

APPENDIX



“Equitable Participation in New Jersey’s Economy”

John E. Harmon, Sr., IOM
Founder, President & CEO, AACCNJ

November 12, 2019

Testimony

Thank you, for your invitation to allow me to provide testimony today. I am John E. Harmon, Sr., Founder and President and CEO of the African American Chamber of Commerce of New Jersey. My purpose for being here today is to share with this committee comments from members of the AACCNJ and black businesses, more broadly, about their experiences while Pursuing primary positions or equitable contract awards on professional services, construction and general goods and services that are procured by the State of New Jersey.

First, I would like to state that my organization sincerely appreciates the relationship that we have with the State’s Legislators and The Murphy Administration. Specifically, we have been afforded access to the leadership of the various Departments and Agencies to discuss policies, process, best practices and strategies to improve the competitiveness of our state. Accordingly, we are making progress and remain optimistic about the future given our partnership. However, given the systemic economic disparities that have hindered blacks from a more equitable assimilation into New Jersey’s mainstream, I am here today to welcome and exchange ideas as to how we can move most expeditiously to attain parity for black businesses in public contracting.

The irony is, notwithstanding, the capacity and requisite experience of black businesses; these firms have communicated to me that New Jersey has been a continuous outlier when it comes to fairness and equitable participation in public contracts. For example, beginning with the implementation of Executive Order #1 by former Governor James McGreevey, wherein he established Project Labor Agreements on all Public Contracts. This executive order was later amended to exempt public contracts of less than \$5 million from Project Labor Agreements. In my opinion, the Project Labor Agreements have afforded Trade Unions a unique contracting preference while blacks and others have to wait for the commissioning of disparity studies to justify the implementation of procurement goals that could incentivize increased access public contracting opportunities. These best practices have long been adopted by the State of New York and the City of Philadelphia as a standard business practice. Moreover, I would submit to you that the aforementioned policy has contributed to a public contacting culture within New Jersey that has not been fair or equitable to black businesses. According to the New Jersey Department of Labor Statistics, blacks have the highest level of poverty, and low, median and household income levels than others within the state. Also, the net worth of blacks is less than \$6,000 vs. \$275,000 for whites. In addition, 93 percent of black owned businesses have only 1 employee; because without opportunities it is very difficult to grow and sustain your business enterprise. The most effective strategy to mitigate these numbers is to increase contracting awards to black businesses thus enabling them to hire more black employees and sub-consultants/contractors.



Based on the aforementioned, I would like to propose the following policy changes and recommendations, in our state, for consideration:

- Amend the 60 year old requirement in New Jersey that you must be a Registered Municipal Accountant to perform audits for municipalities. Currently only 2-3 individuals pass the annual exam thus providing a monopolistic opportunity for a few firms while imposing a barrier for a number of qualified CPA firms that have offices within those communities.
- Could the previous Disparity Study that was commissioned by The Port Authority of New York and New Jersey and Essex County and others be amended to support the state's efforts as a means to expedite the process?
- Raise the Project Labor Agreement Threshold from \$5 to \$15 million - this would immediately increase public contracting opportunities for Blacks. (Executive Order similar to McGreevey)
- Implement a process to ensure that RFP's on all public contract are reviewed to ensure that they are inclusive and do not contain inherent barriers that are not commensurate with the scope of work.
- Review of the State Vendor Contract which provides opportunities for K-12, higher education and municipalities, the program grossly lacks diversity and inclusivity of black businesses.
- Increase the spend level of goods and services which do not require a formal bid from \$40,000 to \$250,000 for State Agencies and Departments.
- Support the current Bill sponsored by Senator Joe Pennacchio that requires all state agencies and educational institutions report contract spending with minorities and women.

Lastly:

- Black financial services firms, notwithstanding experience and capacity, are not granted equitable participation in New Jersey's fund management and bond underwriting opportunities.
- Black financial services firms have not been afforded primary or lead roles in Bond Underwriting and Fund management opportunities that are commensurate with their experience or capacity in New Jersey while consistently being awarded these types of opportunities in other states.

The unfortunate situation as it relates to the participation of firms who manage state funds is that some of the financial services institutions, that were responsible for contributing to massive foreclosures in New Jersey, are receiving significant economic benefits from the taxpayers.

Thank you for allowing me to participate in today's conversation.

Respectfully Submitted
John E. Harmon, Sr., IOM
11/12/19

The exhibits will confirm that regardless of whether the contracting opportunity was large, over \$5,000,000.00, or as low as \$25,000.00, in the category of a Construction, Professional or Goods/Services Provider, the percentage of contracts extended to Blacks and Hispanics ranged from 0 – 9.28 percent.

Exhibit A

Construction Prime Contracts

- African Americans received 10 or 2.20% of all construction prime contract awards during the study period. This represents \$4,667,246.00 or 0.09% of the construction prime contract dollars.
 - Hispanic Americans received 28 or 6.17% of all construction prime contract awards during the study period. This represents \$51,238,210.00 or 0.99% of the construction prime contract dollars.
 - Non-Minority Males received 323 or 71.15% of all construction prime contract awards during the study period. This represents \$4,891,545,877.00 or 94.33% of the construction prime contract dollars.
-

Professional Services Prime Contracts

- African Americans received 7 or 1.02% of all professional services prime contract awards during the study period. This represents \$4,012,503.00 or 0.27% of the professional services prime contract dollars.
 - Hispanic Americans received 11 or 1.61% of all professional services prime contract awards during the study period. This represents \$11,688,645.00 or 0.78% of the professional services prime contract dollars.
 - Non-Minority Males received 491 or 71.78% of all professional services prime contract awards during the study period. This represents \$1,270,832,590.00 or 84.73% of the professional services prime contract dollars.
-

Goods & Services Prime Contracts

- African Americans received 63 or 1.86% of all goods and services prime contract awards during the study period. This represents \$17,432,813.00 or 0.58% of the goods and service prime contract dollars.
- Hispanic Americans received 85 or 2.51% of all goods and services prime contract awards during the study period. This represents \$190,723,323.00 or 6.31% of the goods and service prime contract dollars.
- Non-Minority Males received 2,807 or 82.97% of all goods and services prime contract awards during the study period. This represents \$2,532,673,939.00 or 83.77% of the goods and service prime contract dollars.

Exhibit B

Construction Prime Contracts Valued \$5,070,000.00 and Under					
Ethnicity	Actual Dollars	Utilization %	Availability %	Expected Dollars	Dollars Lost
African Americans	\$ 4,667,246.00	0.85	15.50	\$ 85,070,847.00	\$ (80,403,601.00)
Hispanic Americans	\$ 26,809,256.00	4.88	14.38	\$ 78,945,746.00	\$ (52,136,490.00)
Non-minority Males	\$ 417,210,416.00	76.01	36.41	\$ 199,859,776.00	\$ 217,350,640.00

Utilization of African Americans and Hispanic Americans when spending Construction Prime dollars on prime contracts valued \$5.1M and under.

Professional Services Contracts Valued \$2,170,000.00 and Under					
Ethnicity	Actual Dollars	Utilization %	Availability %	Expected Dollars	Dollars Lost
African Americans	\$ 4,012,503.00	1.05	15.73	\$ 60,114,983.00	\$ (56,102,480.00)
Hispanic Americans	\$ 6,828,645.00	1.79	9.54	\$ 36,462,210.00	\$ (29,633,565.00)
Non-minority Males	\$ 255,755,127.00	66.94	34.70	\$ 132,562,772.00	\$ 123,192,355.00

Utilization of African Americans and Hispanic Americans when spending Professional Services Prime dollars on prime contracts valued \$2.2M and under.

Professional Services Contracts Valued \$25,000.00 and Under					
Ethnicity	Actual Dollars	Utilization %	Availability %	Expected Dollars	Dollars Lost
African Americans	\$ 16,580.00	9.28	15.73	\$ 28,096.00	\$ (11,516.00)
Hispanic Americans	\$ -	-	9.54	\$ 17,041.00	\$ (17,041.00)
Non-minority Males	\$ 144,790.00	81.08	34.70	\$ 61,955.00	\$ 82,835.00

Utilization of African Americans and Hispanic Americans when spending Professional Services Prime dollars on prime contracts valued \$25K and under.

Goods & Services Contracts Valued \$560,000.00 and Under					
Ethnicity	Actual Dollars	Utilization %	Availability %	Expected Dollars	Dollars Lost
African Americans	\$ 4,122,749.00	2.00	12.99	\$ 26,730,121.00	\$ (22,607,372.00)
Hispanic Americans	\$ 4,662,620.00	2.27	10.71	\$ 22,040,626.00	\$ (17,378,006.00)
Non-minority Males	\$ 165,850,811.00	80.60	47.51	\$ 97,775,968.00	\$ 68,074,843.00

Utilization of African Americans and Hispanic Americans when spending Goods & Services Prime dollars on prime contracts valued \$560K and under.

Goods & Services Contracts Valued \$25,000.00 and Under					
Ethnicity	Actual Dollars	Utilization %	Availability %	Expected Dollars	Dollars Lost
African Americans	\$ 222,601.00	1.15	12.99	\$ 2,520,875.00	\$ (2,298,274.00)
Hispanic Americans	\$ 219,551.00	1.13	10.71	\$ 2,078,616.00	\$ (1,859,065.00)
Non-minority Males	\$ 16,657,574.00	85.83	47.51	\$ 9,221,096.00	\$ 7,436,478.00

Utilization of African Americans and Hispanic Americans when spending Goods & Services Prime dollars on prime contracts valued \$25K and under.

Exhibit C

Construction Subcontractor Contracts					
Ethnicity	Actual Dollars	Utilization %	Availability %	Expected Dollars	Dollars Lost
African Americans	\$ 84,607,473.00	4.31	14.12	\$ 277,017,056.00	\$ (192,409,583.00)
Hispanic Americans	\$ 151,469,837.00	7.72	13.29	\$ 260,595,941.00	\$ (109,126,104.00)
Non-minority Males	\$ 1,515,746,991.00	77.28	40.95	\$ 803,206,669.00	\$ 712,540,322.00

Utilization of African Americans and Hispanic Americans when spending Construction Subcontractor dollars.

Professional Services Subcontractor Contracts					
Ethnicity	Actual Dollars	Utilization %	Availability %	Expected Dollars	Dollars Lost
African Americans	\$ 20,060.00	0.09	15.52	\$ 3,371,152.00	\$ (3,351,092.00)
Hispanic Americans	\$ 182,716.00	0.84	9.49	\$ 2,062,744.00	\$ (1,880,028.00)
Non-minority Males	\$ 16,005,053.00	73.67	35.32	\$ 7,673,542.00	\$ 8,331,511.00

Utilization of African Americans and Hispanic Americans when spending Professional Services Subcontractor dollars.



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November 11, 2019

Senator Ronald L. Rice, Co-Chair
Assemblyman Benjie E. Wimberly, Co-Chair
Joint Committee on Economic Justice and
Equal Employment Opportunity
State House Annex
Trenton, New Jersey

STATEMENT OF ROBERT L. GREENE, President & CEO of The National Association of Investment Committees.

Co-Chairs Rice and Wimberly, Members of this important Joint Committee, thank you for the chance to engage with you on this crucial question of how the State of New Jersey should make sure that diverse owned businesses are at the forefront of providing excellent, reliable and consistent service to the people of New Jersey.

This issue, for us one of performance, is so important, and we welcome your leadership in making it a priority.

The National Association of Investment Companies is the industry association representing diverse owned private equity and hedge fund firms, many of which ranks among the highest performing funds in the nation. I am responsible for leading our capital and policy advocacy, research and strategic alliance development.

NAIC today has nearly 80 African American and/or Latino owned or managed firms as our membership, with approximately 70 percent private equity, 20% hedge, and the balance focused on other strategies. Our members outperform in every category where we have membership, and, importantly, both I and our Board Chair have been in the position that many of you most care about, being responsible for the peoples' money. I served as Chairman of the Board of Trustees for the Virginia Retirement System, and our Board Chairman Joseph Haslip was the NYC Deputy Comptroller for Pensions.

We know your responsibilities and pressures, and we bring to our advocacy a deep respect for making sure our members are providing quality services to state and local pension plans.

The most important things I'd like this Joint Committee to know are:

6x

- 1) performance is the most important issue, not social justice, not redress, not inclusion for the sake of inclusion; performance is enhanced, not compromised by diversity;
- 2) Rigorous studies from Professors at the Harvard Business School, Stanford, the GAO at the Federal level, and NAIC itself continually show that managers of color perform at a minimum at par with, and frequently far better than, traditional non-diverse managers;
- 3) of all the variables that matter with respect to making sure high performing managers of color are involved, the one that matters most is leadership—your leadership, calling for it, insisting on it, and holding decision makers accountable for its presence or absence.

Performance

The good news for those of us who support the inclusion of people of color in positions of authority across the board is that many more people are involved pushing for it. Asset management remains a stubborn hold out against the basic truism that diversity improves outcomes. In other areas of American business most leaders don't quibble with the proposition, that a diverse Board, or C-Suite, or marketing team, etc., improves performance. That is now the conventional wisdom in business, government and philanthropy, and standard operating procedure for the best.

For historical and other reasons, that message hasn't gotten to many CIOs and investment committee Board members and Pension trustees. We still repeatedly hear, when the leaders will even talk with us, that race doesn't matter, "we just follow the numbers".

But frequently we find that they don't just follow the numbers. That there are very high performing minority asset managers who year and after deliver returns, but they can't get meetings with decision-makers at pension funds and elsewhere. Or, they are seasoned asset managers and still shunted to the emerging manager platforms.

Bias still exists in this field. And bias means that funds are giving up on returns. If you aren't working with the best asset managers, who are frequently people of color, you're missing out on returns.

We frequently hear that Trustees have a "fiduciary duty to returns" as a reason not to deal with race; given the performance of many of our managers of color, we ask the question how can you meet your fiduciary obligations if you aren't working with the best?

THE DATA IS CLEAR

The studies out there make clear that managers of color are performing at par, and often better than, firms owned by white people.

Let's be clear, it's a sign of persistent bias in asset management that a study has to be commissioned to demonstrate what we know, that people of color can manage assets at high

levels. But commissioned they were, and they demonstrate very strong performance at the highest levels, and across the board.

According to a Knight Foundation study entitled "Demystifying Investments" there is no statistical difference in performance between diverse-owned firms and their peers. A common refrain has stated that poor performance among diverse-owned firms has precluded their receipt of greater investment; the findings of this study cast doubt on this assertion.

LEADERSHIP IS EVERYTHING

With the existence of a cohort of very high performing diverse owned asset management firms, and quantitative studies that show high performance, what's the problem?

Leadership

In those jurisdictions where leaders have taken it upon themselves to modernize their offices and make sure people of color are competing at the highest levels, the inclusion is working, and funds are showing success.

The State of Illinois, NY Common, Dallas Teachers, the Virginia Retirement System, the City of New York, and some corporations—Exelon, McDonalds—and Foundations—Ford, Knight, Kresge—crossed over some time ago and recognize that diversification is performance.

We are no longer dealing with an abstraction; we are dealing with success. The question is why the vast majority of public funds are so slow to accept the obvious.

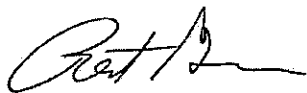
NAIC has recently met with leaders in New Jersey to move the status quo.

Approximately 12% of assets in New Jersey are invested in private equity, and according to the Division of Investment that has been the strongest performing asset class.

The Division of Investment, as well as Governor Murphy and Treasurer Elizabeth Maher Muoio, have all expressed interest in improving the participation of diverse asset managers in New Jersey's \$76 Billion portfolio. That is a great start.

We look forward to working with the Members of this Committee on specific steps you can take as legislative leaders to make that commitment a reality, and ensure that the assets of the people of New Jersey are managed in a way that provides terrific returns from the best among us.

Best regards,



Robert L. Greene
President & CEO

8X

Good morning, my name is Derek McNeil and I am a Managing Director and Head of the Mid-Atlantic Region for Siebert Williams Shank & Co., L.L.C. (Siebert). Siebert is America's top ranked women- and minority-owned (MWBE) investment bank following a merger as of last Monday of Siebert Cisneros Shank & Company and Williams Capital. The merger brought together the top ranked MWBE Wall Street firms in corporate and municipal finance underwriting, and debt and equity sales and trading. **Suzanne Shank** is the President and Chief Executive Officer of the merged firm; **Christopher Williams** serves as Chairman of the Board of Directors; and **Henry Cisneros**, the former Secretary of the Department of Housing and Urban Development, is Vice Chairman. Siebert is a wholly owned subsidiary of Shank Williams Cisneros, LLC.

I am appreciative of the opportunity to speak this morning to the NJ State Legislature's Joint Committee On Economic Justice and Equal Employment Opportunity as I have been a municipal finance investment banker for over 23 years and an Englewood, NJ resident for over 15 years. Through this experience, I can speak first-hand as to the challenges faced by MWBEs nationally and within our great State of New Jersey as it relates to garnering municipal finance business.

In municipal finance transactions, the most coveted role within an underwriting syndicate is the role of Book-Running Senior Manager and MWBEs, like Siebert, almost always seek to earn this leadership position. This role provides underwriting firms with experience, control of the pricing process, intimate interaction with issuer clients as well as Securities Data Corporation (SDC) rankings credit. Over the last decade, by par managed nationally, the top three large wall-street firms for this bookrunning manager position managed a combined \$1.622 trillion in par amount for a combined market share of 37.2%; during this same time period the top three MWBE underwriters combined served as bookrunning senior manager for \$145.153 billion for a market share of 3.3%. Within the State of New Jersey over the last decade the top three Wall Street firms have served as senior manager for \$66.7 billion of State of New Jersey bond issues – a 50% market share, with the top three MWBE firms combined serving as bookrunning senior manager for \$2.689 billion for a market share of 2%.

As I am limited on time today, I do want make to make a definitive statement that the environment for MWBE firms here in the State of NJ has gotten significantly better since Governor Phil Murphy has taken office and appointed Elizabeth Muoio as State Treasurer and Hester Agudosi as the State's first Chief Diversity Officer. Prior to the Governor taking office, he spent a lot of time meeting with MWBEs in the finance sector to better understand their challenges in gaining access to doing business with the State so that ultimately there could be a level playing field for all firms wishing to conduct business under his administration. Beginning in early 2018, the State's municipal finance issuers began to become more inclusive by adding more MWBEs as co-senior and co-managers on its large municipal bond offerings for issuers like the NJ Transportation Trust Fund Authority and the NJ Economic Development Authority. Furthermore, the State appointed my firm to serve as the lead senior manager on the successfully priced \$99.415 million NJ Sports & Exposition Authority's 2018 Series A State Contract Refunding Bonds which priced November 5, 2018. Furthermore, I was extremely happy that the State conducted its first MWBE Summit via NJ Connects this past September where it was evident that diversity and inclusion is extremely important to the current administration. This was apparent by senior state leadership participation including the Lieutenant Governor Sheila Oliver, George Helmy, Governor's Chief of Staff, Matt Platkin, Chief Counsel to Governor Murphy and State Treasurer Elizabeth Muoio.

Again, progress is currently being made in NJ but we are a long way from achieving MWBE participation goals similar to our neighbor in New York State where their MWBE program was reauthorized this summer extending until 2024. New York State came from a similar starting point: In 2010, NY State contract spending with MWBE

9x

firms totaled less than \$100 million and MWBE utilization was just under 10 percent. In 2014, Governor Cuomo set a goal of 30 percent MWBE utilization in all State contracts, and during the 2017-2018 fiscal year, the State came closer to that goal than ever before by achieving a utilization rate of 28.62 percent, or \$2.5 billion in state contracting dollars. Over \$13 billion in contracts have been awarded to MWBEs by New York State since 2011. New York State continues to lead the nation through its achievement of the highest MWBE contract participation rate.

I would like to encourage the Legislature to strongly support the Administration's efforts to increase MWBE engagement at the State and also strongly encourage to work with your various State agencies in seeking ways to continue to increase MWBE participation in financial services transactions. If New York can do it I strongly believe that New Jersey can do it even better.

Thank you,



Derek W. McNeil

Managing Director | Head of Mid-Atlantic Region

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- In October 2019, Siebert Cisneros Shank & Co., L.L.C. and The Williams Capital Group, L.P. announced a historic merger to leverage each firm's experience and strong industry position in corporate and municipal underwriting, and debt and equity sales & trading
- The firm is rebranded as Siebert Williams Shank & Co., LLC after the merger closed on November 4, 2019

- This merger will result in the following:

- **#1 MWBE Non-Bank Financial Entity in the U.S**

- 140 employees operating in 15 Locations
 - Nationwide sales & trading coverage with 6 desks
 - Adding 10 salespeople and 6 traders to our fixed income platform
 - Retail agreements in place with T.D. Ameritrade, Inc. and Dominick & Dominick LLC
 - Capital base increasing by over 50%
 - Provide a municipal Commercial Paper platform
 - Further enhance taxable bond distribution capabilities
 - Bringing approximately 50 additional taxable investors with demonstrated muni appetite among the 200 additional corporate investment-grade bond institutional investors



SUZANNE SHANK
President & CEO



CHRISTOPHER WILLIAMS
Chairman



HON. HENRY CISNEROS
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Head of Public Finance



SEAN DUFFY
Head of Institutional Sales



HON. WILLIAM THOMPSON
Chief Administrative Officer

Full-Service Investment Bank with Multi-Industry Underwriting and Advisory Expertise

Siebert Cisneros Shank & Co., L.L.C.

- **Ranked #1 MWBE municipal underwriter for 20 years**
- Ranked #2 among all firms as co-manager for municipal debt
- Managed transactions for over 90% of the 50 largest municipal issuers and served as book-running senior manager for 9 of the 10 largest municipal issuers
- Over \$2.0 trillion of corporate and municipal underwriting volumes since inception
- In the past five years, participated in nearly 2,000 municipal financings, serving as lead manager on over 200 financings totaling nearly \$30 billion

Combined firm has over \$1.6 trillion of underwriting volume in the past 5 years in key sectors

Source: Combined firm internal/external information, all statistical references or ranking information from Securities Data Corporation ("SDC")

The Williams Capital Group, L.P.

- **Ranked #1 MWBE corporate underwriter for 21 years**
- Ranked #1 among all firms as co-manager for corporate debt
- Participated in transactions for 115 of the Fortune 200 companies
- Underwrites in excess of \$3.5 billion annually for clients including 65 of the Fortune 100 companies
- In the past five years, participated in over 900 corporate debt and equity offerings, acting in both book-runner and co-manager capacities



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November 12, 2019 Testimony of Dr. Dale G. Caldwell

Good morning. I am Dr. Dale Caldwell the executive director of the FDU Rothman Institute of Innovation and Entrepreneurship. I am honored to have the opportunity to present this testimony.

Public Agency Diversity Spend Reporting

In recent years, corporations have been pressured to report their "Diversity Spend" (the amount of money spent on Veteran, Minority and Women-owned contractors). Unfortunately, public sector organizations in New Jersey have not been asked to publicly report, on their website, the amount of money spent on New Jersey Certified Veteran-Owned; Minority-Owned; and, Women-Owned Businesses.

These organizations, because they lack the contacts and marketing funds of other organizations, are virtually excluded from contracts with large public schools and government agencies. I am recommending that the Legislature and the New Jersey Governor's Office require that every public entity that receives state funding (public schools, municipalities, departments and other public organizations) report, on their website, the total amount of money spent on New Jersey Certified Veteran, Minority and Women owned businesses.

My experience includes being the Board President of the New Brunswick Board of Education and the Educational Services Commission of New Jersey (ESCNJ) for a combined total of 22 years. These organizations have explained to me that tracking this spending will not be difficult to determine for the 2019 calendar year. I was also the Deputy Commissioner of the New Jersey Department of Community Affairs

12x

(DCA). I therefore understand the capabilities and limitations of local municipalities. I am confident that every municipality in New Jersey has the capability of reporting their minority-spend numbers on their website if given three months to collect the data.

Some people may ask the question “How will publicly reporting minority-spend numbers improve opportunities for these small businesses?” The peer pressure of reporting a low Diversity Spend amount will force public entities to actively seek out qualified Veteran, Minority and Women owned businesses and encourage them to bid on contracts or award them contracts below the bid threshold. These businesses are more likely to hire people from minority communities so their success will lead to greater employment opportunity for New Jersey residents. This simple initiative will result in millions of dollars in contracts given to small minority businesses.

The Diversity Spend transparency will increase opportunities for these businesses to get the revenue needed to grow and hire from underserved communities. This will lead to the growth of small businesses in New Jersey and the improvement of the quality of life in communities that have not benefitted from successful Veteran, Minority and Women owned businesses.

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State of New Jersey

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ELIZABETH MAHER MUOIO
State Treasurer

COREY AMON
Director

November 11, 2019

MEMORANDUM TO: Senator Ronald L. Rice
Assemblyman Benjie E. Wimberly

FROM: Corey Amon
Director
Division of Investment

SUBJECT: **Opportunities for Minority-Owned and Women-Owned Business Enterprises at the Division of Investment**

This memorandum provides background on efforts undertaken by the Division of Investment (DOI) to foster opportunities for minority-owned and women-owned business enterprises (MWBEs). DOI believes that diversity of broker/dealers, investment consultants, investment advisers, and alternative investment fund managers can enhance financial outcomes and a greater utilization of diverse businesses can lead to better risk-adjusted investment returns. This core belief aligns with the recently-adopted P.L. 2019, c. 2, which requires the Director of DOI to use minority-owned and women-owned financial institutions to provide brokerage and investment management services to the greatest extent feasible and consistent with his or her fiduciary duties.

For purposes of this memorandum, DOI includes as an MWBE a business that has been certified as an MWBE by national organizations or by other states, that has self-reported as an MWBE, or that has been identified as an MWBE by investment consultants or trade associations. These businesses may include entities that would not qualify as a MWBE under the definitions of current State law.

Identification and utilization of MWBEs by DOI

DOI contracts with businesses that provide a number of investment-related services, including broker/dealers, investment consultants, investment advisers and alternative investment fund managers. Broker/dealers are engaged by DOI to execute trades on its behalf. Investment consultants assist DOI in evaluating investment strategies, identifying and reviewing potential investments, and measuring performance. Investment advisers provide non-discretionary investment advice in certain asset subclasses, including emerging market equity and high yield fixed income. Finally, DOI invests in alternative investment funds, such as private equity funds, real estate funds and hedge funds, which are often managed by a general partner or investment manager. Although an entity managing an alternative investment fund is not directly engaged by DOI, it provides services indirectly to DOI as an investor.

DOI measured its current MWBE utilization rate for broker/dealers, investment consultants, investment advisers and alternative investment fund managers. At this time, DOI utilizes five MWBEs as broker/dealers, one MWBE as an investment consultant, and 11 MWBEs as alternative investment fund managers (comprising approximately 11% of the total market value of DOI's alternative investment portfolio).

The State maintains a database, the New Jersey Selective Assistance Vendor Information (NJSAVI) database, which identifies businesses that are certified as an MWBE with the State of New Jersey. The NJSAVI database identifies five certified MWBEs that provide "investment management services." DOI does business with two of those five firms.

DOI Efforts to Increase Opportunities for MWBEs

DOI has taken a series of steps to increase opportunities for MWBEs, including identifying MWBEs eligible to provide services to DOI, encouraging MWBEs to respond to DOI procurements, and ensuring qualified MWBEs are included in the evaluation process. During calendar year 2019, DOI has held meetings with no fewer than twenty MWBEs in its ongoing effort to identify more opportunities. DOI has also engaged in a wide range of outreach efforts, including participation in five conferences targeted specifically to expanding opportunities for MWBEs. DOI is currently creating, and will soon recruit for, a full time position for an employee who will lead the Division's MWBE initiatives.

Broker/Dealers:

DOI currently maintains a list of several dozen eligible brokers based upon a review of quantitative and qualitative criteria, as set forth in DOI's Broker/Dealer Eligibility Policy, and consistent with principles of best execution. DOI has fielded inquiries from and arranged meetings with a number of interested broker/dealers who are MWBEs. DOI encourages qualified MWBE broker/dealers to meet with staff and maintains an open door policy to increase the likelihood that DOI will be able to expand its roster of approved broker/dealers who are MWBEs. The most recent MWBE broker/dealer was approved in October 2019 as an outcome of DOI's open door policy. DOI will continue to review and add MWBE broker/dealers who meet the requisite criteria and to the extent such utilization is consistent with its fiduciary duties.

Investment Consultants:

DOI presently engages four firms as investment consultants, including one general consultant and three asset class consultants. Consultants are selected by the Director in accordance with his or her fiduciary duties pursuant to procurement procedures approved by the State Investment Council (SIC). They must satisfy certain eligibility criteria set forth in State procurement statutes and regulations adopted by the SIC. Each of DOI's current consultants was selected through a separate Request for Proposals (RFP) process, the most recent of which concluded in 2018. DOI issued an RFP for a general consultant in July 2019, and issued another RFP for a hedge fund and private credit consultant in August 2019. DOI staff is currently reviewing its RFP templates and the applicable procurement procedures in order to identify changes that would assist DOI's diversity initiatives.

Investment Advisers:

DOI currently has a roster of a dozen firms that are under contract to provide non-discretionary investment advisory services. DOI procures these investment advisers pursuant to procurement procedures approved by the SIC and an RFP process, the most recent of which concluded in 2016. DOI selects these advisers in accordance with its fiduciary duties, provided they satisfy the applicable eligibility criteria set forth in State procurement statutes and SIC regulations. DOI anticipates issuing a new RFP in the next year or so, as the current adviser contracts expire. DOI has identified and met with a number of MWBE firms that provide investment advisory services and intends to notify these firms when the next RFP is issued. As noted above, DOI staff is currently reviewing its RFP templates and the applicable procurement procedures in order to identify changes that would assist DOI's diversity initiatives.

Alternative Investment Fund Managers:

DOI has relationships with over 100 fund managers as part of its alternative investment program. The SIC has adopted policies and procedures governing the sourcing, due diligence and selection of these managers, and has adopted detailed regulations to ensure that investments are made in a manner consistent with DOI's fiduciary duties.

DOI asked two of its investment consultants to identify and construct an investable universe of MWBE fund managers. According to these consultants, 133 of 1,450 private equity general partners (9% of the private equity market) self-reported as MWBEs and 7 of 1,200 real estate general partners (0.6% of the real estate market) self-reported as MWBEs. This data indicates that MWBE-managed funds represent a disproportionately small portion of the investable universe. On a market value basis, the percentage of MWBE general partners is materially lower. DOI staff is reviewing each of the firms that has self-reported as an MWBE to maximize the probability of identifying MWBE-managed funds that align with DOI's investment objectives.

In September 2019, DOI hosted a roadshow sponsored by the National Association of Investment Companies (NAIC), a trade association of MWBE fund managers, to introduce DOI staff to more than thirty MWBE fund managers. DOI has also contacted other public pension funds regarding best practices in maximizing opportunities for MWBE-managed fund investments. Finally, DOI is conducting a review of applicable policies and procedures, to identify changes consistent with its fiduciary duties that would encourage the inclusion of MWBE-managed funds.

Conclusion

The actions described above provide DOI with greater opportunities to engage highly qualified MWBEs, consistent with DOI's core belief that diverse businesses may enhance financial outcomes over time, and greater utilization of diverse businesses can lead to better risk-adjusted investment returns. DOI believes its approach is consistent with its fiduciary responsibilities and its objective to maximize risk-adjusted returns for the beneficiaries of the various Funds under DOI's jurisdiction, including approximately 800,000 pension fund participants.

16x

cc (through committee aides):

Senator Chris A. Brown
Assemblywoman Gabriela M. Mosquera
Senator Nellie Pou
Assemblywoman Verlina Reynolds-Jackson
Assemblywoman Holly T. Schepisi
Assemblywoman Britnee N. Timberlake
Senator Shirley K. Turner
Senator Loretta Weinberg

January 24, 2019

Responses to the Joint Committee on Economic Justice and Equal Employment Opportunity

NJ Department of Labor and Workforce Development

Senator Rice:

1. *Senator Rice made a written inquiry on April 28, 2015 as to whether the department had issued any annual report on Project Labor Agreements (PLAs) as required by P.L.2002, c.44, for any year after the report it issued in October 2010 covering projects completed by fiscal year 2008. In his inquiry, Senator Rice had specified his interest in the portion of the report on the effectiveness of PLAs in meeting the law's requirements to promote the entry of women and minority group members into apprentice and journey worker positions. Since there appears to have been no PLA report since the October 2010 report, Senator Rice would like an updated version of the portions of that report concerning women and minority group participation, including the sections on "Employment Work Hours for Minorities, Females and Apprentices" (pages 14 through 16, with its Tables 6, 7 and 8), "Employment Work Hours for Minorities and Apprentices by Construction Trade" (pages 17 through 20, with its Tables 9 and 10), and Appendix III, "Minorities, Female and Apprentice Construction Employment Participation Rates for All Projects" (pages 30 through 33). To enable the committee to evaluate what progress may have been made since the last report, the update should cover fiscal years 2009 through 2018 and, to the extent possible, FY 2019.*

After an extensive search and collection effort for this data, LWD has located partial data for workforce utilization by women and minorities in the NJ BUILD Program: a. 2009-Q4; b. 2010-Q1, Q2, Q3, Q4; c. 2013-Q3; d. 2014-Q1, Q2, Q3; e. 2015-Q1, Q2, Q3. This data is in the process of being reviewed and transferred into a usable format.

LWD is finalizing a retrospective report for the NJ BUILD program including all NJ BUILD Data available for the Fiscal Years 2011 through 2018. The report will be issued late Mid-February of 2019.

2. *Senator Rice also made a written inquiry as to whether the department had issued any annual report on NJ BUILD, as required by P.L.2009, c.313, for any year after the report issued in March 2011 covering projects completed by FY 2010. In his inquiry, Senator Rice specified his interest in data in the report regarding women and minority group members in each program and outcomes in job placements, earnings, and retention. Since there appears to have been no NJ BUILD report since the March 2011 report, he would like an updated version of the relevant portions of that report, including the data in Attachments "A" through "E." The update should cover fiscal years 2011 through 2017 and, to the extent possible, FY 2018.*

Please see the attached Excel Workbook- Document #2 which contains records of payments in compliance with the law. Unfortunately, the entire universe of contracts covered by NJ BUILD during this time period is unknown. Additional information is being compiled into the forthcoming 8-year retrospective report.

3. *Please provide the balance of funds in the NJ BUILD account upon transfer of oversight from the State Treasury Department to the Department of Labor and Workforce Development.*

NJ BUILD Fund balance at the time of transfer was \$0.

4. *Please indicate how much money was deposited into the NJ BUILD fund, and how much was lapsed from that fund into the General Fund for each fiscal year, starting in FY 2010 and including the current fiscal year.*

Please see attached Document #3

5. *Please provide statutory citations for all laws providing to the Executive Branch the authority to lapse moneys from the NJ BUILD fund to the General Fund, including any relevant provision of the appropriations act. Indicate whether the authorizing law or laws specifically apply to NJ BUILD or are general language applying to all lapses by the department or to all lapses of any department of the State.*

Please refer to General Provision #2 of the Appropriations Act (Page E-1)

6. *Please provide the number of contracts that have been awarded in connection with Super Storm Sandy recovery efforts supported by State and federal funds. Of those contracts, how many workers were employed in connection with those contracts. What number and percentage of those workers were women? What percentage and number were minority group members?*

There were eleven federally funded contracts issued to counties and municipalities. LWD did not receive any State funding related to Hurricane Sandy.

7. *Please provide the total value of those contracts. What portion of that value was in contracts that exceed \$1 million each and were subject to the requirements of P.L.2009, c.313 to set aside 0.5% of the contract amount for NJ BUILD or similar programs? What was the total amount collected and how much was paid into the NJ BUILD fund?*

The contracts issued were federally funded and not subject to NJBUILD statutes.

8. *Aside from NJ BUILD funds, what other non-federal job training funds have lapsed? Please provide that information, with the amount lapsed for each program and for each year during the time that NJ BUILD has been in operation.*

FY 2010: 10-100-062-4545-322 WorkFirst New Jersey – Work Activities \$4,310,999

9. *Please provide data on the amount of NJ BUILD funds that, as permitted by P.L.2009, c.313, have been used to assist women and minority group members seeking careers in engineering and other professional fields related to the construction industry.*

At this time there have been no Notice of Grant opportunities for engineering and other professional fields related to the construction industry. LWD's NJ BUILD Office is working to release a new NGO that is for professional careers utilized in the construction industry. As LWD works to strengthen and bolster the programs supported by the NJ BUILD Fund, the expansion to construction related industries will be a main focus.

Senator Turner:

10. Director for NJ BUILD, Gerard Balmir indicated that a written response would be forthcoming to the following question raised by Senator Turner at the December 11, 2018 meeting:

- For the "Women in Construction" opportunity grants, please provide the total number of participants for each year the grants were provided and the average amount of each grant. When does the department anticipate the grant program to be defunct? Please provide all available information on the Notice of Grant issued on October 17, 2018 for the program.

The Women in Construction Grant is a pre-apprenticeship NGO with an adjusted anticipated start date of February 1st, 2019. The grant period is 12 months. The proposals that received passing scores are going through our internal approval process. When the approval process is done, award letters will go out. Attached is the Women in Construction NGO.

NGO attached as Document #3

Assemblyman Wimberly:

11. Please provide any data regarding any changes in the employment of minorities, youth or women which the department believes warrants its decision to lapse NJ BUILD funds.

LWD does not make the decision regarding the reversion of funds.

LWD is aggressively programming NJ BUILD and has an infrastructure in place to minimize the amount of unspent funds.

12. Please provide any data regarding the demographics, including by age group and gender, of the population served by NJ BUILD programs, including the "YouthBuild" program. Provide data on the number of individuals receiving individual training grants under NJ BUILD for each year the grants were provided and the average amount of each grant.

Please see attached Document #4

Within the framework of NJ BUILD Programs, Program Managers are responsible for the collection and transmission of this data to LWD. Under the new leadership of a dedicated director, the collection of demographic data will be a priority. LWD understands the need for this data is critical to planning for the future success of NJ BUILD Programming.

13. Please provide data regarding any women or minorities receiving services from vocational schools in connection with NJ BUILD funds, including the amount of funds and the number served.

Vocational schools: In FY11 Hudson County Vocational School District graduated 12 participants and placed 11 (8 in construction; 3 in other sectors). In FY 16, 313 students were served through the County Apprenticeship Coordinator program in vocational schools and community colleges. Hunterdon County Vocational School District has received grants to serve inmates of the Edna Mahan Correctional Facility for Women. 68 were enrolled; 48 graduated.



**STATE OF NEW JERSEY
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT**

WOMEN IN CONSTRUCTION TRADES

**NOTICE OF GRANT OPPORTUNITY
Fiscal Year 2019**

Announcement Date: October 17, 2018

Application Due Date: November 13, 2018

**Robert Asaro-Angelo
Commissioner**

21x

**Women in Construction Trades
Notice of Grant Opportunity – FY 2019**

TABLE OF CONTENTS

Section A:	Name of Grant Program	Page 2
Section B:	Purpose for Which the Grant Fund Will Be Used	Page 2
Section C:	Available Funding	Page 3
Section D:	Eligible Applicants	Page 4
Section E:	Targeted Population	Page 4
Section F:	Program Outcomes	Page 5
Section G:	Procedures for Eligible Entities to Apply for Grant Funds	Page 5
Section H:	Reporting and Requirements	Page 6
Section I:	Proposal Content and Checklist	Page 6
Section J:	Address to Which Proposals Must Be Submitted	Page 9
Section K:	Application Submission Date	Page 10
Section L:	Date by Which Applicants Shall be Notified	Page 10

Take Notice that, in compliance with N.J.S.A. 52:14-34.4 et seq., the Department of Labor and Workforce Development (hereinafter "the Department" or "LWD") regularly publishes on its website, at <http://lwd.dol.state.nj.us/labor>, all notices of fund availability pertaining to federal or state grant funds which may be awarded by the Department. The notices of fund availability may be found on the Department's website under the heading "Public Notices" and the subheading "Notice of Availability of Grant Program Funds".

A. NAME OF GRANT PROGRAM

Women in Construction Trades

B. PURPOSE FOR WHICH THE FUNDS WILL BE USED

The Women in Construction Trades grant will assist in providing greater employment opportunities for females, residing in New Jersey, by providing pre-apprenticeship training, workforce readiness/employability, and a structured work experience which will emphasize vocational-based training for entry-level skills in the construction trades.

In order to meet the employment needs of existing trade unions and private contractors, this funding will only support partnerships with trade unions and private contractors in the development and provision of pre-apprenticeship training and the placement of individuals with labor unions to meet their workforce needs.

There are 15 affiliated construction trades occupations in the construction industry. The following 15 occupations have the greatest opportunity for employment based upon projected growth and replacement data. Proposals must focus on construction training for women and minorities which will lead to apprenticeship and/or employment in the following occupations:

O*NET Code	Occupation
47-2011.00	Boilermakers
47-2021.00	Bricklayers
47-2031.00	Carpenters
47-2111.00	Electricians
47-4021.00	Elevator Constructors
47-2141.00	Finishing Trades (Painters, Glaziers, and Drywall Finishers)
47-2131.00	Insulators
47-2221.00	Iron Workers
47-2061.00	Laborers
47-2073.00	Operating Engineers
47-2051.00	Operative Plasterers and Cement Masons
47-2152.01	Pipe Trades (Plumbers and Pipefitters, Sprinkler Fitters, Heating, Ventilation and Air Conditioning [HVAC] Service Technicians)
47-2181.00	Roofers
47-2211.00	Sheet Metal Workers
53-3032.00	Teamsters/Heavy Truck Drivers

Goals

This competitive Notice of Grant Opportunity (NGO) is being made available to achieve two primary goals:

1. Increase opportunities for women to acquire skills, increase employment opportunities and benefit economically from construction projects within New Jersey.
2. Assist contractors and trade unions in meeting their workforce needs through the recruiting and training of women.

Objectives

LWD has established the following three objectives to achieve the goals:

- Engage trade unions and construction contractors in the development and provision of construction-related pre-apprenticeship training.
- Provide training in the following areas:
 - Workforce readiness /employability skills instruction; and,
 - Occupation-specific construction-related trades training.
- Assist participants with job placement services targeting employment in registered apprenticeship programs or quality construction jobs. These jobs are defined as construction jobs with a pay rate that is at least 51% above the state minimum wage. Participants are to earn a minimum of three industry-valued credentials.

Each applicant must include a plan on how they will meet each of the above objectives.

C. AVAILABLE FUNDING

The Women in Construction Trades grant will be funded by The New Jersey Builders Utilization Initiative for Labor Diversity (NJBUILD), through the annual Appropriations Act and P.L. 2009, c. 335.

The total amount of funding available for this program in Fiscal Year 2019 (FY 2019) is \$1,000,000. We estimate four grant awards to be funded at approximately \$250,000 each, contingent upon available funding. The grant is expected to be for a 12-month period and is estimated to begin on January 1, 2019.

The applicant's budget must be well considered, necessary for the implementation of the program, and within the funding parameters. Final amounts will be determined at the time of pre-contract revisions. Ineligible, inappropriate or undocumented costs will be removed from the funding request.

D. ELIGIBLE APPLICANTS

This targeted, competitive opportunity is designed to provide training and placement services to participants in occupations as outlined in this NGO. The following organizations are eligible to apply as the lead agency:

1. County or municipal governments;
2. Public training providers or trade schools;
3. Community-based organizations;
4. Labor organizations;
5. Employers and/or contractors;
6. Public vocational schools;
7. Institutions of higher education;
8. Public or private, non-profit agencies; or
9. Trade organizations which represent a particular trade, group of trades, contractors or employers.

PLEASE NOTE: If a labor organization or employer/contractor is not the lead agency, the applicant is required to partner with at least one of these entities to ensure a pathway for placement.

E. TARGETED POPULATION

Outreach and recruitment efforts should focus on participants age 18 or older. Possible sources could include One-Stop Career Centers (OSCCs), those underemployed or unemployed, adult evening programs at vocational/technical institutions, community and faith-based organizations, successful graduates from the New Jersey Youth Corps and Youth Transitions to Work (YTTW) programs, community college graduates, college dropouts, etc.

In accordance with program requirements, applicants must meet the following program participant eligibility requirements:

- Be a female residing in New Jersey;
- Be at least 18 years of age at the time of enrollment;
- Possess a high school diploma or High School Equivalency (HSE) diploma;
- Possess a valid driver's license;
- Score a minimum 7th grade level on the Test of Adult Basic Education (TABE);
- Demonstrate a legitimate interest in pursuing a career in the building and construction trades; and,
- Be drug-free throughout the training and placement.

All participants of the training program MUST be registered with an OSCC, enrolled in the Workforce Innovation Opportunity Act (WIOA) program and offered appropriate services such as interviewing skills, resume writing, career exploration, etc.

F. PROGRAM OUTCOMES

All programs are expected to attain the following outcomes during the funding period:

- All participants will engage in all components of the program.
- A minimum of three industry valued credentials must be earned.
- Graduate a minimum of 90% of the participants from the training program.
- A minimum of 90% of program graduates will be placed into, registered apprenticeship programs or quality construction jobs which are defined as construction jobs with a pay rate that is at least 51% above the state minimum wage.

G. PROCEDURES FOR ELIGIBLE ENTITIES TO APPLY FOR GRANT FUNDS

All grant proposals must establish a lead agency. The lead agency serves as the applicant agency of record, the legally recognized fiscal agent for the grant project and the single point of contact for LWD. The lead agency is responsible for overseeing the implementation of all aspects of the grant, i.e., project and spending plan; grant project monitoring and reporting; outreach and recruitment; and fiscal management. It is essential that the applicant carefully construct result-oriented goals and objectives that support the program's stated goals and objectives, together with the program description and budget, providing a comprehensive plan for the successful accomplishment of the program. The plan shall also include the occupation in which the training will be provided, a summary of the curriculum of the training and clearly outline the number of hours of the training. Proposals that do not meet the above requirements or do not adhere to the potential award amount parameters will be eliminated from consideration.

Applicants under this grant program must provide a narrative describing their organizational capacity, resources, commitment and any demonstrated ancillary program successes in similar type of programs. Applicants must detail their experience in providing construction trades training in the specific occupation(s) for which they are applying. Such information is to be included as part of the applicant's "Organizational Commitment and Capacity" section of this application. Please refer to page 7 for additional information.

The lead agency should conduct an orientation for all pre-screened individuals to ensure program requirements are met and training requirements are clearly understood. The orientation should provide a realistic picture of the trades, what they might encounter and how they can deal with these challenges in a positive way. The orientation should also outline the curriculum and number of hours of training.

The lead agency must partner with trade unions and/or private contractors/employers to ensure the training being provided aligns with the workforce needs of employers and unions and to create a pathway for graduates to be placed in union-sponsored, registered apprenticeship programs or quality construction jobs.

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H. REPORTING AND REQUIREMENTS

Grant recipients are required to maintain progress data and submit monthly program and fiscal reports documenting grant-related activities. The reports will be reviewed to ascertain the grantee's progress within the scope of work and its conformance with program regulations and enabling legislation.

Monthly narrative and performance reports will include at a minimum the following: participant enrollment; participant attendance; participant demographics; benchmarks achieved; credentials achieved; and program progress, achievements and challenges. The monthly report templates will be provided with the contract.

Reimbursement will be made based on benchmark payments which will be stipulated in the contract. The benchmarks are: enrollment and course start; course mid-point; course completion; and job placement. Requests for reimbursement for program costs must be submitted on the State of New Jersey payment voucher.

Monthly narrative, performance and financial reports are due on or before the 15th of each month. A closeout report will be due 30 days from program completion.

All grantees will be subject to on-site technical assistance visits. The purpose of the visit will be to assess progress toward the program goals and the integrity of the program model.

I. PROPOSAL CONTENT AND CHECKLIST

To ensure consistency and fairness of evaluation, each applicant seeking funding under this grant program submit an application that includes, at a minimum, the components listed below. All components in the proposal must be in the order as listed below. It is important to note that failure to include the required documentation may result in the application being removed from consideration for funding. A description of each component is listed in this section, after the checklist.

<i>Required</i>	<i>Component</i>	<i>Included</i>
✓	<u>Applicant Title Page</u>	
✓	Activity Plan	
✓	Letter(s) of Commitment from Partner(s)	
✓	Statement of Need	
✓	Organizational Commitment and Capacity	
✓	Training Curriculum and Schedule	
✓	Comprehensive Attendance and Drug Policies	
✓	<u>Budget Summary</u> and Budget Narrative	
✓	<u>Standard Assurances and Certifications General Provisions</u>	

27x

The Program Narrative must meet the following formatting requirements:

- Font – Times New Roman, 12 point;
- Spacing – double spaced;
- Margins – 1" top and bottom and 1" side margins;
- Pages must be numbered – X of X pages, centered at the bottom of the page;
- Charts and graphs are allowed but must be clearly labeled and described;
- Applicant/Organization's name must be listed on each page;
- Proposals, excluding attachments, should not exceed 25 pages.

Binders or notebooks shall not be utilized for application submissions.

Explanation of Program Components

- 1) Applicant Title Page – Complete all sections of the form and attach it to the front of the application. Ensure Sections I and II are complete and all information is accurate on the form. The Chief Executive Officer must sign and date the form.
- 2) Activity Plan – An activity plan, including specific objectives and a training plan must be completed. Ensure you include detailed information for each component.
- 3) Letter(s) of Commitment from Partner(s) – A letter of commitment from each local union and/or construction contractor who will be in partnership with the grantee must be submitted along with the application. The letter should indicate the specific activities the entity will be involved in and a willingness to hire graduates of the training program.
- 4) Statement of Need - Demonstrate the need for the project in relation to the NGO. A need is defined as the difference between the current status and the outcomes that the applicant would like to achieve. Documentation may include a demographic description of your targeted area and research specifically relating to construction projects in the targeted area. This should also include projected number of apprenticeship opportunities with unions and construction employers within the targeted area and the surrounding area.
- 5) Organizational Commitment and Capacity – Applicants need to describe their commitment to addressing the conditions and/or needs identified, including the organizational support that exists for implementing the proposed project. The applicant must also state they have the management information system (MIS), equipment and capacity needed to properly track and report participant demographic and performance data to LWD and demonstrate the ability to complete all required monthly reports and requests for information in accordance with protocol and timelines established by LWD. The applicant should also describe what experience they have had in conducting construction-related training. Additionally, the applicant should focus on how previous experience will be applied to ensure successful implementation of the proposed project.
- 6) Training Curriculum and Schedule – It is required that each applicant submit with this proposal a curriculum outlining the components within this section of the NGO and the

associated hours for completion of each component. The training curriculum should be focused on basic skills instruction, workforce readiness instruction and occupation-specific construction trades training to allow participants to be better prepared to take and pass the entrance examinations for the building and construction trades and be adequately qualified to enter an apprenticeship program or hired into a quality construction job. Proposals which include training which leads to industry-recognized certifications will be given special consideration. Examples of such certifications include: OSHA10 Safety Training, EPA Lead-Safe Training, etc. The curriculum must list the specific construction trades occupation(s) individuals will enter once they complete the training. TABE testing must take place for all students prior to acceptance into the training program and at the conclusion of instruction. Field trips to union training centers and/or worksites should be part of the curriculum, but does not count toward the number of hours of training unless hands-on training is included.

NOTE: All training providers utilized as part of a grant must be listed as approved on the state's Eligible Training Provider list (ETPL) <http://www.njtopps.org/>.

- 7) Budget Summary – The Budget Summary must be completed. The summary must also include a budget narrative explaining all monetary and non-monetary funding sources or resources within the budget. The maximum cost for training is \$5,000 per participant. Budgets will be reviewed using the State of New Jersey policies and regulations as a guideline.
- 8) Standard Assurances and Certifications and General Provisions – Carefully review and sign these documents and include all pages in your grant proposal. The signature of the Chief Executive Officer, on pages 5 and 16, indicates the organization's acceptance of these provisions.

Award Process:

The LWD will conduct an internal review of each grant application. An internal review team will evaluate the application on the basis of quality, comprehensiveness, completeness, accuracy and adherence to the guidelines and requirements of this NGO. Applicants are reminded that grants will be awarded through a competitive process. The LWD cannot fund all applications submitted; therefore, only applications that meet the highest standards will be awarded.

Panel Review Process:

All applications are subject to a department panel review and final approval by the Commissioner of LWD. The panel review date is expected to occur the week of November 26, 2018. Applicants will be notified of the decision by LWD within 30 days of the application due date.

Evaluation Criteria

This NGO is competitive and will be reviewed by a selection committee using a pre-established set of requirements, which will include, but not be limited to the following:

To be considered, a Title Page and the Standard Assurances and Certifications and General Provisions must be signed and dated.

Evaluation Criteria	Total Points
<i>Program Narrative and Training:</i> <ul style="list-style-type: none">• Compelling statement of need• Summary of training curriculum and alignment with NGO• Training focused on identified union construction needs in New Jersey• Letter(s) of commitment from partner(s)• Organizational commitment and capacity describes past experience and includes information about their MIS	40
<i>Program Plan:</i> <ul style="list-style-type: none">• Activity Plan adequately addresses the grant objectives• Strategy to ensure participant program completion and placement in a construction apprenticeship program• Attendance and drug policies submitted and comprehensive	40
<i>Budget Summary and Budget Narrative:</i> <ul style="list-style-type: none">• Budget is reasonable• Budget is within the cost guidelines of the NGO• Budget Summary aligns with Budget Narrative• No calculation errors	20

J. ADDRESS TO WHICH PROPOSALS MUST BE SUBMITTED

Two originals and two copies of the application must be delivered to:

Deborah Darbee, Chief
New Jersey Department of Labor and Workforce Development
Division of Workforce Development and Economic Opportunity
ATTN: Women in Construction Trades Program
1 John Fitch Plaza – 7th Floor
P.O. Box 055
Trenton, New Jersey 08625-0055

Postmarks are not acceptable evidence of timely submission; receipt by the due date and time is required. Applicants are encouraged to hand-deliver the application to the address above, send the application by Certified Mail, Return Receipt Requested or arrange for delivery by an overnight delivery service to ensure timely delivery and receipt of the application.

Note: Applicants must also have prepared and have available upon request by LWD an electronic version of the application package (utilizing MS Word and MS Excel, not PDF).

Technical Assistance

LWD will provide technical assistance upon request. Requests for technical assistance should be directed to Lauren Kremper-DiFilippo at:

Lauren.Kremper-DiFilippo@dol.nj.gov.

K. APPLICATION SUBMISSION DATE

Grant applicants must submit their proposal by 12:00 p.m. (noon) on Tuesday, November 13, 2018.

All proposals received after the deadline will not be reviewed or evaluated. Consequently, they will not be eligible for award consideration. The responsibility for a timely submission rests with the applicant.

L. DATE BY WHICH APPLICANTS SHALL BE NOTIFIED

All proposals are subject to a Department panel review and final approval by the Commissioner of the Department. Applicants will be notified of the final determination of their request within 30 business days after the panel review date.

STATE OF NEW JERSEY
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
New Jersey Builders Utilization Initiative for Labor Diversity (NJBUILD)*

FY	Re-Appropriated	Revenue	AA-EEO	Available	Pre-Encumbrance	Expended	Encumbered	Committed	Uncommitted	Reverted	Carryforward	+/- **
2019	3,964,982	660,023	(470,000)	4,155,005	1,000,000	38,030	470	1,038,500	3,116,505	-	3,967,704	(2,722)
2018	2,411,839	3,785,802	(470,000)	5,727,641	-	248,860	1,511,077	1,759,937	3,967,704	-	2,279,694	132,145
2017	2,064,366	2,839,827	(470,000)	4,434,193	-	1,303,927	350,572	1,654,499	2,779,694	(500,000)	2,006,049	58,317
2016	698,117	2,814,503	(470,000)	3,042,620	-	1,036,571	-	1,036,571	2,006,049	-	332,058	73,271
2015	396,822	4,293,579	(460,000)	4,230,401	-	1,105,555	-	1,105,555	3,124,846	(2,500,000)	249,100	64,764
2014	62,296	1,638,944	(450,000)	1,251,240	-	919,182	-	919,182	332,058	-	1,127,468	(186,804)
2013	1,276,556	4,696,758	-	5,973,314	-	824,214	-	824,214	5,149,100	(4,900,000)	3,427,533	149,088
2012	3,238,315	4,958,047	-	8,196,362	-	1,068,894	-	1,068,894	7,127,468	(6,000,000)	2,307,302	(189,218)
2011	2,305,417	6,678,883	-	8,984,300	-	556,767	-	556,767	8,427,533	(5,000,000)	1,172,117	(1,885)
2010	1,172,117	3,011,540	-	4,183,657	-	376,355	-	376,355	3,807,302	(1,500,000)	17,493,871	96,956
2009	1,295,377	1,295,377	-	1,295,377	-	123,260	-	123,260	1,172,117	-	41,010,376	96,956
	17,590,827	36,673,283	(2,790,000)	51,474,110	1,000,000	7,601,615	1,862,119	10,463,734	41,010,376	(20,400,000)	17,493,871	96,956

* As of 1/10/19

** Periodic variances occur due to the timing of de-obligations as they roll forward from prior years.

32x

Schedule 18-2.2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

NJBUILD

NJBUILD - Newark				
Grant Period: 2/1/2016 - 7/31/17				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
Roofers Local #4	\$ 200,000	\$ 199,000	40	39
Newark WIB	\$ 200,000	\$ 148,817	61	3
Total	\$ 400,000	\$ 347,817	101	42

NJBUILD - Atlantic				
Grant Period: 6/30/16 - 12/31/17				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
Northeast Carpenters Apprenticeship	\$ 190,064	\$ 110,104	7	7
Total	\$ 190,064	\$ 110,104	7	7

NJBUILD - Incarcerated Women in Construction (FY16 Extension)				
Grant Period: 6/30/2016 - 6/29/2018 (Data as of 4/16/2018)				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
HCVSD	\$ 200,000	\$ 129,932	68	37
Total	\$ 200,000	\$ 129,932	68	37

NJBUILD - Highway to Employment (H2E)					
Grant Period: 8/1/2016-1/31/2018					
Grantee	Grant Amount	Amount Expended	Marketing & Enrollment	Mid-Point & Assessment	Total Graduation
Jersey City Employment and Training Program	\$ 240,000	\$ 184,500	66	45	40
Total	\$ 240,000	\$ 184,500	66	45	40

NJBUILD - Non Geographic Specific				
Grant Period: 6/1/2017-12/31/2018 (Data as of 4/16/18)				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
Roofers Local #4	\$ 200,000	\$ 79,887	20	0
UOSS	\$ 200,000	\$ 7,772	0	0
Total	\$ 400,000	\$ 87,659	20	0

Schedule 18-2.1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

NJBUILD

NJBUILD - Helmets to Hardhats (H2H)				
Grant Period: 3/1/15 - 2/29/16				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Trained
NJBCTC	\$ 209,900	\$ 209,895	58	58
Total	\$ 209,900	\$ 209,895	58	58

NJBUILD - Helmets to Hardhats (H2H)				
Grant Period: 3/1/2016 - 2/28/2017				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Trained
NJBCTC	\$ 209,900	\$ 209,900	60	59
Total	\$ 209,900	\$ 209,900	60	59

NJBUILD - Helmets to Hardhats (H2H)				
Grant Period: 3/1/2017 - 2/28/2018 (Data as of 4/16/2018)				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Trained
NJBCTC	\$ 250,000	\$ 201,792	60	60
Total	\$ 250,000	\$ 201,792	60	60

NJBUILD - Camden				
Grant Period: 6/30/2015 - 12/31/16				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
UOSS	\$ 150,000	\$ 130,000	21	21
Total	\$ 150,000	\$ 130,000	21	21

NJBUILD - Camden				
Grant Period: 1/1/2017 - 6/30/2018 (Data as of 4/16/2018)				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
UOSS	\$ 175,000	\$ 157,977	33	30
Total	\$ 175,000	\$ 157,977	33	30

NJBUILD - Hudson				
Grant Period: 6/30/2015 - 12/31/16				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
NJCATEF	\$ 244,261	\$ 181,202	13	13
JCETP	\$ 199,918	\$ 198,020	70	45
Total	\$ 444,179	\$ 379,222	83	58

STATE OF NEW JERSEY
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
New Jersey Builders Utilization Initiative for Labor Diversity (NJBUILD)
FY14 Revenues

Date	Company	Contractor	Calculated Contract Amount	0.5% Award Amount	Subtotal Amount
9/3/2013	New Jersey Meadowlands Commission	Creamer-Sanzari, JV	\$1,111,800.00	\$5,559.00	\$5,559.00
8/16/2013	New Jersey Water Supply Authority	Longo Electrical-Mechanical Inc.	\$1,239,700.00	\$6,198.50	
8/16/2013	New Jersey Water Supply Authority	Kelso Construction	\$2,813,000.00	\$14,215.00	\$20,413.50
12/30/2013	NJ Economic Development Authority	Unknown	\$2,850,000.00	\$14,250.00	\$14,250.00
7/30/2013	NJ Transit	Unknown	\$1,499,998.00	\$7,499.99	
1/28/2014	NJ Transit	Unknown	\$2,118,470.00	\$10,592.35	
4/8/2014	NJ Transit	Unknown	\$1,554,211.00	\$7,771.07	\$25,863.41
9/6/2014	NJ Turnpike Authority	Unknown	\$2,103,442.00	\$10,517.21	
9/6/2014	NJ Turnpike Authority	Unknown	\$8,754,300.00	\$43,771.50	
10/3/2013	NJ Turnpike Authority	AP Construction	\$2,817,720.00	\$14,088.60	
10/3/2013	NJ Turnpike Authority	South State	\$32,536,510.00	\$162,682.55	
10/3/2013	NJ Turnpike Authority	Hall Building	\$6,714,950.00	\$33,574.75	
2/1/2014	NJ Turnpike Authority	Anka Painting	\$9,105,000.00	\$45,525.00	
2/1/2014	NJ Turnpike Authority	Griffin Sign	\$2,672,136.00	\$13,360.68	
2/1/2014	NJ Turnpike Authority	PKF Mark III	\$12,114,928.00	\$60,574.64	
2/1/2014	NJ Turnpike Authority	A.P.S. Contracting	\$12,808,808.00	\$64,044.04	
2/1/2014	NJ Turnpike Authority	Creamer/Sanzari, JV	\$8,768,862.00	\$43,844.31	
2/1/2014	NJ Turnpike Authority	Hall Building	\$5,943,174.00	\$29,715.87	
2/1/2014	NJ Turnpike Authority	Alma Construction	\$5,186,794.00	\$25,933.97	
4/25/2014	NJ Turnpike Authority	D'Annunzio & Sons	\$11,707,000.00	\$58,535.00	
4/25/2014	NJ Turnpike Authority	Ferreira Construction	\$6,153,128.00	\$30,765.64	
4/25/2014	NJ Turnpike Authority	Joseph M. Sanzari	\$9,115,056.00	\$45,575.28	
4/25/2014	NJ Turnpike Authority	Joseph M. Sanzari	\$5,764,320.00	\$28,821.60	
4/25/2014	NJ Turnpike Authority	Stavola Contracting	\$7,716,270.00	\$38,581.35	
4/25/2014	NJ Turnpike Authority	Crisdel Group	\$9,677,000.00	\$48,385.00	
4/25/2014	NJ Turnpike Authority	Crisdel Group	\$32,494,996.00	\$162,474.98	
4/25/2014	NJ Turnpike Authority	PKF Mark III	\$26,389,946.00	\$131,949.73	
4/25/2014	NJ Turnpike Authority	C.J. Hesso, Inc.	\$9,972,628.00	\$49,863.14	\$1,142,584.84
8/15/2013	NJDOT	Della Pello Paving	\$5,274,198.00	\$26,370.99	
8/15/2013	NJDOT	Joseph DeFino Trucking Co.	\$5,831,944.00	\$29,159.72	
8/15/2013	NJDOT	Vollers Excavating & Construction	\$1,690,000.00	\$8,450.00	
8/15/2013	NJDOT	South State	\$3,679,452.00	\$18,397.26	
9/5/2013	NJDOT	Konkus Corporation	\$5,598,056.00	\$27,990.28	
9/26/2013	NJDOT	Crossing Construction Co.	\$1,670,298.00	\$8,351.49	
9/26/2013	NJDOT	Tilcon New York Inc.	\$1,786,000.00	\$8,930.00	
9/26/2013	NJDOT	Schifano Construction Corp.	\$5,957,044.00	\$29,785.22	
9/26/2013	NJDOT		(\$7,413,342.00)	(\$37,066.71)	
10/15/2013	NJDOT	South State Inc.	\$1,852,745.27	\$9,263.73	
10/15/2013	NJDOT	Mount Construction Co.	\$1,592,613.33	\$7,963.07	
10/15/2013	NJDOT	South State Inc.	\$4,092,922.63	\$20,464.61	
10/15/2013	NJDOT	Unknown	(\$7,538,282.00)	(\$37,691.41)	
11/13/2013	NJDOT	Joseph M. Sanzari	\$6,274,400.00	\$31,372.00	

11/13/2013	NJDOT	Della Pello Paving, Inc.	\$2,149,543.20	\$10,747.72		
11/13/2013	NJDOT	Schifano construction Corp.	\$2,111,900.00	\$10,559.50		
11/13/2013	NJDOT	IEW Construction Group, Inc.	\$1,838,002.02	\$24,190.01		
11/13/2013	NJDOT	IEW Construction Group, Inc.	\$1,338,145.02	\$21,690.73		
11/13/2013	NJDOT	IEW Construction Group, Inc.	\$7,177,714.04	\$35,888.57		
11/13/2013	NJDOT	Unknown	(\$26,889,706.00)	(\$134,448.53)		
12/3/2013	NJDOT	IEW Construction Group, Inc.	\$8,596,803.02	\$42,984.02		
12/3/2013	NJDOT	Griffin Sign	\$1,800,216.55	\$9,001.08		
12/3/2013	NJDOT	Schifano Construction Corp.	\$4,716,155.00	\$23,580.78		
12/3/2013	NJDOT	Unknown	(\$15,113,176.00)	(\$75,565.88)		
1/6/2014	NJDOT	Richard E. Pierson Construction Co.	\$4,398,699.34	\$21,993.50		
1/6/2014	NJDOT	Total Center Maintenance, Inc.	\$1,077,096.61	\$5,385.48		
1/6/2014	NJDOT	Mount Construction Co.	\$1,423,668.18	\$7,118.34		
1/6/2014	NJDOT	J. Fletcher Creamer & Son, Inc.	\$3,476,667.00	\$17,383.34		
1/6/2014	NJDOT	Mount Construction Co.	\$1,419,485.78	\$7,097.43		
1/6/2014	NJDOT	Unknown	(\$11,795,618.00)	(\$58,978.09)		
2/27/2014	NJDOT	Schifano Construction Corp.	\$1,639,594.00	\$23,197.97		
2/27/2014	NJDOT	Schifano Construction Corp.	\$1,106,564.00	\$5,532.82		
2/27/2014	NJDOT	Della Pello Paving, Inc.	\$5,967,010.00	\$29,835.05		
2/27/2014	NJDOT	Joseph DeFino Trucking Co.	\$8,381,034.00	\$41,905.17		
2/27/2014	NJDOT	Griffin Sign	\$1,268,364.00	\$6,341.82		
2/27/2014	NJDOT	Unknown	(\$21,362,566.00)	(\$106,812.83)		
4/8/2014	NJDOT	Della Pello Paving, Inc.	\$5,557,776.69	\$27,788.88		
4/8/2014	NJDOT	Intercounty Paving Associates	(\$5,557,776.00)	(\$27,788.88)		
5/5/2014	NJDOT	South State Inc.	\$4,359,000.00	\$21,795.00		
5/5/2014	NJDOT	Unknown	\$4,513,882.00	\$22,569.41		
5/5/2014	NJDOT	Unknown	(\$8,872,882.00)	(\$44,364.41)		
5/5/2014	NJDOT	Unknown	\$3,337,274.00	\$16,686.37		
5/30/2014	NJDOT	RWV Land-Livestock South Inc.	\$1,160,378.00	\$5,801.89		
5/30/2014	NJDOT	Stavola Contracting	\$1,062,530.00	\$5,312.65		
5/30/2014	NJDOT	Unknown	(\$2,222,908.00)	(\$11,114.54)		
7/15/2014	NJDOT	Power Concrete	\$2,998,422.00	\$14,992.11		
7/15/2014	NJDOT	Tilcon NY	\$11,221,000.00	\$56,105.00		
7/15/2014	NJDOT	Stavola Contracting	\$7,200,000.00	\$36,000.00		
7/15/2014	NJDOT	Tri-State Dredging Inc.	\$1,246,296.00	\$6,231.48		
7/15/2014	NJDOT	Stavola Contracting	\$2,413,554.00	\$12,067.77		
7/15/2014	NJDOT	Total Center Maintenance Inc.	\$2,141,750.00	\$10,708.75		
7/15/2014	NJDOT	Unknown	(\$3,163,742.00)	(\$15,818.71)	\$796,991.01	(\$549,649.99) A
7/11/2013	DPMC	Unknown	\$1,633,000.00	\$8,165.00		
7/16/2013	DPMC	Unknown	\$1,056,000.00	\$5,280.00		
10/11/2013	DPMC	Unknown	\$1,398,000.00	\$6,990.00		
10/11/2013	DPMC	Unknown	\$1,495,000.00	\$7,475.00		
12/30/2013	DPMC	Unknown	\$3,726,600.00	\$18,633.00		
4/29/2014	DPMC	CB Structures, Inc.	\$2,689,000.00	\$13,445.00		
5/15/2014	DPMC	Meco Constructors	\$22,474,800.00	\$112,374.00		
6/6/2014	DPMC	Bernal Mechanical Contractors	\$1,039,000.00	\$5,195.00		
7/10/2014	DPMC	MUF Electrical Contracting	\$1,075,000.00	\$5,375.00	\$182,932.00	
Sub-Total			\$327,788,749.68	\$2,188,593.76		
Less Credit			(\$109,929,298.00)	(\$549,649.99)		
Total			\$217,858,751.68	\$1,638,943.77		

NJDOT New Jersey Department of Transportation
DPMC Department of Treasury-Property Management & Construction

A - Credits reflect refund to NJDOT on behalf of the Port Authority of New York and New Jersey (Port Authority), which is not subject to NJBUILD law, per the New Jersey Office of Attorney General. Revenues relating to the Port Authority were received during the FY's 2012, 2013 and 2014 via NJDOT and were refunded in FY 2014.

36x