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Susan Gouveia

From: Lashway, Lisa
Sent: Friday, June 07, 2013 3:53 PM
To: Canning, Sean; Susan Gouveia
Subject: FW: New Sandy Integrity Monitor Law
Attachments: Information Checklist.pdf; Locals and Authorities - Integrity Monitor Guidance.pdf; Project Notification Form.pdf; Project Notification Instructions.pdf; Sandy Integrity Monitor FAQ.pdf

Lisa Lashway
Mt. Olive Twp. Clerk
973-691-0900 Ext. 7291
FAX 973-691-2080
PO Box 450
Budd Lake, NJ 07828

-----Original Message-----

From: egg@dca.state.nj.us [mailto:egg@dca.state.nj.us]
Sent: Friday, June 07, 2013 3:30 PM
To: Lashway, Lisa
Subject: New Sandy Integrity Monitor Law

Dear Municipal Clerk:

Building on his commitment to secure the responsible, transparent and accountable use of taxpayer dollars, Governor Christie recently signed into law Assembly Bill 60 (A-60)(P.L. 2013, c.37) ("Integrity Monitor Act" or "Act"), which requires the deployment of integrity oversight monitors in implementation of certain recovery and rebuilding projects.

The Integrity Monitor Act requires the State Treasurer to establish a pool of qualified integrity oversight monitors and to make available such qualified integrity oversight monitors to certain contracts. The Integrity Monitor Act requires that a governmental entity that is a party to a recovery and rebuilding project contract shall notify the State Treasurer on a form prescribed by the State Treasurer of such contract, describing the project, the parties thereto, and the funding source for the project costs. Upon review of such notice, the State Treasurer shall procure the services of an integrity oversight monitor from the pool for any recovery and rebuilding project involving a contract that is for \$5 million or more unless this condition is waived by the State Treasurer upon a finding that there are sufficient funding recipient compliance controls already in effect. Additionally, the Act provides that the State Treasurer can require an integrity oversight monitor on contracts less than \$5 million if he believes such is required to alleviate potential or ongoing inefficiency or that the size or nature of the recovery and rebuilding project makes it prudent to engage a monitor.

Please thoroughly review the attached notice, checklists and forms provided by the Department of Treasury. Any questions should be directed to Dave Ridolfino, Associate Deputy State Treasurer, at David.Ridolfino@treas.state.nj.us.

THIS NOTICE HAS BEEN SENT TO THE FOLLOWING OFFICIALS: Municipal Clerk, Chief Financial Officer / County Freeholder Board Clerk, Chief Financial Officer / Authority Officials / Procurement Officials

Information Checklist

If applicable, please provide the following in addition to completing the "Contract Notification"

Check all that apply

General Information

- Independent Audit reports for the last 3 years*
- Any self prepared internal control assessments that exist over the last two years
- Any independent review of internal controls over the last two years
- Any notice of 'high risk' audit designation by the State of New Jersey or other granting agency
- Description of any outstanding environmental violations in your town/local government

Contract Specific

- Procurement documents related to this contract
- Contract management organization chart or description of contract management approach
- Sample reports required to be submitted to granting agency
- List of required permits for contracts
- If FEMA related, a copy of the project worksheet
- Any materials related to federal or state agency requirements for contract management
- Copies of contracts already in place with integrity oversight monitors and an explanation of your agency's control environment
- List of federal, state, and local inspections required to complete contract
- For contracts already underway - a spreadsheet displaying budgeted resources, fund source, funds expended to date, vendors receiving payments to date, percent of contract completion and any other pertinent information necessary relative to the financial and completion status of the contract
- For new contract – provide a contract budget
- Description of your procurement approach (ex. Using existing publicly bid state or local contracts, sole source, new RFP, etc). Include the anticipated or actual number of vendors evaluated. For procurements other than a State contract, provide the procurement document(s), evaluation report and any other pertinent information if applicable. Actual bids/proposals are not necessary.

*Note – if audit reports all have unqualified opinions, a certification letter indicating such can be substituted for the full reports.



State of New Jersey

OFFICE OF THE STATE TREASURER

PO Box 002

TRENTON NJ 08625-0002

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

ANDREW P. SIDAMON - ERISTOFF
State Treasurer

MEMORANDUM TO: Local Governmental Units, Authorities and Commissions

FROM: Andrew P. Sidamon-Eristoff AS.E
State Treasurer

DATE: May 30, 2013

SUBJECT: P.L. 2013, C.37 60 (A-60) - Authorizes Deployment of Integrity Oversight
Monitors for Certain Recovery and Rebuilding Projects

Building on his commitment to secure the responsible, transparent and accountable use of taxpayer dollars, Governor Christie recently signed into law Assembly Bill 60 (A-60)(P.L. 2013, c.37) ("Integrity Monitor Act" or "Act") which requires the deployment of integrity oversight monitors for certain recovery and rebuilding projects.

The Integrity Monitor Act requires the State Treasurer to establish a pool of qualified integrity oversight monitors and to make available such qualified integrity oversight monitors to certain contracts. The Integrity Monitor Act requires that a governmental entity that is a party to a recovery and rebuilding project contract shall notify the State Treasurer on a form prescribed by the State Treasurer of such contract, describing the project, the parties thereto, and the funding source for the project costs. Upon review of such notice, the State Treasurer shall procure the services of an integrity oversight monitor from the pool for any recovery and rebuilding project involving a contract that is for \$5 million or more unless this condition is waived by the State Treasurer upon a finding that there are sufficient funding recipient compliance controls already in effect. Additionally, the Act provides that the State Treasurer can require an integrity oversight monitor on contracts less than \$5 million if he believes such is required to alleviate potential or ongoing inefficiency or that the size or nature of the recovery and rebuilding project makes it prudent to engage a monitor.

The State Treasurer will assess risk associated with federally funded contracts, projects and programs related to the restoration and rebuilding of New Jersey as a result of Super Storm Sandy. If the State Treasurer determines that the projects warrant the hiring of an integrity oversight monitor, the Department of the Treasury will proceed to do so or instruct the local governmental unit to do so.

Although the law requires integrity oversight monitors for contracts over \$5 million, it provides discretion to the State Treasurer for projects under \$5 million. As a result, the Department of the Treasury is requiring that all local governmental units adhere to the following procedures.

For any project in excess of \$2 million, please complete the attached Sandy Recovery and Rebuilding Contract Notification Form

- Submit this form along with any documentation applicable to your program to:

Department of the Treasury
Office of the State Treasurer
PO Box 002
Trenton, NJ 08625
Attn: Dave Ridolfino, Associate Deputy State Treasurer
or email directly at David.Ridolfino@treas.state.nj.us

- To the extent your local governmental unit feels adequate controls are in place and that an integrity oversight monitor is not necessary, you may apply for a waiver to the statutory requirement. A process will be developed shortly and additional information provided. However, waivers, if granted, will not be provided except on a contract by contract basis.

The Department of the Treasury is creating a pool of integrity oversight monitors that will be published on the Department's website.

The term, "recovery and rebuilding project" means (1) the use of funds provided pursuant to federal legislation enacted by the 113th Congress of the United States which contains, but is not limited to, disaster assistance for Super Storm Sandy, or other major storms in New Jersey; (2) the use of funds disbursed by the State for undertakings to address the damage associated with the state of emergency identified in Executive Order No. 104 (Christie); and (3) the use of funds provided pursuant to federal legislation or disbursed by the State for undertakings to address the damage associated with any major storm or natural disaster.

The Department of the Treasury will continue to modify procedures and policies as we move forward. For example, we anticipate releasing more detailed standard operating procedures for implementing the Integrity Monitor Act and procuring the services of a consultant in the coming weeks. We have also included "frequently asked questions" as part of this packet to assist you in your compliance efforts.

If you have any questions concerning this notice, please contact Dave Ridolfino at (609) 633-8185.

c: Marc Ferzan
Kevin O'Dowd
Charles McKenna



Department of the Treasury
Sandy Recovery and Rebuilding
Contract Notification Form

Agency

State Local Other (enter below)

Contact Person and Title

Email

Address

Phone

Fax

Contract Title

Contract Type Rebuilding Debris Removal Other (enter below)

Contract Budget / Total Contract Cost

Contract Description

Provide a detailed description of your agency's control environment including the use of integrity oversight monitors

Fund Source

Federal State

Federal Agency Grantor

State Agency Grantee

Estimated Contract Start Date

Estimated Contract End Date

Contract Location

Explain Procurement Process Utilized

Number of Bids Received

Contract Number (if assigned)

Have any contractors been paid as of the date of this notification
 Yes No *If yes, please explain*

Percent of completion as of date of this notification

Are Federal, State, Local Permits Required?
 Yes No *If yes, please explain*

Are subcontractors allowed?
 Yes No

Range of Bid Costs

Will Federal, State, Local Inspections be required?
 Yes No *If yes, please explain*

Are there any environmental regulations that govern this contract?
 Yes No *If yes, please explain*

Will environmental inspections be required?
 Yes No

Report Frequency

Monthly Quarterly Other (enter below)

Describe any Reporting Requirements