

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Joseph D. Berton, Acting Board Chairman
Veronique Hakim, Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

August 13, 2014

Mr. Paul Raffensperger
Cohn Reznick LLP
7501 Wisconsin Avenue, Suite 400E
Bethesda, Maryland 20814-6583

Mr. David Cace
Eisner Amper LLP
111 Wood Avenue South, Suite 600
Iselin, New Jersey 08830

Mr. Patrick Hagan
McGladrey LLP
One South Wacker Drive, Suite 800
Chicago, Illinois 60606

Mr. Joseph Deluca
Thacher Associates, LLC
330 West 42nd Street, 23rd Floor
New York, New York 10036

**Re: NJ TRANSIT Contract No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal: Superstorm Sandy Recovery Program-Wide
Fraud Risk Assessment – Phase I**

Dear Integrity Oversight Monitoring Firms:

In accordance with the procedures outlined in the above referenced contract, a scope of work is attached for the development of a technical and cost proposal for the subject assignment.

Firms are reminded that there is a 10% DBE participation goal attached to work authorized under the subject Contract. Technical and Cost Proposals shall specifically detail proposed DBE participation under the Assignment.

Questions or requests for clarification regarding the Request for Proposal are to be submitted in writing no later than 4:00 p.m. on Wednesday, August 20, 2014 and are to be submitted to the attention of the undersigned at tchapman@njtransit.com. Questions are to be submitted in non-scanned Word format.

One (1) original and seven (7) copies of your technical proposal and one (1) original and three (3) copies of your cost proposal are to be submitted no later than 2:00 p.m. on Wednesday, August 27, 2014 and addressed as follows:

Ms. Taishida S. Chapman
Principal Contract Specialist
NJ TRANSIT
Procurement Department
One Penn Plaza East, 6th Floor
Newark, New Jersey 07105

Re: 14-033 – Superstorm Sandy Recovery Project Fraud Risk Assessment – Phase I

NJ TRANSIT will enter into negotiations with the top ranked proposer to reach an agreement on the scope of services and the fair and reasonable compensation to be paid by NJ TRANSIT. If in the opinion of NJ TRANSIT a satisfactory agreement cannot be negotiated with the top ranked proposer, NJ TRANSIT will end negotiations and initiate negotiations with the second most qualified firm. NJ TRANSIT considers all aspects of a consultant's proposal negotiable.

If the IOM is unable to submit a proposal because of a conflict of interest or scheduling, the IOM must provide notice to NJ TRANSIT within three (3) business days of the receipt of the Request for Proposal.

This letter should not be interpreted as an award of a contract or as a commitment to reimburse for any costs incurred in the preparation of a proposal.

We look forward to receiving and reviewing your proposal.

Sincerely,



Taishida S. Chapman
Principal Contract Specialist
Procurement Department

Attachments

cc: D. Blazina
E. Daleo
W. Hersh
A. Marvi
K. Rittenberry
J. Rush-Gilbert

NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal for Superstorm Sandy Recovery Project Program-Wide
Fraud Risk Assessment – Phase I

I. GENERAL INFORMATION:

On March 27, 2013, P.L. 2013, Chapter 37 (N.J.S.A. § 52:15D-1, et seq.), the Integrity Oversight Monitor Act (the Act) was enacted for the purpose of authorizing the deployment of Integrity Oversight Monitors for recovery and rebuilding contracts resulting from Superstorm Sandy and subsequent major storms in New Jersey. The Act authorizes the State Treasurer to require integrity oversight monitor services on any State or non-State, federally funded recovery and rebuilding contract of \$5 million or more.

The Superstorm Sandy Recovery and Resiliency Program ("Program"), currently being funded in part by the FTA, has been established in order to recover from damages to the NJ TRANSIT System, including but not limited to, equipment, Right of-Way and infrastructure caused by Superstorm Sandy in October of 2012, and to reconstruct the damaged elements in a more resilient manner as well as to construct new Resiliency Projects, that may or may not be related to such damage, but are designed to allow the NJ TRANSIT System to be better able to withstand future weather events and to reduce the risk of damage to public transportation assets by reason of natural disasters. The projects to be constructed vary in type, scope and location, but are principally in or are to be in northern and central New Jersey. The projected total value of all contracts to be issued and subject to integrity monitoring services will be approximately \$440 million.

The services of the Integrity Oversight Monitors (IOM) shall generally consist of performing integrity monitoring and Internal, IT and Construction Auditing in connection with the Program for construction and repair as well as resiliency contracts funded by the FTA or other federal agencies in excess of \$5 Million in accordance with the scopes of work prescribed by NJ TRANSIT Internal Auditing Department in consultation with the NJ TRANSIT Accountability Officer under Executive Order 125 and the New Jersey Department of the Treasury.

II. PROJECT DESCRIPTION

The purpose of the assignment is to identify risks associated with fraud, waste, abuse, and potential criminal activity for the Superstorm Sandy Recovery Program and to develop a mitigation strategy and detailed work plan.

On October 29, 2012, Superstorm Sandy made landfall over Atlantic City. With sustained winds just under 85 miles per hour, the storm's ten-hour march across New Jersey included a 13-foot tidal surge that flooded coastal communities as far north as Weehawken. In its wake, Superstorm Sandy left washed-out track; bridge girders pushed aside; flooded rail stations and terminals; and miles of catenary pulled down by fallen trees. Also, there were more than 300 pieces of rail equipment damaged.

Superstorm Sandy caused significant damage to a large portion of NJ TRANSIT's transportation assets, impacting its ability to provide public transportation in accordance with its legislated mission.

Due to the extent of storm damage, the repair, replacement and resiliency engineering for NJ TRANSIT's infrastructure and rolling stock are ongoing. These infrastructure and equipment repairs are technically complex in nature, requiring procurement of specialized engineering, construction and other services and materials.

Staff and consultants provide the programmatic support necessary to implement, track and report on the projects within each program area to ensure they meet NJ TRANSIT's operating requirements, as well as all Federal and State regulations and guidance. NJ TRANSIT staff assigned to the Superstorm Sandy Recovery Program includes personnel in the following positions: Project and Deputy Project Management, Chief Engineer, National Environmental Policy Act, Construction Management, Technology management, Customer and Community Outreach, Office of Civil Rights/Business Development and Americans with Disabilities Act liaison, and Communications. NJ TRANSIT professionals in these positions provide the day-to-day leadership, accountability and management over the many recovery projects.

In addition, multiple NJ TRANSIT departments are engaged in both direct and support functions for the Superstorm Sandy Recovery Program including: Rail, Bus and Light Rail Operations, Finance, including its Procurement, Real Estate and Risk Management departments, Capital Planning and Programs, Communications and Customer Service, Government and External Affairs, Office of Civil Rights/Business Development. In addition to their regular responsibilities, personnel in these departments have been made available to assist in facilitating recovery efforts and to work directly with NJ TRANSIT Staff managing the Superstorm Sandy Recovery Program. Hill International currently provides oversight and high-level, independent assessment of the program's status and reports implementation progress to NJ TRANSIT's Board of Directors. NJ TRANSIT staff support for consultants performing civil engineering is provided by Christopher P. Statile, P.A of Oakland, New Jersey. Support for consultants providing services for compliance with the National Environmental Protection Act is provided by BEM Systems, Inc. of Chatham, New Jersey.

Under Executive Order 125 (EO-125) issued by Governor Chris Christie on February 08, 2013, "each principal department and agency of this State is hereby directed to appoint an "Accountability Officer" to oversee the responsible disbursement and utilization of federal reconstruction resources allocated by or through that department or agency." As a State Agency having applied for and subsequently received federal reconstruction funding from FTA for recovery and rebuilding, NJ TRANSIT has appointed an Accountability Officer to act as a liaison to the Office of the State Comptroller (OSC) and the Governor's Office of Recovery and Rebuilding. The Accountability Officer coordinates with New Jersey Treasurer's Office, New Jersey Office of the State Comptroller, NJ TRANSIT's Procurement Officer, Hill International (appointed by the Board as Program Management Oversight) and NJ TRANSIT Internal Audit.

The potential list of projects for the entire Superstorm Sandy Recovery Program that will be subject to integrity oversight monitoring services are listed in Attachment 1.

III. SCOPE OF WORK:

Provide a fraud risk assessment for the Superstorm Sandy Recovery Program noted above including, but not be limited to, the identification of:

- a) Potential Superstorm Sandy Recovery and Resiliency Project fraud, waste, abuse

and/or potential criminal activity risks/ scenarios/schemes including prioritization and probability and potential impact.

- i. Included should be a review of all applicable procedures and processes for susceptibility to fraud, waste, abuse and/or potential criminal activity.
- b) Specific methodology and detailed work programs/audit programs/other procedures that will be employed by the IOM firm to mitigate, minimize and/or identify fraud, waste, abuse and/or potential criminal activity for each risk/scenario/scheme identified for NJ TRANSIT.
- c) Detailed plan for key fraud, waste, abuse and/or potential criminal activity risks. This plan must include but not be limited to:
 - i. Prioritized fraud, waste, abuse and/or potential criminal activity risk/scenario/schemes.
 - ii. Detailed strategy for the life of the project for how each risk will be addressed.
 - iii. Deliverables for each risk.
 - iv. Level of effort (hours) needed for each risk by personnel category.
 - v. Other relevant data.
- d) Training (If Applicable)

The IOM firm will provide fraud, waste and abuse awareness or other training as may be required by NJ TRANSIT.
- e) Specific deliverables for each work program/audit program/other procedures.
- f) All deliverables must be in sufficient detail to allow:
 - i. NJ TRANSIT to verify and evaluate the conclusions, recommendations, plans, documentation, etc. provided.
 - ii. NJ TRANSIT to assess, in its sole judgment, the quality and acceptance of deliverables provided.
 - iii. The IOM firm, NJ TRANSIT or a third party to execute the plan.

Activities to be conducted by the IOM firm personnel, may include, but not be limited to the following:

1. Attending site meetings as to ongoing construction work where warranted.
2. Attending agency meetings as needed, e.g., job/progress, pre-bid, pre-construction, and any other necessary meetings.
3. Attending scopes reviews and meetings with prospective contractors and vendors in order to ensure procurements are conducted in accordance with NJ TRANSIT Rules and Regulations and that a level playing field is maintained.
4. Reviewing information and activities in relation to project contract/program.
5. Auditing to ensure procurement compliance.
6. Addressing work quality, safety, environmental and historical preservation issues.
7. Taking actions to detect, investigate, prevent and remediate, waste, fraud, and abuse.

8. Making unannounced periodic headcounts of construction site workers in order to deter no-show jobs.
9. Other activities that may be defined or required.

IV. DELIVERABLES

The IOM must ensure compliance with the following:

A. Work Authorization Deliverables

At a minimum, the following deliverables will be provided to the NJ TRANSIT Internal Audit Project Manager based on the approved plan. NJ TRANSIT Internal Audit may provide templates and formats for these deliverables at its discretion. Deliverables to support work will include but not be limited to the following:

1. Fraud Risk Mitigation Strategy and Detailed Work Plan
2. Work papers, reports and other required documentation in the format and content required by NJ TRANSIT to support all work.
3. Presenting reports, findings and other results of audits, reviews, investigations and other assigned tasks, and incorporating comments provided by NJ TRANSIT as appropriate and resubmitting the reports as final.
4. Audits as required under the Work Authorization.
5. Other deliverables that may be defined or required.

B. Required Reports and Documents

1. Findings of potential fraud, malfeasance, or criminal activity

Upon a finding of a likely criminal violation or lesser degree of any malfeasance, inefficiency, waste, fraud, abuse or mismanagement of funds, report findings to the Office of the State Comptroller and the Attorney General/OSC Taskforce with a copy to NJ TRANSIT Auditor General **immediately** consistent with the requirements of N.J.S.A. 52:15D-2. See Attachment 2 for reporting instructions and form.

2. Weekly Status Reports

A weekly status report will be required each Monday by noon following the prior week's work in the NJ TRANSIT prescribed format (to be provided upon engagement). The report will include at a minimum, but not be limited to: the week's accomplishments by deliverable and/or task; status of deliverables; work-in-progress; next steps; listings and status of documents/data requested; significant risks identified; items or issues identified; total weekly and cumulative hours by task, deliverable, and person; projected hours to complete each task/deliverable; and any other information NJ TRANSIT may require.

3. Monthly Status Reports

Provide NJ TRANSIT with updates on activities conducted on, or for, each task to include the type of activity, analysis, results, recommendations, resolutions, and/or preventative measures; and follow up on any previous outstanding issues.

4. Quarterly Report (Attachment 3)

On the first business day of each calendar quarter, the IOM firm shall provide to the State Treasurer, for distribution to the Legislature and the Governor, a report detailing the IOM firm's provision of services during the three-month period preceding the due date of the report and any previously unreported provision of services, which shall include, but not be limited to, detailed findings concerning the IOM firm's provision of services and recommendations for corrective or remedial action relative to findings of malfeasance and inefficiency. The report shall not include any information which may compromise a potential criminal investigation or prosecution or any proprietary information. The report shall include a privilege log which shall detail each denial of sensitive information that the IOM firm exercises in preparing the report for transmission to the Legislature and the Governor.

5. FTA Quarterly Report

Two weeks after the quarter ends, the IOM firm is required to provide all information as identified by NJTIAD to meet the FTA quarterly reporting requirements.

6. Time Logs

Copies (and upon request, originals) of time logs shall be maintained by the IOM and shall include information on the allocation of hours worked by the IOM and staff to the respective federally-funded programs and all other data required in order to ensure compliance with all federal requirements.

V. DBE PROGRAM REQUIREMENTS FOR THE IOM FIRM

A ten percent (10 %) Race Conscious DBE goal has been assigned to this project. In accordance with Article 22 and Exhibit D of NJ TRANSIT Contract Nos. 14-033A, 14-033B, 14-033C and 14-033D, the IOM will cooperate with NJ TRANSIT in meeting its commitments and goals with regard to the maximum utilization of Disadvantaged Business Enterprises (DBEs) and will use its best efforts to ensure that DBEs shall have the maximum opportunity to compete for subconsultant work. If the ten percent (10%) DBE participation is not met on this Work Authorization; the IOM must provide a detailed explanation as to why and how the firm plans to work towards meeting this goal in addition to documented evidence of good faith effort. Technical and Cost Proposals shall specifically detail DBE participation under this Work Authorization. The Cost Proposal must also include the mandatory DBE Forms A, A-1, A-2, B, NJUCP DBE Certification, Form D (if applicable) and Trucking Commitment Agreement (if applicable). If applicable, the Cost Proposals must also include the supplemental DBE forms AA, AA1, AA2 and BB).

VI. IOM FIRM DBE PROGRAM COMPLIANCE MONITORING OF CONTRACTORS (NOT APPLICABLE FOR THIS PROJECT)

~~Provide the strategy and deliverables that the IOM firm will utilize to assess contractor(s) compliance with DBE requirements, including but not limited to:~~

~~a) Specific methodology and detailed work programs/audit programs/other procedures~~

~~that will be employed by the IOM firm to assess and monitor contractor(s) compliance with DBE Program Requirements and deliverables. DBE Program Requirements of the contracts include but are not limited to:~~

- ~~i. Prompt payment of invoices~~
 - ~~ii. Prompt payment of retainage~~
 - ~~iii. Commercially useful function (CUF)~~
 - ~~iv. Pass-throughs~~
 - ~~v. All contract deliverables~~
 - ~~vi. Award versus spend~~
 - ~~vii. Actual DBE work performed matches credit~~
 - ~~viii. Reporting non-compliance in Weekly reports to NJ TRANSIT Internal Audit~~
 - ~~ix. Written requests and approvals for the addition or removal/replacement of a DBE firm~~
 - ~~x. Good faith effort on contract(s) being monitored including change orders/revisions~~
 - ~~xi. Evidence of payment to prime contractor by NJ TRANSIT, and the DBE by prime contractor~~
 - ~~xii. Other relevant data as required by NJ TRANSIT~~
- ~~b) Specific deliverables for each work program/audit program/other procedures.~~
- ~~c) Detailed plan for IOM firm's to assessment and monitoring contractor(s) DBE compliance. This plan must include but not be limited to:~~
- ~~i. Prioritized risks to contractor compliance with the DBE Program Requirements.~~
 - ~~ii. Detailed strategy for the life of the project for how each risk will be addressed.~~
 - ~~iii. Deliverables for each risk.~~
 - ~~iv. Level of effort (hours) needed for each risk by personnel category.~~
 - ~~v. Other relevant data.~~

VII. SCHEDULE

The services to be provided by the IOM under this Work Authorization shall be completed thirty (30) days after the effective date of the Notice to Proceed.

VIII. BACKGROUND CHECKS

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

IX. CONFLICT OF INTEREST

Integrity Oversight Monitors shall not be a firm or an affiliate thereof involved in Superstorm Sandy Program Management or in the design, preparation or delivery of Superstorm Sandy Recovery and Resiliency contracts, task orders, projects and programs. The IOM should provide NJ TRANSIT at the time it submits its proposal any anticipated or potential or suspected conflicts that it may incur during the projected course of a Work Authorization.

An IOM shall certify as part of its responsive proposal that neither it nor any of affiliates or subsidiaries or subconsultants currently provides directly or indirectly construction management or similar or related services that could be in conflict with providing IOM services to NJ TRANSIT under its current IOM agreement either directly or as a member of a joint venture, partnership, or as a subconsultants or subcontractor of any tier. An IOM, or its affiliates, or subsidiaries, or subconsultants which in the future responds to a procurement or enters into a joint venture, partnership or subcontract relationship of any tier to provide directly or indirectly construction management or similar or related services to NJ TRANSIT that could be in conflict with providing IOM services to NJ TRANSIT shall be subject to appropriate action by NJ TRANSIT with respect to any then active Work Authorizations, in the event a conflict is found to have arisen by such action on the part of the IOM or its affiliates subsidiaries, or subconsultants as determined within the sole discretion of NJ TRANSIT.

NJ TRANSIT will determine whether a particular IOM has a conflict on a case by case basis. The IOM is required to consult with NJ TRANSIT where there is concern on the part of the IOM that a conflict may exist. NJ TRANSIT's determination regarding any question(s) of conflict of interest shall be final.

X. CONFLICT OF INTEREST WITH FUTURE CONTRACTORS

The contractor(s) for the contract to which the Work Authorization applies may not be known at the time a Work Authorization is issued. Once the contractor(s) has been identified, the IOM shall provide NJ TRANSIT with any anticipated or potential or suspected conflicts that it may incur during the projected course of a Work Authorization.

Existence of conflicts will be determined, on a case-by-case basis by NJ TRANSIT. In the event it is determined that an award of the contract to which the Work Authorization applies presents an apparent conflict of interest the matter will be discussed and appropriate action taken which may include reassignment of the Work Authorization.

XI. PROPOSAL CONTENT

One (1) original and seven (7) copies of your technical proposal and one (1) original three (3) copies of your cost proposal are to be submitted no later than 2:00 p.m. on Wednesday, August 27, 2014 and addressed as follows:

Ms. Taishida S. Chapman
Principal Contract Specialist
NJ TRANSIT
Procurement Department
One Penn Plaza East, 6th Floor
Newark, New Jersey 07105

Re: 14-033 – Superstorm Sandy Recovery Project Fraud Risk Assessment – Phase I

Questions or requests for clarification regarding the Assignment Request are to be submitted in writing no later than 4:00 p.m. on Wednesday, August 20, 2014 and are to be submitted Ms. Taishida Chapman at tchapman@njtransit.com. Questions are to be submitted using the attached template (Attachment 4). The compilation of all questions and answers will be sent to the group prior to the Request for Proposal response due date. Communications regarding this Request for Proposal are to be conducted through NJ TRANSIT's Procurement Department. All other contacts are considered improper and are prohibited.

If the IOM is unable to submit a proposal because of a conflict of interest or scheduling, the IOM must provide notice to NJ TRANSIT within **three (3)** business days of the receipt of the Request for Proposal.

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

- A. Technical Proposals are to include the detailed approach and methodology (work plan) for accomplishing the scope of work;
- B. A schedule that shall identify the performance milestones and associated deliverable items to be submitted as evidence of completion of each task and/or sub-task;
- C. An IOM shall certify as part of its responsive proposal that neither it nor any of affiliates or subsidiaries currently provides directly or indirectly construction management or similar or related services that could be in conflict with providing IOM services to NJ TRANSIT;
- D. Describe, in sufficient detail, how the IOM firm will meet its DBE requirements as prescribed in the Contract and the controls that are in place within the IOM firm to ensure compliance. DBE participation is to be highlighted and total DBE participation provided as a percentage; and
- E. Resumes of any primary Consultant or Sub-consultant individuals proposed for this Work Authorization.

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

- A. Cost proposals shall be submitted in a separate, sealed envelope.
- B. Cost proposals are to be presented in a person-hour allocation format by task and personnel classification. (Attachment 5)

- C. Estimated travel and direct costs for the duration of the Work Authorization. No travel or out-of-pocket expenses will be reimbursed unless pre-approved in accordance with NJ TRANSIT Contract Nos. 14-033A, 14-033B, 14-033C and 14-033D.
- D. The Cost Proposal must also include the mandatory attached DBE Forms A, A-1, A-2, B, NJUCP DBE Certification, Form D (if applicable) and Trucking Commitment Agreement (if applicable). If applicable, the Cost Proposals must also include the supplemental DBE forms AA, AA1, AA2 and BB. (Attachment 6). If the ten percent (10%) DBE participation is not met on this Work Authorization; please provide a detailed explanation as to why and how the firm plans to work towards meeting this goal in addition to documented evidence of good faith effort.

XII. SELECTION PROCESS

NJ TRANSIT will review the proposals and select the IOM whose proposal is most advantageous, price and other factors considered.

Oral Presentations may be required at the discretion of NJ TRANSIT. Oral Presentations, if necessary, will provide an opportunity for the firms/teams to clarify or elaborate on its written technical proposal. The Technical Evaluation Committee (TEC) will conduct the Oral Presentations. The TEC will use the Oral Presentations to confirm and/or reassess its understanding of the written technical proposals, and incorporate that information into its evaluation by revising the written technical evaluation scores accordingly. NJ TRANSIT reserves the right to assess and reassess its understanding of proposals and revise the rating and ranking of such proposals at any time prior to selection.

NJ TRANSIT will enter into negotiations with the top ranked proposer to reach an agreement on the scope of services and the fair and reasonable compensation to be paid by NJ TRANSIT. If in the opinion of NJ TRANSIT a satisfactory agreement cannot be negotiated with the top ranked proposer, NJ TRANSIT will end negotiations and initiate negotiations with the second most qualified firm. NJ TRANSIT considers all aspects of a consultant's proposal negotiable.

NJ TRANSIT will then issue a Work Authorization with a "not to exceed" clause to the engaged firm and begin the issuance of the assignment. A firm may submit pricing lower than its original proposal price for a specific project. Any change in the scope and/or fee must have the prior written consent of NJ TRANSIT's authorized representative.

Contract award is subject to the availability of federal funding. The level and amount of work to be awarded to the Integrity Oversight Integrity Monitor is not guaranteed.

XIII. ADMINISTRATION OF THE CONSULTANT – STANDARD PROJECT INITIATION

Consultant activities will be managed by NJ TRANSIT's Internal Audit Department (NJTIAD) in consultation with the New Jersey Department of the Treasury, NJ TRANSIT Accountability Officer and NJ TRANSIT's authorized Procurement representative with

responsibility for initiating all contractual work and the administration of and resolution of all Work Authorization items.

A. Work Authorization

Work Authorizations executed between the IOM's authorized representative and NJ TRANSIT's authorized Procurement representative is required prior to any services being provided by the Consultant. The parties agree that the signing of a Work Authorization shall be necessary to commit NJ TRANSIT to compensate the IOM for accepted work referenced therein and to commit the IOM to perform the work according to its written description, for an amount not to exceed the fee provided in the Work Authorization. Any change in the scope and/or fee must have the prior written consent of NJ TRANSIT's authorized Procurement representative. A separate Work Authorization shall be required for each assignment of the IOM.

Work Authorizations are intended to provide oversight monitoring of specific contracts from conception where practicable under the circumstances. An assigned IOM is to have its staff familiarize itself with the proposed project scope and schedule and get to know the project management and design staff. The IOM is to become familiar with the project to which it is assigned prior to the commencement of work. Global assignments will involve more general overview of the various projects included in its scope. IOM is not to simply be an auditor but to oversee all aspects. Projects can be varied in scope and length of time. Some projects will involve force account work and contract work at the same time and sometimes sequentially. Before actual construction work begins, IOM staff time will not be at full level. Similarly as a project nears completion and closeout, IOM involvement will similarly lessen. The subject matter experts to be supplied by IOM will differ from project and possibly during the course of a project where nature and scope of work may vary from phase to phase.

B. Acceptance

(1) Any items which the Consultant must deliver to NJ TRANSIT as noted in a Work Authorization shall be delivered to the NJTIAD. NJTIAD will review the deliverables and shall have the right, in its sole judgment, to refuse the acceptance of any items if they do not meet the Standards of Performance established by NJ TRANSIT. Such review does not relieve the Consultant of its liability for errors and omissions.

(2) Any items which the Consultant must deliver to New Jersey Department of the Treasury as noted in a Work Authorization and/or the reporting requirements shall be delivered to the New Jersey Department of the Treasury. New Jersey Department of the Treasury will review the deliverables and shall have the right, in its sole judgment, to refuse the acceptance of any items if they do not meet the performance standards set forth in NJ Transit Contract Nos. 14-033A, 14-033B, 14-033C and 14-033D. Such review does not relieve the Consultant of its liability for errors and omissions.

(3) If the services or any deliverables are not accepted, NJ TRANSIT has the option of terminating the Agreement, or terminating the associated Work Authorization.

(4) NJ TRANSIT and New Jersey Department of the Treasury reserve the right to seek reimbursement of all costs, expenses or damages incurred, because of any act, error or omission, neglect or negligence, or misconduct of said Consultant or its sub-consultants in the performance of the work outlined in this Agreement. In such an event, NJ TRANSIT may withhold payment pending resolution of disputed claim not to exceed the amount due under the item of dispute, but without limitation to the amount NJ TRANSIT or Treasury may seek or claim to the extent allowed by law or equity. NJ TRANSIT shall not be obligated to make any payment for work that is unsatisfactory or does not comply with the terms of this Agreement. Furthermore, the Consultant shall not receive additional compensation for the cost of redoing, correcting or otherwise revising work by reason of any act, error or omission, neglect or negligence, or misconduct of said Consultant or its sub-consultants in the performance of the work outlined in this Agreement.

C. Responsibilities

(1) NJ TRANSIT Responsibilities

NJ TRANSIT is responsible for managing and accepting the IOM's work and deliverables as well as approving its invoices.

(2) Integrity Oversight Monitor Responsibilities

IOMs are responsible for executing the work in an effective and efficient manner and to meet all requirements of the Contract including the reporting requirements as noted in Section IV. In addition, the IOM is required to provide all work directly to NJ TRANSIT Internal Audit. Any other interactions with NJ TRANSIT personnel other than in the conduct of the project work must be coordinated through the NJ TRANSIT Internal Audit Department in collaboration with the NJ TRANSIT Accountability Officer and/or Procurement with the exception of communications with the Office of Civil Rights/Business Development regarding the IOM firm's DBE program requirements.

XIV. ADMINISTRATION OF THE CONSULTANT - CONSULTANT TEAM CHANGES

Where the Consultant finds it necessary or prudent to vary the composition of its resources, the Consultant shall be required to submit for NJ TRANSIT and the New Jersey Department of the Treasury, as the case may be, a request for approval in advance with such information and justifications as are necessary to support the restructuring of the team. In making such changes, the Consultant must remain cognizant of all DBE participation requirements and goals as specified in the contract documents. For resources that are added, NJ TRANSIT will require a description of the resources' credentials and background. In addition, NJ TRANSIT may require an interview of the personnel.

NJTIAD and New Jersey Department of the Treasury shall have the right to pre-approve staffing and removal of particular staff members at its discretion.

If the Prime Consultant will be adding, removing and/or replacing a DBE subcontractant firm/employee on its team, it must be in accordance with Exhibit D, Articles 4.2, 4.3 and 4.4 of NJ TRANSIT's DBE Requirements.

XV. ADMINISTRATION OF THE CONSULTANT - COMPENSATION

Payment for services to be rendered under this contract shall be on an hourly fee basis with a maximum not-to-exceed cost established for each individual Work Authorization authorized in accordance with the procedures described herein, and subject to the terms and conditions established for the overall contract. Payments of invoices will be made within thirty (30) days of approval by NJ TRANSIT Auditor General or his designee. No charges for work directed by unauthorized NJ TRANSIT or New Jersey Department of the Treasury personnel shall be binding upon NJ TRANSIT, and any work performed pursuant to such authorization shall be entirely at the risk of the Consultant. Additionally, no compensation will be allowed for the revision of work which has been rejected as failing to satisfy the requirements of a specific Work Authorization. The Consultant shall use a standard invoice form detailing the particular tasks, deliverables completed, particular work completed, hours expended by personnel, cost basis and total cost, and other detailed information that may be required by NJ TRANSIT. The Consultant shall submit all itemized bills separately for each Work Authorization. Each invoice may be reviewed by NJTIAD and New Jersey Department of the Treasury as well as by the Accountability Officer, the Board's Representatives and NJ TRANSIT staff.

Monthly invoices with supporting schedules of billable hours, fees and deliverables for work performed must be issued for this Work Authorization. No travel or out-of-pocket expenses will be reimbursed unless pre-approved in accordance with NJ TRANSIT Contract No. 14-033. Payment of invoices will be contingent upon successful completion, delivery and sole acceptance of aforementioned deliverables in the form and substance required by NJ TRANSIT.

In addition to the weekly report, in order to support payment, the IOM firm must include in their billing detail a daily log of activities for each person on the Work Authorization. This includes, for each person, tasks performed by deliverable, identification of the employees or subconsultants (and their respective employees) met with, summarized work performed, all meetings attended, field visitations along with the name of employee and subconsultants (and their respective employee) in attendance, and any other information to sufficiently support billing. Billing must also include, by person, hours billed for the current period and hours billed to date and expenses billed for the current period and expenses billed to date. The above provisions also apply to all subconsultants if employed by the IOM firm.

XVI. OWNERSHIP OF WORK

All work product produced by the IOM in accordance with this contract and Work Authorizations are the sole property of NJ TRANSIT. Work product includes, but is not limited to: reports, documents, analyses, worksheets, work papers, cost estimates, tapes (audio or video), correspondence, computer files/media storage/programs/data, sample lists, sign-in sheets, audits, photographs, drawings, spread sheets, graphics and

all other information resulting from or obtained during the Consultant's work performed under this contract.

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

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

<http://nj.gov/comptroller/sandytransparency/contracts/sandy/>

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

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

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

XVIII. ATTACHMENTS

- Attachment 1: Potential List of Projects Subject to Integrity Oversight Monitoring
- Attachment 2: Disaster Fraud Theft Reporting Form
- Attachment 3: Quarterly Report Template
- Attachment 4: Question Submittal Template
- Attachment 5: Cost Proposal Format
- Attachment 6: DBE Forms

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal for Superstorm Sandy Recovery Project Program-Wide
Fraud Risk Assessment – Phase I**

Attachment 1: Potential List of Projects Subject to Integrity Oversight Monitoring

- **Meadowlands Maintenance Complex (MMC) /Rail Operations Center (ROC)** - NJ TRANSIT's central rail locomotive and passenger coach maintenance facility is home to the main rail operations center, which controls all train operations system wide. The facility suffered severe damage including the loss of the uninterrupted power supply. This prevented NJ Transit from dispatching trains. The fueling system, wheel house, environmental facility, and electrical systems all incurred major damage. The repair process will improve overall site drainage, raise key components and equipment and restore full functionality to the yard and shops.
- **Rail Infrastructure**
 - **Substations** - Substations at Hoboken Yard, Meadows Maintenance Complex, and Bay Head on the New Jersey Coast Line (NJCL) sustained severe damage from Superstorm Sandy and require rebuilding and installation of new components.
 - **Signals** – Signals were damaged at various locations and are being repaired and made more resilient. Signals are being repaired at Hoboken, for Rare to East Matawan Interlocking on the NJCL, and Meadows Interlocking on the Morris and Essex Line.
 - **North Jersey Coast Line/Bayhead (NJCL)** - The NJCL experienced extensive damage to tracks, switches, bridges and bridge controls which are to be repaired and made more resilient.
 - **Station Repairs** – Flood control to improve resiliency of critical infrastructure including, escalators and elevator control areas.
 - **Gladstone Poles** – A number of wood catenary wire support poles were damaged. The wooden poles will be replaced with steel poles on new concrete foundations. The work is to be accomplished in phases.
- **Weehawken Ferry Terminal** - This is an active ferry terminal serving three locations in Manhattan from New Jersey. The storm caused siltation in the ferry channel that has the potential to impede ferry traffic and potentially damage the vessels. Maintenance dredging is the responsibility of NJ TRANSIT as the owner of the facility.
- **Hoboken Terminal** - Hoboken Terminal is situated directly on the Hudson River waterfront and incurred severe damage from Superstorm Sandy. This terminal was being restored prior to the storm. Severe damage was sustained. This

NOTE: This list is subject to change. Projects may be added or deleted in part or in whole.

program area addresses repairs and replacement of damaged components and elevation of critical components to mitigate risks from future storms.

- **Hudson Bergen Light Rail (HBLR)** - The HBLR system experienced extensive damage to tracks, switches, and signal system, as well as damage to its yard and shop facility, which are to be repaired and made more resilient against future storms.
- **Newark Light Rail (NLR), Stations, Emergency Management** - The NLR system suffered the loss of signal and smoke ventilation systems in its tunnels. This project will address repairs and hardening activities to better protect the system from future storms.
- **River Line Light Rail** – Miscellaneous repairs including reconstruction, replacement, cleanup of equipment and facilities.
- **Mason/ Building 9** – The Mason/ Building 9 Substation was damaged and is being repaired and made more resilient.
- **Rail Rolling Stock** - 324 commuter rail vehicles (locomotives and coaches) were damaged by Superstorm Sandy and are being repaired.
- **Other** - Miscellaneous repairs which are being funded by Grant 1 (NJ-44-0001 Public Transportation Emergency Relief Grant), including:
 - Miscellaneous and Police Equipment – involves repairs/replacement of police equipment, ticket vending machines, ticket operating machines, phones, servers, routers, etc.
 - Supplemental Bus and Ferry – Supplemental bus and ferry service provided immediately after Superstorm Sandy.
 - Supplemental Budget and Contract Expense – Administrative work and support services.

NOTE: This list is subject to change. Projects may be added or deleted in part or in whole.

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal for Superstorm Sandy Recovery Project Program-Wide
Fraud Risk Assessment – Phase I**

Attachment 2: Disaster Fraud Theft Reporting Form

Privileged, Confidential and Deliberative

I wanted to take this opportunity to remind you of the important responsibility that each of us has to remain vigilant in guarding against waste, fraud, abuse and other misconduct in connection with our Sandy recovery efforts. As you know, integral to this ongoing responsibility is the need for all of us to report activity that may suggest possible wrongdoing in connection with our Sandy-related relief programs.

The Office of the Attorney General and the Office of the State Comptroller have a coordinated process in place to allow reports of suspicious activity to be made to a central point of contact who will then determine, based on the nature of the report, whether the matter should be referred to either the Attorney General or the State Comptroller.

If you suspect possible fraud, waste, abuse or other wrongdoing, please complete the attached report form and send it to Sergeant Fred Weidman with the Department of Law and Public Safety. Sergeant Weidman's contact information is as follows:

Sergeant Fred Weidman
sandyfraud@njdcj.org
(856) 486-2367.

In order to enable the Attorney General or the State Comptroller to take appropriate follow-up action, it is important that you complete at a minimum, certain sections of the attached report form as follows:

- Reporting Agency (the name of your agency)
- Nature of Crime (to include not only a known "crime," but also any suspicion you may have of waste, fraud, abuse or other misconduct, i.e. "possible waste" or "mismanagement of funds")
- Victim/Complainant (Only complete this section if the original tip or complaint came into your agency from an individual or private citizen)
- Cellular Telephone Number (or work number of victim/complainant, where applicable)
- Defendant's Name (there will likely not be an actual "defendant" involved, but please provide the name of any person that may be responsible for the behavior that you are reporting (i.e. owner of a contracting company))
- Defendant's address (if known)
- Defendant's phone number (if known)

- Business/Company Representing (please provide the name of any company that is either involved in the possible misconduct, or that employs the person possibly involved in misconduct).
- Narrative Section (please provide a **detailed** summary of the activity that came to your attention).

Please call or email Sergeant Weidman with any questions you may have about completing the attached report form, or concerning possible suspicious activity.

Finally, I want to thank each of you again for your ongoing efforts to effectively and efficiently carry out your contract management and oversight responsibilities, which is a vital component in the State's efforts to prevent waste, fraud and abuse.

Sincerely,

Dave Ridolfino
Associate Deputy Treasurer
Department of the Treasury

Attachment

c: Christopher Iu (Office of the Attorney General)
Noelle Maloney (Office of the State Comptroller)
Lt. David Nolan (Department of Law and Public Safety)



OFFICE OF THE ATTORNEY GENERAL
STATE OF NEW JERSEY



Disaster Fraud/Theft Reporting Form

Reporting Agency:	Agency Case No.:	Reporting County:	Date:
Reporting Officer:	Badge No.:	Agency Telephone No.:	Department ORI: (if applicable)
Nature of Crime/Incident:	Crime Date:	Amount of Theft/Fraud:	Have Charges been Filed? Yes No Pending

VICTIM / COMPLAINANT SECTION

Victim / Complainant:	D.O.B.:	Cellular Telephone No.:	
Current Address:	Home Telephone No.:		
Municipality:	County:	State:	Zip Code:
Address of Incident: (if different from the current address)			
Municipality:	County:	State:	Zip Code:

Insurance Company Involved: (if applicable)	Policy No.:
Insurance Company Address:	Telephone No.:

DEFENDANT / SUSPECT SECTION

(attach additional defendants if applicable or forward department incident report with this form)

Defendant's Name:	D.O.B.:	Telephone No.:			
Address:	Municipality:	County:	State:	Zip Code:	
Vehicle Year:	Make:	Model:	Color:	Type:	Registration No. & State:
Business/Company Representing: (if applicable)	Telephone No.:	NJ Contractor License No. (plumbing, electrical etc.):			
Business Address:	Web-Site / E-Mail of business:				
Check ALL that apply: Arrested Complaints Filed Under Investigation Contacted by Police Only Reported to Police / NJ Division of Consumer Affairs					

NARRATIVE SECTION

(provide a brief narrative of the incident)

E-MAIL COMPLETED FORMS TO SANDYFRAUD@NJDCJ.ORG

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal for Superstorm Sandy Recovery Project Program-Wide
Fraud Risk Assessment – Phase I**

Attachment 3: Quarterly Report Template

State of New Jersey
 Department of Treasury
 Integrity Oversight Monitoring Reporting Model
 For Quarter Ending: xx/xx/2014

Reports required under A-60 will be submitted by Integrity Oversight Monitors on the first business day of each calendar quarter to the State Treasurer and will contain detailed information on the projects/contracts/programs funded by the Disaster Relief Appropriations Act.

No. Recipient Data Elements		Response	Comments
A. General Info			
1.	Recipient of funding		
2.	Federal Funding Agency? (e.g. HUD, FEMA)		
3.	State Funding (if applicable)		
4.	Award Type		
5.	Award Amount		
6.	Contract/Program Person/Title		
7.	Brief Description, Purpose and Rationale of Project/Program		
8.	Contract/Program Location		
9.	Amount Expended to Date		
10.	Amount Provided to other State or Local Entities		
11.	Completion Status of Contract or Program		
12.	Expected Contract End Date/Time Period		
B. Monitoring Activities			
13.	If FEMA funded, brief description of the status of the project worksheet and its support.		
14.	Quarterly Activities/Project Description (include number of visits to meet with recipient and sub recipient, including who you met with, and any site visits warranted to where work was completed)		

State of New Jersey
Department of Treasury
Integrity Oversight Monitoring Reporting Model
For Quarter Ending: xx/xx/2014

Reports required under A-60 will be submitted by Integrity Oversight Monitors on the first business day of each calendar quarter to the State Treasurer and will contain detailed information on the projects/contracts/programs funded by the Disaster Relief Appropriations Act.

No.	Recipient Data Elements	Response	Comments
15.	Brief Description to confirm appropriate data/information has been provided by recipient and what activities have been taken to review in relation to the project/contract/program.		
16.	Description of quarterly auditing activities that have been conducted to ensure procurement compliance with terms and conditions of the contracts and agreements.		
17.	Have payment requisitions in connection with the contract/program been reviewed? Please describe		
18.	Description of quarterly activity to prevent and detect waste, fraud and abuse.		
19.	Provide details of any integrity issues/findings		

State of New Jersey
 Department of Treasury
 Integrity Oversight Monitoring Reporting Model
 For Quarter Ending: xx/xx/2014

Reports required under A-60 will be submitted by Integrity Oversight Monitors on the first business day of each calendar quarter to the State Treasurer and will contain detailed information on the projects/contracts/programs funded by the Disaster Relief Appropriations Act.

No. Recipient Data Elements	Response	Comments
20. Provide details of any work quality or safety/environmental/historical preservation issue(s).		
21. Provide details on any other items of note that have occurred in the past quarter		
22. Provide details of any actions taken to remediate waste, fraud and abuse noted in past quarters		
C. Miscellaneous		
23. Attach a list of hours and expenses incurred to perform your quarterly integrity monitoring review		
24. Add any item, issue or comment not covered in previous sections but deemed pertinent to monitoring program.		

Name of Integrity Monitor: Name of Report Preparer: Signature: Date:

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal for Superstorm Sandy Recovery Project Program-Wide
Fraud Risk Assessment – Phase I**

Attachment 4: Question Submittal Template

[illegible]

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal for Superstorm Sandy Recovery Project Program-Wide
Fraud Risk Assessment – Phase I**

Attachment 5: Cost Proposal Format

Firm Name:

Staffing Category	Hourly Billing Rate (\$)	Fill in Task												Total Hours Per Staff Category	Total \$ Per Staff Category
		Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)		
Partner/Principal/Director															
Program Manager/Project Manager															
Subject Matter Expert															
Supervisor/Senior Consultant															
Consultant/Associate/Staff															
Administrative Support															
TOTALS															

Total Direct Cost	
----------------------	--

Total Travel Cost	
----------------------	--

GRAND TOTAL	
----------------	--

**NJ TRANSIT Contact No. 14-033
Integrity Oversight Monitoring Services
Request for Proposal for Superstorm Sandy Recovery Project Program-Wide
Fraud Risk Assessment – Phase I**

Attachment 6: DBE Forms

REQUIRED FORMS

ENCLOSED FOR COMPLETION (MANDATORY):

- **Form A; A1; A2; B; D & Trucking Commitment Schedule**

TO BE OBTAINED AND SUBMITTED (MANDATORY):

- **Copy of a valid NJUCP DBE Certificate (Provided by 1st Tier DBEs.)**

Consult DBE Program Requirements for further guidance.

MANDATORY FORM FOR BIDDER/PROPOSER/PRIME: COMPLETE ENTIRELY

FORM A (Fed)

First Tier DBE UTILIZATION - FORM A

Project Name: _____ NJT Contract No: _____

Assigned DBE Goal %: _____ NJT Procurement Specialist: _____ Contract Value (\$): _____

First Tier DBE must perform at least 51% of its subcontract value if subcontracting to a Second -Tier DBE or Non-DBE. Do not count Non-DBE portion toward the goal.

Name, Address and Telephone # of DBE Subcontractor/Subconsultant	Provide <u>Detailed</u> Scope of Work to be Performed (Identify all suppliers)	Dollar Value of Subcontract/Subconsultant Work (\$) Awarded	Percentage of Subcontract Work (%)
			%
			%
			%
			%
			%
			%
For DBE suppliers, show original subcontract value multiplied by 60% (\$2,000*60%=\$1200). For DBE portion of work, subtract Non-DBE portion of work from original subcontract value.	TOTALS	\$	%

The undersigned will enter into a formal agreement with the DBE(s) listed in this schedule conditioned upon execution of a contract with NJ TRANSIT for the above referenced project. The undersigned understands that removal/replacement of the DBE(s) listed is **NOT PERMISSIBLE** for any reason (pre or post-award), without submitting a written request to the Office of Business Development and receiving **WRITTEN APPROVAL** from the Office of Business Development. Failure to obtain written approval shall result in the breach of contract and subject to corrective action to be determined by NJ TRANSIT.

Company Name: _____

Authorized Signature: _____

Company Address: _____

Print Name: _____

Title: _____

Federal Tax ID #: _____

Prime Contractor's DBE Liaison Officer: _____

Company Tel #: _____

Date Signed: _____

To Add Subs Use Additional Forms

MANDATORY FORM: COMPLETE ENTIRELY

Form A1 (Fed)

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

NJT Contract No: _____
 Prime Contractor: _____
 Date: _____

Project Title: _____
 Telephone #: _____

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

	Bidder/Proposer/Prime	Bidder/Proposer/Prime	Bidder/Proposer/Prime
Company's Full Name			
Address			
City			
Zip			
County			
Phone			
Fax			
E-mail			
Owner			
Date Established			
Date Certified			
Ethnicity			
Gender			
Certification Status: DBE or Non-DBE			
Federal Tax ID # / SSN #			
Annual Gross Receipts: A - Less than \$500K B - \$500K to \$1M C - \$1M to \$2M D - \$2M to \$5M E - \$5M and over Indicate the letter that applies			
Primary NAICS Code:			

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

NJT Contract No: _____ Project Title: _____
 Prime Contractor: _____ Telephone #: _____
 Date: _____

Complete the information below for "all" subcontractors/subconsultants solicited for or participating on this project.

	Subcontractor/Subconsultant	Subcontractor/Subconsultant	Subcontractor/Subconsultant
Company's Full Name			
Address			
City			
Zip			
County			
Phone			
Fax			
E-mail			
Owner			
Date Established			
Date Certified			
Ethnicity			
Gender			
Certification Status: DBE or Non-DBE			
Federal Tax ID # / SSN #			
Annual Gross Receipts: A - Less than \$500K B - \$500K to \$1M C - \$1M to \$2M D - \$2M to \$5M E - \$5M and over indicate the letter that applies			
Primary NAICS Code:			

MANDATORY FORM FOR BIDDER/PROPOSER/PRIME: COMPLETE ENTIRELY

FORM A2 (Fed)

NON-DBE SUBCONTRACTOR UTILIZATION - FORM A2

Directions: To be completed by any Bidder/Proposer/Prime for "all" subs including suppliers participating on this contract.

NJ Transit Contract No: _____ Date: _____ Prime Contract Value: _____
 Bidder/Proposer Prime Name: _____ Project Title: _____

Name, Address and Telephone # of all Subcontractor/Subconsultants	FEIN #	Provide Detailed Scope of Work to be Performed	Dollar Amount of Subcontractor/Subconsultant Work (\$)	Percentage of Subcontract or Work (%)
			\$	%
			\$	%
			\$	%
			\$	%
			\$	%
Must provide a detailed scope of work; one-word descriptions are not acceptable.			\$	%
TOTALS			\$	%

To Add Subs Use Additional Forms

INTENT TO PERFORM AS A 1ST TIER DBE - FORM B

The Bidder/Proposer/Prime is prohibited from completing any portion of this form and directing the DBE to sign a blank form.

DIRECTIONS: DBE(s) listed on the Form A must complete all information on this form.

Name of Bidder/Proposer/Prime: _____

Name of DBE Firm: _____

Project/Contract Name: _____

IFB/RFP Contract Number: _____

Does the undersigned DBE (Answer Accordingly):

Intend to perform subcontract work in connection with the above-mentioned project as a Joint Venture? Circle one. (Yes or No)

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

Circle one. (Yes or No)

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

At what percent? _____ %

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

Circle one. (Yes or No)

If yes, must complete and submit Form AA2.

At what percent? _____ %

The undersigned will perform the following described work on the above-referenced project: (Provide a detailed description of the type of work you will perform on your subcontract. Attach a copy of quote approved and signed by Bidder (optional)).

Dollar Value of DBE Subcontract: \$ _____

Total Quantity/Units (if applicable): _____ Per Unit Cost (if applicable): \$ _____

The undersigned based the above scope of work and subcontract value on detailed project specs received from the Bidder contractor named above. Circle one. (Yes or No)

The Prime Contractor projected the following commencement and completion date for such work as follows:

DBE Contract Start Date: _____ DBE Contract Completion Date _____

The undersigned DBE will enter into a formal agreement for the above work with the Prime Contractor conditioned upon execution of a contract with NJ TRANSIT. As a DBE subcontractor, I will cooperate with the certification, compliance and monitoring process set forth by NJ TRANSIT. I attest that I will perform at least 51% of my subcontract with my own workforce for the referenced project.

Signature of 1st Tier DBE

Date

Title

Print Name

Telephone #:

Failure to adhere to these instructions or the falsification of any information on this form shall result in breach of contract and subject to the appropriate penalties to be determined by NJ TRANSIT.

ADDENDUM

FORM D INSTRUCTION SHEET PRE AND POST AWARD GOOD FAITH EFFORT (IF APPLICABLE)

Required for all DBE subcontractors who decline to provide a quote.
Applies in pre and post-award.

Important

Bidder/proposer/prime compliance with contract goals and good faith efforts are handled as a matter of responsibility. If the bidder/proposer/prime did not meet the goal, they must document that they made Good Faith Efforts to do so. This requirement is an important and serious one. NJ Transit's Office of Business Diversity will make a fair and reasonable judgment as to whether the bidder made adequate Good Faith Efforts.

Bidders/proposers/primes are required to read the DBE Program Requirements and the guidelines/ instructions of all forms; and required to submit all forms in the Addendum (mandatory) and Supplemental Section (if applicable) with the bid/proposal or within seven (7) days after bid/proposal submission.

Guidelines to Bidder/Proposer/Prime:

- FORM D outlines actions that may be considered good faith efforts though it is not a mandatory checklist, nor is it intended to be exclusive or exhaustive. Please read DBE Program Requirements for further guidance.
- Bidder/Proposer/Prime must complete FORM D if and when it fails to meet the DBE goal.
- FORM D must be completed in this instance for any DBE firms which were solicited but declined to quote for the project.
- DBE firm must sign Page 2 of FORM D. If DBE declines to do so, submit completed form with bidder/proposer/prime signature only and the Office of Business Diversity will verify information with DBE.
- If/when the contract goal is not met, the fact that there may be some additional costs involved in finding and using DBEs is not in itself sufficient reason for a bidder's failure to meet the contract DBE goal, as long as such costs are reasonable. Prime contractors are not, however, required to accept higher quotes from DBEs if the price difference is excessive or unreasonable.
 - In short, unless the price difference is excessive or unreasonable, incurring additional costs in using and finding a DBE is not sufficient reason to reject the DBE quote or not to meet the contract goal.

Instructions:

- On Page 1 of FORM D, indicate with a check mark the various types of detailed good faith efforts made and attach documentation of such efforts. Types of acceptable documentation are listed on Page 2.
- Document any other type of good faith efforts not listed on Page 1.
- Complete this form entirely.

Bidders/proposers/primes are to provide the required forms and instruction sheet, including the Supplemental section to their 1st Tier DBE subs. DBE sub-primes must provide required forms under Supplemental section to their 2nd Tier DBE/Non-DBE subs, if applicable. Please contact the compliance officer identified for this contract at the pre-bid/proposal conference for guidance on completing any of these forms.

DBE GOOD FAITH EFFORT- FORM D

IFB/RFP Number: _____

Project Title: _____

Bidder/Proposer/Prime Name: _____

Address: _____

Phone: _____

Email: _____

Date Signed: _____

The following is a list of the types of actions that may be considered good faith efforts. It is not intended to be a mandatory checklist, nor is it intended to be exclusive or exhaustive. Other factors or types of efforts may be relevant in appropriate cases, however please check all that apply in this instance. Please provide documentation for ALL instances selected.

- ☐ Selected portions of work to be performed by DBEs and, where appropriate, broke down contracts into economically feasible units to facilitate DBE participation.
- ☐ Provided interested DBE with adequate information about plans, specifications, and requirements of the contract.
- ☐ Negotiated in good faith with interested DBE, not rejecting DBEs as unqualified without sound reasons based on a thorough investigation of their capabilities.
- ☐ Made efforts to assist interested DBE in obtaining bonding, lines of credit, or insurance required by NJ Transit or Bidder.
- ☐ Made efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.
- ☐ Advertised subcontracting opportunities in appropriate media.
- ☐ Used the services of minority organizations, minority contractors' groups, local state and federal minority business assistance offices and other organizations that provide assistance identifying subcontractors.
- ☐ Provided written notice to DBEs in sufficient time to allow the DBE to respond. (Provide copy of documentation with Page 2.)
- ☐ Followed up initial solicitation of interest by contacting DBE to determine interest. (Provide proof of follow up with Page 2.)

Describe any other efforts not covered above that may indicate Good Faith Efforts to obtain DBE participation on this project and provide documentation.

DBE GOOD FAITH EFFORT- FORM D

IFB/RFP Number: _____ Project Title _____

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

I, _____
Name Titleof _____
Bidder/Proposer/Prime

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

DBE: _____
Firm NameType of work requested to be performed: _____

Method of Contact: Phone Fax Mail Email

Date Contacted: _____

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

No response

Not interested: Indicate Reason(s) _____

Unacceptable Sub Bid: Indicate Reason(s) _____

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

Signature of Bidder/Proposer/Prime_____
Date

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

Signature of DBE Firm

Date

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

SUPPLEMENTAL SECTION REQUIRED FORMS

ENCLOSED FOR COMPLETION (IF APPLICABLE):

- **Form AA; AA1; AA2; BB; & Trucking Commitment Schedule**

TO BE OBTAINED AND SUBMITTED (IF APPLICABLE):

- **Copy of a valid NJUCP DBE Certificate (Provided by 2nd Tier DBEs.)**

Consult DBE Program Requirements for further guidance.

SECOND TIER DBE UTILIZATION- FORM AA

Project Name: _____ NJT Contract No: _____

DBE Sub-Prime (First Tier) Subcontractor Contract Value (\$): _____

I plan to subcontract _____ % of my subcontract to Second Tier DBE subcontractor(s)/subconsultant(s) listed on the chart below to perform/supply the following:

Second Tier DBE subs must perform 100% of their scope of work.

Name, Address and Telephone # of Second Tier DBE Subcontractor/Subconsultant	Provide Detailed Scope of Work to be Performed	Dollar Value of Subcontractor/Subconsultant Work (\$) Awarded	Percentage of Subcontractor Work (%)
			%
			%
			%
Any First-Tier DBE firm listed on the Form A must identify any DBE firm it will use to perform its scope of work	TOTALS	\$	%

The undersigned understands its approval to perform on the above contract is based upon its identified DBE team listed above and its Non-DBE team listed on the Form AA.2. The DBE Sub-Prime must receive written approval from the Office of Business Development for any changes to its DBE and/or Non-DBE subcontractors, their dollar values or scope of work identified on the Form AA and/or AA2 before making any changes. It attests that the identified firms will perform all work. Failure to adhere to, or falsification of any information contained herein shall result in breach of contract and subject to corrective action to be determined by NJ TRANSIT.

DBE Sub-Prime Firm: _____ Authorized Signature: _____

Company Address: _____ Print Name: _____

_____ Title: _____

Federal Tax ID #: _____ Sub-Prime's DBE Liaison Officer: _____

Company Tel #: _____ Date Signed: _____

MANDATORY FORM: COMPLETE ENTIRELY

Form AA1 (Fed)

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM AA1

NJT Contract No: _____
 DBE Sub-Prime: _____
 Date: _____

Project Title: _____
 Telephone #: _____

Complete the information below for Second Tier contractor(s) participating on the project.

Subcontractor/Subconsultant	Subcontractor/Subconsultant	Subcontractor/Subconsultant
Company's Full Name		
Address		
City		
Zip		
County		
Phone		
Fax		
E-mail		
Owner		
Date Established		
Date Certified		
Ethnicity		
Gender		
Certification Status: DBE or Non-DBE		
Federal Tax ID # / SSN #		
Annual Gross Receipts: A - Less than \$500K B - \$500K to \$1M C - \$1M to \$2M D - \$2M to \$5M E - \$5M and over Indicate the letter that applies		
Primary NAICS Code:		

To Add Subs Use Additional Forms

MANDATORY FORM BY DBE SUB-PRIME: COMPLETE ENTIRELY

FORM AA2 (Fed)

NON-DBE SECOND TIER SUBCONTRACTOR UTILIZATION - FORM AA2

Directions: To be completed by any DBE Sub-Prime Contractor for "all" subs including suppliers participating on this contract.

NJ Transit Contract No: _____ Date: _____ DBE Sub-Prime Contract Value: \$ _____
 DBE Sub-Prime Contractor Name: _____ Project Title: _____

Name, Address and Telephone # of all Second Tier Subcontractor(s)/Subconsultant(s)	FEIN #	Provide Detailed Scope of Work to be Performed	Dollar Amount of Subcontractor/Subconsultant Work (\$) Awarded	Percentage of Subcontractor Work (%)
			\$	%
			\$	%
			\$	%
			\$	%
			\$	%
Must provide a detailed scope of work; one-word descriptions are not acceptable.			\$	%
TOTALS			\$	%

To Add Subs Use Additional Forms

INTENT TO PERFORM AS A SECOND TIER DBE - FORM BB

The Bidder is prohibited from completing any portion of this form and directing the DBE to sign a blank form.
DIRECTIONS: DBE(s) listed on the Form AA must complete all information on this form and must complete Form AA2 for any Non-DBE subcontractor performing a portion of its subcontract.

Name of First Tier DBE/Sub-Prime: _____

Name of Second Tier DBE Firm: _____

Project/Contract Name: _____

IFB/RFP Contract Number: _____

Does the undersigned intend to perform subcontract work in connection with the above-mentioned project as a Joint Venture? Circle one. (Yes or No)

Will you subcontract any portion of your scope of work to a DBE(s)? Circle one. (Yes or No)

Will you subcontract any portion of your scope of work to a Non-DBE(s)? Circle one. (Yes or No)

The undersigned will perform the following described work on the above-referenced project: *(Provide a detailed description of the type of work you will perform on your subcontract. Attach a copy of quote approved and signed by Bidder (optional)).*

Dollar Value of DBE Subcontract: \$ _____

Total Quantity/Units (if applicable): _____ Per Unit Cost (if applicable): \$ _____

The undersigned based the above scope of work and subcontract value on detailed project specs received from the DBE Sub-Prime named above. Circle one. (Yes or No)

The Prime Contractor projected the following commencement and completion date for such work as follows:

DBE Contract Start Date: _____ DBE Contract Completion Date: _____

The undersigned DBE will enter into a formal agreement for the above work with the DBE Sub-Prime conditioned upon execution of a contract with the Prime on the project. As a Second Tier DBE subcontractor, I will cooperate with the certification, compliance and monitoring process set forth by NJ TRANSIT. I attest that I will perform 100% of my subcontract with my own workforce for the referenced project.

Signature of Second Tier DBE _____

Date _____

Title _____

Print Name _____

Telephone #: _____

Failure to adhere to these instructions or the falsification of any information on this form shall result in breach of contract and subject to the appropriate penalties as determined by NJ TRANSIT.

DBE TRUCKING COMMITMENT

AGREEMENT

The DBE Trucking Firm Commitment Agreement sheet attached must be signed and completed entirely. Make duplicate copies for additional subcontractors as needed. Please read DBE Requirement Language for details.

- DBEs must provide information for all DBE/Non-DBE trucking firms it will lease from or subcontract to.
 - *Subcontracting to a Non-DBE trucker means that the Non-DBE will perform a portion of the DBE firm's subcontract.*
 - *2nd Tier DBE trucking firms must perform 100% of their total subcontract value.*
- For Non-DBE leased trucks, credit will only be given for the fee/commission that is received for arranging the transportation services.
 - *All DBE-leased trucks are required to reflect the DBE firm's company name and identification number.*

Copies of the following items must be attached for ALL trucks owned by the DBE:

- Proof of ownership: title(s) or finance agreement(s) ONLY
- registration card(s)
- insurance card(s)
- hazardous waste license(s), if applicable
- apportioned cab card(s), if applicable

Copies of the following items must be attached for ALL DBE/non-DBE trucks leased by the DBE:

- lease agreement(s)
- title(s)
- registration card(s)
- insurance card(s)
- hazardous waste license(s), if applicable
- apportioned cab card(s), if applicable

MANDATORY FORM

DBE TRUCKING FIRM COMMITMENT AGREEMENT

This commitment is subject to the award and receipt of a signed contract from NJ TRANSIT for the subject project. Note that copies of all supporting documents must be attached.

The DBE trucking firm will perform the following described work on the project: *(Specific work details should include: Type of material to be handled, quantities to be hauled, dollar amount per unit, location the material will be transported).*

Dollar Value of DBE Subcontract: \$ _____

Total Quantity/Units (if applicable): _____ Per Unit Cost (if applicable): \$ _____

Total Number of fully operational DBE-owned trucks to be used on contract? _____

Total Number of fully operational trucks to be leased from a DBE? _____

(Provide a copy of lease agreement(s) for each trucking firm)

Total Number of fully operational trucks to be leased from a non-DBE? _____

(Provide a copy of lease agreement(s) for each trucking firm. *Note that subcontracting is different from leasing as it relates to trucking).

Specify ALL Vehicle Information on Page 1 and 2, if applicable

[illegible]

MANDATORY FORM

[illegible]

I hereby certify that the information present above is correct. I agree to inform the Office of Business Diversity in writing within 10 days, if anything changes.

1st Tier DBE Signature: _____

Date: _____

Print Name: _____

NJ TRANSIT Contract No. 14-033
Integrity Oversight Monitoring Services
Superstorm Sandy Recovery Project Program-Wide Fraud-Risk Assessment (Phase I)
Questions or Request for Clarification

Page #	RFP Section	Question	NJ TRANSIT Response
1	I. General Information	How many contracts will the Integrity Oversight Monitor (IOM) be evaluating? What is the breakout of contracts by project? What is the size and status (i.e., complete or incomplete) of the contracts?	It is anticipated that there will be one prime contract per project, however, in some cases there may be multiple contracts. IOM firms will have an opportunity to submit a proposal separately for the IOM services for each project at which time the number of contracts will be identified.
2	III. Scope of Work	Is NJ TRANSIT's expectation for contractors submitting a technical proposal to include the framework of a risk assessment, or an actual risk assessment?	Actual Risk Assessment
3	III. (C) (iii) Scope of Work	With the exception of the Fraud Risk Assessment and Mitigation Strategy and Detailed Work Plan (e.g., reports, training, audits) items, are stated deliverables expected to be incorporated into the strategy document?	Yes
3	III. Scope of Work	Is the focus of monitoring activities limited to contractor activities, (e.g., contractor procurements), rather than NJ TRANSIT's procurement of the contractor?	Yes
3	III. Scope of Work	If our firm is to be awarded this Work Authorization, will we be conflicted in later Work Authorizations from performing the work plans/audit plans/other procedures we provide as deliverables?	No
3	III. Scope of Work; c) iv.	Please provide clarification on the expectation in calculating hours for each risk. Depending on the risk identified the number of procedures / steps to mitigate the risk will vary as will the LOE.	Correct - it is expected that the LOE will vary.

NJ TRANSIT Contract No. 14-033
Integrity Oversight Monitoring Services
Superstorm Sandy Recovery Project Program-Wide Fraud-Risk Assessment (Phase I)
Questions or Request for Clarification

3	III. Scope of Work	Is the scope of this First Phase limited to performing the fraud risk assessment itself which would involve mainly interviews, questionnaires and walkthroughs for each project selected? That is to say, no test of transactions, bid-opening observations, etc. . For example, would the 9 activities listed on 3,4 of 13 be considered in scope activities for doing this Fraud Risk Assessment - Phase I – these are fraud risk mitigating or fraud identifying detail testing and assessing.	Correct on the scope. Your call whether those items on page 3 and 4 need to be in scope or not.
	Attachment 5	So, from hours perspective, please provide clarity how you want us to determine the hours for this RFP Fraud Risk Assessment since we do not know how many risks there are yet.	NJ TRANSIT anticipates reporting information, other than fraud, waste, and abuse will be initially provided to NJTIAD. NJ TRANSIT anticipates some reports to be public record, e.g., those provide to New Jersey Department of Treasury. Others will be proprietary and maintained within NJ TRANSIT, e.g., supporting work papers, weekly reports, etc.
4	IV. Deliverables	With whom are the IOM's workpapers shared? Are they intended for NJ TRANSIT's Internal Audit Review, or are they given broader access?	Work papers are intended to be utilized for NJTIAD review and to assess the conclusions reached by the IOMs as well as to support the hours for tasks in the performance of their work. NJTIAD doesn't anticipate sharing the work papers.
4	IV. Deliverables	Are there specific prescribed formats for the Weekly Reports, Monthly Reports, and FTA Quarterly Reports? If so, can NJ Transit please provide the templates.	NJ TRANSIT anticipates the reports to be as standard format and will be working on the format. The New Jersey Department of Treasury report format has been provided and we anticipate that the FTA reporting format will be similar.

NJ TRANSIT Contract No. 14-033

Integrity Oversight Monitoring Services

Superstorm Sandy Recovery Project Program-Wide Fraud-Risk Assessment (Phase I)

Questions or Request for Clarification

5	V. DBE Program Requirements for the IOM Firm	DBE monitoring is not included in the Scope of Work; yet, falsification of DBE status is a potential fraud risk. Does the exclusion apply only to this task order, or to all task orders under the Superstorm Sandy Recovery Program? Does this risk need to be considered in the Risk Mitigation Strategy?	This Work Authorization only refers to providing a fraud risk assessment, mitigation strategies, etc., not actually performing the strategies identified. It is anticipated the future Work Authorizations will require the assessment of DBE fraud risks. DBE fraud should be considered in the fraud risk assessment for this Work Authorization.
6	VII. Schedule	Per the Task Order Schedule, the duration of the engagement is 30 days; however, the deliverables include a number of items that either exceed that time frame, (e.g., Quarterly and Monthly Reports), or could not be executed in a meaningful way within the allowed time, (e.g., audits). What are the specific deliverables under this task order?	Main deliverable includes the fraud risk assessment as noted in the Work Authorization. The reporting requirements will exceed the 30 day duration in accordance with New Jersey Department of Treasury reporting requirements.
6	VII. Schedule	The duration of the engagement is stated as 30 days; however, the deliverables include a number of items that either exceed that time frame, or could not be fully executed within the 30-day timeframe. What is the duration of this task order?	Main deliverable includes the fraud risk assessment as noted in the Work Authorization. The reporting requirements will exceed the 30 day duration in accordance with New Jersey Department of Treasury reporting requirements.
6	VII. Schedule	What is NJ Transit's anticipated contract duration of this particular work authorization? In other words, is the proposed Fraud Risk Assessment to be performed on an ongoing basis over the life of the construction projects?	At this point we are looking for the initial fraud risk assessment, however, there may be future projects to update the assessment.
6	Section VII	Schedule indicates that services shall be completed thirty (30) after the effective date of the Notice to Proceed. Please confirm that NJ Transit requires the IOM to complete all services in this 30-day timeframe inclusive of reporting. Please further confirm that NJ Transit anticipates that the services to be provided will include only weekly and monthly status reports and not the quarterly status reports.	The expectation is that the main deliverable, e.g., fraud risk assessment be provided within 30 days. The reporting can go beyond the 30 days but should not be a major effort.

NJ TRANSIT Contract No. 14-033**Integrity Oversight Monitoring Services****Superstorm Sandy Recovery Project Program-Wide Fraud-Risk Assessment (Phase I)****Questions or Request for Clarification**

6	Section VIII	Background Checks requires proposers to conduct background checks of IOM firm personnel. Please define, in more detail, the requirements for "appropriate background checks." Please further define the minimum requirements for "documented evidence." For example, is a certification from the IOM (confirming a background check was completed) sufficient versus the IOM providing the actual background check report that contains employees' personal and protected confidential information?	Actual background check report or other independent evidence, e.g., SWAC card.
6	VII. Schedule	What is the anticipated effective date of the Notice to Proceed?	September 10th
6	VII. Schedule	Does thirty (30) days refer to calendar or business days?	Calendar
Att. 1	Attachment 1	Please indicate the contract type (e.g., Fixed Price, Guaranteed Maximum Price, Cost-Plus, etc.) used or anticipated for each of the projects identified in Attachment 1.	For the most part we anticipate fixed price contracts with change orders.
Att. 1	Attachment 1	For each of the projects listed in Attachment 1 to the RFP, please indicate the current status of that project. For projects that have not yet been awarded, please provide an estimated schedule of awards (i.e., Letting Schedule).	We believe that this is not relevant to the task.
Att. 5	Attachment 5	Does NJ Transit have a total number of estimated hours for this Work Authorization you can provide?	No