sasson was responsible for compiling and managing punchlists, coordinating contractor work, and finalizing all contract pay items, change orders and material testing. (May 2010 – Jan 2012)

Navigant Experience

Integrity Monitoring of New York City's Rapid Repair Program

Most recently, Mr. Sasson has been a member of Navigant's team selected by the NY Department of Investigations for integrity monitoring of the Rapid Repair Program. Navigant is responsible for integrity monitoring during the demolition and installation of heating, hot water and electrical systems in thousands of homes in Brooklyn and Queens. Mr. Sasson's roles within the monitoring include, but are not limited to, overall monitoring on behalf of both the City's and the homeowner's best interests, tracking construction crews, oversight of construction work including code and scope requirements and documenting potential fraudulent issues. (December 2012 – Present)

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Connecticut DCS Renovations at York Correctional Facility

Mr. Sasson currently works on the renovation of York Correctional Facility in Connecticut as a consultant providing project-wide document organization as well as review and analysis of the masonry façade issue. Navigant was retained by the State of Connecticut to observe and assess damages in order to help the state recover costs of the renovations from the original construction contractors and design professionals for improper work. Navigant is responsible for overseeing the demolition of the existing exterior masonry wall in order to inspect the existing conditions of the building. Mr. Sasson is on-site 1-2 times a week observing demolition work, documenting existing construction issues and collecting on-going project documentation. Mr. Sasson and the Navigant team will provide litigation support for the State if required. (May 2012 – Present)

Insurance Claim of Damaged Apartments

Mr. Sasson previously consulted for a piping manufacturer performing a claims analysis and preparing counsel for litigation. During the construction of a 150+ unit apartment building, a piece of piping broke damaging more than half of the units. While the damages incurred were covered by insurance, Navigant Consulting was retained by the piping manufacturer's counsel to analyze the claims being brought against them by the insurance company. Mr. Sasson reviewed project documents to determine the claimable costs, both hard and soft, incurred as a result of the damage. Mr. Sasson and the Navigant team developed damage models, assisted counsel in preparation for deposition and mediation and produced an expert report. (January 2012 – June 2012)

Underground Electrical Transmission Line in Connecticut

Mr. Sasson previously worked on a project for a public utility performing an analysis on the contractors' claims for costs incurred as a result of productivity loss and schedule delay. Navigant Consulting was retained to investigate the general contractor's claims that productivity was disrupted during the installation of conduit. Mr. Sasson analyzed the contemporaneous construction documents to determine claimable extended overhead and labor escalation and assisted counsel in preparation for deposition and trial. Along with the Navigant team, Mr. Sasson assisted in the production of an expert report. (February 2012 – November 2012)

Construction Project Audit and Analysis of Internal Policies and Procedures

Mr. Sasson performed an audit on six (6) construction projects and issued a report detailing project documents as well as observations on project management techniques. Mr. Sasson reviewed all proposals, commitments, invoices and lien waivers for the different projects. Navigant was retained by a large Connecticut corporation to review their internal policies and procedures for the construction of new facilities and fit-outs in order to mitigate risk going forward. The findings developed by Mr. Sasson and the Navigant team were issued in two reports to the client with recommendations for future improvements. (March 2012 – November 2012)

VOLUME 3: PRICING PROPOSAL

*Pool 3: Integrity Monitoring/Anti-Fraud Support Services
(RFP No. 14-X-23110)*

Presented to:



May 30, 2013

Navigant Consulting, Inc.
90 Park Avenue, 10th Floor
New York, N.Y. 10016
(646) 227-4200
www.navigant.com

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Attached please find Navigant's Price Schedule for our Integrity Monitoring/Anti-Fraud Support Services. (RFP No. 14-X-23110) We propose billing at a blended rate of \$300 per hour for all members of our monitoring team, including our senior leadership. These are the rates we are currently billing on our monitorships for the New York City MTA, the Port Authority of New York and New Jersey, the Special Commissioner of Investigation for the New York City School District and the Waterfront Commission of New York Harbor. These rates represent a substantial discount off of our standard billing rates.¹

If the State of New Jersey prefers, we would also be willing to offer a discounted, graduated Price Schedule with different rates for each staffing category.

¹ Our standard hourly rates by staffing category are as follows:

Managing Director	\$725
Director	\$600
Associate Director	\$480
Managing Consultant	\$410
Senior Consultant	\$340
Consultant	\$275

PRICE SCHEDULE

RFP 14-X-23110

AUDITING AND OTHER RELATED SERVICES FOR DISASTER RECOVERY (HURRICANE SANDY)

Bidder's Name: Navigant Consulting, Inc.

POOL 3: INTEGRITY MONITORING/ANTI-FRAUD

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
1	Partner/Principal/Director	\$ 300	\$ 300	\$ 300
2	Program Manager	\$ 300	\$ 300	\$ 300
3	Project Manager	\$ 300	\$ 300	\$ 300
4	Subject Matter Expert	\$ 300	\$ 300	\$ 300
5	Supervisory/Senior Consultant	\$ 300	\$ 300	\$ 300
6	Consultant	\$ 300	\$ 300	\$ 300
7	Associate/Staff	\$ 300	\$ 300	\$ 300
8	Administrative Support Staff	\$ 300	\$ 300	\$ 300

LINE #	PASS THROUGH PRICE LINES *	YEAR 1	YEAR 2	YEAR 3
9	Other Direct Costs	N/A	N/A	N/A
10	Travel Expenses and Reimbursements	N/A	N/A	N/A

- The State makes no guarantee of volume of work effort.
- * The Pass Through Price Lines shall be used to reimburse for Travel and Other Direct Costs only. No mark-up will be provided for Price Lines 9 and 10.

SIGNATORY PAGE

STATE OF NEW JERSEY REQUEST FOR PROPOSAL (RFP)

RFP/Solicitation Number: 14-X-23110



FOR: AUDITING AND OTHER RELATED SERVICES FOR DISASTER RECOVERY (HURRICANE SANDY)

Term Contract #: T2939
Requesting Agency: PROCUREMENT BUREAU
Requisition #: 1041262

ESTIMATED AMOUNT: \$ 0.00
CONTRACT EFFECTIVE DATE: July 01, 2013
CONTRACT EXPIRATION DATE: June 30, 2016
COOPERATIVE PURCHASING: NO
SET ASIDE: SMALL BUSINESS SUBCONTRACTING

TO ASK QUESTIONS CONCERNING THE CONTENTS OF THIS RFP
Please go to the Advertised Solicitation Current Bid Opportunities Web Page and click on the Quicklink button labeled Q&A.
http://www.state.nj.us/treasury/purchase/bid/summary/14x23110.shtr

PURSUANT TO N.J. STATUTES, REGULATIONS AND EXECUTIVE ORDERS, PROPOSALS WHICH FAIL TO CONFORM WITH THE FOLLOWING REQUIREMENTS WILL BE SUBJECT TO REJECTION:

- 1) PROPOSALS MUST BE RECEIVED AT OR BEFORE THE PUBLIC OPENING TIME OF 2:00 PM EASTERN TIME ON May 31, 2013 AT THE FOLLOWING ADDRESS...
2) THE BIDDER MUST SIGN THE PROPOSAL.
3) THE PROPOSAL MUST INCLUDE ALL PRICE INFORMATION.
4) ALL PROPOSAL PRICES MUST BE TYPED OR WRITTEN IN INK.
5) ALL CORRECTIONS, WHITE-OUTS, ERASURES, RESTRIKING OF TYPE, OR OTHER FORMS OF ALTERATION...
6) THE BIDDER MUST COMPLETE AND SUBMIT ALL FORMS, CERTIFICATIONS, REGISTRATIONS AND OTHER DOCUMENTS AS REQUIRED IN THE RFP.
7) THE BIDDER MUST ATTEND THE MANDATORY PRE-PROPOSAL CONFERENCE(S) AND SITE VISIT(S) AT THE FOLLOWING DATE(S) AND TIME(S):
8) FOR SET ASIDE CONTRACTS ONLY, A BIDDER MUST BE REGISTERED WITH THE N.J. DIVISION OF REVENUE AS A SMALL BUSINESS BY THE DATE OF PROPOSAL OPENING.

ADDITIONAL REQUIREMENTS

- 9) BY SIGNING AND SUBMITTING THIS PROPOSAL, THE BIDDER CERTIFIES AND CONFIRMS THAT NEITHER THE BIDDER, ITS REPRESENTATIVES, AGENTS OR LOBBYISTS HAVE INITIATED ANY INAPPROPRIATE CONTACT WITH ANY EXECUTIVE BRANCH EMPLOYEE DURING THE PROCUREMENT TO ATTEMPT TO AFFECT THE BIDDING PROCESS AND SHALL NOT DO SO AFTER SUBMISSION OF THE PROPOSAL.
10) PERFORMANCE SECURITY: \$ N/A or N/A %
11) PAYMENT RETENTION N/A %
12) BY SIGNING AND SUBMITTING THIS PROPOSAL, THE BIDDER CONSENTS TO RECEIVE OF ANY AND ALL DOCUMENTS RELATED TO THIS RFP AND THE RESULTING CONTRACT BY ELECTRONIC MEDIUM OR FACSIMILE.

TO BE COMPLETED BY BIDDER

- 13) FIRM NAME: Navigant Consulting Inc. CITY: New York
ADDRESS 1: 90 Park Avenue STATE: New York
ADDRESS 2: 10th Floor ZIP: 10016
14) THE BIDDER MUST SUBMIT WITH THE PROPOSAL BID SECURITY IN THE AMOUNT OF \$ N/A OR N/A %.
CHECK THE TYPE OF BID SECURITY SUPPLIED:
[] ANNUAL BID BOND ON FILE [] BID BOND ATTACHED [X] NONE
[] CERTIFIED OR CASHIERS CHECK ATTACHED [] LETTER OF CREDIT ATTACHED
15) DELIVERY CAN BE MADE ___ DAYS OR ___ WEEKS AFTER RECEIPT OF ORDER. 16) REQUESTED DELIVERY: 30 DAYS AFTER RECEIPT OF OR
17) CASH DISCOUNT TERMS (SEE RFP) ___%, ___ DAYS: NET ___ DAYS.
18) BIDDER PHONE NO: (646) 227-4234 EXT:
19) BIDDER FAX NO: (646) 227-4330 EXT: 21) FEDERAL EMPLOYER IDENTIFICATION NUMBER
20) BIDDER EMAIL ADDRESS: rich.faugnan@navigant.com

SIGNATURE OF THE BIDDER ATTESTS THAT THE BIDDER HAS READ, UNDERSTANDS, AND AGREES TO ALL TERMS, CONDITIONS, AND SPECIFICATIONS SET FORTH IN THE REQUEST FOR PROPOSAL, INCLUDING ALL ADDENDA, FURTHERMORE, SIGNATURE BY THE BIDDER SIGNIFIES THAT THE REQUEST FOR PROPOSAL AND THE RESPONSIVE PROPOSAL CONSTITUTES A CONTRACT IMMEDIATELY UPON NOTICE OF ACCEPTANCE OF THE PROPOSAL BY THE STATE OF NEW JERSEY FOR ANY OR ALL OF THE ITEMS AND FOR THE LENGTH OF TIME INDICATED IN THE REQUEST FOR PROPOSAL. FAILURE TO ACCEPT THE CONTRACT WITHIN THE TIME PERIOD INDICATED IN THE REQUEST FOR PROPOSAL, OR FAILURE TO HOLD PRICES OR TO MEET ANY OTHER TERMS AND CONDITIONS AS DEFINED IN EITHER THE REQUEST FOR PROPOSAL OR THE PROPOSAL DURING THE TERM OF THE CONTRACT, SHALL CONSTITUTE A BREACH AND MAY RESULT IN SUSPENSION OR DEBARMENT FROM FURTHER STATE BIDDING. A DEFAULTING CONTRACTOR MAY ALSO BE LIABLE, AT THE OPTION OF THE STATE, FOR THE DIFFERENCE BETWEEN THE CONTRACT PRICE AND THE PRICE BID BY AN ALTERNATE VENDOR OF THE GOODS OR SERVICES IN ADDITION TO OTHER REMEDIES AVAILABLE.

22) ORIGINAL SIGNATURE OF BIDDER
[Signature]

23) DATE May 29, 2013

24) PRINT/TYPE NAME Richard T. Faugnan

25) TITLE Managing Director