

Firm Name: Thacher Associates LLC  
 Engagement: NJ Transit - Gladstone Line Poles & Foundations Replacement Project  
 For Quarter Ending: 09/30/2016

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)	N/A	
4.	Award Type	Emergency Relief Program	
5.	Award Amount	\$13,308,080.00	Represents the contract value of the single contract in Thacher Associates current scope of work.
6.	Contract/Program Person/Title	Amy Herbold, Deputy Executive Director (Interim Procurement Officer)	
7.	Brief Description, Purpose and Rationale of Project/Program	This project consists of installing new concrete foundations and steel poles on the Gladstone Branch of New Jersey Transit's (NJT) Morris & Essex Line.	
8.	Contract/Program Location	Gladstone Branch (New Providence to Gladstone Rail Yard)	
9.	Amount Expended to Date	\$11,866,280.08 through September 30, 2016; approved by New Jersey Transit and paid to Case Foundation Company (CFC).	
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	January 2017 (Est.)	
<b>B. Monitoring Activities</b>			
13.	If FEMA funded, brief description of the status of the project worksheet and its support.	N/A	
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)	Thacher performed business office visits in August during which it met with the owner and president of L&R Construction (L&R), Judith Volmer. Thacher also met with NJT's office of business development and internal audit during July 1 and September 30 to discuss project status and plans for additional business office visits to CFC and/or L&R. Additionally, Thacher reviewed various documents obtained from NJT and performed related procedures in accordance with its work plan.	
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.	Thacher reviewed documents received from NJT including electronic copies of payment requisitions, certified payroll reports, Forms E and E2 filings, and procurement files. Thacher began its look-back review of Procurement compliance during the third quarter of 2016 noting no issues. In addition, Thacher performed a business office visit to L&R's offices to assess DBE compliance with respect to its performance of a commercially useful function on the project as well as review for pass-through activities. Thacher requested a business office visit to CFC's offices to be performed during the fourth quarter.	

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16.	Description of quarterly auditing activities that have been conducted to ensure procurement compliance with terms and conditions of the contracts and agreements.	Thacher continues its review of monthly payment requisitions and certified payroll reports to assess CFC's and L&R's compliance with contractual and legal requirements in the areas of procurement, prevailing wage rules, and payment to contractor and subcontractor. Crescent Consulting - DBE sub-consultant to Thacher - (Crescent) reviewed additional documentation obtained from L&R during the business office visit and continues its performance of DBE Compliance related portions of the workplan.	
17.	Have payment requisitions in connection with the contract/program been reviewed? Please describe	Thacher reviewed payment requisitions submitted by CFC for periods during the second quarter of 2016. Construction work was completed during the third quarter of 2016 and additional reviews of payment requisitions will be limited to closeout items.	
18.	Description of quarterly activity to prevent and detect waste, fraud and abuse.	Thacher is reviewing various filings and supporting documentation pertinent to certified payroll reports submitted by L&R, prevailing wage requirements, and monthly Form E and Form E2 DBE utilization reports submitted by CFC and L&R through June 30, 2016.	
19.	Provide details of any integrity issues/findings	None.	
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>Thacher performed a business office visit to L&amp;R and inquired about L&amp;R's procurement of steel used for the construction project from non-DBE steel suppliers. Thacher also learned that CFC claimed DBE participation credit for the steel procured by L&amp;R. Thacher requested a separate meeting with CFC (which occurred in the 4th quarter of 2016). Thacher also requested supporting documents from CFC and L&amp;R to determine whether L&amp;R was performing a commercially useful function and to also assess whether L&amp;R's procurements could be considered pass-through items.</p> <p>Note: following the meeting with CFC and the receipt of documents requested during the 4th quarter of 2016, Thacher determined that L&amp;R's involvement in the procurement of steel from the non-DBE suppliers satisfied the performance of a commercially useful function, and eligible for DBE participation credit to CFC.</p>	
22.	Provide details of any actions taken to remediate waste, fraud and abuse noted in past quarters	None.	
<b>C. Miscellaneous</b>			

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23.	Attach a list of hours and expenses incurred to perform your quarterly integrity monitoring review	For the period July 1, 2016 through September 30, 2016 Thacher expended 197 hours (see Comments for breakdown) and no expenses. This includes site and office visits, document reviews, and preliminary follow-up discussions with NJT. Additionally, Thacher filed prior quarterly reports with the Department of the Treasury for the quarters ended June 30, 2016, March 31, 2016, December 31, 2015, September 30, 2015, and June 30, 2015.	Angela Della Universita, Senior Consultant - 27.25 Chris Ward, Senior Consultant - 12.75 Jose L. Velazquez, Project Manager - 118.75 Justin Rattino, Consultant - 8.75 Richard Vermeulen, Program Manager - 0.5 Hector Calderon, Principal (DBE) - 29.00
24.	Add any item, issue or comment not covered in previous sections but deemed pertinent to monitoring program.	None.	

Name of Integrity Monitor: Thacher Associates LLC Name of Report Preparer: Jose L. Velazquez, Jr. Signature:  Date: January 3, 2017
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