

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

REQUEST FOR QUALIFICATIONS / PROPOSALS for AUDITING AND JOB CERTIFICATION REVIEW CONSULTING SERVICES (reference 2016-RFQ/P-076 – RE-BID)

(THIS IS A RE-BID of 2016-RFQ/P-067)

1. INTENT / SUMMARY of SCOPE:

The New Jersey Economic Development Authority (“Authority”) is seeking proposals from Certified Public Accounting firms with demonstrated experience in providing Auditing and Job Certification Review Consulting Services (“Auditing and Job Certification Review Services”, “Services”) of similar size and scope as that required herein. The successful Proposer (“Auditor,” “Vendor”, “Auditor / CPA Firm”) will work independently, utilizing American Institute of Certified Public Accountant (“AICPA”) standards, to test, audit and document its findings on CPA Cost Certifications. Firms may also be asked to review Applicant submitted Job Certification Reports submitted for incentive projects. These Auditing and Job Certification Review Services will authenticate and validate that the information, provided in the CPA cost certification and/or CFO job certification reports, is true, accurate and consistent with the approval of the incentive by the Authority’s Board and meets all statutory and regulatory guidelines, as defined for each respective program. The successful Proposer’s staff dedicated to perform these Auditing and Job Certification Review Consulting Services, shall be licensed Certified Public Accountants (“CPAs”). Interested Proposers are directed to “Requirements of the Proposer - Section 17- Qualifications / Performance Of The Proposer On Contracts Of Similar Size And Scope / Description Of The Proposer’s Organization” for additional information regarding this mandatory requirement. .

Due to the potential for a CPA / Auditor Firm to encounter a conflict of interest on a given Applicant Audit and Job Certification Review, and to ensure transparency and timeliness of review, it is the intent of the Authority to award three (3) three (3) year contracts with two (2) one (1) year extension options, to be exercised at the sole discretion of the Authority, under the same specifications, terms and conditions, to provide these Auditing and Job Certification Review Consulting Services. Pricing may be adjusted during one (1) or both of the extension option years, based on the “Annual Percentage Price Escalator” (if any), as stated in the Vendor’s “Fee Schedule” (ref. *Exhibit R – Line Item # 3*). Interested Proposers should refer to “Section 38 – Term” and “Section 39 - Award” of this RFQ/P, for additional information.

Interested Firms will note that this is a re-bid of the previously issued solicitation 2016-RFQ/P-067 for which no responsive proposals were received.

Due to the magnitude and importance of the work to be performed, proposals submitted by an individual / sole proprietor will not be considered.

Notwithstanding the expiration or termination of the Agreement, the Authority reserves the right, in its sole discretion, to extend the Agreement on a month-to-month basis beyond the expiration or termination, until a replacement Auditor / CPA Consultant Firm is contracted and engaged to provide these services.

2. BACKGROUND:

The New Jersey Economic Development Authority (“Authority”, “EDA”), which was established to promote economic and urban development in the State, is an independent instrumentality of the State of New Jersey. The Authority is a state financing and economic development agency that offers financing assistance to for-

profit businesses and non-profit organizations, access to Small Business services, real estate development assistance and incentives to attract and retain businesses in New Jersey. In addition, it plays a key role in implementing major development projects, by providing site selection services, as well as a full range of real estate development services, from assembling land and structuring financing to overseeing building construction. This full-service approach produces considerable financing advantages and cost benefits that make it easier and more affordable for companies to locate and stay in New Jersey. The Authority can assist credit-worthy businesses that need facilities for manufacturing, distribution or research; developers of projects involving office, retail, entertainment and hotel uses; and governmental entities requiring new or renovated facilities.

Since its inception in 1974, the New Jersey Economic Development Authority has provided just over \$44.2 billion dollars in assistance, to nearly 13,000 projects. These projects have created an estimated 377,491 jobs within the State. In 2015, the Authority provided over \$966 million dollars in assistance to five hundred twenty (520) projects and created more than 5,100 new full-time jobs and 7,900 construction jobs. The New Jersey Economic Development Authority has developed approximately 9.25 million square feet of new and improved space, valued at more than \$1.3 billion dollars.

Grow New Jersey – Economic Opportunity Act (EOA):

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "*Economic Opportunity Act of 2014, Part 3,*" (EOA) P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per *N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1* and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

Grow New Jersey – Legacy:

As created by statute in 2012, the Grow New Jersey Assistance (Grow NJ) Program was available to businesses creating or retaining a minimum 100 jobs in New Jersey and making a qualified capital investment of at least \$20 million at a qualified business facility. Applications to the Grow NJ Program were evaluated to determine eligibility in accordance with *N.J.S.A. 34: 1B-242 et seq./N.J.A.C. 19:31-18*, based on representations made by applicants to the Authority. In addition to satisfying the statutorily-established job and capital investment requirements, applications underwent a material factor review to verify that the tax credits were material to the project advancing in New Jersey. Applications were also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

For more detailed information regarding these Incentive Programs, Proposers may access the following:

Grow NJ Program Statute:

http://www.njeda.com/pdfs/Rules-and-Regs/Grow_New_Jersey_Assistance_Act_Updated_032016.aspx

Grow NJ Program Rules:

<http://www.njeda.com/pdfs/Rules-and-Regs/Grow-New-Jersey-Assistance-Program-Rules-Updated-0.aspx>

Economic Redevelopment and Growth (ERG) Program - Economic Opportunity Act (EOA):

As created by statute, the Economic Redevelopment and Growth (ERG) Program offers state incentive grants to finance development projects that demonstrate a financing gap. Applications to the ERG Program are evaluated to determine eligibility in accordance with *P.L. 2013, c. 161* and as amended through the “*Economic Opportunity Act of 2014, Part 3*,” *P.L. 2014, c. 63*, based on representations made by applicants to the Authority. Per *N.J.S.A. 52:27D-489a / N.J.A.C. 19:31-4* and the program’s rules, developers or non-profit organizations on behalf of a qualified developer, must have a redevelopment project located in a qualifying area, demonstrate that the project has a financing gap, meet minimum environmental standards, meet a 20% equity requirement, and, except with regards to a qualified residential project, yield a net positive benefit to the state; applications are subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. With the exception of Residential ERG projects, grants are made annually based on the incremental eligible taxes actually generated as a result of the project.

ERG – Legacy:

Created by law in 2009, the intent of the Economic Redevelopment and Growth (ERG) program was to provide State incentive grants to developers to capture new State incremental taxes derived from a project’s development to address financing gap. Applications to the ERG Program were evaluated to determine eligibility in accordance with *N.J.S.A. 34:1B-207 et seq. / N.J.A.C. 19:31-9*, including having a redevelopment project that is located in a qualifying area; not having begun any construction at the site of the proposed project prior to submitting an application, except in certain cases; demonstrating an existing financing gap; meeting a 20% equity requirement; and, meeting a net benefit test. Grants are made annually based on the incremental eligible taxes actually generated as a result of the project.

ERG Program Statute:

http://www.njeda.com/pdfs/Rules-and-Regs/ERG_Program_Statute_Updated_042016.aspx

ERG Program Rules:

http://www.njeda.com/pdfs/Rules-and-Regs/ERG-Program-Rules-Updated-08_17_2015.aspx

Urban Transit Hub Tax Credit Program:

Created by law in 2007, the intent of the Urban Transit Hub Tax Credit Program was to encourage capital investment and increased employment in targeted urban rail transit hubs to catalyze economic development in the areas. Applications to the Program were evaluated to determine eligibility in accordance with *N.J.S.A. 52:27D-489 a. through o. / N.J.A.C. 19:31-4*, based on representations made by applicants to the Authority. This includes: for a qualified business facility, a business other than a tenant, must make or acquire capital investments of at least \$50 million at a qualified business facility, located in an urban transit hub, and employ not fewer than 250 full-time employees; if the business is a tenant, make or acquire capital investments of at least \$17.5 million and, along with up to two other tenants, employ at least 250 full-time employees; for a qualified residential project, make or acquire capital investments of at least \$50 million, but not be required to meet employment requirements; for a qualified mixed use facility, make or acquire capital investments equaling at least \$17.5 million at a qualified business facility; and employ not fewer than 250 full-time employees; for a qualified residential project that includes a mixed-use project, make or acquire capital investments of at least \$17.5 million at a qualified business facility, but not be required to meet employment requirements. For an application involving intra-State job transfers, EDA Board made a separate determination to verify and confirm that the jobs were at risk of leaving the state as attested to in a CEO certification. Applications must also meet a net benefit test.

Hub Program Statute:

https://www.judiciary.state.nj.us/legis/2007c346_law.pdf

Hub Program Rules:

http://www.njeda.com/web/pdf/reg/NJAC_19_31_9%20Adopted.pdf

3. PROJECTED MILESTONE DATES:

- Q & A Period Ends: Tuesday, August 23, 2016 at 2:00 PM (prevailing local time)
- Proposals Due: Tuesday, August 30, 2016 at or before 3:00 PM (prevailing local time)
- Interviews (if conducted): late September, 2016 (between the hours of 9:00 AM – 5:00 PM)
- Estimated Recommendation for Award: October 11, 2016 Authority Board Meeting
- Expiration of Gubernatorial Veto Period: on or about late October, 2016
- “Conditional Notice of Award” Issued: on or about October 13, 2016
- Compliance Submissions Due: with the proposal or within ten (10) business days of the issuance of the “Conditional Notice of Award”
- Contract Executed: late October, 2016, or sooner

* The above dates are provided to interested Proposers for planning purposes only. These are estimated timeline dates and do not represent firm commitment dates by which the Authority will take action.

4. BUDGETARY FUNDING ESTIMATE:

The rolling twelve (12) month budget for this award is expected to be up to one hundred thousand (\$100,000.00) dollars, based on the existing number of approved applications / projects to be audited, capped to the amount of individual audits based on complexity and extensivity of the report required. This amount may be adjusted, should additional Incentive programs be identified by the Authority as needing these Auditing and Job Certification Review Services.

Proposers shall note that the Authority does not guarantee these spending levels and reserves the right to increase and / or decrease the budget allotment, at any and all times, throughout the term of the contract and any extensions thereto, with all pricing, terms, conditions and specifications of the original contract and accepted proposal remaining in effect.

5. INFORMATIONAL PRE-BID CONFERENCE:

An Informational Pre-Bid Conference will not be held for this solicitation.

6. SCOPE OF SERVICES / DELIVERABLES:

Proposers are directed to *Attachment A* for more detailed information regarding the requisite Services and Deliverables required of the resulting contract.

7. METHODOLOGY FOR USE:

This is a requirements (i.e. task order) contract; no minimum dollar amount or minimum amount of Work is guaranteed. The need for Auditing and Job Certifications Review Consulting Services will be determined by the Authority, based on the number of Authority-approved Incentive Program Applications to be reviewed.

For purposes of this RFQ/P, on an annual basis, the Authority will determine the number of Incentive Projects to be audited, based on a sample size of ten (10%) percent of the portfolio of closed and certified

projects. These assignments will be issued as individual, project-specific Task Order Requests (“Task Orders”, “Task Order Requests”, “TORs”) for Auditing Services for a specific, completed Incentive Program Application.

The following methodology will be used to award each Incentive Audit assignment, based on a project-specific Task Order Request (TOR) issued for the particular Incentive Program Application:

- A. the Task Order Request (TOR) will be issued to the three (3) CPA / Audit Firm Vendors awarded a contract, to obtain cost proposals relative to the specific Incentive Program Application. It is expected that each Task Order Request will include the following information, as available:
- Applicant name;
 - site address;
 - county location;
 - lot / block number;
 - identify the incentive program awarded (i.e. ERG, Grow NJ, etc.)
 - identify commercial, residential or mixed use;
 - estimated square footage;
 - Applicant identified intended use of funds (i.e. capital equipment purchase, building expansion, demolitions, etc.); and
 - required Due Date for Completion.
- B. Based on the “Fully Burdened Hourly Rates” stated in its “Fee Schedule” (reference *Exhibit R – Section 1A-1M*), the Vendor will respond within five (5) business days and submit its Task Order Cost Proposal. The cost proposal will include all direct and indirect costs to perform the audit, as outlined herein and in the TOR. In submitting its cost proposal, the Vendor affirms that it will conduct and complete the audit in accordance with the specified Due Date for Completion indicated on the TOR. In the event a Vendor is unable to complete the Work described in the TOR by the Due Date for Completion or in the event a conflict of interest exists, the Vendor will respond promptly and indicate that it will not participate in the specific Incentive Program Applicant audit.

At a minimum, the cost proposal will:

- identify each individual, position / title to be involved in the performance of the Work;
- reflect the corresponding number of hours for each position to complete each phase of the audit, as well as corresponding title and “Fully Burdened Hourly Rates”;
- detail the Work to be performed based on Scope, including the written report;
- acknowledge the Authority’s Due Date for Completion by which the Work will be completed;
- include a fully executed “Conflict of Interest Statement” (reference *Attachment C*) ; and
- specify a “Maximum Not-to-Exceed Fee” for the project-specific Task Order Request audit.

A Vendor's "Maximum Not to Exceed Fee" to perform the Work will be an extension of the number of hours for each position billed at the "Fully Burdened Hourly Rates" indicated in the Vendor's "Fee Schedule".

In executing the "Conflict of Interest Statement", a specimen form of which is included herein as Attachment C, the Vendor attests among other things that the Audit / CPA Firm nor any of its staff to be assigned to the project, has a conflict of interest, whether personal, financial or familial regarding the Applicant business, property site or with any business entity, company or individual which may have performed work for the Applicant, regarding the incentive program project. Interested Proposers are directed to "Attachment A – Scope of Services – Section 11 – Conflict of Interest" for additional information. If the Audit / CPA Firm fails to submit its "Conflict of Interest Statement" with its Task Order Cost Proposal, it will not be eligible to work on this particular TOR..

The Vendor shall not submit a cost proposal unless it is certain that it can achieve the requisite Due Date for Completion specified in the Task Order Request.

For purposes of this RFQ/P, a "Fully Burdened Hourly Rate" is defined as an all-inclusive price, to include all direct and indirect costs including but not limited to, direct labor costs, overhead, profit, administrative / clerical support, equipment, materials, supplies, managerial oversight / support and review, attendance at and participation in meetings, all documents, reports, forms, travel, reproduction and copying fees and any other costs the Vendor anticipates incurring, based on its expertise in providing these services to others.

- C. The Authority's Contract Manager will review the Task Order Cost Proposals and will award to the lowest-priced responsive Bidder for the project-specific audit.
- D. Following the Authority's Designated Contract Manager's review and acceptance of the cost proposal and the *Conflict of Interest Statement*, the Audit / CPA Firm will receive an e-mail communication advising to proceed with the Work.
- E. As the Due Date for Completion is deemed to be a crucial component of the audit and job certification review, the Vendor shall ensure that it can achieve this date prior to submitting its cost proposal. Proposers are directed to "Attachment A – Scope of Services – Section 9 – Performance Intervals" for additional information regarding the requisite audit completion requirements, as well as expedited completion requirements.
- F. For normal TORs, the Audit / CPA Firm's invoiced price shall not exceed its "Maximum Not to Exceed Fee", as stated in the specific task Order Cost Proposal, based on its "Fully Burdened Hourly Rates" and as substantiated by the requisite staff timesheets, receipts, audit documentation, etc. For expedited TORs that allow only thirty (30) days or sixty (60) days for completing the Work, the Audit / CPA Firm's invoiced price shall not exceed its "Maximum Not to Exceed Fee", as stated in its cost proposal, based on its "Fully Burdened Hourly Rates" and as substantiated by the requisite staff timesheets, receipts, audit documentation, etc. plus the Maximum Not to Exceed Fee multiplied by the Vendor's Expedited Thirty (30) Day Premium Percentage Fee or the Vendor's Expedited Sixty (60) Day Premium Percentage Fee, as applicable.
- G. The Authority's Designated Contract Manager will be the primary point of contact and will review and approve all Deliverables prior to payment of the completed Task Order. All inquiries will be directed to the Contract Manager, alone.

8. UNINTERRUPTED SERVICES DURING VACATION / ILLNESS / EMERGENCIES:

As part of its proposal submission, the Proposer should provide a detail of its plan to provide a qualified replacement staff to provide the requisite services during the term of the contract and any extensions

thereto, to ensure uninterrupted performance of the Work, in the event of vacation, illness or personal emergency of the Audit / CPA Firm's staff. For purposes of this RFQ/P, the "Work" shall include the services / Deliverables as outlined herein and in the "Attachment A – Scope of Services", hereafter, referred to as "the Work".

This plan may be as simple as identifying an alternate / back-up individual for each position / individual identified in the Proposer's Staffing Chart. Proposers should note that any replacement staff used during illness, vacation or personal emergencies are subject to the same review and approval by the Authority's Designated Contract Manager or his / her designee, as outlined in "Section 22 - Substitution of Staff / Subconsultants". No project deadlines, due dates or meetings are to be cancelled or rescheduled due to the Audit / CPA Firm's staff vacations.

9. FREQUENCY of SERVICES:

In limited instances, a number of the Auditor / CPA Firm's staff may be required to meet with senior executive staff, senior managers, etc. outside of normal business hours, to accomplish the requisite schedule and dates for completion of the Work. For purposes of this RFQ/P, "normal business hours" are defined as Monday through Friday, between the hours of 8:00 AM and 5:00 PM, exclusive of holidays. In these limited instances, a qualified member of the CPA / Auditor's staff must be available to meet with Senior Leadership Team, as needed, outside of normal business hours. Interested Firms should consider the need for such limited work to be performed and include such costs when preparing its "Fee Schedule".

It is expected that only those meetings / discussions which may require the participation of the Authority's senior management, may require scheduling one (1) or more meetings outside of normal business hours as defined herein. It is the Authority's intent to minimize these instances, whenever possible.

10. RESPONSE OUTSIDE of NORMAL BUSINESS HOURS

The Audit / CPA Firm may be required to perform certain aspects of the Work, such as meeting with senior executives after 5:00 PM, site inspections, etc., outside of these "normal business hours". In such instances, the Audit / CPA Firm shall adjust its scheduling to accommodate these scheduling needs.

A. RESPONSE on HOLIDAYS:

The Audit / CPA Firm and its staff shall not be required to perform the Work and provide the requisite Services on the following holidays:

The Audit / CPA Firm will be required to perform the requisite services Monday through Friday, during or outside of normal business hours, as defined herein, with the exception of holidays. For purposes of this RFQ/P, those holidays which are excluded from the services are:

- New Year's Day
- Good Friday
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving Day
- Christmas Day

11. LIMITS of AFTER-HOURS COMPENSATION:

Regarding Work performed outside of normal business hours, the Audit / CPA Firm will consider all charges associated with such "After-Hours Work" since no additional allowance will be provided nor compensation given for overtime, meals and beverages, etc. Additionally, the Authority will not provide additional

compensation for travel time, gasoline or other such travel expenses. The Audit / CPA Firm shall be compensated based on its “Fully Burdened Hourly Rates”, alone.

A. TRAVEL / MILEAGE REIMBURSEMENT:

The Audit / CPA Firm will be compensated for mileage for the use of its staff member’s privately-owned vehicles, ONLY for travel to the Applicant site inspections. Reimbursement will be made at the current US General Administrative Services (GSA) rate of \$.54 (effective January 1, 2016), subject to adjustment at each contract renewal term, based on the then published GSA reimbursement rate per mile as published at:

<http://www.gsa.gov/portal/content/100715>

Compensation for tolls and / or parking shall be approved only when accompanied by a receipt issued by the respective roadway / operating authority.

The Audit / CPA Firm shall submit a MapQuest or similar formatted document, acceptable to the Authority’s Designated Contract Manager, to evidence the staff member’s normal, daily round-trip commutation distance from its home to the Audit / CPA Firm’s office. A separate document will be provided evidencing the mileage distance travelled to the project site (either from the office or from the employee’s home) to perform the site inspection. Mileage will be compensated after deducting the employee’s normal commutation mileage. In the event the Audit / CPA Firm’s staff member travels directly from home to the project site, the distance to which is less than or equal to its daily commutation distance (i.e. from the employee’s home to the Consultant Firm’s offices); no compensation will be provided for mileage. Reimbursements for mileage charges and tolls will not be processed without proper substantiating documentation.

12. PRICE ADJUSTMENT:

Pricing shall remain firm throughout the initial three (3) year term of the contract. Pricing may be adjusted during one (1) or more of the extension option years, based on the “Annual Percentage Price Escalator” (if any), as stated in the Vendor’s “Fee Schedule” (ref. Exhibit R – Line Item #2).

13. FAILURE to PERFORM / RESPOND to EMERGENCY SERVICE NEEDS:

In the event the Audit / CPA Firm fails to accommodate the Authority’s need for After-Hours Work on two (2) or more instances; the Consultant Firm will be considered to be non-responsive to the needs of the Authority. As such, the Authority may cancel the contract for cause.

14. INITIAL INFORMATIONAL MEETING:

The Audit / CPA Firm shall be required to attend an Initial Informational Meeting with the Authority’s Post-Closing Financial Services staff, as well as other Authority staff members, as may be deemed appropriate, to launch the Auditing and Job Certification Review Consulting Services program. This meeting will be held at the Authority’s offices located at 36 West State Street, in Trenton. The Authority, in its sole discretion, may permit certain, limited staff members of the Audit / CPA Firm to participate via teleconference, should travel to the Authority’s offices be prohibitive. The Authority, in its sole discretion, shall determine the appropriateness of teleconference participation.

It is expected that this meeting will be held within ten (10) business days from the execution of the “Contract for Professional Services” for this solicitation, or as scheduled by the Authority, and will encompass an estimated two (2) to three (3) hours. The purpose of this Initial Informational Meeting is to allow the Audit / CPA Firms and its designated staff assigned to perform the Work, with the opportunity to meet with the

Authority's key Post-Closing Financial Services staff members who are responsible for the review, approval and administering of the program criterion associated with various Incentives Programs. This will allow the Firms, to gain a more clear understanding of performance expectations and to review the Authority's requisite timelines and deadlines for completion.

The Authority will make every effort to schedule the meeting at a mutually convenient time; however, the Authority, in its sole discretion, will determine the most appropriate date and time to ensure maximum participation by the Authority's staff.

The Audit / CPA Firm will submit its intended agenda and discussion points for this meeting, with its executed "*Contract for Professional Services*". The Authority's Designated Contract Manager will review the agenda and refine, as appropriate, to ensure a productive working session is achieved at the Initial Informational Meeting.

At a minimum, the Audit / CPA Firm shall ensure that the following individuals shall be in attendance at the Initial Informational Meeting:

- All key members of the Project Team (i.e. the individual(s) who will manage the Work performed against the resulting contract, as identified in the Consultant Firm's Staffing Chart); and
- Audit / CPA Firm's Senior Partner(s)

The Proposer must consider the costs to participate in this Initial Informational Meeting when preparing its total "*Fee Schedule*", since compensation will not be provided for attendance at and participation in this meeting. Attendance at this meeting is not billable time.

15. ATTENDANCE at MEETINGS:

The Audit / CPA Firm and various members of its key staff assigned to perform the Work, will be required to attend and participate in meetings with Authority staff, in addition to those referenced in "*Section 14 - Initial Informational Meeting*", throughout the term of the contract and any extensions thereto. These meetings will be conducted within New Jersey and may take place at the Authority's offices, located in Trenton or at other locations within the State, or via teleconference, as most appropriately determined by the Authority, in its sole discretion.

The Auditor / CPA's participation at these meetings may require oral, written or audiovisual (i.e. *MS Power Point*) presentations, as needed. The Proposer will consider these costs when preparing its "*Fee Schedule - Hourly Rates*", since attendance at and participation in these meetings, preparations for or presentations given at, is not billable time.

Additionally, Proposers shall note that the successful Proposer resulting from this solicitation may be required to work cooperatively with various staff members throughout the organization regarding applications received and approved or declined, should the Authority deem it appropriate to do so.

REQUIREMENTS of the PROPOSER:

To be considered the successful Proposer ("Audit / CPA Firm", "Consultant Firm", "Vendor"), at a minimum, the Proposer shall possess and demonstrate / evidence that it possesses the requisite Experience and Qualifications, to effectively and efficiently provide Auditor Consulting Services, as outlined herein and in "*Attachment A – Scope of Services*".

16. EXPERIENCE:

- A. The Proposer shall possess a minimum of five (5) consecutive years demonstrated experience (for the period 2011 to Y-T-D 2016), in actively providing Auditing Services for businesses, similar to that

required herein, to private sector clients, to include private sector – publicly traded client entities. To evidence this Experience, the Proposer shall provide one (1) narrative and sample report illustrating the scope of Auditing Services performed for different size companies during the consecutive five (5) year period FOR EACH YEAR of the five (5) year period.

At a minimum, these narratives must address / evidence the following points:

- a summary detailing the Scope of Work required;
- a summary of the work performed;
- term of engagement;
- demonstrate that the Proposer has the necessary and appropriate infrastructure and staffing in place, to deliver the requisite services;
- outline / summary of the auditing processes applied, to include workflows;
- contact information / reference for each project narrative submitted.

The Audit / CPA Firm may include any additional information it believes will assist the Authority in evaluating its experience in providing Auditing or Job Certification Review Services (if applicable) of businesses of similar size and scope to others.

- B.** Proposer shall provide evidence of the number of years providing similar Auditing Services and Job Certification Review Services (as applicable) to private sector and private sector publicly-traded client entities, by submitting its client listing for the period 2011 through Y-T-D 2016. This listing should, at a minimum, include a listing of clients serviced each year of the five (5) year period (i.e. individual client names) and brief summary of the Scope of Work performed. This detail should demonstrate continuous growth and experience in providing these services to others.
- C.** Proposer shall provide evidence that it has sufficient depth of qualified staff, resources and experience in providing these Services, as outlined in the “Attachment A - Scope of Services / Deliverables” section of the RFQ/P, which will enable it to effectively perform and deliver the requisite services.

This will be evidenced by the following:

- qualifications of the proposed staff assigned to perform the Work against the resulting contract;
- by the resumes presented, to include certifications / licenses held; and
- demonstrated experience in providing Auditing Services, on projects of similar size and scope, for these private sector and private sector publicly-traded clients, etc.

Failure to submit evidence for each of the above, as detailed, will render the proposal materially non-responsive and subject to rejection.

17. QUALIFICATIONS / PERFORMANCE of the PROPOSER on CONTRACTS of SIMILAR SIZE and SCOPE / DESCRIPTION of the PROPOSER’s ORGANIZATION:

In an effort to establish the Proposer’s ability to successfully provide the requisite Services, for projects of similar scope, size and complexity as that required herein, the Proposer shall provide a narrative which provides general information about its organization, which clearly demonstrates its abilities to provide and perform the Services, as outlined herein.

To be deemed Qualified, the Proposer will demonstrate and submit evidence of the following:

- A.** evidence that those individuals identified in its Staffing Chart, which are designated to perform the actual audit and certification work, to include writing the report, as well as any named back-up staff, are licensed Certified Public Accountants (CPAs).

The Proposer shall submit copies of each individual's CPA license, with the respective resume for that individual. Failure to submit evidence of each CPA license with the proposal shall render the proposal materially non-responsive and subject to rejection.

- B.** evidence that the members of the Staffing Chart to be assigned to perform the Work are qualified to do so, based on providing the requisite Services to private sector clients of similar size and scope, including private sector publicly-traded entities.

This may be evidenced simply by providing a listing for each Member of the Staffing Chart indicating those private sector clients, for which he/she has performed Auditing Services. The Proposer should include any other information relevant to its qualifications, which it believes will assist the Authority in evaluating its bid proposal;

- C.** the Proposer's depth of staff, to include the number of qualified full-time employees which are licensed CPAs (and if applicable, any part-time employees) with demonstrated resources and experience in providing these Services to other client entities. The Proposer should identify both the number of full-time and part-time staff it employs;
- D.** qualifications of its staff, as evidenced by the resumes / bios submitted (which clearly demonstrate relevant knowledge and experience in providing the requisite Services as specified herein), for each member of the Proposer's executive, middle management and support / technical staff, as well as for any individual who will or who it is expected will be involved in the performance of the Work against the resulting contract, (reference "Section 18 - Resumes / Bios of Key Team Members" for additional information.)

The resumes / bios should indicate the individual's name, title and any certifications / licenses / credentials held in relation to performing the requisite services, if applicable, as well as number of years employed with the Proposing Entity Firm.

- E.** evidence the continued growth and sustainability in providing Auditing Services, by demonstrating measurable and meaningful overall growth during the past five (5) consecutive years, for the period 2011 through Y-T-D 2016, inclusive. Such growth may be evidenced in two (2) ways:
- an overall increase in the number of clients serviced for the consecutive five (5) year period; and / or
 - the number of multi-year engagement contracts awarded and received which evidence continued performance of the requisite Services spanning this same five (5) year period.
- F.** provide a Staffing Chart to show each position / title for those individuals who will or who it is expected will perform Work against the resulting contract; and
- G.** provide an Organizational Chart for the Proposer's entire organization, to evidence its depth of staff.

Failure to submit / evidence each of the above Items A – G will render the proposal materially non-responsive and subject to rejection.

In addition to the above items, the Proposer should also include the following information with its proposal:

- H.** name, phone number and e-mail address of the individual, who will be responsible for managing the performance against the resulting contract; and
- I.** the location and contact information (i.e. address, telephone, e-mail, fax number, etc.) of the

Proposer's office that will be responsible for managing the resulting contract, as well as the location of its corporate headquarters and any regional business offices.

18. RESUMES / BIOS of KEY TEAM MEMBERS:

The Proposer must provide a detailed resume or bio for each individual, as well as for each individual identified as a "back-up staff member", identified in the Proposer's "Staffing Chart", who will or who it is expected will, perform the Work against the resulting contract. The resumes must clearly demonstrate experience and qualifications relevant to the Work to be performed.

Due to the critical nature of the Work; proposals which fail to include a resume for each individual (i.e. primary staff member, as well as corresponding "back-up" staff), will be evaluated as though a qualified staff member and / or "back-up" has not been identified and is not available to perform the requisite services.

At a minimum, the resume or bio should include such information as:

- demonstrated experience specific to providing the types of services as required herein;
- employment history;
- education;
- degrees / professional certifications and / or licenses;
- evidence of ongoing professional development and continuing education (i.e. advanced degrees, attendance at seminars, conferences related to the Work);
- any certifications / licenses held in relation to performing the requisite services, if applicable;
- number of years employed with the Proposing Entity firm; and
- any additional information that would allow the Authority to assess the individual's abilities to perform against the contract.

Proposers should note that following the award of the contract, in the event it becomes necessary for the Audit / CPA Firm to make a substitution, replacement or addition regarding its staff; the Consultant Firm will comply with the processes outlined in "Section 22 - Substitution of Staff / Subcontractors and / or Subconsultants". Such replacement staff shall possess equivalent or exceeding credentials as the individual to be replaced. NO EXCEPTIONS.

The Audit / CPA Firm shall be responsible to ensure that any staff assigned to perform the Work against the resulting contract, maintains any such licensing and / or certifications, as appropriate and as may be required to perform the requisite Work, throughout the term of the contract and any extensions thereto. Further, upon expiration of such license(s) / certification(s), it shall be the Audit / CPA Firm's responsibility to immediately, provide the Authority with evidence of updated licensing for the specified individual. Failure to do so may be cause for cancellation of the contract.

19. REFERENCES:

For each of the five (5) Auditing engagement client narratives referenced in "Section 16 – Requirements of the Proposer – Experience – Item A", the Proposer will provide the client name, title, telephone number and e-mail address of a former client, who is willing and available to provide a reference, regarding the Proposer's performance (i.e. quality, delivery performance, service levels, etc.) on the auditing engagement.

Due to the importance of successfully providing these Services to the Authority, the client references provided (i.e. contact person information) should be senior executive decisions makers (i.e. CEO, COO, Sr. Vice President, etc.) who can address the Proposer's abilities, manner of interacting with him / herself, as well as other members of the organization, success in providing these consulting services and overall effectiveness of any process improvements recommended.

A total of five (5) client references must be provided. These references must be a representative from a former or current client entity, with direct, hands-on knowledge of and involvement with, the illustrative summaries, as required in “*Section 16 – Requirements of the Proposer - Experience*” of this RFQ/P.

These references will allow the Authority to address specific questions / issues with the reference source, regarding the Proposer’s performance, quality and responsiveness, as it relates to the specific project. The Authority, in its sole discretion, shall determine whether or when it is appropriate and / or necessary to contact the references provided, in an effort to gain a more clear insight into the Proposer’s capabilities and experience regarding the requisite services.

20. SUBCONSULTANT FIRMS / SUBCONTRACTORS

For purposes of this RFQ/P, the Authority shall NOT consider proposals submitted which employ the use of subconsultants and / or subcontractor firms to satisfy the requirements / Deliverables required of the resulting contract. NO EXCEPTIONS.

IMPORTANT: All Proposers shall note that all reference to or use of the words “Subconsultant(s)”, “Subconsultant Firm(s)” and / or “Subcontractor(s)” in any documents included as a part of the RFQ/P specifications, exhibits or attachments, shall be read as though the words “Subconsultant(s)”, “Subconsultant Firm” and / or “Subcontractor” are stricken and removed. Due to the nature of the Work to be performed, the Authority shall not consider proposals which anticipate using subconsultants and / or subcontractors, in the performance of the Work.

21. JOINT VENTURES:

For purposes of this RFQ/P, the Authority shall NOT consider proposals submitted which employ joint venture partnership firms to satisfy the requirements / Deliverables required of the resulting contract. NO EXCEPTIONS.

IMPORTANT: Proposers shall note that any and all reference to “joint venture(s)”, “joint venture partner(s)” / “joint venture partnership(s)” in any documents included as a part of the RFQ/P specifications, exhibits or attachments shall be read as though the words are stricken and removed. Due to the nature of the Work to be performed, the Authority shall not consider proposals which anticipate using joint venture partners, in the performance of the Work.

22. SUBSTITUTION OF STAFF:

Following the award of the contract, in the event it becomes necessary for the Audit / CPA Firm to substitute or add a member of its own staff for a previously identified staff member; the Audit / CPA Firm will notify the Authority’s Designated Contract Manager or his / her designee, in writing, and identify the proposed new staff member (“staff replacement”), as well as the Work to be performed. The Consultant Firm must provide a detailed justification documenting the need for the substitution or addition.

Included with the written notification, must be a detailed resume of the proposed replacement staff member, as well as a copy of the requisite CPA licensing, which clearly demonstrates the replacement’s knowledge, ability and experience, relevant to that part of the Work, which the proposed replacement is to undertake. The qualifications and experience of the proposed replacement must equal or exceed those of similar personnel, proposed by the Audit / CPA Firm in its proposal and such proposed individual shall possess and evidence any requisite credentials / certifications / licenses as identified herein, as the individual he / she shall be replacing.

The Authority’s Designated Contract Manager, or his / her designee, in his / her sole discretion, shall determine whether or not the proposed staff replacement, substitution or addition possesses adequate qualifications and experience to provide services against the resulting contract. No substituted or

additional staff are authorized to begin work, until the Audit / CPA Firm has received written approval, from the Authority's Designated Contract Manager or his / her designee.

A. ACQUIRING SPECIALIZED SERVICES / ALLOWANCE FOR SUBCONTRACTING:

Following the award of the Contract, no portion of the services to be provided may be subcontracted during the term of the contract and any extensions thereto, unless as detailed below, without the express written approval of the New Jersey Economic Development Authority. The only permitted exception is described, below.

Only in such instances where the Work to be performed is of a specialized nature and cannot be performed by the Audit / CPA Firm's in-house staff and where such Work was not originally contemplated at the time of the issuance of this "Request for Qualifications / Proposals", but where such Work is directly related to the services required herein; the Audit / CPA Firm shall identify and substantiate the need to secure such specialized services from a qualified subcontractor / subconsultant and will obtain written approval to do so, from the Authority's Designated Contract Manager. If express, written approval is issued by the Authority's Designated Contract Manager; then the Audit / CPA Firm shall procure its subconsultant in accordance with the procedures and methodologies outlined in the Authority's "Solicitation of Quotations and Proposals Methodology" (reference Exhibit N) and approvals for such purchases will be issued utilizing the "Procurement Approval Request" (reference Exhibit O) and as further detailed below.

Proposers should note that in the event the Audit / CPA Firm receives approval from the Authority's Designated Contract Manager to secure the specialized services of a subconsultant to perform specialized Work, not specified in this RFQ/P, but which is directly related to the performance of the Work; the Audit / CPA Firm retains the sole and absolute responsibility for the management and supervision all subcontractors / subconsultants to ensure the highest levels of quality and service. Such subcontractors or subconsultants must also possess a valid "Business Registration Certificate", as further detailed in "Attachment B - Compliance – Business Registration" of this RFQ/P. Additionally, the Audit / CPA Firm assumes sole and absolute responsibility for all payments and monies due to its subcontractors / subconsultants. All subconsultant / subcontractor costs shall be presented to the Authority for reimbursement, at the subconsultant's actual fee, without additional mark-up or additional charges added by the Audit / CPA Firm.

All solicitations will require obtaining no less than three (3) bona fide prices from three (3) prospective suppliers; giving consideration to Small Business Enterprises (SBEs), Woman-owned Business Enterprises (WBEs) or Minority-owned Business Enterprises (MBEs) and Veteran-owned Businesses (VOBs), when possible.

23. RESPONSIBILITIES of the VENDOR / CONSULTANT FIRM:

The Audit / CPA Firm shall have sole and absolute responsibility for the complete effort specified in and required of the contract. Payment shall be made only to the Audit / CPA Firm.

The Audit / CPA Firm shall be responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required under the Contract. Without additional compensation, the Audit / CPA Firm shall correct or revise any errors, omissions, or other deficiencies in its deliverables and other services. The approval of deliverables furnished under this contract shall not in any way relieve the Audit / CPA Firm of its responsibility for the technical accuracy and adequacy of its work. The review, approval, acceptance or payment for any of the services shall not be construed as a waiver of any rights that the Authority may have, arising out of the Audit / CPA Firm's performance of the resulting contract. All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and / or audio), pictures, drawings, analyses, graphic

representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the Authority and shall be delivered to the Authority upon thirty (30) days notice by the New Jersey Economic Development Authority. Regarding software computer programs and / or source code developed solely for the Authority, the work shall be considered “work for hire,” that is, the Authority, not the Audit / CPA Firm shall have full and complete ownership of all software computer programs and / or source codes developed. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Agreement, the Consultant Firm or subconsultant firm hereby assigns to the Authority, all right, title and interest in and to any such material, and the Authority shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

The Authority considers the Audit / CPA Firm to be the sole point of contact with regard to contractual matters and the Consultant Firm will be required to assume sole responsibility for the complete “*Scope of Services / Deliverables*” and any additional services, as indicated in the *RFQ/P*.

In the event the Proposer anticipates bringing pre-existing intellectual property into the project, the intellectual property must be identified in the Proposal. Otherwise, the language in the immediately preceding paragraph of this section prevails. If the Proposer identifies such background intellectual property (“Background IP”) in its Proposal, then the Background IP owned by the Vendor on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the Vendor. Upon award of the contract, the Consultant Firm will grant to the Authority, a non-exclusive, perpetual royalty-free license to use any of the Vendor’s Background IP delivered to the Authority and all upgrades thereto, for the purposes contemplated by the contract and any extensions thereto.

A. NEWS RELEASES / ADVERTISING:

The Audit / CPA Firm shall not issue news releases pertaining to any aspect of the services being provided nor shall it use the names, logos or images of the State of New Jersey or the New Jersey Economic Development Authority, or any data or results arising from the performance of the Work under this contract, as a part of any commercial advertising under the contract to the Authority without the prior, written consent of the Authority’s Director – Marketing and Public Affairs. All such requests shall be directed to the New Jersey Economic Development Authority through its Authority’s Designated Contract Manager, who shall coordinate such approvals, to be granted, if any.

B. AUTHORITY’S OPTION TO REDUCE “SCOPE OF SERVICES” / TERMINATE PROJECT:

The Authority has the option, in its sole discretion, to reduce the “*Scope of Services*” or terminate services for any task or subtask called for under the contract. In such an event, the Authority shall provide advanced written notice to the Audit / CPA Firm. Further, the Authority, in its sole discretion, reserves the right to consider any task or subtask completed before all of the said task or subtask(s) have been performed, whenever in the judgment of the Authority, based upon results of work already performed, the goals of the project have been successfully achieved or can be successfully achieved through a reduced “*Scope of Services*”. In such event, the Authority may reduce the “*Scope of Services*” for any task or subtask(s) or portions thereof by written notice to the Consultant Firm.

Upon receipt of such written notice and within five (5) business days, the Audit / CPA Firm will submit to the Authority, an itemization of the work effort already completed by task or subtask and the work effort which will be required by task to complete the affected tasks in accordance with said notification. Upon approval of the proposed work effort by the Authority, the Audit / CPA Firm will complete the project in accordance with said approval. The Audit / CPA Firm will be

compensated in accordance with the applicable portions of the cost proposal for the specific “*Scope of Services*”.

In the event the Authority issues a stop order for any reason, thereby directing the Audit / CPA Firm to suspend work under the Contract for a specified time, the Audit / CPA Firm shall be paid until the effective date of the stop order. The Audit / CPA Firm shall resume work upon the date specified in the stop order or upon such other date as the Authority's Designated Contract Manager may thereafter direct, in writing. The period of suspension shall be deemed added to the Audit / CPA Firm's approved schedule of performance. The Authority's Designated Contract Manager and the Consultant Firm shall negotiate an equitable adjustment, if any, to the contract price.

C. FORM OF COMPENSATION - INVOICING / PAYMENT:

The Audit / CPA Firm will submit its invoices to the Authority, within thirty (30) days of the completion of the auditing report (or as later may be deemed appropriate by the Authority's Designated Contract Manager), for work completed, based on the Deliverables defined herein and in “*Attachment A*”. The Authority will make prompt payment to the Audit / CPA Firm of any non-disputed invoices and supporting documentation.

Invoices submitted for payment must include / consider all of the following:

- invoices should be submitted for services rendered no later than thirty (30) days of the date the service was provided / performed and report submitted. The Consultant Firm is strongly encouraged to inform its subconsultant firms, if any, of this policy, as they will be required to comply similarly.
- the Authority, in its sole discretion, reserves the right to require additional information, documentation and / or justification upon receipt of an invoice for payment and prior to approving such invoice for payment.
- Payments will only be made to the Audit / CPA Firm. In the event “Specialized Services” are required and approved by the Authority; the Audit / CPA Firm shall be responsible for assuring the compliance of any subconsultant firm(s) with all terms and conditions of this *RFQ/P* and assumes the sole and absolute responsibility for any payments due to any subconsultant firm(s) under the subcontract(s), should the Authority approve such services. Invoices shall be submitted by the Consultant Firm, alone; subconsultants, if any, shall not invoice the Authority, directly.

At a minimum, invoices must include:

- a copy of the Authority-issued Task Order Request, for the project audited / reviewed ;
- positions / titles and staff member name(s) involved in the performance of the Work;
- number of hours per position / individual to complete each phase of the Work;
- corresponding title and “*Fully Burdened Hourly Rates*” for each position / individual;
- copy of the written report for the specific Incentive Applicant project audit;
- copy of the fully executed “*Conflict of Interest Statement*” for the applicable audit performed;
- evidence substantiating any charges submitted for mileage reimbursement, as detailed in “*Section 7 – Travel / Mileage Reimbursement*”; and
- completed and signed “*Monthly Status Report*” (reference *Exhibit J*). Invoices will be considered non-compliant and will not be processed until the “*Monthly Status Report*” is fully completed, signed and submitted for each respective invoice.

NOTE: The Audit / CPA Firm's substantiated pricing / fees to be paid shall not exceed its “Maximum Not-To-Exceed Fee” as stated in its TOR Cost Proposal. The

Vendor will be compensated based on its “Fully Burdened Hourly Rates Fee Schedule” and the actual number of hours dedicated to the performance of the Work to complete the Task Order, to include the written report.

Invoices must also be submitted for additional work or other items properly authorized and satisfactorily completed. These invoices must itemize the position / titles involved in the performance of the work, as well as the corresponding hourly rates, as specified in the Proposer’s “Fee Schedule” (reference Exhibit R – Section 1A – 1M). Invoices shall be submitted according to the payment schedule agreed upon when the work was authorized and approved.

It is understood that the Audit / CPA Firm may be retained by the Authority, if in its sole discretion, it is determined that additional services related to this Scope are required and that such procurement is in the best interest of the Authority. It is further understood that the Authority is under no obligation to solicit a proposal and / or retain the Audit / CPA Firm on a sole source basis to provide any such additional services. The Audit / CPA Firm will be compensated for such additional services, based on the hourly rates submitted on its “Fee Schedule” in response to this solicitation.

IMPORTANT: By submitting an invoice to the Authority, the Audit / CPA Firm represents that all payments due to its joint venture partner(s) and / or subconsultant firm(s), if any, will be made and that all relevant laws and regulations have been complied with, including Compliance.

D. CHANGES / MODIFICATIONS METHODOLOGY:

Throughout the term of the contract and any extensions thereto, in the event the Authority finds it necessary to change an aspect of the “Scope of Services”, the Authority in its sole discretion reserves the right to expand, decrease or modify the “Scope of Services”, it will provide the Audit / CPA Firm with a modified “Scope of Work”, detailing the requisite changes. Within seven (7) business days the Audit / CPA Firm will provide the Authority’s Designated Contract Manager with a written response and cost proposal, detailing its approach to the changes to be made, as well as an update to the Project Implementation Plan, if any. The Authority, in its sole discretion, through its Authority’s Designated Contract Manager or his / her designee, reserves the right to adjust the response and cost proposal to address the appropriateness of the staff to be assigned, time required, and overall cost adjustment, if any. Such changes shall be accomplished and compensated under the Firm’s originally quoted prices in *its* “Fee Schedule”.

24. FEE SCHEDULE:

The Proposer shall provide a fully completed “Fee Schedule” signed in ink (attached to this RFQ/P as Exhibit R–Mandatory Sections 1A- 1M and Optional Sections 2, 3 and 4) as follows:

A. MANDATORY “FEE SCHEDULE”:

1. “Fully Burdened Hourly Rates Fee Schedule”
(reference Exhibit R – Section 1A-1M)

“Fully Burdened Hourly Rates Schedule” shall be provided for each position / title for those individuals who will, or who it is anticipated will, be involved with the performance of the Work, against the resulting contract, to perform the following services outlined in “Attachment A – Scope of Services / Deliverables” section of this RFQ/P.

For purposes of this RFQ/P, a “Fully Burdened Hourly Rate Fee” is defined as an all-inclusive price which includes all direct and indirect costs including, but not limited to, direct labor costs, overhead,

profit, administrative / clerical support, equipment, materials, supplies, managerial oversight / support and review, attendance at and participation in meetings, all documents, reports, forms, travel, reproduction and copying fees and any other costs the Vendor anticipates incurring, based on its expertise in providing these services to others.

B. OPTIONAL “FEE SCHEDULE”:

2. “Annual Percentage Price Escalator” (if any) to be assessed for one (1) or both extension option years, if so exercised by the Authority (reference Exhibit R – Section 2)

IF the Proposer is uncertain regarding the fees to be indicated on the “Fee Schedule” or if it intends to assess fees in addition to those indicated herein; it should submit an inquiry during the “Questions and Answers Period” established for this solicitation. Proposers shall not add additional fees to the “Fee Schedule” unless specifically added as the result of an addendum issued for this solicitation.

3. “Expedited Thirty (30) Day Premium Percentage Fee” (if any) (reference Exhibit R – Section 3).
4. “Expedited Sixty (60) Day Premium Percentage Fee ” (if any) (reference Exhibit R – Section 4).

25. TAX EXEMPT STATUS:

As an instrumentality of the State of New Jersey, the New Jersey Economic Development Authority is tax exempt. When preparing the “Fee Schedule” (reference Exhibit R), as well as submitting invoices for payment, the Proposer / Vendor shall not include federal or state sales tax. The Vendor shall neither charge, nor be reimbursed for tax.

26. EVALUATION CRITERIA / SELECTION PROCESS:

The Authority will convene a cross-functional Evaluation Committee composed of the Authority’s staff, management and possibly other state agencies and / or industry Subject Matter Experts (SMEs) to evaluate, score and rank proposals received, in response to this solicitation. Selection of the successful Proposer will be based upon a determination of which proposal is the most favorable to the Authority, considering the criteria listed below, price and other factors considered.

The following evaluation criteria, not listed in order of significance, will be used to evaluate proposals received in response to this RFQ/P:

1. the Qualifications and Experience of the Proposer’s management, supervisory and other key personnel assigned to perform the Work against the resulting contract, in providing the requisite Services, as evidenced by the:
 - a. resumes presented (to include the Certified Public Accountant (CPA) licensure and any reference to continuing professional development and continuing education, relative association memberships, if any); and
 - b. the Staffing Chart submitted (to include qualified CPA-licensed Back-Up staff).

(20%)
2. extent of the Proposer’s documented Experience in implementing and providing similar Auditing Services, of comparable size, scope and complexity as that required herein, to both public and private sector clients, as evidenced by all of the following:

- a. consecutive experience in successfully providing the requisite Services for the period 2011 to YTD 2016
 - b. client narratives submitted;
 - c. references provided and responses received from former auditing engagement clients; and
 - d. samples of existing “*Auditing Reports*”, used to evaluate certification documents reviewed. (reference *Attachment A – Scope of Services – Section 2.1 – Item F*) (20%)
3. Detailed Approach and Plans to perform the requisite Services outline in the “Attachment A - *Scope of Services / Deliverables*” section of this *RFQ/P* as evidenced by the Proposer’s:
 - a. proposed timeline for Program Implementation and the proposed method of Incentive Applicant review and audit completion;
 - b. depth of staff, to include qualified, CPA-licensed Back-Up Staff, to ensure uninterrupted services during the term of the contract and any extensions thereto, as evidenced by its Staffing and Organizational Charts; and
 - c. Scope of Work and testing methods utilized to validate costs and affirm job creation/retention numbers at the project site
 - d. sample report submission of projects of similar scope and size (30%)
4. the Proposer’s “Price”, as determined by the total “out-of-pocket” expenditure for the potential five (5) year term of the contract, should the Authority exercise both extension options, based on the:
 - a. “*Blended Fully Burdened Hourly Rates*” (reference *Exhibit R – Section 1A – 1M*)
 - b. “*Annual Percentage Price Escalator*” (if any) (reference *Exhibit R – Section 2*).
 - c. “*Expedited Thirty (30) Day Premium Percentage Fee*” (if any) (reference *Exhibit R – Section 3*).
 - d. “*Expedited Sixty (60) Day Premium Percentage Fee*” (if any) (reference *Exhibit R – Section 4*). (30%)

When evaluating bid proposals, the Authority will determine a “*Blended Hourly Rate*” by totaling the sum of all hourly rates indicated in “*Section 1A – 1M*” of the “*Fee Schedule*” and then dividing by the number of positions quoted, to obtain a “*Blended Hourly Rate*”. This will allow the Authority to accurately and equitably evaluate proposals, as it relates to “*Fully Burdened Hourly Rates*” since Proposers may not quote the same number of positions / titles and corresponding rates.

To ensure that all Proposers are considered “fairly and equitably”, the Authority will evaluate “Price” based on the total “out of pocket” costs over the potential five (5) year term of the contract, should the Authority so exercise all extension options. For purposes of this *RFQ/P*, after determining a “*Blended Hourly Rate*”, the following methodology will be used to evaluate and score each aspect of the proposal, as it relates to “*Price*”. For example, if the Authority blended the “*Fully Burdened Hourly Rates*” for four (4) Proposers and

derived the following “*Blended Fully Burdened Hourly Rates*”; it would evaluate these, based on a quantity of one (1), as follows:

- Proposer #1 quoted \$75.00
- Proposer #2 quoted \$65.00
- Proposer #3 quoted \$85.00
- Proposer #4 quoted \$90.00

The range in pricing is \$25.00 (the spread of the lowest price of \$65.00 / hour to the highest of \$90.00 / hour). Utilizing a scoring system of “1 – 5”, the following would apply:

- Score ‘1’ - “poor” \$85.01 to \$90.00
- Score ‘2’ - “fair” \$80.01 to \$85.00
- Score ‘3’ - “good” \$75.01 to \$80.00
- Score ‘4’ - “very good” \$70.01 to \$75.00
- Score ‘5’ - “excellent” \$65.00 to \$70.00

As such, Proposers would be scored as follows, regarding “*Blended Fully Burdened Hourly Rates*” pricing:

- Proposer #1 quoted \$75.00 and receives a score of ‘4’
- Proposer #2 quoted \$65.00 and receives a score of ‘5’
- Proposer #3 quoted \$85.00 and receives a score of ‘2’
- Proposer #4 quoted \$90.00 and receives a score of ‘1’

This methodology will be used to evaluate the all components of “Price”, to include the “Blended Fully Burdened Hourly Rate”, “Percentage Price Escalator” (if any) and the Expedited Thirty (30) Day Premium Percentage Fee” (if any) (reference Exhibit R – Section 3) and the “Expedited Sixty (60) Day Premium Percentage Fee ” (if any) (reference Exhibit R – Section 4) based on a quantity of one (1) normal 90-day TOR, one (1) expedited 30-day TOR and one (1) expedited 60-day TOR Cost Proposal of One Thousand (\$1000.00) Dollars. The components of “Price” will be scored as indicated above and ranked accordingly.

27. INTERVIEWS / SITE INSPECTIONS:

Following the initial review and preliminary scoring of the written proposals, one (1) or more Proposers receiving a preliminary score of three (“3”) or higher may be invited to interview with the Members of the Evaluation Committee. The decision to conduct interviews is at the sole discretion of the Authority.

In the event the Authority deems it appropriate to do so; the Proposer and its key staff members (i.e. those individuals identified to participate in the Initial Informational Meeting) shall be available to meet with the Evaluation Committee, when scheduled. The specific date for these interviews shall be communicated to the Proposer(s) at the appropriate time. Proposers should refer to “*Section 26 - Evaluation Criteria / Selection Process*” of this RFQ/P for additional information.

Should the Authority deem it appropriate to conduct interviews; the Proposer shall be available to meet with the Evaluation Committee, in late September, 2016. Each interview appointment is expected to last an estimated one (1) to two (2) hours, to afford the Members of the Evaluation Committee with the opportunity to gain a more clear understanding of the Proposer’s unique experience and qualifications to effectively and expediently, perform the Work, as outlined herein. The Proposer will provide a brief thirty (30) minute presentation, which reviews and highlights of its auditing processes and workflows to be implemented and applied, should it be deemed to be the successful Proposer / Vendor. The presentation shall include both visual (i.e. video or PowerPoint) components, as well as written components (i.e. handouts of workflow documents) to be used.

The specific date for these interviews / demos will be communicated to the Proposer(s), at the appropriate time. While the Authority will make every effort to accommodate a mutually agreeable date for the interview, Proposers should be aware that failure to comply with the scheduled request to

interview will result in the Authority evaluating and scoring the Proposer's proposal, based solely on the written information submitted. The Authority shall not be required to reschedule interviews to accommodate the Proposer's scheduling conflicts.

Interviews will take place at the Authority's offices, located at 36 West State Street, in Trenton, during normal business hours. Based on the clarity of the information provided in the written proposal; the Evaluation Committee, in its sole discretion, may determine it appropriate to conduct the interview / presentation, via teleconference or Web-Ex, during these same business hours. The decision to participate in person or via teleconference will be at the Authority's discretion. Further, the Authority, in its sole discretion, reserves the right to identify any staff and / or subconsultant firms to attend the interview.

To ensure a "fair and equitable" process, the Authority reserves the right to issue an "Interview Script" to all Proposers invited to interview, to consistently address various aspects of the requisite services, as defined herein and in the "Scope of Services / Deliverables". While additional questions may be addressed, based on the specifics contained in the Proposer's proposal; this Interview Script will afford all Proposers an equitable opportunity to address the same material with the Members of the Evaluation Committee.

IMPORTANT: Proposers shall note that its original proposal submission cannot be supplemented, as part of the interview / product demo process. A Proposer will not be permitted to offer comments or opinions regarding other proposing firm(s), its proposal or products offered, nor may Proposers attend the interview / presentation of its competitors (i.e. another proposing firm).

In addition to, in lieu of or in conjunction with an interview, the Authority reserves the right, in its sole discretion, to request and to perform a site inspection of the Proposer's facilities, should the Members of the Evaluation Committee determine that such a visit will assist it in more accurately assessing the Proposer's abilities to perform the requisite services.

28. BEST and FINAL OFFERS:

Following the preliminary evaluating of bid proposals and the conducting of interviews / demonstrations / site inspections, if so conducted, the Authority, in its sole discretion, may request a "Best and Final Offer" ("BAFO") from those participant firms. Each Proposer invited to interview with / demonstrate or perform site inspection with the members of the Evaluation Committee may submit a "Best and Final Offer" to its proposal, may refine any portion of its proposal, including price; however, all of the mandatory requirements of the RFQ/P must be met and cannot be supplemented through the "BAFO" process. In response to the interview and "BAFO" process, the Proposer will submit, in writing, any required revisions to its proposal along with its "BAFO" response.

The primary purpose of the "Best and Final Offer" is to maximize the Authority's ability to obtain the best value, based on the mandatory requirements of the RFQ/P, the evaluation criteria and the cost. "BAFO" requests will be structured and administered by the Authority's Internal Process Management department to ensure the safeguarding of information submitted in the Proposers' proposals and ensure that all Proposers are treated fairly and equitably. The "BAFO" invitation will establish the date, time and place for the submission of the "Best and Final Offer". Any "BAFO" that is not equal to or less than the pricing offered in the Proposer's original "Fee Schedule" will be rejected as non-responsive. In such instance, the Authority will evaluate the proposal based on the Proposer's original pricing. The Proposer must indicate, in writing, whether it will submit a "BAFO" response or whether its original proposal will remain unchanged, at the Proposer's sole discretion. If required, following a review of the "BAFO(s)", clarification may be sought from the Proposer(s). The Authority may conduct more than one round of "Best and Final Offer" requests in order to attain the best value for the Authority.

"Best and Final Offer" requests will be conducted only in those circumstances where they are deemed to be in the best interest of the Authority and to maximize the Authority's ability to obtain the best value. In consideration, the Proposer is advised to submit its best technical and price ("Fee Schedule") proposal in

response to this *RFQ/P*, since the Authority may, after evaluation, make a contract award based on the content of the initial submission, without further “*BAFO*” requests, with any Proposer.

“*Best and Final Offers*” shall be submitted, in writing, to the Authority’s Internal Process Management Department in a SEALED ENVELOPE. In the event the Proposer decides not to submit a “*Best and Final Offer*”, it shall confirm in writing, that its original proposal and all aspects contained therein, including pricing, shall remain unchanged. In the event the Proposer fails to respond to the “*BAFO*” request, its proposal shall be evaluated based on its originally submitted “*Fee Schedule*”.

Following the evaluation of bid proposals and “*BAFO*” responses, as may be applicable, the Evaluation Committee will re-score and rank proposals and make its recommendation for award to the responsible Proposer(s) whose bid proposal(s), conforms to the *RFQ/P*, is / are most advantageous to the Authority, price and other factors considered. The Authority’s Chief Executive Officer, prior to final award or submittal to the Authority’s Board for approval, may initiate additional negotiations or “*BAFO*” procedures with the selected Proposer.

NOTE: Proposers will note that in the event the Authority contemplates negotiation, proposal prices will not be publicly read at the proposal submission opening. Only the name and address of each Proposer will be publicly announced at the proposal submission opening.

29. **SPECIMEN FORM of “CONTRACT for PROFESSIONAL SERVICES”:**

Award of a contract for services outlined in this *RFQ/P* will be subject to the selected firm entering into a form of contract satisfactory to the Authority. Proposers should refer to the specimen form of “*Contract for Professional Services*”, attached to this *RFQ/P* as *Exhibit L*. Proposers are encouraged to carefully review the specimen Contract and should indicate any exceptions taken to the form of Contract, in the proposal response.

The Proposer is cautioned that it shall not impose conditions under which it will conduct business with the New Jersey Economic Development Authority by submitting its own separate and distinct company “*Standard Terms and Conditions*”, engagement letters, agreement(s) or forms in response to this section requirement. The Proposer shall not submit its “*Standard Terms and Conditions*” with the proposal, as they shall not be considered.

IMPORTANT: In the event the Proposer takes exception to one (1) or more points within the Contract; it shall submit its “exceptions” in the form of a question to be submitted for consideration during the “*Questions and Answers Period*” established for this solicitation. The Authority shall not consider any questions, exceptions or requests for changes to be made to the specimen contract at any time during the *RFQ/P* process, unless submitted during the “*Questions and Answers Period*”.

If the Proposer fails to submit a question regarding the specimen form of “*Contract for Professional Services*” attached herein as *Exhibit L*, during the “*Questions and Answers Period*”; it shall be required to comply with all aspects of the “*Contract*”, should it be determined to be the successful Proposer.

The Authority shall be under no obligation to grant or accept any requested changes (i.e. exceptions taken) to the specimen form of the Contract (*Exhibit L*).

Any proposal submitted in response to this *RFQ/P* will be considered a firm Offer by the responding firm / Proposer to perform the Scope of Services, as outlined in the *RFQ/P* and specimen contract. By submitting an Offer in response to this *RFQ/P*, the responding firm / Proposer agrees to hold its Offer open for at least ninety (90) days after the Due Date for receipt of proposals. Any provision in a submitted Offer that attempts to limit or condition the time that an Offer is open for consideration by the New Jersey Economic Development Authority will not be binding on the Authority. The Authority, in its sole discretion, reserves the right, upon good cause shown to the satisfaction of the Authority’s staff, to allow responding Proposer to withdraw its Offer after Offers have been opened.

Accordingly, any proposals submitted will indicate the Proposer's acceptance of the form of Specimen Contract (*Exhibit L*).

30. CONFIDENTIAL INFORMATION of the AUTHORITY:

In connection with performing the Work, the Audit / CPA Firm and its employees, may receive, review and become aware of proprietary, personnel, commercial, marketing and financial information of the Authority, its employees, members, borrowers and business associates that is confidential and / or proprietary in nature ("*Confidential Information*"). All information gathered, obtained and viewed during the performance of the Work shall be deemed Confidential Information. The Audit / CPA Firm agrees that the use and handling of *Confidential Information* by the Audit / CPA Firm, its employees and subconsultant firms, if any, shall be done in a responsible manner and solely for furtherance of the Work. Other than to its employees and subconsultant firms, if any, who have a need to know *Confidential Information* in connection with performance of the Work, the Audit / CPA Firms agrees not to disclose any *Confidential Information*, without the prior written consent of the Authority. The Vendor shall be responsible to assure that its employees and subconsultant firms, if any, do not disclose any *Confidential Information*, except as specified herein, without the prior written consent of the Authority. The Vendor shall inform each of its employees and subconsultant firms, if any, that receives any *Confidential Information* of the requirements of this section of the RFQ/P and Section 9 of the Contract and shall require each such employee and subconsultant firms, if any, to comply with such requirements.

Notwithstanding the foregoing, the term *Confidential Information* shall not include information which: (i) is already known to the Auditor / CPA, its employees from sources other than the Authority; (ii) is or becomes generally available to the public other than as a result of a disclosure by the Auditor / CPA, its employees and subconsultant firms, if any, or (iii) is required to be disclosed by law or by regulatory or judicial process.

Pursuant to Section 6, "*Indemnification*" of the Contract, the Auditor/CPA shall indemnify and hold the Authority, its employees and members harmless for any breach of Section 9 "*Confidential Information of the Authority*", by the Vendor, its employees

IMPORTANT: Due to the sensitive nature of much of the data in the Authority's incentives program files (i.e. financial information, social security numbers, etc.) the Authority may require the Consultant Firm Engagement Manager and its employees, who will perform the Work against the resulting contract, to execute a "*Non-Disclosure / Confidentiality Agreement*". The Authority reserves the right, in its absolute sole discretion, to require the Auditor / CPA Firm to immediately remove any staff member from the Project, who does not or will not execute the Non-Disclosure Agreement. NO EXCEPTIONS

31. INSURANCE:

Within ten (10) business days of the Authority issuing a "*Conditional Notice of Intent to Award*" or "*Notice of Intent to Award*" and prior to the execution of the "*Contract for Professional Services*", the successful firm / Audit / CPA Firm shall be required to provide evidence of the actual insurance coverage, in the amounts and types specified in "*Section 7 – Insurance*" of the specimen form of Contract, "*Contract for Professional Services*", naming the New Jersey Economic Development Authority as an additional insured.

Throughout the term of the contract and any extensions thereto, the successful Proposer shall procure and maintain, at its own expense, liability insurance for damages of the kinds and in the amounts hereinafter provided, from insurance companies licensed, admitted and approved to do business in the State of New Jersey. The Vendor shall obtain this coverage from A-VII or better-rated companies as determined by A.M. Best Company. All liability insurance policies shall afford coverage on an occurrence rather than claims made basis with the exception of the professional liability coverage, unless otherwise indicated.

Certificates of Insurance acceptable to the Authority with respect to each of the mentioned policies shall be filed with the Authority, prior to the commencement of providing services against the contract. These

Certificates shall contain a provision that coverages afforded under the policies will not be reduced, changed or canceled unless at least thirty (30) days prior written notice has been given to the New Jersey Economic Development Authority. The CPA shall notify the Authority, in writing, within forty-eight (48) hours, of any changes or cancellations made to the policies, which affect the New Jersey Economic Development Authority. Failure to provide acceptable forms of insurance may be cause for rejection of the bid proposal.

If the selected Proposer fails to provide complete and adequate evidence of insurance coverage, within said ten (10) business-day period; the Authority reserves the right to rescind its acceptance of the Proposal and award the contract to an alternate Proposer.

32. **COMPLIANCE:**

Proposers are directed to “*Attachment B*” for additional information.

IMPORTANT NOTICE Regarding Compliance, Insurance And Certifications / Licensing Requirements: Proposers should note that it is the successful Vendor’s responsibility to maintain in good order, valid and up-to-date compliance (*i.e. BRC, P.L. 2005, c.51 Political Contributions and Ownership Disclosure, Affirmative Action (i.e. Certificate of Employee Information Report), etc.*), insurance and professional certifications / licenses (if applicable) required of this RFQ/P and the resulting contract, throughout the term of the contract and any extensions thereto.

Failure to do so will be cause for immediate cancellation of the contract.

33. **PROPOSAL FORMAT / SUBMITTAL REQUIREMENTS:**

When preparing your firm’s proposal in response to this solicitation, keep in mind that, in the RFQ/P, the word “shall” or “must” denotes proposal items which are mandatory for a proposal to be complete; the word “should” denotes proposal items which are recommended, but not mandatory; and the word “may” denotes proposal items which are permissible, but not mandatory.

At a minimum, the Proposer SHALL SUBMIT the following mandatory information items with its proposal:

1. a fully completed and signed “*Fee Schedule*”
(reference Exhibit R – Mandatory Sections 1A- 1M; and if applicable, Optional Sections 2, 3 **and 4**)
2. all fully completed and signed Compliance document forms, as specified in the “*Compliance*” section, of this *RFQ/P*, and as required by law.

Proposers shall note that the following COMPLIANCE documents SHALL be submitted WITH THE PROPOSAL:

- a. “*Source Disclosure*” (Exhibit G);
- b. “*Ownership Disclosure*” (Exhibit P); and
- c. “*Disclosure of Investment Activities in Iran*” (Exhibit Q).

In addition to the above compliance, the Proposer should also submit the following compliance documents with its proposal:

- d. evidence of compliance with *Equal Employment Opportunity* by submitting one (1) of the following:
 - a valid “*AA-302 Employee Information Report*” - (Exhibit B),
 - a valid “*Certificate of Employee Information Report*” - (Exhibit C)
 - a valid “*Letter of Federal Affirmative Action Plan Approval*” - (Exhibit D)

- e. a valid “*Business Registration Certificate*” (*BRC*) - (*Exhibit E*)
- f. “*Set Aside Compliance Certificate*” - (*Exhibit I*)
- g. “*Set Aside Information*” - (*Exhibit H*)
- h. “*Two (2) Year Vendor Certification and Disclosure of Political Contributions*” (*Exhibit K*) (*which typically is required of the successful Proposer, only*).
- i. “*Disclosure of Investigations and Actions Involving Bidder Form*” (*Exhibit U*)

Proposers are encouraged to submit all remaining compliance documentation, with the Proposal, since these are required of the successful Proposer(s), prior to entering into a contract. While only the successful firm is required to complete and submit *Public Law 2005, c. 51 and Executive Order 117 (Corzine)*, “*Two (2) Year Vendor Certification and Disclosure of Political Contributions*” forms within ten (10) calendar days of the Authority issuing a “*Conditional Notice of Intent to Award*” a contract, in this instance, Proposers are asked to complete, sign and submit this documentation with the proposal. Failure to submit all compliance documents, as specified and within the specified time frames, may result in rejection of the proposal.

Proposers are cautioned to use the compliance forms attached to this *RFQ/P*, as *Exhibits*. These represent the most recent versions of the respective compliance documents. Using older versions of a document may require the Proposer to re-submit a fully completed and signed, current version of the document, before its compliance submissions can be reviewed and approved by the Authority or other outside State entity, as appropriate.

3. evidence of a minimum of five (5) years consecutive, demonstrated Experience in providing Auditing Consulting Services, to private sector clients, including publicly-traded private sector entities, of similar size and scope, by providing five (5) client narratives.

At least two (2) of the narratives shall represent publicly-traded clients for whom similar Auditing Services have been provided.

A total of five (5) narratives is required.

4. a brief descriptive narrative of the Proposer’s Organization, which includes information demonstrating the Proposer’s overall relevant Experience and Qualifications in providing the requisite Services, during the past consecutive five (5) years to private sector entities.

The narrative should address:

- a. all services / requirements detailed in the “*Scope of Services / Deliverables*” section of this *RFQ/P*;
 - b. demonstrate an understanding of the services / work required; and
 - c. provide a brief narrative describing the proposed “*Scope of Services / Deliverables*” including how the Proposer plans to effectively and efficiently accomplish the tasks / services identified in this *RFQ/P*.
5. provide the client contact information (i.e. name, telephone number and e-mail address) of a senior executive contact person (i.e. CEO, COO, CFO, Sr. Vice President, etc.) for five (5) of the client narratives indicated above, who is willing and available to provide a reference regarding the Proposer’s performance, abilities, manner of interacting with him / herself, as well as other members of the organization, and overall effectiveness and success in providing these Auditing Services.

These references will allow the Authority to address specific questions / issues with the reference, regarding the Proposer’s performance, responsiveness and quality, as it relates to these specific requisite services.

6. to further evidence its “Approach” to providing the requisite services, the Proposer shall submit a brief narrative detailing the workflow and manner in which it will perform the requisite due diligence / audit of each program incentive awarded, based on the criterion established for each program , as outlined in this RFQ/P and in “*Attachments A - Scope of Services / Deliverables*”.
 - The Proposer will also submit samples of actual forms, workflow diagrams, interview scripts, etc. to be utilized in the performance of the Work.

7. resumes / bios for each individual who will, or who it is expected will, perform Work against the resulting contract.

Evidence of the mandatorily required Certified Public Accountant (CPA) license shall be provided for each individual designated to perform the Auditing and Job Certification Services, as well as any additional licenses and any other professional certifications, as may be relevant.

8. a Staffing Chart detailing the names and titles / positions of those individuals who will, or who it is expected will be assigned to perform the Work against the resulting contract.
 - To evidence its ability to provide uninterrupted Services, in the event of illness, vacation, etc., the Staffing Chart shall identify a qualified “Back-Up Staff Member” for each member of the Staffing Team.
 - IMPORTANT: CPA licensure is also required of those individuals named as “Back-Up Staff” who, at some point, may actually audit the incentive program awards approved and issued.

9. to further evidence depth of staff, an Organizational Chart(s) must be provided for the Proposer’s entire organization.

10. identify any Pre-Existing Intellectual Property (IP) and / or proprietary products owned by the Proposer, to be brought into the project.

The Proposer must provide a signed statement that if awarded the contract, the successful Proposer shall grant to the Authority, a non-exclusive, perpetual, royalty-free license to use any of the Proposer’s Background IP delivered to the Authority for the purposes contemplated by the contract and any extensions thereto, if applicable (*reference Section 22 - “Responsibilities of the Vendor / Consultant Firm”*).

In addition to the items indicated above, the Proposer should also include the following additional information with its proposal:

11. a signed cover letter.
12. a brief descriptive narrative of the Proposer’s organization, a detail of the business structure (i.e. corporation, partnership, LLC); history of the firm and its qualifications to provide the requisite Auditing Consulting Services, based on past experience, depth of personnel, etc.
13. the full name, title, telephone number and e-mail address for the primary contact person of the firm responsible for this submission.
14. the location of the Proposer’s office that will be responsible for managing the resulting contract.

15. the full name, title, telephone number and e-mail address of the individual, who will be responsible for and who will manage, the resulting contract.
16. the name and Federal Employer Identification Number (FEIN #) of the Proposer responding to this *RFQ/P*, as well as any joint venture partners.
17. a signed statement concerning Capacity to Perform against any resulting contract (this is to be signed by the authorized representative, who is submitting and signing the *RFQ/P* documents on behalf of the responding entity):

"I, Name of Authorized Representative, Title certify that, Respondent Entity Name has sufficient resources, legal capacity and authority to provide the service (s) identified herein and is willing to be bound to said Proposal. Respondent Entity Name agrees to hold its prices firm for a period of ninety (90) days to accommodate the Authority's evaluation and award processes."

The "*Capacity to Perform*" statement should also include information regarding any pending / outstanding litigation, if any, which may affect the viability of the firm or the firm's ability to perform the requisite services or to complete the services throughout the term of the contract and any extensions thereto.

18. submit a fully completed and signed "*Acknowledgment of Receipt of Addenda / Questions & Answers*" form (*Exhibit M*).

A proposal cannot be reviewed and evaluated unless and until the above information is received. Failure to provide all items as indicated above, in the level of detail specified, may prevent the Authority from effectively and accurately evaluating the proposal. Failure to submit the above mandatorily required information may result in rejection of the proposal.

NOTE: This list is meant to assist the Proposer in preparing its proposal and may not be all encompassing. It is the Proposer's sole responsibility to ensure that all required documentation and submissions are included with its proposal and that its proposal is complete for EACH of the areas proposed.

IMPORTANT NOTE:

Bid proposals shall not contain URLs (Uniform Resource Locators, i.e. the global address of documents and other resources on the World Wide Web) or **web addresses intended as a substitute / alternate form of submitting requisite information, in response to this *RFQ/P*.**

Since the World Wide Web contains dynamically changing content, inclusion of a URL or web address in a bid response is indicative of potentially changing information. Inclusion of a URL or web address in a bid response implies that the bid's content changes as the referenced web pages change.

Inclusion of a URL or web address in lieu of submitting actual hard copy as required herein will render the proposal materially non-responsive.

34. QUESTIONS:

Questions concerning this *RFQ/P*, may be submitted, in writing via e-mail, to Geraldine Stout, Program Manager - Procurement, at EDAProcurementQA@njeda.com and must be received at or before 2:00 PM (prevailing local time), on Tuesday, August 23, 2016. Phone calls / faxes shall not be accepted.

The subject line of the e-mail should state:

"QUESTIONS – 2016-RFQ/P-076 – Auditing and Job Certification Review Consulting Services – RE-BID"

All questions and answers will be posted on the Authority's website at <http://www.njeda.com/rfq> under:

*"2016-RFQ/P-076 – Auditing and Job Certification Review
Consulting Services – RE-BID"*

Interested parties are encouraged to frequently check the Authority's website for any updates, additional information and / or addenda pertaining to this RFQ/P, as well as, posted "Questions and Answers".

35. ADDENDUM / QUESTIONS & ANSWERS:

There are no designated dates for release of Addendum or posting of "Questions & Answers" on the Authority's website for this solicitation. Interested Proposers should check the Authority's website frequently, from the date and time the RFQ/P is issued, up to and including the due date and time of the Proposal opening. It is the sole responsibility of the Proposer to be knowledgeable of and acknowledge all Addenda and posted "Questions & Answers", related to this RFQ/P, on the "Acknowledgment of Receipt of Addenda / Questions & Answers" form, included herein as *Exhibit M*.

All Addenda, as well as "Questions & Answers" to the original RFQ/P, will be posted on Authority's website, will become part of this RFQ/P and will be incorporated by reference, in the final contract resulting from this RFQ/P. Proposers should acknowledge receipt of all Addenda and each sequentially numbered "Questions & Answers", posted on the Authority's website, for this RFQ/P by completing and submitting the "Acknowledgment of Receipt of Addenda / Questions & Answers" form. A proposal cannot be reviewed and evaluated, unless and until the Proposer has correctly completed, signed and submitted the "Acknowledgment of Receipt of Addenda / Questions & Answers" form (*Exhibit M*).

EACH addendum and EACH sequentially numbered "Questions & Answers" posted on the Authority's website MUST be individually listed and acknowledged on the form. Each entry on the form must be initialed and dated with the date referenced in the addendum or "Questions & Answers" document, as it was posted on the Authority's website.

(NOTE: When completing the "Acknowledgment of Receipt of Addenda / Questions & Answers" form, the column in the grid area labeled "Dated" refers to the date each Addendum or "Questions and Answers" document was posted to the Authority's website; not the date the Proposer is executing the form.)

36. SUBMISSION DUE DATE:

Proposals shall be received at or before 3:00 PM (prevailing local time), on Tuesday, August 30, 2016 at the Authority's offices, located at 36 West State Street, Trenton, NJ 08625. Proposals shall be submitted to the Authority in a securely, SEALED envelope or carton. Unsealed, faxed or e-mailed proposals shall not be accepted.

Proposals will be submitted as follows:

- one (1) printed, signed original
- one (1) printed copy of signed original
- one (1) printed copy of the signed proposal, unbound
- a signed Adobe PDF version supplied on eight (8) compact discs or jump drives

IMPORTANT NOTE: Each compact disc or jump drive should include electronic (i.e. scanned) versions of any and all submittals / samples / documents supplied with the proposal submission, including the proposed workflows, scripts, etc.

Proposals should be addressed as follows:

Mailing Address:

New Jersey Economic Development Authority
Internal Process Management Department
REF # 2016- RFQ/P- 076 – Auditing and Job Certification Review
Consulting Services – RE-BID
Due Date: Tuesday, August 30, 2016 at or before 3:00 PM
PO Box 990
Trenton, NJ 08625-0990

Shipping / Delivery Address:

New Jersey Economic Development Authority
Internal Process Management Department
REF # 2016- RFQ/P- 076 – Auditing and Job Certification Review
Consulting Services – RE-BID
Due Date: Tuesday, August 30, 2016 at or before 3:00 PM
36 West State Street
Trenton, NJ 08625 -0990
Telephone: 609-858-6700- Main Reception Desk

IMPORTANT:

Since the Authority's Evaluation Committee will review the proposal (in Adobe format), on the CD ROM or jump drive, it is the Proposer's sole responsibility to ensure that ALL INFORMATION, DOCUMENTS and ATTACHMENTS INCLUDED IN THE ORIGINAL PROPOSAL SUBMISSION ARE INCLUDED ON THE CD ROM or THUMB / JUMP DRIVE.

Failure to do so may prevent the Evaluation Committee from accurately evaluating the proposal.

The Authority shall not be obligated to reconsider its evaluation and scoring of a proposal, if the Proposer fails to include all information on the CD ROM / jump drive. Should the Authority discover that a Proposer has failed to include the same, complete and accurate information on the CD / jump drive as it included in its printed original proposal submission; the Authority, shall be under no obligation to re-evaluate and re-score the proposal.

To ensure proper identification, EACH CD SHOULD BE CLEARLY LABELED to indicate the Proposing entity's name, address and phone number information, as well as the RFQ/P information

(i.e. 2016-RFQ/P-076 – Auditing and Job Certification Review Consulting Services-RE-BID)

Responses to the RFQ/P will be received until the date and time for receipt referenced above and then publicly opened, at the office indicated.

RFQ/P responses will be available, upon request, for public inspection. The Authority staff will make reasonable efforts to maintain confidentiality of information received as part of the RFQ/P process; however, all respondents are cautioned that the Authority is subject to the provisions of the *New Jersey Open Public Meetings Act*, the *New Jersey Open Public Records Act* (N.J.S.A. 47:1A-1), and the *New Jersey Right-to-Know* statutory law and relevant case law.

37. HOLDING PRICES FIRM:

All Proposers shall hold their proposal prices firm for a period of ninety (90) days, to accommodate the Authority's evaluation and award processes.

38. TERM of CONTRACT:

It is the intent of the Authority to award three (3) three (3) year contracts, with two (2) one (1) year extension options to be exercised at the sole discretion of the Authority, based on the same

specifications, terms and conditions, to provide the requisite Services. Pricing shall remain unchanged throughout the initial three (3) year term of the contract. Pricing for one (1) or both of the one (1) year extension options, if exercised, may be adjusted by the “*Annual Percentage Price Escalator*”, if so indicated in the successful Proposer’s “*Fee Schedule*”.

Notwithstanding the expiration or termination of the Agreement, the Authority reserves the right, in its sole discretion, to extend the Contract on a month-to-month basis beyond the expiration or termination, until a new firm is contracted with the Authority and is prepared to engage in providing these requisite services. In the event the services are scheduled to end either due to expiration of the contract or by termination of the contract by the Authority, in its sole discretion; the Audit / CPA Firm will be required to continue to provide such services if so requested by the Authority, until a replacement Audit / CPA Firm can become completely operational. Any services performed during this / these interim periods of time, shall be performed in accordance with the prices, terms and conditions in effect prior to the expiration or termination of the contract. The Audit / CPA Firm will be reimbursed for these services based on the hourly rates in effect under the most recent contract term.

39. AWARD:

It is the intent of the Authority to award three (3) three (3) year contracts to provide these Auditing and Job Certification Review Services, with two (2) one (1) year extension options to be exercised at the sole discretion of the Authority, based on the same specifications, terms and conditions. Pricing shall remain unchanged throughout the initial three (3) year term of the contract. Pricing for one (1) or both of the one (1) year extension options, if exercised, may be adjusted by the “*Annual Percentage Price Escalator*”, if so indicated in the “*Fee Schedule*”.

The contract award will be made to the highest ranked responsible Proposer whose proposal conforms to this RFQ/P, is most advantageous to the Authority, price and other factors considered, and aligns with the work of the Authority, as determined by the Authority, in its sole discretion. It is the policy of the New Jersey Economic Development Authority that to be considered for award, a Proposer must achieve or exceed an overall score of three (“3”) indicating a rating of “Good”. (Proposers should refer to “*Section 26 - Evaluation Criteria / Selection Process*” for further detail regarding the scoring designations used by the Authority when evaluating proposals.) The Authority shall be under no obligation to make an award to a firm which does not achieve this minimum scoring threshold.

Award of a contract for services outlined in this RFQ/P will be subject to the selected firm entering into a form of contract satisfactory to the Authority. Proposers should refer to the specimen form of “*Contract for Professional Services*”, attached to this RFQ/P as *Exhibit L*.

Acceptance of a proposal and award of a contract is subject to the approval of the Authority’s Board.

Any Proposer may protest a vendor selection (an award) by the New Jersey Economic Development Authority. In order for a protest to be timely, it must be submitted to the Sr. Vice President – Operations within ten (10) business days of receipt of the unsuccessful notification. In order to be considered complete, a protest must: (i) identify the Proposer that is submitting the protest, (ii) identify the contract award that is being protested, (iii) specify all grounds for the protest (including all arguments, materials and/or documents that support the protest); and, (iv) indicate whether an oral presentation is requested, and if so, the reason for the oral presentation. A Hearing Officer will be designated by the Authority’s Sr. Vice President – Operations. The designated Hearing Officer will review all timely and complete Vendor protests and will have sole discretion to determine if an oral presentation by the protester is necessary to reach an informed decision on the matter(s) of the protest.

After completing his or her review of the protest, the Hearing Officer will make a recommendation to either the Authority’s Board of Directors or the Authority’s Chief Executive Officer, as determined by the dollar amount of the potential award as it relates to the Authority’s internal Operating Authority Approval Levels, for a final decision to award the contract. Should the protestor dispute the findings of the

Hearing Officer Report, it will be afforded an “Exceptions Period” equal to ten (10) business days from the Authority’s issuance of the report to refute the findings of the Hearing Officer.

It is the Authority’s intent not to award the contract until it has completed all of the review procedures described above. If, however, in the Authority’s sole discretion, it is determined that such an award is necessary to support the uninterrupted and efficient business operations of the Authority; the contract may be awarded. The Authority’s Board of Directors or Chief Executive Officer will review the protestor’s “Exceptions to the Hearing Officer’s Report” and shall render a decision regarding the appropriateness of the award. The action of the Authority’s Board of Directors or Chief Executive Officer, to make a final decision for the award of the contract will be a final Authority action that is appealable to the Appellate Division of the Superior Court of New Jersey.

40. TERMINATION / CANCELLATION:

The Authority, at its sole discretion, may cancel the Contract, at any time, without material cause, upon seven (7) days advanced written notice to the Vendor. In such event, absent a default on the part of the Vendor, the Vendor shall be entitled to compensation for all services properly provided to the Authority pursuant to the Contract, prior to such termination.

41. OPEN PUBLIC RECORDS ACT:

Respondents should be aware that responses to this RFQ/P will be available, upon request, for public inspection. The Authority, as an instrumentality of the State of New Jersey, is subject to the “*New Jersey Open Public Records Act*” (N.J.S.A. 47:1A-1 et seq.) and “*New Jersey Right-to-Know*” statutory law and relevant case law.

42. OTHER:

Any Proposer attempting to contact government officials (elected or appointed) or the Authority’s Board members and staff, in an effort to influence the selection process, shall immediately have its proposal summarily rejected and disqualified.

The Authority’s staff reserves the right to reject any and all proposals, if deemed to be in the best interest of the Authority, to request redefined proposals from any entity responding to this *RFQ/P*, to schedule interviews with no Proposers, all Proposers, or only the most highly qualified Proposers, as determined by the Authority; or to request clarifications of any portion of the proposal received. Further, the Authority’s staff reserves the right, at its sole discretion, to waive minor elements of non-compliance of any entity’s proposal, with regard to the requirements outlined in this *RFQ/P*. In addition, the Authority’s staff reserves the right to modify or amend, with the consent of the submitting firm, any statement, as may be permitted by law; and to effect any agreement deemed by the Authority to be in its best interest, and the best interest of the State of New Jersey. The Authority retains the discretion to modify, expand or delete any portion of this *RFQ/P* or terminate this *RFQ/P* process at any time.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

REQUEST FOR QUALIFICATIONS / PROPOSALS for AUDITING AND JOB CERTIFICATION REVIEW CONSULTING SERVICES (reference 2016-RFQ/P-076)

ATTACHMENTS & EXHIBITS DETAIL

The ATTACHMENTS contained herein are for informational purposes and are provided to assist the Proposer in preparing its proposal response.

ATTACHMENTS:

Attachment A	Auditing and Job Certification Review Services “ <i>Scope of Services / Deliverables</i> ”
Attachment B	Compliance
Attachment C	“ <i>Conflict of Interest Statement</i> ”
Attachment D	“ <i>Cost Certification – Capital Investment Form</i> ”
Attachment E	“ <i>Job Certification Report</i> ”

~ IMPORTANT ~

The EXHIBITs contained herein represent various documents and forms which must be completed, signed and returned, as further indicated in the RFQ/P language.

EXHIBITS

Exhibit A	Equal Employment Opportunity / Affirmative Action
Exhibit B	“ <i>Employee Information Report</i> ”(Form AA-302)
Exhibit C	“ <i>Certificate of Employee Information Report</i> ”
Exhibit D	“ <i>Letter of Federal Affirmative Action Plan Approval</i> ”
Exhibit E	Sample New Jersey “ <i>Business Registration Certificate</i> ”
Exhibit F	NJ Department of Treasury; Div. of Taxation, “ <i>Sales and Use Tax Act</i> ” (Public Law 1966, c. 30; N.J.S.A. 54:32B- 1 et seq.)
Exhibit G	“ <i>Source Disclosure Certification Form</i> ” (Public Law 2005, c. 92 and N.J.S.A. 52:34-13.2.) - MANDATORY WITH THE PROPOSAL
Exhibit H	“ <i>Set Aside Information</i> ” form
Exhibit I	“ <i>Set Aside Compliance Certificate</i> ”
Exhibit J	“ <i>Monthly Status Report</i> ” form
Exhibit K	“ <i>Two (2) Year Vendor Certification and Disclosure of Political Campaign Contributions</i> ” Form

(Public Law 2005, c. 51)

- Exhibit L Specimen Form of *“Professional Services Contract”*
- Exhibit M *“Acknowledgement of Receipt of Addenda and Questions & Answers”* form
- Exhibit N New Jersey Economic Development Authority *“Solicitation of Quotations and Proposals - Methodology and Procedures”*
- Exhibit O *“Procurement Approval Request”* Form
- Exhibit P *“Ownership Disclosure”* Form (N.J.S.A. 52:25-24.2) - MANDATORY WITH THE PROPOSAL
- Exhibit Q *“Disclosure of Investments in Iran”* form - MANDATORY WITH THE PROPOSAL
- Exhibit R *“Fee Schedule”*
- Exhibit S RESERVED
- Exhibit T RESERVED
- Exhibit U *“Disclosure of Investigations And Actions Involving Bidder”* form

ATTACHMENT A
AUDITING AND JOB CERTIFICATION REVIEW
CONSULTING SERVICES

SCOPE of SERVICES / DELIVERABLES

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AUDITING AND JOB CERTIFICATION REVIEW CONSULTING SERVICES

SCOPE OF SERVICES

(reference 2016-RFQ/P-076-RE-BID)

1. SCOPE OF SERVICES / DELIVERABLES:

The New Jersey Economic Development Authority (“Authority”) is seeking proposals from Certified Public Accounting firms, licensed by the New Jersey Office of the Attorney General - Division of Consumer Affairs - New Jersey State Board of Accountancy (or as may be amended), with demonstrated experience in auditing reports submitted by other Certified Public Accountants (CPAs), to certify costs on individual awards approved to Authority Applicants. These auditing services will also include auditing reports submitted by Applicants, to certify job creation and retention, as required by the respective program guidelines. The successful Proposer (“Auditor,” “Audit / CPA Firm”, “Vendor”) will work independently utilizing American Institute of Certified Public Accountant (“AICPA”) approved procedures to test, audit and document its findings regarding the Applicant-submitted CPA Cost Certifications. The Scope of Work also includes Job Certification Report reviews, submitted for incentive projects, post-completion to authenticate and validate that the information provided in the reports is true, accurate and consistent with the approval of the incentive by Authority’s Board and that all statutory and regulatory guidelines have been met.

The successful Proposer’s staff assigned to perform the requisite Auditing Services, to include all auditing review, interviewing, site inspections and reporting, other than administrative / clerical support services, shall be technically qualified with demonstrated experience in performing such work. The final Audit Report will be written by a Certified Public Accountant (CPA) and countersigned by a member of the Audit / CPA Firm’s senior management. NO EXCEPTIONS.

2. BACKGROUND / INCENTIVE PROGRAMS to be AUDITED:

Through the “*New Jersey Economic Stimulus Act of 2009*” (reference *N.J .S. A. 52:27D-489a through (2015)* “*New Jersey Economic Opportunity Act of 2013*” (*Public Law 2013, c.161*) and as revised and amended by the “*Economic Opportunity Act of 2014, Part 3*” (enacted October 24, 2014), Governor Chris Christie and the Members of the New Jersey Legislature enacted a variety of Business Incentive Programs, designed to support and assist businesses in their ability to sustain and increase employment opportunities, within the state. Such Incentive Programs include, but are not limited to the:

1. “Grow New Jersey Assistance Program” (“Grow”);
2. “Economic Redevelopment and Growth (ERG) Program” (“ERG”); and
3. “Urban Transit HUB Program” (“Residential HUB”, “Commercial HUB”).

Proposers shall note that the above programs are named and provided as a reference and may not be all encompassing. As additional programs are created and approved by the Governor and Members of the Legislature throughout the term of the contract and any extensions thereto; this Scope may be expanded to include those additional programs. Auditing Services for any additional programs will be based on the pricing stated in the Vendor’s “*Fee Schedule*” (reference *Exhibit R*).

3. PERFORMANCE TIMELINE / IMPLEMENTATION SCHEDULE:

The Auditing and Job Certification Review Services will commence immediately, following the Initial

Informational Meeting and award of a TOR. All services required of and subject to this *RFQ/P* shall be completed within the time intervals, as required by the Authority and as acknowledged by the Audit / CPA Firm at the “Initial Organizational Meeting” and in the Task Order. The successful Vendor will be required to present its preliminary “*Performance Timeline / Implementation Schedule*” at the Initial Informational Meeting, to summarize its approach to providing the requisite Services, as well as corresponding timeframes to implement each of the various programs to be audited.

The Authority, in its sole discretion, reserves the right to make adjustments to the Audit / CPA Firm’s proposed “*Performance Timeline / Implementation Schedule*”, to ensure timely and efficient review and auditing of the application, whether by volume, amount or other criterion, as may be applied.

4. METHOD of DELIVERY:

It is expected that the Audit / CPA Firm will review the Applicant’s previously submitted CPA Cost Certification Report(s) and / or Applicant-reported Job Certification(s), at its respective office locations. Following this, the Audit / CPA Firm will review its findings with a designated Authority staff member to ensure a complete understanding of the information reviewed and to address any outstanding points requiring further clarification. Subsequently, the Audit / CPA Firm will perform further on-site due diligence at the Applicant’s facility (i.e. site inspections to verify capital assets, construction, etc. as appropriate) and prepare a written report of its findings, the format of which will be approved by the Authority, to ensure consistency among Audit / CPA Firms.

In an effort to assist the Proposer, in better understanding the Audit and Job Certification Review information presently reviewed, the following forms currently used by the Authority are provided:

- “*Cost Certification – Capital Investment Form*” (reference *Attachment D*); and
- “*Job Certification Report*” (reference *Attachment E*).

The Authority, in its sole discretion, will determine whether to continue utilizing these formats or an alternate format, as may be designed by the Vendor and approved by the Authority.

5. AUDITING SERVICES – DELIVERABLES:

At a minimum, the successful Proposer / Vendor and its staff shall provide Auditing Services which will include but are not limited to:

- a. reviewing Cost Certification Reports prepared by CPAs and Job Certification Reports prepared by Applicants, to validate and substantiate that the Incentive Award Recipient met the terms and conditions of its incentive approval or commitment letter and grant agreement, if applicable, to include:
 - substantiation of capital investment made in conformance with the incentive approval;
 - Applicant compliance with program(s) criterion;
 - substantiation of eligible jobs (pursuant to the terms of the statute) including the number of jobs created and / or retained;
- b. performing site visits / inspections, as may be appropriate, to document project completion and employment on site;
- c. performing site inspections to substantiate purchase and operation of capital equipment expenditures;
- d. interviewing and following-up with Applicant designated staff to:

- validating the proposed vs. actual costs of construction or capital expenditure purchase(s);
 - .verifying work completed against Applicant’s program application;
 - verifying Applicant’s Vendor invoices (source documentation) paid in connection with the project and in support of the initial CPA cost certification provided to the Authority to date;
 - verifying payments actually issued (i.e. cancelled checks, Automated Clearing House (ACH) payments, etc.); and
 - verifying leases / square foot space utilization consistent with approval
- e. documenting the due diligence process by securing scanned copies or digital photos of the above items;
- f. reviewing payrolls pre and post award to evidence employment created, retained etc., to include obtaining copies of payrolls / human resources information;
- g. documenting the audit and due diligence processes by preparing and submitting a detailed report of the audit findings; and
- h. giving testimony, as may be required.

6. AUDITING SERVICES – VOLUME:

As of March 31, 2016, the Authority has reviewed and approved the following Incentive Program applications:

Program	Applications Approved
Grow New Jersey Assistance Program ("Grow")	178
Commercial Economic Redevelopment and Growth (ERG) Program ("Commercial ERG")	27
Residential Economic Growth (ERG) Program ("Residential ERG")	32
Commercial Urban Transit HUB Program (Commercial HUB)	11
Residential Urban Transit HUB Program (Residential HUB)	15

At a minimum, it is expected that the annual Scope of Work will be ten (10%) percent of closed projects, which will be distributed to the three (3) Audit / CPA Vendors, in accordance with the methodology outlined in "Section 7 – Methodology for Use" , to document findings for certifications of costs or jobs.

7. AUDITING SERVICES – SAMPLING SIZE:

On an annual basis, it is expected that the Audit / CPA Firm’s staff will sample and review no less than ten (10%) percent of any of the previously approved / closed projects. The Authority reserves the right to increase this sampling size, during the term of the contract and any extensions thereto, based on changes in legislation, visibility of a project, dollar amount approved and awarded or as may be deemed appropriate by the Authority, in its sole discretion.

8. **SITE INSPECTIONS / INTERVIEWS:**

For each Applicant project audited, the Audit / CPA Firm's staff shall perform a site inspection to validate the completion of incentive-funded construction costs (i.e. new construction, expansion, demolition, etc.), and / or capital expenditures (i.e. equipment purchased). The Vendor shall dispatch technically qualified staff member(s) to meet with the Applicant Firm and various members of its staff, to tour the actual the site to physically observe the capital equipment in place, as part of the requisite due diligence regarding program compliance, completion, construction costs, etc. At a minimum, such site inspections shall include:

- a. physically visiting the designated business premise(s) indicated in the application;
- b. documenting completion of the construction via visual photos (both interior and exterior);
- c. meeting with and interviewing the designated Applicant Firm's staff representatives to secure access to construction expenditures / capital expenditures, to substantiate costs, to include:
 - digital photos / scans of all documentation pertaining to program incentive funds expended;
 - copies of payments made to Vendors by the Applicant Firm to include scanned copies or digital photos of:
 - quotations solicited by Applicant Firm;
 - construction contractor quotations vs. actual costs;
 - purchase orders issued;
 - contracts executed;
 - Vendor invoices received and substantiated;
 - cancelled checks (front and back); and
 - any other documentation as the Authority may deem it appropriate to evidence, in its sole discretion; and
 - review leases, as applicable; and
- d. meeting with and interviewing the designated Applicant Firm's staff representatives to substantiate employment opportunities created and retained, as detailed in the Applicant's application.

The Auditor / CPA's staff will be compensated for travel time to the respective location to perform the site inspection, in accordance with the criterion outlined in "*Section 11 - Limits Of After-Hours Compensation –Item B Travel / Mileage Reimbursement*". These costs shall be considered in the Auditor / CPA Firm's "*Fully Burdened Hourly Rates*" and the respective Task Order "*Maximum Not to Exceed Fee*" extended calculation. The Vendor will receive compensation for tolls and mileage, properly documented and substantiated with receipts.

9. **PERFORMANCE INTERVALS:**

For normal TORs, within no more than ninety (90) calendar days from the Authority's acceptance of the Task Order Cost Proposal, the Audit / CPA Firm shall complete all aspects of the audit and due diligence processes, to include providing any supporting documentation and a detailed, written report of its findings. The report will itemize and detail each of the key milestones and points of information / data referenced herein. ,

The Authority, in its sole discretion, may require expedited service requiring that all of the Work for a particular TOR be completed within thirty (30) calendar days, or sixty (60) calendar days as indicated in the Task Order Request issued by the Authority. If the Audit / CPA Firm will not be able to achieve an

expedited Due Date for Completion; it shall decline to offer a cost proposal for the particular Task Order Request.

For those TORs that require expedited review and completion, an Expedited Premium Percentage Fee will be allowed. When the Work and reporting needs to be completed within thirty (30) or sixty (60) calendar days, the Proposer may indicate that its “Expedited Thirty (30) Day Premium Percentage Fee” (reference Exhibit R – Sections 3) or “Expedited Sixty (60) Day Premium Percentage Fee” (reference Exhibit R – Sections 4), as applicable, will be added to the total invoice amount for that particular TOR. This Premium Percentage will be added to the Vendor’s invoice in addition to its fully substantiated and detailed costs. For example, a Vendor might submit an invoice for a 30-day expedited review as follows:

Title / Position	Hourly Rate	# Hours	Total Amount
CPA	\$75.00	20	\$1500.00 .00
Account Manager	\$95.00	10	\$950.00
“Expedited Thirty (30) Day Premium Percentage Fee	5%		\$122.50
TOTAL			\$ 2572.50

10. MEASUREMENTS AND REPORTING:

The Incentive Applicant reports will be of sufficient detail, as required by the Authority, to accurately and effectively assess the due diligence afforded, based on the incentive program criterion. At a minimum, each report will:

- a. include an executive summary, to accompany the more granular / detailed report;
- b. compare and contrast each program eligibility criterion to substantiate the Applicant’s compliance with the program criterion;
- c. provide a narrative regarding the manner in which funds were expended;
- d. detail employment opportunities created / sustained;
- e. include scanned exhibits and photos substantiating the auditor’s findings;
- f. include any other details as the Authority deems necessary to evidence that the highest levels of due diligence have been applied; and
- g. include a notarized attestation statement, signed by the Certified Public Accountant and a member of the Audit / CPA Firm’s senior management, affirming the findings contained therein.

Any questions raised by the Authority regarding the contents of the project report, must be addressed in a written response, to include corrective action if so needed, within seventy-two (72) hours. Each report will be provided in hard copy, as well as electronically, in an Adobe .pdf format or other software application currently used by the Authority.

11. CONFLICT OF INTEREST:

With each Task Order Cost Proposal, the Audit / CPA Firm and its designated staff assigned to perform the Work will acknowledge whether a conflict of interest exists regarding the specific project, which might

affect its ability to effectively, efficiently and impartially perform the requisite Auditing services. All designated staff to be assigned to the project, as well as the Audit / CPA Firm's Senior Partner(s) will submit a fully completed and executed "*Conflict of Interest Statement*", a specimen form of which is included herein as *Attachment C*, with its cost proposal. The Audit / CPA Firm shall ensure that its designated staff assigned to the project, as well as the Firm itself, has no direct, familial or personal monetary interest in the Applicant business entity or site, as well as any previous or existing personal or professional relationships or interaction with the Applicant, site and / or its current or previous owners, nor shall the designated staff members and / or the Audit CPA Firm have been employed by or done business with the Applicant Firm, in question. Should a conflict exist, whether real or perceived, in the Authority's sole determination; the designated staff member(s) shall immediately recuse himself from the given audit review. The Audit / CPA Firm will immediately assign another technically qualified staff member identified in the Staffing Chart to the project. Any designated staff member who refuses / declines to complete and execute the "*Conflict of Interest Statement*" will immediately be removed from the audit. NO EXCEPTIONS.

A copy of the "*Conflict of Interest Statement*" shall be included in the final report submitted to the Authority.,

Vendor, its officers, employees or principal shareholders ("Interest Parties) shall not hold any ownership interest in any incentive project that is included within this Auditing and Job Certification Review Consulting Services Contract; and shall not be under contract (other than this Contract) to perform work or services, *including representation on a new project* for the same Incentive Applicant on any incentive project that is included herein. The Authority reserves the right to limit or restrict the scope of the work to be performed by the Vendor, in the event that Authority determines, in its sole discretion, that a project specific Scope of Services would create a potential conflict of interest. Any limitation or restriction on the Scope of Work by the Authority because of a potential conflict of interest, shall not reduce or interfere with payment of compensation to the Vendor for Work that does not create a potential conflict of interest.

Subcontractor(s) hired by Vendor to perform Work under this Contract, including the officers, employees or principal shareholders of such Vendor's subcontractors(s) ("Subcontractor Interested Parties") shall not hold any ownership interest in any incentive project that is included within this Auditing and Job Certification Review Consulting Services Contract; and shall not be under contract (other than this Contract) to perform work or services on any incentive project *including representation on a new project for the same Incentive Applicant that is included herein*. The Authority reserves the right to limit or restrict the Scope of Work to be performed by the subcontractor of the Vendor, in the event that Authority determines, in its sole discretion, that a project specific Scope of Services would create a potential conflict of interest. Any limitation or restriction on the Scope of Work by the Authority, due to a potential conflict of interest shall not reduce or interfere with payment of compensation to the Subcontractor of Vendor for Work that does not create a potential conflict of interest.

Before beginning Work on any incentive project-specific Scope of Services, Vendor shall provide to the Authority its written certification that: (i) Interested Parties and Subcontractor Interested Parties do not hold any ownership interest in the incentive project that is the subject of the project-specific Scope of Services; (ii) Interested Parties and Subcontractor Interested Parties are not under any contract (other than this Contractor or such subcontract) to perform work or service related to the incentive project that is the subject of the project-specific Scope of Services; and Interested Parties and Subcontractor Interested Parties do not hold any interest in or right to acquire any interest in the incentive project that is the subject of the project-specific Scope of Services. Vendor shall have an on-going obligation to notify the Authority in writing, of any change in circumstances, including obtaining additional information that would make such Vendor Certification less than completely accurate. Said on-going obligation to notify the Authority shall remain in effect for as long as Work is being performed on the incentive project on the project-specific Scope of Services.

IMPORTANT NOTE: Interested Parties and Subcontractor Interested Parties are barred from earning any brokerage or other commissions from anyone other than the New Jersey Economic Development Authority in connection with any transaction that arises from or out of any projects that is included within the Work of this Contract. Said bar from earning brokerage or other commissions shall remain in effect for

the Term of this project-specific assignment.

12. TESTIMONY:

In the event the Audit findings indicate that the Applicant has not demonstrated appropriate due diligence or fiscal responsibility in the use and expenditure of the program funds; the Authority may deem it necessary to pursue legal action to suspend future payments and “claw-back” funds advanced or tax credits awarded. In such instances, the respective CPA auditor performing the audit shall be required to provide testimony or offer a deposition, as deemed legally appropriate by the Authority’s counsel. In such instances, the Audit / CPA Firm will be compensated based on its “*Fully Burdened Hourly Rates Fee Schedule*”, for both travel time and mileage, with proper substantiation of same, as indicated herein.

13. ADDITIONAL WORK / SERVICES REQUIRED:

The above represents a general outline of the “*Scope of Services / Deliverables*” which the Authority will require of the Consultant Firm. The project-specific “*Scopes of Services*” will be based on what is outlined in the successful Proposer’s proposal and is subject to the approval of the Authority’s Designated Representative(s). The positions / titles, hours to be dedicated and corresponding hourly rates for each project specific “*Scope of Services*” as outlined in the Audit / CPA Firm’s proposal represents the Audit / CPA Firm’s assessment of necessary personnel allocations to successfully and effectively execute the tasks and administer the Program. This assessment shall represent a firm dollar amount to perform the specified task / project.

It is the Audit / CPA Firm’s responsibility, based on its industry knowledge and expertise, to accurately assess the costs associated with managing and providing the requisite services. Conversely, if the Audit / CPA Firm finds that the services can be completed satisfactorily, at a lower cost than originally assessed; the Audit / CPA Firm is bound to pass that cost reduction through to the Authority. Any adjustments to hours or positions / titles (i.e. substituting a subcontractor or staff employee) are subject to the final approval of the Authority designated staff member, at his / her sole discretion.

As needed, the Audit / CPA Firm may also be retained by the Authority to provide additional services relating to the Work required under this contract. It is understood that the Audit / CPA Firm may be retained by the Authority, if in its sole discretion, it is determined that additional services are required and that such procurement is in the best interest of the New Jersey Economic Development Authority. In the event that the Authority requires additional work not specifically referenced herein, but related to the scope of these services during the term of the contract, and any extensions thereto, the Audit / CPA Firm shall be required to provide these Auditing Services for those new programs, at the same prices, terms and conditions as stated and accepted in its proposal. The Audit / CPA Firm will be compensated for such additional services, based on the prices and fees submitted in its “*Fee Schedule*” in response to this solicitation.

It is further understood that the Authority is under no obligation to solicit a proposal and / or retain the Audit / CPA Firm on a sole-source basis to provide any such additional services. Compensation for additional services shall be based on a time and materials fee, in accordance with the Audit / CPA Firm’s “Fully Burdened Hourly Rates” as specified in the “*Fee Schedule – Fully Burdened Hourly Rate Schedule*” (*Exhibit R – Section 1A - 1M*); or if not specified in the “*Fee Schedule*”; then reasonable and customary amounts.

In the event of additional work and / or special projects directly related to the services required herein, the Audit / CPA Firm must present a written proposal to perform the additional work to the Authority’s Designated Contract Manager or his / her designee. The proposal must provide justification for the necessity of the additional work. The relationship between the additional work and the base contract work must be clearly established by the Audit / CPA Firm, in its proposal.

The Audit / CPA Firm shall not begin performing any additional work or special projects without first obtaining prior written approval, from the Authority's Designated Contract Manager or his / her designee. The Audit / CPA Firm will be compensated for such additional services, based on the fees / hourly rates submitted in its "*Fee Schedule*" in response to this solicitation.

Invoices must also be submitted for such additional work or other items (i.e. supplies, materials, equipment, etc.) properly authorized and satisfactorily completed. These invoices must itemize the position / titles involved in the performance of the work, as well as the corresponding hourly rates, as specified in the Proposer's "*Fee Schedule*" (reference *Exhibit R – Section 1A–1M*). Such Invoices shall be submitted according to the payment schedule agreed upon when the Work was authorized and approved.

The Proposer's prices, as stated in its "*Fee Schedule*" represent the Proposer's fully burdened costs to provide these Services. Actual invoices for the performance of these services will be based on the Proposer's "*Fee Schedule*" (reference *Exhibit R – Section 1A - 1M*), detailing the position / title, hours and services performed to successfully complete the requirements of the requisite project-specific "*Scope of Services*".

14. RIGHT to EXPAND, REDUCE or CANCEL SERVICE:

The above "*Scope of Services / Deliverables*", in conjunction with the *Attachments* included herein, represents a broad overview of the requisite Auditing and Job Certification Consulting Services required and resulting Work. The Authority, in its sole discretion, reserves the right to expand, reduce or cancel service.

The Vendor's prices, as stated in its "*Fee Schedule*" represent its Maximum Not-To-Exceed Fees to provide these Services, as stated and described herein.

ATTACHMENT B

COMPLIANCE REQUIREMENTS

ATTACHMENT B

COMPLIANCE:

This Attachment describes the compliance requirements and includes exhibits containing several forms, instructions and samples which must be completed, signed and submitted prior to the execution of a contract or WITH the bid proposal. The Authority strongly recommends that ALL COMPLIANCE FORMS BE COMPLETED, SIGNED AND RETURNED WITH THE PROPOSAL including those related to the disclosure of political campaign contributions - Forms for *Public Law 2005, c. 51 Special Provision – Political Campaign Contributions*.

Further, **BIDDERS SHALL NOTE THAT THE FORMS IDENTIFIED IN ITEMS C, G AND I ARE MANDATORY AND SHALL BE INCLUDED WITH THE BID PROPOSAL.** Failure to do so shall render the proposal materially non-responsive and subject to rejection.

A. EQUAL EMPLOYMENT OPPORTUNITY:

Bidders are required to comply with the requirements of *P.L. 1975 C. 127 – N.J.S.A. 10:5-31 et seq.* and *N.J.A.C. 17:27 et seq.*, which are expressly included within the terms of this RFQ/P, refer to **Exhibit A**. As part of the Proposal submission, all entity(s) must either complete *AA302 Employee Information Report form*, a sample of which is attached as **Exhibit B**, or submit a valid *Certificate of Employee Information Report*, a sample of which is attached as **Exhibit C**, or a valid *Letter of Federal Affirmative Action Plan Approval*, a sample of which is attached as **Exhibit D**.

B. BUSINESS REGISTRATION - Public Law 2001, chapter 134; Public Law 2004, chapter 57; and Public Law 2009, chapter 315:

Each entity responding to this RFQ/P must be registered with the New Jersey Department of Taxation – Division of Revenue and obtain a “*Business Registration Certificate*” (“BRC”), prior to entering into a contract with the New Jersey Economic Development Authority (“Authority”). All New Jersey and out-of-State business organizations must obtain a “BRC”, prior to conducting business with the New Jersey Economic Development Authority. Bidders and any joint venture partners submitting a proposal are strongly encouraged to submit their “*Business Registration Certificate(s)*”, as well as the “*Business Registration Certificate*” for any named subcontractors with the proposal. The successful Bidder is required to ensure that it, each joint venture partner and all subcontractors possess a valid “*Business Registration Certificate*” throughout the term of the contract and any extensions thereto.

A sample “*Business Registration Certificate*” is attached to this RFQ/P, as **Exhibit E**.

The Authority cannot award a contract unless a valid “*Business Registration Certificate*” is obtained for each entity, as required by law. In the event the Bidder, joint venture partners and / or any named subcontractors are unable to provide evidence of possessing a valid “*Business Registration Certificate*” prior to the award of a contract; the proposal may be deemed materially non-responsive.

During the term of the contract and any extensions thereto, and prior to performing any work against said contract, the successful Bidder must obtain and submit to the Authority, proof of a valid “BRC” registration for any subcontractor who will perform work against the resulting contract. Upon notification from the Authority of intent to award a contract, the successful Bidder must provide written notice to all its intended subcontractors, if applicable, that they are required to submit a copy of their “*Business Registration Certificate*” to the Contractor. The Contractor shall maintain and submit to the Authority a list of subcontractors and their current addresses, updated as necessary, during the course of the contract performance. No subcontract shall be entered into with a subcontractor for work under this contract, unless the subcontractor first provides to the Contractor, proof of the subcontractor’s valid “BRC” registration.

As required by law, the Authority cannot award a contract to any Bidder or joint venture partners, which does not possess a valid “*Business Registration Certificate*”.

The business registration form (Form NJ-REG) can be found online at:

<http://www.nj.gov/treasury/revenue/gettingregistered.shtml>

Bidders may go to www.nj.gov/njbgs to register with the Division of Revenue or to obtain a copy of an existing “*Business Registration Certificate*”.

INDIVIDUALS, who may be responding to this RFQ/P, or who may perform work against the contract as a subcontractor MUST also possess a valid “*Business Registration Certificate*”. The individual must complete and sign form “NJ-REG-A” (Rev 12/06) and submit to the Department of Treasury. Evidence of registration with the Department of Treasury – Client Registration Bureau should be submitted with the bid proposal.

The “NJ-REG-A” form may be found at the Department of Treasury’s website:

<http://www.state.nj.us/treasury/revenue/pdforms/rega.pdf>

The contractor and any subcontractor / subconsultant providing goods or performing services under this contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the “*Sales and Use Tax Act*”, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State (reference **Exhibit F**).

C. PUBLIC LAW 2005, c.92 - N.J.S.A. 52:34-13.2 - SOURCE DISCLOSURE: **MANDATORY WITH THE BID**

In compliance with *Public Law 2005, c.92* and *N.J.S.A. 52:34-13.2*, each entity submitting a response to this RFQ/P is required to indicate on the attached “*Source Disclosure Certification*” form, attached herein as **Exhibit G**, the location by country where services rendered pursuant to this RFQ/P will be performed. This shall be submitted with the bid proposal.

D. EXECUTIVE ORDER 34 (2006) COMPLIANCE:

In accordance with *Executive Order 34 (2006)*, the Authority encourages the use of Minority-Owned Business Enterprises (MBEs) and Woman-Owned Business Enterprises (WBEs) entities and MBE and WBE subconsultants.

E. SET-ASIDE:

In accordance with the requirements of *N.J.A.C. 17:13* and *N.J.A.C. 17:14*, as amended, the New Jersey Economic Development Authority is required to develop a set-aside business plan for Small Business Enterprises (SBEs). The Authority encourages the participation of SBE firms as certified by the New Jersey Division of Revenue and Enterprise Services – Business Services Bureau for the services subject to this RFQ/P. Information regarding SBE certification can be obtained by contacting the Office of Business Services at (609) 292-2146 or at their offices at 33 West State Street, P.O. Box 820, Trenton, NJ 08625-0820 or on-line, via the State’s Business website at:

<http://www.newjerseybusiness.gov>

It is the Authority’s goal to award twenty-five (25%) percent of the dollar value of its contract to eligible small businesses whose principal place of business is New Jersey, is independently owned and operated, has no more than one hundred (100) full-time employees, and whose gross revenues do not exceed \$12 million dollars or the applicable annual revenue standards set forth in *13 CFR 121.201*, incorporated herein by reference and as may be adjusted periodically, whichever is higher, and satisfies any additional eligibility standards under this chapter.

(reference: www.sba.gov/tools/resourcelibrary/laws.and.regultaions/index.html)

(NAICS Codes can be obtained at: www.census.gov/epcd/www/naics.html)

FOR GOODS AND SERVICES:

It is the New Jersey Economic Development Authority’s goal to award:

- Ten (10%) percent of its contracts to eligible small businesses whose principal place of business is New Jersey, is independently owned and operated, has no more than 100 full-time employees, and whose gross revenues do not exceed \$500,000;
- Fifteen (15%) percent of its contracts to eligible small businesses whose principal place of business is New Jersey, is independently owned and operated has no more than 100 full-time employees, and whose gross revenues do not exceed \$12 million dollars or the applicable federal revenue standards established at *13 CFR 121.201* incorporated herein by reference, whichever is higher.

Further, in accordance with *Public Law 2011, c. 147*, the Authority encourages the use of Veteran-Owned Businesses (VOBs) as certified by the New Jersey Division of Revenue and Enterprise Services – Business Services Bureau.

Therefore, all Bidders and their named subcontractors should complete the attached "*Set Aside Information Form*" included herein as **Exhibit H** and submit it with the proposal.

In addition, the Bidder should complete and submit the attached "*Set Aside Compliance Certificate*" **Exhibit I** with the proposal. The "*Set Aside Compliance Certificate*" is considered a mandatory requirement to be completed and submitted prior to entering into a contract for these services. Failure to complete and submit the "*Set Aside Compliance Certificate*" will be a sufficient basis to deem the proposal non-responsive.

The Bidder's "*Set-Aside Compliance Certificate*" will convey information in sufficient detail to permit the Authority to effectively assess the Bidder's plan for attaining the specified Set-Aside goal or documenting the Bidder's good faith effort to meet the Set-Aside goal.

The successful Bidder must submit a "*Monthly Status Report*" included herein as **Exhibit J**, with its invoice, on a monthly basis to the Authority. Invoices will not be processed unless accompanied by the "*Monthly Status Report*".

F. P.L. 2005, c. 51 SPECIAL PROVISIONS – POLITICAL CAMPAIGN CONTRIBUTIONS:

On March 22, 2005, Acting Governor Codey signed into law *P.L. 2005, c. 51*, amending and supplementing *N.J.S.A. 19:44A-20.1 et seq.* This legislation supersedes *Executive Order 134 (2004)* ("*EO 134*"), but essentially codified its substantive provisions aimed at safeguarding the integrity of State government procurement by imposing restrictions to insulate that process from political contributions posing the risk of improper influence, purchase of access, or the appearance thereof. As set forth in detail below, a selected entity will be required to respond in a timely fashion to certification and disclosure requirements that will be issued by the Authority. Under *N.J.S.A. 19:44A-20.24*, the terms and conditions set forth in this section are material terms of the *RFQ/P* and contract.

(1) Definitions. For purposes of this section, the following shall be defined as follows:

- (i) "Contributions" means a contribution reportable by the recipient under the "*New Jersey Campaign Contributions and Expenditures Reporting Act, P.L. 1973, c. 83 (N.J.S.A. 19:44A-1et seq.)*", and implementing regulations set forth at *N.J.A.C. 19-25-7 and N.J.A.C. 19:25-10.1 et seq.* Currently, contributions in excess of \$300.00 during a reporting period are deemed "reportable" under these laws. The provisions of *P.L. 2005, c. 51* shall apply only to contributions made on or after October 15, 2004.
- (ii) "Business Entity" means any natural or legal person, business corporation, professional services corporation, Limited Liability Company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of New Jersey or any other state or foreign jurisdiction. It also includes (I) all principals who own or control more than 10 percent of the profits or assets of a business entity or 10 percent of the stock in the case of a business entity that is a corporation for profit, as appropriate; (ii) any subsidiaries directly or indirectly controlled by the business entity; (iii) any political organization organized under *26 U.S.C.A. §527* that is directly or indirectly controlled by the business entity other than a candidate committee, election fund, or political party committee; and (iv) if a business entity is a natural person, that person's spouse or child, residing therewith.

(2) Prohibited Conduct. The Authority shall not enter into a contract valued at more than \$17,500 for goods or services with any Business Entity, if the Business Entity solicited or made any contribution of money, or pledge of contribution, including in-kind contributions to a candidate committee and/or election fund of any candidate for a holder of the public office of Governor, or to any State or county political party committee on or after October 15, 2004.

(3) Certification and Disclosure Requirements:

- (i) Requirements for Selected Entity. The selected entity *shall receive notification that will, among other things, notify the entity that it must submit a "Two (2) Year Vendor Certification of Political Contributions Disclosure" and "Ownership Disclosure" forms as provided by the Authority, samples of which are set forth in Exhibit K to this RFQ/P.* Instructions for completing the forms are also included with **Exhibit I**. Failure to submit these forms in a timely fashion shall be cause for rejection of the entity. *Do not include the P.L. 2005, c. 51 forms as part of the proposal submission. Only the selected entity(s) will need to complete and submit these forms. Selected entity(s) will be notified by the Authority at the appropriate time.*
- (ii) Consultant's Continuing Obligation to Comply with *P.L. 2005, c. 51*. The selected entity shall be required on a continuing basis to disclose and report to the Authority any contributions made during the contract term by the Business Entity on forms provided by the Authority, at the time it makes the contribution.

- (4) State Treasurer Review. Prior to the award of the contract, the State Treasurer or his designee shall review the Disclosures submitted by the apparent successful entity, as well as, any other pertinent information concerning the contributions or reports thereof. This review will also take place on a continuing basis during the term of the contract. If the State Treasurer determines that any contribution or action of the contractor constitutes a breach of contract pursuant to this section, or presents a conflict of interest in the awarding of the contract under this solicitation, the State Treasurer shall disqualify the Business Entity from award of this or any future contract.
- (5) Breach of Contract. It shall be a breach of the terms of the contract for the Business Entity to: (i) make or solicit a contribution in violation of P.L. 2005, c. 51, (ii) knowingly conceal or misrepresent a contribution given or received; (iii) make or solicit contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution; (iv) make or solicit any contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate or holder of the public office of Governor, or to any State or county party committee; (v) engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the Business Entity itself would subject that entity to the restrictions of P.L. 2005, c. 51; (vi) fund contributions made by third parties including consultants, attorneys, family members, and employees; (vii) engage in any exchange of contributions to circumvent the intent of P.L. 2005, c. 51; or (viii) directly or indirectly through or by any other person or means, do any action which would subject that entity to the restrictions of P.L. 2005, c. 51.
- (6) Contract Provisions. Political Campaign Contribution provisions will be included in and be a part of the contract that the selected entity will be required to sign.

G. DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN – MANDATORY WITH THE BID

Pursuant to N.J.S.A. 52:32-55 *et seq* the Bidder shall complete, sign and submit the “Disclosure of Investment Activities in Iran” form **Exhibit Q**. This is a mandatory requirement of the BID submission.

H. DISCLOSURE OF INVESTIGATIONS AND ACTIONS INVOLVING BIDDER -

The Bidder shall provide a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five (5) years including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status and, if applicable, disposition. The Bidder shall use the *Disclosure of Investigations and Actions Involving Bidder* form **Exhibit U** for this purpose.

I. OWNERSHIP DISCLOSURE FORM – MANDATORY WITH THE BID

Pursuant to N.J.S.A. 52:25-24.2, in the event the Bidder is a corporation, partnership or sole proprietorship, the Bidder must complete the attached *Ownership Disclosure Form* included herein as **Exhibit P**. A current completed *Ownership Disclosure Form* must be submitted with the BID. Failure to submit the form with the bid will render the bid materially non-responsive and subject to rejection.

The successful entity agrees that it shall comply with all requirements of these provisions. If the successful entity fails to comply with the requirements of these provisions, the Authority may declare any contract for these services void.

NOTE: Bidders are cautioned that all compliance documents, as required by law, MUST be fully completed, signed and submitted WITH the bid.

IMPORTANT NOTE: DO NOT LEAVE A COMPLIANCE DOCUMENT BLANK / INCOMPLETE, with the exception of the Public Law 2005, c.51 forms, which are only required of the successful Bidder. If you believe a particular compliance document is not applicable to your firm, you are encouraged to submit a question during the “Questions& Answers” period, specified in this RFQ/P. If the document does not apply to your company (i.e. the “Set-Aside Information” form (Exhibit H); you should complete all information (i.e. number & RFQ/P title, etc.), mark those areas that are not applicable with the abbreviation “N/A”, sign and return the document with your bid submission. Failure to do so may result in rejection of the bid.

EXHIBIT L

CONTRACT FOR PROFESSIONAL SERVICES

**AUDITING AND JOB CERTIFICATION REVIEW
CONSULTING SERVICES**

AGREEMENT made this ____ day of _____, 2016, by and between the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (the "Authority or NJEDA"), having its address at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625-0990, and _____ (the "Vendor"), having its address at _____.

The Authority and the Vendor agree as follows:

1. **The Work.** The Vendor shall perform or shall provide the services as specifically detailed in the Vendor's Proposal, dated _____, 2016 (and as clarified in the Vendor's revised Proposal dated _____, and _____, 2016) and the Authority's Request for Proposal ("RFQ/P"), dated _____ 2016, which are attached hereto and made a part of this Contract.

2. **Time.** The Vendor shall render the services described in the Vendor's Proposal and RFQ/P as required by the Authority and generally pursuant to the Fee Schedule included therein.

The initial term of this Contract is three (3) years, with two (2) one (1) year extension periods, to be exercised at the sole discretion of the Authority, based on the same specifications, terms and conditions. Pricing may be adjusted in one (1) or both extension option years, based on the Annual Percentage Price Escalator, if any, stated in the Vendor's proposal.

Notwithstanding the expiration or termination of this agreement, the Authority reserves the right in its sole discretion to extend this agreement on a month-to-month basis beyond expiration or termination until a replacement contract for Auditing and Job Certification Review Consulting Services is entered into by the Authority.

3. **Contract Price.** The Authority shall pay the Vendor for the performance of the Work based on the Prices indicated in the *Fee Schedule* set forth in the Vendor's Proposal and in accordance with Authority approved, project specific Scopes of Service. The total, Contract Price shall not exceed _____ (\$XXXXXXXX) Dollars, should the Authority exercise both extension options. This budget reflects the Vendor's "Fully Burdened Hourly Rates (*Exhibit R – Section 1A-1M*) and the monies the Vendor

shall pay to its staff and Vendors. The Authority may require services in addition to those agreed to in the RFQ/P and the Proposal. Compensation to the Vendor for additional services shall be in accordance with the *Hourly Rates Fee Schedule (reference : "Exhibit R – Section 1A-1M – Fully Burdened Hourly Rate Schedule")* as set forth in Vendor's Proposal; or if not specified in Vendor's Proposal, then reasonable and customary amounts as negotiated by the Authority.

4. **Ownership and Use of Documents.** All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and / or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the Authority and shall be delivered to the Authority upon thirty (30) days notice by the Authority. Regarding software computer programs and / or source codes developed for the Authority, the work shall be considered "work for hire," that is, the Authority, not the Vendor or subcontractor, shall have full and complete ownership of all software computer programs and / or source codes developed. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Agreement, the Vendor or subcontractor(s) hereby assigns to the Authority all right, title and interest in and to any such material, and the Authority shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

In the event the Vendor's proposal identifies bringing pre-existing intellectual property into a project, the background intellectual property ("Background Intellectual Property") owned by the Vendor on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the Vendor. This contract, grants to the Authority, a non-exclusive, perpetual royalty-free license to use any of the Vendor's Background IP delivered to the Authority for the purposes contemplated by the contract and any extensions thereto.

5. **Manner of Payment.** Following the completion of each individual project specific Scope of Service or a mutually agreed upon portion thereof, the Vendor shall submit to the Division an original invoice, a completed "Monthly Status Report", and any other documentation, as may be required by the Authority to

process payment. The Authority will make prompt payment to the Vendor, following receipt of and approval of the documentation. No project multipliers shall be used in billings submitted under this Contract, as set forth in the proposal. The Vendor must submit a Monthly Status Report to the Authority. Invoices will not be processed unless accompanied by the Monthly Status Report.

6. **Indemnification.** The Vendor shall defend, indemnify, protect and hold harmless the Authority, and its officers, agents, servants and employees from and against any and all suits, claims, demands, losses or damages of any kind arising out of or claimed to arise out of any act, error, or omission on the part of the Vendor, its officers, agents, servants, employees and subcontractors in the performance of services under this Contract. The Vendor shall, at its own expense, appear, defend and pay all charges for attorneys and all costs and other expenses arising from such suit or claim or incurred in connection therewith. If any judgment shall be rendered against the Authority or its officers, agents, servants, and employees for which indemnification is provided under this Section 6, the Vendor shall, at its own expense, satisfy and discharge the same.

The Vendor shall be liable to the Authority for any reasonable costs incurred by the Authority to correct, modify, or redesign any technical information, reports, findings, analyses, surveys or drawings generated or produced by Vendor or any Work performed by the Vendor or its subcontractor(s) that is found to be defective or not in accordance with the provisions of the Contract as a result of any negligent act, error, or omission on the part of the Vendor, its officers, agents, servants, employees and subcontractors. The Vendor shall be given a reasonable opportunity to correct any deficiency.

The indemnification obligation set forth in Section 6 is not limited in any way by the insurance coverage required pursuant to Section 7 of this Contract and shall survive the terms of this contract.

7. **Insurance.** The Vendor shall procure and maintain, at its own expense, liability insurance for damages of the kinds and in the amounts hereinafter provided, from insurance companies licensed, admitted and approved to do business in the State of New Jersey. The Vendor shall obtain this coverage from A VII or better - rated companies as determined by A.M. Best Company. All liability insurance policies shall afford coverage on an occurrence rather than claims made basis with the exception of the professional liability coverage. The types and minimum amounts of insurance required are as follows:

(a) **Commercial General Liability Insurance.**

The minimum limits of liability for this insurance shall be \$1,000,000 per occurrence and \$2,000,000 in the aggregate and cover liability based on property damage, death and bodily injury.

The Commercial General Liability Insurance policy shall name the Authority and as additional insured. The coverage to be provided under this policy shall be at least as broad as the standard, basic, unamended and unendorsed commercial general liability policy and shall include contractual liability coverage.

(b) **Workers' Compensation and Employers' Liability.**

Workers' Compensation Insurance shall be provided in accordance with the requirements of the laws of this State and shall include an endorsement to extend coverage to any State, which may be interpreted to have legal jurisdiction. Employers' Liability Insurance shall also be provided in an amount acceptable to the Authority.

(c) **Professional Liability Insurance.**

The Vendor shall carry Errors and Omissions and/or Professional Liability Insurance sufficient to protect the Vendor from any liability arising out of professional obligations performed pursuant to this Contract. The insurance shall be in the amount of \$1,000,000 each claim and in such policy form as shall be approved by the Authority.

Professional Liability Insurance shall include coverage for Contingent Bodily Injury and Property Damage.

(d) **Cyber Security Insurance.**

The Vendor shall carry Cyber Security Insurance in the amount of \$5,000,000 each claim which shall include coverage for breach of the Privacy Act or HIPAA regulations. This coverage will be either a part of or separate from the Professional Liability Insurance.

The General Liability, Professional Liability and Cyber Security policies are to be written on a claims-made or occurrence basis. If coverage is written on a claims-made basis; the Vendor shall maintain continuous claims-made coverage for the life of the contract and any extensions thereto and for a period of two (2) years beyond the expiration of the contract. If continuous claims-made coverage is not maintained, Tail Coverage shall be purchased to cover claims received up to two (2) years beyond the expiration of the contract.

A \$5,000,000 occurrence limit for General Liability, Professional Liability and Cyber Security shall be maintained at all times throughout the term of the Contract and any extensions thereto. Such coverage may be obtained in combination with Umbrella Insurance which shall provide excess coverages for the General Liability, Professional Liability and Cyber Security Insurances.

(e) **Automobile Liability Insurance.**

The Consultant Firm shall carry Commercial Automobile Liability insurance, at all times. The policy shall cover any owned, hired or non-owned automobiles / vehicles used by the insured or its staff with minimum limits for liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.

ACORD Certificates of Insurance acceptable to the Authority in respect to each of the aforementioned policies shall be filed with the Authority prior to commencement of Work. These Certificates shall contain a provision that coverages afforded under the policies shall not be reduced or canceled unless at least thirty (30) days prior written notice has been given to the Authority. The Vendor shall notify the Authority within forty-eight (48) hours of any changes or cancellations to policies affecting the Authority.

8. **Termination.** The Authority shall have the right without cause and in its complete discretion to terminate the Contract at any time upon seven (7) days advanced written notice to the Vendor. In such event, absent a default on the part of the Vendor, the Vendor shall be entitled to compensation for all services properly provided to the Authority pursuant to the Contract prior to such termination.

In addition to other remedies available under law to the non-defaulting party, this Contract may be terminated by either party upon seven (7) days advance written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

9. **Confidential Information of the Authority.** In connection with performing the Work, the Vendor, its employees and subcontractors may receive, review and become aware of proprietary, personnel, commercial, and financial information of the Authority, its employees, members, borrowers or business associates that is confidential and/or proprietary in nature (“Confidential Information”). The Vendor agrees that the use and handling of Confidential Information by the Vendor, its employees, shall be done in a responsible manner and solely for furtherance of the Work. Other than to its employees who have a need to know Confidential Information in connection with performance of the Work, the Vendor agrees not to disclose any Confidential Information, without the prior written consent of the Authority. The Vendor shall be

responsible to assure that its employees do not disclose any Confidential Information without the prior written consent of the Authority. The Vendor shall inform each of its employees that receives any Confidential Information of the requirements of this Section 9 of the Contract and shall require each such employees and subcontractors to comply with such requirements.

Notwithstanding the foregoing, the term Confidential Information shall not include information which: (i) is already known to the Vendor, its employees from sources other than the Authority; (ii) is or becomes generally available to the public other than as a result of a disclosure by the Vendor, its employees; or (iii) is required to be disclosed by law or by regulatory or judicial process. The Vendor, its employees may be required to execute a Non-Disclosure Confidentiality Agreement, as may be deemed be appropriate by the Authority, in its sole discretion.

Pursuant to *Section 6 Indemnification* of the Contract, the Vendor shall indemnify and hold the Authority, its employees and members harmless for any breach of *Section 9* “Confidential Information of the Authority”, by the Vendor, its employees.

10. **Debarment Liability.** The Vendor acknowledges that it shall be rendered liable to debarment in the public interest, pursuant to procedures established by Executive Order No. 34 (1976), and updated by Executive Order No. 189 (1988), and pursuant to N.J.A.C. 19:30-2, for violating any of the following provisions:

a. No Vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any Authority officer or employee or special Authority officer or employee, as defined by N.J.S.A. 52:13D-13(b) and (e), with which such Vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13(i), of any such officer or employee, or any partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13(g).

b. The solicitation of any fee, commission, compensation, gift, gratuity, or other thing of value by any Authority officer or employee or special Authority officer or employee from any Authority Vendor shall be reported in writing forthwith by the Vendor to the Attorney General of New Jersey and the Executive Commission on Ethical Standards.

c. No Vendor may, directly or indirectly, undertake any private business, commercial or

entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such Vendor to, any Authority officer or employee or special Authority officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to the Authority, or with any person, firm or entity with which he or she is employed or associated or in which he or she has an interest within the meaning of N.J.S.A. 52:13D-13(g). Any relationships subject to this subsection shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the Authority officer or employee or special Authority officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.

d. No Vendor shall influence, or attempt to influence or cause to be influenced, any Authority officer or employee or special Authority officer or employee in his or her official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.

e. No Vendor shall cause or influence, or attempt to cause or influence, any Authority officer or employee or special Authority officer or employee to use, or attempt to use, his or her official position to secure unwarranted privileges or advantages for the Vendor or any other person.

11. **Time for Completion and Damages.** The time for beginning and the time for completion of the Work are essential conditions of the Contract, and the Work embraced shall be commenced on the date specified in the project specific Scope of Services issued by the Authority, for each particular project.

The Vendor shall proceed with the Work at such rate of progress to insure full completion within each project specific Scope of Services.

For reasons within the Vendor's control, if the Vendor shall fail to complete the Work, or shall be responsible for a delay which results in the failure to complete the Work within the time specified in a project specific Scope of Services, or extension of time granted by the Authority, then the Vendor will pay the Authority an amount sufficient to compensate the Authority for its damages incurred as a result of such failure to complete.

12. **Contractual Liability Act.** Notwithstanding any provision in this Contract or in the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., to the contrary, the parties hereto agree that any and all claims made by the Vendor against the State of New Jersey and/or the Authority for damages,

including, but not limited to costs and expenses, shall be governed by and subject to the provisions of the New Jersey Contractual Liability Act.

13. **Political Campaign Contributions.**

13.1 For the purpose of this Section 13, the following shall be defined as follows:

a) “Contribution” - means a contribution reportable by a recipient under “The New Jersey Campaign Contributions and Expenditures Reporting Act” P.L. 1973, c. 83 (C.10:44A-1 et seq.), and implementing regulations set forth at N.J.A.C. 19:25-7 and N.J.A.C. 19:25-10.1 et seq. Currently, contributions in excess of \$300 during a reporting period are deemed “reportable” under these laws.

b) “Business Entity” - means any natural or legal person, business corporation, professional services corporation, limited liability company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of New Jersey or any other state or foreign jurisdiction. It also includes (i) all principals who own or control more than 10 percent of the profits or assets of a business entity or 10 percent of the stock in the case of a business entity that is a corporation for profit, as appropriate; (ii) any subsidiaries directly or indirectly controlled by the business entity; (iii) any political organization organized under 26 U.S.C.A. 527 that is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and (iv) if a business entity is a natural person, that person=s spouse or child, residing in the same household.

c) P.L. 2005, c. 51 – means Public Law 2005, chapter 51 (C. 19:44A-20.13 through C. 19:44A-20.25, inclusive).

13.2 The terms, restrictions, requirements and prohibitions set forth in P.L. 2005, c. 51 are incorporated into this Agreement by reference as material terms of this Agreement with the same force and effect as if P.L. 2005, c. 51 were stated herein its entirety. Compliance with P.L. 2005, c. 51 by Vendor shall be a material term of this Agreement.

13.3 Vendor hereby certifies to the Authority that commencing on and after October 15, 2004, Vendor (and each of its principals, subsidiaries and political organizations included within the definition of Business Entity) has not solicited or made any Contribution of money, pledge of Contribution, including in-kind Contributions, that would bar a contract agreement between Vendor and the Authority pursuant to P.L. 2005, c. 51. Vendor hereby further certifies to the Authority that any and all certifications and disclosures delivered to the Authority by Vendor (and each of its principals, subsidiaries and political organizations

included within the definition of Business Entity) are accurate, complete and reliable. The certifications made herein are intended to and shall be a material term of this Agreement and if the Treasurer of the State of New Jersey determines that any Contribution has been made in violation of P.L. 2005, c. 51, the Authority shall have the right to declare this Agreement to be in default.

13.4 Vendor hereby covenants that Vendor (and each of its principals, subsidiaries and political organizations included within the definition of Business Entity) shall not knowingly solicit or make any contributions of money, or pledge of a contribution, including in-kind contributions, to a candidate committee or election fund of any candidate or holder of the public office of Governor of New Jersey or to any New Jersey state or county political party committee prior to the expiration or earlier termination of this Agreement. The provisions of this Paragraph 13.4 are intended to and shall be a material term of this Agreement and if the Treasurer of the State of New Jersey determines that any Contribution has been made by Vendor (and each of its principals, subsidiaries and political organizations included within the definition of Business Entity) in violation of P.L. 2005, c. 51, the Authority shall have the right to declare this Agreement to be in default.

13.5 In addition to any other Event of Default specified in the Contract Documents, the Authority shall have the right to declare an event of default under this Agreement if: (i) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) makes or solicits a Contribution in violation of P.L. 2005, c. 51, (ii) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) knowingly conceals or misrepresents a Contribution given or received; (iii) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) makes or solicits Contributions through intermediaries for the purpose of concealing or misrepresenting the source of the Contribution; (iv) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) makes or solicits any Contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate or holder of the public office of Governor, or to any State or county party committee; (v) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) engages or employs a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any Contribution, which if made or solicited by Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business

Entity) directly would violate the restrictions of P.L. 2005, c. 51; (vi) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) funds Contributions made by third parties, including consultants, attorneys, family members, and employees; (vii) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) engages in any exchange of Contributions to circumvent the intent of P.L. 2005, c. 51; (viii) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) directly or indirectly through or by any other person or means, does any act which would violate the restrictions of P.L. 2005, c. 51; or (ix) any material misrepresentation exists in any Political Campaign Contribution Certification and Disclosure which was delivered by Vendor to the Authority in connection with this Agreement.

13.6 Vendor hereby acknowledges and agrees that pursuant to P.L. 2005, c. 51, Vendor shall have a continuing obligation to report to the Office of the State Treasurer, Political Campaign Contribution Review Unit of any Contributions it makes during the term of this Agreement. If after the effective date of this Agreement and before the entire Contract Price is paid by the Authority, any Contribution is made by Vendor and the Treasurer of the State of New Jersey determines such Contribution to be a conflict of interest in violation of P.L. 2005, c. 51, the Authority shall have the right to declare this Agreement to be in default.

14. **General Conditions.**

A. The Work shall be performed in a professional manner, in accordance with the standards generally expected or required within the profession and the Work shall also be performed in accordance with all applicable state, federal and local laws, rules, regulations and ordinances.

B. The Vendor shall provide such reports, certificates, and documents as the Authority may reasonably require.

C. The Vendor shall provide to the Authority, at Vendor's expense, copies of all drawings, plans, cost estimates, design analyses, reports, and/or other documents required for the Project.

D. If the Authority or Vendor observes or otherwise becomes aware of any fault or defect in the Project or nonconformance with any of the Contract Documents, prompt written notice thereof shall be given by the party discovering the defect to the other.

E. The Authority shall furnish all information available to the Authority, and reasonably required for the performance of the Work and shall render approvals and decisions as expeditiously as possible for

the orderly progress of the Vendor's services and of the Work.

F. The Vendor shall comply with the affirmative action requirements set forth in the Law Against Discrimination, N.J.S.A. 10:5-31 et seq., and the regulations promulgated thereunder by the State Department of Treasury.

G. The Vendor is required to comply with the requirements of N.J.S.A. 10:5-31 et seq. and N.J.A.C. 17:27 et seq., which are expressly included within the terms of this Contract, refer to “*Exhibit A*” annexed hereto and made a part hereof.

The Vendor agrees that:

a. In the hiring of persons for the performance of work under this contract or any subcontract hereunder, or for the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under this contract, no contractor, nor any person acting on behalf of such contractor or subcontractor, shall, by reason of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex, discriminate against any person who is qualified and available to perform the work to which the employment relates;

b. No contractor, nor any person on his behalf shall, in any manner, discriminate against or intimidate any employee engaged in the performance of work under this contract or any subcontract hereunder, or engaged in the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under such contract, on account of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex;

c. There may be deducted from the amount payable to the contractor by the contracting public agency, under this contract, a penalty of \$ 50.00 for each person for each calendar day during which such person is discriminated against or intimidated in violation of the provisions of the contract; and

d. This contract may be canceled or terminated by the contracting public agency and all money due or to become due hereunder may be forfeited, for any violation of this section of the contract occurring after notice to the contractor from the contracting public agency of any prior violation of this section of the contract.

H. In accordance with Public Law 2004, Chapter 57, a subcontractor shall provide a copy of its business registration to any Vendor who shall forward it to the Authority. No contract with a subconsultant shall be entered into by any Vendor unless the subconsultant first provides proof of valid business

registrations. The Vendor shall provide written notice to all subconsultants that they are required to submit a copy of their business registration to the Vendor. The Vendor shall maintain a list of the names of any subconsultants and their current addresses, updated as necessary during the course of the contract performance. The Vendor shall submit to the Authority a copy of the list of subconsultants, updated as necessary during the course of performance of the contract. The Vendor shall submit a complete and accurate list of the subconsultants to the Authority before a request for final payment is made to the Authority. The Vendor and any subconsultant providing goods or performing services under this contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the “Sales and Use Tax Act”, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State, refer to “*Exhibit B*”.

I. In accordance with the requirements of N.J.S.A. 52:32-17 et seq. N.J.A.C. 17:13-1.2 et seq., and N.J.A.C. 17:14-1.2 et seq., as amended, the Authority is required to develop a set-aside plan for Small Businesses. The Vendor agrees that, if awarded a contract based on this plan, it shall comply with all requirements of these provisions. If the Vendor fails to comply with the requirements of these provisions, the Authority may declare this Contract void.

J. Pursuant to N.J.S.A. 52:34-13.2, all Work and all subcontractor services performed in connection with or as part of the Work shall be performed within the United States.

K. Pursuant to N.J.S.A. 52:15C-14(d), relevant records of private vendors or other persons entering into contracts with the Authority are subject to audit or review by the New Jersey Office of the State Comptroller. Therefore, the Vendor shall maintain all documentation related to products, transactions or services under this contract for a period of five years from the date of final payment. Such records shall be made available to the New Jersey Office of the State Comptroller upon request.

The Vendor shall not disclose to any third party the contents of the information, reports, findings, analysis, surveys, drawings and creative elements generated or produced in performance of this Contract, or provide copies of same, without the prior written consent of the Authority, except where such information, reports, etc. are legally required by order of court or administrative agency, state or federal.

L. The Authority and the Vendor, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party of this Contract and to the partners, successors, assigns

and legal representatives of such other party with respect to all covenants of this Contract. Neither the Authority nor the Vendor shall assign, sublet, or transfer any interest in this Contract without the prior written consent of the other party.

M. Any notices required to be given under this Contract shall be mailed to:

New Jersey Economic Development Authority
P.O. Box 990
Trenton, New Jersey 08625-0990
Attn: Designated Contract Manager

AND

Vendor Name

N. To the extent that there is any conflict between the terms and conditions of the Vendor's Proposal and the terms and conditions of the Contract and the Authority's RFQ/P, the Contract and RFQ/P shall control.

O. This Contract shall be construed under the laws of the State of New Jersey.

P. The headings of the various paragraphs of this Contract are inserted for the convenience of reference only, and in no way define, describe or limit the scope or intent of this Contract or any of the provisions hereof, and shall not affect the interpretation of this Contract or any of the provisions hereof.

Q. This Contract shall be construed without any presumptions against the drafter and shall be considered as though it were drafted cooperatively by both parties.

R. In the event that any portion of this Contract is found to be contrary to law and unenforceable; the validity of remaining covenants, agreements, terms and provisions contained in this Contract, shall be in no way affected, prejudiced or disturbed thereby.

S. This Contract constitutes the entire agreement between the parties. Any changes or amendments to the Contract must be in writing and signed by the Vendor and an authorized representative of the Authority.

T. The parties hereto represent that they have the proper authority to sign on behalf of the entities entering this Contract and they fully intend for the Authority and Vendor to be legally bound.

This Contract for Professional Services – Auditing and Job Certification Review Consulting Services is entered into as of the day and year first written above.

ATTEST:

**NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____

Melissa Orsen
Chief Executive Officer

ATTEST:

VENDOR NAME

By: _____

By: _____

EXHIBIT A

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, C. 127)

N.J.A.C. 17:27

GOODS, PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three (3) documents:

- *Letter of Federal Affirmative Action Plan Approval*
- *Certificate of Employee Information Report*
- *Information Report Form AA-302*(electronically provided by the Division and distributed to the public agency through the Division's website at www.state.nj.us/treasury/contractcompliance)

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Purchase & Property, Contract Compliance Audit Unit (CCAU), EEO Monitoring Program as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Purchase & Property, CCAU, EEO Monitoring Program for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code at N.J.A.C. 17:27.

EXHIBIT B

Business Registration Notice:

All New Jersey and out-of-State business organizations must obtain a “*Business Registration Certificate*” (“*BRC*”) from the Department of the Treasury - Division of Revenue, prior to the award of a contract the New Jersey Economic Development Authority (“*Authority*”). Proof of valid “*Business Registration*” of the successful bidder, joint venture partners and named subcontractors must be submitted to the Authority before a contract can be awarded. Failure to submit such “*Business Registration Certificate(s)*” may render the BID materially non-responsive. The “*Business Registration*” form (*Form NJ-REG*) can be found online at:

<http://www.state.nj.us/treasury/revenue/gettingregistered.htm#busentity>.

Definitions:

“*Affiliate*” means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. An entity controls another entity if it owns, directly or individually, more than fifty (50%) percent of the ownership in that entity.

“*Business Organization*” means an individual, partnership, association, joint stock company, trust, corporation, or other legal business entity or successor thereof.

“*Business Registration*” means a “*Business Registration Certificate*” issued by the Department of the Treasury or such other form or verification that a contractor or subcontractor is registered with the Department of Treasury.

“*Contracting Agency*” means the principal departments in the Executive Branch of the State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, or any independent State authority, commission, instrumentality or agency, or any State college or university, any county college, or any local unit.

“*Contractor*” means a business organization that seeks to enter, or has entered into, a contract to provide goods or services with the New Jersey Economic Development Authority.

“*Subcontractor*” means any business organization that is not a contractor that knowingly provides goods or performs services for a contractor or another subcontractor in the fulfillment of a contract.

Requirements Regarding Business Registration Form:

A contractor must have a valid “*Business Registration Certificate*” in order to be awarded a contract by the New Jersey Economic Development Authority.

All subcontractors shall provide a copy of its “*Business Registration*” to any contractor who shall forward it to the Authority. No contract with a subcontractor shall be entered into by any contractor unless the subcontractor first provides proof of valid “*Business Registration*”.

The contractor shall maintain a list of the names of any subcontractors and their current addresses, updated as necessary during the course of the contract performance. The contractor shall submit to the Authority, a copy of the list of subcontractors, updated as necessary during the course of performance of the contract. The contractor shall submit a complete and accurate list of the subcontractors to the New Jersey Economic Development Authority before a request for final payment is made to the Authority.

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the “*Sales and Use Tax Act*”, P.L. 1966, c. 30 (*N.J.S.A. 54:32B-1 et seq.*) on all their taxable sales of tangible personal property delivered into the State.