

Firm Name: CohnReznick, LLP  
 Engagement: New Jersey Transit Emergency Operations Center (EOC)  
 For Quarter Ending: 12/31/2016

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

No.	Recipient Data Elements	Response	Comments
<b>A. General Info</b>			
1.	Recipient of funding	New Jersey Transit Corporation	
2.	Federal Funding Agency? (e.g. HUD, FEMA)	Federal Transit Administration	
3.	State Funding (if applicable)	Not applicable	
4.	Award Type	Federal Transit Administration- Public Transportation Emergency Relief Program	
5.	Award Amount	\$8,682,000	
6.	Contract/Program Person/Title	Amy B. Herbold, Deputy Executive Director (Interim Procurement Officer)	
7.	Brief Description, Purpose and Rationale of Project/Program	The EOC will be a pre-identified location for designated NJ TRANSIT personnel and, if required, emergency responders from outside agencies to meet and develop strategies for coping with emergencies and major planned events. A major objective of the EOC will be to support Incident Command (IC). The EOC shall be staffed with the personnel necessary to make emergency management policy decisions. NJ TRANSIT has determined that the EOC will be located at its existing General Office Building (GOB).	
8.	Contract/Program Location	NJ Transit General Office Building Maplewood, New Jersey	
9.	Amount Expended to Date	\$5,608,702.41	
10.	Amount Provided to other State or Local Entities	None	
11.	Completion Status of Contract or Program	In Progress	
12.	Expected Contract End Date/Time Period	Friday, March 24, 2017	
<b>B. Monitoring Activities</b>			
13.	If FEMA funded, brief description of the status of the project worksheet and its support.	Not applicable	
14.	Quarterly Activities/Project Description (include number of visits to meet with recipient and sub recipient, including who you met with, and any site visits warranted to where work was completed)	<p>10/20/16; 11/17/16; 12/1/16; 12/15/16; - attended Construction Progress Meetings with members of various NJ Transit departments and Alna Construction at the NJ Transit Maplewood, NJ General Office Building.</p> <p>10/25/16 attended preliminary payment application #10 meeting at the NJ Transit Maplewood, NJ General Office Building. Unannounced Construction site visit with NJ Transit Internal Audit department to the NJ Transit Maplewood, NJ General Office Building.</p> <p>11/8/16 attended meeting with members of NJ Transit CP&amp;P and IA to discuss the payment application process and the determination of ICE for NPC/COS.</p> <p>12/7/16 conducted subcontractor office visit to S&amp;J Electric in Scotch Plains, NJ to meet owners and office staff. Meeting also attended by NJ Transit IA.</p> <p>12/15/16 attended meeting with NJ Transit EOC project management to discuss COs and payment applications.</p> <p>12/22/16 conducted subcontractor office visit to Alna in Secaucus, NJ to meet owners and office staff. Meeting also attended by NJ Transit IA.</p> <p>Preparation and submission of monthly Form E and provide status updates.</p>	

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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.	<p>CR periodically requests information required as part of our monitoring procedures. Information requested is applicable to the fraud, waste and abuse risk areas under our review. Documentation received during the quarter includes:</p> <ul style="list-style-type: none"> <li>Progress meeting minutes</li> <li>Daily site reports</li> <li>Monthly workforce reports</li> <li>Revised CPM schedule</li> <li>2-week look ahead schedules</li> <li>Site Photos</li> <li>Notices of Proposed Changes</li> <li>Contractor Form Es</li> <li>Subcontractors' Form E2s</li> <li>Contractor's Payment Application Nos. 8 &amp; 9</li> <li>Certified Payrolls from project inception through Mar 2016; Aug and Sept 2016</li> <li>Signed NJT Employee Statement of Outside Employment and Activities forms</li> <li>Alna's insurance policies</li> <li>Subcontractor bid documents</li> <li>Select subcontractor payment applications</li> </ul> <p>During the quarter, we continued the review of the pay applications and conducted contractor field visits to both Alna and S&amp;J Electric. We also reviewed the Forms E and E-2 provided during the quarter on the project by the Contractor and DBE Subcontractor. We continued a review of the NJT independent construction cost estimate and have requested a meeting with the design firm. We continued our review of certified payrolls (CPRs), and Notices of Proposed Changes (NPCs). Additional documentation related to contractors' payment applications, Certified Payrolls and subcontracts has been requested and is pending receipt.</p>	
16.	Description of quarterly auditing activities that have been conducted to ensure procurement compliance with terms and conditions of the contracts and agreements.	CR has reviewed bid documents and continued the process of assessing the independent cost estimate for electrical and telecommunication scopes of work. Requested meeting with Jacobs Engineering to discuss their computation of the independent cost estimate.	
17.	Have payment requisitions in connection with the contract/program been reviewed? Please describe	CR is in the process of reviewing the contractor's requisitions received to date. A request for the complete Payment Application packages has been made.	
18.	Description of quarterly activity to prevent and detect waste, fraud and abuse.	CR has attended several construction progress meetings, meetings with regard to change orders and payment applications, and conducted two contractor office visits during the quarter. Work progressing in the areas of Construction Contractor payment application review and Change Orders.	
19.	Provide details of any integrity issues/findings	None.	

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20.	Provide details of any work quality or safety/environmental/historical preservation issue(s).	None.	
21.	Provide details on any other items of note that have occurred in the past quarter	<p>Alna Construction continued to refuse to allow CR to conduct prevailing wage interviews of its workers claiming that such interviews are not authorized by its contract with NJT. During the reporting period Alna Construction also continued to refuse to allow CR to conduct confidential interviews of workers employed by its DBE subcontractor, S&amp;J Electrical Contractors, Inc.<sup>1</sup> and would only permit such interviews to be conducted in the presence of its representatives claiming that confidential interviews are not required under the terms of its contract.</p> <p>As of 12/31/16 NJ TRANSIT continues to assess the status of, and facilitate the completion of, any necessary prevailing wage interviews, as well as evaluate ALNA Construction's prior refusal to permit prevailing wage interviews for potential further action. However, following discussions with NJ TRANSIT representatives, Alna has since allowed prevailing wage and DBE interviews of its subcontractors to be conducted.</p> <p><sup>1</sup> On 1/15/16 S&amp;J Electrical's DBE certification under both the New York State and New Jersey Unified Certification Programs was removed due to the owner's personal net worth exceeding the \$1.32M allowed under 49 CFR 26. On 4/22/16 OBD issued a letter allowing Alna to continue to use the decertified DBE for credit towards satisfying the contract's DBE goal based on the NJT's issuance of a Limited Notice to Proceed (LNTP) directive on 12/3/15.</p>	
22.	Provide details of any actions taken to remediate waste, fraud and abuse noted in past quarters	Not applicable.	
<b>C. Miscellaneous</b>			
23.	Attach a list of hours and expenses incurred to perform your quarterly integrity monitoring review	<p>For the period October 1, 2016 through December 31, 2016, the following individuals have expended a total of 197.1 hours:</p> <p><b>Name</b>                      Gerard Frech                      Dean Krogman                      Carolyn Newcomb                      Anna Fomina                      Scott Millman</p> <p>No billable expenses were incurred.</p>	
24.	Add any item, issue or comment not covered in previous sections but deemed pertinent to monitoring program.	None	

Name of Integrity Monitor: CohnReznick, LLP  
 Name of Report Preparer: Frank Banda  
 Signature:  
 Date: April 3, 2017