

Response to Request for Proposal

Integrity Oversight Monitoring Services for the HNTB Program Management and Project Management Support for the Superstorm Sandy Program

Technical Proposal

Prepared for:

New Jersey Transit

Attention:


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I. Cover Letter

Thacher Associates LLC (“Thacher”) is pleased to submit this proposal to provide Integrity Oversight Monitoring Services for the HNTB Program Management and Project Management Support for the Superstorm Sandy Program (“Project”) to New Jersey Transit (“NJT”). Because of our time-tested and proven methodologies and deep experience in providing nearly identical services to area transit operators, we believe our approach to be the most efficient and cost-effective proposal to ensure compliance utilizing a forensic approach as well as prevent, detect, and deter waste, fraud, and abuse on this Project, where applicable.

A. The HNTB Project

The scopes of work for the Project is comprised of three Task Order Assignments issued under NJT’s Task Order Contract # 13-007B which details specific tasks and related subtasks either completed or to be performed by HNTB and its subconsultants:

- Program Management and Project Management Support (Task Order Assignment No. 1)

We understand that this task order involves program and project management support for the Superstorm Sandy Recovery effort in 13 program areas and is comprised of various subtasks requiring HNTB to produce one-time deliverables (e.g., establishment of file management/archive systems; creation of various schedules; development of multiple management plans; designing websites; facilitating a workshop, etc.) as well as recurring deliverables (i.e., preparing periodic reports; maintaining schedules; preparing independent cost estimates; reviewing proposals; maintaining management plans; performing administrative support and other similar tasks; submitting project photos; etc.).

- Tier III Application Support (Task Order Assignment No. 2)

We understand that this task order is complete and called for HNTB to provide assistance and support to NJT in its preparation of various Tier III / grant applications resulting in \$1.276 billion in funding for NJT to support various Superstorm Sandy Recovery and Resiliency Projects.

- NEPA Design Support – Raritan River Drawbridge (Task Order Assignment No. 4)

We understand that this task order is complete and involved the provision of support services by HNTB in connection with the NEPA process pertaining to the design and construction of a permanent replacement of the Raritan River Draw Bridge, for which NJT was awarded a competitive resiliency grant in the amount of \$446,312,465.

We reviewed information publicly available about the HNTB Project including Minutes of the NJ Transit Board of Directors’ meetings, the NJ Transit Resilience Program website, answers provided in response to questions submitted in connection with this Request for Proposal, as well as the

information originally provided with the Request for Proposal to better understand the work to be performed.

B. Our Expertise

Thacher uses its expertise and experience to accomplish its objectives successfully because it utilizes an *Intelligence Driven Approach* that is designed to identify the areas of greatest integrity risk to a Program (both in terms of impact and likelihood of occurrence), understand the controls in place to mitigate those risks, and then focus efforts on those risks that are most likely to occur and have an unacceptable negative impact to a project's schedule, budget or reputation.

Based on our years of experience in the integrity monitoring industry, Thacher understands that our clients have limited resources. While integrity monitors cannot effectively monitor every transaction across the Program, an effective, efficient and targeted risk assessment can focus on those activities or transactions most susceptible to the most damaging risks and make the best use of those limited resources. Importantly, we know auditing and working in collaboration with internal audit departments, as we work alongside internal audit departments every single day.

Thacher's knowledge arises from several sources which no other proposer can duplicate, including:

- extensive experience in providing construction monitoring and conducting forensic investigations of construction activities and supporting related litigation keeps us current with means and methods, trends, and new schemes;
- a proprietary database of construction industry information, which has been formed over the course of three decades, and which is updated daily;
- substantial in-house technical expertise, based in part on our unique focus in joining together experienced investigators with qualified and forensically-trained technical experts; and
- unique informants and sources of information - throughout the industry, media, academia, regulatory authorities, and law enforcement agencies - that we have developed in the course of our many years spent conducting investigations, managing integrity monitoring engagements, and solving integrity problems in the construction industry.

C. Our Experience

In addition to our intimate understanding of the risks inherent in transportation and disaster recovery programs, Thacher's time-tested methodologies, and the staff and firm experience performing identical services in almost identical circumstances, what sets Thacher apart from our competitors is that designing, implementing and managing large-scale, proactive integrity monitoring protocols for major construction projects is our core competency. There are few, if any, integrity risk management

firms with our advanced level of experience and expertise in the field. Perhaps most importantly, we understand how to work as an independent entity and collaborate and calibrate our work with other independent entities and agency decision-makers.

We have performed these engagements on projects with multiple-stakeholders, federal and state-funded projects, and projects requiring compliance with A-60 and FTA regulations. We have been performing integrity monitoring engagements for major transportation and disaster recovery projects since 2001, beginning with our work on the cleanup of the World Trade Center (“WTC”) site. Since then, we have continued to perform these services for the WTC Transportation Hub, the Moynihan Station Civic and Land Use Improvement Project, the Fulton Street Transit Center and South Ferry Subway Terminal Station, the Metropolitan Transportation Agency’s East Side Access project, Superstorm Sandy Recovery Projects in Perth Amboy, NJ and Elizabeth, NJ for the New Jersey Department of Environmental Protection, and most recently, New Jersey Transit’s Gladstone Line Poles & Foundations Replacement project. We would build on our previous experiences on our past and current transit and disaster recovery projects to minimize the time and expense required to perform the services required on the HNTB Project.

II. Qualifications of Individuals

The resumes of our Key Personnel as well as a number of other proposed staff members are included as Exhibit A. Our staff will be assigned to the Project, as required, following our initial assessment of the specific needs and specialty skills required. It is our intention to use the same staff that will be working on the Gladstone Line Poles & Foundations Replacement Project so as to create organizational efficiencies. Our key personnel is comprised of the following persons:

Charles Linehan is a Managing Director and Head of Construction and Real Estate Services at Thacher. He will provide executive oversight to our team at no cost to NJ Transit. He contributes key investigative expertise, having served in the Manhattan DA's office as Deputy Chief of the Public Corruption Unit prior to joining Thacher, where he managed large-scale investigations and prosecutions. His judgment, professionalism, and ability to understand complex issues and capital construction-related programs. He understands how to achieve success in NJ Transit’s monitoring engagements in a manner that also contributes to the success of the project and avoids interference with the project’s progress.

His role on Thacher’s projects ensures the quality of deliverables as well as the performance and coordination of our multidisciplinary team. In addition to serving as the executive liaison between Thacher and the agencies for which we work, he also serves as a conduit of intelligence, which is gathered from all Thacher projects and resources and shared with those agencies. He plays a key role in the development and refinement of the integrity risk management and compliance monitoring plans, and in the management teams that oversee the implementation of those plans.

Michael Carroll is a Managing Director at Thacher. Mr. Carroll will serve as project manager for this engagement. He has more than two decades of law enforcement experience, with two-thirds of that time spent managing complex fraud investigations in the construction industry, and more than a decade of experience supervising integrity monitorships across New York City. Mike utilizes experience gained from the New York City Police Department and as an inspector general to solve problems in the construction industry, to ensure regulatory compliance demands are met, and to identify and eliminate vulnerabilities that make clients susceptible to fraud. Mike also helps clients develop compliance programs that ensure companies meet the demands of government agencies, that worker safety measures are in place, and that companies are protected from theft and other forms of corruption.

Kevin Mullins is Senior Director of Forensic Accounting and Advisory Services at Thacher. He is a Certified Fraud Examiner and has over 13 years of multidisciplinary experience in the accounting industry, specializing in forensic auditing and accounting. He has performed fraud investigations, compliance reviews, cost recovery analyses, and internal control risk assessments. He has overseen various integrity oversight monitoring engagements on behalf of private sector clients as well as local, state, and federally funded agencies.

Chris Ward is Director of Forensic Engineering at Thacher. He has served in the roles of engineer as well as environmental & safety specialist working on several integrity monitoring assignments. His clients include New York City Housing Authority, the Governor's Office of Storm Recovery and several Port Authority projects (e.g., the WTC Transportation Hub, Memorial, Retail, Central Chiller Plant, and Sandy Resiliency Task Order One / PATH projects).

Mr. Ward has worked closely with a wide array of senior personnel and familiar with mass transportation agency policies and procedures. His work has centered on preventing, detecting, and investigating potential change order fraud, falsification of invoices, use of substandard materials, prevailing wage reviews, and violations of environmental and safety mandates. Mr. Ward has also performed audits of contractor compliance with federal grant and loan requirements, such as HUD CDBG-DR, and audits of contractor conformance with environmental and safety requirements.

Jose Velazquez is the founder of Xerebro, LLC, a firm he started after working at Thacher for several years. He has more than 15 years of accounting and auditing experience across many industries including construction and real estate. Mr. Velazquez is a Certified Fraud Examiner and has provided services including forensic accounting, litigation support, investigative auditing, fiscal and integrity monitoring, regulatory compliance reviews, fraud risk assessments, and internal controls reviews for a wide range of public and private clients. At Thacher, he managed various forensic audits and is responsible for designing and implementing corruption prevention, compliance/business management, and ethics programs.

III. Qualification of Firms and Related Experience

As a result of our successes on integrity monitoring engagements, Thacher has earned a reputation as one of the foremost integrity monitoring firms. Our approach, expertise, and experience described in Section I, has given us a unique understanding of the mission, philosophy, and work practices of the regional transit authorities and provides us a deep knowledge of the companies and stakeholders that will be involved in any future project.

Our DBE partner, Crescent Consulting (Crescent), provides a wide range of specialty consulting services to assist construction industry client in ensuring compliance with AA/EEO, Diversity, Local & Integrity Monitoring Programs. Crescent is certified by New Jersey Transit as a Disadvantaged Business Enterprise (DBE) and their services include MBE/WBE/DBE compliance reviews, procurement reviews, policies and procedures reviews/development, risk assessments and reporting for projects ranging from \$1 million to more than \$2 billion.

Crescent's participation on infrastructure and transportation projects include the Tappan Zee Bridge Repair Project, Brooklyn Navy Yard Center at Building 92, and the New Jersey Transit Gladstone Rail Line Poles & Foundations Replacement Project, among several others.

A. Related Experience

1. New Jersey Department of Treasury –Superstorm Sandy Recovery Projects

When Governor Chris Christie required the use of integrity monitors on all major Superstorm Sandy reconstruction projects, Thacher was selected to monitor the first two projects assigned, helping set the standard for this important state-wide undertaking. The City of Elizabeth Veteran's Memorial Waterfront Park project involved the rebuilding of the entire waterfront, including the memorial park, the municipal marina and the recreation and boardwalk piers. The City of Perth Amboy project involved the rebuilding of seven areas, including the Promenade at the Old Ferry Terminal, a beachfront promenade, and a fishing pier.

Both projects encompassed performing risk assessments and recommending loss prevention strategies to prevent duplication of benefits, inefficiency, fraud, waste, abuse, malfeasance and mismanagement of funds; determining if appropriate compliance systems and controls related to internal controls, procurement, contracting, compliance, cost eligibility, contract management, invoicing, payment, are in place to comply with applicable State and Federal guidelines and regulations – including compliance with FEMA funding guidelines and regulations - and to test and monitor control environments. Unique aspects of this work, as well as all post-Sandy work, require the ability not only to look back at work already performed, frequently on a time and materials basis, but also to look forward to work in the process of being completed.

One of the lessons learned, especially given this was New Jersey's first foray into integrity monitoring was the importance of establishing the role of the monitor. By emphasizing our role, not a "cop on the

beat,” but instead to ensure transparency and real-time auditability, we have garnered significant cooperation with a municipality that was originally hostile to our presence.

2. Port Authority of New York and New Jersey – World Trade Center Transportation Hub

In 2006, the Port Authority of New York and New Jersey selected Thacher to provide integrity monitoring services on the rebuilding of the World Trade Center (“WTC”), then the country’s largest construction project utilizing a combination of local, state and federal funding sources. Responding to the concerns about corruption and fraud on this endeavor, Port Authority Commissioners required integrity monitors on all of the large scale projects including the Transportation Hub, the September 11th Memorial and Museum, and the Freedom Tower.

Our work on the WTC Transportation Hub involves monitoring the construction of a \$4.5 billion major mass transit hub and related infrastructure. Our initial mission as integrity monitor was to design and implement a corruption prevention program. We reviewed and assessed the adequacy of corruption controls on all phases of the project to ensure that all transactions were conducted and documented in such a way as to be both transparent and auditable. Based on our review, a corruption prevention program was designed to ensure adequate oversight and monitoring of compliance with those controls. This engagement is ongoing, and we are continuing to conduct real-time audits of construction activities in the field, desk audits of invoices, change orders and other project documents. During the engagement, we have made numerous recommendations regarding improvements in the areas of purchasing practices, construction processes, project finances, environmental compliance, safety, physical site security, information security, prevailing wage compliance and M/WBE program compliance, many of which have been adopted by the Port Authority.

Lessons learned throughout this project have included the need for intimate familiarity with the processes that regulate significant functions on the project, and the personnel charged with performing those functions – at the agency, CM, GC and trade contractor levels. By developing this familiarity, we have developed an understanding of the project that has made us effective and we have earned the trust and respect of agency, CM, GC and trade contractor personnel that has given us access and a “voice at the table.”

3. Empire State Development Corporation – Moynihan Station

The Moynihan Station Development Corporation, a subsidiary of the New York State Urban Development Corporation (doing business as the Empire State Development Corporation (“ESDC”)) retained Thacher to serve as its Integrity Monitor to perform independent oversight and management reporting services in connection with both Phase One of the Moynihan Station Civic and Land Use Improvement Project and the current Moynihan Train Hall Project.

Thacher’s affiliate, K2 Intelligence, was selected in June 2017 to be the integrity monitor for the iconic \$1.6 Billion Moynihan Train Hall project, which will redevelop the historic Farley Post Office Building,

increasing Penn Station's total concourse floor space by more than 50%, and creating a new 255,000 square foot train hall for Long Island Railroad and Amtrak passengers. There will also be 700,000 square feet of new commercial, retail and dining space within the mixed-use facility on Manhattan's West Side. The Moynihan Train Hall will feature a new 92-foot high skylight to be built above the building's historic steel trusses. A total of nine platforms and 17 tracks will be accessible from the Train Hall. The Train Hall will provide direct connections to the Eighth Avenue subway, and create direct access to the train station from 9th Avenue for the first time.

Our mandate is multi-faceted: prevent fraud, racketeering and organized crime infiltration. We have completed a comprehensive risk assessment and design of a corruption prevention program, after reviewing and assessing the adequacy of corruption controls to ensure that all transactions are conducted and documented in such a way as to be both transparent and auditable. We are now conducting field audits of construction activities, desk audits of invoices, change orders and other project documents. We are conducting extensive monitoring activities regarding prevailing wage compliance, contractor opportunity program compliance, procurement, construction processes, project finances, environmental compliance, safety, physical site security, and subcontractor vetting.

Phase One of the Project involved work in:

- the historic James A. Farley Post Office Building, which is owned by the ESDC;
- the train shed of New York Pennsylvania Station, owned by the National Railroad Passenger Corporation ("Amtrak") and located below the Farley Building;
- the West End Concourse (the "WEC") leased by Long Island Rail Road ("LIRR") from Amtrak; and
- the passageway connecting the West End Concourse to the 8th Avenue Subway and Penn Station ("the 33rd Street Connector") operated by MTA New York City Transit ("NYCT").

Phase One included two new street level entrances at the 31st and 33rd Street corners of the Farley Building to the WEC; the expansion of the WEC to be approximately double in width and length to service nine of Penn Station's eleven platforms; new vertical access points (stairs, escalators and elevators) from the expanded WEC to the existing Penn Station platforms; a widened and reconfigured 33rd Street Connector to be compliant with the Americans with Disabilities Act ("ADA"); and a new emergency platform ventilation system for the area of the Train Shed below the Farley Building.

Thacher's responsibilities included:

- performance of an integrity risk assessment during which we performed a review of all existing project policies, procedures and processes for vulnerability to fraud, corruption, cost abuse, safety, and/or environmental risks;
- design and implementation of a corruption prevention program designed to mitigate integrity risks;
- review and monitoring of budgets including amounts allocated for general conditions, holds, contingencies and allowances;

- review of the construction manager's and trade contractors' records regarding insurance coverage, environmental and safety for compliance with the terms of their contracts and with applicable laws, rules and regulations;
- reviews of project costs, and backup documentation thereto, including payment requisitions and change orders, equipment invoices, site logs and trucking manifests for evidence of overbilling;
- forensic review and oversight; and
- forensic auditing and investigations and oversight of the project quality management plan.

Some highlights of our monitoring efforts include:

- conducting QA/QC integrity reviews of hot work procedures, where we noted a number of deficiencies and made recommendations which were adopted by the general contractor; and of asbestos abatement and soil disposal and transportation, where we again noted deficiencies that subsequently were corrected;
- conducting ongoing onsite monitoring of subcontractor activity, which identified an unauthorized substitution of a MBE subcontractor with another subcontractor whose Port Authority certification had been revoked, ultimately resulting in the company's removal from the project; and
- performing a review of the Buy America procedures in place to ensure contractor compliance with contractual obligations. As a result of our review and recommendations, an enhanced oversight program by the construction manager was put into place, and Thacher continues to monitor for any integrity lapses.

4. Metropolitan Transportation Authority – Fulton Street Transit Center & South Ferry Terminal

Thacher was selected by the Metropolitan Transportation Authority ("MTA") to serve as the integrity monitor in connection with the construction of the MTA's \$1.4 billion Fulton Street Transit Center and the \$540 million renovation of the South Ferry subway terminal in lower Manhattan. The General Contractors ("GC") on these projects were two of the largest GCs in the New York metropolitan area, Skanska USA Civil Northeast, Inc. ("Skanska") and Schiavone Construction Co, LLC ("Schiavone").

Thacher provided a team of on-site and behind-the-scenes investigators, engineers, auditors, attorneys and analysts to:

- screen contractors (using, among other tools and techniques, our proprietary database of information regarding New York Metropolitan area contractors);
- ensure compliance by contractors with legal and contractual requirements;
- verify the bona fides of DBEs employed on the projects and monitor that the DBE firms perform the work with their own staffs, supervision, and finances; and
- ensure that payments to subcontractors were made on a timely basis and that there was compliance by contractors with federal regulations regarding the composition of the workforce on the projects.

During this project, we were able to employ our sophisticated and well-informed methods of investigating M/W/DBE fraud to secure significant success for the MTA. We worked closely with the Office of the Inspector General for the MTA (“MTA/OIG”) in developing evidence of improper practices regarding the DBE practices of Skanska, Schiavone and a number of their DBE subcontractors on these MTA projects. The MTA/OIG referred the Schiavone investigation to the United States Attorney for the Eastern District of New York. The result was a civil settlement whereby Schiavone agreed to pay forfeiture of \$20 million to the United States and to reimburse the MTA/OIG approximately \$2 million for the cost of its investigation.

The MTA/OIG referred the Skanska investigation to the United States Attorney for the Southern District of New York. In April 2011, Skanska subcontractor Environmental Energy Associates, Inc. and its principals were indicted on federal fraud and conspiracy charges. The indictment charged that Skanska had “effectively self-performed the work...and helped create the appearance that EEA had done commercially useful work on the project.” Although Skanska was not charged in the matter, the firm agreed to pay \$19.6 million to settle the federal investigation into DBE subcontracting practices among contractors in New York City.

B. Organizational Structure and Availability of Staff

We believe our current capacity is sufficient to provide NJT with the required resources necessary to successfully handle this engagement while simultaneously handling engagements for our other clients. Our previous and current experience handling a number of engagements at once due to the multidisciplinary nature of our team and ability to draw from a deep bench of talent, has evidenced this ability.

Our Head of Construction and Real Estate, Charles Linehan, is responsible for ensuring our proposed staff members have sufficient capacity to perform the required services. Each of the proposed staffers for the Project have sufficient capacity to successfully perform the proposed hours specified in our cost proposal.

The Organizational structure of the team is described in the following section.

IV. Team Organization/Resource Allocation

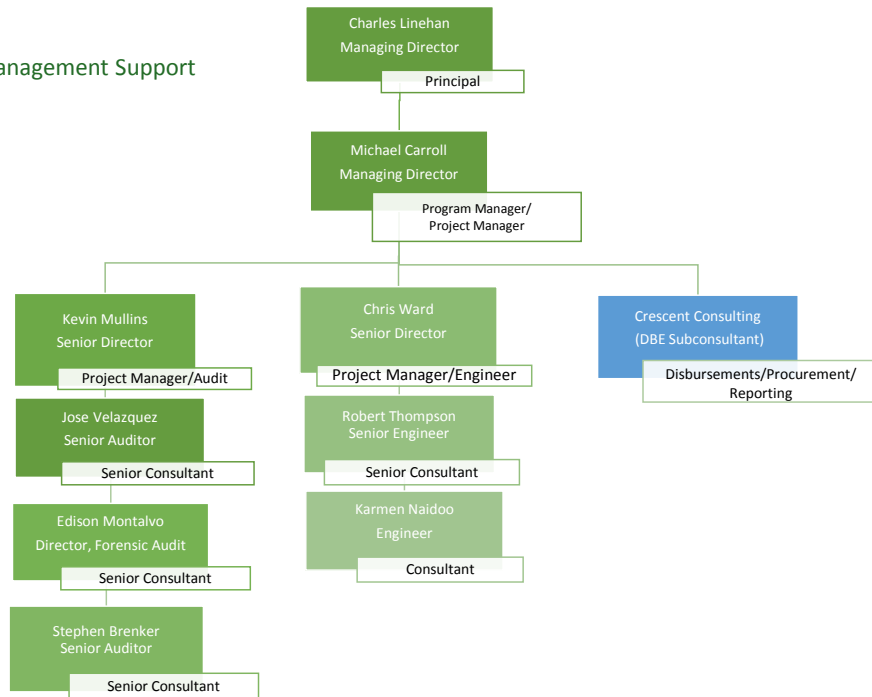
Our team on this engagement will be administratively managed by Managing Director, Michael Carroll, and will include forensic auditors, forensic engineers, field investigators, research analysts, and a project administrator. Our multi-disciplinary team approach has consistently proven to be successful on a wide array of integrity monitoring engagements. Our practice of maintaining executive oversight by the Firm’s principals has enabled us to achieve a high degree of consistency and quality.

Combined, our personnel brings decades of experience in designing and implementing integrity monitoring programs and possess significant experience performing integrity monitoring services on

transit projects. We are confident that by leveraging our multidisciplinary experience and approach, we are uniquely positioned to perform this monitorship with minimal to no learning curve.

The following **Team Organization and Staffing Chart** illustrates our proposed management structure and identifies the key positions necessary to complete the described scope of services:

NJ Transit Contract No. 14-033
 Integrity Oversight Monitoring Services
 HNTB Program Management and Project Management Support



Thacher’s staffing approach is designed to maximize efficiency, leverage existing oversight resources and delegating tasks to the most junior staff level capable of producing quality work product.

Our detailed work plan reflecting the number of person-hours proposed for each Task is attached as Exhibit B.

V. Technical Section

A. Intelligence Driven Approach

Our proposed approach to the detailed scope of work will be forensically based and focus on practicality and real-world solutions, as needed given the status of the task orders to be monitored. Our years of experience in integrity monitoring enable us to target project-specific risks, not wasting resources in areas that do not require scrutiny. As we identify problems, we strive to get to the heart of the matter and design solutions and follow through to ensure that proposed solutions actually work and do not adversely impact project schedules.

Based on our years of experience in the integrity monitoring industry, Thacher understands that our clients have limited resources. We understand that while we cannot effectively monitor every transaction on every project, we maximize our efforts to focus on those activities or transactions most susceptible to risks of fraud, waste, and abuse. Thacher is able to accomplish these objectives successfully, despite our clients' resource limitations, because we employ an *Intelligence Driven Approach* designed to identify the areas of greatest risk to a project (both in terms of impact and likelihood of occurrence), we understand the controls in place to mitigate those risks, and then we focus our efforts on those risks that are most likely to occur and have an unacceptable negative impact to the Project's schedule, budget or reputation.

Our *Intelligence Driven Approach* leverages our longstanding knowledge of the construction industry and its participants – construction managers, general contractors, design firms, trade contractors, specialty contractors, consultants, and with the many regulatory and law enforcement agencies that operate in that industry. By utilizing our proprietary database of historical industry knowledge, which has been developed and refined over the course of three decades, and which is updated daily, we stay ahead of the latest fraud schemes and trends. We also draw from lessons learned on other similar projects to keep abreast of the current state of the industry.

B. Task A – Monitoring Contractor/Vendor Compliance with Applicable Laws and Contract Requirements

Monitoring contractor and vendor compliance with applicable laws and contract requirements begins with a thorough understanding of the weak points most susceptible to exploitation. We anticipate this monitoring will be conducted on a forensic audit basis through reviews of documents, payment requests, change orders, invoices and other forms submitted by vendors. Our forensic engineers understand contractor means and methods, and our auditors, and investigators aid in maximizing the effectiveness of our monitoring efforts. Joining this review of documentation is intelligence gathered from our multifaceted approach, which includes investigations, quality assurance and quality control reviews, and product substitution inquiries, among other related activities.

We understand the complex federal, state and local laws and regulations that govern large-scale transit related construction throughout the region. The federal funding of the Sandy-related resiliency projects creates additional demands because the Program must comply with federal requirements applicable to procurement and other key aspects of the projects, as outlined in FTA's Federal Register notice of funding, to avoid the potential for clawbacks of federal funding. We have substantial experience in monitoring construction projects that have received federal funding from the FTA, FEMA, and HUD including the Moynihan Station, WTC Transportation Hub, and MTA's Fulton Street Transit Center, South Ferry Subway Terminal, and East Side Access Projects and will be able to discharge this function seamlessly.

As the first Integrity monitor assigned by the State of New Jersey under the New Jersey Integrity Monitor Act (A-60), we are familiar with and understand the requirements imposed by that legislation. Moreover, we have substantial experience in monitoring Sandy-related construction costs. We have performed Sandy monitoring for the PANYNJ, including their Sandy clean-up efforts on-site, the City of New York and the State of New York. The State of New Jersey awarded us the first two New Jersey Superstorm Sandy construction monitoring projects. These engagements involved satisfying the applicable FTA Federal Procurement Guidelines and other FTA requirements, as well as, the State of New Jersey Treasury requirements. We know these requirements, we know how to satisfy these requirements, and we can accomplish this with little to no learning curve.

C. Task B – Developing and Implementing Integrity Programs

Given the forensic nature of the proposed scope of work, the development and implementation of an integrity program does not appear to be required at this time.

D. Task C – Conducting Background Checks, Reviews of Documents and Investigations

1. Background Checks

While Thacher has substantial experience in screening construction managers (CMs), trade contractors, consultants and other firms given the forensic nature of this scope of work, we do not anticipate needing to do so for this assignment.

If needed at any point in the assignment, Thacher can however develop a recommended protocol to include forms such as: a statement of minimum standards of integrity for qualification; a Background Integrity Questionnaire (BIQ) tailored to the specific needs of NJT that elicits all necessary information to permit performance of the vetting process but does not deter qualified candidates. We can develop a letter or RFP notice from NJT for presentation to all prospective bidders notifying them of the integrity vetting program and notifying them of their obligations under the program. The protocol will also set out the process by which BIQs will be obtained by potential bidders in either hard or electronic form from NJT or Thacher; how completed questionnaires will be delivered to Thacher; and how screens will be tracked and reports forwarded to NJT by Thacher.

Upon completion of each screen, Thacher would consult with NJT to evaluate the results, analyze any negative information or special issues, and determine whether there is cause for refusing to enter into a contractual relationship with the selected bidder. Thacher would also identify possible actions that New Jersey Transit could pursue in unclear circumstances.

2. Document Review and Investigations

Our team possesses substantial experience in reviewing and understanding contractual agreements between NJT, HNTB, and its subconsultants. Our team includes forensic engineers, accountants, procurement, environmental and safety specialists, and investigators. We efficiently coordinate this multidisciplinary team's activities so that our work product reflects a synthesized approach and our clients have the right expertise reviewing the appropriate documentation. Our forensic auditors, engineers and investigators review areas of concern and our methodologies for reviewing individual documents are described below. The types of documents provided as examples are those most likely to be encountered by the monitor assigned to the Project.

A. Invoices

Risks include commingling, theft (for overbilling), default (after positive cash flow from overbilling or frontloading is exhausted), and delays (via deliberate obfuscation of the work performed to give the impression of greater progress than actually achieved). We determine if the amounts invoiced to NJT accurately reflect the value of services rendered by HNTB. Our forensic auditors verify the clerical accuracy of invoices and supporting documentation to ensure that they roll forward properly; that retainage (where applicable) is properly withheld, in accordance with the contract; that the services performed do not deviate from the original proposal; and that related expenses and other cost reimbursable items are properly supported and allowable under the terms of the contract, and that amounts are not being double billed. All of these reviews are supported by the expertise and assessments made by our forensic engineers and investigators. This approach serves to act as an effective extension of the NJTIAD as they perform their required reviews.

B. Change Orders

To the extent applicable, our forensic engineers will review the base scope of work assigned to HNTB, the proposed scope changes, justification for the changes, independent cost estimates, supporting documentation, adherence to policies and procedures, cost reasonableness, and applicability of cost allocation agreements. These reviews aim to ensure that base scope work is not charged again in the change order and that costs are not inflated. We review various procurement and project management processes for the presence of red flags or suspicious patterns and create a checklist of required documents and proposed procedures. Interviews of consultant staff and NJT personnel are also performed as needed.

All change order documents are reviewed for compliance with procedural requirements. Our forensic auditors review the consultant's proposed costs for change orders and compare them to independent estimates prepared by HNTB and/or NJT. We track change order payments against the budget established for the change order to protect against potential overbilling issues. Through the entire change order review process, our forensic engineers and auditors collaborate and leverage each other's work.

C. Allowances, Contingencies, Acceleration and Holds

Our team of experienced investigators and forensic auditors and engineers review the contract, defining conditions in which such funds may be spent, examining supporting documentation for associated costs, and verifying whether work billed has been performed, all resulting in our team confirming budget items are not being used as an additional funds source for work outside specified purposes.

Our audits have shown that many times, contractors use contingencies and allowances to cover up mistakes or fund budget deficits in other unrelated areas.

D. Bond and Insurance Payments

To ensure that required insurance policies and bonding are in place, Thacher will review contracts and bonding requirements, then request and review original policies from underwriters. Insurance "certificates" will not be accepted as proof of coverage. Instead, we will spot check actual policies and riders to ensure that all appropriate legal entities (i.e., subsidiaries) and projects are covered. To ensure policies have been paid, we review original invoices from brokers and spot-review cancelled checks or bank wire confirmations. If policies are paid via installment we will spot check monthly payments against cancelled checks or bank wires. To ensure proper coverage over the life of the project, we will monitor policy expiration dates. Additionally, Thacher will periodically spot check policies against adjusted contract values to ensure that additional insurance and/or bonding requirements resulting from new awards, scope changes, or change orders are sufficiently maintained.

E. Task D – Reporting

Keeping NJT informed of any developments during the course of our monitorship is, of course, a priority. Therefore, in addition to providing the same or similar reports to NJT as are required by the Department of the Treasury, we would advocate for regular meetings with NJT staff, where we could provide briefings on our activities, concerns, and findings. We would also advocate, if selected as an overall program manager for all Integrity Monitors, for regular meetings among the monitors and NJT to share information, thereby decreasing duplicative work and increasing the efficiency of the entire program.

As the first Integrity Monitor selected under the program administered by the New Jersey Department of the Treasury as well as NJT's Gladstone Line Poles & Foundation Replacement project, we are familiar with departmental reporting protocols, including monthly and quarterly reports, and with our duty to go directly to the Attorney General and/or Comptroller in the appropriate instance, with specific types of findings and have already successfully complied with these reporting mandates.

F. Task E – Preparing and Maintaining a Fraud Risk Assessment

In preparing a Fraud Risk Assessment, we follow a multi-step methodology. The initial step begins with utilizing our *Intelligence Driven Approach* and quickly identifying likely schemes to which the HNTB Project may be susceptible. Next, we identify existing internal controls that provide fraud, waste and abuse opportunity-blocking mechanisms, including a review of any formal written policies and procedures. We interview executive management, operational supervisors, line staff and project participants to learn how they say or believe the system works to protect itself and what risks they believe are most relevant. This process allows us to identify any variations in the understanding of business procedures and internal controls. We ask each of our interviewees to describe the top risks as perceived from their vantage point and may also perform spot audits of specific transactions to test the effectiveness of these control systems to determine whether additional system “disconnects” or red flags may exist.

1. Intelligence Driven Fact-finding

Using the knowledge gained from our *Intelligence Driven Approach*, we are able to perform a risk assessment that also includes information specific to the Project to be monitored; for example, will the Project be required to meet obligations to certain external stakeholders; will the Project involve new offices or divisions specific to disaster recovery; will the Project implement new procedures never before required for otherwise experienced staff.

These data points are analyzed by our multi-disciplinary legal, accounting, engineering, investigative and analyst staff in the context of the specific controls for the Project concluding in the development of a risk assessment that highlights the areas of greatest risk to the Project and our sponsor. The risk assessment, in turn, provides recommendations for enhanced controls and allows for an informed and project specific discussion on devising focused and efficient work plans designed to monitor “weak” points in the Project’s control and compliance matrix. Our *Intelligence Driven Approach* and detailed risk assessment ensures our clients will not waste their resources on areas of minimal concern or risk, while maximizing coverage on those risks most likely to derail, delay or embarrass.

2. Identify Existing Controls

We begin the identification of existing controls through a review of applicable federal and state laws and regulations, contract documents, formal written policies and procedures, and RFIs. Typically, we request and review a wide variety of documents including, but not limited to: any formal written project

management procedures (project procedures manual) addressing areas such as the procurement and bidding process, billing, accounts receivable and collections, accounts payable and payments, vendor selection and vetting, change orders, contingencies and allowances, time-keeping and reporting.

3. Spot Audits of Specific Transactions

The third phase of our Fraud Risk Assessment involves the spot audit of specific transactions. Based on the intelligence and information gathered during the first two steps, we may choose to review a very small and select number of transactions to compare how the policies or procedures dictate the transaction to occur (and the understanding of the affected staff) to the actual transaction process in order to identify any disconnects or “red flags” that may give rise to an increased integrity risk. We test to see what the parties have done to ensure that the controls are protecting not only the work, but many of the compliance requirements.

4. Develop and Finalize Risk Assessment

While the development of the Fraud Risk Assessment is a process that begins on day one, at the conclusion of identifying the existing controls, interviewing stakeholders and project participants and spot audits of specific transactions, we begin the process of finalizing the Fraud Risk Assessment. This finalization includes close consultation and collaboration with staff from the NJT Internal Audit Department to ensure the prioritization of identified integrity risks and our recommended controls enhancements are practicable and in coordination with NJT’s priorities.

VI. DBE Program Requirements for the IOM Firm

For this task, Thacher plans to utilize staff from Crescent to meet the DBE participation requirements. Crescent will assist Thacher in its review of disbursements and the procurement processes.

Thacher ensures compliance with DBE requirements through a two-tiered approach. First, the assigned Program Manager, Michael Carroll, has primary responsibility to track the work performed by DBE firms assigned to the projects through the life of the project to ensure participation requirements are on-track and to ensure the work performed is of sufficient quality. Supporting the Program Manager, and at no cost to the client, is our Head of Construction and Real Estate, Charles Linehan, who is responsible for ensuring appropriate resources are provided to the project and to ensure participation meets the prescribed goals.

VII. Schedule

Thacher’s proposed schedule envisions performing a significant amount of work from inception to produce all required deliverables and reports to NJT by December 2018. Attached is a comprehensive

schedule outlining our activities responsive to the various tasks prescribed for the HNTB Project (Exhibit C).

VIII. Quality Assurance Plan

Meeting expectations, requirements and standards begin with a thorough understanding of the integrity risks inherent in the project. We understand the difference between integrity risks and operational risks and we focus on the former. We begin each engagement with a risk assessment, identifying and then prioritizing the integrity risks, their likelihood of occurrence and the impact such a risk would have on the project.

Once the risks are identified, our Program Manager, in coordination with our Directors of Auditing and Engineering, develop comprehensive audit and work plans based upon those risk areas, leveraging any work already being performed by internal audit and other agency departments and/or other assigned monitors. Our plans drill down on those identified risks and direct specific tasks be performed by each assigned staff member. Staff skill sets are designed to meet the specific skillsets required to successfully execute the tasks. The work plan describes how we will monitor known integrity risks. It also acts as a guide defining tasks to be performed by us, establishes milestones, deliverables and deadlines, creates a time-per-task projection and financial budget, and identifies contingencies. The work plan is instrumental in tracking our deliverables.

Our work plans are not self-executing and require effective communication to remain responsive to our clients' changing needs in fluid circumstances. From our experience we know there is no substitute for the regular communication that is necessary to ensure client satisfaction. Therefore, at the outset of an engagement we meet with our client to discuss expectations and obtain information necessary for devising and revising our work plans. We discuss and resolve any issues that may arise during this process so that we have a meeting of the minds regarding the work we are to perform, in advance of performing the work. We maintain the dialogue initiated at our client kick-off meeting through periodic project update meetings timed and scaled to meet the needs of the individual project.

Implementation of our work plans enable clients to manage costs effectively and contributes to our ability to "set a tone" early in the Project so we can scale back our time commitments and related costs over time. Our work plans create a basis for specific management of project costs in a timely manner. Our professionals use the work plans throughout the month as a basis for measuring whether project costs are being incurred in the manner anticipated. This approach enables us to make adjustments during the month so as to keep the project on budget. Where unexpected tasks and activities arise during the month, the work plans create the basis for an informed discussion with the client regarding prioritization or deferral of tasks so as to keep the engagement on schedule.

As our work progresses, regular and frequent client communications, as desired by the client, ensure that our work is responsive to NJT's needs. We routinely keep our clients informed of pending work progress and proposed new initiatives. We hold regular meetings and additionally communicate via

teleconferences, email, and written work product. Together these communications are a mechanism for knowing whether we are meeting our clients' expectations. We are mindful of the value of our clients' time and always seek to communicate in the most efficient manner.

With the tasks defined to the client's satisfaction in the work plan, the task becomes making sure the work is proceeding as planned, and making sure that the team is acting as a coordinated, integrated team rather than as a collection of individuals working in isolation. We maintain fidelity to the work plan and a coordinated, integrated approach through effective communications within the team and within our organization. We employ a scalable approach to project quality control. In an effort to maximize field presence and minimize a management heavy approach, on all engagements we rely on pushing down work to the most appropriate junior level capable of responsibly performing the task and utilizing more senior personnel only to ensure quality.

Within the team, we have regular meetings for all personnel, where we collectively report on our activities and all developments that affect the engagement. The team meeting provides a means of ensuring that our activities are coordinated among the members of the team, and that insights and findings from each discipline are shared with and incorporated into the strategies of all other disciplines. This provides for synergy and avoids duplication of efforts. Coordination of the team's activities and integration of our services are the hallmarks of our day-to-day management of the team. The team's project manager has primary responsibility to reinforce this approach through ongoing communications with the team's staff. Thus, work product quality is ensured through redundant supervision systems that maintain personnel accountability and hands-on project management that guarantees that every staff member makes diligent progress in their assigned tasks.

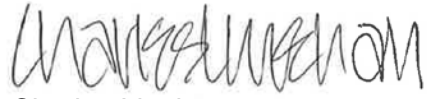
Our Program Manager, Michael Carroll, will ensure the sharing of information across all Work Authorizations that will bring efficiencies to the Project. At the outset of an engagement, he will ensure that the engagement is staffed with professionals who possess the appropriate background, experience and capacity for the job. Throughout the life of the Work Authorization, he will provide continued oversight of the Project by working with Thacher's professionals to ensure that we meet NJT objectives for the assignment, that we are remaining within budget, and that our monitoring approach is carefully coordinated to enhance our management while avoiding duplication.

IX. Conflicts

I, Charles Linehan, certify that neither Thacher Associates, LLC, nor any of our affiliates or subsidiaries or subconsultants currently provide directly or indirectly construction management or similar or related services that could be in conflict with providing Integrity Oversight Monitoring services to New Jersey Transit under our current Integrity Oversight Monitoring agreement either directly or as a member of a joint venture, partnership, or as subconsultants or subcontractor of any tier (Exhibit D).

We appreciate the opportunity to continue doing business with New Jersey Transit.

Thank you,

A handwritten signature in black ink, appearing to read "Charles Linehan". The signature is fluid and cursive, with the first name being more prominent.

Charles Linehan
Managing Director
Head of Construction & Real Estate

Exhibit A



Charles Linehan

K2 Intelligence, LLC, New York, NY

Managing Director, Head of Construction and Real Estate Services March 2017 – Present

Charles Linehan is a managing director at K2 Intelligence, where he leads the firm's Construction and Real Estate Services team. With more than 15 years' experience conducting complex investigations as a criminal prosecutor, Charles oversees an experienced team of investigators, forensic engineers, and forensic accountants, who conduct integrity monitorships, fraud investigations, and compliance reviews on behalf of private and public sector clients. Under his leadership, the Construction and Real Estate team has successfully cross-leveraged K2 Intelligence's cyber and physical security practices, working on behalf of client owners to defend prominent real estate holdings against the twin threats of cyber and physical attack.

K2 Intelligence, LLC, New York, NY

Associate Managing Director

2016 – March 2017

Worked with clients to develop evidence of corporate and individual wrongdoing, including investigations into allegations of fraud, violations of the Foreign Corrupt Practices Act, theft of trade secrets, insider misconduct, and data breaches. Charles managed multi-disciplinary teams of accountants, engineers, investigators, and analysts as engagements required. He conducted interviews, collected and evaluated evidence, conducted surveillance operations, and analyzed financial transactions. Where necessary, he conducted proactive investigations, including the use of covert techniques, and provided law enforcement referral and liaison services.

New York County District Attorney's Office, New York, NY

2001 - 2016

Deputy Chief, Public Corruption Unit,

2014 - 2016

As Deputy Chief of the Public Corruption Unit, Charles supervised and directed sensitive long-term investigations into elected officials and public servants suspected of committing crimes, including corrupting the government, bribery, perjury, grand larceny, money-laundering, and official misconduct. He interviewed and managed cooperating witnesses, collected and evaluated documentary evidence, prepared wiretap applications and conducted related eavesdropping and other surveillance operations, analyzed financial transactions, presented evidence to the grand jury, negotiated pre-trial resolutions, conducted jury trials, and wrote press releases. Charles regularly briefed the District Attorney, Chief Assistant District Attorney, and Division Chief on sensitive case issues and status.

Representative prosecutions:

- In tandem with the Securities and Exchange Commission's Enforcement Division, led the investigation into the transfer of approximately \$2 billion from the Port Authority of New York and New Jersey to the New Jersey Department of Transportation to refurbish the Pulaski Skyway and related New Jersey state highways. The investigation resulted in a \$400,000 SEC fine.
- Supervised the investigation and indictment of a group of criminal defense attorneys who were bribing courthouse employees to solicit clients and move them through the system ahead of similarly-situated defendants. Reviewed and approved all wiretap and search warrant applications. Conducted a four-week jury trial and secured guilty verdicts against the defendants on all counts

New York County District Attorney's Office, New York, NY

Official Corruption Unit

2010 to 2014

Investigated and prosecuted members of the uniformed services, primarily members of the New York City Police Department, for various crimes related to civil rights abuses, including perjury, offering a false instrument for filing, and official misconduct. Extensive experience interviewing witnesses,

Education:

University of California, Hastings
College of the Law
San Francisco, CA, JD, 2001

Washington College
Chestertown, MD
BA, English Literature *magna cum laude*, Departmental Honors
1993

Admitted to Practice in:

- New York

www.k2intelligence.com

New York

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New York, NY 10022

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clinehan@k2intelligence.com

including high-ranking members of the NYPD. Conferred with and advised the NYPD on internal investigations involving police corruption.

Representative prosecutions:

- Directed the high-profile investigation of an Upper East Side madam who claimed to have connections in law enforcement. Conducted a successful undercover operation resulting in the indictment and arrest of the defendant. Analyzed financial evidence, interviewed and secured the cooperation of numerous witnesses, refuted the defendant's claims to have connections in law enforcement, and secured a guilty plea. Wrote and argued a *habeas* respondent's brief before the *en banc* panel of the Appellate Division, First Department.
- Served as co-counsel on the investigation and successful prosecution of two NYPD officers for lying under oath and for committing various civil rights abuses, including conducting unlawful stops, searches, and seizures and then falsifying paperwork to make the resulting arrests appear to be legitimate.

**New York County District Attorney's Office, New York, NY
Major Economic Crimes Bureau**

2006 to 2010

Worked closely with the Securities and Exchange Commission, the New York Stock Exchange, and the Financial Industry Regulatory Authority conducting multiple long-term investigations into securities fraud and other suspected financial frauds. Directed analysis of voluminous trading and accounting records. Developed and managed multiple cooperating witnesses with sophisticated finance industry backgrounds. Secured guilty pleas on every indicted matter and obtained millions of dollars in restitution. Interfaced with banking side AML and compliance personnel to acquire mandatory reporting documentation and review suspicious activity. Represented the District Attorney's Office at multiple industry-wide meetings.

Representative prosecutions:

- Co-directed a three-year investigation into Joseph Stevens and Company, a now-defunct brokerage house where traders and brokers conspired to steal from investors on thousands of trades totaling over \$150 million. Presented the case to the grand jury over six months and secured an enterprise corruption indictment against sixteen employees and the corporation. Wrote the press release and directed initial trial preparation on the case.
- Worked in close coordination with the USAO-EDNY to investigate a stock fraud case in Frankfurt, Germany that led to state and federal prison sentences for a former cooperator subject to cooperation agreements with both offices.

**New York County District Attorney's Office, New York, NY
Trial Bureau 40**

2001 to 2006

Tried approximately twenty-five cases to verdict. Prosecuted a high volume of felony and misdemeanor cases in New York County, from case screening and drafting through arraignment, indictment, and trial. Prepared and presented in excess of fifty felony cases to the grand jury, including assault, narcotics, grand larceny, weapon possession, identity theft, robbery, burglary, and attempted murder. Prepared and argued all pre-trial motions, briefs, and memoranda, and responded to all post-judgment motions for relief. As a trial advisor in the Mock Trial Program, advised junior assistant district attorneys in trial practice.

**New York County District Attorney's Office, New York, NY
Permanent Hiring Board**

2010 to 2014

Conducted first and second round interviews with candidates for permanent legal positions with the office. Wrote candidate evaluations based on interviews and application materials and made hiring recommendations to the Board.

Michael Carroll

Education:

John Jay College of Criminal Justice
New York, NY
MA Criminal Justice 1999

NYC Police Academy
New York, NY
Six-Month Training Program 1993

College of Mount Saint Vincent
Bronx, NY
BA Psychology 1992

Professional Certifications:

Association of Certified Fraud
Examiners
CFE 2007

Teaching Experience:

St. Thomas Aquinas College
1/00-12/02, 09/07-12/2009, 9/13-5/14
Adjunct Professor - Criminal Justice

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Thacher Associates, LLC, New York, NY

K2 Intelligence, LLC New York, NY

Managing Director

2017 - Present

- Works with clients to solve problems in the construction industry, to ensure regulatory compliance demands are met, and to identify and eliminate vulnerabilities that make clients susceptible to fraud.
- Helps clients develop compliance programs that ensure companies meet the demands of government agencies, that worker safety measures are in place, and that companies are protected from theft and other forms of corruption.
- Manages complex investigation in the construction industry focusing on matters such as, prevailing wage, MWBE fraud, organized crime, theft, worker safety and many other areas.

NYC Department of Investigation New York, NY

Deputy Commissioner of the Investigations Division

Associate Commissioner

Assistant Commissioner

Inspector General

Deputy Inspector General

Chief Investigator

2015-2017

2013-2015

2009-2011, 2011-2013

2007-2009

2005-2007

2004-2005

- Held numerous supervisory and executive positions.
- Charged with oversight of more than 300,000 City employees, contractors seeking or engaging in business with the City and other members of the public who engage in corrupt, illegal, or unethical conduct involving the City.
- Oversaw all aspects of the investigations division, providing supervision and management to a staff of over 400 employees, to include investigators, attorneys, auditors, supervisors, and support staff assigned to Inspectors General Offices at DOI.
- Directed and managed a multi-million-dollar annual budget for investigative consultants that provide integrity monitoring for DOI on large scale construction projects.
- Provided executive oversight for the entire Investigations Division. This included 11 investigative squads, the Digital Forensics Unit, Special Operations (Tech equipment, command center, evidence collection, covert services, etc.), and the Vendor Integrity Unit.
- Managed the integrity oversight of the post Hurricane Sandy cleanup and construction by the City, to include the integrity oversight of over \$3 billion in construction, managing five integrity monitoring firms and their \$15 million budget, and supervising all fraud related investigations.
- Commanding Officer of DOI's Training Academy.
- Oversaw and directed criminal investigations that often focused on financial fraud, theft, organized crime, the construction trade, bribery, narcotics, political corruption, etc.
- Ensured that arrests, interviews, search warrants, wiretaps, evidence collection, covert operations, surveillances, and all other aspects of field operations were supervised and executed properly.
- Managed, reviewed and edited complex reports to City agencies, as well as other government entities, that detailed investigative findings and/or identified corruption and security hazards.

New York

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13th Floor

New York, NY 10022

+1.917.281.3248

+1.929.371.0632

knaidoo@k2intelligence.com

- Oversaw internal DOI investigations involving allegations of criminality and/or misconduct.
- Managed a staff that conducted background investigations on contractors and subcontractors that wanted to do business with the City of New York.
- Frequent public speaking engagements included presentations to U.S. law enforcement agencies, as well as law enforcement agencies from foreign governments.

JetBlue Airways New York, NY

2011

Manager of Investigations/Corporate Security – Domestic & International

- Managed all investigations across the United States.
- Investigations included, but were not limited to theft, embezzlement, narcotics trafficking, money laundering, security breaches and employee misconduct.
- Supervised security assessments conducted at all JetBlue airports.
- Reviewed and edited investigative reports.
- Liaison with local, state and federal law enforcement and regulatory agencies.

District of Columbia Inspector General's Office Washington, DC

2002-2004

Special Agent (Grade 13)

NYC Police Department New York, NY

1992-2001

Detective Investigator

- 43rd Precinct Detective Squad
- 43rd Precinct Robbery Investigation Unit
- Special Operations Division – Citywide Plain Clothes with a Focus on Violent Criminal Activity Community Policing Patrolman
- Street Narcotics Enforcement Unit Anti-Crime Unit
- 42nd Precinct Patrolman



Kevin J. Mullins

Thacher Associates, LLC, New York, NY

2010 - Present

Senior Director – Forensic Accounting & Advisory Services

- Supervise staff teams on multitude of forensic accounting and auditing projects, including projects for a wide range of public and private clients.
- Participate as a key member in and oversee project risk assessments and the development of audit approaches and lead teams in implementation of same.
- Assess compliance with internal controls and procedures and issue improvements as necessary.
- Work with client counsel and management to address potential legal and financial risk issues on various projects.
- Lead investigations of suspect entities and individuals for legitimacy and fraud prevention, including on disaster recovery projects.

J.H. Cohn, LLP (Now CohnReznick), Eatontown, NJ

2005 - 2010

Senior Accountant & Auditor

Integrity Monitoring

- Examine records and monitor for errors and fraud on large, high-profile contract work.
- Evaluate contractors and subcontractor billing submissions for reasonableness and completeness.
- Make recommendations to appropriate personnel to assist in bettering the review process as it relates to contractual efficiency and compliance.
- Assist in developing approach and work-plan as it relates to audit procedures performed.
- Identify and investigate variances and discrepancies noted and report to client and various government agencies involved with the project.

Benefits and Collective Bargaining Agreement Compliance

- Performed various procedures to ensure proper reporting and compliance related to the Collective Bargaining Agreement of a major North American professional sports league and players' union.
- Deal specifically with upper management of assigned Teams in reviewing reporting submissions.
- Uncover errors and assist in resolving compliance issues to all parties' satisfaction in a limited amount of time available.
- Perform audits of single and multi-employer benefit plans and ensure that policies and reporting are in compliance with ERISA regulations.
- Uncovered evidence of non-compliance as it relates to the timely remittance of benefit contributions.

Auditing

- In-charge accountant for several audit clients of all sizes in areas such as construction and manufacturing and distribution, performing audits and reviews of financial statements, employee benefit plans, agreed-upon procedures, etc.
- Manage and supervise staff in performing necessary procedures efficiently and within stated deadlines.
- Deal directly with client executive management to discuss and resolve audit and accounting issues and recommend ways to improve reporting and internal controls.
- Perform analyses ensure accounting policies and reporting are in compliance with US GAAP.
- Uncovered fraudulent activities on a large client and developed a set of procedures to address the further risk of fraud during the audit.

Tax

- Participated in year-end tax preparation for several clients, including preparation of Forms 1120, 1120S, 1065, as well as reviewing Forms 5500 for accuracy and ERISA compliance.

Summary:

Certified Fraud Examiner with over 12 years of accounting and auditing experience serving a wide range of public and private clients. Specialties include forensic accounting, investigative auditing, litigation support, integrity monitoring, construction auditing, fraud risk mitigation, disaster recovery claims, internal controls assessments and regulatory compliance.

Education:

Monmouth University
West Long Branch, NJ
BS, Accounting, 2003

Certified Member of the
Association of Certified Fraud
Examiners (ACFE)

www.k2intelligence.com

Christopher Ward

Thacher Associates LLC, New York, NY

**2010 – 2012 &
2014 – Present**

Summary:

An environmental consultant with over 14 years' experience in leading environmental and social due diligence audits to support financial transactions such as mergers and acquisitions and Initial Public Offerings, environmental site assessments, site audits, soil and groundwater remediation.

Education:

University of Plymouth
Plymouth, United Kingdom
BEng(Hons) Civil Engineering, 2003

Professional Memberships:

Participating Member
#1809159 – ASTM International

Professional Certifications:

10-Hour OSHA

www.thacherassociates.com

Senior Director

- Audit contractor compliance with HUD Community Development Block Grant – Disaster Recovery (“CDBG-DR”) requirements.
- Act as in-house environmental specialist to support Project Managers and proposals
- Audits licenses and permits held by environmental contractors and personnel as per local, State, and Federal regulations and independently authenticate those licenses and permits
- Conduct spot audits of various environmental activities to ensure that the work is undertaken in accordance with applicable State and Federal rules and regulations
- Conduct spot audits of contractor contract requirements to determine whether contractors have made inappropriate cost savings that are recoverable by not conforming to the contract requirements.
- Conduct reviews of contractor allowance invoices and change orders to ensure that contract requirements are followed and that the allowance invoices and change orders are fair and reasonable. Review supporting documentation for completeness and accuracy and summarize any deficiencies identified together with recommendations for follow-up where necessary.

Atkins China Ltd., Hong Kong S.A.R.

2012 – 2014

Senior Environmental Consultant

- Managed environmental due diligence projects in Australia, Mainland China and Myanmar (Burma) in accordance with ASTM International, World Bank Group and International Finance Corporation Performance Standards, as part of financial investments by international parties. Work stream comprised leading site audits, interviewing stakeholders and government officials and providing technical reports summarizing in-country findings and risks. Technical reports outlined recommendations and estimated costs, where feasible, for implementation of remedial measures at project sites to mitigate risks identified.
- Conducted Equator Principles assessments to support confidential technical due diligence projects in Australia, with a view to identify potential environmental, health and safety and social impacts that could be caused by the construction, development and operation of projects.
- Led independent environmental due diligence projects, Phase I Environmental Site Assessments and Sediment Quality Investigations for a variety of Hong Kong government projects. Provided technical reports summarizing findings to Hong Kong government agencies and responded to comments, where necessary. Reports also identified health and safety risks and hazards to workers and the general public and provided recommendations for safe working conditions.
- Project lead for necessary environmental documents to meet Hong Kong government statutory requirements for the Hong Kong Link Road project. Documentation provided included a Spill Response Plan, Waste Management Plan and Environmental Management Plan.
- Supported Business Development activities across South East Asia in order to develop due diligence and site assessment and remediation opportunities for Atkins.

- Lead for evaluating and pursuing environmental opportunities in the South East Asia region and undertaking risk assessments associated with undertaking work in countries across the region.

GES, Inc., Hauppauge, NY

2008 – 2010

Project Manager

- Oversaw field activities on underground storage tank removal projects for Shell Oil Products US and ExxonMobil Corporation to ensure work was undertaken in compliance with applicable local, state and Federal health and safety and environmental regulations and established company Health and Safety Plans.
- Managed projects as appointed remediation contractor for NYSDEC in Region 1.
- Provided senior technical review of reports to ensure compliance with NYSDEC environmental rules and regulations.
- Supervised a group of three individuals, duties included: workload management, performance reviews and associated administrative tasks.
- Reviewed Health and Safety Plans generated by contractors to ensure compliance with applicable local, State, and Federal health and safety regulations. Stopped on-site work if non-compliance was noted and undertook corrective action to rectify. Involved in Health and Safety investigations as required by oil and gas industry clients.

URS New Zealand, Auckland, New Zealand

2008

Environmental Scientist

- Managed environmental site assessment of Brownfield sites for private sector, chemical and oil industry clients
- Conducted liaison with clients and regulatory authorities for project updates and progression.
- Reviewed technical reports to ensure compliance with environmental rules and regulations

Mobil Oil New Zealand Ltd., Auckland, New Zealand

2006 – 2008

Contract Remediation Project Manager (seconded from MWH New Zealand Ltd.)

- Involved in lease negotiations, equipment sale and purchase agreements, site access agreements, and consenting issues for company sites and company assets
- Liaison with regulatory authorities regarding projects, consent orders and/or permits et al.
- Contracted and managed contractors and environmental consultants and ensured work undertaken complied with New Zealand environmental rules and regulations. Responsible for an annual budget of NZD \$2-\$3 million per year
- Peer reviewed technical reports generated by environmental consultant and contractors
- Conducted unannounced field audits to facilities where site work was being undertaken in order to ensure contractor and consultant compliance with health and safety and environmental rules and regulations.
- Reviewed and approved contractor and consultant invoices, review involved checking invoices for reasonableness and appropriateness and errors or inappropriate time and material claims.
- Reviewed and approved contractor and consultant Health and Safety Plans on behalf of Mobil Oil New Zealand

MWH New Zealand Ltd., Auckland, New Zealand**2006 - 2008**

Environmental Engineer

- Carried out Brownfield site assessments for regulatory agencies on existing sites.
- Carried out field work for underground storage tank removals for Shell Oil New Zealand Ltd.

Hydrock Consultants, Bristol, UK**2004 – 2006**

Geo-Environmental Engineer

- Managed and supervised environmental assessments for government and private sector clients at various Brownfield sites. Oversaw contractors on-site to ensure compliance with Health and Safety, and environmental regulations.

Joynes Pike & Associates, Bristol, UK**2003 – 2004**

Geo-Environmental Engineer

- Managed and supervised environmental assessments for government and private sector clients at various Brownfield sites. Oversaw contractors on-site to ensure compliance with Health and Safety, and environmental regulations.

Jose L. Velazquez, Jr., CFE

MANAGEMENT CONSULTING EXECUTIVE

Forensic Accounting • Financial Operations • Internal Audit • Business Advisory

Results-oriented forensic accounting professional with fifteen years of multidisciplinary experience in various finance and accounting roles across a wide range of industries. Seasoned professional in strategic planning, financial modeling, financial technology implementation, internal and external audit, fraud examination, and business intelligence. Proven record of success in effective leadership, delivering results, developing people, and executing well-informed, timely decisions in challenging business environments.

Finance & Accounting

Financial Statement Review

Regulatory Compliance

Data Analytics

Assurance & Advisory

Business Development

Fraud Risk Assessment

Internal Investigation

Vendor Risk Assessment

PROFESSIONAL EXPERIENCE

XEREBRO II LLC, Tampa, FL

2017 – Present

Founder and Owner

- Performing independent integrity monitoring and regulatory compliance services pursuant to Davis-Bacon Act, local prevailing wage rules, and MBE/WBE/DBE regulations, including activities such as vendor screening, due diligence, and background investigations on behalf of public infrastructure, transportation, and civil construction project financed by local, state and federal funds.
- Conducting anti-money laundering compliance testing and transaction monitoring reviews for large international bank in connection with terms and conditions specified in deferred prosecution agreement.

K2 INTELLIGENCE, LLC, New York, NY

2013 – 2017

(formerly Thacher Associates, LLC)

Director, Forensic Accounting & Advisory Services

- Developed compliance tests and performed risk assessment for an insurance firm based in New York leading to \$8 million in potential cost savings over a seven-month period.
- Investigated possible violations of the Foreign Corrupt Practices Act (FCPA) at a Latin American subsidiary of a New York-based financial services client.
- Led independent forensic accounting investigation to ascertain validity of intercompany balances and related party transactions involving bankrupt London-based retail conglomerate.
- Provided expert witness testimony in Federal district court in connection with a \$1 billion Ponzi scheme.
- Created and facilitated in-house training programs for continuing education credits benefiting accountants and fraud examiners on staff.

RUTGERS SCHOOL OF DENTAL MEDICINE, Newark, NJ

2011 – 2013

(formerly, University of Medicine & Dentistry of New Jersey)

Manager, Student Receivables & Cash Collections

- Led a team of five staff and supervisory personnel to improve service quality, promote professional development, enhance financial operations, and increase cash collections and accounts receivable turnover.
- Shortened daily and monthly accounting processes by streamlining the reconciliation of seven sub-ledger systems to the main general ledger, reducing staff overtime costs by more than 60% in first year.
- Designed custom Crystal Reports and SQL queries to facilitate financial reporting processes and improve revenue projections and financial budgeting exercises.
- Implemented several financial technology solutions and a centralized patient information system, modernizing clinical operations and eliminating outdated, redundant systems and processes.

COLUMBIA UNIVERSITY, New York, NY
Senior Fraud Auditor, Office of Internal Audit

2010 – 2011

- Conducted internal investigations and assisted audit teams in completing scheduled, operational audits.
- Drafted reports and made presentations to the Associate Vice President of Internal Audit and the Audit Committee of the Board of Trustees.
- Investigated whistleblower complaints alleging payroll and overtime schemes, procurement fraud, and conflicts of interest.
- Developed staff training materials and presentations to facilitate the successful implementation of an advanced internal audit application.

ALVAREZ & MARSAL, LLC, New York, NY
Manager, Global Forensics & Disputes

2006 – 2010

- Researched investment transactions, performed liquidity analyses, and provided litigation support services in connection with Lehman Brothers' bankruptcy proceedings.
- Compiled disparate sources of data to reconstruct a series of complex financial transactions in connection with a multibillion dollar fraud perpetrated by a multinational dairy company.
- Investigated allegations of FCPA violations at a Latin American division of a pharmaceutical firm trading securities in the U.S.
- Led due diligence reviews, prepared consolidated pro-forma financial statements, and drafted footnote disclosures in connection with an energy client's divestiture of three operating units to a competitor firm.

DELOITTE & TOUCHE, LLP, New York, NY
(Deloitte Financial Advisory Services)
Senior Associate, Forensic & Dispute Services

2002 – 2006

- Researched regulatory guidance, including U.S. GAAP and SEC regulations, to support accounting claims in connection with disputes arising from mergers and acquisitions.
- Led audits of U.S.-based subsidiaries of international clients in commercial banking and media broadcasting industries.
- Performed quality control procedures for specific, high-risk audit clients in response to Public Company Accounting Oversight Board and Sarbanes-Oxley requirements.
- Mastered proprietary information systems to produce financial reports and operational workflows for clients in various industries including consumer products, manufacturing, and financial services.

EDUCATION & CERTIFICATIONS

Master of Science, Professional Accounting
Bachelor of Science, Business Administration
SETON HALL UNIVERSITY, South Orange, NJ

Certified Public Accountant (CPA) – New Jersey [Inactive Status]
Certified Fraud Examiner (CFE)

Edison Montalvo

Summary:

More than fifteen years of leadership and key participation in forensic accounting (including SEC investigations), fraud, compliance, bankruptcy, dispute services, litigation consulting and business interruption for significant clients in diverse industries such as: banking, insurance, healthcare, transportation, financial services and government.

Education:

Bloomfield College,
Bloomfield, NJ
B.S., Accounting

Professional Affiliations:

Association of Certified Fraud
Examiners (ACFE)

Association of Latino Professionals in
Finance and Accounting (ALPFA)

www.thacherassociates.com

Thacher Associates, LLC, New York, NY

2016 – Present

Director

- *Collection and review of documents; conduct interviews of construction industry management and workers to identify waste, fraud, and abuse across programs such as Disadvantaged Business Enterprises and union wage and benefits funds fraud*
- *Conduct physical site assessments to identify and evaluate issues with personnel and physical security procedures and practices*

Pfizer Inc., New York, NY

2010 - 2016

Compliance Auditor – Corporate Audit Compliance Group

- Conducted on-site investigations at Pfizer and third party locations, including investigations of allegations of sales manipulation fraud, conflicts of interest, violations of the Global Policy on Interactions with Healthcare Professionals and the Foreign Corrupt Practices Act (FCPA) and other violations of Corporate policies and procedures or laws.
- Responsible for ensuring quality and timeliness of planning, fieldwork & close-out of investigations.
- Presented investigation findings and recommendations for disciplinary actions to senior site and division management.
- Implement and monitor key audit and compliance remediation in markets across the globe.
- Actively participated on departmental and/or cross-functional teams addressing internal and external issues that support the department's Strategic Business Framework. This may include our audit approach for ensuring compliance with FCPA rules and regulations.

Ernst & Young LLP, New York, NY

2008 - 2009

Managing Consultant – Fraud Investigations & Dispute Services

- Directed teams advising on multiple matters on behalf of a government financial entity. Prepared credit agreement analysis and monitoring, debt covenant analysis, analysis of cash flow projections and advising on strategic alternatives.
- Led an investigation of alleged fraudulent activities of key management regarding the misuse of company funds for personal gain, bribes and unscrupulous competitive practices.
- Investigated a company that is currently an industry leader in defense contracts to identify potential FCPA risks on their Integrated Defense System operations.

Kroll Inc./Aon Consulting Inc., New York, NY

2003 - 2008

(Practice effectively moved from Kroll organization to Aon in 2006)

Manager – Forensic Advisory & Litigation Consulting

- Assisted counsel as part of securities litigation against a "Fortune 500" company involving allegations of fraud, improper management of earnings and falsified financial statements.
- Investigated mortgage government entity for creative accounting practices associated with SFAS 133. Assisted counsel in the preparation of an expert report.
- Managed aspects of white collar crime matter pertaining to allegations of earnings management involving improper manipulation of reserves and channel stuffing.
- Prepared and conducted continuing education course of advanced Microsoft Excel and Access applications for forensic accountants.
- Managed investigation of circumstances related to a hedge fund bankruptcy. Prepared monthly financial statements and quarterly fee applications for the fund's trustee. Analyzed cash flow transactions and assisted in the preparation of an expert report.
- Managed an anti-money laundering (AML) investigation internal inquiry on behalf of a major financial institution to understand the circumstances surrounding unreported Suspicious Activity Reports (SARs).

- Performed investigation resulting in the restatement of financial statements for a public company related to fraud orchestrated by management including the manipulation of reserves.
- Developed and managed complex databases comprised of 80 million rows of data in preparation of damages calculation for shared revenue contracts for a major DVD rental company.
- Participated in the fraud investigation of a major insurance company involving allegations of bid rigging. Reviewed insurance placement agreements and prepared damage calculations.

Deloitte & Touche Dispute Consulting, New York, NY
Forensic & Dispute Services

1996 - 2003

- Led a team at an international construction company in the review and validation of contracts.
- Provided strategic advisory services to debtors and creditors in financial crisis situations.
- Investigated a purchase price adjustment for a global agricultural firm of domestic and international operations. Outcome included financial adjustments to the original purchase price.
- Led a team in South America in review of then-current AML policies and procedures, assessment of risk and identification of target areas for a "Fortune 500" electronics company.
- Conducted the second-largest U.S. business insurance interruption claim quantification for a government agency arising from the September 11 attacks.
- Managed an intellectual property damage assessment for a technology giant corporation due to patent infringement. Prepared detailed analyses for worldwide revenue generated to calculate damages.

STEPHEN BRENKER, CPA

Education:

University of Pittsburgh,
College of Business
Administration
BS, Business Administration,
2013
Major: Accounting

Certifications:

Licensed and registered
Certified Public Accountant
(CPA) with the State of New
York

www.k2intelligence.com

Experience:

- Senior Forensic Accountant** 2017- present
K2 Intelligence, LLC, New York, New York
- Conduct risk assessments and internal control reviews at the project and contractor level
 - Develop risk-based audit plans and act as a leader in the implementation process
 - Perform audits pertaining to the appropriateness of contractor and subcontractor billings as well as costs associated with labor, materials, and equipment
 - Analyze documentation pertaining to labor, including certified payroll reports, union benefits, and timesheets
- Senior Commercial Audit Accountant** 2015 - 2017
Anchin Block & Anchin, New York, New York
- Participated in audits, reviews, compilations, and other various engagements from the preliminary stage through issuance of financial statements and reports
 - Responsible for performing auditing and other accounting procedures for all risk areas, audit testing, as well as writing financial statements
 - Acting supervisor on numerous engagements utilizing teamwork and communication skills to efficiently supervise staff, as well as act as point of contact to client
 - Prepare corporate and personal tax returns for firm clients
- Junior & Semi-Senior Audit Accountant** 2014- 2015
Grassi & Co., CPAS, New York, New York
- Participated in audits, reviews, and compilations from the preliminary stage through issuance of financial statements
 - Responsible for performing auditing and other accounting procedures for most risk areas, audit testing, and writing financial statements
 - Utilized Engagement software to efficiently perform, maintain, and support engagements
 - Utilized IDEA software to perform Benford's Analysis, make sampling selections, as well as analyze data
- Staff Audit Accountant** 2013
Aronson LLC, Rockville, Maryland
- Participated in preliminary stage of audits by performing control testing to reduce audit work for clients in the government contracting and technology sectors
 - Participated in reviews from the planning stage through the completion of field work
 - Utilized CaseWare software and audit programs to efficiently perform, maintain, and support engagements
 - Prepared financial statements, schedules, and engagement letters for audits, reviews, and compilations
- Budget Analyst Intern** 2012
Canon U.S.A. Inc., Lake Success, New York
- Prepared financial statements and reports for upper management
 - Assisted in monthly closing
 - Analysis and forecasting of monthly budgets

Robert Thompson

Summary:

An Engineer with experience in construction site work, design, inspection, and investigative services.

Education:

Manhattan College
Riverdale, New York
B.S. Civil Engineering, 2011

Professional Certifications:

EIT (Engineer in Training)
10-Hour OSHA
4-HR Scaffold Training
MTA Track Training
WTC Site Access
Metro-North Training
LIRR Training
Amtrak Training
SWAC Certified
East Side Access Training

www.thacherassociates.com

Thacher Associates LLC, New York, NY

2014 – Present

Forensic Engineer

Monitorship and compliance investigations on a wide range of construction projects in the New York City metropolitan area. Lead Engineer on Projects including NYCHA (New York City Housing Authority) Projects, East Side Access, Harlem River Bridge Renovations, SCA (School Construction Authority) Construction Projects, Second Avenue Subway, Verrazano Narrows Deck Replacement, South Ferry Subway Terminal Renovations, and GOSR Hurricane Sandy Recovery. Some specific tasks include:

- Risk assessments
- Risk mitigation techniques
- Review payment requisitions and certified payroll reports
- Review change order requests and compare to field work
- Check engineering plans and cross referenced with field work
- Investigating Prevailing Wage and Davis Bacon issues
- Reviewing materials on site for contract compliance
- MWBE (Minority and Women Owned Business Enterprises) compliance
- Conducting site safety and site security reviews
- Interviewing Contractors and Project Managers for contract compliance
- Investigating construction insurance issues
- Budgeting hours and organizing engineering schedule
- Anti-Money Laundering

Wilson Consulting Group, P.C.

2013- 2014

Forensic Engineer

Worked in all aspects of bridge and transportation design including:

- Final and Preliminary Bridge Design Calculations
- Temporary Works (Jacking, Cribbing, Shoring, Falsework, Overhang Designs)
- Safety and Environmental Concerns involved in Bridge Construction
- Bridge and Roadway Quantities
- NBIS Bridge Inspections
- Special site inspections including Pedestrian Truss in Lancaster County, abandoned Railroad Bridge at Harrisburg Authority Wastewater Plant, and Bridges along Stewartstown Railroad in York County.
- Performed Load Rating Analysis Reports.
- Permitting for Bridge Projects (GP-11, ATON, etc)
- Restoration Projects including several historic bridges such as Inwood Iron Truss Bridge in Lebanon County PA.
- Trail Projects including an expansion to the Capital Area Greenbelt in Harrisburg.

Pennsylvania Department of Transportation**2010**

Intern Engineer

Worked under Kerry Petrasic, Chief Geotechnical Engineer for PennDot Central Office, on many important topics/projects including:

- Quarries and their effect on sinkhole occurrence in Palmyra, PA.
- Plans to refurbish I-95 through Philadelphia near the Betsy Ross Interchange.
- Updating and Restoring an Interactive Geotechnical Reference Database for use in other districts throughout the state.
- Performance tests in Soils Lab including CBR, Proctor, Direct Shear as well as other duties required.
- Worked with subsurface mapping equipment used in Geotechnical Engineering including Cross Borehole Radar Topography and Electric Current Mapping.
- Assisted in purchasing a remote crawler system that can be sent in pipes and tunnels to investigate subsurface characteristics as well as damages to pipelines.

Karmen Naidoo

Summary:

An Engineer with experience in design, manufacturing, construction site work, and technical design reviews.

Education:

University of South Africa
Johannesburg, South Africa
B.Tech Mechanical Engineering,
2013

Durban University of Technology
Johannesburg, South Africa
N.Dip Mechanical Engineering,
2009

Professional Certifications:

Smart Plant 3D
CAESAR II Pipe Stress Static
Analysis
(Basis & Advanced)
Health & Safety Representative
Course

www.k2intelligence.com

K2 Intelligence, LLC New York, NY

2017 - Present

Forensic Engineer

Monitorship and compliance investigations on a wide range of construction projects in the New York City metropolitan area, tasks include:

- Conduct interviews on sites for contract compliance, for example prevailing wage and MWBE compliance
- Review engineering plans and cross check on site
- Review materials on site for contract compliance
- Conduct site safety reviews
- Review change order requests and compare to field work

AECOM (FSC Consulting), New York, NY

2016- 2017

Mechanical Engineering Consultant

Design of MEP and fire protection systems for residential buildings in New York City, tasks included:

- Prepares HVAC system, duct sizing and energy conservation calculations, reports, and specifications
- Coordinates work with other disciplines; capable of directing, guiding, and quality review of one or more engineers or designers
- Develops/designs solutions for a variety of technical problems of minor to moderate scope and complexity across the plumbing/fire protection engineering discipline
- Develops specifications, system narratives and system layouts for a variety of projects and project sizes
- Residential electrical design for New York City, entailing design plans and reports.
- Equipment, sizing, design, scheduling and reporting
- Review field surveys. Developed, reviewed and updated design scope reports.
- Begins to establish system application, design and operational parameters / sequences under the direction of the senior engineer and/or senior designer
- Participates in QA/QC process by addressing and updating bulletins, design updates DOB objections and DDC comments
- Assists with City Building Department Design Reviews, Code compliancy and Addenda
- Performs fire suppression system selection and prepare designs for residential homes
- Developed design solutions and prepared construction documents for implementation.
- Working knowledge of the International and National Plumbing Codes and NFPA13
- Knowledge of plumbing and fire protection design related
- HVAC (central air system) design for residential buildings in New York City

Babcock Engineering, Johannesburg, South Africa

2014-2015

Piping Engineer

Worked as a lead engineer on projects in the power generation and oil and gas industries, specializing in high pressure piping and boiler design according to ASME and EN standards for the private and government sectors. Some specific tasks included:

- Designed, planned, executed and project managed piping systems (High pressure) in accordance with relevant design codes, and static stress analysis

- Authored and compile fabrication, construction, testing specifications, piping specifications, and method statements
- Aided in the continuous development of relevant Standard Practices, and design standards, as well as execution
- Responsible for project engineering, project management and design integration, for design implementation on site to ensure full legal compliance with PER and relevant design and construction codes & standards, throughout design, construction and close out stages of implemented or integrated designs on specific projects and failed and damaged components
- Knowledge of EN 13480, EN 12952, EN 10216, EN 10222, ASME 31.3 and ASME 31.1, and implementation on project designs
- Managed projects with respect to quality, time and money and delivered requirements as per client's specifications

Bilfinger Power Systems (Steinmuller Africa), South Africa
Junior Piping Engineer / Designer/ Proposals technician

2009-2015

Worked in the power generation and oil and gas industries, specializing in high pressure piping and boiler design according to ASME and EN standards for the private and government sectors. Some specific tasks included:

- Produced 3D models for plant and piping systems with the use of Smart Plant 3D Software package and AutoCAD
- Internal design reports, compilation of technical reports and method statements to convey design and investigation results and recommendations
- Aided as a field engineer for site support and project co-ordination
- Performing site measurements and creating/updating general arrangement and detailing technical drawings accordingly
- Analyzed technical and operational data, evaluating failures and recommending design changes.
- Compiled technical reports and method statements to convey design and investigation results and recommendations
- Authored, developed, implemented and maintained, design standards procedures and calculation spreadsheets
- Attended and aided to site specific technical queries, initiating solutions for design discrepancies
- Reviewed technical drawings according to the original sketches and calculations provided by the Engineer
- Administrated, documented, compiled, calculated and priced tenders
- Estimated and negotiated competitive pre and post prices with the client
- Lead the tender enquiry team, clarifying client requirements, obtained input and tender qualification from internal departments and subcontractors and compiling and submitting to the Proposals Manager a detailed enquiry summary, highlighting the major commercial, technical and special requirements



Stephanie Lee
Project Manager

SUMMARY

Stephanie Lee is a Project Manager who has well over five years of experience in management and administration. She has lead projects that require significant administrative oversight, interaction and reporting to Project Teams and monitoring agencies, such as and the Governor's Office of Sandy Recovery ("GOSR"), NYS Home & Community Renewal ("NYCHCR"), and Department of Small Business Services ("DSBS"). She exhibits an exceptional leadership approach when facilitating and/or participating in meetings to report analyzed data collected on Summary Reports to the client and/or Project Team. She also enforces Affirmative Action/ Equal Employment Opportunity ("AA/EEO") compliance regulations on projects, which involve the inclusion of M/WBE firms and the utilization of minority, women, and apprentice workforce.

EDUCATION

Fairfield University
Bachelor of Arts in Literature and Cultural Studies with a minor in Marketing

EXPERIENCE

SPARC Program (Various)
South Street Seaport Pier 17 And Fulton Market
Draper Hall
Maestro West Chelsea
Surf 21- Coney Island
Matrix Upper Lot Urban Renewal

Ms. Lee works in accordance with City and State agencies assisting contractors/subcontractors to achieve their goals and requirements set forth by monitoring agencies. This responsibility requires continuous communication with the contractors, in which she informs the firms of their obligations and requirements under the various programs, alerts the firms of any deficiencies, and rectifies their reports as needed. Ms. Lee collects and analyzes the various compliance documents collected for each project; in particular, she prepares and maintains payroll records on a weekly basis for all Contractors on site. She conducts a review of all certified payroll records to determine conformity with the prevailing wage determination requirements, job classification, and hours worked for all trades. She analyzes the Prevailing Wage Worksheet for each Contractor to review and analyze the Certified Payroll Records submitted by all contractors for conformity with Payroll Record Submission Requirements. If an individual is not paid the Prevailing Wage Rate and Benefits specified by for this project, Ms. Lee generates a Prevailing Wage Audit to determine the compensation to be paid to the individual by the Contractor to avoid monetary sanctions. She ensures that any program concerns are identified and reported to the Project Team immediately.

Concerning the tracking and monitoring of the project, she disseminated the Notice to Contractors, confirms the schedules and attends any necessary Pre-Award Meetings for Prime and Lower Tier Subcontractors. She generates and maintains the Contractor Document Status Report, and provides Project status to, the General Contractor's Project Manager, and the Developer. She attends field meetings to disseminate present project requirements to the Project Team and its Sub contractors. In addition, Ms. Lee collects and submits documents to submit to the monitoring agency. From her review of the documentation, she generates and maintains data on the M/WBE and Workforce Compliance Report and Executive Summary.



James Torres
Administrative Assistant

SUMMARY

James Torres is an Assistant Project Manager whose experience has focused in on the management and administration of M/WBE Compliance and Outreach, as well as Prevailing Wage projects on public and private sector projects. He is responsible for projects that require a great deal of administrative oversight and interaction with the monitoring agency, such as NYS Empire State Development (“NYS ESD”) and New Jersey Economic Development Authority (“NJEDA”).

EDUCATION

Bergen Community College
Major in Communications in Broadcasting w/ minor in English

EXPERIENCE

Larkin Plaza
Matrix Upper Lot Urban Renewal
Wells Fargo @ 30 Hudson Yards
HRA- Phase II
Surf Avenue
Alvin Ailey

Mr. Torres assists the Project Team to prepare and maintain payroll records on a weekly basis for all Contractors on site. He conducts a review of all certified payroll records to determine conformity with the prevailing wage determination requirements, job classification, and hours worked for all trades. He analyzes the Prevailing Wage Worksheet for each Contractor to review and analyze the Certified Payroll Records submitted by all contractors for conformity with Payroll Record Submission Requirements. If an individual is not paid the Prevailing Wage Rate and Benefits specified by for this project, Mr. Torres informs the Project Manager so that a more detailed auditing process may occur.

Mr. Torres sends any initial emails to all contractors on site containing the Notice to Contractors for the specific projects. If any contractor needs assistance in completing the documents, Mr. Torres calls the firm representative to discuss how to correctly complete all forms. During construction, he sends monthly reminders to all contractors on site requesting all required compliance documentation and following up on any delinquent documentation. Through his collection and review of compliance documents, he works with the Project Manager to analyze the Contractors’ overall compliance with the project. He assists the Project Manager in completing the M/WBE Compliance Report, Contractors Status Report, or any other reports requested by the client.

Exhibit B

Draft
New Jersey Transit Corporation
Fraud Risk Monitoring Hours

Project Name: IOM Services for the HNTB Program Contract No. 14-033 IOM Firm: Thacher Associates LLC Date: November 16, 2016

Program Wide Risk Sections	Risk Category	Fraud Monitoring Staffing Hours								Total Hours
		Partner/ Principal/ Director	Program Manager	Project Manager	Subject Matter Expert	Supervisor/ Senior Consultant	Consultant	Associate Staff	Admin. Support	
A	Grant Management	0	0	0	0	0	0	0	0	0
B	Disbursements	0	15	30	0	60	60	0	0	165
C	Procurement	0	15	50	0	100	110	0	0	275
D	Task Order Contractors (TOC's)	0	15	40	0	60	160	0	0	275
E	Outsourced Programs	0	10	25	0	70	140	0	0	245
F1- F3	Disadvantaged Business Enterprise (DBE) - False Submission / Pass Through / Fronting / Compliance	0	0	0	0	0	0	0	0	0
G	Change Orders	0	15	30	0	60	60	0	0	165
H	Claims Management	0	15	30	0	60	60	0	0	165
N/A	Deliverables / Reporting	0	60	20	0	45	40	0	100	265

(For Future Reference)		
Budget Hours	Actual To date	Variance

DBE Sub-consultant Hours	0	0	100	0	0	0	0	90	190
Net Prime Hours	0	145	225	0	455	630	0	100	1555
Total Hours	0	145	325	0	455	630	0	190	1745

Draft

New Jersey Transit Corporation

Project Name: HNTB Project

Contract No. 14-033

IOM Firm: Thacher Associates Date: 02/21/2018

Potential Fraud Indicators

This list of potential fraud indicators may not be all inclusive. Additional indicators of fraud should be added based on risk associated with the project being monitored. ***Thacher note: Other indicators of fraud are added below in bold and italics.***

Project: HNTB Project

IOM: Thacher Associates

1) Time Overcharging
a) Unauthorized alterations to timecards and other source records.
b) Billed hours and dollars consistently at or near budgeted amounts.
c) Timecards filled out by supervisors, not by employees.
d) Photocopies of timecards where originals are expected.
e) Inconsistencies between consultant’s labor distribution records and employee timecards.
f) Frequent adjusting of journal entries with descriptions such as changed wrong “work order” or “contract number.”
g) Labor charges inconsistent with contract progress.
h) Personnel files that cannot be found or “found” after a delay.
i) Lack of clear audit trail to verify propriety of labor charges.
<i>j) Missing signatures or required notarizations on documentation.</i>
2) Conflicts of Interest
a) Unexplained or unusual favoritism shown to a particular contractor or consultant.
b) NJ TRANSIT official disclosing confidential bid information to a contractor or assisting the contractor in preparing a bid.
c) Employee having discussions about employment with a current or prospective contractor or consultant.
d) Close socialization with and acceptance of inappropriate gifts, travel, or entertainment from a contractor.
e) Vendor or consultants address being incomplete or matching employee’s address.
f) NJ TRANSIT official leasing or renting equipment to a contractor performing contract work.
g) Contracting or purchasing employee lives beyond his or her means.
h) Contracting employee fails to file Conflict of Interest or Financial Disclosure forms.
i) Employee declines promotion from a procurement position.
<i>j) Main consultant hiring sub-consultants/subcontractors based on previous beneficial relationships.</i>
<i>k) Financial or other incentive, whether directly or indirectly, to steer work toward favored consultant(s)</i>
3) Kickbacks
a) Unexplained or unreasonable limitations on the number of potential subcontractors contracted for bid or offer.
b) Continuing awards to subcontractors with poor performance records.

- c) Non-award of subcontract to lowest bidder.
- d) "No-value-added" technical specifications that dictate contract awards to particular companies.
- e) Non-qualified and/or unlicensed subcontractors working on prime contracts.
- f) Poor or no established contractor procedures for awarding of subcontracts through competition.
- g) Kickback amount is passed back to NJ TRANSIT.
- h) Lack of separation of duties between purchasing, receiving and storing.
- i) Purchasing employees maintaining a standard of living exceeding their income.
- k) Allowing unqualified subcontractors'/sub-consultants' to work on project for financial benefit.**

4) Quality Control Testing

- a) Contractor not maintaining QC samples for later quality assurance (QA) testing.
- b) Contractor challenges results or attempting to intimidate QA inspectors who obtain conflicting results.
- c) Photocopies of QC test results and/or associated records (i.e. chain of custody), where originals are expected.
- d) Alterations or missing signatures on QC test results.
- e) Contractor employees regularly taking or labeling QC samples away from inspector oversight.
- f) Laboratory test reports are identical to sample descriptions and test results, varying only date and lot number tested.
- g) Test results cannot be found or have been destroyed.
- h) Test results are lost then "found" after delay.

5) Materials Overcharging

- a) Discrepancies between contractor provided quantity documentation and observed data.
- b) Refusal or inability to provide supporting documentation.
- c) Photocopies of quantity documentation where originals are expected.
- d) Irregularities in color or content of weight slips or other contractor documents used to calculate pay quantities.
- e) No receiving report for invoiced goods.
- f) Unusually high volume of purchases from one vendor.
- g) Invoiced goods cannot be located in inventory or accounted for.

6) Disadvantaged Business Enterprise (DBE) Fraud

7) Bid Rigging and Collusion

- a) Unusual Bid Patterns: too close, too high, round numbers, or identical winning margins or percentages.
- b) Different contractors making identical errors in contract bids.
- c) Bid prices dropping when a new bidder enters the competition.
- d) Rotation of winning bidders by job, type of work, or geographical area.
- e) Losing bidders hired as subcontractors.
- f) Apparent connections between bidders: common address, personnel, or telephone numbers.
- g) Losing bidders submitting identical line-item bid amounts on non-standard items.
- h) Persistent high prices by all bidders.
- i) Joint venture bids by firms that usually bid alone.

- j) Losing bids do not comply with bid specifications or only one bid is complete and other bids are poorly prepared.
- k) Placing unreasonable requirements on bidders in order to qualify them to do business**
- l) Noncompetitive pricing between firms or between affiliated companies**

- 8) Product Substitution**
- c) Contractor refusing to provide supporting documentation regarding production or manufacturing.
 - d) Photocopies of necessary certification, delivery, and production records where originals are expected.
 - e) Irregularities in signatures, dates, or quantities on delivery documents.
 - f) High rate of rejections, returns, or failure.
 - g) Test record reflecting no failures or a high failure rate but contract is on time and profitable.
 - h) Unsigned certifications.
 - i) Contractor offers to select samples for testing programs.
 - j) Supplier entertains on provider gratuities to inspection personnel.
 - k) Contractor arranging for deliveries outside of working hours**

- 9) Bribery**
- a) NJ TRANSIT official or HNTB employee has a lifestyle that exceeds his or her salary
 - b) Contract change orders lack sufficient justification.
 - c) Oversight officials socialize with, or have business relationships with, contractors or their families.
 - d) Involvement of an unnecessary middleman or broker.
 - e) Contracting employee declines promotion to a non-procurement position
 - f) Contracting employee insists contractors use a certain subcontractor or broker.
 - g) Keen interest by a contracting employee in the award of a contract on purchase order to a particular contractor or vendor.
 - h) Payments to influence contract award.
 - i) Payments for selection as subcontractor.
 - j) Main consultant insisting on sub-consultants/subcontractors using particular insurance brokers for insurance**
 - k) Main consultant allowing sub-consultants/subcontractors to provide inferior work products for financial gain**
 - l) Payments from sub-contractors/subcontractors to overlook non-compliant work**
 - m) Payments from sub-consultants/subcontractors to allow fictitious submittals to the NJT, FTA and FHWA**

10) Debris Removal

- 11) False Claims**
- a) Inflated costs or double billing for work.
 - d) False or altered invoices.
 - c) False labor costs or payroll padding.
 - d) False claims for specialty insurance costs that were not actually obtained by sub-consultants/subcontractors**
 - e) Lies about paying subcontractors for services.**

13) Conflicts of Interest
a) NJ TRANSIT official or HNTB employee has dollar interest in contractor.
b) Contractor hires relative of contracting official.
c) <i>Subcontractor/sub-consultant hires relative of main consultant.</i>

DRAFT
New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan
Project Name: IOM Services for the HNTB Program,
Contract No. 14-033 IOM Firm: Thacher Associates LLC Date: February 21, 2018

Risk Category	Program Wide Risk Ref.	Program Wide Fraud Scheme Description	Program Wide Likelihood/ Impact	Potential Fraud Risk Description and Application to this Project	Likelihood / Impact (This Project)	Monitoring Procedures (Modify to address the risks identified for this project.)
Grant Management	A.1	Falsified Application Documents	L/H	N/A - this risk category relates to NJT's internal processes and not specifically to prime and sub consultants on the projects for which NJT is seeking Integrity Oversight Monitoring services.	L/H	N/A
Grant Management	A.2	Falsified Reporting	L/M	The Eisner Amper Program-Wide Risk Assessment identifies the areas of significant risk beginning with the Procurement risk category (beginning at C.1.1).	L/M	N/A
Grant Management	A.3	Budget Manipulation	M/L	To the extent NJT requires IOM services specific to this risk category, TA will modify its work plan on an as-requested/as-needed basis.	M/L	N/A
Disbursement	B.1	Payment Charged to Incorrect Grant Code	M/L	Ensure NJT has policies and procedures in place to properly earmark disbursements. Inappropriate relationships may exist between HNTB employees and NJT employees which may be exploited for financial gain at the expense of NJT.	M/L	Periodic attendance at pertinent meetings to monitor control effectiveness, compliance with processes in place and identify and discuss issues arising and effecting payment based on work completion; cross check with consultant and NJT, and final requisition review.
Disbursement	B.2	Billing Schemes	L/M	HNTB may apply inappropriate and/or duplicate overhead & profit mark-up to invoices.	L/M	Ensure that any time, materials, or equipment billed are appropriately supported with T&M tickets and other legitimate documentation such as invoices, receipts, payroll records, etc.; ensure that all change order work was approved by the appropriate oversight personnel in the field as well as by NJT .
Procurement - Contractor bid frauds	C.1.1	Bid Suppression	H/M	Bid rigging schemes among prospective bidders include colluding to limit the number of bidders, steering bids to selected consultant(s) or inflating the contract price. Initial selection of consultant(s) to receive bids is limited to a list of favored firms when there is a much larger pool that can complete the work.	H/M	Determine whether the non-winning bidders are retained via subcontracts for potential payoff of bid rigging scheme. Contact firms that were solicited but did not bid to find out why they did not bid. Check ownership and affiliations of competitors to determine if there is shared ownership, past joint ventures, or an ongoing and repeated consultant/subconsultant relationship. Review all supporting documentation for potential red
Procurement - Contractor bid frauds	C.1.2	Complementary Bidding	H/M			
Procurement - Contractor bid frauds	C.1.3	Bid Rotation	H/M			

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New Jersey Transit Corporation-Fraud Risk
Monitoring Work Plan

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Contract No. 14-033 IOM Firm: Thacher Associates LLC Date: February 21, 2018

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Procurement - Contractor bid frauds	C.1.4	Unbalanced Bids	H/M			flags of bid rigging schemes.
Procurement - Conflicts of interest	C.2	Conflicts of Interest	H/M	There may be a financial or other incentive (e.g., the existence of a long-term business relationship or a direct or indirect financial ownership interest) to steer work to favored consultant(s).	H/M	Conduct reviews of bidders lists to determine whether they represented a legitimate pool of consultants. Contact firms that were solicited but did not bid to find out why they did not bid. Check ownership and affiliations of competitors to determine if there is shared ownership, past joint ventures, etc.
Procurement - Bribery / kickbacks	C.3	Bribery/Kickbacks	H/M	Improper influence over the vendor selection process, due to kickbacks or inappropriate relationships especially in sole-sourced projects.	H/M	Review vendor selection procedures for control weaknesses and compliance during selection process. Review ANY sole sourced contracts for award process.
Procurement - Contract frauds	C.4.1	Rigged Specifications	M/M	Bundle contract or work packages to favor particular consultant(s). Specifying proprietary means and methods or materials to limit consultant pool.	M/M	Review contract RFP documentation, related contract documents, questions submitted during procurement, minutes from procurement meetings and consultant proposals to identify any red flags that may require follow up. Procedures for C.4.1 - C.4.4 are performed concurrently.
Procurement - Contract frauds	C.4.2	Manipulation of Contract Terms	M/M	Scope and contract language written to favor a specific consultant for the work. Setting of unrealistic/unnecessary technical or operational requirements to limit consultant pool.	M/M	
Procurement - Contract frauds	C.4.3	Intentionally Vague Scope Definition	H/H	Scope written in such a way to dissuade certain consultants from bidding on the work due to the risk of obtaining the contract and then being able to perform the scope for the price submitted.	M/M	
Procurement - Contract frauds	C.4.4	Unreasonable Prequal Requirements	M/M	Setting of unrealistic/unnecessary technical or operational requirements to limit consultant pool. Qualifications established in the RFP documentation may set thresholds for items like years of experience or number of projects completed of similar scope and size at high levels in order to narrow bid pool to favored consultant(s). This can severely limit consultant bid pool resulting in higher pricing and potentially steered contracts.	M/M	

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Procurement - Bid Information Frauds	C.5.1	Leaked Bid Information	H/M	Prospective consultants may be privy to information that would lead to unfair advantages in the bidding process or at the BAFO stage. Estimates are prepared and reconciled by NJT estimators prior to the receipt of the bids which creates possible opportunity for improper disclosure.	H/M	Review bid opening documentation and verify that NJT representatives were present and that proper procedures were followed. If bids were received late, obtain justification or interview procurement staff regarding the reasoning. Review procurement correspondence to ensure all bidders received the same information, at the same time throughout the procurement process.
Procurement - Bid Information Frauds	C.5.2	Accepting Late Bids	M/M	The use of BAFOs, and in some cases multiple BAFOs, increases the opportunity for information to be leaked. Estimates not reconciled in a timely manner may be influenced by bids. Acceptance of a late bid opens the door for a consultant to revise its price after other bidders' pricing has been obtained.	M/M	Review established bid receipt and opening procedures to ensure they provide sufficient detail and have been consistently followed. Look for potential red flags, such as: bids being accepted after the due date/time without notifying NJT; bid envelopes have not been maintained; bids have been accepted in envelopes that have not been date/time stamped; bid envelopes have been stamped "received" at the bid opening rather than when received; and bid comparison sheets have not been prepared at bid openings and distributed to attendees.
Procurement - Bid Information Frauds	C.5.3	Improper Disqualification	M/M	Consultant(s) proposal(s) not accepted or disqualified for reasons not in line with established procurement procedures to inappropriately steer award to a favored consultant(s).	M/M	Review any rejected or disqualified proposals and reasoning supporting the decision. Interview procurement staff regarding reasoning.
Procurement - Bid Information Frauds	C.5.4	Unjustified Sole Source Contracts	H/M	HNTB may collude with NJT procurement managers in exchange for consideration in the form of payments or incentives from HNTB for the purpose of overbilling, duplicative billing, failure to process returns, failure to demand rebates scheduled, or involvement in shell company billing schemes.	M/M	Review consultant and vendor procurements (where applicable) for indications of sole sourcing. If sole sourcing is identified, review invoices and disbursement records to consultant or vendor for unusual or inconsistent payment activity or other indications of bribery or kickback schemes.
Task Order Contractors (TOC's)	D.1	Bribes/ Kickbacks	H/H	Documents may be falsified in concert between HNTB and NJT procurement manager(s) to obtain authorization, allowing the creation of shell companies and/or fictitious invoices.	M/M	Vet selected subconsultants and suppliers (where applicable). Search TA proprietary database and perform expanded review of suspected or known problem contractors/consultants and vendors/suppliers.

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Task Order Contractors (TOC's)	D.2	Falsifying Records	M/M	<p>Front Loading: HNTB may assign inflated amounts to line items within the schedule of values that are expected to be completed in earlier periods. This may result in payment applications indicating percentages of completion that are excessive and not commensurate with the actual value of the construction in progress or units delivered. Secondary risks include the possibility of HNTB depleting cash reserves before substantial completion of the project, which could result in default, or more likely, fictitious or excessive change orders.</p> <p>Contractually required documentation that has not been produced or is otherwise missing could be an indicator that HNTB has purposely withheld the required documents in order to conceal inappropriate activity and/or to avoid filing false documents.</p>	M/M	<p>Periodic attendance at pertinent meetings to monitor control effectiveness, compliance with processes in place and identify and discuss issues arising and effecting payment based on work completion; cross check with consultant and NJT, and final requisition review. Verify that all work product has been transferred to NJT prior to paying subconsultant if additional work is pending.</p> <p>Review contract provisions regarding required requisition supporting documentation. Review approved requisitions and supporting documentation for compliance.</p>
Task Order Contractors (TOC's)	D.3	Conflicts of Interest	H/M	<p>Non-disclosed affiliate relationships may exist between HNTB and second-tier subconsultants, which may result in conflicts of interest or self-dealing.</p> <p>Inappropriate relationships may exist between HNTB employees and subconsultant employees which may be exploited for financial gain at the expense of NJT.</p> <p>HNTB employees may exploit an inappropriate relationship by approving work not yet performed, accepting work that is subpar, or nonconforming, etc.</p>	H/M	<p>Obtain and review NJT questionnaires for all consultants, subconsultants and vendors to gain an understanding of possible affiliate relationships.</p> <p>Consider interviewing principals, employees, or accounting personnel of consultants and subconsultants, as warranted, to ascertain accuracy of affiliate relationships.</p> <p>Other potential procedures may include: Performing background checks, reviewing resumes of key people in positions to pay invoices or approve work (to see if they worked for any of the subconsultants they are overseeing) or conducting further investigation of disclosed relationships identified in questionnaires supplied during the prequalification process.</p>
Task Order Contractors (TOC's)	D.4	Schedule Manipulation	M/M	<p>Schedule submittals include artificial constraints or manipulated logic to show unobtainable milestone completion.</p> <p>Intentional schedule manipulation may be used as a tactic to coerce NJT to approve extensions of time to achieve critical dates or risk significant cost overruns.</p> <p>HNTB may create schedule updates that work to their own financial/timing benefit and that of subconsultants, at the expense of NJT.</p> <p>The demands of the desired completion date could result in HNTB and subconsultants manipulating schedule to support claims.</p>	H/H	<p>Periodic review of claims and change orders (if applicable).</p> <p>On-site monitoring of construction progress and comparison to reported progress to ensure accuracy of all scheduling data.</p> <p>Interview project managers from NJT and HNTB to get insights on how schedule is progressing.</p>

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Task Order Contractors (TOC's)	D.5	Change Order Manipulation	H/H	Refer to expanded section on Change Orders (detailed below)	H/H	Refer to expanded section on Change Orders (detailed below)
Outsourced Programs	E.1	Duplicate Billings	H/H	HNTB may include unallowable, duplicate, and/or unpaid invoices in payment applications submitted to NJT.	H/H	Review supporting documentation including invoices, receipts, and payroll records for possible duplication of work; spot check payments to subconsultants and vendors; if necessary, conduct payment confirmation procedures on select vendors and suppliers. Perform spot checks for items included in requisitions from HNTB to NJT to test for duplicate submission of charges. Additional procedures (where appropriate) will follow the methodology discussed in the Change Orders section of this work plan.
Outsourced Programs	E.2	Cost Shifting	H/H	Refer to sections of the work plan referring to Change Orders and QA/QC potential fraud schemes.	H/H	Additional procedures (where appropriate) will follow the methodology discussed in the Change Orders and QA/QC section of this work plan.
Disadvantaged Business Enterprise (DBE) - False Submission	F.1.1	False Certification Documentation	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>
Disadvantaged Business Enterprise (DBE) - False Submission	F.1.2*	False Compliance Documentation	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>	L/L	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>
Disadvantaged Business Enterprise (DBE) - False Submission	F.1.2*	False Compliance Documentation	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>	L/L	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>
Disadvantaged Business Enterprise (DBE) - False Submission	F.1.2*	False Compliance Documentation	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>	L/L	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>
Disadvantaged Business Enterprise (DBE) - False Submission	F.1.2*	False Compliance Documentation	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>	L/L	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>
Disadvantaged Business Enterprise (DBE) - False submission	F.1.3	False or Manipulated DBE Pricing	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>

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Disadvantaged Business Enterprise (DBE) - Pass-Through	F.2	Pass-Through	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>
Disadvantaged Business Enterprise (DBE) - Fronting	F.3	Fronting	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>
Disadvantaged Business Enterprise (DBE) - Compliance Monitoring	F.4	DBE Compliance Monitoring	H/H	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>	L/L	<u>N/A as per Work Authorization Request this is not included in the scope of work.</u>
Change Orders	G.1	False Submissions	M/H	HNTB and/or subconsultants may include fictitious invoice costs for non-priced items – potentially, with falsified supporting documentation.	M/H	Ensure that any time, materials, or equipment billed are appropriately supported with T&M tickets and other legitimate documentation such as invoices, receipts, payroll records, etc.; ensure that all change order work was approved by the appropriate oversight personnel in the field as well as by NJT .
Change Orders	G.2	Cost Shifting	H/H	Contingency funds (i.e. allowances) may be utilized by HNTB for purposes other than what is specified by the contract, for items covered under the base scope and/or without approval from NJT.	H/H	Monitor contingency fund usage for contractually defined activities and owner approval. Perform reviews and on-site monitoring of allowance / contingency work and conduct worker headcounts ((where applicable)).
Change Orders	G.2	Cost Shifting	H/H	HNTB may request and obtain approval for change orders reflecting items or work that is included as part of the base scope of work. In the case of lump sum contracts apply, improper field work tickets/orders may be issued; HNTB may not issue credits for additional charges billed under change orders that were included within the base contract.	H/H	Periodically review change orders for out of scope validation. Sample change orders that could be considered as being within the base scope of work against expected deliverables. Determine method used to separately track actual costs expended for later capture into approved amounts. Sample process of tracking time, material and equipment tickets and distinct segregation of Change Order work vs. Base Scope work. Compare observations for extra work to what subsequently gets recorded and billed via consultant invoices.

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Change Orders	G.3	Cost Inflation	H/H	Prime consultant submits and receives approval for change orders for additional work caused by consultant errors, design errors, inefficiencies.	H/H	Verify that proper credit has been received for duplicate and corrective work. Ascertain the responsible party for payment of fines and violations issued by third party for consultant errors.
Change Orders	G.3	Cost Inflation	H/H	HNTB may embed unallowable, duplicate, and/or unpaid invoices within change order billings included in subsequent payment applications submitted to NJT.	H/H	Review change orders for proper oversight and approval by appropriate parties. On a spot basis, review supporting documentation such as time logs, invoices, receipts, and payroll records and review for possible duplication of work already performed or billed in earlier requisitions/invoices; spot check payments to subconsultants and vendors; if necessary, conduct payment confirmation procedures on select vendors and suppliers.
Change Orders	G.3	Cost Inflation	H/H	HNTB may collude with subconsultants and vendors to include invoices for work not performed or items not delivered (or subsequently misappropriated).	L/M	Review extra work billing procedures and perform spot testing. On a selected basis, review invoices for delivery location; match invoices to delivery tickets and sign-offs. If potential issues are suspected, possibly send confirmations to selected vendors to confirm billings, delivery locations and pricing.
Change Orders	G.3	Cost Inflation	H/H	For fixed price change orders, estimates by HNTB or subconsultants may not be independent or work may ultimately not be performed. Insiders may relay estimate information to HNTB before HNTB derives its own estimate. HNTB estimates may be received before estimate reconciliation meetings are held. HNTB's estimates may be used for internal estimate reconciliation in order to fast-track NJT's approval of the change order.	M/M	Review a sample of change orders to ensure those over a specified threshold have been independently estimated. Compare a sample of approved change order amounts against independent estimates for reasonableness. On a spot basis, verify prices and quantities independently for reasonableness.
Change Orders	G.3	Cost Inflation	H/H	Due to schedule demands, HNTB may be directed to proceed with work prior to formal change order approval and/or with inadequate oversight which could lead to inflation of time and materials costs.	H/H	Review sample of time logs invoices against deliverable to determine if effort reflected in time logs is supported by on site staffing (where applicable) and deliverable outputs. On a spot basis, compare staffing from time logs to payrolls by name for the dates charged. On a spot basis, review documentation supporting labor, material & equipment costs.

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Change Orders	G.3	Cost Inflation	H/H	HNTB may apply inappropriate and/or duplicate overhead & profit mark-up to change orders and receive approval from NJT (e.g., for change orders, work to be performed by subconsultants, or several layers of mark-up could be applied to the cost).	H/H	Periodic review of change orders approved for payment on contracts for inappropriate application and/or duplicate overhead charges or profit mark-up.
Change Orders	G.4	Scope Manipulation	M/H	Change order work may commence before an independent estimate has been submitted. As additional work is proposed, HNTB may slow production rate to optimize compensation for work performed prior to receiving approval for the change order.	M/H	Audit a sample of change orders which started as time/materials but later agreed upon as a lump sum. Determine method used to separately track actual costs expended for subsequent capture into approved amounts. Ascertain if conditions under which work can proceed prior to approval have been codified and review sample of such instances for compliance.

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Claims Management	H.1	Overpayment of Settlement Amounts	L/M	HNTB may submit disruption, delay and/or cumulative impact claims for errors and inefficiencies caused by HNTB or its subconsultants even though they may have been negotiated at a lower rate or ultimately withdrawn.	L/M	Anticipate potential claims issues by attending progress meetings, observing worksite activities and interviewing consultant and subconsultant personnel. If a claim is submitted, review basis for the claim and interview relevant parties. Use time logs, work papers, and other documentation to assess validity of claims.
Claims Management	H.2	Fraudulent Settlement Bases	L/M	Failure to respond to notice of potential delay may lead to unintended waivers, which could be exploited by HNTB		Where applicable, to avoid liens, ensure that partial lien waivers and certifications of payment to consultants are obtained for each payment. At the end of the project, ensure that final lien waivers are obtained. Request and review accounts payable vendor report from consultant and match to lien waivers.

Exhibit C

HNTB - IOM Services Schedule

Mar-18 Assumed IOM Start

ACTIVITY	MONTH									
	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
TA TASKS and DELIVERABLES**										
Business/Site Visits (Includes site and agency meetings, scope reviews, etc.)	•	•	•	•	•	•	•	•	•	•
Develop/Maintain/Update Fraud Risk Assessment	Weekly									
Develop and Maintain Reporting Mechanisms	•	•	•	•	•	•	•	•	•	•
Disbursement Reviews	•	•	•	•	•	•	•	•	•	•
Procurement Reviews	•	•	•	•	•	•	•	•	•	•
Invoices / Payments Reviews	•	•	•	•	•	•	•	•	•	•
Change Order Reviews	•	•	•	•	•	•	•	•	•	•
Bond & Insurance Payment Reviews	•	•	•	•	•	•	•	•	•	•
Weekly Status Reports	Weekly									
Monthly Status Reports	X	X	X	X	X	X	X	X	X	X
Quarterly Report (A-60 & FTA)		Δ			Δ			Δ		

** Preliminary Schedule - To be adjusted based upon Fraud Risk Assessment and Finalized Detailed Work Plans

- Δ Quarterly
- X Monthly
- As Scheduled
- Weekly

Exhibit D

NJ TRANSIT CONTRACT NO. 14-033
INTEGRITY OVERSIGHT MONITORING (IOM) PROGRAM
CONFLICT OF INTEREST DISCLOSURE FORM

The IOM and each of its sub-consultants must certify by completing this form that neither it nor any of its affiliates or subsidiaries or sub-consultants is involved in Superstorm Sandy Program Management or in the design, preparation or delivery of Superstorm Sandy Recovery and Resiliency contracts, task orders, projects, services and programs or any other involvement or activities to NJ TRANSIT or third-parties that could create a direct or indirect 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 sub-consultant or subcontractor of any tier.

COMPLETE ALL QUESTIONS BELOW		YES	NO
1.	Has any person or the firm previously performed or is currently performing any materials, services, or any other work for NJ TRANSIT? (If yes, complete and attach a form containing the contract number, contract title, dates, the contact person, and brief description of the work.)	<u>X</u>	_____
2.	Has any person or the firm previously performed or is currently performing any design, preparation, delivery or any other services for the Superstorm Sandy Program or Resilience Program at NJ TRANSIT? (If yes, attach a detailed explanation for each instance.)	_____	<u>X</u>
3.	Has any person or the firm previously performed or is currently performing any design, preparation, delivery or any other services for Superstorm Sandy or Resilience Program for contractors, firms, entities, corporations or any other parties? (If yes, attach a detailed explanation for each instance.)	_____	<u>X</u>
4.	Are there now any potential, anticipated, or actual conflict of interests between any person or the firm either directly or as a member of a joint venture, partnership or as a sub-consultant or subcontractor of any tier (If yes, attach a detailed explanation for each instance.)	_____	<u>X</u>

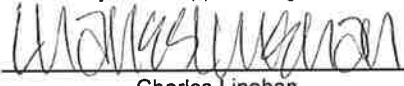
CERTIFICATION: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge that NJ TRANSIT is relying on the information contained herein and thereby acknowledge that I am under a continuing obligation from the date of this certification through the completion of any contracts with NJ TRANSIT to notify NJ TRANSIT in writing of any changes to the answers or information contained herein.

I, being duly authorized, certify that the information supplied above, including all attached pages, is complete and correct to the best of my knowledge. I certify that all of the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, that it will constitute a material breach of my agreement(s) with NJ TRANSIT and that NJ TRANSIT at its option, may declare any contract(s) resulting from this certification void and unenforceable.

COMPANY NAME: Thacher Associates, LLC

ADDRESS: 845 Third Avenue, New York, NY 10022

PRINT OR TYPE

	<u>(Signature)</u>
<u>Charles Linehan</u>	<u>(Name)</u>
<u>Managing Director</u>	<u>(Title)</u>
<u>1/31/18</u>	<u>(Date)</u>


Contract No. 14-033D

Gladstone Line Poles and Foundations Replacement Project

Work Authorization No. 1

Integrity Oversight Monitoring Services

July 15, 2014 - Dec 31, 2017

Contact: 

**NJ TRANSIT Contract No. 14-033D
Integrity Oversight Monitoring Services
Work Authorization No. 3
HNTB Program Management and Project Management Support
for the Superstorm Sandy Program**

Attachment B – Cost Proposal

Firm Name: Thatcher Associates LLC

Employee	Staffing Category	Risk Category	Disbursements		Procurement		Task Order Contractors (TOCs)		Outsourced Programs		Change Orders		Claims Management		Deliverables / Reporting		Total Hours Per Staff Category	Total \$ Per Staff Category	
		Hourly Billing Rate (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)	Hours	Amount (\$)			
Charles Linehan	Partner / Principal / Director	\$ 300.00	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	
Michael Carroll	Program Manager	\$ 250.00	15	\$ 3,750.00	15	\$ 3,750.00	15	\$ 3,750.00	10	\$ 2,500.00	15	\$ 3,750.00	15	\$ 3,750.00	60	\$ 15,000.00	145	\$ 36,250.00	
Kevin Mullins	Program Manager / Project Manager	\$ 250.00	15	\$ 3,750.00	25	\$ 6,250.00	25	\$ 6,250.00	10	\$ 2,500.00	15	\$ 3,750.00	15	\$ 3,750.00	10	\$ 2,500.00	115	\$ 28,750.00	
Christopher Ward	Program Manager / Project Manager	\$ 250.00	15	\$ 3,750.00	25	\$ 6,250.00	15	\$ 3,750.00	15	\$ 3,750.00	15	\$ 3,750.00	15	\$ 3,750.00	10	\$ 2,500.00	110	\$ 27,500.00	
Michael Bernstein	Supervisor / Senior Consultant	\$ 160.00	15	\$ 2,400.00	30	\$ 4,800.00	15	\$ 2,400.00	15	\$ 2,400.00	15	\$ 2,400.00	15	\$ 2,400.00	10	\$ 1,600.00	115	\$ 18,400.00	
Edison Montalvo	Supervisor / Senior Consultant	\$ 160.00	30	\$ 4,800.00	55	\$ 8,800.00	30	\$ 4,800.00	40	\$ 6,400.00	30	\$ 4,800.00	30	\$ 4,800.00	23	\$ 3,680.00	238	\$ 38,080.00	
Robert Thompson	Supervisor / Senior Consultant	\$ 160.00	15	\$ 2,400.00	15	\$ 2,400.00	15	\$ 2,400.00	15	\$ 2,400.00	15	\$ 2,400.00	15	\$ 2,400.00	10	\$ 1,600.00	100	\$ 16,000.00	
Stephen Brenker	Consultant / Associate / Staff	\$ 137.50	30	\$ 4,125.00	55	\$ 7,562.50	80	\$ 11,000.00	80	\$ 11,000.00	30	\$ 4,125.00	30	\$ 4,125.00	18	\$ 2,475.00	323	\$ 44,412.50	
Karmen Naidoo	Consultant / Associate / Staff	\$ 137.50	30	\$ 4,125.00	55	\$ 7,562.50	80	\$ 11,000.00	60	\$ 8,250.00	30	\$ 4,125.00	30	\$ 4,125.00	18	\$ 2,475.00	303	\$ 41,682.50	
	Project Administrator	\$ 50.00	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	80	\$ 4,000.00	80	\$ 4,000.00	
THACHER ASSOCIATES LLC (PRIME) TOTALS				165	\$ 29,100.00	275	\$ 47,375.00	275	\$ 45,350.00	245	\$ 39,200.00	165	\$ 29,100.00	165	\$ 29,100.00	239	\$ 35,830.00	1,529	\$ 255,055.00
Rohan DeFreitas	Partner / Principal / Director	\$ 225.00	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	
Stephanie Lee	Program Manager / Project Manager	\$ 175.00	40	\$ 7,000.00	40	\$ 7,000.00	0	\$ -	0	\$ -	0	\$ -	0	\$ -	23	\$ 4,025.00	103	\$ 18,025.00	
James Torres	Administrative Staff	\$ 100.00	25	\$ 2,500.00	25	\$ 2,500.00	0	\$ -	0	\$ -	0	\$ -	0	\$ -	53	\$ 5,300.00	103	\$ 10,300.00	
CRESCENT CONSULTING (DBE) TOTALS				65	\$ 9,500.00	65	\$ 9,500.00	0	\$ -	0	\$ -	0	\$ -	0	\$ -	76	\$ 9,325.00	206	\$ 28,325.00

Total Direct Cost	\$ 283,380.00
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Total Travel Cost	\$ -
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GRAND TOTAL	\$ 283,380.00
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**NJ TRANSIT Contract No. 14-033D
Integrity Oversight Monitoring Services
Work Authorization No. 3
HNTB Program Management and Project Management Support
for the Superstorm Sandy Program**

Attachment C – DBE Forms

First Tier DBE UTILIZATION - FORM A

Project Name: Integrity Oversight Monitoring Services for HNTB Services for the Superstorm Sandy Program

NJT Contract No: 14-033

Assigned DBE Goal %: 10 NJT Procurement Specialist: [REDACTED]

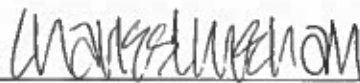
Contract Value (\$): \$ 283,380

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/Sub-consultant Work (\$) Awarded	Percentage of Subcontract Work (%)
Crescent Consulting Associates, Inc Tel: # (914) 788-9244 2 Stowe Road, Suite 3A Peekskill, NY 10566	Perform site visits and office visits to interview DBE employees and management, and to review documents, to ensure that DBE subcontractors are legitimate DBEs and that they are performing a commercially useful function (CUF).	\$ 28,325	10.00 %
			%
			%
			%
			%
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	\$ 28,325	10.00 %

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: Thacher Associates LLC

Authorized Signature: 

Company Address: 845 Third Avenue, 13th Floor
New York, NY 10022

Print Name: Charles Linehan
Title: Managing Director, Head of Construction and Real Estate Services

Federal Tax ID #: [REDACTED]

Prime Contractor's DBE Liaison Officer: Erin Longbothum

Company Tel #: (212) 845-7500

Date Signed: 07/05/2018

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

Integrity Oversight Monitoring Services for HNTB Program Management and

Project Title: Project Management Support for the Superstorm Sandy ProgramDate: 07/05/2018Prime Contractor/Consultant: Thacher Associates LLC NJT Contract #: 14-033DTelephone #: (212) 845-7500*Complete the information below for Bidder/Proposer/Prime(s) working on this project. Use Page 2 for all subcontractors/subconsultants*

	Bidder/Proposer/Prime	Bidder/Proposer/Prime	Bidder/Proposer/Prime
Company's Full Name	Thacher Associates LLC		
Address	845 Third Avenue		
City and State	New York, NY		
Zip	10022		
County	New York		
Phone	(212) 845-7500		
Fax	(212) 845-7549		
E-mail	elongbothum@k2intelligence.com		
Owner	K2 Intelligence, Inc.		
Date Established	11/16/1996		
Date Certified	N/A		
Ethnicity	Multiple		
Gender	Multiple		
Certification Status: DBE or Non-DBE	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	E		
Primary NAICS Code:	541611		

BIDDER SOLICITATION & CONTRACTOR INFORMATION - FORM A1

Integrity Oversight Monitoring Services for HNTB Program Management and

Project Title: Project Management Support for the Superstorm Sandy ProgramDate: 07/02/2018Prime Contractor/Consultant: Thacher Associates LLC NJT Contract #: 14-033DTelephone #: (212) 845-7500*Complete the information below for Bidder/Proposer/Prime(s) working on this project. Use Page 2 for all subcontractors/subconsultants*

	Bidder/Proposer/Prime	Bidder/Proposer/Prime	Bidder/Proposer/Prime
Company's Full Name	Crescent Consulting Associates, Inc.		
Address	2 Stowe Road, Suite 3A		
City and State	Peekskill, NY		
Zip	10566		
County	Westchester		
Phone	(914) 788-9244		
Fax	(914) 788-9214		
E-mail	rdefresitas@crescentconsult.com		
Owner	Rohan DeFreitas / Luis Segarra		
Date Established	2001		
Date Certified	DBE Certified 2005		
Ethnicity	African American / Hispanic		
Gender	Male / Male		
Certification Status: DBE or Non-DBE	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	D		
Primary NAICS Code:	8742		

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: 14-033 D

Date: July 2, 2018 Prime Contract Value: \$283,380

Bidder/Proposer Prime Name: Thacher Associates LLC

Integrity Oversight Monitoring Services for HNTB Services for the
Project Title: Superstorm Sandy Program

Name, Address and Telephone # of all Subcontractor/Subconsultants	FEIN #	Provide Detailed Scope of Work to be Performed	Dollar Amount of Subcontractor/Sub-consultant Work (\$) Awarded	Percentage of Subcontract or Work (%)
NONE			\$ 0	0 %
			\$	%
			\$	%
			\$	%
			\$	%
Must provide a detailed scope of work; one-word descriptions are not acceptable.	TOTALS		\$ 0	0 %

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.

Thacher Associates, LLC

Name of Bidder/Proposer/Prime:

Crescent Consulting Associates, Inc

Name of DBE Firm:

Project/Contract Name: Integrity Oversight Monitoring Services for HNTB Services for the Superstorm Sandy Program

IFB/RFP Contract Number: 14-0330

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) No

Intend to subcontract any portion of its scope of work to a DBE(s)? If yes, DBE Sub-Primes must complete and submit Form AA.

Circle one. (Yes or No) No At what percent? %

Intend to subcontract any portion of its scope of work to a Non-DBE(s)? If yes, must complete and submit Form AA2.

Circle one. (Yes or No) No 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)).

Perform DBE office investigation services, which includes, but is not limited to, interviewing DBE management and staff to confirm the legitimacy of DBE firms and ensure that the Commercially Useful Function "CUF" requirements are being adhered to and that the DBEs are performing their contracted scope of work on the project.

Dollar Value of DBE Subcontract: \$ 28,325

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) Yes

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

DBE Contract Start Date: 7/15/18 DBE Contract Completion Date 12/31/18

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: Rohan DeFreitas Date: 7/9/18 Title: Principal/CEO

Print Name: Rohan DeFreitas Telephone #: (914) 788-9244

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.