

Letter of Engagement

January 25, 2021

Successful Bidder: Guidehouse

On behalf of the Department of New Jersey Transit, this is notice of the intent to award this IM engagement.

The bid will be awarded to Guidehouse whose proposal is most advantageous to the State, price and other factors considered.

The total amount of this contract must not exceed the amount of 156,280.00.

The successful bidder is instructed not to proceed until a purchase order is issued.

Thank you for your participation in this bid.

Sincerely,

Mona Cartwright
IM State Contract Manager

ENGAGEMENT QUERY

Waiver AO-030 – Integrity Monitor Engagement Query-Corona Relief Fund

New Jersey Transit Corporation

REVISED 1/12/2021

I. GENERAL INFORMATION:

On March 9, 2020, Governor Murphy issued Executive Order 103 declaring both a Public Health Emergency and State of Emergency in light of the dangers of the Coronavirus disease 2019 (“COVID-19”). On March 13, 2020, the President of the United States declared a national emergency and determined that the COVID-19 pandemic was of sufficient severity and magnitude to warrant a nation-wide emergency declaration under Section 501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5121-5207, (“Stafford Act”) and that declaration was extended to the State of New Jersey on March 25, 2020 pursuant to Section 401 of the Stafford Act. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act, H.R. 748, (“CARES Act”) was enacted to provide economic stimulus in response to the global pandemic caused by COVID-19, (COVID-19 Recovery Funds).

The CARES Act was enacted to assist State, Local and Tribal governments navigate the impact of the COVID-19 outbreak. Under the CARES Act, the Coronavirus Relief Fund (CRF) provides funding for necessary expenditures related to the public health emergency incurred between March 1, 2020 and December 30, 2020. **On December 27, 2020 the time period for expenditure of the CRF was extended to December 31, 2021.**

On July 17, 2020, Governor Murphy signed Executive Order 166 (“EO 166”), which established the COVID-19 Compliance and Oversight Task Force (the “Taskforce”) and the Governor’s Disaster Recovery Office (GDRO). Pursuant to EO 166, the Taskforce has issued guidelines (“IOM Guidelines”) regarding the appointment and responsibilities of COVID-19 Integrity Oversight Monitors (“Integrity Monitors”). Integrity Monitors are intended to serve as an important part of the State’s accountability infrastructure while working with Using Agencies in developing measures to prevent, detect, and remediate inefficiency and malfeasance in the expenditure of COVID-19 Recovery Funds.

The New Jersey Department of the Treasury (Treasury) has established a pool of qualified Integrity Monitors for oversight of Coronavirus Relief Fund Allocations pursuant to the Request for Quotation for Integrity Oversight Monitoring: Program and Performance Monitoring, Financial Monitoring and Grant Management and Anti-Fraud Monitoring for Coronavirus Relief Funds pursuant to Section 5001 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act COVID-19 Recovery Funds and Programs (IOM RFQ) that Using Agencies may now procure in the discharge of their responsibilities under EO 166, as described in the Taskforce’s Integrity Oversight Monitor Guidelines.

This Engagement Query is issued by the Department of the Treasury on behalf of New Jersey Transit. The purpose of this engagement query is to retain and appoint an Independent Oversight Monitor to review Coronavirus Relief Funds allocated to New Jersey Transit.

The capitalized terms in this Engagement Query shall have the same meanings as set forth in the IOM (Integrity Oversight Monitor) RFQ.

A. Background

Created by the New Jersey Public Transportation Act of 1979 (N.J.S.A. 27:25-1 *et seq.*), the New Jersey Transit Corporation (NJ TRANSIT) was established to provide a statewide efficient, coordinated, safe and responsive public transportation system. NJ TRANSIT is an Independent Authority in but not of the New Jersey Department of Transportation (DOT). During the Coronavirus Disease 2019 (COVID-19) pandemic, NJ TRANSIT continually provided public transportation throughout New Jersey to essential workers and other residents for personal, business and recreational purposes. As a result, NJ TRANSIT incurred expenses in response to and mitigation of the Coronavirus over and above its operating budget. NJ TRANSIT has identified necessary expenditures incurred due to the public health emergency with respect to COVID-19 that were not accounted for in the NJ Transit FY20 and FY21 budgets and were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

II. SCOPE OF WORK (SOW) REQUIREMENTS

A. Project Description

COVID-19 Recovery Program Participants may retain and appoint IOMs to oversee the disbursement of COVID-19 Recovery Funds. On November 2, 2020, NJ Transit was allocated thirty million dollars (\$30,000,000) in Coronavirus Relief Funds (CRF) pursuant to a Memorandum of Understanding (MOU) between NJ Transit and the Department of the Treasury dated October 22, 2020.

B. Specific Performance Milestones/Timelines/Standards/Deliverables

The final **quarterly** report must be completed by ~~January 31~~ **April 15, 2021**~~20~~ and all deliverables must be completed by ~~January 31~~ **April 15, 2021**~~20~~.

Review NJ Transit's compliance with CRF grant requirements and fulfill the obligations of the MOU. This includes the review of NJ Transit's use of CRF for NJ Transit Police Department Labor and Fringe expenses. The IOM will review labor and fringe records, including but not limited to, transactions, timekeeping standards, and existing processes to determine whether the disbursement and administration of CRF is consistent with federal law, rule and guidance. The IOM is to deliver the final quarterly report of findings and observations, including recommendations for mitigation of identified issues.

All deliverables must be in sufficient detail to allow:

1. NJ Transit to verify and evaluate the conclusions, recommendations, plans, documentation, etc., provided by the IOM.
2. NJ Transit to assess, in its sole judgment, the quality and acceptability of deliverables provided by the IOM.
3. The IOM, NJ Transit, or a third party to implement the IOM's recommendations.

The IOM must ensure compliance with the following:

At a minimum, the IOM shall provide the following **deliverables** to the NJ Transit Agency Contract Manager based on the scope in the RFQ and required timeline. Deliverables to support work shall include, at a minimum, the following:

1. Work papers, reports and other required documentation in the format and content required by NJ Transit to support all work;
2. Reports as may be revised or finalized by incorporating comments provided by NJ Transit as appropriate, findings and other results of this reviews, related investigations and other assigned tasks.

The IOM shall promptly respond to any inquiries from the Office of the State Comptroller (OSC) regarding the tasks under the Engagement.

C. Risk Assessment Summary

Because it received more than twenty million dollars (\$20,000,000) in CRF, NJ Transit is required to engage an Integrity Monitor. Upon reviewing the eligible expenses, NJ Transit determined the NJ Transit Police Department personnel both fell within the public safety category of eligibility and incurred about thirty million dollars (\$30,000,000) of expenses from March 1, 2020 through September 30, 2020. NJ Transit utilized the CRF for NJ Transit Police Department labor and fringe expenses based on the September 2, 2020 guidance provided by the U.S. Treasury.

D. Reporting Requirements

1. Reports

- a. Pursuant to EO 166, the Integrity Monitor was to submit a draft quarterly report to the Using Agency on or before ~~December~~ **March 31, 2021**~~20~~ detailing the specific services rendered during the quarter and any findings of waste, fraud, or abuse. A final quarterly report shall be due on or before ~~January~~ **April 15, 2021**.
- b. In the event this Engagement is extended beyond the expiration date set forth in IV below, the Integrity Monitor shall submit draft quarterly reports to the Using Agency on the last day of the quarter detailing the specific services

rendered during that quarter and any findings of waste, fraud and abuse. Fifteen (15) business days after each quarter-end, the Integrity Monitor shall deliver its final quarterly reports, inclusive of any comments from the Using Agency, to the State Treasurer, who shall share the reports with the GDRO, the Senate President, the Speaker of the General Assembly, the Attorney General, and the State Comptroller. The Integrity Monitor quarterly reports will be posted on the COVID-19 transparency website pursuant to EO 166.

- c. Unless this Engagement is extended beyond the expiration date set forth in IV below, a draft of the quarterly report should be delivered to the Using Agency by March 31, 2021. The final quarterly report shall be complete and delivered no later than ~~January 31~~ April 15, 2021.

2. Additional Reports

- a. E.O. 166 directs OSC to oversee the work of Integrity Monitors. Therefore, in accordance with EO 166 and the IOM Guidelines, the Office of the State Comptroller, (OSC) may request that the Integrity Monitor issue reports or prepare memoranda that will assist OSC in evaluating whether there is waste, fraud, or abuse in COVID-19 Recovery Programs administered by the Using Agencies. OSC may also request that the Integrity Monitor share any corrective action plan(s) prepared by the Using Agencies to evaluate whether those corrective plan(s) have been successfully implemented.

3. Reports of Waste, Fraud, Abuse, or Potential Criminal Conduct

- a. The Integrity Monitor shall report issues of waste, fraud, abuse and misuse of COVID-19 Recovery Funds immediately to the GDRO, OSC, the State Treasurer, the State Contract Manager, and the Accountability Officer. The Integrity Monitor shall report issues of potential criminal conduct immediately to the Office of the Attorney General.

III. Proposal Content:

At minimum, the Integrity Monitor's proposal shall include the following:

- 1) A detailed proposal with a person/hour and staff classification mix to meet the scope of work describing how the Integrity Monitor intends to accomplish each component of the scope of work.
- 2) A detailed budget to perform the scope of work reflecting the Price Schedule submitted by the Integrity Monitor in response to the IOM RFQ.
- 3) A schedule identifying the deliverables to be submitted under this Engagement Query.

- 4) Identification of any potential conflicts of interest regarding the delivery of services for the scope of work under this Engagement Query.

IV. Duration of the Engagement:

The Engagement will commence upon the issuance of a Letter of Engagement and expire on ~~January 31~~ **April 15**, 2021. At the option of NJ TRANSIT, this Letter of Engagement may be extended if the use of Coronavirus Relief Funds is extended under the CARES Act. Any extension to this Letter of Engagement, however, may not to exceed the Contract Term, and any extensions thereto, as set forth in Section 5.2 of the IOM RFQ,

V. LIQUIDATED DAMAGES

The IOM's failure to comply with the requirements of the contract, including but not limited to EO-166, the IOM RFQ, the IOM Guidelines and this Engagement Query may constitute a breach of contract and may result in termination of the contract by the Using Agency or imposition of such other remedy as the Using Agency deems appropriate.

At the Using Agency's option, such a breach of contract may result in the imposition of liquidated damages. The Using Agency and the IOM agree that it would be extremely difficult to determine actual damages which the Using Agency will sustain as the result of the IOM's failure to meet its contractual requirements. Any breach by the IOM: could prevent the Using Agency from complying with EO-166, the IOM Guidelines, and laws applicable to the use and expenditure of CRF and other public funds; will adversely impact the Using Agency's ability to ensure identification and mitigation of risks; and may lead to damages suffered by the Using Agency and the State as a whole. If the IOM fails to meet its contractual obligations, the Using Agency may assess liquidated damages against IOM as follows:

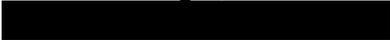
Penalty of \$250 per day for the failure to deliver Quarterly or Final reports on the dates as set forth in this Engagement Query.

VI. Questions regarding this Engagement Query (OPTIONAL):

Any questions related to the Scope of Work must be submitted electronically by 3:00 p.m. on ~~December 18~~ **January 6, 2021**. They must be submitted via email to **John O'Hern, NJ Transit Auditor General (johern@njtransit.com)** with a copy to the State Contract Manager

VII. Submission of Proposals:

Detailed proposals in response to this Engagement Query shall be submitted electronically by 3:00 p.m. on ~~December 23~~ **January 18, 2021**. Proposals must be submitted via email as set forth below:

TO: State Contract Manager
Mona Cartwright, Fiscal Manager, Department of the Treasury


With a copy to the Agency Contract Manager:

John O'Hern
NJ Transit Auditor General



VIII. Selection Process

The Agency Contract Manager will review the proposal(s) received and select the Integrity Monitor whose proposal is most advantageous, price and other factors considered.

Prior to issuing a Letter of Engagement, the Agency Contract Manager/ Accountability Officer, will independently determine whether the proposed Integrity Monitor has any potential conflicts with the Engagement.

The State Contract Manager will then issue a Letter of Engagement with a “not to exceed” clause to the selected proposer.

ATTACHMENTS

Attachment 1: Quarterly Report Template

Notice of Executive Order 166 Requirement for Posting of Winning Proposal and Contract Documents

Pursuant to Executive Order No. 166, signed by Governor Murphy on July 17, 2020, the Office of the State Comptroller ("OSC") is required to make all approved State contracts for the allocation and expenditure of COVID-19 Recovery Funds available to the public by posting such contracts on an appropriate State website. Such contracts will be posted on the New Jersey transparency website developed by the Governor's Disaster Recovery Office (GDRO Transparency Website). The Letter of Engagement resulting from this Engagement Query is subject to the requirements of Executive Order No. 166. Accordingly, the OSC will post a copy of the Letter of Engagement, including the Engagement Query, the winning proposer's proposal and other related contract documents for the above contract on the GDRO Transparency website.

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

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

Integrity Monitor Firm Name: _____
 Engagement: _____
 Quarter Ending: _____

No.	Recipient Data Elements	Response	Comments
A. General Info			
1.	Recovery Program Participant		
2.	Federal Funding Agency (e.g. Section 5001 of CARES Act)		
3.	State Funding (if applicable)		
4.	Award Type		
5.	Award Amount		
6.	Accountability Officer		
7.	Brief Description Purpose and Rationale of Integrity Monitor Project/Program		
8.	Contract/Program Location (if applicable)		
9.	Amount Expended by Recovery Program Participant to Date		
10.	Amount Provided to other State or Local Entities		
11.	Completion Status of Contract or Program		
12.	Expected Contract End Date/Time Period		
B. Monitoring Activities			
13.	If FEMA funded Brief description of the status of the project worksheet and its support.		
No. Recipient Data Elements			
14.	Quarterly Activities/Project Description (include with specificity activities conducted such as meetings document review staff training etc)		
15.	Brief description to confirm appropriate data/information has been provided by recipient and what activities have been taken to review in relation to the project/contract/program.		
16.	Description of quarterly auditing activities that have been conducted to ensure procurement compliance with terms and conditions of the contracts and agreements.		
17.	Has payment documentation in connection with the contract/program been reviewed? Please describe		
18.	Description of quarterly activity to prevent and detect waste fraud and abuse.		
19.	Provide details of any integrity issues/findings		
20.	Provide details on any other items of note that have occurred in the past quarter		
21.	Provide details of any actions taken to remediate waste fraud and abuse noted in past quarters		
No. Recipient Data Elements			
C. Miscellaneous			
22.	Attach a list of hours (by employee) and expenses incurred to perform your quarterly integrity monitoring review		
23.	Add any item issue or comment not covered in previous sections but deemed pertinent to monitoring program.		

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



State of New Jersey

**Waiver AO-030
Integrity Monitor Engagement Query
Coronavirus Relief Fund
NJ TRANSIT**

January 18, 2021

Provided to:

Mona Cartwright
Fiscal Manager, Department of the Treasury
Division of Administration
[REDACTED]

Provided by:

Guidehouse Inc.
Anaita Kasad
Partner
1800 Tysons Boulevard, 7th Floor
McLean, VA 22102-4257
Telephone [REDACTED]
akasad@guidehouse.com
www.guidehouse.com
Taxpayer Identification Number (TIN): [REDACTED]
Data Universal Numbering System (DUNS): [REDACTED]
Commercial and Government Entity (CAGE) Code: [REDACTED]

guidehouse.com

2020-742

This proposal includes data that is proprietary and confidential to Guidehouse Inc. and shall not be disclosed outside the recipient's organization and shall not be duplicated, used, or disclosed, in whole or in part, for any purpose other than to evaluate this proposal. However, if a contract is awarded to this offeror as a result of, or in connection with, the submission of these data, the recipient shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the recipient's right to use information contained in these data if they are obtained from another source without restriction. The data subject to this restriction are contained in specified pages/sheets herein. This proposal does not constitute a contract to perform services and cannot be used to award a unilateral agreement. Final acceptance of this engagement by Guidehouse is contingent upon successful completion of Guidehouse's acceptance procedures. Any engagement arising out of this proposal will be subject to negotiation of a mutually satisfactory engagement contract including modifications to certain RFP terms and conditions and including our standard terms and conditions and fees and billing rates established therein.

January 18, 2021

Mona Cartwright
Fiscal Manager, Department of the Treasury
Division of Administration



Subject: ENGAGEMENT QUERY: Waiver AO-030 – Integrity Monitor Engagement Query-Corona Relief Fund, NJ TRANSIT

Dear Ms. Cartwright,

On behalf of Guidehouse Inc. (“Guidehouse”), we appreciate the opportunity to present our proposal to the State of New Jersey for the Integrity Monitor Engagement Query-Corona Relief Fund, New Jersey Transit (NJ TRANSIT). We believe Guidehouse is the right team for this engagement for a number of reasons:

- **We have direct and related experience supporting COVID-19 financial response and integrity monitoring efforts:** Guidehouse is already providing similar COVID-19 related services in Chicago, Detroit, Houston, the States of Vermont, Michigan, South Carolina, Massachusetts, South Dakota and multiple healthcare systems around the country. To maximize our state and local government clients’ ability to respond during this constantly evolving and unprecedented public health challenge, we have aligned all Guidehouse teams working on COVID-19 disaster response as well as economic recovery around the country. The Guidehouse team working for you, in addition to their extensive personal qualifications and experience, will have access to detailed analysis, best practices, and lessons learned from our COVID-19 integrity monitoring teams around the country. We have extensive experience helping states and large municipalities ensure they are putting federal funding towards eligible expenses and monitoring subrecipients properly.
- **We have extensive experience both advising and auditing federal programs.** Our firm originates from Big Four Accounting roots through PricewaterhouseCoopers and so auditing, financial management, and compliance are ingrained in our way of doing business. Each year, our team audits and advises organizations administering hundreds of millions of dollars in federal awards. During 2018 (the last year for which complete data is available) our team conducted over 100 single audits for public sector clients totaling more than \$700 million in federal awards expended. We are currently monitoring CRF programs across the country – in Michigan, South Carolina, and Texas to name a few, and will bring our experience monitoring these similar programs to bear when we work with New Jersey. We will use all of this deep history and experience to get to work right away on monitoring activities for NJ TRANSIT.
- **We are trusted partners to the State of New Jersey and NJ TRANSIT.** Guidehouse is an experienced partner and committed to supporting the Garden State and have a strong sense of commitment to NJ TRANSIT specifically. We have recently worked with your

team to assess your financial management practices, making us an ideal partner to jump in and quickly evaluate your CRF-eligible expenses. Our commitment to helping New Jersey respond to and recover from crises and disasters dates back to the early days of Superstorm Sandy when our team served as an integrity monitor for the State of New Jersey Department of the Treasury for major components of the \$1.8 billion, HUD-funded Superstorm Sandy Disaster Recovery Program administered by the Department of Consumer Affairs. We understand how critically important effective monitoring is to NJ TRANSIT and the State, and we would be honored to partner with you on this endeavor.

We appreciate the opportunity to help you in these challenging times. If you have any questions about our proposal, please contact Anaita Kasad at [REDACTED] or Gaurav Menon at [REDACTED].

Sincerely,



Anaita Kasad, Partner
685 Third Avenue, 13th floor
New York, NY 10017
[REDACTED]

Email: akasad@guidehouse.com



Gaurav Menon, Partner
BNY Mellon Center,
1735 Market St # 2210 Philadelphia, PA 19103
[REDACTED]

Email: gmenon@guidehouse.com



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Our Understanding

Introduction

The impacts of COVID-19 are unprecedented. For the first time in history, all 50 states are under a major disaster declaration. The unique nature of the COVID-19 disaster has resulted in a confusing array of federal funding opportunities, a constantly changing policy landscape, and challenging working conditions as critical staff work from kitchen tables around the country. As the situation evolves, understanding and appropriately responding to guidance from various federal and state sources of aid becomes critical for municipalities and states.

We understand that our nation's transit agencies have often been at the forefront of the pandemic, transporting essential workers, exposing themselves to great personal risk and sometimes tragically illness and death. During the Coronavirus Disease 2019 (COVID-19) pandemic, NJ TRANSIT continually provided public transportation throughout New Jersey to essential workers and other residents. We also know that you are battling a huge budget shortfall caused by decreasing ridership with no clear end in sight.

Coronavirus Relief Fund and Public Safety Payroll

The Coronavirus Relief Fund gave states and local governments funding for expenses that were necessary due to COVID-19, unbudgeted, and within the covered time period. Additional guidelines were continually issued in the Treasury Guidance and FAQs. One of the exceptions to the unbudgeted requirement were costs incurred for a **substantially different use** or payroll for certain employees. Within substantially different, Treasury allowed for the reimbursement of payroll that was for employees **substantially dedicated** to responding to or mitigating COVID-19. To further ease the administrative burden for states, "Treasury has provided, as an administrative accommodation, that a State, local, or tribal government may presume that **public health and public safety employees** meet the substantially dedicated test."¹ We have spent a significant amount of time working with states and local governments on their payroll records, and we understand the guidance, which at times can be confusing and contradictory, better than anyone.

New Jersey State Executive Order 166 (EO 166) set up a number of functions that help NJ TRANSIT and State agencies monitor and manage these funds and the response to the pandemic. Specifically, EO 166 set up reporting requirements related to the use of federal funds for COVID-19. Additionally, the State's COVID-19 Compliance and Oversight Taskforce was able to solicit the services of the pool of Integrity Monitors including Guidehouse to guard against fraud, waste, and abuse of COVID-19 funds. We understand how important it is to public trust and accountability during these challenging times to create an accurate and accessible report documenting the expenditures attributable to COVID-19 and reimbursed by the federal government.

Our partnership

We know that you need not just a skilled monitor but also an empathetic partner who understands how truly impossible this situation has been. We are prepared to work with you to delicately navigate this review in a way that is comprehensive, thorough, fair, and expeditious. We know after having worked with you recently that your organization is resilient and responsive to these challenges, and that the country's only statewide transit organization will rebound from these difficult times.

¹ <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

Our Approach

The State recognizes it is important to maximize the use of your funds and distribute the Coronavirus Relief Funds (CRF) as quickly as possible while still maintaining compliance. We will support implementing a risk-based approach to monitoring. We have established tools and templates to utilize to hit the ground running. Our approach is built on the acknowledgement that the State requires monitoring to happen quickly so that we can meet your target dates and expected timelines.

Approach Overview

Our team has a tried and true approach for reviewing labor costs that we have employed across the country for clients to ensure that the large amounts of payroll costs that they are covering with CRF funding is eligible and compliant. Because of the CRF administrative convenience guidance from Treasury, the review of public safety payroll is less burdensome than other payroll reviews, but it is not without risk.

High-level CRF Guidance for Public Safety Payroll

Substantially Dedicated Payroll Submission

For public safety / public health presumed substantially dedicated to responding to COVID-19

1. Submit confirmation that per CRF guidance, these employees are presumed substantially dedicated for the time period submitted.
2. Submit summary and payroll records for substantially dedicated employees that includes job titles that align with positions in the Treasury guidance (see below).

Treasury is supplementing this guidance to clarify that public safety employees would include police officers (including state police officers), sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel.

Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (e.g., laboratory technicians) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel.

While Treasury notes that public safety employees can be deemed substantially dedicated, and therefore their entire pay be covered for time spent responding to or mitigating COVID-19, there are still checks to confirm employee titles, reasonableness check on number of hours worked, if the position is at risk of being funded by another grant, if the fringe rate is standard per NJ TRANSIT policies, and confirmation that there aren't any one-off payments such as back pay included in the reimbursement request.

Benefits of the public safety payroll approach	<ul style="list-style-type: none"> ❖ Budgeted costs: While CRF generally does not allow for government revenue replacement, CRF does allow for the inclusion of certain budgeted payroll ❖ Reduces the administrative burden: No need to track or justify time for substantially dedicated public safety employees responding to or mitigating COVID-19 ❖ Broad inclusion of public safety employee titles: Treasury includes public safety employee titles that are eligible
Potential risks	<ul style="list-style-type: none"> ❖ Duplication of benefits: Public safety payroll is sometimes covered with other grant funding and cannot be included if it is being funded through a different source ❖ Process to catch one-off transactions: As an example, sometimes an employee is back paid, and if this occurs during the covered period, that back pay may have been included but is not eligible ❖ Errors in timekeeping: Reviewing number of hours claimed for straight and overtime pay and confirm no errors such as more hours in a day claimed ❖ Hazard pay restrictions: Hazard pay has additional guidance issued by CRF and can be more complicated to administer and review

In order to operationalize this approach and review of payroll costs, we will follow the following steps:

- **Step I: Onboard & Mobilize.** To ensure that our integrity monitoring efforts have a solid foundation upon which to start, we will work with the State to identify key stakeholders, develop a communications structure to ensure open dialogue, collaboration, and transparency; and identify clear roles and responsibilities, to enable a clear decision-making process to quickly identify and mitigate risks.
- **Step II: Prepare for Monitoring.** We will request payroll records, both summary and employee detail and job titles, submitted for payroll reimbursement to confirm the methodology and records are aligned with Treasury CRF Guidance and FAQs. While we will select a sample to conduct a full review, we also include an analytics review that allows us to flag inconsistencies across the full population, assuming the data exists in the NJ TRANSIT payroll system.

Guidehouse will create a procedure document to ensure consistent reviews and testing sheets to capture information which will help us review, evaluate and validate payroll records. We will also prepare a questionnaire to support the review and evaluation of the payroll records. We will hold a training session for our staff to efficiently and quickly conduct the testing.

- **Step III: Execute Monitoring.** Once the preparation is complete, we will quickly move into monitoring. This will include setting up interviews with NJ TRANSIT, reviewing program documentation, testing a sample of expenditures, and following up on areas that require more information.
- **Step IV: Prepare Draft and Final Report.** As monitoring is ongoing, we will develop a draft report to be submitted to the State by or before March 31, 2021. Once the monitoring activities are complete, our team will prepare the final report to issue to the State no later than April 15, 2021.

Our experience supporting multiple states – CRF Payroll Eligibility

Guidehouse has worked with over 20 states and local governments on their payroll methodology for CRF reimbursement. We have spent significant amount of time interpreting and documenting payroll decisions based on Treasury Guidance and FAQs. We understand what payroll records may be seen as low, medium, and high-risk.

Detailed Approach and Activities

Step I: Onboard and Mobilize (1 day)

Our team will be ready to hit the ground running on Day 1. During this first day, we will meet with you to confirm your objectives and goals, discuss any potential risks you are aware of, and refine our project plan as appropriate. We would also ask for an initial wave of documentation including payroll policies and an understanding of what timekeeping data is available for testing throughout our monitoring.

Outcome: Foundational activities will support the execution of a rapid, consistent monitoring plan with key stakeholders understanding their roles and responsibilities.

Step II: Prepare for Monitoring (5 days)

We will work with NJ TRANSIT to pull payroll records from the various payroll and timekeeping systems.

- *Interview key stakeholders:* We will discuss the payroll program with NJ TRANSIT program administrators to understand the methodology applied when identifying expenses, including what employees were included, as well as any particular concerns they may have had when implementing the program.
- *Understand risks:* We know from our past assessment that NJ TRANSIT has several systems for timekeeping and payroll that may complicate the process. Additionally, we want to understand the timeline for issuing COVID-19 timekeeping and sick leave policies and how changes may affect our review. We may pull some records based on relative perceived risk. We would work with NJ TRANSIT to understand issues identified to help us select records that focus on potential issues (i.e., pulling pay records with excessive levels of overtime).
- *Select records to monitor:* We will work with the State to select payroll and timekeeping records to monitor.
 - a. Full analysis: We have included a data analytics component to flag certain inconsistencies across the full population, including anomalies in payment amounts, hours worked, and duplicate entries. This will require data from the NJ TRANSIT timekeeping or payroll systems.
 - b. Sample selection: In addition, we will request a selection of samples for each month included in the submission. When selecting test samples, we consider the following guidance, which is adapted from the AICPA’s Audit Guide, Sampling:

Desired Level of Assurance (zero exceptions expected)	For Populations >250 - Minimum Sample Size	For Populations <250 - Minimum Sample Size
High	60	10%
Moderate	40	10%
Low	25	10%

- *Prepare tools and templates:* Our team has existing tools and templates that can be customized to the NJ TRANSIT’s payroll program. We will customize the questionnaire/checklist that will be used during monitoring, along with a description of procedures to be followed.
- *Conduct training session:* We will run training sessions with our teams to ensure a common understanding of testing procedures.

Outcome: All stakeholders, including our team and NJ TRANSIT are prepared to execute the monitoring plan.

Phase III: Execute Monitoring and Reporting (5 weeks)

With our foundational activities completed, our team will quickly move to monitor the NJ TRANSIT’s compliance with applicable agreements, federal and state regulations and guidelines with the intent to safeguard COVID-19 Recovery Funds. Our monitoring approach is laid out below, and we also note areas of risk that we will review. Our monitoring approach is aimed at collecting as much information as possible without overburdening NJ TRANSIT program administrators who are most likely overwhelmed with implementing a federal program with strict time restrictions during a pandemic. Our activities, which would happen simultaneously over this rapid project timeline, would include:

- *Perform documentation review:* We will start by understanding the department(s) and units included in the submission. We would also review the data in the summary payroll documentation and detailed employee records. We want to make sure the records include the data needed to conduct tests, and if not, determine a way to gather that information.
- *Conduct interviews:* Our team will conduct interviews with contacts from the programs to assess how the payroll reimbursement program and policies were developed and request additional documentation to review as needed. These interviews could be in person as necessary but would likely be virtual in order to complete this as quickly and efficiently as possible.
- *Test sample of payroll records:* Our team will utilize a combination of testing across the entire population and a sample of payroll records for a fuller review. As we discussed, we believe we will be able to flag anomalies across all payroll records rather than just limiting our review to only a sample. Test components include:

- **Summary documentation:** Did NJT create a summary document, describing the public safety payroll program methodology?
- **Compliance with NJT timekeeping policies:** Was NJT in compliance with its own timekeeping policies for COVID-19?
- **Departments and units:** Were any ineligible departments or units included?
- **Job titles:** Do employees meet the eligible job titles as listed in Treasury Guidance?
- **Documented employee types (exempt, non-exempt):** Were different types of employees included in payroll eligibility that may affect pay amounts or was hazard pay included?
- **Reasonability of hours paid:** Are any employees paid for an unrealistic number of hours, such as more than 24 hours in a day?
- **Reasonability of fringe:** Is the fringe rate consistent with NJT calculations?
- **Review of high expenditures:** Are there any payroll amounts that are significantly higher than all others? This may note the presence of backpay or other payments that are not eligible for CRF.
- **Errors in payment calculations:** Were there errors in payment calculations, including duplicate payments or payments out of policy?
- **Presence of grant funds:** Some public safety employees are funded by grants year over year. In order to reduce duplication of benefits, how did NJT determine which employees were paid with CRF and how that affected other grant funds?
- **Calculations:** Do summary records tie to individual employee records?

- *Follow up as needed:* As our team completes its review, confirm outstanding requests have been completed by the programs. Certainly, we would also promptly respond to any inquiries from the Office of the State Comptroller (OSC) regarding Tasks under this Engagement.

We are confident in our ability to complete these tasks quickly in order to meet your timelines. Our team has not only conducted monitoring of large federal programs in the past, but we are also currently conducting monitoring of CRF programs across the country. We also have helped stand up and implement CRF programs for other clients. All this combined experience means one thing: we are one of the most qualified firms to assess compliance with CRF and Uniform Guidance requirements. Few firms have studied the CRF Guidance and FAQs more than we have and understand the risks with implementing such programs.

Outcome: Complete required monitoring to confirm compliance with eligible federal, state and program compliance and identify instances of non-compliance to be remedied.

Phase IV: Prepare Reports (2 weeks)

The preparation of draft and final reporting will be executed largely by our management team as the staff are conducting monitoring. Our management team will begin drafting the report template while our staff conducts monitoring activities, working aggressively towards your deadlines for draft and final reports. While we cannot finalize our findings before monitoring is complete, we understand that Executive Order requires the Department to submit a final report by April 15, 2021.

- *Draft Final Report:* We will begin developing a draft report as soon as monitoring is underway and will have a draft report prepared by March 31, 2021. We will be prepared to submit a report based on what we know at that point. This draft report will outline initial observations and initial recommendations for improvement.
- *Develop final report:* During the 2 weeks between the draft report submission and the final report submission, we will update the report with additional findings and more concrete recommendations based on a more complete review of payroll.
- *Support recommendations for a Corrective Action Plan:* We will work with the State to develop a Corrective Action Plan that sets out the strategy and actionable steps necessary to resolve. We will include any recommendations to mitigate risks of noncompliance.

Outcome: Finalize monitoring activities for NJ TRANSIT and fulfill executive reporting requirements.

Our Team

Your Guidehouse team has extensive experience leading, advising, and supporting clients across the country to ensure appropriate internal controls and subrecipient monitoring procedures during the COVID-19 pandemic. The Project Leadership Team will collaborate with the State to develop an appropriate risk assessment, oversee the work of the team members conducting the testing, and work to prepare the final results and final report.

Our team will be co-led by **Anaita Kasad**, Guidehouse's State and Local lead for the East Coast and the State of New Jersey, and **Gaurav Menon**, the leader of Guidehouse's Disaster Recovery practice. Anaita has helped oversee disaster grants in New York and New Jersey for almost nine years, helping to stand up the New York State Governor's Office of Storm Recovery. She also was the project partner overseeing the creation of the NJ TRANSIT Quinquennial Review that was completed late last. Gaurav is an expert on federal funding and disaster recovery grants management. Gaurav has established the CARES oversight programs to meet 2 CFR 200 requirements for Oklahoma, South Carolina, South Dakota, Detroit, Harris County, and Wayne County. Gaurav is an expert on FEMA rules and requirements. Anaita and Gaurav have a long history of co-leading projects together.

Your project director will be **Raquel Malmberg**, a New Jersey native who is also the leader of Guidehouse's COVID-19 Center of Excellence. Raquel has been helping jurisdictions all over the country but has a strong passion for helping her home and ensuring the efforts to help the children most at need during this pandemic are properly administered. Raquel has served the New York Governor's Office of Storm Recovery, the New Jersey Housing and Mortgage Finance Agency, the New York State Division of the Budget, the City of Detroit, the State of

Michigan, and the City of Albuquerque. Raquel serves as a COVID-19 stimulus subject matter expert for Massachusetts, Vermont, South Dakota, and Oakland County, Michigan. Raquel the lead team on the NJ TRANSIT Quinquennial Review and has an understanding of your financial and payroll processes that will help her and the team hit the ground running immediately.

Our project manager, **Katherine Chesson**, offers not just a strong accounting background but also extensive experience managing projects of this size and scope for state and local government as they respond to the COVID-19 pandemic. Her accounting background and experiences dealing with a multitude of federal regulations and requirements strengthen her attention to detail and her ability to easily comprehend technical language. Katherine will be supported by a number of our staff members who have experience supporting other COVID-19 funding projects with counties and states around the country.

We plan to have the team surge during the weeks of intense data analysis during the actual monitoring process and will include at least one staff member (Associate) who will have data analytics skills to help us conduct the analysis of the full payroll data. As needed, we will also include data entry support in case need the data in a different form.

Our project organization chart is depicted below:



Our team hours and rates are summarized in the pricing section of our proposal, but we want to make a point to say that our leadership team is always available and is making this project a priority. Our time and commitment will not be limited by the hours we have listed, and if extra work is needed from our leadership team, we will put in the time necessary to make sure these programs are compliant and properly and thoroughly reviewed.

Why Guidehouse

Guidehouse is a national leader in advisory services consulting to the public sector with a strong history of supporting U.S. government agencies for several years. Guidehouse was formed from the public sector branch of PricewaterhouseCoopers (PwC). Headquartered in Washington, D.C., Guidehouse has more than 8,000 professionals in over 50 locations worldwide. On October 11, 2019, Guidehouse LLP completed its previously announced acquisition of Navigant Consulting Inc. Our combined company has unmatched experience in highly regulated industries across both the commercial and government sectors, with a focus on supporting client needs in the industries of National Security, Healthcare, Financial Services, Energy, and Aerospace & Defense.

We are proud of our track record of successful service to government agencies across the U.S. and our reputation for delivering exceptional results and building trust with our clients.

We received the 2014 Malcolm Baldrige National Quality Award, presented annually by the President of the United States to organizations that demonstrate performance excellence through innovation, improvement, and visionary leadership. Guidehouse is the only professional services firm to achieve this recognition, and it is a testament to our commitment to quality service.



 <h3>Risk-based Plan</h3> <p>Time is of the essence, and we have developed</p> <ul style="list-style-type: none"> • Risk based approach for CRF for program monitoring and subrecipient monitoring • Based on the Uniform Guidance requirements, CRF guidance and FAQs, and our own experience with federal monitoring and compliance programs, we have developed: <ul style="list-style-type: none"> • Risk assessment template (type of program, subrecipient information, financial activity, total budget) • Monitoring toolkit (SOPs, checklists) • Sampling methods 	 <h3>Center of Excellence Support</h3> <p>Our COE is in constant communication to share information and best practices.</p> <ul style="list-style-type: none"> • Working day and night on creating programs based on guidance and interpreting federal regulations • Bring knowledge from 17 other governments, various associations, and even the federal government to inform our analysis • Bring our perspective to everything from payroll to asset purchases to determine eligibility or issue guidance on how to strengthen documentation or course correct on issues identified 	 <h3>Common Sense Approach</h3> <p>Balance and optimize compliance and speed of delivery</p> <ul style="list-style-type: none"> • No one has the luxury of time right now – and no one wants to return money to Treasury. The stakes are too high and the need is too great. • You need to move quickly and efficiently to confirm that your CRF money will not be clawed back based on eligibility issues • We can help you establish contingency or alternative plans to allocate your funding as we monitor.
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A long history of helping our clients in a time of crisis

Our company's roots are based in over 100 years of experience in accounting and auditing for government institutions. Formerly part of PricewaterhouseCoopers (PwC), Guidehouse is proud of our track record of successful service to government agencies across the U.S. and our reputation for delivering exceptional results and building trust with our clients during some of their most trying times. Most of us have spent our entire careers ensuring that there is transparency and trust built into the way that governments spend taxpayer dollars, and we believe that our work is critical to helping instill faith in our democratic institutions. Our team has also spent the last few decades helping cities and states respond to and recover from a number of crises, including many catastrophic natural disasters.

Guidehouse offers a team of top local, national and global professionals who bring a myriad of special skills: Certified Public Accountants, financial analysts, technology specialists as well as former regulators, prosecutors, special agents, and other law enforcement personnel. Guidehouse

has extensive experience in investigations, oversight and monitoring, anti-money laundering, anti-corruption, forensic accounting, and fraud investigations.

Nationwide experience with CRF grant management and compliance

In recent months, as the COVID-19 pandemic has been spreading across our country, we have jumped in to help our clients with disaster response and recovery efforts. Our teams are deployed and supporting several state and private-not-for-profit (PNP) agencies, including:

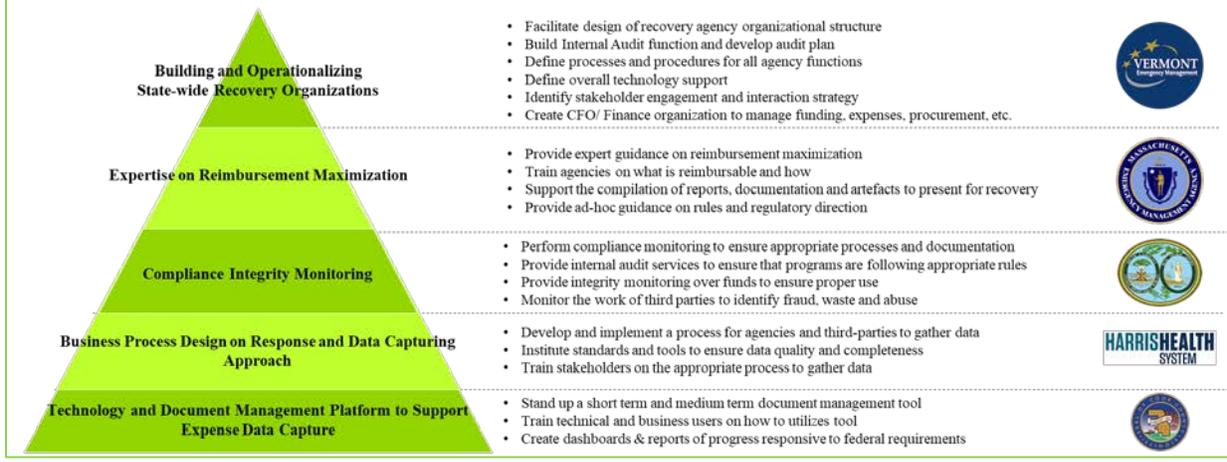
- State of Vermont;
- State of South Carolina;
- State of South Dakota;
- Massachusetts Emergency Management Agency (MEMA);
- Harris County Office of Management and Budget;
- Cook County Office of Emergency Management;
- City of Detroit Office of the CFO;
- City of Albuquerque; and
- Multiple healthcare systems across the country.

To best leverage knowledge sharing in real-time and to bring leading practices to our clients, Guidehouse has established a ***COVID-19 Center of Excellence*** which links our disaster recovery team members from COVID-19 response projects around the country. The Center of Excellence supports state and municipal governments with tracking, summarizing, and creating training as new guidance is issued by FEMA and other federal and state funding sources. Highlights of the Guidehouse COVID-19 Command Center include:

- Access to a team of specialists with expertise and strong relationships in federal government agencies (FEMA, HHS, HUD, CDC), state and local agencies, the healthcare industry, disaster recovery, and emergency operations;
- Active tracking of programs, guidance, and policies issued under the CARES Act and their applicability to state and local governments;
- Centralized repository of resources to deploy on federal grants related projects (e.g., tools, templates, reference guides); and,
- Constant knowledge sharing of lessons learned from on-the-ground activities and decision making from state and local governments across the country.

Guidehouse Support for COVID-19 Response

Overview of Services and Representative Clients



Deep experience with integrity monitoring

Guidehouse has significant experience serving as the Integrity Monitor for clients in need of support with anti-fraud monitoring and implementation. Our previous Integrity Monitoring work has focused on anti-bribery and corruption compliance review and design, internal controls review assessment and testing, forensic accounting, and investigative due diligence. Guidehouse has experience providing Integrity Monitoring Services for the State of New Jersey Department of the Treasury. During this engagement, Guidehouse assisted the State in monitoring major components of the HUD-funded Superstorm Sandy Disaster Recovery Program, which included monitoring contractor-subcontractor relationships to detect fraud, waste, and abuse as well as auditing contractor and homeowner applications. For the New York City Department of Investigation, Guidehouse served as the Integrity Monitor for the City’s FEMA-funded Rapid Repairs Program. This engagement involved monitoring construction crews to prevent and detect fraud, waste, and abuse, leading to the identification of more than \$10 million in improper charges. Additionally, for the Port Authority of New York & New Jersey, Guidehouse served as the Integrity Monitor of a vendor performing work on \$45 million worth of contracts at the World Trade Center site. During this engagement, Guidehouse designed and monitored the implementation of a corruption prevention program, conducted investigations and forensic audits of financial documentation to ensure compliance with the Monitoring Agreement, and established a 24-hour “Hot-Line” to report suspected illegal conduct.

Pricing

Our proposed rates and hours below best on the project plan above utilizing the rate card established in our master services agreement. In addition, to demonstrate our stated commitment to New Jersey and NJ TRANSIT, we are providing a 20% discount off our total cost, bringing our proposed total price to \$156,280.

<i>Role</i>	<i>Name</i>	<i>Rate</i>	<i>Hours</i>	<i>Total Cost</i>
Project Partner	Anaita Kasad	\$298.00	10	\$2,980.00
Project Partner	Gaurav Menon	\$298.00	10	\$2,980.00
Project Director	Raquel Malmberg	\$279.00	50	\$13,950.00
Project Manager	Katherine Chesson	\$225.00	320	\$72,000.00
Senior Consultant	TBD	\$179.00	320	\$57,280.00
Consultant	TBD	\$129.00	240	\$30,960.00
Analyst	TBD	\$95.00	80	\$7,600.00
Analyst	TBD	\$95.00	80	\$7,600.00
<i>Total Cost</i>				<i>\$195,350.00</i>
<i>Including our 20% discount</i>				<i>\$156,280.00</i>

As mentioned above, our leadership team is always available and is making this project a priority. Our top-level leadership's (Anaita, Gaurav, and Raquel) time and commitment will not be limited by the hours we have delineated, and if extra work is needed from our leadership team, we will put in the time necessary to make sure these programs are compliant and properly and thoroughly reviewed.

Appendix A: Management Resumes

Name	Anaita Kasad
Degree/Certificates	BA Cum Laude, Economics, University of Pennsylvania
Years of Experience	20+ Years
Summary of Qualifications	
<p>Anaita has over 20 years of consulting experience and specializes in providing oversight and supporting clients with disaster recovery, federal grants management, internal audit, and monitoring and compliance. Anaita's experience includes working with a myriad of public and private sector clients. Anaita's recent focus has been supporting State and Local agencies in the New York Tri-state area navigate federal regulatory compliance requirements and risk management.</p>	
Relevant Experience	
<ul style="list-style-type: none"> • For the State of New York, Anaita is currently managing the program management and integrity monitoring of Superstorm Sandy funds. Over the last seven years, this has included CDBG, HMGP, and SSBG. Anaita is currently overseeing a team of consultants at the NY State Governor's Office of Storm Recovery (GOSR), who are reviewing federal grant and state regulations and requirements; identifying gaps in documented policies, processes, roles and responsibilities; creating and designing procedures for all internal and external quality assurance controls to maintain compliance and appropriate funding distribution to eligible applicants; and testing controls to guarantee continuity. • For the New York City Office of Management and Budget (OMB), Anaita oversaw a team of consultants creating an internal audit function. The team's focus was the OMB's oversight and management of three federal funding streams for post-Superstorm Sandy recovery: Community Development Block Grant - Disaster Recovery (CDBG-DR) (\$4B); Federal Emergency Management Agency (FEMA) (\$5.4B); and Department of Homeland Security (DHS) (\$141M) annually. To determine whether OMB's operations and activities were compliant with federal regulations and to understand gaps in processes, Anaita and her team worked with OMB and other City agencies. In order to improve OMB's grant management operations, the team issued a series of recommendations that identified gaps at the end of the engagement. • For the City of Jersey City, Anaita managed the team helping the City improve its project planning, reporting, monitoring, and closeout activities for HUD programs. The team reviewed action plans, roles & responsibilities, and available data to offer recommendations for project planning strategy and dashboard reporting. She also managed the development of monitoring and closeout plans as well as tools and templates to support implementation of the plans. • For the New York City Housing Authority (NYCHA), Anaita oversaw a team in designing a new Compliance Department. Through extensive stakeholder interviews the team assessed NYCHA's current compliance functions and activities, highlighting compliance gaps or needs, and designing and standing up the agency's Compliance Department, which helped business units across NYCHA better understand and comply with HUD, state, and local regulatory requirements, as well as internal policies and procedures. • For the State of New Jersey Department of Human Services, Anaita managed a team of consultants to conduct a risk assessment of the State's administration of Social Services Block Grant (SSBG) funded programs following Superstorm Sandy. Anaita's team held interviews and reviewed documentation at the state, county and program level to evaluate compliance, accountability, transparency and eligibility of SSBG funded programs. • For the New York State Office of Children and Family Services (OCFS), Anaita supported OCFS in administering \$235 million in federal Social Services Block Grant (SSBG) funding to provide social service support and other ongoing services in areas affected by Superstorm Sandy. Anaita oversaw a team of consultants to provide program management and performance monitoring services from program inception through closeout. Anaita provided technical support as she led the team in providing overall program management and performance monitoring services, which included providing quality assurance reviews of contracts and claims, monitoring overall program performance and compliance with internal controls. 	

Name	Gaurav Menon
Degree/Certificates	BS, Architectural Engineering, Drexel University
Years of Experience	18+ Years
Summary of Qualifications	
<p>With more than 18 years of professional services experience, Gaurav specializes in supporting public and private sector entities involved in the delivery of large and complex grant programs, with a focus on long-term community development and capital asset rebuilding strategies. Gaurav has been involved in grants management work in Louisiana, Colorado, Texas, New York, Missouri, Japan, and Indonesia. His focus is in dealing with federal grants including HUD CDBG, FEMA PA, FEMA Hazard HM, FHWA grants, and now Coronavirus Relief Funds in Massachusetts, Vermont, Texas, and Michigan. Gaurav has advised clients in the public and commercial sectors on project management oversight, governance assessments, investigations, risk assessments, contract reviews, procedure enhancements, and management controls.</p>	
Relevant Experience	
<ul style="list-style-type: none"> • The Massachusetts State Emergency Management Agency engaged Guidehouse to support them in maximizing federal FEMA COVID-19 reimbursement by providing project management, technical assistance, and tracking and reporting support. Gaurav currently oversees the team leading the establishment of a Project Management Office to coordinate efforts among various stakeholders during the response phase. Gaurav is working to provide critical training and guidance specific to state agencies and subrecipients to ensure that all requirements are met to capitalize on all available funding sources. Gaurav is also providing technical assistance to track and submit COVID-19 costs and program documentation and perform data validation to ensure audit readiness. • For the State of South Carolina, Gaurav is leading the team conducting grant administration of CRF funds. Gaurav provided technical assistance in developing and implementing the State's internal review methodology to conduct a 100% review of all reimbursement requests from the subrecipients to confirm compliance to the CRF funding guidelines prior to the State issuing any payments. Gaurav also oversaw the team coordinate the creation of the State's monitoring and closeout plan for the CRF program, which identifies key criteria in the areas of monitoring, risk criteria and rankings, monitoring schedule, and corrective action plan. • As the lead for the Harris County COVID-19 PMO team, Gaurav has assisted the County in managing the \$426M Coronavirus Relief Funds (CRF) received by the federal government and determining how best to maximize the benefits of these funds for the County in 2020. This has included overseeing the team in developing workgroups to identify priority projects within the County, creating a Small Business Relief Fund, Rental Assistance Program, Small City Assistance Program, Direct Assistance Program, and currently administrating the Digital Access program for students in Harris County that experience digital divide and are beginning the 2020-2021 school year with some form of distance learning. In addition to identifying if expenses qualify for CRF reimbursement, Gaurav is overseeing the team that is working with departments to understand their budget variances and how that effects the County's overall CRF availability. Project management efforts include coordinating with the Judge's Office and four Precincts, Public Health, Budget Management, as well as County stakeholders including private NGOs and the City of Houston. • Guidehouse is currently supporting the State of Vermont (SoV) with its COVID-19 disaster response. Gaurav is overseeing the team and providing technical assistance to support the alignment of the State's use of Coronavirus Relief Funds (CRF) with U.S. Department of Treasury (Treasury) guidelines. This approach helps SoV maximize available funding distributed through the CARES Act. Gaurav and his team are providing expertise and guidance on the processes, organization, and project management associated with COVID-19 response and recovery to ensure required documentation for CRF grantees are ready for Audit. • For Harris County, Gaurav is leading a team assisting Harris County with the strategy around disaster recovery and grants management pertaining to Hurricane Harvey. Gaurav is responsible for overseeing +\$1B in federal funds. Gaurav has led Guidehouse's support to departments within the County. 	

Name	Raquel Malmberg
Degree/Certificates	<ul style="list-style-type: none"> • Master of Urban Planning, New York University • B.A., International Relations, The College of William and Mary
Years of Experience	17+ Years
Summary of Qualifications	
<p>Raquel has over 17 years of experience working for and with government agencies to improve their operations, build policies and procedures, and implement strategies and recommendations to fulfil their missions. Raquel has focused mainly on business process improvement, operational assessments, and project management for state and local government clients. Raquel currently leads our State and Local Government COVID-19 Center of Excellence, which coordinates with all our project teams, and has most recently been providing grant management advisory support to numerous state and local governments for federally funded COVID-19 and Superstorm Sandy projects.</p>	
Relevant Experience	
<ul style="list-style-type: none"> • For the Guidehouse State and Local COVID-19 response, Raquel leads the Center of Excellence to promote information sharing and robust discussions around federal guidelines and regulations. For the Massachusetts Emergency Management Agency, City of Albuquerque, City of Detroit, Wayne County, Michigan, Cook County, Illinois, and State of Vermont, State of South Carolina, and other governments, Raquel is acting as subject matter support as governments respond to COVID-19. Raquel supported the development of comprehensive funding strategies that include not only immediate response efforts but also long-term economic development and public health efforts. Raquel is helping the Guidehouse team build out the processes and checklists to quickly review expenses and ready the governments to receive and disburse funding as quickly as possible while maintaining compliance with federal regulations. She is currently helping stand up monitoring and compliance programs at multiple clients. • For the New York State Governor’s Office of Storm Recovery, Raquel leads the effort to perform program management and integrity monitoring services for the State’s Superstorm Sandy response. Raquel manages a team of consultants to support the Office in administering the CDBG-DR program in a variety of areas – designing processes, reviewing application files for compliance and completeness, improving current processes, responding to external audits and reviews, and supporting technology improvements. She has worked with every department in the agency – Housing, Infrastructure, Community Reconstruction, Small Business, Administration, Operations, support functions, and Monitoring & Compliance. • For the City of New York’s Office of Management and Budget (OMB), Raquel oversaw the team that conducted internal audits of the agency’s oversight and management of federal Community Development Block Grant – Disaster Recovery (CDBG-DR) funding for post-Superstorm Sandy recovery. The team worked with OMB and other partner agencies to determine if OMB’s operations and activities were compliant with federal regulations and to understand gaps in processes. As a final phase, the team issued recommendations to help improve OMB’s grant management operations. • For a large public utility agency, Raquel led the team responsible for reviewing invoices and supporting documentation submitted for reimbursement for a construction program funded by a federal disaster recovery grant. The team was responsible for the development of review procedures, checklists, and oversaw the invoice review. The team identified deficiencies in documentation before an oversight agency reviewed for eligibility, which allowed the organization to proactively correct the observations and decrease the wait time before it received reimbursement. • For the State of New York, Raquel managed a team that documented the inventory of assets purchased in response to Superstorm Sandy by a State government and conducted a sample floor to book inventory to review the accuracy of current inventory records. The team reviewed the process for deploying, locating, and maintaining assets in its inventory management system and developed recommendations for improving processes and systems in the short and long-term. Raquel was able to confirm location/inventory status for most of the state-owned assets deployed after the storm. 	

Name	Katharine Chesson
Degree/Certificates	B.B.A., Accounting – The University of Oklahoma
Years of Experience	8+ Years

Summary of Qualifications

Katharine has over eight years of experience supporting a variety of state and local clients by providing project management, business process assessments, internal controls assessments, and organizational structure review and redesign. Katharine also has experience in auditing the tax provision and providing assistance to ensure compliance with federal tax regulations for large international companies across multiple industries such as, energy, mining, wholesale, and real estate. Katharine has also focused on financial analysis, SEC reporting, and federal regulatory compliance. Katharine’s diversified background gives her a unique perspective and strengthens her ability to understand her clients’ most complex challenges. Her accounting background and experiences dealing with a multitude of federal regulations and requirements strengthen her attention to detail and her ability to easily comprehend technical language.

- Relevant Experience**
- For Tarrant County, Katharine is currently leading an engagement to identify federal funding opportunities related to the COVID-19 health emergency, manage and administer the County’s \$209M Coronavirus Relief Funding allocation from the federal government, support the FEMA Public Assistance reimbursement requests, and navigate the ever-changing guidance and reporting requirements for the federal funding received. This has included conducting recurring interviews with the Tarrant County Judge and Commissioners to understand priorities and concerns, working closely with the County Administrator’s Office to develop a Small Business Assistance Program, Non-Governmental Organization Assistance Program, ILA Distributions with municipalities in Tarrant County, and currently working with the County to develop an assistance program for EMS and Volunteer Firefighters. Katharine is also responsible for performing weekly reviews of County expenditures to evaluate funding eligibility, analyzing funding remaining and developing a strategy for future spend, and providing interpretations of federal guidance, regulations, and requirements. Additionally, Katharine and her team have been developing webinars and training to help Tarrant County municipalities navigate CRF and FEMA to ensure compliance with federal regulations and requirements and reduce the risk of potential claw-back from Tarrant County.
 - For Harris Health System, Katharine led the assessment over the organization’s internal controls with respect to the accounting function. This assessment included the review of employee roles and responsibilities as well as each employee’s IT system access permissions. As part of this engagement, Katharine and the team assisted the organization’s leadership with redesigning its organizational structure to ensure proper segregation of duties, establish appropriate reporting lines, and authority structures, as well as gain operational efficiencies.
 - For Harris Health System, Katharine led a business process assessment of four key functions (Financial Accounting, Grant Accounting, Fixed Asset Accounting, and Treasury and Cash Management) within the accounting department. Katharine worked closely with HHS leadership and stakeholders in assessing the current state to identify strengths and opportunities, including, but not limited to, process efficiency/effectiveness, the technological improvements, internal controls, and department structure. Katharine and the team collaborated with HHS to define the ideal future state and develop recommendations to increase efficiency and effectiveness of the accounting functions, prioritize recommendations, increase automation, reduce redundancies, identify and prioritize opportunities to improve the use of technology, and develop a roadmap for implementation.
 - For the Harris County Office of the Management and Budget, Katharine provided ongoing assistance for two years to the County’s Hurricane Harvey disaster recovery efforts by co-leading the PMO function, managing the engagement financials, tracking project specific metrics to ensure compliance and federal reimbursement, and various other project management functions. As part of these efforts, Katharine was responsible for the ongoing coordination and management of all subcontractor invoicing as well as the development of prime contractor invoices and supporting documentation to support the client’s reimbursement claims.

Appendix B: Selected Project Experience

State of Vermont – COVID-19 Response Services

Description of Experience

Guidehouse is currently supporting the State of Vermont (SoV) with its COVID-19 disaster response. The team is helping to align the State's use of Coronavirus Relief Funds (CRF) with U.S. Department of Treasury (Treasury) guidelines. This approach helps SoV maximize available funding distributed through the CARES Act. Guidehouse is providing expertise and guidance on the processes, organization, and project management associated with COVID-19 response and recovery. As part of this work, the team reviewed seven SoV Signed Acts to ensure that the State's legislation and 84+ CRF appropriations for grant programs and operational expenses are aligned with Treasury guidelines. The team helped identify any potential red flags associated with the use of CRF and provided remediation plans to maximize SoV's eligible use of funds. Guidehouse is also providing grant management and design assistance to State agencies and departments to ensure that SoV's grant programs are aligned with Treasury guidance and are well-positioned to meet the urgent needs arising due to the public health emergency. This support is being offered to 40+ grant programs and is helping State agencies and departments maximize the eligible uses of CRF. Through detailed tracking and monitoring of these grant programs, Guidehouse has helped keep Vermont organized in distributing CRF across the State. The team is also supporting SoV in its documentation of CRF grants and in the reconciliation of allocated CRF with actual incurred expenses. The team is providing guidance on required documentation for CRF grantees that are subject to Single Audit. Guidehouse is also assisting SoV in designing, launching, and managing a CRF transparency website.

City of Detroit, Michigan – Disaster Cost Recovery Services for COVID-19

Description of Experience

Guidehouse was contracted by the City of Detroit to support its COVID-19 disaster cost recovery. This project supports the City of Detroit by strategically positioning one of the hardest hit cities in the United States to be able to maximize federal reimbursements. Guidehouse provides project management, technical assistance, and tracking and reporting support in order to submit appropriate applications and supporting documents that meet requirements for reimbursements from federal and state entities. The Guidehouse team worked with the City agencies' CFOs to develop a financial model that identified COVID-19 related costs across more than 20 departments. This data is supporting grant applications and the City's forecast model that is being used to make strategic decisions regarding fund allocation. The Guidehouse team is currently working with the City of Detroit to develop a financial model that captures all the City's current COVID-19 related spending and a financial model that will accurately forecast all future COVID-19 costs that the City will incur through the end of 2020 and into early 2021. Guidehouse is also leading the coordination and submission of the documentation required for reimbursement to FEMA and various CARES Act programs as well as future stimulus bills as they arise. As a part of these efforts, the Guidehouse team is diligently working to provide the City with an audit-ready, robust process and documentation system for all COVID related expenses. The ongoing financial management and grants management of the various COVID programs across the City provide a strong foundation for the City to undertake any future audits, questions, inquiries, or changes to eligibility requirements/documentation.

**Harris County, Texas Office of Management and Budget
COVID-19 Project Management Office (PMO) Services**

Description of Experience

Guidehouse is engaged by the Harris County Office of Management and Budget to provide strategy and technical assistance, program management, and additional services as needed in response to COVID-19. Guidehouse is supporting Harris County in developing strategies to recover from the impact of COVID-19 and capturing costs / revenue losses to maximize available federal / state / other grant funding. The team is working to identify funding opportunities from grants allocated in H.R. 748 (CARES Act) and other potential funding sources available to Harris County, and providing guidance on the eligibility, requirements, and application process. Additionally, Guidehouse provides guidance on the allocation of expenses to the appropriate grants that will maximize the reimbursement received by the County.

Guidehouse established a PMO to assist County Executive Leadership for the purposes of recovery from COVID-19. Key activities of this workstream include preparing reports and documentation to meet grant requirements, reporting on progression of grants and funding sources, and coordinating between County departments and agencies, including Harris Health as needed, when applying for grants and other sources to ensure funding is most effectively distributed to County departments and agencies. Ultimately, Guidehouse will deliver a recovery dashboard at the request of the County.

**Harris County, Texas Office of Management and Budget
Hurricane Harvey Disaster Recovery Program Management and Compliance**

Description of Experience

Guidehouse was engaged with Harris County on several fronts to support it following Hurricane Harvey, including development and design of a monitoring & compliance plan for the county's disaster recovery efforts. Harris County is the third-most populous county in the U.S. with over 4.5 million residents and over 1,700 square miles, making it larger in size and economy than many U.S. states. With the magnitude of unprecedented damage of Hurricane Harvey, Harris County contracted Guidehouse to provide overall grant administration, project management, and financial oversight for several federal and state agencies including but not limited to FEMA, FHWA, HUD, Texas Department of Emergency Management (TDEM), and the Texas General Land Office related to Hurricane Harvey relief.

Services provided by Guidehouse to Harris County include monitoring to support compliance with four federal grant streams: Federal Emergency Management Agency (FEMA) Public Assistance (PA), FEMA Hazard Mitigation Grant Program (HMGP), Department of Housing and Urban Development (HUD) Community Development Block Grant – Disaster Recovery (CDBG-DR), and the Federal Highway Administration (FHWA) Emergency Relief (ER); program strategic planning for the recovery grant program, program design and support for infrastructure revitalization programs, enhancements to procurement procedures and practices, implementation support of DR efforts, ongoing financial / grants management, reporting and monitoring, document review and management, data analytics, coordination among departments, and project closeout.

COVID-19 Grant Management Services, State of South Carolina

Description of Experience

Guidehouse is currently engaged by the State of South Carolina's Department of Administration to support its COVID-19 response and recovery efforts. To maximize the State's allocation of CARES Act funding, Guidehouse identified funding and eligibility requirements and developed strategies for the State's response using a current state assessment and prioritization evaluation based on funding.

Our team then established processes, policies, and procedures for the end-to-end grants management process that then became business requirements for a tech-enabled grants management platform that will lead to countless efficiencies for years to come. We configured, deployed, socialized, and continue to iterate on a Salesforce solution to enable these processes. This system has facilitated the tracking, management, monitoring, and reporting of expenditures and disbursements.

Guidehouse is concurrently supporting the State with grant administration, including instituting compliance and audit-readiness practices. We have staffed a large team that is actively reviewing thousands of reimbursement requests and monitoring for risk (including fraud), accuracy, and fidelity to the State's interpretation of requirements for disbursement of CARES Act funds. Our team is assessing eligibility of expenses, answering questions about eligibility and requirements, and confirming duplication-of-benefits issues between CARES Act and FEMA PA funding for hundreds of millions of dollars of funds.

We are also monitoring the grant management process alongside the Department of Administration, helping to determine allocations among subrecipients, ensuring auditability of processes, and supporting coordination between the Department of Administration and other arms of the South Carolina state government.

City of Albuquerque, New Mexico – COVID-19 Disaster Response Services

Description of Experience

Guidehouse was engaged to perform an Initial Program Assessment ("Assessment") of the City of Albuquerque's ("City") immediate COVID-19 needs and recovery efforts to date. The Assessment sought to determine whether the City's current and anticipated COVID-19 response efforts were reasonably designed to ensure that the City is properly allocating, tracking, and reporting expenses incurred and revenue lost to prepare claims for reimbursement through the various federal and state disaster funding and grant programs. Guidehouse's Assessment of the City's readiness to respond to the COVID-19 crisis primarily focused on the following key activities: performing a rapid assessment of recovery efforts to date; evaluating the City's strategy and approach for identifying and classifying expenditures; identifying compliance gaps relating to CARES Act and other requirements; determining whether the City had an approach to help maximize available funds; and providing advice and guidance on the processes, organization, and project management associated with the recovery efforts. The team also supported the design of strategic recommendations to help the City prepare to transition from response to recovery. Guidehouse continued its strategic support by reviewing available federal funds for applicability to the City, advising on current Coronavirus Relief Fund (CRF) guidelines, and assessing eligibility of specific activities.