

April 8, 2013

Proposal to Provide Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy) to –



STATE OF NEW JERSEY

GSA Schedule RFQ768892S
Technical Proposal

Prepared by –

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April 8, 2013

Department of the Treasury
Division of Purchase & Property Procurement Bureau
33 W. State Street, 9th Floor
P. O. Box 230
Trenton, NJ 08625-0230
Attn: Kelly Anderson-Thomas
Via email

Dear Ms. Anderson-Thomas:

Enclosed please find CliftonLarsonAllen LLP's (CLA) Technical Proposal in response to General Services Administration (GSA) Schedule Request for Quote (RFQ) 768892S. Per the RFQ, we acknowledge modifications 1 through 7 and all revisions contained therein. Our Technical Proposal is provided in two files, RFQ768892S Technical CLA.pdf and RFQ768892S Technical Appendix B CLA.pdf, and encompasses our proposals for Pools 1, 2, and 3. Our Price Proposal is provided under separate cover, in one file, RFQ768892S Price CLA.pdf.

We look forward to providing the State exceptional services for its audit integrity monitoring requirements. If you have any questions regarding our technical proposal, please do not hesitate to contact me at Mia.Leswing@cliftonlarsonallen.com or 571.227.9607.

Sincerely,

CLIFTONLARSONALLEN LLP



Amelia S. Leswing, CPA, CISA, CGFM
Partner

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CliftonLarsonAllen LLP (CLA) and our team of subcontractors (Team CLA) have the requisite staff, certifications, processes, technology, and experience to successfully provide low risk, highly affordable, world class consulting services to the State of New Jersey to augment, evaluate, or monitor the State’s recovery efforts and the compliance and reporting of that effort. Those services include: Program and Process Management (Pool 1), Financial Auditing (Pool 2), Grant Management (Pool 2), and Integrity Monitoring/Anti-Fraud services (Pool 3). Team CLA will provide these services using proven best practices, methodologies, frameworks, and expert knowledge and experience. Many of our staff, through their participation in the FEMA Public Assistance, Hazard Mitigation and Long Term Community Recovery Programs, Single Audits, Performance Audits, and Financial Statements Audits, have a deep understanding of the intricacies of these programs and applicable federal and state policies, rules, regulations and guidelines that define them, some of those are listed in **Figure 1**.

Federal and State Policies, Rules, Regulations and Guidelines Defining the FEMA Public Assistance, Hazard Mitigation and Long Term Community Recovery Programs, Single Audits, Performance Audits, and Financial Statements Audits

- Robert T. Stafford Disaster Relief and Emergency Assistance Act, and Related Authorities as of June 2007
- Title 44 of the Code of Federal Regulations
- FEMA Disaster Assistance Policy 9525.5, Americans with Disabilities Act (ADA) Access Requirements
- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments
- FEMA 9525.9: Section 324, Management Costs and Direct Administrative Costs; dated March 12, 2008
- All work must comply with the provisions of the Clean Water Act, Clean Air Act, Resource Conservation and Recovery Act, Endangered Species Act, Fish and Wildlife Coordination Act, the National Historic Preservation Act, related Federal statutes, and associated State, Tribal, and local laws, codes, ordinances, and other statutes.
- U.S. GAO Standards for Internal Control in the Federal Government, U.S. GAO Government Auditing Standards
- COSO Internal Control – Integrated Framework
- The Single Audit Act and amendments, OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (including the OMB Annual Compliance Supplement)

Figure 1

As the Prime Contractor, CLA’s approach is designed around an Integrated Professional Support and Services. CLA recognizes its responsibility and obligations under the contract to its client and team members. **Figure 2** summarizes Team CLA’s offerings.

Team CLA Management Feature	Benefit to the State of New Jersey
<ul style="list-style-type: none"> • Experienced program and project management staff provide day-to-day team leadership, communication, coordination, and interface with the State and contractors 	<ol style="list-style-type: none"> 1. Strong program management and strategic planning
<ul style="list-style-type: none"> • Skilled consulting personnel with the right domain expertise, skills, knowledge and experience 	<ol style="list-style-type: none"> 2. Confidence in the teams abilities to execute all efforts and meet State requirements backed up by proven past performance.
<ul style="list-style-type: none"> • Deep understanding of the applicable federal and state policies, rules, regulations and guidelines that define Federal Disaster Assistance 	<ol style="list-style-type: none"> 3. Cost avoidance through deep organizational knowledge of Federal disaster programs
<ul style="list-style-type: none"> • Responsive organizational structure 	<ol style="list-style-type: none"> 4. Rapid Initiation and execution of TO’s
<ul style="list-style-type: none"> • Extensive company background and experience in providing disaster support services, monitoring, and 	<ol style="list-style-type: none"> 5. Low management, technical, schedule, and cost risk

Team CLA Management Feature	Benefit to the State of New Jersey
oversight.	
<ul style="list-style-type: none"> Depth and breadth of capabilities needed 	6. Rapid initiation and execution of all project activities
<ul style="list-style-type: none"> Proven planning, operational control, quality assurance, and project monitoring techniques 	7. Support available to address any issues
<ul style="list-style-type: none"> Standard, proven tools to execute and monitor multiple project activities 	8. Performance that meets State requirements and expectations. Deliverables made within time and cost constraints
<ul style="list-style-type: none"> Program Manager responsible to CLA corporate management for program success 	9. High-level oversight
<ul style="list-style-type: none"> Rapid response based on extensive prior past performance 	10. Our staff hit the ground running in support of any task order (TO)
<ul style="list-style-type: none"> Experience in successfully delivering similar solutions to FEMA and other governmental entities 	11. Extensive Subject Matter Expertise in both experienced personnel and a knowledge repository of best practices, processes, procedures and lessons learned
<ul style="list-style-type: none"> ISO 9001:2008 Certified Best practices, processes and procedures. 	12. Services of the highest quality, while all team members are held to the same high level of performance and reporting

Figure 2

1.1 POOL 1 - PROGRAM AND PROCESS MANAGEMENT AUDITING

1.1.1 Plan to Accomplish Work in 3.0 RFQ Scope of Services (4.1, 3.0)

The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), 42 U.S.C. §§5121–5207, authorizes the President to provide Federal disaster assistance to supplement State, Tribal, and local efforts. FEMA coordinates the delivery of assistance under the law and provides grants through the Public Assistance Program (PA) to help with extraordinary costs for response and infrastructure recovery.

The tasks outlined in this area focus primarily on providing assistance in overcoming obstacles to managing an effective disaster related grants management program in the face of the disaster caused by Hurricane Sandy. Specifically, we would employ: our deep expertise in the federal disaster grant programs at the state level, our approaches supported by proven tools, techniques, frameworks and best practices to assisting in cleaning up the States backlogs and issues, and reviewing or developing processes, controls, technologies and procedures around the functions that would be most impacted in responding to increased need for grants management. Our goal is to provide plans and hand-off work and practices to the State, so that it can operate independently, after the contract expire, with results like those outlined in **Figure 1**. However, we could continue to provide support where needed.

Task Name	Results of Team CLA Support
A. Develop processes, controls and technologies	As-is and target process flows, documented internal controls, technology that supports your processes and decision-makers.
B. Review and improve reimbursement review backlog and financial management procedures	Reduced backlog and a process to ensure that reimbursement accounts stay current and accurate, and updated financial procedures that are effective and documented clearly.
C. Perform workload and skills gap analysis, organizational effectiveness and workforce recruiting strategies	A workforce and organizational structure that matches the mission, and enables delivery of the required services.



Task Name	Results of Team CLA Support
D. Compliance Sanctions Program	An effective monitoring and sanctions process that ensures grantee compliance with regulations.
E. Support account reconciliations: PW accounts, applicant balances, system interfaces, and other control balances	A four stage approach to reconciling related accounts in a timely and effective manner.
F. Quality assurance / quality control reviews and assessments	Plan, checklist and steps for conducting quality control reviews and assessments on grants distributed, and a quality assurance program.
G. Risk analysis and identify options for risk management	A risk analysis with mitigation strategies based upon experience and best practices.
H. Reduce the reconciliation backlog for the Request for Reimbursements process	Outcomes/goals for this task upon completion are: documentation, accuracy, reimbursement time savings, and reduced waiting time.
I. Provide Subject Matter Expert (SME) knowledge	Deep SME expertise/training and Q&A's as needed across the various federal and state and local grant related requirements.
J. Conduct on-site and remote monitoring for compliance with CDBG-DR requirements	Deep SME expertise in the CDBG-DR requirements that would be coupled with simple checklist and technology approach to provide monitoring.

Figure 1

1.1.1a Develop processes, controls and technologies

NJ requires assistance with developing processes, controls and technologies to support its execution for FEMA administered programs, such as the Public Assistance (PA), Hazard Mitigation and Individual Assistance, Housing and Urban Development (HUD) administered Community Development Block Grant (CDBG) program and other federal and state grant and assistance programs.

The mission of the PA Program is to assist communities in recovering from the devastating effects of disasters by providing technical assistance and financial grants in an efficient, effective, and consistent manner. Team CLA members have supported FEMA's PA program since 2005, working with applicants to guide them through the program funding and grant process. As a part of the process, they determined FEMA grant funding eligibility and made recommendations based on FEMA's policies, standards, and regulations. They developed and reviewed Project Worksheets (PW) utilizing FEMA controls and technologies to ensure proper execution. They perform grant management and develop hazard mitigation grants and proposals utilizing Sections 404 and 406 for guidance and compliance, performing under applicable federal and state policies, rules, regulations, and guidelines including, but not limited to those in **Figure 2**.

Regulations and Guidelines Governing the Contract	
<ul style="list-style-type: none"> The Stafford Act FEMA DAP (Disaster Assistance Policy) 9525 CFR 207.7 The Code of Federal Regulations, Title 44 CFR 13.22, Office of Management and Budget Circular A-87 36 Code of Federal Regulations (CFR) – Parks, Forests, and Public Property 40 CFR, Parts 1500-1508 – Protection of Environment 41 CFR, Part 307 – Public Contracts and Property Management 	<ul style="list-style-type: none"> 50 CFR, Part 402, Wildlife and Fisheries FEMA 321 Public Assistance Policy Digest FEMA 322, Public Assistance Guide FEMA 322 Public Assistance Applicant Handbook FEMA 325, Debris Management Guide Public Assistance Series 9500 – Policy Publications Public Assistance Standard Operation Procedures – Series 9570 Disaster Mitigation Act of 2000



Regulations and Guidelines Governing the Contract

- 44 CFR, Emergency Management and Assistance
- 48 CFR Federal Acquisition Regulations System
- Post-Katrina Emergency Management Reform Act
- Long Term Community Recovery

Figure 2

Team CLA plays an integral role in the development of processes, controls, and technologies as operational managers and SMEs. NJ’s processes need to show steps, who is doing the work and how the systems and tools are used. NJ will want to reduce duplication in processes, and increase standardization in performing similar grant related work, establish strong internal controls, and show steps for accessing data and reporting. Team CLA understands the PA program and applicable federal and state policies, rules, regulations, and guidelines defining the full pre-disaster planning cycle (**Figure 3**).

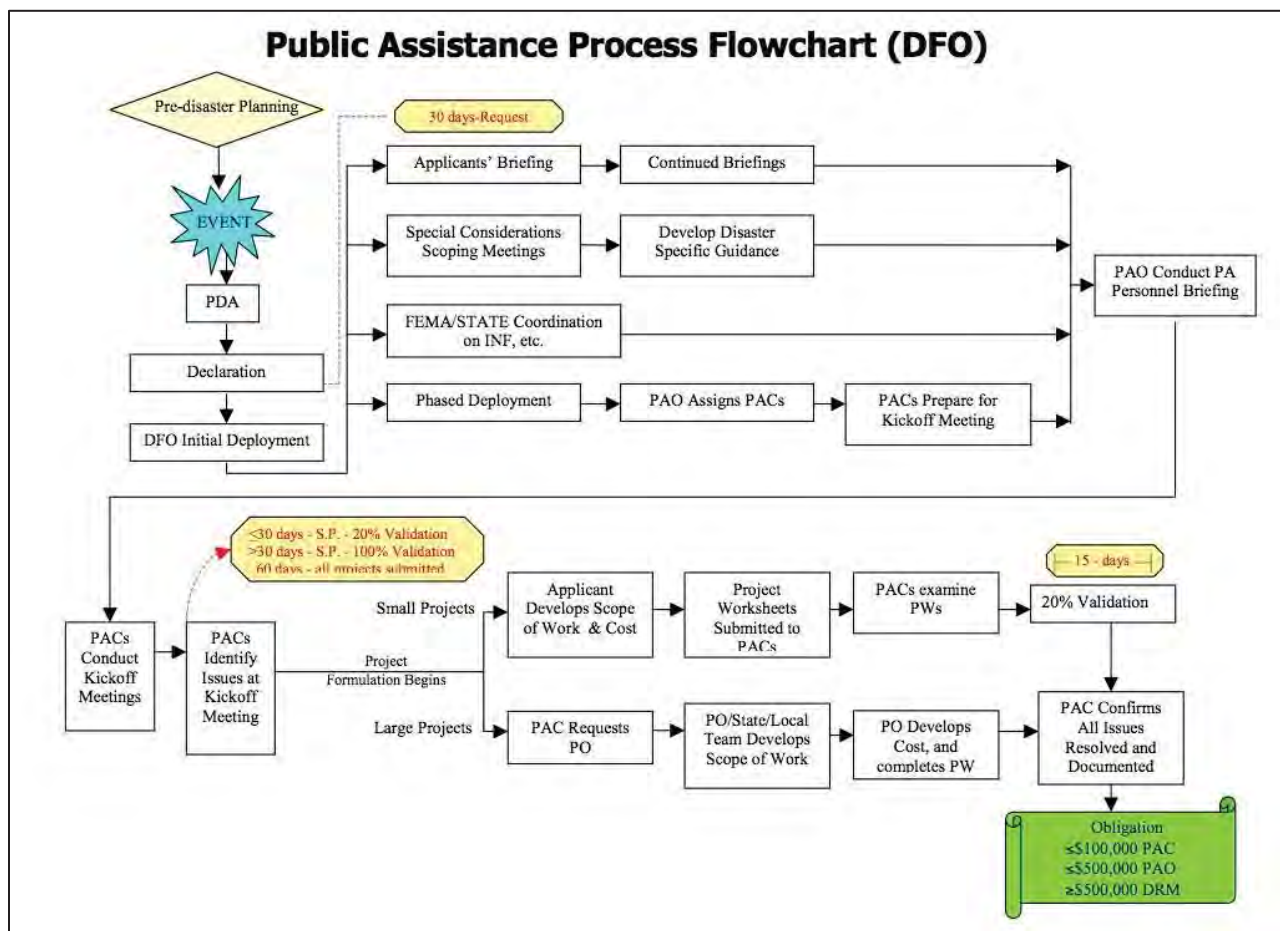


Figure 3

Figure 4 highlights the key features and benefits of our approach, and examples of performance success.

Key Feature of Our Approach	Benefit of Team CLA’s Approach to NJ	Proven Client Results
<ul style="list-style-type: none"> • Federal and State Subject Matter Expertise: Comprised 	<ul style="list-style-type: none"> • Our experienced staff will empower State clients with applied knowledge and experience developed through years of 	<ul style="list-style-type: none"> • FEMA Public Assistance Program. • Representative Disasters in which Team CLA has been involved



Key Feature of Our Approach	Benefit of Team CLA's Approach to NJ	Proven Client Results
<p>primarily of highly technical engineers, consultants and SMEs as well as "specialty staff" to support niche areas within the recovery program such as financial analysis, cost analysis, mitigation and policy efforts, litigation and appeals support, training, Long Term Community Recovery (LTCR), Hazard Mitigation, as well as program review and close-out.</p> <ul style="list-style-type: none"> • Fluent in all aspects of FEMA regulations and policies, Federal and State codes, regulations and standards including various environmental acts, building codes, industry codes and standards • Fluent in tools, including Project Worksheets, NEMIS and EMMIE databases, RS Means and CEF (Cost Estimating Format), FEMA's proprietary estimating format, standards and methodologies. 	<p>working as part of the FEMA PA and associated programs.</p> <ul style="list-style-type: none"> • These team members have extensive experience with the standard tools, processes and procedures utilized on a disaster and will serve up deep knowledge in the application of the codes, regulations and standards utilized under the Federal disaster recovery programs • Cost estimating subject matter experts have been named by FEMA to be CEF instructors. They can provide advice and classroom instruction to ensure FEMA and its contractors are able to develop estimates in accordance with FEMA's . 	<p>include:</p> <ul style="list-style-type: none"> • Louisiana Hurricane Isaac (DR-4080); New York Hurricane Irene (DR-4020); South Dakota Severe Winter Storm (DR-1914); South Dakota Severe Flooding (DR-1915); South Dakota Severe Winter Storms, Tornados and Flooding (DR1929); South Dakota Severe Storms and Flooding (DR-1938); South Dakota Severe Storms and Flooding (DR-1947); Iowa Severe Storms, Tornados and Flooding (DR1763); Washington Severe Winter Storm, Landslides, Mudslides, and Flooding (DR-1817); Mississippi Hurricane Katrina (DR-1604), New Jersey Hurricane Sandy (DR-4086)
<p>L-GIEAR (Governance, Integrity Evaluation and Assessment of Risk) is a proprietary framework for assessing and developing compliance controls</p>	<p>L-GIEAR creates a flow of steps and structure that allows us to assess the control environment and adaptability to change/ implementation, and link internal controls to high risk areas. It enables us to ensure that processes and roles are linked to procedures and internal controls.</p>	<p>We have used our framework and approach successfully at the Washington Convention Center Authority (WCCA), Office of Personnel Management (OPM), and U.S. Capitol Police (USCP).</p>
<p>LEAP (Enterprise Architecture Program) is a proprietary framework for analyzing strategic direction, and system alignment to goals and processes</p>	<ul style="list-style-type: none"> • LEAP provides a structured approach to our analyses of enterprise architectures for identifying improvements in information technology in either specific functional areas (i.e. grants management and finance) or across an organization. This requires understanding the interrelationships between business, information, and technology 	<p>We have developed or redesigned business processes at Center for Medicare and Medicaid Services (CMS), WCCA, USCP, U.S. Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS), and U.S. General Services Administration (GSA). The processes have supported acquisition packages, and</p>



Key Feature of Our Approach	Benefit of Team CLA’s Approach to NJ	Proven Client Results
	environments. <ul style="list-style-type: none"> Using LEAP as our framework, we can analyze complex interrelationships of functional areas, business processes, and underlying information technology. LEAP encourages a top-down view, focusing on the business, its mission, and processes first, maintaining the necessary alignment between the business needs of an organization and the applications and technology supporting the business. 	assisted in IT modernization. We prepared transition plans and requirements used to smooth system implementation and ensure that data are cleansed and converted quickly and accurately. New systems are run in parallel initially, and training on the new systems and processes is prepared and completed just before the new system is implemented.

Figure 4

Team CLA would approach this task in three phases. Overlapping areas require ensuring that each phase considers inputs and outputs from other phases

Phase I. Develop Business Processes - Process development is crucial in building the foundation to support the phases in this task area. Our approach to business process design follows three stages: *Step 1* - Gather information on the environment, *Step 2* - Document the environment, and *Step 3* - Confirm the business processes. The business process flows will also be used to support development of key internal controls, and identification of the best tools and applications.

Phase II. Identify and Document Key Controls - Implementation and maintenance of strong controls is essential in ensuring your business processes are functioning the way they should and that errors or mismanagement will be caught before problems can get out of hand. In addition, compliance with rules and regulations is of paramount importance in managing your grants programs throughout the receipt of the grants, qualifying applicants, distributing funds, monitoring grantees’ compliance and performance.

We use a survey for evaluating your control environment based upon the Government Accountability Office (GAO) standards. The control environment begins building the foundation of the framework. we use L-GIEAR to create the link between the control environment and the control assessment as illustrated (left-right) in **Figure 5, next page**.

Control Objectives - There are four major control objectives: effective and efficient operations, reliable financial reporting, compliance with applicable laws and regulations, and safeguarding of assets from waste, fraud, abuse, and misuse. We will use the control objectives to identify the risks facing NJ and conducting the risk assessment.

Risk Assessment - Risks include anything that may prevent an entity from meeting its control objectives, and thus fail to support goals and objectives fully. Risk may not be bad, but must be recognized and controlled. Organizations are vulnerable to mismanagement, waste, and fraud (**Figure 6**).

Examples of Risks Relevant to the SOW
<ul style="list-style-type: none"> Waste, fraud, or mismanagement Failure to follow laws or regulations Failure to follow policies Nonconformance of financial systems to standards Inexperienced or untrained personnel in key positions Inadequate information security Inadequate or untimely reporting to grantors Not monitoring grant recipients performance or compliance.

Figure 6



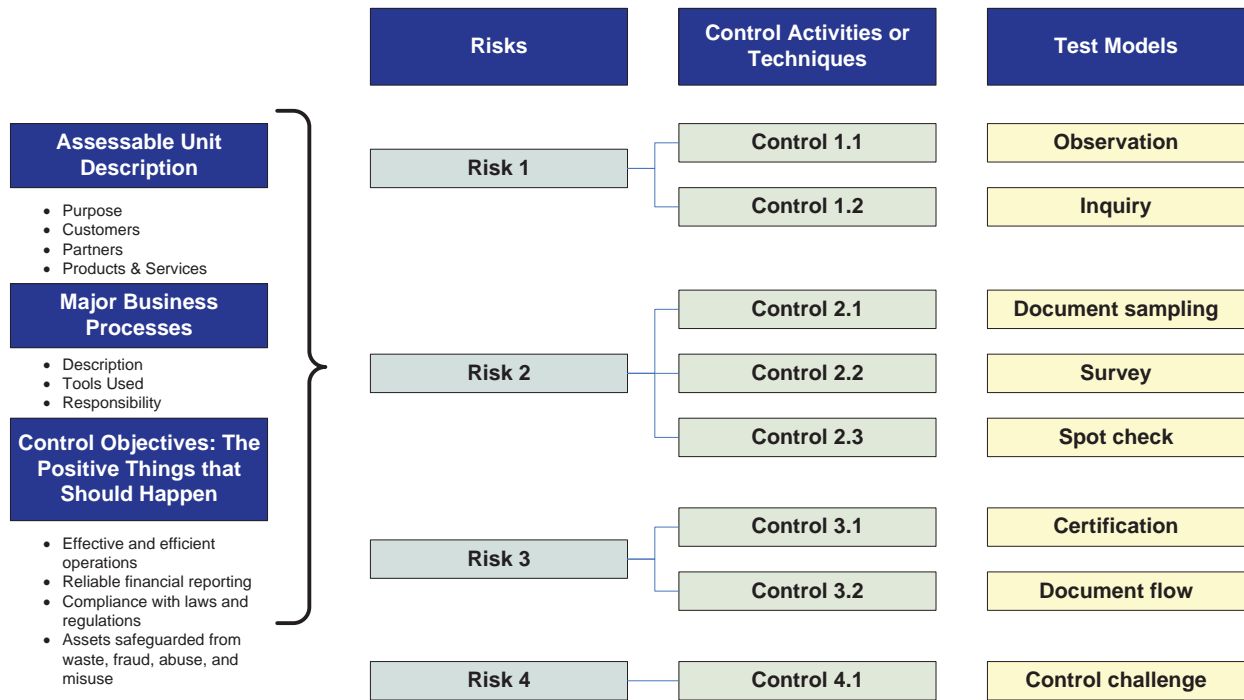


Figure 5

Risks will be described, assessed, rated and defined for all control objectives and areas with the objective of mitigating the risks. We rate factors like those outlined in **Figure 7**.

Control Activities - A control activity is a procedure, process, or document that is being relied upon to accomplish a control objective and thus help safeguard from error. Each risk should have at least one control activity in place to reduce the likelihood that the risk will occur. The GAO prescribes the control standards in **Figure 8**. Our final steps in this phase are to adjust the business processes for the controls steps.

Phase III. Develop Supporting Technologies –

This phase typically begins almost immediately and overlaps the two other phases. The approach to developing the supporting tools or systems will greatly depend on a number of things, such as: management reception to modifying or updating systems, funding and resource availability, schedule, quantity of changes or additions needed, data available to meet reporting or other requirements, and finally the current system(s) and tools capability to be upgraded, integrated or reverse engineered or have additional applications added to the infrastructure.

Examples of Risk Factors Team CLA Will Rate	
•	Possible outcomes (positive and negative),
•	Likelihood the outcome will occur,
•	Potential material or other impact to if the outcome occurs,
•	Magnitude of the outcome (a combination of likelihood and materiality)
•	Legality factor of an outcome (many risk assessments do not consider this item as separate)
•	Current actions being used to eliminate or control the risk and their effectiveness, and
•	On-going monitoring and evaluation, to confirm the risk is controlled.

Figure 7

Control Type	Definition
Documentation	Transactions and other significant events are clearly documented, and all documentation is readily available



Control Type	Definition
Recording of transactions and events	Transactions are promptly recorded and properly classified
Execution	Transactions are authorized and executed only by people acting within the scope of their authority
Separation of duties	Key duties and responsibilities in authorizing, processing, recording, and reviewing transactions are done by different individuals
Supervision	Qualified and continuous supervision is provided
Access to and accountability for resources	Access is limited to authorized individuals, and accountability for the custody and use of resources is assigned

Figure 8

To modernize NJ’s grants systems to accommodate the requirements of federal and state regulations, we would approach Phase III in two stages: 1) Document and develop functional and technical requirements needed, and 2) Engage our technology experts to begin developing necessary tools or upgrades. This task must also work in tandem with Pool 2 tasks to ensure that the e-Grants management program, financial and accounting systems are linked and working together to ensure reduction in redundancies, and that the solution accommodates all possible grants requirements.

Stage 1: Develop Functional and Technical Requirements - We start by assessing the current systems and tools’ ability to support or be adapted to meet those requirements, as well as developing a strategy for upgrading existing systems, adding on tools or reporting capabilities (transition requirements).

We leverage our deep experience and knowledge of government and commercial grants management requirements. We will focus on those requirements pertaining to FEMA’s Stafford Act or any other grant programs. We will assess your current system capabilities and configuration against the requirements to see what changes would be needed. Working with your system experts we will lay the groundwork for upgrade, integration or add to your present software, or for any software selection and support.

Stage 2: Engage Our Technology Experts - If NJ’s supporting FEMA grants management system needs some upgrades or modifications, we would engage our team of technology experts. They are familiar with reporting tools and applications, have designed and developed total systems from scratch, developed interfaces with other systems, or taken existing systems/applications and developed sit-on-top tools. The experts would work with your systems group to identify current system capabilities and structure.

Client Agency	Contract Name	Size	Scope	Relevancy
FEMA	FEMA Public Assistance Contract	\$50M+ since 2005, the program is ongoing. 250 staff since 2005	FEMA PA coordinates the delivery of assistance under the law and provides grants through the Public Assistance Program to help with the extraordinary costs for disaster response and infrastructure recovery.	Team CLA has a foundational knowledge of the PA, HM and LTCR programs and the applicable federal and state policies, rules, regulations and guidelines which drive these programs that will be the basis of the consultative services provided under Pool 1.
OTA	Business Process Redesign and Financial Management	\$275,000 (4 months)	Document as-is process flows, design to-be process flows with internal controls, develop functional and system	OTA’s scope of work crosses the entire span of this task work, with the additional pieces of redefining their chart of accounts, and



Client Agency	Contract Name	Size	Scope	Relevancy
	System Design and Implementation support Services		requirements, analyze existing system capabilities , conduct market analysis and support acquisition process.	identifying staffing changes.

Figure 9

1.1.1.b Review and improve reimbursement review backlog and financial management procedures

The quantity, diversity and unique nature of the Hurricane Sandy disaster related grant funding and payments will require updates or additions to processes designed to meet daily and regular periodic operational functions to appropriately track, monitor, account for, and report on the status of disaster related grants. All other areas of financial management will also feel the strain. NJ’s best defensive plan for meeting such a crisis is to ensure that not only are all processes documented with procedures that describe the steps, systems, reports and data for doing the work, but that workflow is maximized and financial operations are made efficient and effective. NJ has indicated that they have reimbursement backlogs that will only increase if the review process is not refined or streamlined, yet at the same time compliant with all rules and regulations. **Figure 10** highlights the key features of our approach for this requirement.

Key Feature of Our Approach	Benefit of Team CLA’s Approach to NJ	Proven Client Results
<ul style="list-style-type: none"> Financial Management: Comprised of experienced professionals who have worked as a team in developing processes and procedures across all areas of financial management. Accounting expertise in performing review of documents and reconciliations tied to the payment process. Fluent across accounting regulations and policies. An easy to read structured SOP template that incorporates visual flow and wording, timelines and organizational responsibility and reporting to ensure completeness of procedures. 	<ul style="list-style-type: none"> Our experienced staff will not only streamline and document your processes, but will also walk-through the procedures so your team can implement confidently. Assistance with attacking backlog of reviews so that your reimbursement of payments will become current. 	<p>We have successfully developed, redesigned procedures and/or documented financial management processes across many organizations. Some of them are: CMS, WCCA, USCP, USDA FSIS, GSA, U.S. OTA, National Science Foundation (NSF), National Institutes of Health (NIH), U.S. Department of Veteran Affairs (VA), U.S. Health and Human Services (HHS), Federal Housing Administration (FHA), U.S. Department of Transportation (DOT), State of South Carolina, and U.S. Department of Education (ED)</p>

Figure 10

We include diagram process flows and steps so that procedures are easy to follow, and relationships between steps are clear. Our approach to improving NJ procedures follows four stages: 1) Document the as-is environment, 2) Analyze for shortfalls and streamlining, 3) Develop SOPs, and 4) Walk-through training. We have performed reconciliations and verification of documentation to reduce backlog, and developed procedures for a number of organizations (**Figure 11, next page**). For example, the format and clarity of our procedures developed for CMS have become a standard across divisions in CMS.



Client Agency	Scope	Relevancy
CMS (various offices)	Develop SOPs for various programs; began with Payment processing group. Later added Enforcement and Termination, Contracting, Risk Score Creation, Medicare Application Review, Risk Adjustment and Data Monitoring	We used our SOPs template with process flows. The format and clarity was so well liked that other groups within CMS asked us to document their processes. New programs are using our format as well.
General Services Administration, Public Buildings Service	Perform reconciliation analysis and follow-up to ensure accuracy of balances for financial reporting. Perform lightning strike analysis to clean-up data related to contracts.	Following audit findings related to unsupported balances in several billion dollar accounts, PBS turned to us to help with their backlog and reconciliation effort. PBS no longer has those findings.
U.S. Department of VA, NSF, FHA, ED, DOT, NIH, HHS	Review financial management processes and controls (including information technology) in conjunction with the annual financial statement audits in accordance with the Chief Financial Officers Act of 1990.	We reviewed internal controls over financial processes, reporting and compliance with laws and regulations are properly designed, implemented, and effective

Figure 11

1.1.1.c Perform workload analysis; skills gap analysis, organizational effectiveness and workforce recruiting strategies

NJ requires assistance analyzing its workload and resulting workforce requirements; identifying and quantifying the skill requirements of the workforce and assessing the skill gaps to be filled; ensuring the workforce is effectively organized; and developing strategies to recruit required new personnel.

Key Feature of Our Approach	Benefit of Team CLA's Approach to NJ	Proven Client Results
Workforce Planner™ (WFP) Model: this proprietary model supports the major elements of workload and workforce analysis such as collection of initial workforce data, allocation of workload to functions, development of future workload scenarios, and conduct gap analysis of current and future requirements.	<ul style="list-style-type: none"> Analyzing workload based on specific elements of your mission Tying future requirements to these mission elements Supporting “what if” analysis to analyze effects of different future scenarios on requirements 	We have supported the Department of Energy’s Office of Environmental Management to conduct workforce analysis using the Workforce Planner since 2008. The Office headquarters and nine field sites each use the model to estimate future requirements, conduct gap analysis, and develop their workforce plans.
Competency Management, Assessment, and Analysis Tool (C-MAAT): This web-based tool provides ability for supervisors and employees to assess current levels of proficiency in workforce competencies. It allows individual and aggregate level skill gap analysis based on proficiency targets by skill and grade.	<ul style="list-style-type: none"> Intuitive web interface Role-based security to ensure each user has appropriate level of access Ability to analyze assessment gaps between employee and target, supervisor and target, or employee and supervisor 	We used C-MAAT to perform a skills gap analysis for the Health Resources and Services Administration (HRSA). We worked with HRSA leaders and SME to identify competencies and target levels, then collected assessment data from the entire workforce. Using C-MAAT reports, we analyzed gaps in the proficiency levels, reported these gaps by user groups, occupation, and grade level, and provided recommendations for employee training and development
Organizational Assessment System (OAS): This web-based tool collects data on work performed and questions regarding	<ul style="list-style-type: none"> Intuitive web interface Rapid deployment with minimal training needed 	For the Administration for Children and Families, we used OAS as part of a wide-ranging organizational assessment to examine a 1,700 employee workforce in 3 D.C. locations and 10



Key Feature of Our Approach	Benefit of Team CLA's Approach to NJ	Proven Client Results
the nature and type of work and attitudes on the appropriateness and placement of the work. It can share data on work by function with the Workforce Planner.	<ul style="list-style-type: none"> • Flexible reporting • Provides insight into <ul style="list-style-type: none"> ○ placement of work ○ duplication of effort ○ workforce mix ○ importance of work ○ cost by function 	regional offices. Our findings included: <ul style="list-style-type: none"> • Duplication in public affairs work without coordination was causing message confusion • Moving to a shared service model could save up to 51 staff years Based on our recommendations, the Assistant Secretary took immediate action to realign the regional office workforce.

Figure 12

We describe below the detailed steps of each of the key activities, highlighted in **Figure 12**. We will involve the appropriate State personnel throughout the processes so that they will understand the steps and be able to independently repeat the processes in the future (**Figure 13**).

Step	Activities
Collect data on current workforce and workload	At the start of this analysis we will need to obtain, or if necessary collect, the data related to: previous workforce or workload-related studies, personnel data, attrition data, list of work functions, allocation workload and workforce by function. We use our web-based OAS tool to analyze the personnel data and to collect the allocation of workload and workforce by function.
Develop future workload scenarios	In order to perform an effective workload analysis, we must also estimate how the workload will change in the future. However, the future workload is rarely known with a high degree of certainty, so we estimate future workload based on a few (2 or 3) scenarios.
Conduct workforce analysis	Next we will analyze all of the preceding data to quantify the future change in workload and the effect of this change on future workforce requirements. We will use the Workforce Planner model, which we populate with the personnel data, the workforce allocation by function, and the estimated proportional change in workload by function based on each scenario. If attrition data is available, we will also input that data into the model.
Conduct skills gap analysis	Skills/competencies identify the capabilities staff members needed to have to perform their jobs. To perform a skill gap analysis, we must determine both the supply of employees with the required proficiency in each skill and the number of staff members proficient in each skill. We define and evaluated competencies in two categories: general competencies and technical competencies. We assess the proficiency of the Division staff in these competencies by developing a proficiency measure, usually a five-point scale. We will use the CMAAT to assist with the assessment. We will determine how each future workload scenario will impact skill requirements. We will examine the list of work functions and determine which skills are necessary to perform each function. We evaluate how the estimated change in future workload will impact the required number of staff with the associated skills. Based on this, we will develop estimates of future skill gaps.
Assess organizational effectiveness	<p>This requires definition of what the organization needs to accomplish—its primary, strategic objectives and related functions or activities. Measures need to be developed to assess the effectiveness of the organization in meeting those objectives. Then, a system needs to be put in place to collect the appropriate data to evaluate the effectiveness measures on a periodic basis.</p> <p>We start, with a mission analysis that will determine the strategic objectives that the Division must meet in order to accomplish its mission. Then, we will align the previously defined work functions under the strategic objectives. We will use the previously collected workload data from our OAS. The structural analysis will identify issues in span of control, workload allocation, duplication of work, communications, and support function organization. The workforce analysis will determine the alignment of the workforce size, grades, and occupational series to the strategy.</p>
Develop workforce	We propose strategies to address workforce issues identified in the previous analyses. In such cases,



Step	Activities
strategies	<p>we will propose strategies for the Division to use to address the issues such as:</p> <ul style="list-style-type: none"> <i>Recruitment strategies.</i> Growing requirements generally need to be filled through increased recruitment. <i>Workforce development strategies.</i> The Division may need to improve the capabilities of its current staff.

Figure 13

Client Agency	Size	Scope	Relevancy
Department of State (DOS)	Total of \$4.9M over 11 years	Build and maintain models and conduct analysis to assist with workforce planning, staffing requirements, and other HR tasks.	Use of models and analysis to assist with workforce/workload analysis and staffing requirement determination
Department of Energy, Office of Environmental Management (DOE EM)	Total of \$700K over 5 years	Institute, integrate, and support workforce planning across the headquarters and nine field sites	Use of the WFP model to support workforce/workload analysis, identification and documentation of competencies
Department of Health and Human Services, Human Resources and Services Administration (HRSA)	\$900K over 3 years	Workload/workforce analysis and estimation of future workload and staffing needs in response to a growth in mission; competency needs identification, assessment, and analysis; development of a Human Capital Strategic Plan; and survey results analysis and action planning.	Use of the WFP model to perform workforce analysis and planning, including analyzing scenarios of future growth based on change in mission; Use of CMAAT to collect and analyze competency assessment data and determine skill gaps
Department of Health and Human Services, Administration for Children and Families	\$1.2M over 2 years	Assessment of the alignment of structure, processes, systems, and workforce to the mission and business strategy	Conducted workload analysis using OAS, workforce assessment using benchmark analysis, competency assessment for key series.

Figure 14

1.1.1.d Compliance Sanctions Program (CSP)

The creation of a strong and well-understood CSP is critical to the success of this disaster-relief effort. A CSP establishes minimum standards or requirements, both financially and operationally. It is also the intent of this CLA team to produce a CSP that NJ could adopt, modify and reuse. This transfer of knowledge will provide the State with an already well-tested foundation should another event occur.

The basis for a successful CSP is to establish an Office of the Ombudsman, which will be staffed with operational, grant, and legal expertise. Staff should have a deep understanding of the rules and regulations.

Figure 15 highlights our technical approach to this requirement.

Key Feature of Our Approach	Benefit of Team CLA's Approach to NJ	Proven Client Results
<u>Knowledge transfer:</u> A well-defined and documented strong CSP that will enable us to hand off the program so NJ may accomplish the work downstream, without the assistance of consultants.	Our staff and their experience will empower our State clients with applied knowledge and experience developed through years of working as part of the FEMA PA and associated programs.	FEMA Public Assistance Program Representative Disasters include: <ul style="list-style-type: none"> Louisiana Hurricane Rita (DR-1607)



Key Feature of Our Approach	Benefit of Team CLA’s Approach to NJ	Proven Client Results
<p><u>Federal and State Subject Matter Expertise:</u> Fluent in all aspects of FEMA regulations and policies, Federal and State codes, regulations and standards including various environmental acts, building codes, industry codes and standards (IEEE, ASCE, NFPA, NRC, etc.)</p> <p><u>Speed:</u> Timing is of the essence in tracking non-compliance and taking action to interface - longer wait times between follow-up and identifying a non-compliance issue tracks with the inability to correct actions before they become big problems.</p> <p><u>Leverage business analytics:</u> to look for trending of payment or non-compliance actions.</p> <p><u>Remediation training:</u> Once a non-compliance issue is identified, encourage or require simple step-by-step training.</p>	<p>These team members have extensive experience with the standard tools; processes and procedures utilized on a disaster and will serve up deep knowledge in the application of the codes, regulations and standards utilized under the Federal disaster recovery programs.</p> <p>Team members are experienced financial reviewers and can provide lessons learned that will impact the success of the CSP.</p> <p>Reduced non-reporting of expenses or even fraud as the result of taking immediate action for non-compliance.</p> <p>Business analytics helps pin-point trends for potential focused quality reviews and speeds the analysis process when identifying inappropriate payments.</p> <p>Educated and trained grant recipients are likely to not make mistakes, and to follow the rules.</p>	<ul style="list-style-type: none"> • Louisiana Hurricane Gustav (DR-1786) • Mississippi Hurricane Katrina (DR-1604) • Louisiana Hurricane Katrina (DR-1603) • New Jersey Hurricane Sandy (DR-4086)

Figure 15

The team will develop a strong CSP that allows for applicant accountability and responsiveness to FEMA inquiries. As the Program develops over time, lessons learned will be tracked by the team and process improvements will be implemented within the CSP to ensure appropriate competences are captured.

In developing a CSP, particular attention must be paid to the process in which individuals and entities are held accountable. If individuals and entities commit serious violations against U.S. Government and State laws and regulation, adequate policies and procedures must be in place to justify a suspension or debarment for that particular individual and entity. As such, the team will create a matrix or a tool to monitor such compliance sanctions and meet the objectives outlined in **Figure 16**, then take the following steps:

Team CLA’s Proposed CSP Objectives
<ul style="list-style-type: none"> • To test compliance with FEMA and State standards. • To review reported financial results to ensure that it meets the requirements as stated by the State and FEMA. • To gather information to assist the State in developing an enhanced management risk model. • To provide the State with the capability to access compliance testing results. • To gather information to assist the State in managing applicant files. • To gather information to assist the State in monitoring the completeness and accuracy of applicant documentation. • To communicate compliance exceptions to the State and FEMA stakeholders.

Figure 16

1. *Identify Requirements:* The team gathers information to integrate the requirements necessary to execute the CSP.
2. *Develop Process:* We will work directly with stakeholders to develop a process.
3. *Design Process:* The team will tailor the program to meet Federal and State regulations.
4. *Communication:* The team will provide a communication plan for the State to share with applicable stakeholders and applicants. It will include remediation training.
5. *CSP Matrix:* The team will track all applicable data needed to monitor and test the sanctions, and



provide useful information for leadership to report progress.

Compliance testing is performed as part of the CSP. Through the evaluation of findings, compliance testing can provide valuable information regarding problem compliance areas requiring a rule or policy change and provide input to audits/quality reviews. We will develop a process providing the CSP with a baseline to carry through the tasks in **Figure 17**.

Team CLA CSP Tasks
<ul style="list-style-type: none">• Within 48 hours of receiving notice of a misconduct action, a case number is assigned and ranked as follows:<ol style="list-style-type: none">1. <i>Class 1</i>: Material dollar value reported, and/or the potential violation of a local, State or Federal Law, or2. <i>Class 2</i>: Potential violation of FEMA policies and procedures, without intent. , or3. <i>Class 3</i>: All remaining reported actions that must be investigated if an alleged action is reported.• Within the second forty-eight hours, the Office of Ombudsman will attempt to establish contact with the person who reported the action and began the process of collecting evidence and facts.• Once the case report has been investigated, and a final report issued in a Class 1 category, if the evidence collected has clearly established a violation of Law, the case will be forwarded to the appropriate legal agency for follow-up.• In order to get the program back on track, all Class 2 cases will establish a get-well program directly related to both the grantee's program and the specific operational action documented.• Finally, for the remaining reported actions (Class 3), a final report will be shared with the appropriate grantee and a follow-up program will be established based on both the complexity and severity of the reported action.

Figure 17

The team will employ best practices to assist the State to become compliant with the Improper Payments Elimination & Recovery Act (IPERA). A more detailed narrative of this approach is described in *Section 1.3, Pool 3*, under compliance systems and controls.

1.1.1.e Support account reconciliations necessary to control and report

Account reconciliation is an underappreciated yet critical control to help ensure financial integrity of account balances, system interfaces, and other control balances. Weaknesses and inefficiencies in the reconciliation process often lead to overall inaccuracies in financial accounts and reporting to internal or external stakeholders. In general, the PW is the controlling financial document in FEMA's PA Program. Cost for eligible work directly related to an Applicant's damages is captured in the PW and will be a critical component in numerous areas of disaster auditing, financial auditing and Grant Management and Integrity Monitoring/Anti-Fraud support services for Disaster Recovery as outlined in the RFQ.

Sub-grant Applications (PWs) are the primary form used to document the information for damages (i.e., locations, damage description and dimensions, scope of work, Special Considerations, and cost estimates). They supply FEMA with the information necessary to approve funding under the PA Program. FEMA assigns a FEMA Project Specialist to the applicant. The FEMA Project Specialist may call upon Technical Specialists, to assist in developing the damage description, scope of work, and cost estimates, and to help the applicant prepare hazard mitigation proposals, review insurance coverage, identify historic preservation issues, identify environmental issues, etc.

Each project must be documented on a separate PW. Sometimes work for multiple facilities can be combined if there is a logical method of performing work required as a result of the declared event. FEMA and the state will have guidelines that must be followed. CLA Team knows that ensuring the accuracy of account balance associates with the PW is very important. This means reviewing applicant balances, control accounts (if any), and ensuring performance of systems' interface reconciliations using uses tools and

processes to provide a framework for ensuring quality, accuracy, and completeness. They provide a means to track assignments, due dates, and work completion. Our robust, automated account reconciliation process focuses the right people on the right activities and gives management real-time financial information.

Automation of the account reconciliation process is a critical step on the road to achieving "financial integrity" and ultimately, a timely and efficient financial posture. However, software alone will not ensure account reconciliations are accurate. **Figure 18** highlights our approach.

Key Feature of Our Approach	Benefit of Team CLA's Approach to NJ	Proven Client Results
<ul style="list-style-type: none"> Follow a best practices list developed over time as auditors and operational. Use standard templates for reconciliations 	<ul style="list-style-type: none"> Our steps to producing clean reconciliations that have been developed over 30 years of reviewing financial and grant accounts, and then from the other side – doing the work. Promotes understanding and consistency of reconciliation steps from month to month, reducing time spent reconciling. 	<p>We have helped GSA Public Buildings Service (PBS) re-gain its clean opinion after several years. It lost its clean opinion because it couldn't reconcile hundreds of millions of dollars. Accounts that should have been linked were not synchronized, and when out of balance with each other, not reconciled. One member of our team was hired to support the financial office with following up on all balances, first over a certain threshold or type of account, then the next tier, until the variance was minimal.</p>

Figure 18

1.1.1.f Quality assurance / quality control reviews and assessments

To be considered a candidate for funding, the cost must be reasonable, eligible, and in compliance with all Federal, State, and local laws. The PW's individual and combined line items must be free of unreasonable pricing attributes and the price paid for material, labor, and services should be based on the local purchasing environment at the time of purchase. Also, funding received cannot be a source of duplicate payments.

Once FEMA has completed the PW, no fewer than eight individuals review it before funds are actually obligated. It is then sent to the State for distribution. Eligibility is of prime importance in these reviews, along with environmental and historical interests. HMP (Hazard Mitigation Proposal) is highly sought after by FEMA and an HMP specialist is embedded within each group.

Four Critical Areas of Disaster Assistance	
Documentation	Applicants are responsible for establishing and maintaining accurate records of events and expenditures related to disaster recovery work for which they request FEMA assistance. The documentation required describes the "who, what, when, where, why, and how much" for each item of cost.
Progress Reports	FEMA expects the applicant to actively manage its approved work, set targets, and make sure they are met. FEMA requires the State to report on applicant projects. Therefore, the State will require applicant progress reports on each of its projects. Progress reports are a critical part of disaster management. They ensure that FEMA and the State have up-to-date information on the work being undertaken as well as related expenditures. Reporting requirements generally focus on large projects and include information such as: status of each project, projected completion dates, amount of expenditures for each project, and any circumstances that could delay the project or result in noncompliance with the conditions of the FEMA approval.
Closeout	The purpose of closeout is to certify that all work has been completed and all of the eligible costs have been reimbursed, and is an important last step in the process. The State is responsible for ensuring that all incurred costs are associated with the approved scope of work and for certifying that work has been completed IAW FEMA standards and policies. The State submits documentation of project costs to FEMA for review. FEMA may conduct a final inspection of the site as part of this review. Once the review is



Four Critical Areas of Disaster Assistance	
	complete, FEMA determines whether additional funds should be obligated or whether funds should be de-obligated for the project.
Audits	All documents are subject to audit by the State, FEMA, and the U.S. Department of Homeland Security Office of the Inspector General. Because failure to properly document any claimed expenses may result in loss of funding, working within the approved scope of work and costs and documenting each project thoroughly are critical.

Figure 19

Once the state receives monies for obligated PWs, the State disburses funds and instructs sub-grantees of their obligations regarding the legal use of these funds. It is FEMA's responsibility to create and pay the PW and the state's responsibility to insure that the monies are used within the regulations as outlined under the Stafford Act and documented accordingly. State and local applicants should prepare for **Figure 19**.

Team CLA's Approach	Benefit to the State of NJ	Team CLA Experience
<ul style="list-style-type: none"> Federal and State Subject Matter Expertise: Fluent in all aspects of FEMA regulations and policies, Federal and State codes, regulations and standards including various environmental acts, building codes, industry codes and standards (IEEE, ASCE, NFPA, NRC, etc.) 	<ul style="list-style-type: none"> Our staff and their experience will empower our State clients with applied knowledge and experience developed through years of working as part of the FEMA PA and associated programs. These team members have extensive experience with the standard tools; processes and procedures used on a disaster and will serve deep knowledge in application of the codes, regulations and standards utilized under the Federal disaster recovery programs. 	<ul style="list-style-type: none"> FEMA Public Assistance Program. Representative Disasters include: Louisiana Hurricane Rita (DR-1607), Louisiana Hurricane Gustav (DR-1786), Mississippi Hurricane Katrina (DR-1604), Louisiana Hurricane Katrina (DR-1603), New Jersey Hurricane Sandy (DR-4086)

Figure 20

1.1.1.g Risk analysis and identify options for risk management

There are substantial risks associated with a disaster recovery grant process that can result in failure to execute the payments required for relief properly. Payment system risks can include a participant failing to meet its obligations when they are due, and that the payment system is operationally unable to process payments as expected. Risk causes may include: government funding disruptions, payment system's hardware or software failure, or other events such as fraud or major power outages.

Team CLA uses a risk management process, based on best practices, for assessing the risks in the disaster recovery grant system, so that oversight resources are focused on those types of events that are judged to pose the greatest risk to the effectiveness of the system. A consistent approach to oversight is necessary to ensure Team CLA focuses its risk identification and mitigation actions on significant potential events that may disrupt transactions through delay or prevention of payments. Team CLA's standard risk management process estimates probabilities and impacts of potential risk events, with supporting qualitative and quantitative information on a continuous, ongoing basis. These determinations are made by reviewing both observed events and analyzing unobserved vulnerabilities, completing and updating a risk register, and assigning probabilities and estimated impacts to each risk event.

Risk mitigation priorities are then defined using operations research methods, such as multi-attribute decision theory, and cost benefit analysis techniques, to maximize the performance of Federal and State grant payments. The results of the risk management process are then aggregated into management



information, which can be used to help prioritize mitigating actions with an eye toward properly allocating scarce oversight resources.

1.1.1.h. Consulting services to reduce the reconciliation backlog for the Request for Reimbursements

When CLA team provides services to reduce backlog and perform reconciliations, we believe it is also necessary to review your procedures and make recommendations from the perspective of strengthening or updating them, accelerating the reduction of backlogs, but also best practices for future processes: training of staff, reduction of risk through standardization, and documenting activities and controls (**Figure 21**).

Key Feature of Our Approach	Benefit of Team CLA’s Approach to NJ	Proven Client Results
<ul style="list-style-type: none"> 4 phased approach to implementation of reconciliation and re-training: Stratify account balances (risk, high dollar) Implement Pilot reconciliation and develop training/guidelines Expand pilot to additional grantees, monitor for improvements after training Full roll-out 	<ul style="list-style-type: none"> Immediate focus on highest risk (oldest, most complex) or highest dollar for most impact Review of current procedures and documentation support to identify streamlining opportunities Training and guidelines so your staff can take over as reconciliation is reduced. 	<p>GSA Public Buildings Services</p> <ul style="list-style-type: none"> a) Validate billings and payments on leasing contracts for properties against contract criteria (cost engineering, plans and period of performance, monthly agreements) Reconciled to source documents for backlog – reduced error rate and trained staff to take on part of the duties. b) Data clean-up for audit readiness. High intensity, lots of staff, multiple locations across the country. Resulted in NO FINDINGS related to account balances that were reconciled.

Figure 21

We will review reimbursement procedures for existing gaps, then develop recommendations to avoid backlog, possibly streamlining procedures and controlling payments to do away with backlog, even at times of peak activity. Procedure updates would include not only additional or changed steps, but also sources of data, reports, forms, and systems. Furthermore, training grantees on submitting correct documentation on the forms developed for that purpose is essential in the grant process. Grantees will utilize this new training process to understand the standards and expectations required in order for them to receive reimbursement.

Team CLA designed implementation plans which include four phases: Phase I) develop significance levels for stratifying the backlog requests; Phase II) a pilot, consists of reviewing and processing payments for selected grantees in Tier 1 and using newly developed guidelines, implementing a verification process, and develop training and guidelines for grantees; Phase III) expands the pilot to additional grantees after implementation of training/guidelines, update training and guidelines if needed following analysis; and finally Phase IV) is a rollout to all grantees. Communication with internal and external stakeholders on results of reconciliation and the different phases is important.

1.1.1.i Consulting services providing Subject Matter Expert (SME) knowledge

HUD’s Community Planning and Development (CPD) Monitoring Handbook 6509.2 establish standards and provides guidance for monitoring those CPD programs outlined in **Figure 22**.

CPD Programs for which HUD’s Handbook 6509.2 Establishes Standards
<ol style="list-style-type: none"> Community Development Block Grant (CDBG) Entitlement, Small Cities and Insular Areas Programs; State-Administered Community Development Block Grant Program; Section 108 Loan Guarantee Program, Economic Development Initiative (EDI), and Brownfields Economic Development



CPD Programs for which HUD’s Handbook 6509.2 Establishes Standards

- Initiative (BEDI);
- 4. Disaster Recovery Assistance;
- 5. HOME Investment Partnerships Program (HOME);
- 6. Emergency Shelter Grants (ESG);
- 7. Housing Opportunities for Persons With AIDS (HOPWA);
- 8. Section 8 Moderate Rehabilitation Single Room Occupancy Program for Homeless Individuals (SECTION 8 SRO);
- 9. Shelter Plus Care (S+C);
- 10. Supportive Housing Program (SHP);
- 11. Empowerment Zones – Round II (EZs);
- 12. Historically Black Colleges and Universities (HBCUs);
- 13. Rural Housing and Economic Development (RHED);
- 14. Community Development Technical Assistance (CDTA) Cooperative Agreements;
- 15. Homelessness Prevention and Rapid Re-housing Program (HPRP);
- 16. Neighborhood Stabilization Program 1 (NSP-1);
- 17. Neighborhood Stabilization Program 2 (NSP-2); and
- 18. Community Development Block Grant Recovery Program (CDBG-R).

Figure 22

Our approach provides technical staff and SMEs with the HUD experience to perform consultative services on behalf of the State at each TO. Each team member will be selected based upon requirements outlined in the proposed SOW. Team CLA has technical staff with deep experience in the administration of HUD regulations and policies that strengthen state and local government development capacity through the administration of HUD Housing and other related programs. Staff members have served in the role of Compliance Manager with the State of Louisiana’s Office of Community Development – Disaster Recovery Unit (OCD-DRU) and have administered more than \$350 million in HUD disaster housing grant funds for small rental housing units following Hurricane Gustav and Hurricane Ike.

Staff members have served in the role of Project Manager for the administration of CDBG funds addressing affordable housing and projects for the City of Alexandria, Louisiana and have administered set aside funds for economic development for the State of Mississippi. They have developed policies and computer programs to evaluate and rank financial aspects of CDBG proposals and have monitored more than 125 HUD grants statewide. Team CLA has provided technical assistance and administrative services in planning and proposal development to small towns and counties applying for and receiving CDBG funds for housing, economic development, public facilities and infrastructure projects, resulting in the approach in **Figure 23**.

Key Feature of Our Approach	Benefit of Team CLA’s Approach to NJ	Proven Client Results
Subject Matter Expertise in HUD CBDG Program including expertise in management and monitoring of CDBG program activities for HOME, HOPWA, Section 8, Shelter Plus Care, Emergency Shelter, Economic Recovery, Disaster Recovery including	Utilizing HUD CBDG SME’s will: <ul style="list-style-type: none"> • Will result in a more comprehensive and effective recovery effort by ensuring that a wide and diverse range of recovery needs are met; assuring flexibility to address short-term and long-term recovery needs; enabling communities to meet needs that would not likely be addressed by other funding sources; and assisting communities to better position themselves to 	FEMA Public Assistance Contract: Louisiana Hurricane Isaac (DR-4080); New York Hurricane Irene (DR-4020); South Dakota Severe Winter Storm (DR-1914); South Dakota Severe Flooding (DR-1915); South Dakota Severe Winter Storms, Tornados and Flooding (DR1929); South Dakota Severe



Key Feature of Our Approach	Benefit of Team CLA’s Approach to NJ	Proven Client Results
Acquisition, Relocation, Davis-bacon, Labor Standards, Lead-based paint, Fair Housing and Equal Opportunity, Environmental, Citizen Participation, Procurement, and Financial Management	<p>meet their post-disaster recovery needs.</p> <ul style="list-style-type: none"> Will empower grant and sub-grant recipients and provided additional technical assistance and capacity building that strengthened the projects and assured that guidelines are adhered to, program objectives are met and overall community capacity will be increased and sustained throughout the long term recovery process. 	Storms and Flooding (DR-1938); South Dakota Severe Storms and Flooding (DR-1947); Iowa Severe Storms, Tornados and Flooding (DR1763); Washington Severe Winter Storm, Landslides, Mudslides, and Flooding (DR-1817); Mississippi Hurricane Katrina (DR-1604).

Figure 23

We propose using a combination of: Standardized Frequently Asked Questions, as well as a flexible Question and Answer approach available via intranet, as well as a call-line. The initial approach would be to identify areas needed for training using the steps in **Figure 24**.

Team CLA’s Knowledge Transfer/Training Approach
<ul style="list-style-type: none"> Conducting a survey of NJ staff to find state of experience and knowledge Interviewing leadership to identify areas of most concern and goals for staff and program Performing a gap analysis between current NJ team knowledge and grant requirements in desired areas, also identifying who needs which type of training Developing training needed for immediate impact, or on-going and standardized Conduct the training, including live, in-class training would be performed initially to train-up key NJ staff. This provides an opportunity for question and answer and personalized approach; webinars and/or slides with Q&A; and monitoring who has taken the training, survey the attendees (live class), accumulate all data on the training for reporting to leadership.

Figure 24

1.1.1.j Conducting on-site and remote monitoring for compliance with CDBG-DR requirements

CDBG Disaster Recovery Assistance is authorized under Title I of the Housing and Community Development Act of 1974. The Office of CPD administers the program and provides flexible grants to help cities, counties, and States recover from Presidentially declared disasters. CDBG Disaster Recovery grants often supplement disaster programs of FEMA, and other Federal and local organizations.

Federal grants often times establish certain conditions that extend to all activities supported by federal funds, regardless of their source. The most famous of these is Title VI of the 1964 Civil Rights Act, which holds that in the use of federal funds, no person may be discriminated against on the basis of race, color, or national origin. As such, Federal cross cutting provisions apply in order to determine that projects are in compliance with a wide range of federal and state regulatory requirements including Environmental Authorities, Economic Authorities, Social Policy Authorities and Procurement Authorities.

The basis of any program to monitor compliance in this area would be the past experience and tribal knowledge of our subject matter experts, the Community Development Block Grant Toolkit on Crosscutting Issues and the CPD Monitoring Handbook 6509.2, which includes all programs and technical functions for which CPD Field staffs have monitoring responsibilities.



Team CLA will apply a team of professional experts to develop a monitoring and oversight program to ensure performance and compliance

1. Identify the key Federal and State Non-Discrimination and Equal Access requirements with which funded programs must be in compliance;
2. Identify the key Federal and State Employment and Contracting requirements with which funded programs must be in compliance;
3. Identify the key Federal and State environmental and quality standards with which funded programs must comply;
4. Identify the key Federal and State administrative requirements with which funded programs must be in compliance.
5. Identify which regulations are relevant to specific program activities and the application of those regulations to the overall program.
6. Establish internal controls to ensure performance and compliance as well as monitor sub-recipients under the same standards.
7. Use established monitoring mechanisms and mobile monitoring tools, which can be adapted for these requirements.

During his tenure as the Executive Director for the Housing and Redevelopment Authority of Douglas County, MN, CLA team member Michael Corkill-Bomgaars, extensively utilized the Small City Block Grant program (SCBG), which is part of the CDBG. He authored and administered numerous successful SCBG projects and developed various community rehabilitation, economic development enterprise zones, industrial parks, and municipal utility infrastructure projects. He was solely responsible for the full accounting, record keeping, Federal and State compliance monitoring for each project. Under the FEMA PA Program and as an employee of iParametircs, Mr. Corkill-Bomgaars has supported the State of Louisiana and the City of New Orleans. Throughout the program development process, all of these projects require a detailed Environmental and Historic Preservation (EHP) review. **Figure 25** highlights our approach.

Key Feature of Our Approach	Benefit of Team CLA’s Approach to NJ	Proven Client Results
<p>Federal and State Subject Matter Expertise: Our SME’s are fluent in the CDBG-DR program and the supporting regulations and policies, Federal and State codes, regulations and standards including various environmental acts, building codes, industry codes and standards. The have the requisite skills, experience and knowledge to quickly put in place a monitoring and oversight program to ensure performance and compliance.</p>	<p>Our staff will empower the State client with applied knowledge and experience developed through years of working with and within this program. These team members have extensive experience with the tools, processes, and procedures utilized to put a successful compliance program in place and will serve up deep knowledge in the application of the codes, regulations and standards utilized under the Federal disaster recovery programs.</p>	<p>FEMA Public Assistance Program. Representative Disasters include: Louisiana Hurricane Katrina (DR-1603),</p>

Figure 25

We propose the use of mobile data collection to improve field efficiency and the quality and timeliness of data. Our experience shows that standardized mobile data collection reduces turn-around times for reporting, while eliminating error prone data transcription. We have been successfully developing mobile solutions for government customers for more than a decade. In 2003, our team member, LMI was recognized as an innovator in workforce mobility in a cover story in Government Computer News (GCN) for our work with the USPS National Safety Program featuring a mobile solution.

Our solutions are designed to avoid unplanned development and escalating long-term operations and maintenance costs, by leveraging our extensive library of field tested mobile application code and additional off-the-shelf technologies. Data collected in the field will be synchronized with a web-based reporting and analytics dashboard which will be accessible to appropriate stakeholders. Checklist content and dropdown lists are updated seamlessly for all users to accommodate programmatic changes or shifting priorities over



time, and all of our mobile applications operate securely, preventing the unintended release of sensitive information. Our approach would follow the three phases in **Figure 26**.

Phase	Description
1. Discovery - Requirements and Design	Using the requirements defined in cooperation with NJ, our team will follow a rapid application development lifecycle to develop, test and deploy the complete solution.
2. Software Development	Following a Beta test and any necessary application updates, we will perform system level testing, prior to making the application available to NJ staff for user acceptance testing (UAT).
3. Final Delivery and Deployment	Once the application has completed the UAT process, we will address any system change requests before final deployment to an appropriate app store for distribution. The result of this activity will be a complete solution, which meets the documented requirement identified in the Discovery phase.

Figure 26

Our experts will work with NJ staff to define requirements and design for a checklist-based mobile data collection and reporting tool, the results of which will be the roadmap for the CDBG-DR application development effort.

1.1.2 Action Plan for Responding to requests for an engagement

As TOs and engagement requirements are released for response, CLA’s Engagement Partner, Ms. Mia Leswing, will contact our Subcontractor Team Leads to alert them of the requirement, and begin our proposal response process: 1) Requirements Analysis, 2) Resource/Solution Development, and 3) Response Production. First, we review TO solicitation materials to confirm our understanding of the requirements. Second, Ms. Leswing will identify from and task the appropriate technical solution development team. Third, we build a resources-loaded schedule and cost estimate through the assignment of resources to the smallest quantifiable work elements, and use of project control tools to build an accurate “bottom-up” estimates. Our techniques are accurate and repeatable because we use tools and standard forms in our responses. Lastly, CLA compiles the bid for submission to the State’s user agency.

1.1.3 List of Contracts (4.1, 4.3)

Figure 27 also includes the information required in *Section 4.1, References*. It is a summary of exemplary contracts in each of the 3 pools. We can provide additional reference points of contact upon State’s request. Also, *Section 1.1.1, Plan to Accomplish Work* includes additional experience and contract descriptions.

Client/ Point of Contact Info	Type of contract/ Budget	Description
FEMA Public Assistance Contract; Marnie Ball; 2300 Clarendon Blvd., Suite 1110, Arlington, VA 22201; 703-351-6468	FFP; \$50M+	FEMA PA coordinates the delivery of assistance under the law and provides grants through the Public Assistance Program to help with the extraordinary costs for disaster response and infrastructure recovery. (Pool 1, Pool 3)
Department of State (DOS); Gene Batt; 2461 E St NW, H-1301, Washington, DC 20522; (202) 663-2325	FFP; Total of \$4.9M over 11 years	Build and maintain models and conduct analysis to assist with workforce planning, staffing requirements, and other HR tasks. (Pool 1)
Bureau of Justice	T&M; \$12M	Provided program support specialists to the Bureau of Justice Assistance



Client/ Point of Contact Info	Type of contract/ Budget	Description
Assistance (BJA) ; Raymond German, 202-307-0613, 810 7th Street, N.W. Washington, DC 20531		(BJA) to clear a backlog of Grants for close-out. In the Office for Victims of Crime (OVC), our staff provided support to Helping Outreach Programs to Expand (HOPE) grants and the International Terrorism Victim Expense Reimbursement Program (ITVERP) (Pool 2)
CNCS (various auditees); Ronald Huritz, Contracting; 202-606-9355; R.Huritz@cncsoig.gov	Blanket Purchase Agreement (BPA), T&M TOs Total contract value: \$1.1 million; \$653,567 awarded to date	Audit work involved testing grantees and subrecipients payroll, direct, and indirect costs to verify the allowability of the costs incurred against federal and match funds under the grant agreement and the applicable cost principles. We performed a risk assessment of the grantees subrecipients by reviewing the monitoring performed by the grantee on those subrecipients, the subrecipients' single audits and total cost incurred for the period being reviewed. We conducted compliance testing to ensure grantees and subrecipients were addressing programmatic requirements and meeting match cost requirements. We worked with the grantee, subrecipients and OIG to ensure accuracy of the audit findings. (Pool 2)
HUD – Federal Housing Administration (FHA) and Government National Mortgage Association (Ginnie Mae); Thomas McEnanly,; 451 7th Street, SW, Washington, DC 20410; 202-402-8216	FFP; FHA CFO Act Audit: \$9.6 million; GNMA CFO Act Audit: \$1.9 million	Full scope audits of the FHA and Ginnie Mae's financial statements in accordance with all relevant laws, regulations, standards and guidance in accordance with GAO <i>Government Auditing Standards</i> . FHA is one of the largest credit agencies in the federal government, accounting for nearly 1/3 of all federal loan guarantees. The FHA has three separate mortgage insurance program areas: single family forward mortgages, reverse mortgages, and multifamily project mortgages. Through performance of these audits, we understand the federal loan programs and the relationship of these programs to the State's public housing programs. (Pool 2)
State of South Carolina; Richard Ekstrom,; 1401 Main Street, Suite 1200; Columbia, South Carolina 29201; 803- 253-4160	FFP, \$1.1 million	We perform a financial statement audit in accordance with <i>Government Auditing Standards</i> . (Pool 2)
Montgomery County, Maryland Housing Opportunities Commission; Gail Willison; 10400 Detrick Avenue, Kensington, MD 20895; 240-773-9076	FFP; \$850,000 base year (4 year contract)	Special projects including analysis of uses of funds of related party entities to ensure propriety of transactions and financial statement audit in accordance with <i>Government Auditing Standards</i> , Single Audit in accordance with OMB Circular A-133. (Pool 3)
DOT Pipeline and Hazardous Materials Safety Administration; Fazal Mirza; 1200 New Jersey Avenue, SE, Washington DC 20590; (202) 366-5180	FFP; \$160,128;	Originally called for review all of grants for a given program year. Upon reviewing some of these files, we determined that the types of issues that might be found would be similar as they were systemic, and that there was very limited documentation in many of the files. We proposed that a sampling approach (random plus judgmental) would result in better use of available resources. The alternate approach surfaced as many types of issues as would have been found in a review of each file. (Pool 3)

Figure 27

1.1.4 Management Overview (4.2) and 1.15 Contract Management (4.3)

CLA's Project Management Organization (PMO) is staffed with experienced professionals to perform all



contract-level management functions spanning the complete life cycle of all TOs. Ms. Leswing, CLA Partner, will be the overall lead of the PMO. Our contract and TO management approach focuses on achieving the specific business, technical, and performance objectives within the agreed parameters of cost, time, and quality. Team CLA has in place proven and reliable project management methods and procedures. Our managers will use these processes and procedures to execute and monitor our tasks as well as to identify, track, and report problems or unusual circumstances. CLA Team's PMO is vested with centralized authority to direct services of the program, and is responsible for the successful operation of the contract supporting our Project Management processes.

At the contract level, the PMO enables the execution and control of the program and aligns performance to mission. The PMO performs cross TO functions, coordinating the activities of the entire CLA Team. By managing multiple TOs at a high level, the Program Manager (PM) is able to focus on the project risks, issues, resources, technical architectures, solutions, scope, and priority changes between and across projects. This approach benefits each customer and provides quick resolution of cross project issues. Individual TOs will be managed as distinct projects, with the level of oversight and control assigned based on size, complexity, and risk. The PMO interfaces with Team CLA leadership, obtains resources from within Team CLA, and recruits outside the team as needed. The PMO assists with staffing for TOs that "reach back" to our Industry Partners for specific offerings. The PMO facilitates the expertise and training needs for PMO based initiatives.

Certain functions are common to the repeatable accomplishment of all TOs. We maximize our efficiency by centralizing management, performance, and administration of these common functions within the Program Management Office. The PMO is a critical support function within our program management organization and works with the program and project managers to certify adherence to guidelines and policies. Team CLA fosters a culture of continuous improvement through the regular analysis and reporting of performance measurement data to improve processes and products. Our quality/performance management disciplines include: performing corrective actions, prevention analysis, simulations, and formal problem investigation; using industry-standard analysis techniques such as root cause analysis, Lean Six Sigma initiatives, incorporation of lessons learned, tiger teams, evaluating and selecting improvement ideas; implementing improvements and re-evaluating the situation to attain expected outcomes.

Customer satisfaction is the primary goal of the Engagement Partner. CLA and its team members are committed to retain their reputation for quality, customer satisfaction, and innovative solutions. All of which, are essential for our future success. The TO Project Managers (PM) will be identified to all stakeholders and be empowered to address most customer concerns as they occur. The TOPMs will be the primary point of contact for customer concerns. The Engagement Partner will actively solicit client feedback and provide this feedback to the overall State PM. In addition, the CLA Engagement Partner will make periodic visits to all sites of performance to address all stakeholder concerns. Finally, CLA and Subcontractor Team Leads will perform regular site calls.

1.1.5 Organizational Support and Experience (4.4)

1.1.5.1 References (4.4) and 1.1.5.2 Contract Organization Chart (4.4)

Team CLA's list of references and contact information is included in *Section 1.3, List of Contracts*. CLA will lead the team and work with subcontractors to select final staff to best serve the TO requirements (**Figure 28**). Ms. Leswing will serve as the primary POC, leading communications with State contracts and management representatives. She works with the subcontractors to assign TOPMs, and communicates with contracts and management representatives at using agencies, using the full team (**Figure 29**).

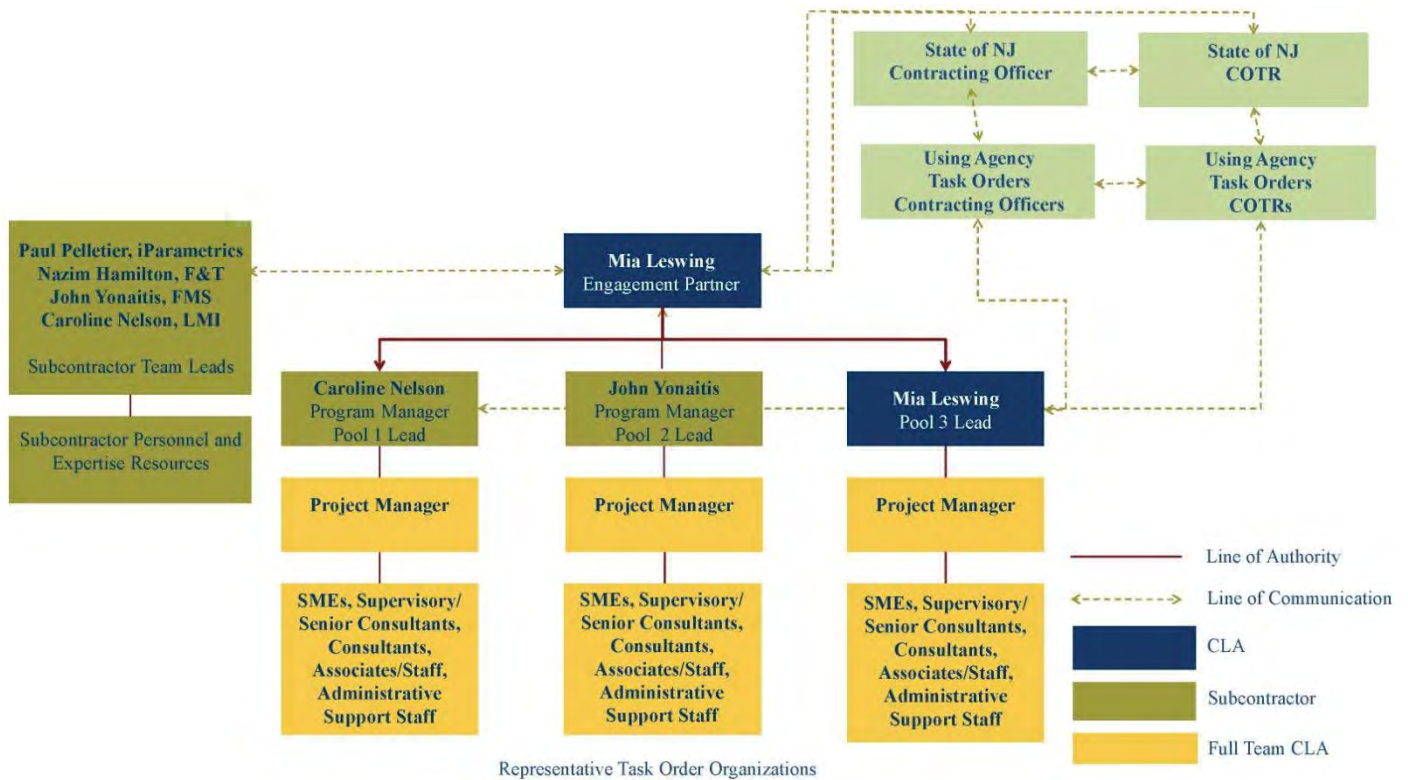


Figure 28

Team CLA Capabilities and Experience
CLA
CLA will be the overall lead and serve as the Project Management Organization (PMO) lead. CLA is one of the nation's top 10 CPA and consulting firms. CLA has a staff of more than 3,600 professionals, operating from more than 90 offices across the country. CLA public sector practice group provides accounting and consulting services to federal, state and local government.. Clients relevant to the State's requirements include States such as NJ, South Carolina, Texas, Federal agencies such as VA, FHA, DOT, NSF, and municipalities nationwide.
Logistics Management Institute (LMI)
LMI is a not-for-profit government consulting firm and a trusted advisor to government managers, with a long history of bringing the best, most creative, management and technical minds to bear on solving complex issues. They provide expertise in logistics; acquisition and financial management; infrastructure management; and information management. LMI supports virtually every agency of the national government including the Defense, Intelligence, DHS, Healthcare, and Energy and Environmental agencies. LMI also supports civil government agencies.
Franklin & Turner (F&T)
Hamilton Enterprises, LLC d/b/a Franklin and Turner (F&T) is a licensed CPA and management consulting firm offering accounting services to government and commercial clients. F&T provides top quality, mission focused solutions in accounting, auditing, management consulting, professional outsourcing and information technology, combining proven solutions and extraordinary people to help clients protect critical infrastructure and improve the effectiveness and efficiency of operations using experience with Department of Commerce, Department of Treasury, FEMA, HUD, and the Department of Transportation. F&T will support tasks in all three pools.
iParametrics
iParametrics is an ISO 9001:2008 Certified small business specializing in delivering focused technical consulting services in support of cost engineering, risk analysis, life-cycle cost analysis, programmatic assessment, scheduling and project control



Team CLA Capabilities and Experience

services, engineering, facilities, and technology-related programs. They provide comprehensive technical services, providing staff augmentation support, with professional staff in approximately 40 professional disciplines in support of numerous projects and more than 100 government TOs. iParametrics serves the U.S. Army, the U.S. Navy, the VA, FEMA, and GSA. Since 2005, iParametrics has played a vital role in the nation's response and recovery from both Natural and Man-made Disasters through its involvement in the FEMA PA Program.

Federal Management Services (FMS)

FMS' contribution to the team includes a broad range of services in areas that include accounting and auditing, asset management, facilities management, and information technology infrastructure management. FMS' skilled professionals, many of whom are former federal CFOs, include CPAs, financial managers, financial analysts, accountants, asset managers, debt managers, project managers, systems analysts, programmers, and project/program support specialists. FMS' clients include DoD, DHHS, DHS, DOJ, State, Treasury, State of Maryland, the District of Columbia, and Prince George's County, Maryland.

Figure 29 Above and Figure 30 below

CLA's 5 Management Strategies

1. Selecting the right people for the engagement and providing them with the resources and appropriate level of supervision to succeed
2. Ensuring our senior level personnel are heavily involved during all phases of the engagement to enable us to quickly identify and resolve problems before they threaten to compromise deadlines
3. Effectively managing risks and controlling costs
4. Developing a well-thought out and researched timeline that takes into consideration the needs of the client
5. Maintaining continuous communication with interested parties during all phases of the engagement

1.1.6 Staffing (4.4)

Required staff names, experience, and labor categories, across all three pools, are in *Appendix A: Resumes*. Rate information, per the RFQ and the Q&A is in our Price Quote, under separate cover.

1.1.7 Resumes (4.5)

Resumes for all required positions, across all three pools, are in *Appendix A: Resumes*.

1.1.8 Experience of Bidder on Similar Contracts (4.6)

CLA built our team of subcontractors such that we have specific, applicable, and directly relevant experience across all pools and subtasks. Evidence of Team CLA's experience on similar contracts across all Pools and subsections is in *Sections 1.1.1-1.1.3*, for each pool.

1.1.9.1 Disclosure

CLA and its subcontractors have no relationship with the contractor providing service on State Contract G-8034 Consulting: Disaster Recovery, G-8037 Housing Strategy Advisor. iParametrics, one of our subcontractors, has a number of people currently deployed in NJ as SME/Consultants under the FEMA Public Assistance (PA) contract (as a subcontractor to one of the four prime contractors.)

1.1.9.2 Financial Capability

CLA is a privately held public accounting and consulting firm in existence for over 50 years. We do not have audited financial statement prepared for any reason. As we have included internally prepared financial statement in a separate file, *RFQ768892S Technical Appendix B CLA.pdf*. Our bank contact is: Mr. Kevin Anderson, Vice President, PNC Bank; 301 S.W. Adams Street; Peoria, IL 61631; (309) 655-5281

1.2 POOL 2 - FINANCIAL AUDITING AND GRANTS MANAGEMENT

1.2.1 Plan to Accomplish Work in 3.0 RFQ Scope of Services (4.1, 3.0)

We understand that if we are engaged to provide accounting support services (such as developing policies and procedures or financial management systems), we are prevented from performing the audit services under the AICPA and the GAO independence standards. Team CLA, however, has technical expertise and experience to perform both services, as appropriate. Moreover, the Team CLA overall engagement/ project approach as described in the Executive Summary is an integral component of our project management. Due to page limitation, we are not repeating the overall engagement/project approach in this pool.

1.2.1.a Plan, implement, administer, coordinate, monitor and evaluate the specific activities of all assigned financial and administrative functions. Develop and modify policies/procedures/systems in accordance with organizational needs and objectives, as well as applicable government regulations

Accounting is a systematic process of identifying, recording, measuring, classifying, verifying, summarizing, interpreting, and communicating financial events. Ultimately, these financial events are presented in financial statements through the financial reporting process. Each step in the accounting process (planning, implementing, administering, coordinating, monitoring, and evaluating) is an integral part of the financial reporting process.

We based our approach for supporting the State on industry standards and best practices. We will coordinate and supervise all financial and administrative operations and functions, within the primary areas of responsibility including accounting, financial reporting, budget management, administrative and financial data processing systems.

We believe that policies reflect the "rules" governing the implementation of the grants processes. Procedures, on the other hand, represent an implementation of policy and should evolve over time as new tools emerge, new processes are designed, and the risks associated with an area changes in response to internal or external environmental changes. (In fact, there should be an expectation that individuals will "challenge" outdated procedures and call them to the attention of their owners.) As a consequence, rather than combine "policies," "procedures," and "guidelines" in a single document, we recommend that as a general rule policies and procedures appear as separate documents.

This separation will also assist TQM (Total Quality Management) or process redesign teams in distinguishing State requirements from the existing body of standard practices. As the technology advances, entire manuals will be placed online. Therefore, a distinction between what is State policy and what is not becomes very important.

Team CLA's Approach to Developing and/or Updating Policies, Procedures, and Systems

1. Obtain a thorough and deep understanding of the state operations, and federal/state grant and contract funding mechanisms.
2. Gather and review all the applicable Federal and State regulations.
3. Gather and review existing State's (user agency) policies, procedures and practices relevant to the accounting or administrative life cycle (for example – grants cycle or processes that start from receipt of application, to approval, to disbursement, to accounting, to reporting, to monitoring, and to closing)
4. Perform interviews and walkthroughs to confirm the documented policies and procedures or identify the practices in place.
5. Document the results of the interviews and walkthroughs and obtain concurrence on the documented policies, procedures and practices with the state personnel.

The overall goal for any policy or procedure document is for the design to be *simple, consistent, and easy to use*. In order to ensure a consistent format between documents, we have developed a number of *Microsoft Word* templates to help the writers of policies and procedures get started. As a general rule, our policy writers apply the following:

- Policies are written in clear, concise, simple language.
- Policy statements address what is the rule rather than how to implement the rule.
- Policy statements are readily available to the State and their authority is clear.
- Designated “policy experts” (identified in each document) are readily available to interpret policies and resolve problems.
- As a body, they represent a consistent, logical framework

Procedures are tied to policies. Making explicit this relationship along with how the procedure helps the State achieve its goals or strategic plan helps ensure understanding and compliance. We develop procedures with the customer/user in mind. Well developed and thought out procedures provide benefits to the procedure user and we ensure the following:

- There is a sense of ownership among procedure users. For this reason, it helps to involve users in the development of campus procedures.
- The procedures are understandable. Procedures should be written so that what needs to be done can be easily followed by all users.
- When feasible, procedures should offer the user options. Procedures which are unnecessarily restrictive may limit their usefulness.

Our Team monitors all delegated grants management, accounting, budget management, and other business office functions regularly, dealing with any problems that arise on a daily basis. We coordinate and carry out specialized grants management functions such as: coordinating the preparation and submission of federal grants applications, including completion of certifications, compiling of all materials, ensuring compliance with all requirements, communicating with federal grants officials regarding questions or problems; coordinating the awarding of grants to grantees, including sending out application packages, screening budgets and negotiating required changes with applicants, routing to peer review panels for approval, issuance of award notices, forms and reporting instructions; monitoring grantee reporting and issue payments: verifying quarterly financial reports, preparing summary spreadsheets, authorizing payments, verifying issuance of checks; compiling grantee financial data into composite reports to federal agencies; advising the State on budget management strategies; presenting budget drafts for review, and participating in legislative hearings; ensuring compliance with all applicable state and federal accounting and financial reporting requirements; and serving as financial liaison with federal funding and regulatory agencies, state agencies, grantees, financial institutions, vendors, consultants, and others. **Figure 31** offers examples of Team CLA experience.

Client Agency	Scope	Relevancy
CMS (various offices)	Develop SOPs for various programs; began with Payment processing group. Later added Enforcement and Termination, Contracting, Risk Score Creation, Medicare Application Review, Risk Adjustment and Data Monitoring	We used our SOPs template with process flows. The format and clarity was so well liked that other groups within CMS asked us to document their processes. New programs are using our format as well.
U.S. Department of	Develop SOPs for Financial Management	We used our SOPs template (without the process



Client Agency	Scope	Relevancy
Interior's Bureau of Indian Affairs		flows) across the all areas of financial management
U.S. Department of VA, NSF, FHA, ED, DOT, NIH, HHS	Review financial management processes and controls (including information technology) in conjunction with the annual financial statement audits in accordance with the Chief Financial Officers Act of 1990.	We review/document business processes and accounting life cycle and policies, procedures, or practices, and OMB A-123, <i>Management's Responsibility for Internal Control in Federal Agencies</i> – including Appendix A, <i>Internal Control over Financial Reporting</i> , Appendix C, <i>Requirements for Effective Measurement and Remediation of Improper Payments</i>
U.S. Department of Justice, Office of Justice Programs (OJP) – more than 10 offices and bureaus	Provided pre and post award grant support (accounting/financial support, close-out, and other related administrative support); Human Resource support; executive administrative support; secretarial and receptionist duties; and other clerical support tasks.	We worked with more than 10 offices and bureaus within the OJP to perform various accounting and administrative supports
Bureau of Justice Assistance (BJA)	Provided program support specialists to the Bureau of Justice Assistance (BJA) to clear a backlog of Grants for close-out. In the Office for Victims of Crime (OVC), our staff provided support to Helping Outreach Programs to Expand (HOPE) grants and the International Terrorism Victim Expense Reimbursement Program (ITVERP)	Our specialists interfaced with DOJ grantees, requested final financial status reports for local law enforcement block grants; researched grant information to ensure accuracy of Final Financial Status Reports; and updated correspondence log with contact details when Final Financial Status Reports was received; printing draw downs and SF-425 (formerly SF-265), <i>Federal Financial Report</i> , for grant managers; checking for incoming funding application requests; entering new requests for funding into database, and range of other support tasks.

Figure 31

We have also provided program support specialists to the Bureau of Justice Assistance (BJA) to clear a backlog of Grants for close-out. In the Office for Victims of Crime (OVC), our staff provided support to Helping Outreach Programs to Expand (HOPE) grants and the International Terrorism Victim Expense Reimbursement Program (ITVERP). Our team of specialists interfaced with DOJ grantees, requested final financial status reports for local law enforcement block grants; researched grant information to ensure accuracy of Final Financial Status Reports; and updated correspondence log with contact details when Final Financial Status Reports was received; printing draw downs and SF-425 (formerly SF-265), *Federal Financial Report*, for grant managers; checking for incoming funding application requests; entering new requests for funding into database, and range of other support tasks.

1.2.1.b Provide technical knowledge and expertise to assist in the integration of the Electronic Grants management program into the State finance and accounting system

The State requires program and process management auditing, financial auditing, grant management, integrity monitoring, and anti-fraud support services for disaster recovery. Our Team's approach for supporting the State is based on industry standards and best practices whereby we coordinate and supervise all financial and administrative operations and functions, within the primary areas of responsibility including accounting, financial reporting, budget management, administrative/financial data processing systems, and facilities and/or equipment. To coordinate and carry out the specialized grants management



functions, a good understanding of the state operations, and federal/state grant and contract funding mechanisms is needed. Our Team has the expertise, skills, qualifications, and a broad base of relevant technical knowledge that is related to accounting, financial, and grants management systems, for providing strong planning, implementation, administration, coordination, and monitoring of all organizational, budget, financial, and administrative functions.

The State implemented an E-Grants system known as the System for Administering Grants Electronically, or SAGE, this program is used for all grants submitted. Our Team has the technical knowledge and expertise to assist the State with the integration of the SAGE into the State finance and accounting system. SAGE contains information on the recipient of the grant, including the name of the entity accepting the award. The SAGE is designed to streamline and automate the grant agreement award and management processes from initiation to closeout. Grantees are able to electronically submit and negotiate work plans, prepare and submit applications and receive award notifications through SAGE. All data is directly relevant to the application, approval, award, analysis and management of the grants. Data on the project is used to determine if the project should be funded. Tax Identification Numbers are required for the payment process. Applicant contact information is necessary to award and manage the grant.

Our Teams approach includes the ability to collect accurate, timely, complete, reliable, and consistent information; provide for adequate agency management reporting; support State wide and agency-wide policy decision-making; support the preparation and execution of agency budgets; facilitate the preparation of financial statements and other financial reports in accordance with accounting and reporting standards; provide information to central agencies for budgeting, analysis, and government wide reporting, including consolidated financial statements; and provide a complete documentation audit trail to facilitate audits.

To be integrated, our Team will ensure the financial management systems have, as a minimum, four characteristics:

- Standard data classifications (definitions and formats) established and used for recording financial events;
- Common processes used for processing similar kinds of transactions;
- Internal controls over data entry, transaction processing, and reporting applied consistently; and
- A design that eliminates unnecessary duplication of transaction entry.

We will analyze the current SAGE and accounting and finance system to ensure that when accessing the system, the user can obtain the needed information efficiently and effectively through electronic means. Integration does not mean that all information must be physically located in the same database. Interfaces, where one system feeds data to another system following normal business/transaction cycles such as grant obligations recorded in general ledger control accounts at the time the grant awards are made, may be acceptable as long as the supporting detail is maintained and accessible to managers. In such cases, our Team will ensure interface linkages be electronic unless the number of transactions is so small that it is not cost-beneficial to automate the interface. Reconciliations between systems, where interface linkages are appropriate, will be maintained to ensure accuracy of the data.

To develop any integrated information system, it is critical that our senior systems analysts and systems accountants identify:

- The scope of the functions to be supported (processes);
- How data quality will be assured (data stewardship);

- The information to be processed (management information);
- How systems hardware & software fit together to support the functions (systems architecture); and
- Safeguards needed to ensure the integrity of operations and data (internal control).

All of these pieces will be brought together in a model and these pieces must work together to form an efficient integrated information system; a change to any part of our model will require determination of the implications on other parts of the model. For example, a new reporting requirement may require changes throughout the entire model.

Our Team will ensure that all grant financial systems provide, at a minimum, the following qualities:

- Complete and accurate funds control;
- Complete, accurate, and prompt recording of obligations;
- Complete, accurate, and prompt payment of grantee payment requests;
- Complete, accurate, and prompt generation and maintenance of grant financial records and transactions;
- Timely and efficient access to complete and accurate information, without extraneous material, to those internal and external to the agency who require the information;
- Timely and proper interaction of the grant financial system with Core financial systems and other existing automated systems; and
- Adequate internal controls to ensure that the grant financial system is operating as intended.

We will ensure that when the grantee's authority to incur new obligations against the grant expires at the end of the grant period that the grantee and its awarding agency wind up all grant-related business through a process' known as closeout. For the grantee, closeout will include such tasks as disposing of major property acquired under the grant; submitting final reports on the grant-sported activity; and rendering a final accounting for the Federal funds made available for the grant. The awarding agency will then use the data from the grantee's final financial report to determine its final financial obligation to the grantee and to settle any resulting claims due to or from the grantee. All closing transactions will be recorded/issued to close out the grant in the accounting system. We will establish procedures to identify grantees who are delinquent in submitting final reports. We will also ensure that sufficient information is maintained to reconcile with the agency's core financial system.

Our Team has performed these processes at various Federal agencies such as the Department of Justice, Office of Justice Programs where we provided program support specialists to the Bureau of Justice Assistance (BJA) to reconcile a backlog of Grants for close-out. In the Office for Victims of Crime (OVC), our staff provided support to Helping Outreach Programs to Expand (HOPE) grants and the International Terrorism Victim Expense Reimbursement Program (ITVERP). Our team of specialists interfaced with DOJ grantees, requested final financial status reports for local law enforcement block grants; researched grant information to ensure accuracy of Final Financial Status Reports; and updated correspondence logs with contact details when Final Financial Status Reports were received; checking for incoming funding application requests; entering new requests for funding into databases, and other support tasks.

1.2.1.c Review and make recommendations to streamline the grant management and fiscal management processes and to ensure accountability of funds and compliance with Federal and State program regulations

Our Team's approach for the review of the State's grants and fiscal management have been honed over the



years providing grant and fiscal management support services, and audit services to various Federal and State government agencies. A thorough review and understanding of the program requirements are necessary to ensure that our recommendations fit the needs of NJ. Our plan is to ensure a system of internal controls is in place that is focused on the themes of accountability, transparency, and results. By making strong grants oversight as part of the NJ's day-to-day operations, the system would allow NJ to eliminate and prevent any grants management weaknesses and create a model grants management program other states can follow. In addition, our plan carries forward the system of internal control, while establishing new initiatives to increase efficiency and effectiveness.

Our plan of standardizing and streamlining the grants and fiscal business process includes establishing a comprehensive approach to addressing several areas of concern, including grant competition, State and recipient accountability for the proper management of grant funds, and the need to demonstrate achievement of the rebuilding efforts results. Our experience in grants management has given our team key insights into how the State should go about the streamlining efforts.

An essential prerequisite to high-quality grants management is a fully qualified workforce of grant specialists, grants management officers, and project officers. To ensure the State grants staff are prepared to meet the core competencies of grant management, Team CLA will train and supplement the State grants staff in all phases of the grants management cycle. Our team will also update or write grants management policies and procedures to improve the current grant making process. We will develop a comprehensive pre-award and post-award management approach to ensure that policies are followed and that applicants and recipients are aware of their responsibilities and comply with administrative and programmatic requirements. As part of this approach, our team will review the State's internal grants operations and take actions through training and other means to increase compliance. We will base this on assessments on the State's existing requirements and ways of doing business. Specifically, our team will make the process more responsive and focused on outcomes, and seek ways to decrease the administrative burden on grant applicants and recipients consistent with the need for accountability. To achieve this, Team CLA will seek to integrate multiple aspects of grants management: compliance, accountability, quality, and customer satisfaction. The primary emphasis will be on State's internal business process, while reviewing the grant process to distinguish roles and responsibilities for proper segregation of duties.

Team CLA will evaluate whether the grant process can be more efficient, recognizing that streamlining the process can reduce the administrative burden on applicants and recipients, resulting in, for example, reduced paperwork or reporting, and more timely awards. We will address quality in its internal grants management reviews (including comprehensive performance reviews and self-assessments) and in its reviews of recipient performance. Also, as it implements changes due to our recommendations, Team CLA will review opportunities for streamlining the business process for the State and for applicants and recipients. We will measure customer satisfaction and use the customer feedback to improve the process, including making it more transparent. Furthermore we will also perform the activities in **Figure 32**.

Team CLA Grant Process Quality Activities

- Define the objectives and intended outcomes of the individual steps of the business process, focusing on those that consume the most time and resources to determine, among other things, whether some could be eliminated, approval authorities could be lowered, or reporting requirements could be reduced,
- Using business process flows, we will identify activities that differ and standardize those activities if possible.
- Identify best practices that can be adopted by the State.
- Assess ways to achieve more even distribution of award activity throughout the fiscal year.

Team CLA Grant Process Quality Activities

- Make the competitive process as efficient and transparent as possible.
- Identify ways to make the competitive process more efficient and effective for both the State and applicants.
- Explore further opportunities for use of competition.
- Modify the approach to grants management reviews. Assess the protocols for reviewing grants to identify ways to measure quality and revise the guidance, as appropriate.
- Develop a comprehensive approach to obtaining and using partner and customer viewpoints.
- Develop a baseline, through surveys or other means, of the views of project officers and other program and grants management personnel on the grants management process and requirements and on the performance of each function in carrying out that process.
- Develop or update grants management customer service standards, including expectations for both the State grants management and program personnel.
- Obtain feedback from the State's applicant and recipient communities to assess their satisfaction with such business indicators as timeliness, responsiveness, knowledge, and consistency.
- Develop a structure to assess and address areas of concern resulting from surveys and other feedback mechanisms

Figure 32

Team CLA plans to review grants and fiscal management in four key areas: Policies, People, Processes and Technology.

Policies: An organization's policies and documented procedures are essential to operating smoothly. This is why we will begin our review by reading and obtaining a full understanding of the organization's structure and practices. The Tone at the Top permeates through an organization's operations and workforce. This includes creating and keeping policies up to date, clearly identifying employee roles and responsibilities, instilling an ethical work environment and the organizations commitment to effective internal controls and governance. We must first understand your organization before we can make suggestions.

People: An organization's workforce structure can determine its success or failure. We take the time to talk to your employees and gain an understanding of the functions performed within the organization. This allows us to map out and evaluate any areas that need attention. We also compare what we learn in this phase to what we learned during our policy review to determine if actual practices mimic the organization's directive.

Processes: An organization should always strive to perform best practices and adhere to the corporate policies as they are designed. This will keep the organization focused on its mission while reducing redundancies and inefficiencies. This translates in to a better work product and cost savings. This is why our review focuses on the identification of opportunities to streamline workflow and procedures to ensure that the organization stays on task efficiently. We will analyze your structure and established processes to determine if they best suit the organization's missions while complying with any Federal and State regulations. Keeping your organization in compliance and mission focused in the most efficient manner is our goal.

Technology: Proper utilization of technology within an organization can lessen the burden on the workforce while increasing confidence levels that the work has been performed accurately and efficiently. We evaluate current practices and the utilization of technology towards your organizations goals to determine if there are additional methods you can use to increase productivity and confidence levels. Our suggestions will focus on current processes and evaluate if there are technological alternatives that may aid the State in achieving its disaster recovery missions.

Accountability and Compliance: Federal and State Programs require accountability of funds and with this in mind we will design our efforts to ensure that your organization is in compliance with these regulations. Our extensive experience in grants and fiscal management compliance reviews within the Federal and State communities allows us to take a big picture view of compliance issues while we examine the fine details. We will review the program requirements to gain a thorough understanding of what is required of your organization and help you stay in compliance.

Team CLA has successfully performed grants and fiscal management support services at the National Institute of Standards and Technology (NIST) and the Department of Homeland Security (DHS). On both projects we streamlined the grants management process so it is efficient and effective by implementing and enforcing proper internal controls.

As shown in **Figure 33**, CLA performs OMB A-133 single audits for hundreds of organizations annually, ranking first in the nation for the number of single audits performed by any CPA firm. *The information for the firms with most single audits performed was abstracted from the Federal Audit Clearinghouse for audits submitted between 7/1/10 – 6/30/11.*

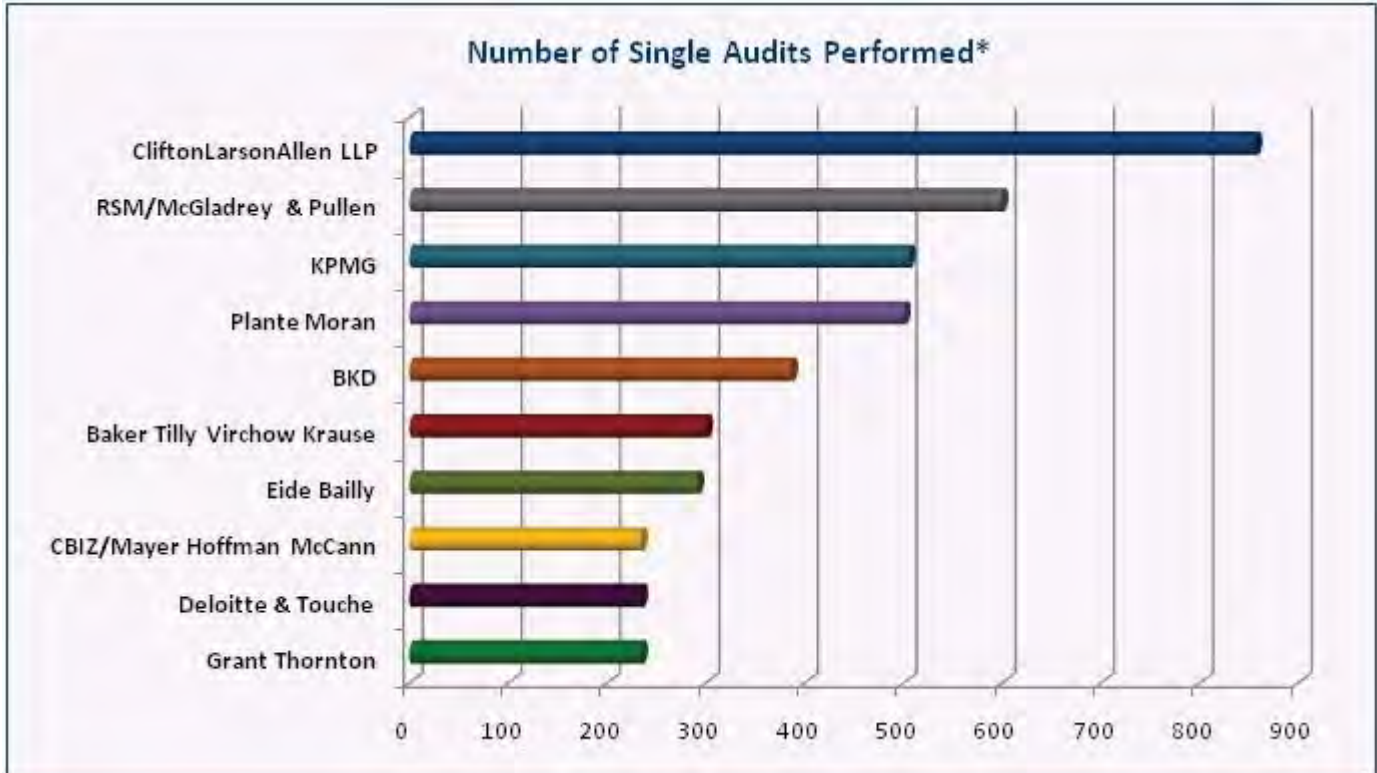


Figure 33

The single audit requires a specific set of skills in order to properly perform the procedures. As such, we have developed a group of professionals who specialize in providing single audit services. This group is well-versed in both financial and compliance reporting of grants. CLA personnel were invited to join and participated in Single Audit Task Forces formed by the American Institute of Certified Public Accountants (AICPA) to address single audit quality issue. Walt Kelly, CPA, CLA Partner, a firm-wide resource, recently completed service as a member of the AICPA Government Audit Quality Executive Committee and continues to Chair the Task Force that was established to address single audit reporting problems highlighted in the 2007 President's Council on Integrity and Efficiency (PCIE) report. Keith Novak, CPA, CLA Partner, Team CLA Team quality resource partner, was on the Task Force which addressed sampling in the single audits and resulted in a new chapter of the AICPA audit guide "Government Audit Standards and Circular A-133 Audits." In addition, Sean Walker, CPA, CGFM, CGMS, CLA Partner-in-Charge of State and Local Government, another Team CLA resource, is a member of the AICPA's State and Local Government Expert Panel. This panel aids in identifying reporting and auditing issues related to State and Local Governments, and acts as liaison to Governmental Accounting and Standards Board (GASB) and regulators such as Government Accountability Office (GAO) and OMB.

1.1.2.d Provide tools to be used by Using Agencies for the assessment of the performance of the financial transaction processes

Our Team knows that there are many types of performance-based assessments. When a process is underperforming, there's no time to wait. Each type of assessment brings with it different strengths and deficiencies relative to credible and dependable information. Because it is virtually impossible for a single assessment tool to adequately assess all aspects of performance, the real challenge comes in selecting or developing performance-based assessments that complement both each other and more traditional assessments to equitably assess performance. Our Team's approach addresses the assessment of building performance in terms of financial transaction impact and overall sustainability is carried out by several methods, different in terms of structure, application and parameters involved. A review of the most frequently used tools available at the moment was conducted by our Team and a comparison of the tools in terms of general characteristics and parameters is undertaken. What we determined was:

Design/methodology/approach – The methods were investigated in terms of general parameters such as their applicability and also in terms of their primary financial transaction issues of concern involved. A comparative analysis should be undertaken.

Findings – The investigation showed that none of the methods seem to incorporate all the parameters involved. Especially, the significant parameters directly involved in sustainability, which are assessed only by half of the tools investigated. The focus of the methods seemed to be on issues regarding resources and quality of performance.

Practical implications –The development of a more complete tool, which will include as many parameters as possible and would be applicable at a macro-regional scale is preferred.

Financial transaction processing is more than merely the capturing of financial data or performing accounting transactions. It involves a set of activities that are the foundation of doing day-to-day business. Our Team's Financial Transaction Processes Optimization tools basically mean doing things efficiently and financial transactions are processed accurately, timely, and completely. The benefits of our approach are:

- Performance analysis: understanding current level of operational efficiency (e.g. reduce working capital

by looking to performance indicators defined for AP, AR and inventory).

- Implement best practices for each process.
- Target quick & key opportunities for improving transaction processes.
- Prioritized remaining opportunities.
- Strengthen organizational focus on performance issues.
- Improve input/output ratio of the financial transaction processes.

Our Team will assist the State in mitigating any of the following situations:

- No clear connection between reports and performance measures of transaction processes.
- No clear connection between day-to-day operations and shareholder value.
- Non-alignment of systems and data, making it hard to consolidate information across business units.
- Excessive manual processing and potential for human error.
- Difficulties in providing timely, accurate and meaningful financial and operating information at the end of each period.
- Data environments that rely on manual/poor controls.
- Lack of clear governance over data.
- Lack of clear regulatory guidance, which makes it hard to identify the most critical controls.
- Decentralized operating models and lack of standardization, which multiply the number of systems, processes and policies that must be controlled.
- Inadequate technology for automating processes controls.

Our Team uses a Performance Assessment Rating Tool (PART) that we assesses as the most practical and least expensive tool to assess a program's strengths and weaknesses and focuses particularly on a program's performance. The PART is a questionnaire consisting of approximately 30 questions divided into four critical areas of assessment. The first set of questions gauges whether the programs' design and purpose are clear and defensible. The second section involves strategic planning and weighs whether the component sets valid annual and long-term goals for the programs. The third section rates component management of programs including financial oversight and program improvement efforts. The fourth set of questions focuses on results that programs can report with accuracy and consistency.

The PART sets clear, achievable, and measurable purposes and goals for components to strive toward. The finding and recommendations play a substantial role in spending and management of each of an agency's programs. The PART is a complement to traditional management techniques and stimulates constructive dialogues between program managers, budget analysts, and policy officials when assessing the performance of the financial transaction processes.

Our Team has used our PART at Federal Agencies such as the Department of State where our Team resolved accounting issues by applying our PART to determine the accuracy and completeness of

Team CLA Budgetary Support

On GSA PBS, a \$2 million contract, we provide support in reconciling and reviewing budget and proprietary accounts related to construction, leasing and improvements. This work is directly relevant to the State requirements in its reconciliation between accounts, multiple systems requiring analysis of system interfaces (failures or timing), developing controls to remediate found on-going issues.

transactions and, where needed, adjusted journal entries to ensure that the transactions were in compliance with applicable laws and regulations and were audit ready.

We also recommended improvements to specific accounting actions to improve operating efficiency and effectiveness.

One of the tests to assess that financial transactions are processed accurately and timely is the performance of periodic (daily, weekly, monthly, quarterly or annually) reconciliation. We will perform or review reconciliation as described in **Figure 34** to ensure error-free account reconciliations and a more efficient financial posture.

Objective	Outcome
1. Account reconciliations should be complete - no account left behind	<ul style="list-style-type: none"> • We ensure all appropriate accounts are being reconciled, including new accounts. • We ensure that there is an overall reconciliation policy and that it is adhered to state wide. • We ensure that each reconciliation includes a title, description of the account, and procedures and/or instructions on how to complete the reconciliation (applicable contacts, reports to run or obtain, etc.). • We ensure that documentation supporting the account balance is included with the reconciliation.
2. Account reconciliations should be accurate.	<ul style="list-style-type: none"> • CLA Team will review the processes and procedures for preparing and reviewing the account and understand what the account is used for and what should be used to support the balance. • We ensure that the correct, most updated balances are being reconciled. • We ensure that the reconciliation actually supports the balance and is not just a repeat of the general ledger or a roll-forward of the balance. • We watch for accounts that have unusual balances (such as an accrual with a debit balance or a receivable account with a credit balance).
3. Account reconciliations are completed and reviewed in a timely manner.	<ul style="list-style-type: none"> • We will create due dates for the Project Worksheet account reconciliations. • We have a mechanism to track the status of each reconciled account. • CLA Team makes the high-risk account reconciliations due early on in the close cycle to identify any potential problems. • CLA Team reviews the unidentified differences and recommends the necessary adjustments while the accounting period is still open.
4. Account reconciliations should support the appropriate accounting principles.	<ul style="list-style-type: none"> • Our account reconciliations always follow the local accounting principles. • We ensure the reconciliations follow accounting principles, such as historical cost, matching, and full disclosure. • We ensure the reconciliations are objective, that they identify material unidentified differences, that they are consistent, and that the transactions behind the applicant balances followed the convention of conservatism. • We ensure that reconciliations follow FEMA, other federal and state policies.
5. Account reconciliation process is constantly reviewed and improved.	<ul style="list-style-type: none"> • We review the account reconciliation policy to ensure it accurately reflects the grantors position. • We review the overall process routinely to identify improvements that help drive quality and timeliness. • We review the reconciliation procedures and/or instructions to ensure they answer: What? When? Who? Why? How Much? • We use standard templates for reconciliations for consistency and ease of reviewing for accuracy and completeness.

Figure 34

1.2.1.e Monitor all grant management, accounting, budget management, and other business office functions regularly



CLA team understands that while Federal grant funding has been increasing, long-standing concerns still remain about the federal government's grants management and the lack of effective oversight tools to reasonably assure that grants are used for their intended purposes and that risks of fraud, waste, and abuse are minimized. Once the agency has awarded the grants, our Team will monitor the grantee performance as it is important to help ensure that grantees are meeting program and accountability requirements. Following grant completion, it is just as important for agencies to evaluate the goals and measures established at the beginning of the process against actual results, and to make any needed adjustments for future grant efforts. At all stages of the process, we will ensure that effective internal control systems are in place and effective.

Our effective oversight procedures are based on internal control standards for monitoring the recipients' use of awarded funds. They are keys to ensuring that waste, fraud, and abuse are not overlooked and that program funds are being spent appropriately. Our procedures include (1) identifying the nature and extent of grant recipients' risks and managing those risks, (2) having skilled staff to oversee recipients to ensure they are using sound financial practices and meeting program objectives and requirements, and (3) using and sharing information about grant recipients throughout the organization. To ensure that grant funds are used for intended purposes, we will establish processes for: monitoring the financial management of grants, ensuring results through performance monitoring, using audits to provide valuable information about recipients, and monitoring grant accounting as a critical element of grant success.

Our Team will use our Grant Reconciliation and Accrual Process as shown below to ensure that the SAGE and the accounting and finance systems contain the appropriate grants financial data (**Figure 35**).

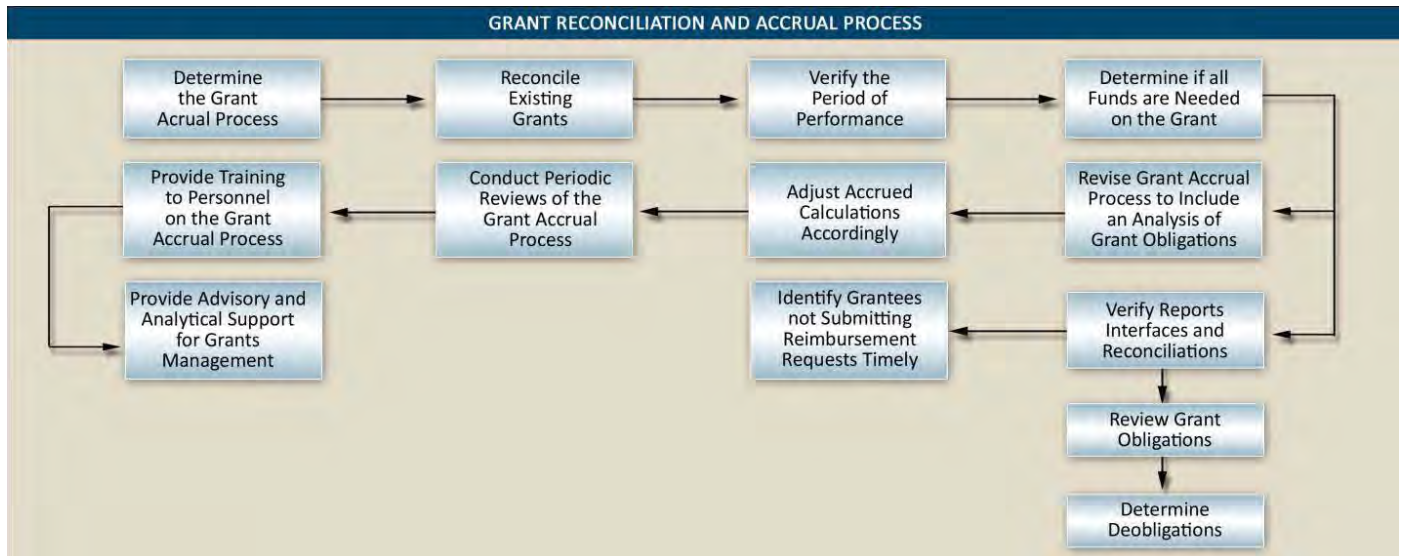


Figure 35

Our Team will also identify and analyze causes of improper payments that will be a key to developing effective corrective actions and accountability measures in order to reduce and prevent improper payments in grant programs.

Our Team monitors all delegated grants management, accounting, budget management, and other business office functions regularly, dealing with any problems that arise on a daily basis. We coordinate and carry out specialized grants management functions such as: coordinating the preparation and submission of federal grants applications, including completion of certifications, compiling of all materials, ensuring



compliance with all requirements, communicating with federal grants officials regarding questions or problems; coordinating the awarding of grants to grantees, including sending out application packages, screening budgets and negotiating required changes with applicants, routing to peer review panels for approval, issuance of award notices, forms and reporting instructions; monitoring grantee reporting and issue payments: verifying quarterly financial reports, preparing summary spreadsheets, authorizing payments, verifying issuance of checks; compiling grantee financial data into composite reports to federal agencies; advising the State on budget management strategies; presenting budget drafts for review, and participating in legislative hearings; ensuring compliance with all applicable state and federal accounting and financial reporting requirements; and serving as financial liaison with federal funding and regulatory agencies, state agencies, grantees, financial institutions, vendors, consultants, and others.

With the growth of federal grant funding over the past two decades, the increasing role of grants in achieving national objectives, and constrained resources available to meet diverse needs, our Teams attention to improving grants management and oversight can help ensure that resources are targeted to the intended recipients and are used effectively. Enhancing the accountability and oversight at all levels is equally important, and our Team is mindful of the scarce oversight and accountability resources and shared responsibilities currently available. Also, the long-standing problems that impeded the effectiveness of the single audit process as a key accountability mechanism for ensuring that federal grant funds are spent appropriately will be addressed. As our Team looks across the grants management and oversight processes, we see a great potential for streamlining and simplifying, while at the same time, improving accountability for how our Federal dollars are spent by addressing the issues and weaknesses.

1.2.1.f Provide and/or identify training for staff in the area of detection and prevention of fraud, waste and abuse

Team CLA utilizes experts in fraud examination and investigation whenever possible. Certified by the Association of Certified Fraud Examiners our trainers are experts in this field and have significant experience in performing training for Federal, State and Local governments as well as non-profit entities. Our training focuses on educating personnel/staff on current methods of detecting and preventing fraud, waste, and abuse. Our goal is to create an understanding within the government of what fraud is, why it is committed, and how to identify red flags.

Understanding Fraud: Our training begins with first illustrating what the differences are between fraud, waste and abuse. This is important as each level has its own unique identifiers and consequences. Our focus is on why fraud is committed as illustrated by the Fraud Triangle developed by Donald Cressey. As seen below, there are three major factors in the commission of a fraudulent act (**Figure 36**, next page).

Our training will provide the opportunity for the government to become familiar with these principles with real life examples of the what, how, and why a fraud was committed. This hands-on approach instills these principles in your workforce and makes them aware that fraud can happen and will happen and it is not enough for the government to detect fraud.

Our team will train the government in the prevention of fraud. Fraud is often discovered after the fact. This can be costly and time consuming. If the government is able to prevent or identify fraud early due to effective internal controls this will save time, money, and aggravation.


	<p>Pressure</p>	<p>A fraudster is motivated typically by financial or lifestyle pressures which drives them to consider committing a crime. This can be actual or perceived by the fraudster and represents the motivation in committing the act.</p>
	<p>Rationalization</p>	<p>The fraudster often rationalizes their actions to justify their acts. Often times these employees feel as though they have earned what they take because they are not paid enough or they are under appreciated. Again this is a perceived notion by the fraudster.</p>
	<p>Opportunity</p>	<p>In order for fraud to occur there must be an opportunity present for the fraudster to commit the act. This is typically a gap in controls or an override of management controls. This allows them to skirt the system and commit the crime without detection. This is a crucial part of the triangle because without opportunity the risk of being discovered can outweigh the other two factors.</p>

Figure 36

In order to prevent fraud, the government must have policies in place and a tone within the government that fraud, waste and abuse will not be tolerated. When the “Tone at the Top” is established, and well respected, the chance of fraud occurring is significantly reduced. This all starts with the government’s governance and management illustrating to personnel/staff that the government is constantly reviewing policies and procedures to ensure that there is no opportunity for fraud to occur as well as setting the precedent that it will not be tolerated within the government.

The identification of “Red Flags” is crucial in determining if fraud has or could occur within the government. A Red Flag is a warning sign that fraud has or could occur. Once your staff is trained in the identification of these indicators by Team CLA they will be able to perceive potential opportunities or instances of fraud. When this identification is made early on, fraud can often be discovered before any major loss can occur. This early recognition saves you time, money and resources.

Our training programs are designed to educate your employees on these principles using a hands-on approach and providing key insights from our years of experience within the industry. Team CLA has successfully performed training classes on the detection and prevention of fraud, waste and abuse at the Department of Homeland Security (DHS, **Figure 37**)

Team CLA Fraud Training Topics
<ul style="list-style-type: none"> • What is Fraud, Waste and Abuse – definitions • How can I tell if Fraud, Waste and Abuse are occurring – fraud indicators • What can I do to avoid trouble – preventing fraud • Common Fraud Schemes – before award and after award • What should you do if you suspect fraudulent, waste or abuse – do’s and don’ts • Whistleblower Protection • Who to report suspected fraud to

Figure 37

1.2.1.g Ensure compliance with all applicable Federal and State accounting and financial reporting requirements

Understandably, accountability and transparency are of primary importance to the State. Even companies with experience and knowledge about federal grants may need a refresher to understand and comply with grant’s accounting and reporting compliance. Team CLA possesses such understanding and can help the



government with its compliance with federal and state accounting and financial reporting requirements. Without the proper compliance structure in place there is the risk of errors in accounting and reporting of grant activity.

Compliance requirements may vary depending on the type of grant award. Compliance during the life of an award involves many systems and may require developing additional policies, procedures, and internal controls. The compliance requirements involve the accounting system and related subsystems including, but not limited to:

1. Time and expense reporting
2. Labor distribution
3. Procurement
4. Materials management
5. Billing
6. Government property
7. Contract/subcontract administration

Federal laws and regulations establish financial accountability for Federal grants. In authorizing grant programs, Federal laws identify the types of activities that can be funded. Office of Management and Budget circulars specify how grants will be administered and the standards for determining allowable costs. The passage of the Government Performance and Results Act in 1993 signaled the commitment of the Federal government to measure results achieved with Federal funds. Most Federal agencies charged with implementing domestic programs depend heavily on other levels of government to accomplish their goals. Grants serve as the funding mechanism for these activities. As a result, Federal agencies need to be able to measure results of grant programs to assess whether programs are achieving their goals.

Organizations that award and receive grants need good internal control systems to ensure that funds are properly used and achieve intended results. These systems, which must be in place prior to grant award, can serve as the basis for ensuring grants are awarded to eligible entities for intended purposes, and are managed appropriately. Internal control systems that are not adequately designed or followed make it difficult for managers to determine whether funds are properly used.

The State needs to evaluate their compliance with Federal and State accounting and financial reporting. Our Team is well versed in the reporting requirements on both Federal and State levels. We know how important it is to comply with these requirements and have experience in reviewing reporting requirements and standards. On October 27, 2012, Governor Chris Christie signed Executive Order (EO 104) declaring a State of Emergency in New Jersey related to the impact of Hurricane Sandy. On October 30, 2012, President Obama declared a major disaster for New Jersey (DR-4086), thereby qualifying New Jersey for federal disaster assistance funds. Disaster assistance includes HUD Community Development Block Grant Funding-Disaster Relief (CBDG-DR) and FEMA Public Assistance, Individual Assistance and Hazard Mitigation Grant Program funds.

These programs are subject to reporting requirements under Part 3 and Part 4 of the Office of Management and Budget Circular A-133 *"Audits of States, Local Governments, and Non-Profit Organizations"*. Our team will review the current reporting structure and ensure that you are in compliance. Our vast experience spans across many Federal and State agencies. We've performed reviews of compliance and assist in reporting and remediation efforts at NIST. We are very familiar with all the Federal reporting forms such as SF-270 *"Request for Advance or Reimbursement"* and SF-425 *"Federal Financial Report"*. We are also familiar with the State specific grants accounting and financial reporting requirements as our team has performed numerous performance, compliance and financial audits of grant recipients that are local to New Jersey.



These audits require us to assess audit risk, including the risk of fraud, as it relates to grant accounting and reporting, to evaluate internal control and compliance with laws and regulations, including the Information Technology systems, related to the grant management processes, and to propose corrective actions to address noted deficiencies. As a firm, we also perform single audits in accordance with OMB Circular A-133 for local, state, and non-profit organizations. We are the top CPA firm in performing the largest number of Single Audits in the nation, as enumerated by the Federal Audit Clearinghouse. This attests to our thorough knowledge of grant management through every step of the process and prepares us to provide valuable insights to the State of NJ regarding the development of effective grant management policies and procedures, including the communications that should take place with grantees related to reporting requirements, audit follow-up, and resolution of audit findings. Moreover, CLA is one of the Task Force Member Firms involved in FASAB’s Federal Financial Accounting Technical Release 12, Accrual Estimates for Grant Programs. Our proposed engagement partner, Denise Wu, was a member of the FASAB’s Accounting and Auditing Policy Committee (AAPC) Grants Accounting Task Force. Moreover, CLA has state and local government clients including state public housing authorities where we audit grants processing and management, including compliance with the state and local grants requirements.

We have extensive experience with grants management systems such as Grants.gov, Federal Highway Administration’s Fiscal Management Information System (FMIS), Federal Transit Administration’s Transportation Electronic Award and Management System (TEAM), and Department of Health and Human Services’ GrantSolutions. We are audited grantees’ reporting of their quarterly Federal Financial Reports and progress reports, and have performed testing related to the agencies’ compliance with the Single Audit Act.

Team CLA’s Experience Auditing Agencies with Substantial Grant Operations

<ul style="list-style-type: none"> • DOT • VA • HUD FHA • NSF • NIH • Corporation for National and Community Service (CNCS) • Election Assistance Commission (EAC) • Commodity Credit Corporation (CCC) • Food for Peace • Denali Commission • Nuclear Regulatory Commission (NRC) • Millennium Challenge Corporation (MCC) 	<ul style="list-style-type: none"> • HHS operating divisions, including: Administration for Children and Families (ACF) • Centers for Medicare and Medicaid Services (CMS) • Health Resources and Services Administration (HRSA) • Indian Health Service (IHS) • Program Support Center (PSC) • Substance Abuse and Mental Health Services Administration (SAMHSA) • Administration on Aging (AOA).
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Client	Type of contract	Budget	Description
CNCS Auditees: <ul style="list-style-type: none"> • University of Maryland Center on Aging • American National Red Cross • Alaska State Community Service 	Blanket Purchase Agreement (BPA) Task Order (TO) Basis FY 2008 – FY 2011, Rebid Awarded FY	Performed approximately eight AUP audits since 2008 Average 800 hours per audit	CLA performed agreed upon procedure (AUP) audits for the CNCS. Our audit work involved the testing of payroll, direct, and indirect costs of grantees and subrecipients to verify the allowability of the costs incurred against federal and match funds under the grant agreement and the applicable cost principles (i.e., OMB Circulars A-21 Cost Principles for Educational Institutions, A-87 Cost Principles for State, Local, and Indian Tribal Governments, and A-122 Cost Principles for Non-Profit Organizations). We performed a risk assessment of the



Client	Type of contract	Budget	Description
<p>Commission</p> <ul style="list-style-type: none"> • Alabama Governor’s Office of Faith-Based and Community Initiatives • The New Teacher Project • The Edna McDonnell Clark Foundation 	<p>2012 to FY 2016</p> <p>AUP</p>		<p>grantees subrecipients by reviewing the monitoring performed by the grantee on those subrecipients, the subrecipients’ single audits and total cost incurred for the period being reviewed. In addition, we also conducted compliance testing to ensure that grantees and subrecipients were addressing programmatic requirements and meeting match cost requirements. We worked closely with the grantee, subrecipients and the OIG to ensure the accuracy of the audit findings and to provide a smooth transition to the final audit report.</p>
<p>U.S. Department of Transportation</p>	<p>FFC – Financial Statements Audit - FY 2003 – FY 2205 (Highway Trust Fund) FY 2009 to 2011 (entire Department including Federal Aviation Administration (FAA))</p>	<p>20,000 hours per year</p>	<p>CLA performed the annual CFO Act consolidated financial statement audit of the DOT. Our work included a significant level of audit procedures relating to grants, which comprised of over 70% of DOT’s annual expenditures of approximately \$77 billion. Through our audit, we were able to gain a thorough understanding of the significant financial reporting risks at DOT, especially on the Grants processing (including new grants systems implementation), accrual accounting, and validation process. We reviewed outstanding single audit findings and determined whether or not the offices were following up to ensure that corrective action will be implemented to resolve the findings.</p>
<p>U.S. Department of Veteran Affairs</p>	<p>FFC – Financial Statements Audit FY 2010 - 2014</p>	<p>43,000 hours per year</p>	<p>CLA performs the full scope audit of the VA’s consolidated financial statements in accordance with all relevant laws, regulations, standards and guidance in accordance with GAO <i>Government Auditing Standards</i>. VA has two major programs, the Veterans Health Administration (VHA) and the Veterans Benefit Administration (VBA). The VBA manages several mandatory benefit programs for military veterans. VBA’s Home Loan Guaranty program is a mandatory loan guaranty program that helps veterans qualify for home mortgage loans at competitive interest rates with the support of a federal guaranty. Through this audit, we gained experience on the complex disbursement processes and eligibility requirements for loan applications. We issue annual audit report on the financial statements, and report on internal control over financial reporting and compliance with laws and regulations.</p>
<p>U.S. Department of Housing and Urban Development – Federal Housing Administration (FHA) and Government National Mortgage Association (Ginnie Mae)</p>	<p>FFC – Financial Statements Audit FHA FY 2010- 2014, FY 2005–2009 Ginnie Mae – FY 2011-2005</p>	<p>18,000 hours per year</p>	<p>CLA performs the full scope audits of the FHA and Ginnie Mae’s financial statements in accordance with all relevant laws, regulations, standards and guidance in accordance with GAO <i>Government Auditing Standards</i>. FHA is one of the largest credit agencies in the federal government, accounting for nearly 1/3 of all federal loan guarantees. The FHA has three separate mortgage insurance program areas: single family forward mortgages, reverse mortgages, and multifamily project mortgages. Ginnie Mae authorized FHA approved lenders to securitize</p>



Client	Type of contract	Budget	Description
			mortgage loans to provide capital in the market through sales of mortgage-backed securities. Through performance of these audits, we understand the federal loan programs and the relationship of these programs to the State’s public housing programs.

1.2.1 Action Plan

1.2.2 Action Plan for Responding to requests for an engagement

As TOs and engagement requirements are released for response, CLA’s Engagement Partner, Ms. Mia Leswing, will contact our Subcontractor Team Leads to alert them of the requirement, and begin our proposal response process: 1) Requirements Analysis, 2) Resource/Solution Development, and 3) Response Production. First, we review TO solicitation materials to confirm our understanding of the requirements. Second, Ms. Leswing will identify from and task the Team CLA the appropriate technical solution development team. Third, we build a resources-loaded schedule and cost estimate through the assignment of resources to the smallest quantifiable work elements, and use of project control tools to build an accurate “bottom-up” estimates. Our techniques are accurate and repeatable because we use tools and standard forms in our responses. Lastly, the Contract Lead compiles the materials into a bid package that supports our sign-off and negotiation prior to submitting to the State.

1.2.3 List of Contracts (4.1, 4.3)

Figure 38 also includes the information required in *Section 4.1, References*. It is a summary of exemplary contracts in each of the 3 pools. If the State requests, we can provide additional reference points of contact. Furthermore, *Section 1.2.1, Plan to Accomplish Work in 3.0 RFQ Scope of Services* includes additional experience and contract descriptions relevant to Pool 2.

Client/ Point of Contact Info	Type of contract/ Budget	Description
FEMA Public Assistance Contract; Marnie Ball; 2300 Clarendon Blvd., Suite 1110, Arlington, VA 22201; 703-351-6468	FFP; \$50M+	FEMA PA coordinates the delivery of assistance under the law and provides grants through the Public Assistance Program to help with the extraordinary costs for disaster response and infrastructure recovery. (Pool 1, Pool 3)
Department of State (DOS); Gene Batt; 2461 E St NW, H-1301, Washington, DC 20522; (202) 663-2325	FFP; Total of \$4.9M over 11 years	Build and maintain models and conduct analysis to assist with workforce planning, staffing requirements, and other HR tasks. (Pool 1)
Bureau of Justice Assistance (BJA) ; Raymond German, 202-307-0613, 810 7th Street, N.W. Washington, DC 20531	T&M; \$12M	Provided program support specialists to the Bureau of Justice Assistance (BJA) to clear a backlog of Grants for close-out. In the Office for Victims of Crime (OVC), our staff provided support to Helping Outreach Programs to Expand (HOPE) grants and the International Terrorism Victim Expense Reimbursement Program (ITVERP) (Pool 2)
CNCS (various auditees); Ronald Huritz,	Blanket Purchase	Audit work involved testing grantees and subrecipients payroll, direct, and indirect costs to verify the allowability of the costs incurred against federal



Client/ Point of Contact Info	Type of contract/ Budget	Description
Contracting; 202-606-9355; R.Huritz@cncsoig.gov	Agreement (BPA), T&M TOs Total contract value: \$1.1 million; \$653,567 awarded to date	and match funds under the grant agreement and the applicable cost principles. We performed a risk assessment of the grantees subrecipients by reviewing the monitoring performed by the grantee on those subrecipients, the subrecipients' single audits and total cost incurred for the period being reviewed. We conducted compliance testing to ensure grantees and subrecipients were addressing programmatic requirements and meeting match cost requirements. We worked with the grantee, subrecipients and OIG to ensure accuracy of the audit findings. (Pool 2)
HUD – Federal Housing Administration (FHA) and Government National Mortgage Association (Ginnie Mae); Thomas McEnanly,; 451 7th Street, SW, Washington, DC 20410; 202-402-8216	FFP; FHA CFO Act Audit: \$9.6 million; GNMA CFO Act Audit: \$1.9 million	Full scope audits of the FHA and Ginnie Mae's financial statements in accordance with all relevant laws, regulations, standards and guidance in accordance with GAO <i>Government Auditing Standards</i> . FHA is one of the largest credit agencies in the federal government, accounting for nearly 1/3 of all federal loan guarantees. The FHA has three separate mortgage insurance program areas: single family forward mortgages, reverse mortgages, and multifamily project mortgages. Through performance of these audits, we understand the federal loan programs and the relationship of these programs to the State's public housing programs. (Pool 2)
State of South Carolina; Richard Ekstrom,; 1401 Main Street, Suite 1200; Columbia, South Carolina 29201; 803- 253-4160	FFP, \$1.1 million	We perform a financial statement audit in accordance with <i>Government Auditing Standards</i> . (Pool 2)
Montgomery County, Maryland Housing Opportunities Commission; Gail Willison; 10400 Detrick Avenue, Kensington, MD 20895; 240-773-9076	FFP; \$850,000 base year (4 year contract)	Special projects including analysis of uses of funds of related party entities to ensure propriety of transactions and financial statement audit in accordance with Government Auditing Standards, Single Audit in accordance with OMB Circular A-133. (Pool 3)
DOT Pipeline and Hazardous Materials Safety Administration; Fazal Mirza; 1200 New Jersey Avenue, SE, Washington DC 20590; (202) 366-5180	FFP; \$160,128;	Originally called for review all of grants for a given program year. Upon reviewing some of these files, we determined that the types of issues that might be found would be similar as they were systemic, and that there was very limited documentation in many of the files. We proposed that a sampling approach (random plus judgmental) would result in better use of available resources. The alternate approach surfaced as many types of issues as would have been found in a review of each file. (Pool 3)

Figure 38

1.2.4 Management Overview (4.2)

As the Prime Contractor, CLA recognizes its responsibility and obligations under the contract to its client and team members. As a result, our mission will be to ensure that all subcontractors follow our internal business processes and procedures. The CLA Partner, Ms. Leswing, is ultimately accountable for all decisions, issues, problems, customer satisfaction, and deliverables relative to the contractor team; and therefore, we will work closely with State management to ensure that all of our team members are working 'to the plan' and working in alignment with the goals of the program.

1.2.5 Contract Management (4.3)



CLA's Project Management Organization (PMO) is staffed with experienced professionals to perform all contract-level management functions spanning the complete life cycle of all TOs. Our contract and TO management approach focuses on achieving the specific business, technical, and performance objectives within the agreed parameters of cost, time, and quality. Team CLA has in place proven and reliable project management methods and procedures. Our managers will use these processes and procedures to execute and monitor our tasks as well as to identify, track, and report problems or unusual circumstances. CLA Team's PMO is vested with centralized authority to direct services of the program, and is responsible for the successful operation of the contract supporting our Project Management processes.

At the contract level, the PMO enables the execution and control of the program and aligns performance to mission. The PMO performs cross TO functions, coordinating the activities of the entire CLA Team. By managing multiple TOs at a high level, the Program Manager (PM) is able to focus on the project risks, issues, resources, technical architectures, solutions, scope, and priority changes between and across projects. This approach benefits each customer and provides quick resolution of cross project issues. Individual TOs will be managed as distinct projects, with the level of oversight and control assigned based on size, complexity, and risk. The PMO interfaces with Team CLA leadership, obtains resources from Team CLA, and recruits outside the team as needed. The PMO assists with staffing for TOs that "reach back" to our Industry Partners for specific offerings. The PMO facilitates the expertise and training needs for PMO based initiatives. Our team knows how to manage large IDIQ contracts, knows the various Federal Disaster Recovery Programs and the Federal Emergency Management Agency (FEMA), and has assembled the right team to bring the State the best possible capabilities across the entire scope of this contract.

Certain functions are common to the repeatable accomplishment of all TOs. We maximize our efficiency by centralizing management, performance, and administration of these common functions within the Program Management Office. The PMO is a critical support function within our program management organization and works with the program manager and project managers to certify that Federal and State guidelines and policies are adhered to.

Team CLA fosters a culture of continuous improvement through the regular analysis and reporting of performance measurement data to improve processes and products. Our contract-level QA audit process facilitates the quality of all contract deliverables and is under the oversight of the QA Manager. Internal quality audits will be planned, performed, and recording and followed by the CLA Program Manager and Quality Manager in accordance with our process based upon ISO 9001:2008. Internal audit findings will be discussed and an agreed, time-limited corrective action should be recorded and approved and signed-off by the established change control process for the project. Our quality/performance management disciplines include: performing corrective actions, prevention analysis, simulations, and formal problem investigation; using industry-standard analysis techniques such as root cause analysis, Lean Six Sigma initiatives, incorporation of lessons learned, tiger teams, evaluating and selecting improvement ideas; implementing improvements and re-evaluating the situation to attain expected outcomes.

Customer satisfaction is the primary goal of the Program Manager (PM). CLA and its team members are committed to retain their reputation for quality, customer satisfaction, and innovative solutions. All of which, are essential for our future success. The TO PM (TOPM) will be identified to all stakeholders and he will be empowered to address most customer concerns on the as they occur. The TOPM will be the primary point of contact for any and all customer concerns. The PM will actively solicit client feedback and provide this feedback to the overall State PM on a predetermined. In addition, the CLA PM will make periodic visits to all sites of performance to address all stakeholder concerns. The PM's phone number and email address



will be made available to all stakeholders, with a guarantee of a return call the same day. Finally, CLA and team member principals will perform regular calls to the sites and will provide their contact information for resolution of any significant concerns.

1.2.6 Organizational Support and Experience (4.4)

1.1.6.1 References (4.4)

Team CLA’s list of references and contact information is included in *Section 1.3, List of Contracts*.

1.1.6.2 Contract Organization chart (4.4)

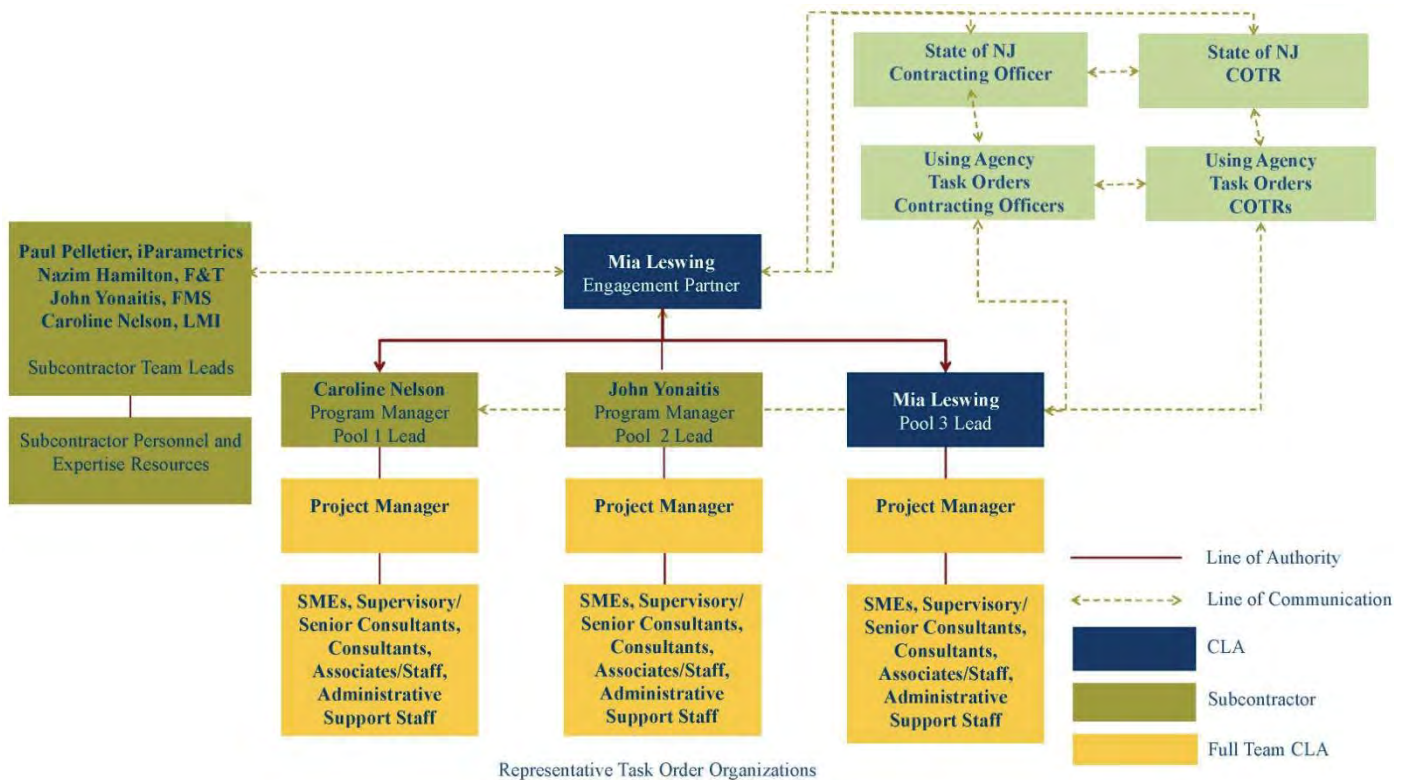


Figure 39

CLA will lead the team and will work with our subcontractors to select final staff from across the team to best serve the TO requirements (**Figure 39**). Ms. Leswing will serve as the primary point of contact and lead communications with State-level contracts and management representatives. She works with the subcontractors to assign TO Leads, who lead communications with contracts and management representatives at each using agency client, using the personnel from the full team (**Figure 40**).

Team CLA Capabilities and Experience
CLA
CLA will be the overall lead and serve as the Project Management Organization (PMO) lead. CLA is one of the nations’ top 10 CPA and consulting firms. CLA has a staff of more than 3,600 professionals, operating from more than 90 offices across the country. CLA public sector practice group provides accounting and consulting services to federal, state and local government.. Clients relevant to the State’s requirements include States such as NJ, South Carolina, Texas, Federal agencies such as VA, FHA, DOT, NSF, and municipalities nationwide.

Team CLA Capabilities and Experience

Logistics Management Institute (LMI)

LMI is a not-for-profit government consulting firm and a trusted advisor to government managers, with a long history of bringing the best, most creative, management and technical minds to bear on solving complex issues. They provide expertise in logistics, helping government organizations build and operate lean yet robust and responsive supply chains that provide value from end to end; acquisition and financial management, helping government structure their acquisition and financial management processes to accomplish more with constrained resources while meeting demands for increased accountability; infrastructure management, developing practical and enduring solutions to the challenges public works and facilities leaders face; information management, helping government agencies make informed and intelligent decisions about which technologies to buy and how to apply the technologies they have to meet a range of objectives. LMI supports virtually every agency of the national government including the Defense, Intelligence, DHS, Healthcare, and Energy and Environmental agencies. LMI also supports civil government agencies, with the mission of making improvements in policy and practice that allow them to better fulfill their own missions of service to citizens.

Franklin & Turner (F&T)

Hamilton Enterprises, LLC d/b/a Franklin and Turner (F&T) is a licensed CPA and management consulting firm offering **accounting services** to government and commercial clients. **F&T** provides top quality, mission focused solutions in accounting, auditing, management consulting, professional outsourcing and information technology, combining proven solutions and extraordinary people to help clients protect critical infrastructure and improve the effectiveness and efficiency of operations using experience with Department of Commerce, Department of Treasury, FEMA, HUD, and the Department of Transportation. F&T will support tasks in all three pools.

iParametrics

iParametrics is an SBA-Qualified and ISO 9001:2008 Certified Small Business with DCAA Certified systems, processes and procedures, specializing in delivering focused technical consulting services in support of cost engineering, risk analysis, life-cycle cost analysis, programmatic assessment, scheduling and project control services, engineering, facilities, and technology-related programs iParametrics provides a comprehensive range of technical services, participating in several large government programs and providing staff augmentation support, with professional staff in approximately 40 professional disciplines in support of numerous projects and more than 100 government TOs. iParametrics serves the U.S. Army, the U.S. Navy, the VA, FEMA, and GSA. Since 2005, iParametrics has been playing a vital role in the nation's response and recovery from both Natural and Man-made Disasters through its involvement in the FEMA Public Assistance (PA) Program, which reimburses state and local governments for the actual costs to repair or rebuild damaged public infrastructure.

Federal Management Services (FMS)

FMS' contribution to the team includes a broad range of services in areas that include accounting and auditing, asset management, facilities management, and information technology infrastructure management. FMS' skilled professionals, many of whom are former federal CFOs, include CPAs, financial managers, financial analysts, accountants, asset managers, debt managers, project managers, systems analysts, programmers, and project/program support specialists. FMS' clients include DoD, DHHS, DHS, DOJ, State, Treasury, State of Maryland, the District of Columbia, and Prince George's County, Maryland.

Figure 40

Figure 41 outlines our management strategies.

CLA's 5 Management Strategies

6. Selecting the right people for the engagement and providing them with the resources and appropriate level of supervision to succeed
7. Ensuring our senior level personnel are heavily involved during all phases of the engagement to enable us to quickly identify and resolve problems before they threaten to compromise deadlines
8. Effectively managing risks and controlling costs
9. Developing a well-thought out and researched timeline that takes into consideration the needs of the client
10. Maintaining continuous communication with interested parties during all phases of the engagement

Figure 41



It is our policy to maintain the same staff on engagements to ensure continuity and efficient service to the client. Our local turnover rate is among the lowest in the public accounting profession. For the state, this means exceptional staff continuity and more efficient. While low turnover rate typically allows us to keep the same staff on engagements year after year, should the need arises to replace a team member, team CLA will immediately notify the State and its using agency for the TO and follow the agreed-upon process.

1.2.7 Staffing (4.4)

Required staff names, experience, and labor categories, across all three pools, are in *Appendix A: Resumes*. Rate information, per the RFQ and the Q&A is in our Price Quote, under separate cover.

1.2.8 Resumes (4.5)

Resumes for all required positions, across all three pools, are in *Appendix A: Resumes*.

1.2.9 Experience of Bidder on Similar Contracts (4.6)

CLA built our team of subcontractors such that we have specific, applicable, and directly relevant experience across all pools and subtasks. Evidence of Team CLA's experience on similar contracts across all Pools and subsections is in *Sections 1.1.1-1.1.3*, for each pool.

1.1.9.1 Disclosure

CLA and its subcontractors have no relationship with the contractor providing service on State Contract G-8034 Consulting: Disaster Recovery, G-8037 Housing Strategy Advisor. iParametrics, one of our subcontractors, has a number of people currently deployed in NJ as SME/Consultants under the FEMA Public Assistance (PA) contact (as a subcontractor to one of the four prime contractors.) This particular subcontractor currently provides technical assistance to FEMA in the areas of Preliminary Damage Assessments, General Disaster Operations, Project Management, Project Closeout, Environmental Compliance, Hazard Mitigation, Training, Appeals, Financial Analysis, and other Stafford Act related activities. In our question submitted related to this relationship, the answer was the conflict of interest is determined on a per TO basis.

1.1.9.2 Financial Capability

CLA is a privately held public accounting and consulting firm in existence for over 50 years. We do not have audited financial statement prepared for any reason. As we have included internally prepared financial statement in a separate file, *RFQ768892S Technical Appendix B CLA.pdf*. Our bank contact is: Mr. Kevin Anderson, Vice President, PNC Bank; 301 S.W. Adams Street; Peoria, IL 61631; (309) 655-5281

1.3 POOL 3 - INTEGRITY MONITORING/ANTI-FRAUD

1.3.1 Plan to Accomplish Work in 3.0 RFQ Scope of Services (4.1, 3.0)

With the current economic pressures there remains a real need for state and Federal governments, and those charged with their governance and oversight, to adjust their focus on the risks of fraud. Assessing, improving, and monitoring anti-fraud programs are key elements of an effective internal control structure. Fraud remains a very real risk in the current environment. Team CLA has experience implementing an anti-fraud program. The anti-fraud program would help the government answer questions by assessing each element of the government’s anti-fraud defenses, identifying opportunities for improvement, providing a process for implementing the improvements, and helping management understand how to monitor the effectiveness of the program going forward.

Team CLA’s Robust Anti-Fraud Program
<ul style="list-style-type: none"> • Providing tangible evidence of a culture of integrity • Help prevent fraud and facilitate early detection • Improve monitoring and training • Limit unpleasant surprises that affect reputation and credibility • Reduce potential for class action lawsuits

Our anti-fraud program encompasses the three key areas that define a robust fraud risk management program: Setting the tone – code of ethics/conduct, anti-fraud polices and fraud awareness training; Being proactive – fraud risk assessment and controls monitoring; and planning the reaction– fraud response plan, including investigation, remediation and disciplinary activities.

This model is a framework for gathering meaningful insights on the overall sophistication of the government’s fraud risk management program. Our anti-fraud program assessment methodology is designed to provide an independent and objective review of the government’s current anti-fraud program. Using the experience of our anti-fraud professionals we can help you manage the different types of fraud risk by using their relevant knowledge and experience together with our anti-fraud program assessment methodology. **Figure 42** describes some of Team CLA’s experience.

Team CLA’s Offers the State
<ul style="list-style-type: none"> • A consistent approach from the professionals in our network of member firms, • An independent and objective assessment of your anti-fraud program’s strengths and weaknesses, • Recommendations on what could be done to help strengthen and improve your anti-fraud program, • Experienced professionals who will work with you to help you improve the government’s anti-fraud capabilities •

Team CLA Experience on Fraud Risk Management and Anti-Fraud Programs	
Setting the Tone	One of our clients recognized a need to develop a robust fraud risk management program. We created a fraud risk management program comprising risk assessments, testing, control evaluation, and training. Following meetings and workshops, we were able to determine the government’s fraud risk profile and identify gaps in the control environment. We developed anti-fraud policies to guide employees through the complex issues and developed a client branded training pack to be delivered across the agency to help raise fraud awareness.
Being Proactive	Another client sought help in performing fraud risk assessments and controls monitoring across its agency. We performed fraud risk assessments, conducted interviews with key stakeholders and carried out compliance assessment testing across high risk areas of the agency. During the course of the multiple fraud risk assessments, we employed both forensic data analytics and fraud investigation techniques. We were

Team CLA Experience on Fraud Risk Management and Anti-Fraud Programs	
	able to efficiently identify millions of dollars in questionable expenditure. This included duplicate charges, expenses unsupported by required documentation, violations of the code of conduct, and approvals inconsistent with the agency's policies.
Plan Reaction	Both of our clients required assistance to effectively structure their internal investigation framework. We assessed the agency's fraud response plan, including investigation, remediation and disciplinary activities and developed a roadmap setting out how the agency's governance around matters of integrity could be improved. Our work provided both agency's with an effective internal investigation framework which increased consistency of response to allegations and reports of impropriety.

Figure 42

Team CLA has various resources it could draw from to provide integrity monitoring services for professional specialties within the team or through a subcontractor relationship. CLA is among the nation's top 10 accounting firms with clients in specialized industries such as the construction industry where we gained our 40+ years of experience immersing ourselves in the industry and by working closely with contractors, bonding agents, and sureties. Our clients in the construction industry include general commercial building contractors; highway and heavy contractors; earthwork, paving, and utility contractors; concrete and masonry contractors; demolition contractors; homebuilders; architects; engineers; various specialty contractors; and commercial and residential real estate developers and managers. For example, one of our clients is Whiting-Turner Contracting Company, a company since 1909 and builders of tunnels, utilities, bridges and constructions of every conceivable type of facility regardless of size, scope and location. We developed relationships with our clients where we can find the best professionals in the industry to assist your needs. **Figure 43** outlines some of our clients.

Client	Type of contract	Budget	Description
Stephen Larson, Former Federal District Judge Mattel, Inc. V. MGA Entertainment, Inc., et. al.	Time and Material (T&M) plus Out of Pocket Expenses (OPE)	6,100 hours	<ul style="list-style-type: none"> Appointed by Judge Larson to serve as the Court's forensic auditor Ordered to perform a forensic audit regarding the finances of MGA Entertainment, Inc. to enable the court to determine whether or not appointment of a receiver was warranted Performed forensic data analysis on company financial data, conducted interviews, examined various company documents, performed computer forensic analysis on hard drive and email data, and traveled abroad to perform an extensive tracing analysis of company funds
Jefferson County Sheriff's Office	T&M plus OPE	80 hours	Assisted the Jefferson County Sheriff's Office with a forensic examination of Drug Task Force records in Jefferson County, Wisconsin
City of Elwood, Kansas	Fixed plus OPE	82 hours	<ul style="list-style-type: none"> Assisted the City of Elwood with a forensic examination of the ticket records for the Elwood, Kansas Court Performed a forensic examination of the electronic and/or hardcopy revenue and disbursement records of the Elwood, Kansas City Hall Performed computer forensic imaging and analysis of hard drive data
Arlington County, VA	Firm-Fixed	1,200	<ul style="list-style-type: none"> Special projects including analysis of uses of funds of



Client	Type of contract	Budget	Description
	Contract (FFC)	hours	related party entities to ensure propriety of transactions. <ul style="list-style-type: none"> Financial statement audit in accordance with Government Auditing Standards, Single Audit in accordance with OMB Circular A-133.
Montgomery County, Maryland Housing Opportunities Commission	FFC	1,500 hours	<ul style="list-style-type: none"> Special projects including analysis of uses of funds of related party entities to ensure propriety of transactions. Financial statement audit in accordance with Government Auditing Standards, Single Audit in accordance with OMB Circular A-133.

Figure 43

1.3.1.a Forensic accounting and all specialty accounting services;

Extensive Forensic Accounting Expertise. Our Forensic Services team has dedicated forensic accounting professionals with deep experience in conducting forensic audits, proactive and reactive investigations, financial consulting and providing expert witness testimony. Our team members are also seasoned national instructors of topics such as, forensic auditing and forensic data analysis taught to audiences and organizations including, Association of Certified Fraud Examiners, American Institute of Certified Public Accountants, local CPA chapters, FBI, IRS, law enforcement agencies, local chapters of the Institute of Management Accountants, and corporate boards, audit committees and internal audit departments.

Cutting-edge Computer Forensic Capabilities. With our advanced technology, extensive case experience and technical skills, we can help make the electronic discovery process swift and effective. Our methodology powers through voluminous amounts of data and provides relevant results. This, in turn, accelerates the investigative process and controls cost.

Our team possesses extensive experience in the following areas:

1. Forensic Audits
2. Fraud and Misconduct Investigations
3. Fraud Risk Management
4. Litigation Consulting & Dispute Resolution
5. Expert Witness Testimony
6. Regulatory Compliance
7. Foreign Corrupt Practices Act Investigations

We have the resources and specialists – all under one roof – to serve all of the State’s forensic accounting needs. This will make it convenient for you to deal with one business advisor for various needs as they arise. For this engagement, you will be served by professionals within our forensic services niche. Additional CLA staff with forensic accounting experience will be utilized as necessary under the direction of the core team.

We bring experience gained as auditors, FBI agent, forensic data analysis professionals, forensic technology professionals, expert witnesses, and also from private industry. Our team is well trained and credentialed, including

Team CLA will serve the State with some of the industry’s leading forensic accounting specialists. For example, Ronald Durkin, a Forensic Accounting Expert, has unparalleled experience conducting high profile investigations as a Special Agent with



Certified Public Accountants, Certified in Financial Forensics professionals, and Certified Fraud Examiners, among others.

Our team provides objective, insightful, supportable forensic accounting and expert opinions. Our forensic accounting consultants are nationally known experts in their fields, with years of expertise in virtually all industries. Our team can help you identify and quantify fraud red flags and anomalies that may exist in financial activity.

We will use our specialties to assemble a team of professionals capable of analyzing complex accounting, financial, economic and operating information to isolate key issues. When it comes to fraud and financial investigations, a rapid and informed response is required to limit the impact, safeguard assets and improve damage control. Whether it is the discovery of accounting errors or irregularities, or the reconstruction of events or data, our forensic accounting specialists can assist with internal investigations, data analysis, personnel interviews, electronic data recovery and full litigation support.

1.3.1.b Risk assessments and loss prevention strategies

Our Risk Assessment Approach: In order to develop the annual internal audit plan, a risk assessment should be conducted that focuses on the six key risk domains in New Jersey. **Figure 44** outlines the risk domains on which we suggest focus.

Risk Domain	Description
Strategic Risks	Risks associated with business objectives not being met due to poorly defined business strategies, poorly communicated strategies, or the organization’s inability to execute these strategies due to inadequate organizational structure, infrastructure or alignment. Strategic risk is managed by appropriate organizational governance. Failure to adequately plan and execute against organizational goals may result in significant damage to the organization’s reputation.
Operational Risks	Risks derived from core business practices, which rely on systems, practices, programs, and people. Within this risk domain are risks associated with a diverse number of operational areas.
Financial Risks	Risks associated with the organization’s financial reporting being inaccurate, incomplete, or untimely due to a variety of factors including the pace of change, the amount of uncertainty, the presence of a large error, or the pressure on management to meet certain expectations.
Compliance Risks	Risks associated with a variety of federal, state and local laws and regulations. Failure to follow prescribed directives may result in substantial fines, restrictions, loss of business, and/or legal action taken by regulators.
Information Technology Risks	Risks associated with the level of use, sophistication, complexity, robustness, ease of use and speed, and accuracy of recovery/replacement of systems. This risk addresses the overall importance of technology within the organization and the availability and quality of information the organization can access to support decision making, and the security of key information.
Human Capital Risks	Risks associated with the type of behaviors encouraged by management; the methods used to reward employees; the approach to consistently enforce policies and procedures; the selection, screening, and training of employees; and the reason and frequency of turnover.
Developing the Risk Assessment Approach	Our risk assessment approach provides the State the opportunity to build a relationship with our team through the risk assessment process and provides us with the opportunity to gain a thorough understanding of the State operations and culture. This approach focuses on the six domains stated above and can be modified to more specific risk domains if the State desires. Risk assessments are conducted by partners and managers with specific industry and internal audit experience.

Figure 44

The five phases of our risk assessment approach is as follows: 1) Planning and Data Gathering; 2) Develop



Risk Model and Universe; 3) Develop Risk Assessment Approach; 4) Execute Risk Assessment Approach; and 5) Deliver Results and Insights. The following table summarizes the tasks that we will take to accomplish each phase.

PHASE 1: PLANNING AND DATA GATHERING: Our team will validate the risk assessment project scope based on consultation with key stakeholders as designated by the State. We will validate our understanding of the State's expectations for the project, including:

4. Refine and tailor the methodology and approach.
5. Define roles and responsibilities.
6. Establish communication protocols to ensure the most respectful and efficient working relationship is created at the very beginning of the process.
7. Define detailed project plan and milestones.
8. Identify resources to be utilized and logistical arrangements.
9. Develop strategies to mitigate disruption to the State's day-to-day operations.
10. Provide the State leaders with an orientation to the risk assessment process, as requested by the State.

PHASE 2: DEVELOP RISK MODEL AND UNIVERSE: We begin by defining risk and creating a risk framework. Risk is an event or condition that can negatively affect the ability of an organization to achieve its objectives. Risks are generally thought to be associated with taking actions; however, risks can also occur when no action is taken in the form of missed opportunities. CLA suggests six risk domains as described above: strategic, operational, financial, legal/regulatory, technology, and human capital.

Next, we define impact and vulnerability criteria applicable to the State to be utilized as a tool for risk ranking procedures. In determining risk within the financial, operational, and IT processes, we assess the impact of the process to the State and the vulnerability that a risk would occur by evaluating the underlying attributes of the process and by assessing the effectiveness of the control environment around that process. The criteria are defined in terms of high, moderate, and low.

PHASE 3: DEVELOP RISK ASSESSMENT APPROACH: Our team will develop a risk assessment approach specifically tailored for the processes of the State. We begin by identifying various interview participants, including key risk owners and conduct interviews, as applicable. Interview questionnaires will be developed and specifically tailored for the State. We will work with a specific State liaison to schedule risk assessment interviews and we will hold onsite discussions whenever possible. The final risk assessment approach will be approved by the State.

PHASE 4: EXECUTE RISK ASSESSMENT APPROACH: Our team will facilitate discussions with key State managers and stakeholders to conduct the risk assessment. In addition, take into consideration external audit reports provided to us as a starting point to facilitate detailed discussions and to gain an understanding of the current controls, process structure, personnel involved, and supporting technology defined in the assessment. Procedures will consist of the following:

1. Conduct interviews with identified stakeholders.
2. Document and summarize interview results and risks identified.
3. Perform initial ranking of risks identified based on CLA current understanding.
4. Review risks, recommendations, and risk rankings with the State.

Risks identified will be prioritized and placed on an enterprise-wide risk map. An enterprise-wide risk map

is a graphic tool that assists in plotting the risk's relative impact and vulnerability of a risk event for each of the key processes and/or business functions. CLA uses 5 impact criteria and 7 vulnerability criteria to rank risks. By prioritizing and validating risks, you can align and prioritize its resources to manage and mitigate risks appropriately.

PHASE 5: DELIVER RESULTS AND INSIGHTS: Our team will draft a risk assessment report with an executive summary describing the scope, objectives, approach and overall conclusion. In addition, our report will communicate all detailed risks identified. Risks will be aggregated by process and/or business function and placed on an enterprise-wide risk map within the report. In addition, our report will detail all identified risks, recommendations to mitigate the risk, and a risk ranking. The impact and vulnerability criteria used to rank the risks will also be embedded into the report to provide the State a clear understanding on how the risk ranking was derived. We will also work collaboratively with LCC management to tailor the draft report to meet the needs of the State and any relevant reporting Committees.

Our risk assessment reports are issued timely after the completion of our fieldwork. CLA's communication framework is set up to ensure value-driven results. We require our team to prioritize their findings and discuss the risk assessment report with the appropriate State management and staff prior to issuance. We believe this approach accomplishes the following:

1. Confirms the information contained in the report.
2. Minimizes reaction to significant risks.
3. Encourages buy-in from the process owners.
4. Increases likelihood of implementation of recommendations.

Upon approval of the draft report, a final report will be issued to management and any relevant Committees, as requested. Additionally, we will meet with the State's management and any relevant Committees, as requested, and will prepare a formal presentation, as well as address any questions.

The proper and consistent implementation of the risks assessment strategies will prevent, eliminate or mitigates potential losses from fraud. Moreover, CLA's proprietary methodology helps analyze data to find potential issues of fraud and other types of misconduct. The data analysis will help identify

1.3.1.c Performance and program monitoring and promotion of best practices as applicable to each TO issued under this contract;

Performance and Program Monitoring and Best Practices: In this sector, the key to success is the ability to stay ahead of trends and respond dynamically to opportunities. As the government sector looks to address the challenges facing it, organizations will require carefully crafted business strategies that anticipate the ultimate effects of regulatory reform, technology change, competitive dynamics, and sector movements.

We will not only meet, but will exceed established timelines, with reports and information that provide value-added insights to the State's team on current systems and operations of your organization, as well as emerging sector and accounting trends that will impact you. We strive to make a difference for our clients by positioning ourselves as a knowledgeable, accessible, and responsive resource.

We have the experience and expertise to understand the challenges facing governmental organizations that are continuously changing. Budgetary constraints, cost reduction, regulatory environment, talent management, and the increasing need for effective controls are combining to put extraordinary stress on organizations. Growing pressures on governmental entities call for new perspectives and creativity in aligning their strategic interests.

1.3.1.d Fraud and misconduct investigation, prevention, detection and remediation

Our core team is part of a national practice dedicated to forensic accounting proactive prevention and reactive investigation. We would manage this project much like we manage our national practice. When a particular need or case arises we will be available immediately to help State and its agencies triage and determine appropriate scope and resources to assign. We have the depth of a national practice to ensure appropriate resources are available at all times and we have an established and proven quality control system.

The State will benefit from CLA's extensive forensic accounting expertise. CLA has an experience team of forensic auditors and investigator with the ability to apply cutting edge data analysis and technology. With our strong national presence and forensic experience, the State receives added value

CLA's forensic accounting practice focuses on finding fraud and fraud related issues as well as assisting clients in matters involving litigation. The forensic accounting services we provide generally involve the application of specialized knowledge and investigative skills possessed by our CPAs and others in the firm who collect, analyze and evaluate data and interpret and communicate our findings in the courtroom, boardroom or other venues. We begin each engagement by gaining an understanding of our client's objectives and needs. We then establish an agreement with our client and communicate appropriately. Whether the client's needs are reactive or proactive in nature, our teams of highly credentialed forensic specialists report the results of our work objectively.

CLA works independently and confidentially to recognize suspicious financial activities, acquire and preserve evidence, and quantify losses. We secure electronic evidence and other investigative materials and use proper chain of custody documentation throughout our investigations.

Throughout the application of our forensic audit and fraud risk management services, we use the most cutting edge data analysis technology and incorporate the knowledge and experience of trained investigators to identify fraud red flags and anomalies across all types of financial and non-financial information. Through our use of forensic data analysis, we are able to identify transactions related to potential inappropriate expenditures and activity, and potential indicators of non-compliance. Once the relevant information and data is gathered and analyzed, the results aim to support the underlying efforts of the forensic audit and fraud risk assessment. Our forensic professionals will assist you to obtain your objectives in the most efficient and effective approach possible. Please see Appendix A for a detailed look at our forensic data analysis methodology.

Forensic Expertise: CLA offers the resources of a national firm with the responsiveness, access, and personal service of a local firm. Our depth of forensic accounting experience is available from one source, so activities and information are easily shared and coordinated.

Large nonprofit and governmental entities have called upon CLA for objective advisory services in some of the nation's largest and most complex criminal and civil cases. We have the team, the experience, and the track record to support the State. The

Our forensic professionals have extensive experience working directly with nonprofit and government officials, management, boards of directors, audit committees, counsel, regulatory agencies, and other stakeholders at every stage of an investigation. Providing a range of services from confidential internal inquiries to expert witness testimony, our forensic professionals act as advisors who uphold the highest standards of accuracy and confidentiality.

experience and qualifications of our forensic professionals, including management of large-scale investigations to include financial analysis and forensic reporting, is what separates us from other firms. Additionally, if an issue arises that is beyond the expertise of our forensic professionals, we have a nationwide pool of industry experts and resources to draw upon as-needed. Furthermore, we are proven leaders in the government community and have provided forensic accounting services to large, high profile agencies such as the U.S. Department of Justice and the Federal Bureau of Investigation.

1.3.1.e Implementation and management of appropriate compliance systems and controls required by State and Federal governing guidelines, regulations and law;

State Statutes Title 25 is on Fraud and Fraudulent Conveyances. Each State office may have its compliance mechanism and system to implement NJ Statute Title 25. Similarly, various federal agencies have its own systems and controls for compliance with fraud, waste and abuse. For example, FEMA issues news releases regarding availability of Fraud Hotline and the various safety tips, protections, and processes if a party suspected or alleged a fraud has occurred. Also, all federal agencies' Offices of Inspector General have set up OIG Hotline for citizen's reporting of Fraud, waste, abuse, and mismanagement. A citizen's awareness program or outreach is typically a component of the Hotline initiatives. We believe that a designated compliance officer who can enact penalty is critical in the success of a compliance program.

In implementing and managing the user agency's compliance systems and controls, we will:

1. Obtain a thorough understanding of the various compliance systems and controls that the State has in place. This will involve requesting for the State policies and procedures, interviewing key appropriate personnel, surfing the internet, and identifying the relevant counterparts in Federal guidelines and regulations.
2. We will identify the user agency's compliance systems and controls. If necessary, we will document the policies and procedures, compliance systems and controls.
3. Evaluate if the design of the compliance systems and controls are adequate when vetted against the State and Federal laws and regulations.
4. Evaluate if the policies and procedures are complete, appropriate, and readily available and accessible to the State's employees and customers (as appropriate).
5. Perform adequate testing to determine the effectiveness of the compliance systems and controls.
6. Investigate exceptions resulting from the tests with the State employee performing the functions, and then with his/her supervisors, and eventually to the compliance officer, if necessary.
7. Provide recommendations or implement corrective and preventive actions to mitigate or prevent future exceptions.
8. Test the effectiveness of the corrective and preventive actions over a reasonable period of time to ensure consistent implementation.
9. Collaborate on identifying relevant performance metrics with the State's officials.
10. Gather and validate data for the performance metrics.
11. Provide a periodic period (monthly/quarterly/annually) depending on the volume of activities.

1.3.1.f Development and implementation of policies and procedures to assist in ensuring that program requirements are met, including preventing a duplication of benefits, and measures to detect and prevent fraud, waste abuse and mismanagement of funds; Compliance with Federal and State laws, and DRGR regulations as applicable



We plan to carry out each assigned engagement in a phased approach as described below. Throughout our process, we plan to keep you closely informed of our progress and any issues that may surface.

Phase I – Collaborative Planning: We will work with the State and its agencies to triage each matter to determine the most efficient approach for the forensic accounting engagement.

Phase II – Collection and Analysis of Electronic Data and Other Evidence: We will work with State to retrieve and preserve electronic data and other relevant information, including but not limited to forensic images of hard drives and servers, financial data, payroll data, email data, activity logs, and other relevant documentation/electronic data. We plan to inquire about all related systems that may provide additional detail to aid our analysis. Our data analysis methodology powers through a wide variety of data and provides relevant results in an efficient manner.

Analysis of the data and key pieces of information will include queries and procedures to help identify relevant transactions, documentation used and collected in support of transaction, potential overriding of policies and internal controls, and other issues related to the potential inappropriate activity. Additional analyses and forensic accounting procedures can be tailored based on the attributes in the types of information available.

Once we have identified any anomalies signifying potential inappropriate and/or irregular transactions, we plan to review these with personnel from State or other relevant parties to remove known false positives. After the false positives have been identified and removed, we will then review and refine our analyses to prepare a list of transactions for a detailed review.

Phase III – Testing and Field Work: We will trace the identified list of transactions and activity to source documentation in order to verify the appropriateness of transactions. Additionally, we will gather and copy supporting documentation as support for our findings. State personnel will then be able to review our findings and supporting documentation in order to agree with any inappropriate and/or irregular activity.

We will work with State personnel with regard to interviews of key individuals. We have experienced interviewers on our team that can conduct interviews either independently or in collaboration with State.

Phase IV – Review Results: We will provide State personnel with the results of our work. It may be most efficient for our team to walk your personnel through our work product to expedite the review process.

Phase V – Reporting: We plan to set up regular meetings with State to report on our progress for each assigned matter. In addition, we will provide oral or formal written deliverables on our findings, as appropriate.

In an article written by CLA general counsel, John Shutkin, and CLA’s managing director for Forensic, Litigation, and Valuation Services practice, Marion Hecht, titled “Piercing the Corporate Veil” for the ACC Docket’s September 2012 issue, they provided the “Best Practices to Prevent Fraud.” Some of the best practices noted are:

1. Establish an ethical code, stick to it, keep it up-to-date, communicate to employees and customers, and provide regular training as to its contents.
2. Enforce the ethical tone from the top.
3. Ensure that employees and customers have an easy and effective way to communicate their concerns about fraud safely and anonymously.
4. Show that your business is on the lookout for fraud, and not just passively waiting for it to be reported.

This may include surprise audits above and beyond the regularly scheduled and formal audits.

CLA team will employ best practices to assist New Jersey to become compliant with the Improper Payments Elimination & Recovery Act (IPERA) by:

1. identifying and analyzing root causes of improper payments
2. implementing effective preventive controls to avoid improper payments, and
3. implementing effective detective controls to identify and recover overpayments.

Our team can provide insight and advice for the entire payment life cycle— from proactive prevention activities to detection controls to recapture audits—with the understanding that prevention and detection are far more cost-effective and provide benefits beyond the recovery of improper payments, including program improvements. Proactive approaches include predictive modeling, continuous transaction monitoring, forensic accounting tools, data matches and risk assessments.

We follow a six-phase approach as indicated in **Figure 45**. Throughout the process, we will include recommendations on how to improve processes, educate users, and use automated tools to eliminate the risk of improper payments. Again, the intent of this team is to transfer knowledge to the State to be used in future undertaking of activities.

We would develop a monitoring protocol. We have successfully used a sampling approach that can target high risk grants following monitoring. We would develop standard operating procedures (SOPs) for use by NJ staff and train NJ staff in their use. We have assisted agencies in revising monitoring and reporting templates, updating related SOPs and conducting staff training for hand-off (**Figure 46**).



Figure 45

Client Agency	Size	Scope	Relevancy
FEMA	<ul style="list-style-type: none"> • \$50M+ since 2005, the program is ongoing • 250 staff since 2005 	FEMA PA coordinates the delivery of assistance under the law and provides grants through the Public Assistance Program to help with the extraordinary costs for disaster response and infrastructure recovery.	Team CLA has a foundational knowledge of the PA, HM and LTCR programs and the applicable federal and state policies, rules, regulation, and guidelines which drive these programs. This knowledge and experience is the basis of the consultative services provided under Pool 1.
Pipeline and Hazardous	\$160,128; follow-on to DTPH56-	Originally called for review all of grants for a given program year. Upon reviewing some of	Used to redesign the compliance sanctions and monitoring program

Client Agency	Size	Scope	Relevancy
Materials Safety Administration , U.S. DOT	10-F-000035 (8/19/10-2/29/12; \$281,636)	these files, we determined that the types of issues that might be found would be similar as they were systemic, and that there was very limited documentation in many of the files. We proposed that a sampling approach (random plus judgmental) would result in better use of available resources. The alternate approach surfaced as many types of issues as would have been found in a review of each file.	

Figure 46

1.3.1.g Compliance with local regulations and ordinances as applicable

The approach we will develop and implement for compliance with local regulations and ordinances will be similar to compliance with the Federal and State laws and regulations as described above.

1.3.1.h Disseminate information regarding the Anti-Fraud hotline maintained by the Office of the State Comptroller

When we market anti-fraud controls, such as helping a client to implement an anonymous whistleblower hotline or code of conduct, a large component of a successful implementation is “continued compliance.” Continued compliance usually results in annual (or some other time period) affirmative confirmation. What this results in is annual affirmation by employees/affiliates/contractors/vendors that they understand the rules and controls. This can be done by a person (consultant, Compliance professional) or a “system (email survey, website). It is also a built-in feature that can be tracked by off-the-shelf “services” such as ethicsline. Additionally, we believe that that contractors and significant vendors also positively affirm they are aware of, and would adhere to the State’s Fraud Statutes, and any specific requirements of the user agency.

In implementing an effective dissemination strategy, it is important to (a) understand the population, who are the target users? (b) Describe the scope and characteristics of the target users. (c) Identify the mechanisms or media for dissemination taking into consideration the characteristics of the target users. (d) Identify the timing for dissemination. (e) Evaluate the effectiveness of the dissemination plan. (F) Develop performance metrics and assess the success of the plan. (g) Develop a written dissemination policy, plan or guidelines.

Some vehicles that can be used in an effective dissemination media regarding the Anti-Fraud Hotline are:

- News releases to the public
- Publishing in the State’s website as flashing or streaming to attract attention and/or posted strategically in a location that will link to a dedicated webpage
- Use as a dialogue prompt periodically (on a cycle basis) prior or after a State employee logs into the system.
- Use as a dialogue prompt after clicking to open a grant application and requesting applicant to acknowledge reading and understanding their roles and responsibilities related to fraud, waste, and abuse.
- Include standard verbiage in procurement documents such as contracts and grant applications and agreements.



- TV/Radio public service announcements
- Video posted on website or disseminate in various media such as YouTube
- On-line and printed newsletters to stakeholders
- Inter-active training session
- Hold public events
- Require grantees to display OIG hotline posters in common areas to ensure proper referrals for fraud issues to the OIG.

1.1.1.i Develop data management systems/programs for the purpose of collecting, conducting and reporting required compliance and anti-fraud analytics.

Through our experience, we have developed efficient processes for delivery of quality services. We focus on efficiency, quality and supportability, minimizing costs for the client by using our combined resources. Our international experience and reach alongside our local presence will prove advantageous on this engagement

We will work with you and your team to develop the process and mutual expectations for completing our work. Following is a list of the steps that we would consider in developing the specific work plan necessary to meet your needs:

1. Conduct Brainstorming session with the State of NJ management and our engagement team,
 - a. Discuss the State of NJ management’s broad objectives and goals for our involvement
 - b. Discuss current state of the anti-fraud programs and controls and speak specifically about the Code of Conduct, compliance with Federal and State laws and regulations, and the whistleblower hotline
 - i. Grasp strengths and identify what policies and controls are working well
 - ii. Discuss areas for improvement
 - c. Walk through fraud risk questionnaire
 - d. Discuss risks faced by the State of NJ
 - i. Economic
 - ii. Geographical
 - iii. Industry Specific
 - iv. Company specific
 1. Control Environment
 2. Pressures, Incentive and Opportunities
 - v. Discuss any current or past fraud issues, allegations or specific concerns
 - e. Discuss Anti-Fraud Program “Best Practices”
 - i. Discuss current fraud climate
 - ii. Discuss how fraud is detected
 - iii. Discuss key controls (e.g. – analytical procedures, whistleblower hotline)
 - f. Discuss engagement work plan and timeline
 - i. Agree on communication, reporting and deliverables
 - ii. Discuss how we can help produce training materials
2. Information Gathering Phase
 - a. Conduct information gathering interviews



- b. Observe and test anti-fraud controls,
3. Assessment Phase,
 - a. Assess operating effectiveness of existing control procedures,
 - b. Assess operating effectiveness of controls performed by individuals and automated systems,
 - c. Review output from identified current anti-fraud controls (e.g. – Review whistleblower call log),
 - i. Evaluate whether current anti-fraud risks are mitigated by current controls Perform Gap analysis,
 - d. Draft, Design and create implementation plan for new anti-fraud controls as necessary,
4. Risk Mitigation and Documentation Phase,
 - a. Obtain and review the NJ Code of Conduct,
 - b. Obtain and review supporting policies and procedures designed to avoid fraudulent practices,
 - c. Draft implementation plan for new anti-fraud controls as necessary,
 - d. Draft training materials,
 - e. Recommend procedures for anonymous reporting of possible fraudulent or unethical activity,
 - f. Completed risk assessment,
 - g. Prepare other written reports, charts/schedules as appropriate,
5. Feedback loop with the State,
 - a. This would be an ongoing open dialog process during the course of our work, especially between preliminary findings and final deliverable phases to ensure expectations are met,
6. Refine and deliver final reports
 - a. The final deliverable may be any combination of written or oral reports, charts, and schedules based upon the needs of the company.

We will perform our engagement in accordance with the Statement on Standards for Consulting Services of the AICPA.

1.3.2 Action Plan for Responding to requests for an engagement

As TOs and engagement requirements are released for response, CLA's Engagement Partner, Ms. Mia Leswing, will contact our Subcontractor Team Leads to alert them of the requirement, and begin our proposal response process: 1) Requirements Analysis, 2) Resource/Solution Development, and 3) Response Production. First, we review TO solicitation materials to confirm our understanding of the requirements. Second, Ms. Leswing will identify from and task the Team CLA the appropriate technical solution development team. Third, we build a resources-loaded schedule and cost estimate through the assignment of resources to the smallest quantifiable work elements, and use of project control tools to build an accurate "bottom-up" estimates. Our techniques are accurate and repeatable because we use tools and standard forms in our responses. Lastly, the Contract Lead compiles the materials into a bid package that supports our sign-off and negotiation prior to submitting to the State.

1.3.3 List of Contracts (4.1, 4.3)

Figure 47 also includes the information required in *Section 4.1, References*. It is a summary of exemplary contracts in each of the 3 pools. If the State requests, we can provide additional reference points of contact. Furthermore, *Section 1.3.1, Plan to Accomplish Work in 3.0 RFQ Scope of Services* includes additional experience and contract descriptions relevant to Pool 3.

Client/ Point of Contact Info	Type of contract/ Budget	Description
FEMA Public Assistance Contract; Marnie Ball; 2300 Clarendon Blvd., Suite 1110, Arlington, VA 22201; 703-351-6468	FFP; \$50M+	FEMA PA coordinates the delivery of assistance under the law and provides grants through the Public Assistance Program to help with the extraordinary costs for disaster response and infrastructure recovery. (Pool 1, Pool 3)
Department of State (DOS); Gene Batt; 2461 E St NW, H-1301, Washington, DC 20522; (202) 663-2325	FFP; Total of \$4.9M over 11 years	Build and maintain models and conduct analysis to assist with workforce planning, staffing requirements, and other HR tasks. (Pool 1)
Bureau of Justice Assistance (BJA) ; Raymond German, 202-307-0613, 810 7th Street, N.W. Washington, DC 20531	T&M; \$12M	Provided program support specialists to the Bureau of Justice Assistance (BJA) to clear a backlog of Grants for close-out. In the Office for Victims of Crime (OVC), our staff provided support to Helping Outreach Programs to Expand (HOPE) grants and the International Terrorism Victim Expense Reimbursement Program (ITVERP) (Pool 2)
CNCS (various auditees); Ronald Huritz, Contracting; 202-606-9355; R.Huritz@cncsoig.gov	Blanket Purchase Agreement (BPA), T&M TOs Total contract value: \$1.1 million; \$653,567 awarded to date	Audit work involved testing grantees and subrecipients payroll, direct, and indirect costs to verify the allowability of the costs incurred against federal and match funds under the grant agreement and the applicable cost principles. We performed a risk assessment of the grantees subrecipients by reviewing the monitoring performed by the grantee on those subrecipients, the subrecipients' single audits and total cost incurred for the period being reviewed. We conducted compliance testing to ensure grantees and subrecipients were addressing programmatic requirements and meeting match cost requirements. We worked with the grantee, subrecipients and OIG to ensure accuracy of the audit findings. (Pool 2)
HUD – Federal Housing Administration (FHA) and Government National Mortgage Association (Ginnie Mae); Thomas McEnanly,; 451 7th Street, SW, Washington, DC 20410; 202-402-8216	FFP; FHA CFO Act Audit; \$9.6 million; GNMA CFO Act Audit: \$1.9 million	Full scope audits of the FHA and Ginnie Mae's financial statements in accordance with all relevant laws, regulations, standards and guidance in accordance with GAO <i>Government Auditing Standards</i> . FHA is one of the largest credit agencies in the federal government, accounting for nearly 1/3 of all federal loan guarantees. The FHA has three separate mortgage insurance program areas: single family forward mortgages, reverse mortgages, and multifamily project mortgages. Through performance of these audits, we understand the federal loan programs and the relationship of these programs to the State's public housing programs. (Pool 2)
State of South Carolina; Richard Ekstrom,; 1401 Main Street, Suite 1200; Columbia, South Carolina 29201; 803- 253-4160	FFP, \$1.1 million	We perform a financial statement audit in accordance with <i>Government Auditing Standards</i> . (Pool 2)
Montgomery County, Maryland Housing Opportunities Commission; Gail Willison; 10400 Detrick Avenue, Kensington, MD 20895; 240-773-9076	FFP; \$850,000 base year (4 year contract)	Special projects including analysis of uses of funds of related party entities to ensure propriety of transactions and financial statement audit in accordance with Government Auditing Standards, Single Audit in accordance with OMB Circular A-133. (Pool 3)



Client/ Point of Contact Info	Type of contract/ Budget	Description
DOT Pipeline and Hazardous Materials Safety Administration; Fazal Mirza; 1200 New Jersey Avenue, SE, Washington DC 20590; (202) 366-5180	FFP; \$160,128;	Originally called for review all of grants for a given program year. Upon reviewing some of these files, we determined that the types of issues that might be found would be similar as they were systemic, and that there was very limited documentation in many of the files. We proposed that a sampling approach (random plus judgmental) would result in better use of available resources. The alternate approach surfaced as many types of issues as would have been found in a review of each file. (Pool 3)

Figure 47

1.3.4 Management Overview (4.2)

As the Prime Contractor, CLA recognizes its responsibility and obligations under the contract to its client and team members. As a result, our mission will be to ensure that all subcontractors follow our internal business processes and procedures. The CLA Partner, Ms. Leswing, is ultimately accountable for all decisions, issues, problems, customer satisfaction, and deliverables relative to the contractor team; and therefore, we will work closely with State management to ensure that all of our team members are working ‘to the plan’ and working in alignment with the goals of the program.

1.3.5 Contract Management (4.3)

CLA’s Project Management Organization (PMO) is staffed with experienced professionals to perform all contract-level management functions spanning the complete life cycle of all TOs. Our contract and TO management approach focuses on achieving the specific business, technical, and performance objectives within the agreed parameters of cost, time, and quality. Team CLA has in place proven and reliable project management methods and procedures. Our managers will use these processes and procedures to execute and monitor our tasks as well as to identify, track, and report problems or unusual circumstances. CLA Team’s PMO is vested with centralized authority to direct services of the program, and is responsible for the successful operation of the contract supporting our Project Management processes.

At the contract level, the PMO enables the execution and control of the program and aligns performance to mission. The PMO performs cross TO functions, coordinating the activities of the entire CLA Team. By managing multiple TOs at a high level, the Program Manager (PM) is able to focus on the project risks, issues, resources, technical architectures, solutions, scope, and priority changes between and across projects. This approach benefits each customer and provides quick resolution of cross project issues. Individual TOs will be managed as distinct projects, with the level of oversight and control assigned based on size, complexity, and risk. The PMO interfaces with Team CLA leadership, obtains resources from within Team CLA, and recruits outside the team as needed. The PMO assists with staffing for TOs that “reach back” to our Industry Partners for specific offerings. The PMO facilitates the expertise and training needs for PMO based initiatives. Our team knows how to manage large IDIQ contracts, knows the various Federal Disaster Recovery Programs and the Federal Emergency Management Agency (FEMA), and has assembled the right team to bring the State the best possible capabilities across the entire scope of this contract.

Certain functions are common to the repeatable accomplishment of all TOs. We maximize our efficiency by centralizing management, performance, and administration of these common functions within the Program Management Office. The PMO is a critical support function within our program management organization and works with the program manager and project managers to certify that Federal and State guidelines and



policies are adhered to.

Team CLA fosters a culture of continuous improvement through the regular analysis and reporting of performance measurement data to improve processes and products. Our contract-level QA audit process facilitates the quality of all contract deliverables and is under the oversight of the QA Manager. Internal quality audits will be planned, performed, and recording and followed by the CLA Program Manager and Quality Manager in accordance with our process based upon ISO 9001:2008. Internal audit findings will be discussed and an agreed, time-limited corrective action should be recorded and approved and signed-off by the established change control process for the project. Our quality/performance management disciplines include: performing corrective actions, prevention analysis, simulations, and formal problem investigation; using industry-standard analysis techniques such as root cause analysis, Lean Six Sigma initiatives, incorporation of lessons learned, tiger teams, evaluating and selecting improvement ideas; implementing improvements and re-evaluating the situation to attain expected outcomes.

Customer satisfaction is the primary goal of the Program Manager (PM). CLA and its team members are committed to retain their reputation for quality, customer satisfaction, and innovative solutions. All of which, are essential for our future success. The TO PM (TOPM) will be identified to all stakeholders and he will be empowered to address most customer concerns on the as they occur. The TOPM will be the primary point of contact for any and all customer concerns. The PM will actively solicit client feedback and provide this feedback to the overall State PM on a predetermined. In addition, the CLA PM will make periodic visits to all sites of performance to address all stakeholder concerns. The PM's phone number and email address will be made available to all stakeholders, with a guarantee of a return call the same day. Finally, CLA and team member principals will perform regular calls to the sites and will provide their contact information for resolution of any significant concerns.

1.3.6 Organizational Support and Experience (4.4)

1.3.6.1 References (4.4)

Team CLA's list of references and contact information is included in *Section 1.3, List of Contracts*.

1.3.6.2 Contract Organization chart (4.4)

CLA will lead the team and will work with our subcontractors to select final staff from across the team to best serve the TO requirements (**Figure 48, next page**). Ms. Leswing will serve as the primary point of contact, and leads communications with the State-level contracts and management representatives.

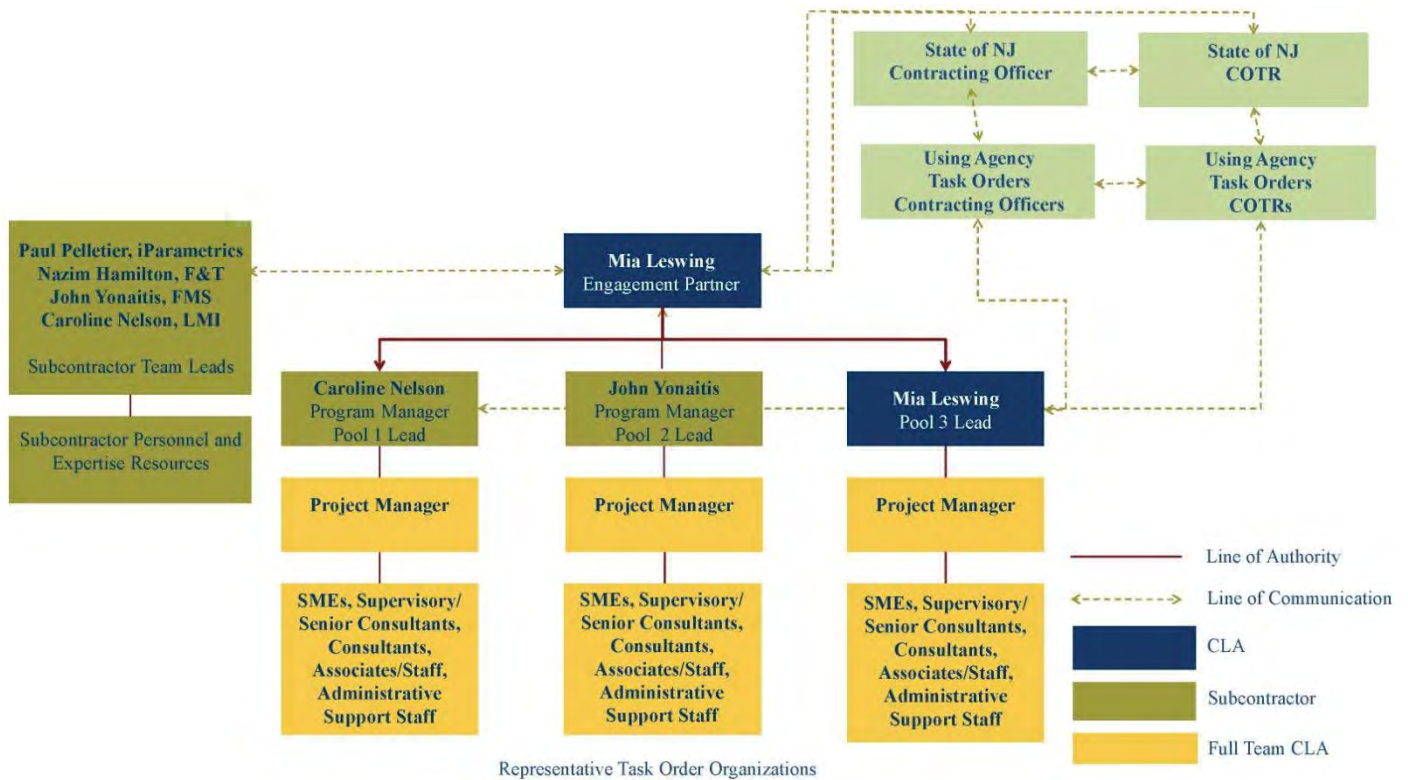


Figure 48

Ms. Leswing works with the subcontractors to assign a TO Lead for each individual project, who lead communications with contracts and management representatives at each using agency client (**Figure 49**).

Team CLA Capabilities and Experience
CLA
CLA will be the overall lead and serve as the Project Management Organization (PMO) lead. CLA is one of the nations' top 10 CPA and consulting firms. CLA has a staff of more than 3,600 professionals, operating from more than 90 offices across the country. CLA public sector practice group provides accounting and consulting services to federal, state and local government.. Clients relevant to the State's requirements include States such as NJ, South Carolina, Texas, Federal agencies such as VA, FHA, DOT, NSF, and municipalities nationwide.
Logistics Management Institute (LMI)
LMI is a not-for-profit government consulting firm and a trusted advisor to government managers, with a long history of bringing the best, most creative, management and technical minds to bear on solving complex issues. They provide expertise in logistics, helping government organizations build and operate lean yet robust and responsive supply chains that provide value from end to end; acquisition and financial management, helping government structure their acquisition and financial management processes to accomplish more with constrained resources while meeting demands for increased accountability; infrastructure management, developing practical and enduring solutions to the challenges public works and facilities leaders face; information management, helping government agencies make informed and intelligent decisions about which technologies to buy and how to apply the technologies they have to meet a range of objectives. LMI supports virtually every agency of the national government including the Defense, Intelligence, DHS, Healthcare, and Energy and Environmental agencies. LMI also supports civil government agencies, with the mission of making improvements in policy and practice that allow them to better fulfill their own missions of service to citizens.
Franklin & Turner (F&T)
Hamilton Enterprises, LLC d/b/a Franklin and Turner (F&T) is a licensed CPA and management consulting firm offering



Team CLA Capabilities and Experience

accounting services to government and commercial clients. **F&T** provides top quality, mission focused solutions in accounting, auditing, management consulting, professional outsourcing and information technology, combining proven solutions and extraordinary people to help clients protect critical infrastructure and improve the effectiveness and efficiency of operations using experience with Department of Commerce, Department of Treasury, FEMA, HUD, and the Department of Transportation. F&T will support tasks in all three pools.

iParametrics

iParametrics is an SBA-Qualified and ISO 9001:2008 Certified Small Business with DCAA Certified systems, processes and procedures, specializing in delivering focused technical consulting services in support of cost engineering, risk analysis, life-cycle cost analysis, programmatic assessment, scheduling and project control services, engineering, facilities, and technology-related programs iParametrics provides a comprehensive range of technical services, participating in several large government programs and providing staff augmentation support, with professional staff in approximately 40 professional disciplines in support of numerous projects and more than 100 government TOs. iParametrics serves the U.S. Army, the U.S. Navy, the VA, FEMA, and GSA. Since 2005, iParametrics has been playing a vital role in the nation's response and recovery from both Natural and Man-made Disasters through its involvement in the FEMA Public Assistance (PA) Program, which reimburses state and local governments for the actual costs to repair or rebuild damaged public infrastructure.

Federal Management Services (FMS)

FMS' contribution to the team includes a broad range of services in areas that include accounting and auditing, asset management, facilities management, and information technology infrastructure management. FMS' skilled professionals, many of whom are former federal CFOs, include CPAs, financial managers, financial analysts, accountants, asset managers, debt managers, project managers, systems analysts, programmers, and project/program support specialists. FMS' clients include DoD, DHHS, DHS, DOJ, State, Treasury, State of Maryland, the District of Columbia, and Prince George's County, Maryland.

Figure 49

Figure 50 outlines our management strategies.

CLA's 5 Management Strategies

1. Selecting the right people for the engagement and providing them with the resources and appropriate level of supervision to succeed
2. Ensuring our senior level personnel are heavily involved during all phases of the engagement to enable us to quickly identify and resolve problems before they threaten to compromise deadlines
3. Effectively managing risks and controlling costs
4. Developing a well-thought out and researched timeline that takes into consideration the needs of the client
5. Maintaining continuous communication with interested parties during all phases of the engagement

Figure 50

It is our policy to maintain the same staff on engagements to ensure continuity and efficient service to the client. Our local turnover rate is among the lowest in the public accounting profession. For the state, this means exceptional staff continuity and more efficient. While low turnover rate typically allows us to keep the same staff on engagements year after year, should the need arises to replace a team member, team CLA will immediately notify the State and its using agency for the TO and follow the agreed-upon process.

1.3.7 Staffing (4.4)

Required staff names, experience, and labor categories, across all three pools, are in *Appendix A: Resumes*. Rate information, per the RFQ and the Q&A is in our Price Quote, under separate cover.

1.3.8 Resumes (4.5)

Resumes for all required positions, across all three pools, are in *Appendix A: Resumes*.

1.3.9 Experience of Bidder on Similar Contracts (4.6)

CLA built our team of subcontractors such that we have specific, applicable, and directly relevant experience across all pools and subtasks. Evidence of Team CLA's experience on similar contracts across all Pools and subsections is in *Sections 1.1.1-1.1.3*, for each pool.

1.3.9.1 Disclosure

CLA and its subcontractors have no relationship with the contractor providing service on State Contract G-8034 Consulting: Disaster Recovery, G-8037 Housing Strategy Advisor. iParametrics, one of our subcontractors, has a number of people currently deployed in NJ as SME/Consultants under the FEMA Public Assistance (PA) contact (as a subcontractor to one of the four prime contractors.) This particular subcontractor currently provides technical assistance to FEMA in the areas of Preliminary Damage Assessments, General Disaster Operations, Project Management, Project Closeout, Environmental Compliance, Hazard Mitigation, Training, Appeals, Financial Analysis, and other Stafford Act related activities. In our question submitted related to this relationship, the answer was the conflict of interest is determined on a per TO basis.

1.3.9.1 Financial Capability

CLA is a privately held public accounting and consulting firm in existence for over 50 years. We do not have audited financial statement prepared for any reason. As we have included internally prepared financial statement in a separate file, RFQ768892S *Appendix B: CLA Financial Statement*. Our bank contact is: Mr. Kevin Anderson, Vice President; PNC Bank, 301 S.W. Adams Street, Peoria, IL 61631; (309) 655-5281

Appendix A: Resumes



Mia Leswing	
Current Employer:	CliftonLarsonAllen LLP
Project Role:	Partner
Proposed Pool(s):	<ul style="list-style-type: none"> • Pool 1 • Pool 2 • Pool 3
Total Years of Relevant Experience:	30 years
Education	Bachelor of Science, Accounting, University of the East-Philippines
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Certified Public Accountant • Certified Government Financial Manager • Certified Information Systems Auditor • American Institute of Certified Public Accountants • Association of Government Accountants
Experience Relevant to SOW	
US Department of Agriculture (USDA) Commodity Credit Corporation Rodney Nelson USDA/FSA/AMD/COB, Patriot Plaza III, 355 E Street, SW, 10th Floor, Stop Code 0567, Washington, DC 20024 202-205-8961	<ul style="list-style-type: none"> • Served as the lead partner on the annual financial statement audit of USDA, Commodity Credit Corporation
Department of Housing and Urban Development (HUD) Shanon Hayes Bureau of the Public Debt Division of Procurement 200 Third Street Avery 5 th Floor Parkersburg, WV 26101 304.480.7202	<ul style="list-style-type: none"> • Managed FMFIA/internal controls review



Mia Leswing

- Managed over 50 audits and desk reviews of health care facilities (i.e., adult day cares and nursing homes) cost reports submitted to the Kentucky Medical Assistance Program (KMAP)
 - The annual cost reports were prepared in accordance with the KMAP reimbursement manuals and HCFA Pub. 15
- Managed several pre-award cost reviews for the Substance Abuse and Mental Health Services Administration
- Managed several agreed-upon procedures reviews of legal fees paid by the Federal Deposit Insurance Corporation to law firms contracted by the legal division
- Managed several agreed-upon procedures reviews of the Resolution Trust Corporation’s contracts with various property management companies and loan servicing companies
- Supervised comprehensive annual financial statement audits of local government entities, such as the City of Fairfax, Virginia, and the City of Manassas, Virginia
- Supervised audits of six schools and an audit of the school board for the City of Manassas, Virginia
- Performed a CFO Act audit of two revolving funds of the National Institutes of Health: the Management Fund and the Service and Supply Fund
- Performed a CFO Act audit of the Public Health Service’s Service and Supply Fund Performed a CFO Act audit of the Food and Drug Administration’s Certification Fund
- Performed a financial survey of the retirement funds of four Article III judges, bankruptcy court judges, and magistrate judges

Employment History

- CliftonLarsonAllen LLP, Partner (02/1997 – Present)
- Tichenor and Associates, Manager (1994 – 1997)

Denise Wu

Current Employer:	CliftonLarsonAllen LLP
Project Role:	Partner
Proposed Pool(s):	<ul style="list-style-type: none"> • Pool 1 • Pool 2 • Pool 3
Total Years of Relevant Experience:	20 years
Education	Bachelor of Business Administration, Accounting, Ohio State University
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Certified Public Accountant • Certified Government Financial Manager • American Institute of Certified Public Accountants



Denise Wu	
	<ul style="list-style-type: none"> Association of Government Accountants
Experience Relevant to SOW	
<p>Department of Transportation (DOT) Yolinda Chin Contracting Officer Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590 202.366.4968</p>	<ul style="list-style-type: none"> Served as engagement partner for the Department’s consolidated financial statement audit and audit of the special purpose financial statements Managed financial statement audit of DOT Highway Trust Fund (HTF)
<p>Corporation for National Community Service (CNCS) Henrietta Young Corporation for National Community Service 1201 New York Avenue, NW Suite 830 Washington, DC 20525</p>	<ul style="list-style-type: none"> Served as the engagement partner for grant related agreed-upon procedures for the CNCS related to the following grantees: <ul style="list-style-type: none"> University of Maryland Center on Aging American National Red Cross Alaska State Community Service Commission Alabama Governor’s Office of Faith-Based and Community Initiatives The New Teacher Project
Employment History	
	<ul style="list-style-type: none"> CliftonLarsonAllen LLP, Partner (06/1997 – Present)

Bruce Braunewell	
Current Employer:	CliftonLarsonAllen LLP
Project Role:	Partner
Proposed Pool(s):	<ul style="list-style-type: none"> Pool 1 Pool 2 Pool 3
Total Years of Relevant	23 years



Bruce Braunewell	
Experience:	
Education	Bachelor of Arts, Gettysburg College, 1987
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Certified Public Accountant • American Institute of Public Accountants
Experience Relevant to SOW	
Urban Affairs Coalition Keith Daviston 1207 Chestnut Street Philadelphia, PA 19107 215.851.1724	<ul style="list-style-type: none"> • Performed A-133 audit (on average 5-7 Major Programs) • Significant work around subrecipient monitoring and reporting
Northhampton County, PA Doran Hamman 669 Washington Street Easton, PA 18042 610.559.3112	<ul style="list-style-type: none"> • Performed A-133 audit (on average 5-6 Major Programs) • Some FEMA experience working with Northhampton County
Association for the Advancement of Mental Health (AAMH) Ed Greystock 819 Alexander Road Princeton, NJ 08540 609.759.7441	<ul style="list-style-type: none"> • Performed A-133 audit (one major program through New Jersey Department of Mental Health Services) • Helped AAMH accumulate data to submit to FEMA after Hurricane Irene
Employment History	
<ul style="list-style-type: none"> • CliftonLarsonAllen LLP, Partner (06/1989 – Present) • United States Gypsum Company, Senior Cost Accountant (06/1987 – 05/1989) 	

Herbert Greene	
Current Employer:	iParametrics, LLC
Project Role:	Subject Matter Expert
Proposed Pool(s):	Pool 1
Total Years of Relevant Experience:	30 years
Education	Bachelor of Science, Management/Human Resources, Florida Southern



Herbert Greene	
	College
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • FEMA Emergency Management Institute Courses <ul style="list-style-type: none"> ○ Public Assistance Coordinator (Instructor led) – OPS I ○ Public Assistance Coordinator (Instructor led) - OPS II ○ Preliminary Damage Assessment Team Member ○ IS100 - Introduction to the Incident Command System (ICS-100) ○ IS200 - Incident Command System, Basic, IS-200, for Federal Disaster Workers ○ IS700 - National Incident Management System (NIMS), an Introduction ○ IS800 - National Response Plan (NRP), an Introduction ○ IS-600 Special Considerations for FEMA Public Assistance Program ○ IS-631 - Public Assistance Operations I
Experience Relevant to SOW	
iParametrics (07/2007 – Present)	<ul style="list-style-type: none"> • Provide advice and guidance to Public Assistance applicants concerning the full range of grants, agreements, disaster assistance and other programs administered by the Long-Term Recovery Office • Perform Project Worksheet reviews as a Quality Assurance/Quality Control Specialist • Advise management and staff on all matters concerning grants and cooperative agreements with Federal, State, and local (non-federal) agencies, memoranda of understanding, and relevant laws and regulations • Provide technical assistance for the closeout activities for disaster-related projects • Review committed disaster funds, including authorizations, tracking, and management of funds • Reconcile and balance funds, respond to questions regarding to discrepancies, and review expenditures and obligation reports, making recommendations to disaster financial teams • Serve as the primary point of contact for disaster closeout activities for all open disaster in the assigned areas • Research and review all documents and closeout contracts • Perform special projects, make recommendations and write financial closeout reports and review, analyze, and interpret guidance in the assigned program areas • Recommend how programs, policies, and practices can be improved • Meet with disaster assistance applicants/grantees and sub-grantees to address and resolve project issues



Herbert Greene	
	<ul style="list-style-type: none"> Utilize the National Incident Management System (NIMS) computer database to document, research, amend, and prepare Public Assistance applicants documentation, Project Worksheets and close out completed projects Utilize Emergency Management Mission Integrated Environment (EMMIE) and states PA database
<p>State of Florida, Department of Emergency Management (11/2004 – 05/2007)</p> <p>Florida Division of Emergency Management 2555 Shumard Oak Boulevard Tallahassee, FL32399-2100 850.413.9969</p>	<ul style="list-style-type: none"> Assigned to the Long-term Recovery Office as a PAC and Project Officer for Hurricanes Frances, Ivan, Dennis, Katrina and Wilma Assisted with formulation of project worksheets used to provide federal funding as mandated by the Stafford Act Experienced with Category A-G Project Worksheets Trained new Project Officers Conducted applicant briefings and disseminated information used to complete projects to federal counterparts Member of a team of Federal, State and Local workers visiting disaster impacted communities ascertaining their needs and issues. Explained basic disaster assistance programs while encouraging victims to tele-register for this assistance Provided points of contacts for community leaders and offered presentations to organizations in conjunction with the SBA Worked with the Emergency Management Directors of the State of Florida coordinating the effort to closeout each county by providing them with information which assisted in their long term recovery
Employment History	
<ul style="list-style-type: none"> iParametrics, Principal Consultant & Subject Matter Expert (07/2007 – Present) State of Florida, Department of Emergency Management (11/2004 – 05/2007) 	

Debra K. Dunn	
Current Employer:	LMI
Project Role:	Subject Matter Expert
Proposed Pool(s):	<ul style="list-style-type: none"> Pool 1 Pool 2
Total Years of Relevant Experience:	27 years
Education	Bachelor of Science, Business Management, Hampton University, 1979



Debra K. Dunn

Experience Relevant to SOW

<p>Department of Treasury (06/2012 - Present) LaTonya Richardson Constellation Centre, 5th Floor 6009 Oxon Hill Road Oxon Hill, MD 20745 202.283.1350</p>	<ul style="list-style-type: none"> • Functional subject matter expert on as project for the Office of Financial Innovation and Transformation (FIT) to develop a tool for benchmarking the performance of financial management services offered by service providers so that agencies can compare the costs of running their own systems to the costs of procuring services through a software service provider • Work includes reviewing provider services and processes to identify pilot processes to benchmark, evaluate benchmark results, and provide expert advice
<p>Department of Health and Human Services (HHS), Center for Consumer Information and Insurance Oversight (01/2012 – Present)</p>	<ul style="list-style-type: none"> • Subject matter expert on HHS project to design and implement a system to be used to support healthcare reform • Work includes: <ul style="list-style-type: none"> ○ Identifying system requirements ○ Designing the application to be used by insurance issuers to apply to participate in the exchange ○ Identifying insurance issuer application evaluation criteria ○ Evaluating issuer applications ○ Developing sections of the standard operating procedures and composing white papers to solidify evaluation criteria and support concepts of operation
<p>General Services Administration (GSA) Office of Governmentwide Policy (OGP) (07/2011 – 08/2011)</p>	<ul style="list-style-type: none"> • Subject matter expert on a project for GA’s OGP to review guidance documentation used by federal entities to establish identifiers in FedReg and on intragovernmental buy-sell transactions • Recommended improvements to business practices and policy options for government wide standardization

Employment History

- LMI, Senior Consultant (08/2001 – Present)
- Eisner Technology, Project Manager (12/2000 – 05/2001)
- ICF Consulting, Project Manager (12/1997 – 12/2000)

Matthew R. Peterson

<p>Current Employer:</p>	<p>LMI</p>
<p>Project Role:</p>	<p>Subject Matter Expert</p>
<p>Proposed Pool(s):</p>	<ul style="list-style-type: none"> • Pool 1 • Pool 2 • Pool 3



Matthew R. Peterson	
Total Years of Relevant Experience:	20 years
Education	<ul style="list-style-type: none"> • Master of Business Administration, George Mason University, 1997 • Bachelor of Science, Business Logistics, Pennsylvania State University, 1991
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Certified Supply Chain Professional (CSCP) • Federal Emergency Management Agency (FEMA) Emergency Management Institute (EMI) Certifications: <ul style="list-style-type: none"> ○ IS-26, Guide to Points of Distribution, 2009 ○ IS-100.a, Introduction to Incident Command System (ICS), 2009 ○ IS-120.a, An Introduction to Exercises, 2009 ○ IS-139, Exercise Design, 2009 ○ IS-200a, ICS for Single Resources and Initial Action Incidents, 2009 ○ IS-208, State Disaster Management, 2009 ○ IS-230.b, Fundamentals of Emergency Management, 2012 ○ IS-293, Mission Assignment Overview, 2009 ○ IS-547, Introduction to Continuity of Operations (COOP), 2009 ○ IS-700.a, National Incident Management System (NIMS), An Introduction, 2009 ○ IS-800.b, National Response Framework (NRF), An Introduction, 2011 ○ IS-801, ESF #1–Transportation, 2011 ○ IS-807, ESF #7–Logistics Management and Resource Support, 2011
Experience Relevant to SOW	
Illinois-Indiana-Wisconsin Regional Catastrophic Planning Team (RCPT) (09/2012 – Present)	<ul style="list-style-type: none"> • Leading LMI effort in support of regional logistics planning for sixteen counties, three states, and the City of Chicago. Conducting research and reporting on best practices, assisting in the development of a regional logistics and resource database, and drafting both a strategic-level logistics and resource management plan and a tactical-level logistics operations plan. The goal of the effort is to improve regional catastrophic preparedness for the greater Chicago area.
General Services Administration (GSA), Office of Enterprise Supply Chain Solutions (ESCS), Fourth Party Logistics (4PL) Program Support (04/2012 – Present)	<ul style="list-style-type: none"> • Supporting GSA’s 4PL initiative by executing a variety of business process improvement initiatives • Conducted a workforce analysis and recommended an organizational structure and staffing plan to support a new Office of Retail Operations. The new structure helps GSA transition to a new business model for providing supply support to its customers from a wholesale model based on the purchasing and warehousing of material to a retail model in which it acts as a facilitator and/or manager of suppliers.



Matthew R. Peterson	
	<ul style="list-style-type: none"> • Contributes to metrics calculation, reporting and analysis, and other program management initiatives to provide GSA with information and tools to improve decision-making, enhance performance, and better support retail customers.
LMI Internal Research and Development (IR&D) (10/2011 – 09/2012)	<ul style="list-style-type: none"> • Led internal project to define the emergency management field and identify potential business opportunities with a focus on gaps in capabilities, tools, and structures <ul style="list-style-type: none"> ○ Employed a holistic, cross-functional view of the complex field of emergency management ○ Conducted extensive research, facilitated a SWOT analysis ○ Developed critical success factors ○ Presented strategic alternatives and recommended actions ○ Developed internal and external marketing materials ○ Created a staff training plan • Assisted project team in developing a unique nation-state fragility framework and analysis approach that incorporates environmental data <ul style="list-style-type: none"> ○ Drafted white paper that provided an overview of fragility concepts ○ Outlined the LMI framework and the assessment process ○ Described the value of the approach and presented next steps
United States Department of Agriculture (USDA) Animal Planet Health Inspection Service (APHIS) (09/2011 – 04/2012)	<ul style="list-style-type: none"> • Led project to perform a cost benefit analysis to determine the best option for storing Vaccine Antigen Concentrate (VAC). During an outbreak, the North American Foot-and-Mouth Disease Vaccine Bank (NAFMDVB)—a tri-partite effort of the United States, Canada, and Mexico—coordinates the shipment of VAC to overseas manufacturers for finishing into vaccine and distribution of the vaccine to responders in one or more countries. The LMI effort included reviewing key documents, interviewing stakeholders, and developing a cost model • Captured business processes, quantified costs, and documented benefits and risks of various government and manufacturer storage options. Analysis and conclusions enabled client to make an informed business decision
Defense Logistics Agency (DLA), Executive Agent (EA) Program Support (08/2011 – 03/2012)	<ul style="list-style-type: none"> • Supported both Class I and Class IV EA programs by conducting the first readiness assessment for each supply chain <ul style="list-style-type: none"> ○ The assessment included surveys and follow-up visits to each of the Services, Geographic Combatant Commands (COCOMs), and USTRANSCOM
Defense Threat Reduction Agency (DTRA), Maritime-Industry Study (09/2010 – 08/2011)	<ul style="list-style-type: none"> • Led study, in partnership with Penn State, in support of the Proliferation Security Initiative (PSI) <ul style="list-style-type: none"> ○ Mapped the global maritime supply chain and located existing policy gaps, improvement opportunities, and incentives to reduce the



Matthew R. Peterson

	<p>illegitimate conveyance of dual use items by state and non-state actors of proliferation concern using the legitimate commercial and maritime system</p> <ul style="list-style-type: none"> ○ Interviewed key stakeholders across the supply chain, including government agencies, private industry representatives, and industry associations to find global business models, validate the industry map, and recognize gaps, with regard to physical, financial, and information supply chain flows. ○ Conducted a literature review and created courses of action and implementation strategies to increase awareness and gain support of business interests in countering weapons of mass destruction (WMD)-related proliferation ○ Drafted a journal article and final briefing for the client to use to communicate recommendations with industry and other PSI endorsing nations
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Employment History

- LMI, Senior Consultant (07/2000 – Present)
- General Services Administration, Integrated Solutions Director (07/1991 – 07/2000)

Mark E. Schaffer

Current Employer:	iParametrics, LLC
Project Role:	Subject Matter Expert
Proposed Pool(s):	Pool 1
Total Years of Relevant Experience:	30 years
Education	Degree, Concentration, Institution, Year
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Master of Science, Health Administration, Indiana University, 1974 • Bachelor of Science, Accounting, St. Joseph’s College, 1965

Experience Relevant to SOW

Federal Emergency Management Agency (FEMA) 2005 – Present)	<ul style="list-style-type: none"> • FEMA Project Specialist for Hurricane Sandy n New Jersey • FEMA Project Specialist for Hurricane Ike in Texas • Developed 81 Project Worksheets totaling over \$11 million • Assigned role of client representative responsible for assisting contractors, project upcoming activities and providing progress reports to client management
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Mark E. Schaffer

	<ul style="list-style-type: none"> Accounting Specialist on the Health and Research Team for Hurricane Katrina Responsible for the review of Project Worksheets for accuracy Performed duties a Chief of Staff for the Health and Research Team
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Employment History

- iParametrics, LLC, Principal Consultant & SME (mm/2005 – Present)
- D’Anna’s DeliCafe and Catering Company, Inc., Owner (mm/2002 – mm/2005)

Karen L. Cook

Current Employer:	LMI
Project Role:	Subject Matter Expert
Proposed Pool(s):	Pool 1
Total Years of Relevant Experience:	30 years
Education	<ul style="list-style-type: none"> Master of Science, Information Resource Management, Air Force Institute of Technology, 1994 Bachelor of Science, business Management, Virginia Polytechnic Institute and State University, 1986
Professional Licenses and Affiliations	<ul style="list-style-type: none"> Project Management Professional, Project Management Institute

Experience Relevant to SOW

National Oceanic and Atmospheric Administration (NOAA), US Integrated Ocean Observing System (IOOS), (06/2009 – Present)	<ul style="list-style-type: none"> Drafted the NOAA’s first biannual report to Congress on the US IOOS. Researched, coordinated, and compiled resource information; wrote the initial report; and assisted with reviews and staffing. Supported the establishment of a federal advisory committee for IOOS; researched and analyzed regulatory guidance; drafted charters, background papers, briefings, and correspondence; interviewed stakeholders; and supported the recruitment of candidates. Currently drafting the second biannual congressional report and providing additional writing and communications expertise as required.
Department of Commerce, Acquisition Improvement Program (10/2010 – 07/2012)	<ul style="list-style-type: none"> Developed and supported the implementation of a scalable acquisition project management framework applicable to all projects within the department and across all the bureaus. This framework resulted in a common and comprehensive system for acquisition management across the department’s bureaus, leading to more efficient and effective use of



Karen L. Cook	
	department resources and greater leadership visibility in acquisition risk areas.
Veterans Health Administration (VHA), Compliance and Business Integrity (CBI) Office	<ul style="list-style-type: none"> Assisted the CBI Office with updating its operating procedures at both the strategic level and the operational level Helped develop the office's concept of operations plan, strategic plan, and integrated operations plan by gathering feedback from the internal and external stakeholders working with CBI team members to develop their section input, and drafting sections of the plans Developed a financial management software tool for the CBI Office to monitor and control all aspects of its budget
Department of Defense (DoD), Defense Procurement and Acquisition Policy (DPAP) (09/2009 – 02/2010)	<ul style="list-style-type: none"> Coordinated all activities for the congressionally mandated Panel on Contracting Integrity, within Defense Procurement and Acquisition Policy (DPAP). The panel is charged with improving the integrity of Department of Defense (DoD) contracting practices. Prepared talking points and summaries for conference calls, edited and developed content for panel products, shepherded the panel's designated actions through the DoD coordination and approval process, planned and hosted quarterly update meetings with executive leaders representing the panel's DoD member agencies and services, and consolidated and drafted the annual report to Congress on the panel's actions.
Deputy Assistant Secretary of the Army for Cost and Economics (DASA-CE)(06/2009 – 09/2009)	<ul style="list-style-type: none"> Supported the establishment of a graduate level cost management certificate course for the Army Created communications tools to advertise the course Developed the online application process Coordinated and administered the initial selection board Fielded applicants' questions and worked with the school to enroll the first students
Employment History	
<ul style="list-style-type: none"> LMI, Senior Consultant (06/2009 - Present) United States Air Force (11/1986 – 12/2008) 	

Pamela Lindsey	
Current Employer:	CliftonLarsonAllen LLP
Project Role:	Senior Manager
Proposed Pool(s):	<ul style="list-style-type: none"> Pool 1 Pool 2



Pamela Lindsey	
	<ul style="list-style-type: none"> • Pool 3
Total Years of Relevant Experience:	31 years
Education	Bachelor of Arts, Liberal Arts, University of Oklahoma
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Certified Public Accountant, Oklahoma • Certified Public Accountant, Washington DC • Certified Public Accountant, Virginia • AICPA Member • Oklahoma Society of CPAs, Accounting and Audit Committee, Member • American Institute of CPAs, Member • Southwest Intergovernmental Audit Forum, Former Single Audit Committee Chair • Association of Governmental Accountants, member and Accountability Director
Experience Relevant to SOW	
[U.S. Department of Veterans Affairs] [Sue Schwendiman, COTR, 202-461-4536, 810 Vermont Avenue, NW, Washington, DC 20420]	<ul style="list-style-type: none"> • Managed CFO financial statement audit for the U.S. Department of Veterans Affairs.
[Corporation for National and Community Service] [Henrietta Young, 202-606-6988, 1201 New York Avenue, NW, Suite 830, Washington, DC 20525]	<ul style="list-style-type: none"> • Managed contract audits for the Corporation for National and Community Service. CNCS provides grants to organizations tasked with creating community service programs throughout the United States. • Performed grant program audits of the Corporation for National and Community Service
[U.S. Election Assistance Commission]	<ul style="list-style-type: none"> • Managed financial and compliance related audits of state election companies for the U.S. Election Assistance Commission.
[Department of State]	<ul style="list-style-type: none"> • Managed a financial statement capability and accounting system review for the Department of State.
	<ul style="list-style-type: none"> • Performed a litigation audit of a university for construction projects. • Provided quality assurance consulting services for a government cooperative agency. • Performed internal control testing of cash receipts, cash disbursements, payroll budget and fixed asset cycles. • Supervised substantive testing of account balances and transactions. • Prepared financial statements, footnote disclosures, and audit reports.



Pamela Lindsey

- Performed testing of compliance with various laws, legislation, OMB Bulletins, and other applicable requirements.
- Performed auditability assessments for financial statements.

Employment History

- Cotton & Company, Alexandria VA, Senior Manager, 2006 to 2007
- Urbach Kahn & Werlin, Washington D.C., Senior Manager, 2004 to 2006
- Oklahoma State Auditor & Inspector, Oklahoma City OK, Audit Director, 1982 to 2004

David Scaffido

Current Employer:	CliftonLarsonAllen LLP
Project Role:	Senior Consultant
Proposed Pool(s):	Pool 1, 2
Total Years of Relevant Experience:	6 years
Education	Bachelor of Science degree with a major in Management Information, West Virginia University
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Certified Information Systems Auditor, 2010 • Information Systems Audit and Controls Association, member

Experience Relevant to SOW

<p>[Millennium Challenge Corporation] Earl Ellington USAID Office of the Inspector General 1300 Pennsylvania Avenue, NW Washington, DC 20524</p>	<ul style="list-style-type: none"> • Performed FISMA audits of Millennium Challenge Corporation.
<p>[US Department of Veterans Affairs] Jenfier Geldhof Department of veterans Affairs 810 Vermont Avenue, NW Washington, DC 20420 202.461.4677</p>	<ul style="list-style-type: none"> • Performed IT security controls audit and vulnerability assessment of the US Department of Veterans Affairs financial management and general support systems as part of the financial statement and FISMA audits.



David Scaffido

<p>[United States Capitol Police (USCP)] Dewayne Chamberlain USCP, Procurement Division 499 South Capitol, SW Washington, DC 20003 202.593.3526</p>	<ul style="list-style-type: none"> Performed the IT security controls audit of the United States Capitol Police financial management systems and general support systems as part of the financial statement audit.
<p>[Inter-American Foundation and US African Development Foundation] Earl Ellington USAID Office of the Inspector General 1300 Pennsylvania Avenue, NW Washington, DC 20524</p>	<ul style="list-style-type: none"> Performed FISMA audits of Inter-American Foundation and US African Development Foundation.
<p>[U.S. Agency for International Development] Earl Ellington USAID Office of the Inspector General 1300 Pennsylvania Avenue, NW Washington, DC 20524</p>	<ul style="list-style-type: none"> Performed IT security controls audit of USAID’s financial management systems and general support systems in accordance with FISMA as part of the performance audit for the U.S. Agency for International Development.
<p>[Peace Corps] Mr. Fabiola Bellevue, Contracting Officer Peace Corps 1111 20th Street, NW Washington, DC 20526</p>	<ul style="list-style-type: none"> Performed evaluation of general and application controls in accordance with FISMA and Financial Statement audits for the Peace Corps.

Employment History

- CliftonLarsonAllen LLP, Manager, (01/2007 – Present)

Ismail A. Lawal, CPA, MBA

Current Employer: Franklin and Turner (F&T)



Ismail A. Lawal, CPA, MBA	
Project Role:	Consultant
Proposed Pool(s):	<ul style="list-style-type: none"> • Pool 1 • Pool 2
Total Years of Relevant Experience:	15+ years
Education	Masters in Business Administration, Morgan State University Bachelor of Science in Accounting, Howard University
Experience Relevant to SOW	
National Institute of Science and Technology (NIST)	<ul style="list-style-type: none"> • Mr. Lawal reviewed grantee audit findings (financial and non-financial) and supporting documentation to draft audit resolution proposals on behalf of the NIST grant office and OIG. He created supporting workpapers and cited applicable regulations to support his recommendations and assisted with the administration of the audit recovery process.
National Aeronautics and Space Administration (NASA) Goddard Space Flight Center (GSFC)	<ul style="list-style-type: none"> • Mr. Lawal performed closing out and reconciling grants at National Aeronautics and Space Administration (NASA). These tasks require reviewing, reconciling and validating all information included in the closeout package. Verified that the financial information included in the closeout package is accurate and all forms are prepared in accordance with NASA's grant requirements and guidelines. Ensured that appropriate Federal regulations pertaining to grants area were adhered to before the information was processed in NASA's core financial management system (SAP). Reconciled the information in the Legacy Resource Consulting Corporation Grant and Cooperative Agreement Closeout Record (Old System) and the final Federal Cash Transaction Report (SF272) to SAP. Prepared a comparative analysis of grants information derived from SAP, NASA's Legacy system and the Department of Health and Human Services Payment Management System. These tasks were done according to NASA grant requirements, grants monitoring procedures, relevant OMB Circulars, and FAS cost principles.
Chesapeake Bay Gateway Network (CBGN)	<ul style="list-style-type: none"> • Mr. Lawal performed the audit of grants approved under the Chesapeake Bay Gateway Network (CBGN) grant program. As part of the scope of work, we determined whether the organization complied with: <ul style="list-style-type: none"> ○ Description of Relevant Experience ○ x2 CFR Title 215, Uniform Administrative Requirements for Grants and Agreements <ul style="list-style-type: none"> ○ Federal Acquisition Regulations. ○ Office of Management and Budget (OMB) Circular A-110, Uniform Administrative Requirements for Grants and Agreements with



Ismail A. Lawal, CPA, MBA	
	<p>Institutions of Higher Education, Hospitals and Other Non-Profit Organizations</p> <ul style="list-style-type: none"> ○ OMB Circular A-122, Cost Principles for Non-Profit Governments, and Non-Profit Organizations ○ Maintained and monitored all purchase orders, vendor's invoices, employee payroll data and other records to ensure that all federal policies, procedures, regulations and guidelines were adhered to in the execution of the "grants". ○ Tested the allowability of costs charged to the projects.
Department of Justice	<ul style="list-style-type: none"> ● Mr. Lawal performed the financial statements audit of the Offices, Boards, Divisions (OBDs) for fiscal year 2004. Specific duties included: <ul style="list-style-type: none"> ○ Performed Internal Controls review and substantive test work over Grants Management. ○ Performed various risks assessments of the on going processes at the department. ○ Drafted findings and made recommendation for deficiencies noted during the audit.
Department of Homeland Security – Bureau of Immigration and Customs Enforcement	<ul style="list-style-type: none"> ● Mr. Lawal performed the Internal Controls over certain Customs Accounting Cycles. Specific duties performed included: Participated in the observation of Inventory of Personal Property, Aircraft Parts, and Marine Parts. In fiscal year 2003, participated in the full financial statement audit of the U.S. Customs.
Government National Mortgage Association (Ginnie Mae)	<ul style="list-style-type: none"> ● Mr. Lawal conducted the reviews and analyzes of financial statements received from institutions approved to conduct business as Ginnie Mae issuers and Federal Housing Administration (FHA) mortgagees. Specific duties performed included: <ul style="list-style-type: none"> ○ Ensured that all required information was included in the package. ○ Reviewed reports (audit report, internal control report, compliance report, net worth calculation, and insurance coverage report) to determine whether the issuers/mortgagees meet Ginnie Mae and FHA financial requirements. ○ Identified any noncompliance or internal control issues raised by the Independent Public Accountant (IPA) in the audit reports. ○ Entered results of the review into Ginnie Mae's IPA automated system. ○ Performed follow-up contacts with issuers/mortgagees that did not comply with reporting requirements.
Federal Bureau of Investigation (FBI)	<ul style="list-style-type: none"> ● Mr. Lawal performed the financial statements audit of the FBI. Duties included: <ul style="list-style-type: none"> ○ Performed test work on revenue, accounts receivable, payroll, accounts payable, statement of budgetary resources and contingent



Ismail A. Lawal, CPA, MBA

liability.

- Drafted findings and made recommendations for significant deficiencies found during the audit.

Employment History

- Franklin and Turner International, Senior Consultant – (July/2012 - present)
- T. Curtis & Company, P.C., Senior Consultant – (January/2008 – July/2012)
- Reid Consulting, LLC, Consultant – (January/2004 – January/2008)
- KPMG, LLP, Senior Auditor – (January/2003 – January/2004)
- Williams, Adley & Company, LLP, Senior Auditor – (January/1996 - January 2003)
- DC Express Company, Staff Accountant – (September/1993 – January/1996)

Caroline A. Nelson

Current Employer:	LMI
Project Role:	Subject Matter Expert
Proposed Pool(s):	<ul style="list-style-type: none"> • Pool 1 • Pool 3
Total Years of Relevant Experience:	20 years
Education	Master of Science, Accounting, University of North Texas, 1985 Bachelor of Science, Accounting, University of North Texas, 1984
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Certified Project Management Professional, 2009 • Certified Government Financial Manager, 2005 • Certified Public Accountant, 1991

Experience Relevant to SOW

Centers for Medicare and Medicaid (CMS) (October 2011 – present)	<ul style="list-style-type: none"> • 10/2011–Present, CMS, ACO Audit Program Development. For the Centers for Medicare and Medicaid (CMS), leads the development of a detailed step-by-step audit guide, which will be used for auditing compliance and levels of care of the accountable care organizations (ACOs) over the next 5 years. As part of the effort, develops audit processes, an evaluation/scoring method, pilot testing phase, audit requirements, and recommendations. Will lead the audit team and participate in desk reviews and audits. • 12/2011–Present, CMS, Healthcare Exchanges Non-Compliance Process Development. Leads the development of a detailed, comprehensive healthcare exchange compliance program for ongoing monitoring of the benefits and rates offered and delivered by health plan issuers, including monitoring compliance with Affordable Care Act (ACA) regulations. As part of the effort, defines the program and roles,
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Caroline A. Nelson

	<p>develops documentation to be used in the compliance process, develops the requirements against which to measure compliance, and will provide input into the application review process for outyears.</p> <ul style="list-style-type: none"> • 12/2011–Present, CMS, Healthcare Exchange Review SOPs. Leads the development of detailed processes and steps for evaluating essential health benefit drug benefit reviews. These standard operating procedures (SOPs) will be used to review the plans that issuers submit to the federal facilitated exchange, providing critical approval or non-approval of the plans to be offered to eligible beneficiaries. • 9/2005-09/2007 and 08/2010–Present, CMS, Part C and D Program Management Support. Develops and documents CMS procedures for analyzing data received from providers to reduce its risk and exposure to overpayments and to standardize its payment, enforcement, and termination processes. Developed a template for procedures documents, which identifies the process flows, responsible managers, documentation for input and output of each step, and relevant reports. Identified steps that should be included in the procedures documents as good practices. Procedures were so well received and easy to use that the work continues, and other groups in CMS have requested the same type of procedures. • Teamed with auditors to develop a process, template, and cycle for rotating audit reviews of CMS providers and regions. Reviewed the audit reports, noted statistics on the reviews, developed a report to summarize findings, and recommended ways CMS and providers could improve the process.
<p>Department of the Treasury (April/2011 – August/2011)</p>	<ul style="list-style-type: none"> • Department of the Treasury OTA, FMS Modernization. Supported the Office of Technical Assistance (OTA) in modernizing its financial management system (FMS) and processes to address issues related to data access and integrity, incomplete and untimely reporting, processes inefficiencies, lack of internal communications, and an unstable systems environment. Activities included developing FMS functional, technical, and transition requirements; developing a chart of accounts using the Common Government-Wide Accounting Classification (CGAC) structure; redesigning business processes; documenting the as-is processes; and developing to-be processes and recommendations. Also, conducted market analysis on financial management software options, including looking at shared-service providers, and later developed a request for information (RFI), the results of which were scored to make recommendations to the OTA.
<p>Securities and Exchange Commission (SEC) (04/2010 – 08/2010)</p>	<ul style="list-style-type: none"> • SEC, FMS Assessment. Conducted interviews and a series of workshops to document the Securities and Exchange Commission’s (SEC’s) current financial processes and issues, with a focus on its collections and delinquent debt processes and its processes for creating engagements



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	and penalties. Analyzed SEC’s processes for internal controls, identified appropriate duties and responsibilities in response to audit findings, assessed the strengths and weaknesses of the current processes, and developed recommendations related to systems, processes, and roles.
Financial Systems Integration Office (FSIO) (09/ 2009 – 04/2010)	<ul style="list-style-type: none"> • FSIO, Program Management Support. Supported the Financial Systems Integration Office (FSIO) in identifying a federal solution or option for federal agencies to use in processing their federal-to-federal reimbursables contracts. Developed a concept of operations to support the process and a request for information as part of a market evaluation. Supported FSIO in developing use cases to support federal FMS processes. Identified and prioritized key or problematic processes to be developed to assist federal agencies with understanding the system processes and steps needed to carry out financial functions.
[Department of Transportation (DOT)]	<ul style="list-style-type: none"> • 01/2010–4/2010, DOT, Accounting Classification Structure. Helped the Department of Transportation (DOT) with adopting the CGAC structure. Documented the unique accounting classification structures developed by each of the 14 DOT bureaus to support their own needs. Identified similarities to and differences from each other and the CGAC structure. Helped conduct interviews and workshops with each bureau, identified their reporting and data needs and structure, and cross-walked them to the CGAC structure.
Public Buildings Services (PBS) (February/2008 and March/2009 – August/2009)	<ul style="list-style-type: none"> • PBS, Program Management Support. Supported Public Buildings Service’s (PBS’s) financial reporting group in monitoring and reporting on its assets (proprietary and budgetary, including calculating overhead). Assisted with monthly and quarterly assessments and calculations. Provided frequently asked question assistance to the regional offices. • Supported PBS’s requirement to verify that the data in its financial system were correct and complied with the reimbursable work authorizations. Reviewed contracts for information and compared data in the system with calculated correct revenues, costs, undelivered orders, delivered orders against obligations, amounts paid, and period of performance. • Assisted PBS with documenting its processes related to real property (purchasing, leasing, constructing, depreciating, and selling). Identified gaps and weaknesses, as well as opportunities for improvement when moving to a new system being acquired by the General Services Administration (GSA) to support its fixed assets accounting. • 01/2009–03/2009, PBS, RBM, Estimating Cost of Management Functions. Analyzed the cost of the PBS rent bill management (RBM) process to support the billing function to assess whether RBM would continue to use a contractor or bring the work in-house. Traveled to the regions; documented high-level steps of the processes, including



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	<p>differences across regions; and identified the complexity of the leases in each region. Collected time and cost information, as well as issues, strengths, and suggestions. Compiled the information into a report. On the basis of our findings, RBM concluded that it could perform some of the work more cheaply and more accurately in-house.</p>
<p>[U.S. Marine Corps] (September/2007 – June/2008)</p>	<ul style="list-style-type: none"> • US Marine Corps, Internal Controls over Financial Reporting Program. Worked with the Marine Corps to establish internal controls over its financial reporting program to ensure compliance with Office of Management and Budget (OMB) Circular A-123, Appendix A, and to ensure management that it can rely on the data and reporting. Identified the approach for establishing the program, locations to test, and key accounts to test. Identified and documented the key processes and documentation. Developed templates and scenarios for testing. Conducted workshops with process stakeholders. Trained Marine Corps personnel on conducting the testing. Monitored and supported the testing process. Compiled the information and reported back to management. Developed a corrective action plan process. This was a critical step in preparing the Marine Corps to be one of the first DoD branches to gain a clean audit opinion.
<p>[GSA] (April/2005 – August/2005)</p>	<ul style="list-style-type: none"> • GSA, Financial Management Enterprise Architecture (EA) Development. GSA needed to document its current enterprise architecture (EA) and develop a target EA with detail on accounts receivable and fixed assets. Documented the accounts receivable and fixed assets systems, system owners, processes, data structure, and system requirements. Conducted workshops to identify strengths and gaps in the processes. Conducted market research to identify systems available to support these processes.
<p>[Bureau of Indian Affairs (BIA)] (December/2004 – April/2005)</p>	<ul style="list-style-type: none"> • BIA, Financial Policy and Procedures. Assisted the Bureau of Indian Affairs (BIA) with updating its financial policies and procedures. Interviewed BIA personnel to identify the current procedures and recommended changes. Developed a procedures structure and template. Updated procedures for accounts receivable, accounts payable, and fund balance with Treasury.
<p>[Air Force] (May/1996 – January/2000)</p>	<ul style="list-style-type: none"> • Air Force, Assessment of Inventory Valuation. Assisted the Air Force with assessing the state of its depot systems and its inventory valuation methods. Determined that the system would not meet the requirements of accounting for the costs of the depots. In addition, identified errors in the inventory valuation method. Interviewed commercial airlines to gather information on their processes for inventory accounting for assets. Developed a hybrid weighted average method for the Air Force, which included key aspects of commercial practices (based upon generally accepted accounting principles) and the unique mission-related aspects of DoD. As a result of our work, the Air Force stopped



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	supporting its system (which had been in development for 10 years) and implemented our inventory valuation method.
[Defense Finance and Accounting Service (DFAS)] (August/1995 – April/1996)	<ul style="list-style-type: none"> DFAS, Analysis of Depot Maintenance Accounting Systems. For the Defense Finance and Accounting Service (DFAS), assessed the implementation of maintenance accounting systems at the military services' depots. Documented the costs to date for each implementation. Identified the state of maturity of each system. Determined what would be needed to fully implement each system and to transfer it to other services. Assessed whether it could meet the requirements of the different services' depot processes.

Employment History

<ul style="list-style-type: none"> LMI, Research Fellow (September/1993 - present) Industrial Training Corporation, Assistant Controller (July/1992 – August/1993) Atlantic Food Services, Inc., Assistant Controller (September/1988 – June/1992) Roubin and Janeiro, Staff Accountant (January/1988 – September/1988) TXO, Revenue Accountant, September/1985 – December/1987)

Charles Skinner, CFE

Current Employer:	Franklin and Turner (F&T)
Project Role:	Senior Consultant
Proposed Pool(s):	
Total Years of Relevant Experience:	7+ years
Education	Bachelor of Science in Economic Crime Investigation, Utica College, 2006
Professional Licenses and Affiliations	<ul style="list-style-type: none"> Certified Fraud Examiner, Association of Certified Fraud Examiners, 2008 Actively pursuing the CPA exam

Experience Relevant to SOW

National Institute of Science and Technology (NIST)	<ul style="list-style-type: none"> Mr. Skinner reviewed grantee audit findings (financial and non-financial) and supporting documentation to draft audit resolution proposals on behalf of the NIST grant office and OIG. He created supporting workpapers and cited applicable regulations to support his recommendations. He functioned as a team lead, tracking work progress and conducting technical reviews. Mr. Skinner developed an audit recovery tracking system to identify and track recovery of overdue audit reports.
New York State and Local	<ul style="list-style-type: none"> Designed and performed audit services including financial statement



Charles Skinner, CFE

Governments	<p>review and Single Audit procedures according to OMB Circular A-133. Designed risk based audit approach for review of Federal grant programs. Identified deficiencies and issues of noncompliance with federal regulations and presented resolution recommendations. Mr. Skinner provided services to many local and state governments in New York State including but not limited to: County of Onondaga, New York; City of Syracuse, New York; City of Rome, New York; Oneida County, New York; Various New York State school districts and Board of Cooperative Educational Services facilities.</p> <ul style="list-style-type: none"> • Mr. Skinner designed and implemented new Internal Control Audit procedures as required by the New York State Comptroller’s Five Point Plan. This included performing risk assessments, testing of controls, providing recommendations, and implementation.
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Employment History

<ul style="list-style-type: none"> • Franklin and Turner, Senior Consultant (June/2012 – present) • Testone, Marshall and Discenza LLP, Senior Accountant (January/2011 – March/2012) • Advocates for Upstate Medical University, Finance Committee Chairman (May/2011 – March/2012) • Research Associates of Syracuse, Inc., Accounting Consultant, December/2009 – March/2010 • D’Arcangelo & Co., LLP, Senior Accountant, June/2006 – October/2009
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Joseph M. Kulenguski

Current Employer:	LMI
Project Role:	Subject Matter Expert
Proposed Pool(s):	Pool 1
Total Years of Relevant Experience:	15 years
Education	Bachelor of Arts, Secondary education – English, University of Maryland, College Park, 1994

Experience Relevant to SOW

Department of Treasury, (08/2006 – Present)	<ul style="list-style-type: none"> • Member of a team working in partnership with Manhattan Strategy Group to develop metrics for benchmarking the federal financial shared service providers (SSPs) • Participates in workshops with shared service providers and the project team to identify consistent business practices available to be benchmarked • Develops process diagrams detailing the processes common among the providers and selected for benchmarking
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Joseph M. Kulenguski	
	<ul style="list-style-type: none"> • Participates in workshops to develop metrics for assessing for assessing provider performance • Working on design of the tool to house the metrics and results
General Services Administration (GSA), Office of Governmentwide Policy (OGP) (05/2011 – Present)	<ul style="list-style-type: none"> • Reviewed data collection and analysis processes at GSA’s OGP • Focused on policies in the Federal Travel Regulation related to permanent change-of-station travel, or relocation, and on the setting of mileage rates and per diem rates • Determined areas where available data could be used to support policy development • Reviewed available data sources to determine if additional useful data are available to be used • Assessed current data collection tools and techniques and recommended improvements in both technology and processes • Reviewed data collected at OGP and recommended ways for improving it and linking improved data sources to policymaking processes • Developed a tool to support impact analysis of telecommuting. Tool allows user to adjust scenarios for increasing the number of teleworker on staff and model the impact on agency cost per person. Tool is built in Excel and made available for download to people around the world. • Analyzed six ongoing pilot relocation programs overseen by GSA. • Reviewed each of the pilot programs and determined metrics for evaluating the success of the program. • Assessed the current data collected and its utility in assessing the success of the program against the identified measures. • Developed data collection templates for agencies to submit additional program details needed for assessment.
GSA, USA Spending Data Quality Review (01/2011 – 04/2011)	<ul style="list-style-type: none"> • Analyzed the quality of information reported on the USA Spending website • Developed a data mart to compare data form USA Spending to source data from source systems such as Federal Procurement Data System – Next Generation • Developed business rules, metrics and queries to check for data anomalies that may point to errors in the source data • Developed recommendations for improving data quality • Documented study results and recommendations in management report
United States Marine Corps (USMC), Sustainment Study (11/2010 – 05/2011)	<ul style="list-style-type: none"> • Performed a study of USMC sustainment costs for a ten year period • Developed the data mart, which took data from a variety of USMC and Defense Logistics Agency systems related to the sustainment of USMC assets



Joseph M. Kulenguski	
	<ul style="list-style-type: none"> Documented database processes and insights gained into USMC data architecture
Defense Procurement Acquisition Policy (DPAP), Joint Contingency Contracting Handbook Database (10/2010 – 01/2011)	<ul style="list-style-type: none"> Designed a database application to support an update to the DPAP Joint Contingency Contracting Handbook which allowed multiple users to track and report on changes to the Handbook and various supporting materials Gathered requirements and developed functioning prototype of the tool in Microsoft Access
Securities and Exchange Commission (SEC), Collection and Distributions Business Process Redesign (04/2010 – 06/2010)	<ul style="list-style-type: none"> Developed a plan for reengineering the way the SEC handles collection and distributions of Fair Fund monies Reviewed the issues related to organization, process, and underlying systems and developed and documented recommendations for the SEC to improve the efficiency and effectiveness of the distributions function while complying with all of the related regulations
Employment History	
<ul style="list-style-type: none"> LMI, Senior Consultant/Subject Matter Expert 	

John Yonaitis	
Current Employer:	Federal Management Systems, Inc. (FMS)
Project Role:	Partner
Proposed Pool(s):	<ul style="list-style-type: none"> Pool 1 Pool 2 Pool 3
Total Years of Relevant Experience:	36 years
Education	<ul style="list-style-type: none"> Master of Business Administration, Accounting, Trinity University, 2001 Bachelor of Science, Accounting, LaSalle University, 1975
Professional Licenses and Affiliations	<ul style="list-style-type: none"> Certified Government Financial Manager Certified Defense Financial Auditor Certified Internal Acquisition Auditor Certified Contract Management Auditor



John Yonaitis	
	<ul style="list-style-type: none"> • Association of Government Accountants • Association of Certified Fraud Examiners
Experience Relevant to SOW	
Transportation Security Administration (TSA)	<ul style="list-style-type: none"> • Served as Audit Project Manager • Supported numerous Department of Homeland Security (DHS) components by: <ul style="list-style-type: none"> ○ evaluating their system of internal accounting control ○ Identifying deficiencies ○ Prescribing modifications to remedy deficiencies • Supervised gathering and maintenance of evidential matter, including documentation, to provide reasonable support for management assessments of the effectiveness of the components internal control over financial reporting • Accountable for project budget, performance, administration, and quality control • Ensured that the following TSA branches were adequately supported: <ul style="list-style-type: none"> ○ Property ○ Acquisition ○ Budgeting ○ Real Estate ○ Revenue ○ Accounting ○ Financial Operations
Employment History	
<ul style="list-style-type: none"> • Federal Management Systems, Vice President of Government Accounting Services (/2006 – 2012) • Department of Transportation Chief Financial Officer & Federal Highway Administration, Supervisory Accountant (2004 –2006) • Grant Thornton LLP, Project Manager (2001 –2004) • Department of Defense Office of the Inspector General, Audit Project Manager (988 –2001) • Department of the Navy, Naval Audit Service, Senior Auditor (1975 – 1988) 	

Bradley S. Hallman	
Current Employer:	Federal Bar Association, Grants Attorney Committee
Project Role:	Subject Matter Expert
Proposed Pool(s):	<ul style="list-style-type: none"> • Pool 1 • Pool 2



Bradley S. Hallman	
	<ul style="list-style-type: none"> • Pool 3
Total Years of Relevant Experience:	7 years
Education	DePauw University, Russian Studies Major, Bachelor of Arts, 1999 Capital University Law School, Juris Doctor, 2006
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • PMP Certified Attorney • District of Columbia, Member of the Bar • Project Management Professional (PMP) Certification
Experience Relevant to SOW	
[Federal Bar Association, Grants Attorney Committee] (Dec/2011 – present)	<ul style="list-style-type: none"> • Committee Co-Chairman - Plan and lead monthly meetings discussing current grants management and compliance issues such as new legislation, court decisions, and compliance measures such as proposed OMB Circular updates or GAO opinions.
[LMI] (April/2013 – present)	<ul style="list-style-type: none"> • Grants Analyst - Provide subject matter and project management expertise to federal clients covering the full grants management lifecycle and process improvement initiatives.
[Deloitte Consulting LLP] (October/2009 – April/2013)	<ul style="list-style-type: none"> • Senior Consultant - Researched and conducted a federal benchmarking study identifying best practices and processes amongst federal grant-awarding agencies which included executive interviews and legal/regulatory reviews: <u>HHS</u> <ul style="list-style-type: none"> ○ Develop oversight measures and toolkit for American Reinvestment and Recovery Act (ARRA) award recipient reporting and internal training programs on ARRA oversight at HHS ○ Conduct executive interviews with grants and acquisitions executives across the organization identifying information gaps, support system capabilities and requirements in developing a Business Intelligence tool ○ Researched and drafted standard operating procedures for operation and oversight of HHS grant programs ○ Led and conducted trainings on grant application compliance reviews on behalf of HHS clients and advice and oversight on award reviews requirements <u>DOE Subgrantee</u> <ul style="list-style-type: none"> ○ Serve as Grants Team Lead assessing DOE Smart Grid Investment Grant awardee's preparedness to comply with award requirements



Bradley S. Hallman

	<p>including: OMB Cost Principles, ARRA reporting requirements and provisions of the Buy American Act, and the Government Performance and Results Act</p> <p><u>HUD</u></p> <ul style="list-style-type: none"> ○ Provide subject matter expertise on a continuous process improvement project streamlining the development, review and public posting of grants solicitations at HUD ○ Develop a legal analysis of the Department’s grant solicitation review process subject to the Administrative Procedures Act, and HUD’s Code of Federal Regulations chapters ○ Develop grants management standard operating procedures considering requirements laid out within the Grants Management Common Rule (OMB Circular A-110), OMB Circular A-11, and current grants practices utilized at HUD ○ Led the re-design and conduct of Department-wide annual grants kickoff meeting <p><u>DOJ</u></p> <ul style="list-style-type: none"> ○ Developed strategies on a DOJ client initiative to align strategy organizational mission, vision and goals ○ Developed managerial tools such as dashboards and other tracking tools monitoring the progress of internal projects measuring the success of DOJ grant award programs ○ Conducted programmatic assessments of DOJ grant award programs entailing planning, conducting interviews and compiling and drafting meeting minutes and performing qualitative analyses of funding decisions
<p>[Data Federal Corporation] (October/2008 – October/2009)</p>	<ul style="list-style-type: none"> ● Managed five person team of federal contractors on a \$3.3 million dollar contract to close a backlog of grants ● Advised agency grant award recipients regarding Federal Grant Accounting Principles, including proper allocation and expenditure of funds, and proper financial reporting by both grant documents and fiscal years ● Trained and supervised staff members in evaluating grant award files to determine appropriate closeout actions and documentation thereof in accordance with the Awarding Agency Grants Administration Manual (AAGAM) and federal audit standards ● Developed and continued administration of employee productivity tracking methods to ensure progress of contract activity and contractual benchmarks ● Prepared and delivered written and oral progress reports to Director of Division of Grants Management Operations on both a weekly and



Bradley S. Hallman	
	<p>monthly basis</p> <ul style="list-style-type: none"> • Evaluated grantee audit documents for purposes of unilateral closeout, suspension, and debarment, where appropriate
[Department of Homeland Security] (June/2005 – June/2006)	<ul style="list-style-type: none"> • Provided written and oral reports to supervisor as member of intra-agency task force directed to evaluate demonstrations given by providers of electronic grants tracking systems in order to determine which system would be suitable for agency-wide use • Conducted legal research and analysis to Office of Grant Policy and Oversight on matters including: <ul style="list-style-type: none"> ○ Compliance with FOIA, the Buy American Act, the Grants Management Common Rule and the Paperwork Reduction Act ○ Proper grantee adherence to OMB cost principles contained within OMB Circulars A-21, A-87, A-102, and A-122 ○ Prepared written responses to Congressional inquiries for information on grant award recipient’s allocation of funds and initiating data collections from grant award recipients
[International Research and Exchanges Board] (March/2001 –August/2003)	<ul style="list-style-type: none"> • Managed subgrant agreements to Eastern European media outlets ranging from multi-year awards to small equipment grants under a USAID cooperative agreement • Evaluated sub-grant applications and made funding obligation recommendations based upon cooperative agreement sub-award criteria • Negotiated and managed contracts with US-based media trainers providing direction to Eastern European media outlets on Democratic media practices • Wrote sub-grants and contracts for programs in Serbia, Kosovo, and Montenegro • Wrote, compiled and edited quarterly reports on program activity in Serbia for USAID • Evaluated monthly field office financial reports for compliance with OMB cost principles contained within Circular A-122 and performed quality control review to ensure that proper coding was used in tracking office expenditures
Employment History	
<ul style="list-style-type: none"> • Federal Bar Association, Committee Co-Chairman (December/2011 - present) • LMI, Grants Analyst (April/2013 - present) • Deloitte Consulting LLP, Senior Consultant (October/2009 – April/2013) • Data Federal Corporation, Manager, Grants Management Services (October/2008 – October/2009) • Department of Homeland Security, Management and Program Analyst, June/2005 – June/2006 • International Research and Exchanges Board, Program Coordinator, March/2001 – August/2003 	



Keith Novak	
Current Employer:	CliftonLarsonAllen LLP
Project Role:	Quality Assurance Partner
Proposed Pool(s):	<ul style="list-style-type: none"> • Pool 1 • Pool 2 • Pool 3
Total Years of Relevant Experience:	33 years
Education	Bachelor of Science, Accounting, University of Maryland, June 1980
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Certified Public Accountant • AICPA - Member • Maryland Association of Certified Public Accountants - Member • Maryland Government Finance Officers Association - Member • Government Finance Officers Association of the United States and Canada - Member
Experience Relevant to SOW	
State of South Carolina	<ul style="list-style-type: none"> • Financial Statement audit in accordance with government audit standards (June 2005 – Present); Single audit in accordance with OMB Circular A-133 (2012) • Engagement Partner June 2005 – June 2007; Quality Control Partner July 2007 - Present • Mr. Richard Gilbert Interim State Auditor 803-253-4160 1401 Main Street, Suite 1200 Columbia, South Carolina 29201
Baltimore County, Maryland Mr. Michael Kolbe Chief Accountant 410-887-2466 400 Washington Avenue Towson, Maryland 21204	<ul style="list-style-type: none"> • Engagement partner June 2006 – June 2009, Quality Control partner and technical Adviser July 2009 - Present
Northeast Maryland Waste Disposal Authority	<ul style="list-style-type: none"> • Financial Statement audit in accordance with government audit standards and single audit in accordance with OMB Circular A-133



Keith Novak	
<p>Ms. Catherine Coble Director of Finance and Administration 410-333-2730 Tower II – Suite 402 100 South Charles Street Baltimore, Maryland 21201-2705</p>	<ul style="list-style-type: none"> Engagement Partner June 2004 - Present
<p>Prince George’s County, Maryland Mr. Charles M. Curtis, Jr. Director of Accounting 301-952-3879 14741 Governor Oden Bowie Drive Upper Marlboro, Maryland 20772</p>	<ul style="list-style-type: none"> Financial statement audit in accordance with government audit standards and single audit in accordance with OMB Circular A-133 Served as engagement partner June 2010 - Present
<p>Montgomery County, Maryland Ms. Leslie Rubin Contract Administrator, Office of Legislative Oversight 240-777-7998 100 Maryland Avenue Rockville, Maryland 20850</p>	<ul style="list-style-type: none"> Financial Statement audit in accordance with government audit standards and single audit in accordance with OMB Circular A-133 Engagement partner June 2009 – June 2012
Employment History	
<ul style="list-style-type: none"> Wooden & Benson, Partner (01/1985 – 12/2003) Clifton Gunderson, LLP, Partner (01/2004 – 12/2011) CliftonLarsonAllen, LLP, Partner (01/2012 – Present) 	

Wiesam Sheikhi	
Current Employer:	CliftonLarsonAllen LLP
Project Role:	Associate
Proposed Pool(s):	<ul style="list-style-type: none"> Pool 1



Wiesam Sheikhi	
	<ul style="list-style-type: none"> • Pool 2 • Pool 3
Total Years of Relevant Experience:	6 years
Education	Bachelor of Accountancy, Accounting, Masters of Accounting, Accounting, Devry University
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Security Specialist, Virginia
Experience Relevant to SOW	
	<ul style="list-style-type: none"> • Conducted comprehensive CFO Act financial statement audits for federal government agencies • Participated in entrance and exit conferences with clients • Prepared audit programs and test of design forms • Performed internal control and substantive testing procedures • Identified and communicated accounting and auditing matters to managers and partners • Proposed adjusting journal entries and discussed audit findings with clients • Documented audit procedures and cross-referenced work papers • Validated cost documentation package to ensure correct direct and indirect rates are applied
Employment History	
	<ul style="list-style-type: none"> • Fitzgerald, Snyder & Co, McLean, VA, Staff Auditor I, 2007 to 2008 • GKA, P.C., Washington D.C., Senior Auditor • Aronson & Company, Rockville, MD, Staff Auditor II, 2008 to 2009

Tram-Anh Vo	
Current Employer:	CliftonLarsonAllen LLP
Project Role:	Associate
Proposed Pool(s):	<ul style="list-style-type: none"> • Pool 1 • Pool 2 • Pool 3
Total Years of Relevant Experience:	1 year
Education	Bachelor of Arts, Government and International Politics, George Mason University, 2007



Tram-Anh Vo	
	Bachelor of Science, Accounting, George Mason University, 2011
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Association of Government Accountants
Experience Relevant to SOW	
<p>[Pension Benefit Guaranty Corporation] [Mary Davis-Williams, 202-326-4000, 1200 K Street, NW, Suite 480, Washington, DC 20005-4026]</p> <p>[United States Capitol Police] [Dewayne Chamberlain, 202-593-3526, 499 South Capitol, SW, Washington, DC 20003]</p> <p>[DC Retirement Board]</p> <p>[Library of Congress] [Birchard Allen, 202-707-8909, 101 Independence Avenue, SE, Washington, DC 20540-9411]</p>	<ul style="list-style-type: none"> • Performed annual financial statement auditing services for the Pension Benefit Guaranty Corporation, United States Capitol Police, DC Retirement Board and Library of Congress. • Government contract manual billing for FFP, CPFF and T&M contract types. • Knowledge of key principles of contract invoicing and billing requirements. • Analyze unbilled analysis and reconciliation of billing to cost reports. • Knowledge of WAWF and MPO reporting system. • Reviewed standard audit programs, audit steps, prior year work papers, reports, and other guidance materials, and drafted audit reports covering audit steps performed, including findings and conclusions, in accordance with agency procedures. • Interviewed key personnel and performed walkthrough of specific audit areas. • Performed internal control, compliance and substantive testing for Fund Balance with Treasury, PP&E and Depreciation, Imputed Cost, Payroll, Statement of Net Cost, Statement of Net Position and Accounts Receivables. • Reviewed the financial statements and note disclosures for consistency and accuracy • Evaluated the design and effectiveness of internal controls • Tested compliance with applicable laws and regulations • Reviewed accounts analytically to determine any material or unusual variances. • Identified significant deficiencies in internal control.
Employment History	
<ul style="list-style-type: none"> • Labat-Anderson, Washington, DC, Data Analyst, 2006 to 2007 • Troutman Sanders LLP, McLean, VA, Administrative Assistant • AJ Dvoskin and Associates, Fairfax, VA, Leasing Admin, 2008 to 2008 • USMP, Washington, DC, Marketing Manager, 2007 to 2008 	

Jody Frantz	
Current Employer:	CliftonLarsonAllen LLP



Jody Frantz	
Project Role:	Consultant
Proposed Pool(s):	<ul style="list-style-type: none"> • Pool 3
Total Years of Relevant Experience:	7 years
Education	<ul style="list-style-type: none"> • Master of Business Administration, University of Chicago, 2005 • Bachelor of Science, Ecology, Evolution of Behavioral Biology, Beloit College
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • Certified Fraud Examiner • The Association of Certified Fraud Examiners • The Institute of Internal Auditors • Twin Cities Chapter of Certified Fraud Examiners
Experience Relevant to SOW	
The School District of Philadelphia (03/2011 – 03/2012) Joseph D'Alessandro Special Projects Director 440 North Broad Street Portal B, 3rd Floor Philadelphia, PA 19130 (215) 400-6540	<ul style="list-style-type: none"> • Developed a comprehensive risk assessment and formal policies and procedures related to the various processes within grant administration and compliance to address any identified shortcomings. The outcome of our work allowed the District to ensure compliance with all federal, state requirements; provide assurance that grant-related expenditures meet all the requirements; ensure that the District has sufficient policies and procedures in place to safeguard grant funds and demonstrate compliance; maintain uniformity, accuracy, timeliness and completeness in the production of required supporting documentation for all transactions
Department of Justice (09/2007 – 12/2007) D. Gerald Wilhelm, Esq., Assistant U.S. District Attorney (612) 664-5643	<ul style="list-style-type: none"> • Investigated suspected Medicaid fraud by several large health service providers by electronically reconstructing years of provider payroll from hard copy records and comparing provider records to the State's billing documentation to classify legitimate versus fraudulent billing. Findings were relied upon by the Department of Justice and the State of Minnesota in developing their prosecution cases
Employment History	
<ul style="list-style-type: none"> • CliftonLarsonAllen LLP, Manager (04/2007 – 04/2013) • WhiteStone Farms LLP, Director (08/2005– 04/2007) • Rock Island Securities, Director (06/2000 – 09/2004) 	



Anthony Bohorquez, CPA, CFF, CFE	
Current Employer:	CliftonLarsonAllen LLP
Project Role:	Manager
Proposed Pool(s):	Pool 3
Total Years of Relevant Experience:	14 years
Education	Bachelor of Science, Accounting, University of Southern California
Professional Licenses and Affiliations	<ul style="list-style-type: none"> • American Institute of Certified Public Accountants • California Society of Certified Public Accountants • Association of Certified Fraud Examiners • Certified Public Accountant • Certified in Financial Forensics • Certified Fraud Examiner
Experience Relevant to SOW	
<ul style="list-style-type: none"> • Assisted an oil and gas conglomerate in responding to an SEC financial reporting and securities investigation of accounting irregularities pertaining to revenue recognition. Reviewed policies and procedures, procurement and construction contracts, historical accounting records, predecessor audit work papers, board of directors' minutes and other internal e-mails and correspondences as well as conducted interviews of former and current company employees. • Investigated allegations of earnings management, improper revenue recognition, inappropriate capitalization of assets, and Foreign Corrupt Practice Act violations of an oil service company's subsidiary in South America. Reported findings to the Company's independent counsel, audit committee, and external auditors. • Provided litigation support and investigative services in uncovering a scheme of overstated sales and accounts receivable supported by falsified bank statements, invoices, and check payments, as well as related party wire transfers. • Reviewed and analyzed loan transactions and related purchases and sales of inventory. Compared bank statements and inventory records to tax returns in demonstrating overstated and duplicate inventory across related parties. Reviewed and identified potential related parties and off-shore payments. • Assisted counsel in an investigation into alleged violations of the Foreign Corrupt Practices Act. The investigation included the review of commission expense general ledgers and supporting documentation to determine the purpose and to identify the parties associated with the recorded expense. Findings were used in settlement discussions between the client and the Department of Justice. • Performed forensic accounting analysis in a fraud investigation of a European company's purchase of a Spanish competitor. Accounting records, sales invoices and related supporting documentation were reviewed to determine whether transactions were recorded properly according to Spanish GAAP. • Reported to outside counsel to the Special Committee of the Board of Directors in an independent review into the Company's stock option accounting. The review included an examination of accounting policies, accounting records, supporting documentation, and e-mail communications to determine the appropriateness of stock options granted. • Conducted an internal investigation of the Spanish affiliate of a European manufacturing company in 	



Anthony Bohorquez, CPA, CFF, CFE

response to allegations of bribery and misappropriation of assets. The investigation included conducting interviews of company personnel and analyzing accounting records, tax records, and project records for evidence of fraud.

- Reviewed internal controls over financial reporting for compliance with the Sarbanes-Oxley Act. In addition, interviewed management, identified weaknesses in internal controls and recommended the implementation of more effective internal controls.



Appendix B: CLA Financial Capability



CLA is a privately held public accounting and consulting firm in existence for over 50 years. We do not have audited financial statement prepared for any reason. As we have included internally prepared financial statement in a separate file, *RFQ768892S Technical Appendix B CLA*.



Appendix C: Subcontractor Consent Letters





Subcontractor Consent Letter

April 4, 2013

State of New Jersey
Department of Treasury
Division of Purchase and Property

Program and Process Management Auditing, Financial Auditing and Grant
Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery
Assistance (HURRICANE SANDY)

Reference: RFQ768892S
Attention: Kelly Anderson-Thomas

Dear Ms. Anderson-Thomas:

Franklin and Turner (F&T) is a subcontractor to CliftonLarsonAllen LLP (CLA) for the above referenced solicitation. Per the final RFQ, Section 1.6, **F&T consents/grants permission to the Prime Contractor (CLA) for the use of its name in the response to RFQ768892S.**

If you have any questions concerning this letter, please do not hesitate to contact me at (301) 474-0147 or at melissa.hamilton@usfti.com

Respectively,

Melissa Hamilton, MBA, CPA, PMP
Principal
Franklin and Turner





April 3, 2013

Alison Santighian
Federal Proposal Manager
Clifton Larson Allen LLP
11710 Beltsville Drive, Suite 300
Calverton, MD 20705

RE: RFQ 768892S

Alison,

Pursuant to RFQ, Section 1.6:

"Obtain, in writing, the consent of any proposed subcontractor to use its name in response to the RFP,"

iParameters is please to confirm our consent to utilize our company as a subcontractor on this proposal.

Best regards,

Paul S. Pelletier, Jr.
Principal & Co-founder
iParameters, LLC





April 8, 2013

Attn: Kelly Anderson-Thomas
Department of the Treasury
Division of Purchase & Property Procurement Bureau
33 W. State Street, 9th Floor
P. O. Box 230 Trenton, NJ 08625-0230

Dear Ms. Anderson-Thomas:

Logistics Management Institute (LMI) is a subcontractor to CliftonLarsonAllen LLP (CLA) for the above referenced solicitation. Per the final RFQ, Section 1.6, LMI grants permission to the Prime Contractor (CLA) for the use of its name in the response to RFQ768892S.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. G. Moeller".

William G. Moeller

Senior Director of Contracts



State of New Jersey
Division of Purchase & Property

Subcontractor Forms

Subcontractor Utilization Plan Form

Any bidder intending to subcontract must complete the Subcontractor Utilization Plan. Bidders are instructed to list all proposed subcontractors on the Plan. See attached form. Pursuant to N.J.S.A. 52:32-44, all subcontractors must have a valid Business Registration Certificate on file with the Division of Revenue and a copy of the registration certificate should be attached to this form.

Procedures For Small Business Subcontracting Set-Aside Contracts

If the RFP indicates that there is a Small Business Subcontracting Set-Aside requirement for this contract and the bidder intends to utilize any subcontractors during the course of the contract(s) to be awarded as a result of this Request for Proposal (RFP), the bidder will include small business subcontracting targets pursuant to NJAC 17:13-4. and Executive Order 71. Each bidder is required to make a good faith effort to meet the set-aside subcontracting targets of awarding a total of twenty-five percent (25%) of the value of the contract to New Jersey-based, Division of Revenue - Small Business Enterprise Unit registered small businesses, with a minimum of five (5) percent awarded to each of the three categories set forth below, and the balance of ten (10) percent spread across the three categories.

Definitions:

1. Small business means a business that:
 - is independently owned and operated
 - is incorporated or registered in and has its principal place of business located in the State of New Jersey.
 - has 100 or fewer full-time employees
 - has gross revenues falling in one of the following three categories:
 - a. 0 to \$500,000 (Category I);
 - b. \$500,001 to \$5,000,000 (Category II);
 - c. \$5,000,001 to \$12,000,000, or the applicable federal revenue standards established at 13 CFR 121.201, whichever is higher (Category III);
2. Division of Revenue - Small Business Enterprise Unit Registered Small Business means a small business that meets the New Jersey requirements and definitions of "small business" and has applied for and been approved by the Division of Revenue - Small Business Enterprise Unit as a small business.

Suggested Procedure to Demonstrate a Good Faith Effort on Small Business Subcontracting Set-Aside Contracts

If the RFP contains small business subcontracting set-aside goals and a bidder intends to subcontract, the following actions should be taken to achieve the set-aside subcontracting goal requirements:

1. Attempt to locate eligible small businesses in Categories I, II and III appropriate to the RFP;
2. Request a listing of small businesses by Category from the Division of Minority and Women Business Development;
3. Record efforts to locate eligible businesses, including the names of businesses contacted and the means and results of such contacts;
4. Provide all potential subcontractors with detailed information regarding the specifications;
5. Attempt, whenever possible, to negotiate prices with potential subcontractors submitting higher than acceptable price quotes;
6. Obtain, in writing, the consent of any proposed subcontractor to use its name in response to the RFP; and,
7. Maintain adequate records documenting efforts to achieve the set-aside subcontracting goals.

Proposals should also contain the following items with the Plan, as applicable:

1. A copy of the Division of Revenue - Small Business Enterprise Unit Registered Small Business proof of registration as a small business for any business proposed as a subcontractor; and,
2. Documentation of the bidder's good faith effort to meet the targets of the set-aside subcontracting requirement in sufficient detail to permit the Bid Review Unit of the Division of Purchase and Property to effectively assess the bidder's efforts to comply if the bidder has failed to attain the statutory goals.

If awarded the contract, the bidder shall notify each subcontractor listed in the Plan, in writing.

NOTE THAT A BIDDER'S FAILURE TO SATISFY THE SMALL BUSINESS SUBCONTRACTING TARGETS OR PROVIDE SUFFICIENT DOCUMENTATION OF ITS GOOD FAITH EFFORTS TO MEET THE TARGETS WITH THE BID PROPOSAL OR WITHIN SEVEN (7) BUSINESS DAYS UPON REQUEST SHALL PRECLUDE AWARD OF A CONTRACT TO THE BIDDER.

Bidders seeking eligible small businesses should contact:

New Jersey Division of Revenue - Small Business Enterprise Unit
33 West State Street - Fifth Floor
PO Box 026, Trenton, NJ 08625-0026
Telephone: (609) 292-2146 Fax: (609) 984-6679

Each bidder awarded a contract for a procurement which contains the set-aside subcontracting goal requirement shall fully cooperate in any studies or surveys which may be conducted by the State to determine the extent of the bidder's compliance with NJAC 17:13-1.1 et seq., and this Notice to All Bidders.

REQUIRED SUBMISSION IF BIDDER INTENDS TO SUBCONTRACT

STATE OF NEW JERSEY DIVISION OF PURCHASE AND PROPERTY (DPP) SUBCONTRACTOR UTILIZATION PLAN	DPP Solicitation No.: RFQ768892S
Bidder's Name and Address: CliftonLarsonAllen	DPP Solicitation Title: PROGRAM AND PROCESS MANAGEMENT AUDITING, FI
	Bidder's Telephone No.: 3019312050 Bidder's Contact Person: Mia Leswing

INSTRUCTIONS: List all businesses to be used as subcontractors. This form may be duplicated for extended lists.

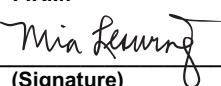
SUBCONTRACTOR'S NAME ADDRESS, ZIP CODE TELEPHONE NUMBER AND VENDOR ID NUMBER	CHECK HERE IF CONTRACT IS NOT SMALL BUSINESS <input checked="" type="checkbox"/>			TYPE(S) OF GOODS OR SERVICES TO BE PROVIDED	ESTIMATED VALUE OF SUBCONTRACTS
	SMALL BUSINESS CATEGORY *				
	I	II	III		
Logistics Management Institute (LMI); 2000 Corporate Ridge, McLean, VA 22102; 571-633-7982; LMI is a not-for-profit organization				Prof. Services	TBD
Franklin & Turner (F&T); 1629 K Street, NW, Suite 300, Washington, DC 20006; 202.204.2238; F&T is a small business, and is applying for NJ SBE status				Prof. Services	TBD
Federal Management Systems, Inc. (FMS); 462 K Street, NW, Washington, DC 20001; 202.842.3003; FMS is a large business				Prof. Services	TBD
iParametrics; 11350 Random Hills Road, 8th Floor, Fairfax, VA 22030; 571.229.2838; iParametrics is a large business				Prof. Services	TBD

* For those Bidders listing Small Business Subcontractors: Attach copies of Division of Revenue - Small Business Enterprise Unit registration for each subcontractor listed. If bidder has not achieved established subcontracting set-aside goals, also attach documentation of good faith effort to do so in the relevant category in accordance with NJAC17:13-4 and the Notice to All Bidders.

I hereby certify that this Subcontractor Utilization Plan (Plan) is being submitted in good faith. I certify that each subcontractor has been notified that it has been listed on this Plan and that each subcontractor has consented, in writing, to its name being submitted for this contract. Additionally, I certify that I shall notify each subcontractor listed on the Plan, in writing, if the award is granted to my firm, and I shall make all documentation available to the Division of Purchase and Property upon request.

I further certify that all information contained in this Plan is true and correct and I acknowledge that the State will rely on the truth of the information in awarding the contract.

PRINCIPAL OF FIRM:

 (Signature)	Partner (Title)	April 8, 2013 (Date)
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"N.J.S.A. 52:34-13.2 CERTIFICATION"

SOURCE DISCLOSURE CERTIFICATION FORM

Contractor: CliftonLarsonAllen LLP Waiver Number: RFQ768892S

I hereby certify and say:

I have personal knowledge of the facts set forth herein and am authorized to make this Certification on behalf of the Contractor.

The Contractor submits this Certification in response to the referenced contract issued by the Division of Purchase and Property, Department of the Treasury, State of New Jersey (the "Division"), in accordance with the requirements of N.J.S.A. 52:34-13.2.

Instructions:

List every location where services will be performed by the Contractor and all Subcontractors.

If any of the services cannot be performed within the United States, the Contractor shall state, with specificity the reasons why the services cannot be so performed. Attach additional pages if necessary.

<u>Contractor and/or Subcontractor</u>	<u>Description of Services</u>	<u>Performance Location[s] by COUNTRY</u>	<u>Reasons why services cannot be performed in USA</u>
CliftonLarsonAllen	Prof. Services	US	
FMS Inc.	Prof. Services	US	
Franklin & Turner	Prof. Services	US	
iParametrics	Prof. Services	US	
LMI	Prof. Services	US	

Any changes to the information set forth in this Certification during the term of any contract awarded under the referenced solicitation or extension thereof will be immediately reported by the Contractor to the Director, Division of Purchase and Property (the "Director").

The Director shall determine whether sufficient justification has been provided by the Contractor to form the basis of his certification that the services cannot be performed in the United States and whether to seek the approval of the Treasurer.

I understand that, after award of a contract to the Contractor, it is determined that the Contractor has shifted services declared above to be provided within the United States to sources outside the United States, prior to a written determination by the Director that extraordinary circumstances require the shift of services or that the failure to shift the services would result in economic hardship to the State of New Jersey, the Contractor shall be deemed in breach of contract, which contract will be subject to termination for cause pursuant to Section 3.5b.1 of the Standard Terms and Conditions.

I further understand that this Certification is submitted on behalf of the Contractor in order to induce the Division to accept a bid proposal, with knowledge that the Division is relying upon the truth of the statements contained herein.

I certify that, to the best of my knowledge and belief, the foregoing statements by me are true. I am aware that if any of the statements are willfully false, I am subject to punishment.

Contractor: CliftonLarsonAllen LLP
[Name of Organization or Entity]

By: Mia Leswing

Title: Partner

Print Name: Mia Leswing

Date: April 5, 2013

April 8, 2013

Proposal to Provide Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy) to –



STATE OF NEW JERSEY

**GSA Schedule RFQ768892S
Price Proposal**

Prepared by –

CLIFTONLARSONALLEN LLP

Amelia S. Leswing, CPA, CISA, CGFM, Partner

11710 Beltsville Drive, Suite 300

Calverton, Maryland 20705

571.227.9607 phone

Mia.Leswing@cliftonlaronallen.com



CliftonLarsonAllen

www.cliftonlaronallen.com

April 8, 2013

Department of the Treasury
Division of Purchase & Property Procurement Bureau
33 W. State Street, 9th Floor
P. O. Box 230
Trenton, NJ 08625-0230
Attn: Kelly Anderson-Thomas
Via email

Dear Ms. Anderson-Thomas:

Enclosed please find CliftonLarsonAllen LLP's (CLA) Price Proposal in response to General Services Administration (GSA) Schedule Request for Quote (RFQ) 768892S. Per the RFQ, we acknowledge modifications 1 through 7 and all revisions contained therein. Our Technical Proposal is provided under separate cover, in two files, RFQ768892S Technical CLA.pdf and RFQ768892S Technical Appendix A CLA.pdf.

Our price proposal, in accordance with the Final Price Schedule dated April 3, 2013, and released with Modification 7, includes our proposed rates for the required staff classifications. We discounted our GSA MOBIS schedule rates by five (5) percent. We mapped our labor categories to the staff classification on the Final Revised Price Schedule.

We look forward to providing the State exceptional services for its audit integrity monitoring requirements. If you have any questions regarding our price proposal, please do not hesitate to contact me at Mia.Leswing@cliftonlarsonallen.com or 571.227.9607.

Sincerely,

CLIFTONLARSONALLEN LLP



Amelia S. Leswing, CPA, CISA, CGFM
Partner

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1 Exhibit A, Cost Schedule (6.0, 7.0) 1



1 Exhibit A, Cost Schedule (6.o, 7.o)

FINAL REVISED PRICE SCHEDULE

PROGRAM AND PROCESS MANAGEMENT AUDITING, FINANCIAL AUDITING AND GRANT MANAGEMENT, INTEGRITY MONITORING SERVICES, & OTHER RELATED SERVICES FOR DISASTER RECOVERY AND LONG TERM PLANNING PROJECT

(HURRICANE SANDY)

RFQ

Refer to RFQ Section 3.0 (Scope of Work) for task requirements and deliverable, Section 4.4 (Staff Classifications), and Section 6.0 (Cost Proposal) for additional information regarding this Price Schedule.

Bidder's Name: CliftonLarsonAllen

POOL 1: PROGRAM AND PROCESS MANAGEMENT AUDITING

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
1	Partner/Principal/Director	\$240.45	\$247.66	\$255.09
2	Program Manager	\$192.14	\$197.90	\$203.84
3	Project Manager	\$175.18	\$180.44	\$185.85
4	Subject Matter Expert	\$240.45	\$247.66	\$255.09
5	Senior Consultant	\$138.13	\$142.27	\$146.54
6	Consultant	\$132.36	\$136.33	\$140.42
7	Associate/Staff	\$78.35	\$80.70	\$83.12
8	Administrative Support	\$56.06	\$57.74	\$59.47



Bidder's Name: CliftonLarsonAllen

POOL 2: FINANCIAL AUDITING AND GRANT MANAGEMENT

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
1	Partner/Principal/Director	\$240.45	\$247.66	\$255.09
2	Program Manager	\$192.14	\$197.90	\$203.84
3	Project Manager	\$175.18	\$180.44	\$185.85
4	Subject Matter Expert	\$240.45	\$247.66	\$255.09
5	Senior Consultant	\$138.13	\$142.27	\$146.54
6	Consultant	\$132.36	\$136.33	\$140.42
7	Associate/Staff	\$78.35	\$80.70	\$83.12
8	Administrative Support	\$56.06	\$57.74	\$59.47



Bidder's Name: CliftonLarsonAllen

POOL 3: INTEGRITY MONITORING/ANTI-FRAUD

LINE #	STAFF CLASSIFICATIONS	YEAR 1 HOURLY RATE	YEAR 2 HOURLY RATE	YEAR 3 HOURLY RATE
1	Partner/Principal/Director	\$240.45	\$247.66	\$255.09
2	Program Manager	\$192.14	\$197.90	\$203.84
3	Project Manager	\$175.18	\$180.44	\$185.85
4	Subject Matter Expert	\$240.45	\$247.66	\$255.09
5	Senior Consultant	\$138.13	\$142.27	\$146.54
6	Consultant	\$132.36	\$136.33	\$140.42
7	Associate/Staff	\$78.35	\$80.70	\$83.12
8	Administrative Support	\$56.06	\$57.74	\$59.47

