

**REQUEST FOR QUALIFICATIONS / PROPOSALS**  
**INDEPENDENT AUDITOR SERVICES**

for the

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**BOARD of DIRECTORS**

**CONTRACT NO. 2010-RFQ/P-001**

**ISSUED: June 10, 2010**

**PROPOSAL DUE DATE: Friday, July 9, 2010**  
**at or before 3:00 PM (prevailing local time) at the**  
**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

ISSUED BY:

THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS – AUDIT COMMITTEE  
36 WEST STATE STREET  
P.O. BOX 990  
TRENTON, NEW JERSEY 08625-0990

# NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY BOARD of DIRECTORS

## REQUEST for QUALIFICATIONS / PROPOSALS for INDEPENDENT AUDITOR SERVICES

### I. INTRODUCTION / SUMMARY -

Pursuant to Governor James E. McGreevey's *Executive Order No. 122* ("EO 122") which became effective on July 23, 2004, and is annexed hereto as **Attachment C** and Governor Jon S. Corzine's *Executive Order No. 37* ("EO 37") which became effective on September 26, 2006, and is annexed hereto as **Attachment D**, the Board of Directors ("Board") of the New Jersey Economic Development Authority ("Authority" or "NJEDA"), by and through the Board's Audit Committee ("Audit Committee"), seeks to engage a qualified Public Accounting firm ("Consultant", "Consultant Firm", "Vendor") to provide Independent Auditor Services.

As stated in *Executive Order 122* (McGreevey - 2004), public authorities, agencies and commissions of the State of New Jersey, such as the New Jersey Economic Development Authority, oversee billions of dollars in public funds. An independent auditing process is fundamental to the ability of these entities to oversee such funds, to set appropriate financial policies, to ensure that management maintains effective internal controls and to ensure that financial statements are free from material misstatements.

The successful firm ("Consultant Firm", "Consultant", "Vendor") shall be required to perform an annual financial statement audit in compliance with generally accepted government auditing standards ("GAGAS") and Government Accounting Standards Board ("GASB"), and in accordance with all applicable federal and state laws, rules, regulations and standards, as well as professional standards and requirements mandated by the American Institute of Certified Public Accountants ("AICPA"). These services shall be required with respect to the Authority's financial statements for its (calendar) fiscal years ending December 31, 2010, 2011 and 2012, with two (2) one (1) year extension options, to be exercised at the sole discretion of the Authority, for the fiscal years ending December 31, 2013 and 2014. As provided for in *Executive Order 122*, the Consultant shall be responsible for publicly attesting to the fairness of the Authority's financial statements, evaluating the effectiveness of internal controls and through the issuance of management letters, if applicable, making comments and recommendations which, when implemented, may improve the design or operation of internal control systems.

### II. BACKGROUND –

The New Jersey Economic Development Authority, which was established in 1974 to promote economic and urban development in the State, is an independent instrumentality of the State of New Jersey. The Authority provides an array of financing, incentives and technical assistance services to businesses, governmental entities and nonprofits. 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. The Authority assists 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.

For a comprehensive overview of the New Jersey Economic Development Authority's financial position, operations and accomplishments, Proposers should refer to the Authority's 2009 *Comprehensive Annual Report*, attached to this RFQ/P as **Attachment E**.

### III. GENERAL –

This *Request for Qualifications / Proposals (RFQ/P)* package consists of the following:

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

#### ATTACHMENTS:

- |     |              |  |
|-----|--------------|--|
| 1.  | Attachment A | "Scope of Services"  |
| 2.  | Attachment B | Specimen form of Contract : "Contract for Professional Services"                       |
| 3.  | Attachment C | Executive Order No. 122 (McGreevey - 2004)   |
| 4.  | Attachment D | Executive Order No. 37 (Corzine - 2006)  |
| 5.  | Attachment E | New Jersey Economic Development Authority 2009 Comprehensive Annual Report             |
| 6.  | Attachment F | 2009 Comprehensive Annual Report – Technology Centre of New Jersey LLC                 |
| 7.  | Attachment G | 2009 Comprehensive Annual Report – NJUSB Investment Fund, LLC and Subsidiary           |
| 8.  | Attachment H | 2009 Comprehensive Annual Report - NJUSB Investment Fund-2, LLC and Subsidiary         |
| 9.  | Attachment I | 2009 Comprehensive Annual Report - USB Landis Investment Fund, LLC and Subsidiary      |
| 10. | Attachment J | 2009 Comprehensive Annual Report – VDC New Markets Investment Fund, LLC and Subsidiary |
| 11. | Attachment K | 2009 Comprehensive Annual Report – New Jersey Community Development Entity, LLC        |
| 12. | Attachment L | 2009 Comprehensive Annual Report - New Jersey Community Development Entity-1, LLC      |
| 13. | Attachment M | 2009 Comprehensive Annual Report - New Jersey Community Development Entity-2, LLC      |
| 14. | Attachment N | 2009 Comprehensive Annual Report - New Jersey Community Development Entity-3, LLC      |
| 15. | Attachment O | 2009 Comprehensive Annual Report - New Jersey Community Development Entity-4, LLC      |
| 16. | Attachment P | 2009 Comprehensive Annual Report - New Jersey Community Development Entity-5, LLC      |
| 17. | Attachment Q | 2009 Comprehensive Annual Report - New Jersey Community Development Entity-6, LLC      |

- |     |              |  |
|-----|--------------|--|
| 18. | Attachment R | 2009 Comprehensive Annual Report - New Jersey Community Development Entity-7, LLC    |
| 19. | Attachment S | 2009 Comprehensive Annual Report - New Jersey Community Development Entity-8, LLC    |
| 20. | Attachment T | 2009 Comprehensive Annual Report - Corporation for Business Assistance in New Jersey |

**~ 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:**

- |     |             |   |
|-----|-------------|---|
| 1.  | Exhibit A   | Equal Employment Opportunity / Affirmative Action   |
| 2.  | Exhibit B   | “Employee Information Report” (Form AA-302)   |
| 3.  | Exhibit C   | “Certificate of Employee Information Report “   |
| 4.  | Exhibit D   | “Letter of Federal Affirmative Action Plan Approval”  |
| 5.  | Exhibit E   | New Jersey “Business Registration Certificate”  |
| 6.  | Exhibit F   | NJ Department of Treasury - Division of Taxation -<br>“Sales and Use Tax Act” (P.L. 1966, c.30; N.J.S.A. 54:32B- 1 et seq)  |
| 7.  | Exhibit G   | “Source Disclosure Certification” form (P.L. 2005, c.92 and N.J.S.A. 52:34-13.2)  |
| 8.  | Exhibit H   | “Set Aside Information” form  |
| 9.  | Exhibit I   | “Set Aside Compliance Certificate”  |
| 10. | Exhibit J   | “Monthly Status Report “  |
| 11. | Exhibit K   | “Two (2) Year Vendor Certification and Disclosure of Political Campaign Contributions / and Ownership Disclosure”<br>(P.L. 2005, c.51 and Executive Order 117 (Corzine) |
| 12. | Exhibit L   | RESERVED; not applicable to the RFQ/P   |
| 13. | Exhibit M   | “Acknowledgement of Receipt of Addenda / Questions & Answers” form  |
| 14. | Exhibit N   | “Key Team Members Listing” form (Form 201)  |
| 15. | Exhibit O   | “Key Team Member’s Resume” form (Form 202)  |
| 16. | Exhibit P   | RESERVED; not applicable to the RFQ/P   |
| 17. | Exhibit Q   | RESERVED; not applicable to the RFQ/P   |
| 18. | Exhibit R   | “Fee Proposal – Lump Sum Fee” form (Form 301)   |
| 19. | Exhibit R-1 | “Fee Proposal- Hourly Rates” form (Form 302)  |
| 20. | Exhibit S   | “Notice of Intent to Subcontract” form (P.L. 2009, c. 335 (formerly EO 151 – Corzine – 2009)  |
| 21. | Exhibit S-1 | “Subcontractor Utilization Plan” form (P.L. 2009, c. 335 (formerly EO 151 – Corzine – 2009)   |

These documents must be read in their entirety, as they define the *Scope of Services* and responsibilities of the successful Proposer (“Consultant Firm”, “Firm”, “Vendor”) and the New Jersey Economic Development Authority.

General information regarding the New Jersey Economic Development Authority can be found on the Authority’s website at [www.njeda.com](http://www.njeda.com) .

#### IV. **SCOPE OF SERVICES -**

The required *Scope of Services* is included herein as *Attachment A* to the specimen form of contract “*Contract for Professional Services – Independent Auditor Services*” (reference *Attachment B*).

#### V. **INITIAL MEETING**

The successful Firm will be required to attend an initial organizational meeting with the Authority’s Audit Committee and other Authority financial-related staff, as appropriate. The meeting will be held at the Authority’s offices located, in Trenton. It is expected that this meeting will **be an estimated two (2) hours in duration**, the purpose of which is to allow the Consultant Firm (and any key staff assigned to perform work against the resulting contract) the opportunity to meet with the Authority’s key financial staff, to gain a clear understanding of performance expectations, identify timelines for completion and identify appropriate responsible contacts within both organizations. No additional compensation will be provided for this brief meeting. The Proposer must consider the costs associated with attendance at this meeting when preparing its “*Fee Proposal - Lump Sum Fee*” (reference *Exhibit R*).

#### VI. **REQUIREMENTS OF THE CONSULTANT FIRM -**

Recognizing the “specialized nature” of providing these independent auditor services to other quasi-governmental and governmental entities similar to the New Jersey Economic Development Authority, and in the interest of promoting “fair and open competition”; **no prequalification is required for this procurement. There is no pre-established requisite minimum number of years experience required to offer a proposal. Interested firms must demonstrate experience in performing independent entity governmental audits that use enterprise fund reporting, such as is required by the Authority and “not-for-profits”, in accordance with the standards and practices of the entities referenced in Section “Introduction / Summary” of this RFQ/P.**

To demonstrate the requisite experience of the staff it intends to assign to perform the work against the resulting contract, the **respondent firm must submit a resume for each proposed individual who will or who it is expected will perform the services required of the resulting contract (“Key Team Member”).** At a minimum, each proposed Team **must include Key Team Members having the experience and technical expertise necessary to comply with the requirements of Executive Order 122.** Using the “*Key Team Member Resume*” forms (reference *Form 202 attached to this RFQ/P as Exhibit O*), the proposing firm must indicate each of the requisite licenses, registrations, certifications and any other such qualifications, whether state, federal or private sector required, to effectively and efficiently perform the services and execute the deliverables required herein, in accordance with the guidelines established by the entities referenced and in accordance with state and federal guidelines and law.

## VII. ATTENDANCE at MEETINGS -

To ensure the successful and timely completion of all auditing services as outlined in the “*Scope of Services*”, the Consultant Firm’s **Key Staff Members will be required to attend and participate in a limited number of meetings**, with Authority staff, regarding the various scopes of work / projects. In accordance with *Executive Order 122*, “at least twice each year, the Audit Committee shall hold a private meeting with the auditor. One of these meetings shall be held prior to commencement of the audit and the other upon issuance of the final audit report.” Limited meetings, if any are so deemed necessary by the Committee, may be held during the term of the contract and any extensions thereto. These meetings will be held the Authority’s offices, located at 36 West State Street, in Trenton, during normal business hours (9:00 AM to 5:00 PM). The Consultant Firm’s participation at these meetings may require oral, written or audiovisual (i.e. *Power Point*) presentations regarding these independent auditing services, as needed. No additional compensation will be provided for attendance at and participation in, preparations for or presentations given at these meetings.

**All costs for attendance at these meetings must be calculated and included in the Proposer’s “Lump Sum Fee” (Exhibit R).** In the event the successful Proposer utilizes subcontractors in the performance of work, these **subcontractors may be required to attend meetings**, should the Authority, in its sole discretion, determine the subcontractor’s participation is integral to the success of the meeting. Similarly, subcontractors will not be compensated for attendance at these meetings.

## VIII. USE of SUBCONTRACTORS / SUBSTITUTION of STAFF:

### Public Law 2009 – chapter 335 –

It is the policy of the New Jersey Economic Development Authority, and in accordance with *Public Law 2009, chapter 335*, or other applicable regulation, that Small Businesses Enterprises (“SBEs”), as registered with the State of New Jersey - Division of Minority and Women Business Development (“DMWBD”, “Division”) and the New Jersey Department of the Treasury (“Treasury”) in *N.J.A.C. 17:14 et seq.*, should have the opportunity to participate in contracts issued by the New Jersey Economic Development Authority.

To the extent the Contractor / Firm engages subcontractors or subconsultants to perform services for the New Jersey Economic Development Authority pursuant to the resulting contract, the Firm must demonstrate to the Authority’s satisfaction, that a good-faith effort was made to utilize subcontractors and subconsultants, which are registered with the Division of Minority and Women Business Development as Small Business Enterprises. On a quarterly basis, the Division of Minority and Women Business Development will evaluate the New Jersey Economic Development Authority, based on its attainment of the *Participation Goals* set forth in the “*State of New Jersey Construction Services Disparity Study*” (October, 2005) and the “*State of New Jersey Disparity Study of Procurement in Professional Services, Other Services, and Goods and Commodities*” (June, 2005), as applicable to independent state authorities.

Evidence of a “good-faith effort” includes, but is not limited to:

1. The Firm shall request listings of Small Business Enterprises from the DMWBD by calling (609) 292-2146 and attempt to contact same.

2. The Firm shall keep and maintain specific records of its efforts, including records of all requests made to the DMWBD, the names of SBEs contacted, and the means and results of such contacts, including without limitation receipts from certified mail and telephone records.
3. The Firm shall actively solicit and shall provide the New Jersey Economic Development Authority with proof of solicitations of SBEs for the provision of services; including advertisements in general circulation media, professional service publications and small business, minority-owned business or women-owned business focus media.
4. The Firm shall provide evidence of efforts made to identify categories of services capable of being performed by SBEs.
5. The Firm shall provide all potential subcontractors and subconsultants that the Firm has contacted pursuant to Items #2 or 3 above, with detailed information regarding the Scope of Work of the subject contract.
6. The Firm shall provide evidence of efforts made to use the goods and / or services of available community organizations, consultant groups, and local, State, and federal agencies that provide assistance in the recruitment and placement of SBEs.

Furthermore, **the Firm shall submit proof of its subcontractors' and/or subconsultants' respective SBE registrations (i.e. its SBE Certificate)**, as issued by the Division of Minority and Women Business Development, and shall complete such other forms as may be required by the Authority for State reporting, as to participation.

**Prior to engaging a subcontractor / subconsultant in the performance of any work related to the resulting contract, the Firm shall also collect and maintain evidence of a valid "Business Registration Certificate" (BRC) for each such subcontractor / subconsultant** which it utilizes in the performance of the work against the resulting contract (reference the section "Compliance – Business Registration" of this RFQ/P).

#### **Minority and Women Enterprise Participation Goals:**

Pursuant to *Public Law 2009 chapter 335* (formerly known as *Executive Order 151*), the participants' goals for various categories of *Goods and Services* are as follows:

*Participation Goals - Professional Services* (with the exception of those professional services deemed to be construction-related, all services that are of a professional nature and requiring special licensing, education degrees and / or very highly specialized expertise, including accounting and financial services, advertising services, laboratory testing services; legal services; management consulting services; technical services and training):

#### **Independent State Authorities:**

- |    |                   |   |       |
|----|-------------------|---|-------|
| 1. | African Americans | - | 2.47% |
| 2. | Asian Americans   | - | 1.47% |
| 3. | Hispanics         | - | 1.1%  |
| 4. | Native Americans  | - | 0.07% |
| 5. | Caucasian Females | - | 1.96% |

**The Proposer should complete and submit with its proposal, the "Notice of Intent to Subcontract" form, attached to this RFQ/P as Exhibit S. Failure to do so may render the proposal materially non-responsive and therefore subject to rejection.**

If the Proposing Entity indicates that it **intends to utilize subcontractors / subconsultants in the performance of the work against the resulting contract; it should also complete and submit the "Subcontractor Utilization Plan" form attached to this RFQ/P as Exhibit S-1.**

**Substitution of Staff / Subcontractors and / or Subconsultants:**

**Following the award of the contract, in the event it becomes necessary for the Consultant Firm to substitute or add a subcontractor, or substitute its own staff for a previously identified subcontractor, the Consultant Firm will notify the Board of Directors – Audit Committee, in writing, and identify the proposed new subcontractor (“replacement”) or 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 or of the proposed subcontractor’s replacement management, supervisory and other key personnel that clearly demonstrates the replacement’s knowledge, ability and experience, relevant to that part of the work, which the proposed replacement subcontractor is to undertake. The qualifications and experience of the proposed replacement must equal or exceed those of similar personnel, proposed by the contractor in its bid proposal.

The Audit Committee (or its designee), in its sole discretion, shall determine whether or not the proposed replacement, substitution or additional subcontractor possesses adequate qualifications and experience to provide services against the resulting contract. No substituted or additional subcontractors are authorized to begin work, until the contractor has received written approval, from the Audit Committee or its designee.

Following award of the contract, the Consultant Firm may subcontract to firms not expressly identified at the time of bid proposal submission. In such instances, the Consultant Firm shall obtain a minimum of three (3) competitive bid proposals from subcontractors for each project or engagement. The competitive bid proposals shall be firm, fixed price per engagement and include written recommendations, based on price and other factors, with all support justifying the selection of the firm recommended to conduct the work. The Audit Committee (or its designee), in its sole discretion, shall determine whether or not the proposed replacement, substitution or additional subcontractor possesses adequate qualifications and experience to provide services against the resulting contract.

**IX. RESPONSIBILITIES OF THE CONSULTANT FIRM:**

The Consultant Firm shall have sole responsibility for the complete effort specified in the contract. Payment shall be made only to the Consultant. The Consultant shall have the sole responsibility for all payments due to any subcontractor.

The Consultant 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 Consultant 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 Consultant Firm of responsibility for the technical 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 Consultant's performance of this contract.

**In all matters concerning the work performed against the resulting contract, and in accordance with *Executive Order 122*:**

*"the auditor selected shall report directly to the Audit Committee or the Board. At no time shall the auditor report to any staff member of the Authority."*

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 Consultant 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 Consultant or subcontractor 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.

**1. News Releases:**

The Consultant is not permitted to issue news releases pertaining to any aspect of the services being provided under this contract without the prior written consent of the New Jersey Economic Development Authority.

**2. Advertising:**

The Consultant shall not use the names, logos, images or any data or results arising from this contract regarding the State of New Jersey, the New Jersey Economic Development Authority or any of the entities for whom audit services will be performed, as a part of any commercial advertising without first obtaining the prior, written consent of the New Jersey Economic Development Authority.

**3. Authority's Option to Reduce Scope of Services or 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 this contract. In such an event, the Authority shall provide advance written notice to the Consultant Firm.

Upon receipt of such written notice, within five (5) business days, the Consultant will submit to the Authority, an itemization of the work effort already completed by task or

subtask. The Consultant Firm shall be compensated for such work effort according to the applicable portions of its “*Fee Schedule*” (reference Attachment R and R-1).

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

**4. Form of Compensation - Invoicing / Payment:**

**Separate and distinct invoices must be presented for payment for each distinct entity for which the services were performed.** It is expected that invoices for these independent audit services will generally be submitted for review and payment based upon the following schedule:

- 40% upon completion of interim field work;
- 50% upon completion of the 1<sup>st</sup> month of final field work;
- 10% upon completion of the annual deliverables as set forth in the “*Scope of Services*” and actual submittal of the Auditor’s Report, compilations, tax returns, etc. for each respective year

The New Jersey Economic Development Authority, in its sole discretion, may consider alternate invoicing intervals, as may be deemed appropriate based on the evidence substantiating the degree of completion, before a pro-rated payment is approved.

**At a minimum, invoices submitted for payment must include the following:**

1. identify the entity name for which the services were performed
2. reference the billing period
3. provide a brief description of the project task or subtask services for the billing period
4. indicate the percentage of completion of the overall “*Scope of Services*”
5. if applicable, for additional services, required and approved, the following is required:
  - i. provide an itemized detail by staff employee and position / title assigned to perform the work for the project and corresponding hourly rates indicated in the “*Fee Proposal – Form 302 – Hourly Rates*” “(i.e. in one quarter hour increments (i.e. 15 minutes))
  - ii. indicate the number of hours dedicated to the task or subtask for each position / title, which performed the work for the respective *Scope of Service*

- iii. at a minimum, invoices for additional services, if any, as well as the original proposed *Scope Of Services* approved by the Authority's Chief Financial Officer prior to the commencement of the additional work, will include the above referenced documentation. The *Scope of Services* for the additional work must reference the hours to be dedicated, positions required, corresponding hourly rates for each position and extended dollar amounts for each position, to allow the Authority to reconcile the approved *Scope* to the actual invoices submitted.

The Consultant Firm will submit to the Chief Financial Officer or his / her designee, an original invoice and any other supporting documentation other than that listed above, as may be required by the Authority to process payment. The Authority will make prompt payment to the Consultant Firm, following receipt and approval of the documentation. Invoices will be processed and paid only after the Authority has determined that the specified services reflected in the invoice have been completed in accordance with the timeframe(s) and the manner specified in the Contract and *RFQ/P*. The Authority will not pay invoices if the Authority's Director - Accounting and Financial Reporting and / or Chief Financial Officer determine, in his / her sole discretion, that the services for which payment is sought are incomplete or unsatisfactory.

The Authority will accept electronic invoices accompanied by the requisite supporting documentation references above, scanned and sent electronically to the attention of a designated member of the Authority's Accounting staff.

Additional services, if required and so approved by the Authority, will be invoiced upon completion and, at a minimum, will be accompanied by the supporting documentation indicated above or any other such documentation as may be required by the Authority. In the event a partial payment is being made prior to the completion of a project (i.e. the duration of a particular project is prolonged, perhaps 2 to 3 months), the Authority may require the Consultant Firm to submit evidence substantiating the degree of completion before a pro-rated payment is approved. All such partial payments are subject to the approval of the Authority's Chief Financial Officer.

By submitting an invoice to the Authority's Chief Financial Officer, the Consultant Firm represents that all payments due to its subconsultants have been made and that all relevant laws and regulations have been complied with.

## X. FEE PROPOSAL -

**The respondent firm must indicate and submit its "*Fee Proposal*" to provide the services required and described in the section "*Scope of Services*" using the documents included in this *RFQ/P*:**

- "*Form 301 – Fee Proposal – "Lump Sum Fee"* (Exhibit R)
- "*Form 302 – "Hourly Rates for Additional Services"* (Exhibit R-1)

**~ IMPORTANT ~**

The two (2) forms comprising the “*Fee Proposal*” (*Exhibits R and R-1*) must be included in the firm’s proposal package, however, the

**“FEE PROPOSAL” must be submitted in a SEPARATELY SEALED ENVELOPE,**

marked to indicate “*FEE PROPOSAL*”, as well as reference the respondent firm’s name.

**The sealed envelope must be placed within the proposal package.**

Failure to do so will render the proposal materially non-responsive and subject to rejection.

**IMPORTANT: “*Fee Proposals*” MUST be provided and detailed for each specific reporting entity grouping, as defined in the “*Scope of Services*”.**

**A. Lump Sum Fee (Form 301 – Exhibit R) -**

The New Jersey Economic Development Authority requires **separate, fixed “Lump Sum Fee Proposals” for each of the fiscal years 2010 through 2014, for each of the five (5) entity groups** detailed in the “*Scope of Services*” section of this RFQ/P. **A total of five (5) separate “Fee Proposals” is required.** Proposals that fail to offer “*Lump Sum Fee Proposals*” for each of the five (5) entity groupings will be considered non-responsive. If applicable, overhead allocations, out of pocket expenses, etc. **must be considered and amortized into the fully burdened Hourly Rates.**

A proposing firm must indicate its “Lump Sum Fee” pricing for EACH entity grouping as defined in the “Scope of Services”, in each of the areas indicated on Form 301 for Fiscal Years 2010 through 2014. In the event pricing is not indicated for a given year (i.e. one (1) or more areas are left blank); the proposal will be evaluated based on the preceding year’s stated price and the firm shall be bound to provide such services for the fee stated. For instance, if a firm indicates a “*Lump Sum Fee*” for Fiscal Year 2010 only, that fee shall apply to years 2010 through 2014. If a firm indicates a “*Lump Sum Fee*” for Fiscal Years 2010, 2011, 2013 and 2014, but omits Year 2012, the price indicated in the prior year (i.e. Year 2011) shall apply to Year 2012, as well.

The firm must submit its “*Lump Sum Fee Proposal*” considering labor and all other direct costs associated with providing the auditing services required herein, for Fiscal Years 2010 through 2012, inclusive of the contract, as well as for the two (2) potential extension option years, Years 2013 and 2014, should the Authority choose to exercise one or both options.

No additional compensation will be provided to the Consultant Firm beyond that stated in the Firm’s “*Form 301 – Fee Proposal – “Lump Sum Fee” (Exhibit R)* and on “*Form 302 – “Hourly Rates for Additional Services” (Exhibit R-1)*.”

**B. Hourly Rates for Additional Services (Form 302 – Exhibit R-1) -**

Additionally, the proposing firm must also indicate its fully burdened “***Hourly Rates for Additional Services***” utilizing *Form 302* attached to this RFQ/P as *Exhibit R-1*. The

respondent firm must indicate its fully loaded hourly rates for each position / title which may be required to perform additional services, against the resulting contract. These rates are applicable to each of the entities referenced in the “*Scope of Services*” and must include any “specialized” positions that may be necessary to perform the audit services for these entities (i.e. LLCs, CDEs). In the event that the Board, in its sole discretion, requires services in addition to those required and indicated herein, the Consultant Firm shall be compensated for such additional services based on the fully burdened hourly rates indicated on its “*Fee Proposal - Form 302 - Hourly Rates for Additional Services*” (*Exhibit R-1*).

**IMPORTANT:** The proposing firm’s **original “*Fee Proposal*” must be submitted to the Board of Directors in a separately sealed envelope at the same time and location as the firm’s Proposal. Faxed or e-mailed “*Fee Proposals*” will not be accepted.**

Proposing firms must note that the performance of the Consultant Firm and its subconsultants, if any, including the number of hours dedicated to and spent on all required services is subject to review and audit by the Authority’s Board of Directors, the Authority’s Internal Auditors, the State of New Jersey Auditors and other State agencies, as appropriate.

**The “*Fee Schedule*” must be signed in ink by an authorized representative the Proposing Entity.** Failure to sign the “*Fee Schedule*” is a material defect therefore rendering the proposal materially non-responsive and subject to rejection.

## **XI. FORM of CONTRACT - “*CONTRACT for PROFESSIONAL SERVICES*” -**

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

### **A. No Exceptions Taken–**

If the Proposer takes no exceptions to the contract terms or its language, this should be clearly stated in the bid proposal, by including the following signed statement:

“I, *Name of Authorized Representative*, duly authorized to prepare and submit this bid proposal response on behalf of *Proposing Entity Name*, hereby acknowledge that *Proposing Entity Name* takes no exceptions to the Authority’s specimen form of “*Contract for Professional Services*”, attached to this *RFQ/P* as *Attachment B*”

### **B. One or More Exceptions Taken –**

If the Proposer does, in fact, take exception to one (1) or more points within the contract, the following signed **statement should be submitted:**

"I, Name of Authorized Representative, duly authorized to prepare and submit this bid proposal response on behalf of Proposing Entity Name, hereby acknowledge that Proposing Entity Name requests the following amendments / changes to the Authority's specimen form of "Contract for Professional Services", attached to this RFQ/P as Attachment B.

The Proposer should then list the requested change(s), as appropriate. The Authority will be under no obligation to grant or accept any requested changes to the specimen form of the contract (*Attachment B*).

## **XII. CONFIDENTIAL INFORMATION of the AUTHORITY -**

In connection with performing the Work, the Consultant Firm, its employees and its subcontractors, if any, may receive, review and become aware of proprietary, personnel, commercial, marketing and financial information of the Authority, its employees, members, borrowers or business associates, that is confidential and/or proprietary in nature ("*Confidential Information*"). The Consultant Firm agrees that the use and handling of *Confidential Information* by the Consultant Firm, its employees and its subcontractors, if any, shall be done in a responsible manner and solely for furtherance of the Work. Other than to its employees and its subcontractors, if any, who have a need to know *Confidential Information* in connection with performance of the Work, the Consultant Firm agrees not to disclose any *Confidential Information*, without the prior written consent of the Authority. The Consultant Firm shall be responsible to assure that its employees and its subcontractors, if any, do not disclose any *Confidential Information* without the prior written consent of the Authority. The Consultant Firm shall inform each of its employees and its subcontractors, 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 its subcontractors, 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 Consultant Firm, its employees and its subcontractors, if any, from sources other than the Authority or the tenant client; (ii) is or becomes generally available to the public other than as a result of a disclosure by the Consultant Firm, its employees and its subcontractors, 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 Consultant Firm shall indemnify and hold the Authority, its employees and members harmless for any breach of Section 9 "*Confidential Information of the Authority*", by the Consultant Firm, its employees and its subcontractors, if any.

The Authority, in its sole discretion, may require the Consultant Firm, its employees and its subcontractors, if any, assigned to perform work against the resulting contract, to execute a *Non-Disclosure / Confidentiality Agreement*.

## **XIII. INSURANCE -**

At the time of execution of the "Contract for Professional Services" the successful firm / Consultant Firm shall be required to provide evidence of the insurance coverage, **in the amounts**

**and types specified in Section 7 of the specimen form of Contract, “Contract for Professional Services – Independent Auditor Services”, attached hereto as Attachment B.**

#### **XIV. QUESTIONS –**

Interested firms have the opportunity to submit questions regarding the nature of the entities and their respective financial reporting requirements. Questions regarding this *RFQ/P* may be submitted, in writing via e-mail, to Geraldine M. Stout at [gstout@njeda.com](mailto:gstout@njeda.com) and **must be received at or before 4:00 PM** (prevailing local time), **on Tuesday, June 22, 2010.** Phone calls / faxes will not be accepted.

The subject line of the e-mail should state:

**“QUESTIONS – 2010-RFQ/P-001 – Independent Auditor Services”**

All questions and answers received will be posted on the Authority’s website at:

<http://www.njeda.com/rfq> under:

**“2010-RFQ/P-001 – Independent Auditor Services  
- Questions and Answers”.**

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*”.

#### **XV. INSTRUCTIONS FOR SUBMITTING A PROPOSAL / FORMAT-**

**At a minimum, Proposers must submit the following mandatory information items WITH the proposal.** This information must be submitted for the respondent, as well as any joint venture partners and / or subconsultants:

1. Signed Cover letter
2. Firm Experience – Narratives
3. Qualifications - Key Team Member List (to include the Technical Reviewer)  
(utilizing *Exhibit N - Form 201*)
4. Organization Chart
5. Resumes of Key Team Members (utilizing *Exhibit O - Form 202*)
6. Approach
7. Control of Budget
8. Control of Schedule

9. *Business Registration Certificate(s)* (reference *Exhibit E*)
10. *“Source Disclosure” Form* (reference *Exhibit G*)
11. *“Set Aside Certificate”* (reference *Exhibit I*)
12. *“Fee Schedule”* (utilizing *Exhibit R (Lump Sum Fee Form)* and *Exhibit R-1 (Hourly Rates Form)*)

**IMPORTANT NOTE: The “Fee Schedule” must be signed in ink by an authorized representative of the Proposing Entity and MUST be submitted in a SEPARATELY SEALED ENVELOPE.**

*(Failure to do so will render the proposal materially non-responsive and subject to rejection.)*

**In the interest of time, it is suggested that Proposers also submit the following compliance documentation:**

13. Evidence of *Equal Employment Opportunity / Affirmative Action* by submitting one (1) of the following:
  - a. *AA302 - Employee Information Report” form* (reference *Exhibit B*)
  - b. a valid *“Certificate of Employee Information Report”* (reference *Exhibit C*)
  - c. a valid *“Letter of Federal Affirmative Action Plan Approval”* (reference *Exhibit D.*)
14. *“Set Aside Information” form* (reference *Exhibit H*)
15. *“Notice of Intent to Subcontract Form”* (N.J.A.C. 17:13 - *Goods and Services and Public Law 2009, c. 335 – (formerly Executive Order 151 (Corzine – 2009)* (reference *Exhibit S*)
16. *“Subcontractor Utilization Form”* (Public Law 2009, c. 335 – (formerly Executive Order 151 (Corzine – 2009) (reference *Exhibit S-1*)
17. *“Two (2) Year Vendor Certification of Political Contributions” form and “Business Entity Ownership Disclosure”* (P.L. 2005, c. 51 and Executive Order 117 (Corzine) (reference *Exhibit K*)

To ensure the accurate evaluation of proposals, the Proposer is encouraged to structure its proposal response to address each of the items outlined above in the sequential order indicated and as further presented in this RFQ/P document.

**Proposal responses should not exceed forty (40) one-sided, letter-sized, 8.5” X 11” pages.** Organizational charts, staffing structure and schedules may be on larger paper, however, these larger-sized papers will be included as part of the forty (40) page restriction. Resumes, required forms, compliance submissions and section dividers will not be considered toward the page limits.

Each Proposal shall be ranked pursuant to the application of the evaluation criteria listed in this RFQ/P to the material in the Proposal and such verification thereof, as may be necessary.

A more detailed description of the items required and outlined above are as follows:

**1. Signed Cover Letter**

The cover letter should demonstrate the proposing firm’s understanding of the Authority’s needs based upon the information provided in the *“Scope of Services”* (reference

Attachment A) of the “Contract for Professional Services” (reference Attachment D of this RFQ/P). Included in the cover letter should be any other information relevant to the proposing firm’s qualifications, not addressed elsewhere in its proposal submission.

**IMPORTANT: The proposing firm shall NOT include or make any reference to its “Fee Proposal” information in its cover letter or elsewhere in its proposal. Proposals which fail to adhere to this critical requirement of the RFQ/P process will be considered non-responsive and therefore subject to mandatory rejection.**

~ IMPORTANT ~

**The cover letter (and “Fee Proposal”) MUST be signed in ink by an authorized representative of the proposing firm.**

Failure to do so will render the proposal materially non-responsive and subject to mandatory rejection.

## **2. Firm Experience - Narratives**

The proposing firm **will evidence its experience by submitting three (3) specific narratives, each providing a brief summary of the firm’s general relevant experience in providing these Independent Auditor Services to other governmental entities, of similar size and scope.** For purposes of this section, the firm’s experience may include the experience of a subconsultant of the proposing firm, provided that such subconsultant is:

- a. identified as a proposed *Key Team Member*
- b. duly identified on the “*Key Team Member List*” (*Exhibit N – “Form 201”*)
- c. committed to provide services representing at least twenty-five (25%) percent of the value of the contract addressed in this RFQ/P. Firms must provide three (3) narrative case studies of prior independent auditor services provided to governmental entities similar in size, scope and complexity to that of the New Jersey Economic Development Authority.

Each case study must indicate:

- a. basic **background information regarding the engagement**
- b. the name and address of the governmental audit client
- c. dates and locations of the engagement
- d. the **means and methods utilized** to conduct the audit
- e. the name, title and contact information (i.e. telephone number, e-mail address, etc.) of a senior executive or member of the client’s Audit Committee or

similar such Board associated with the client entity who is familiar with and able to provide a **reference regarding the firm's performance**.

- f. the firm's experience in providing these independent audit services as well as the proposing firm's **familiarity with and understanding of federal and state laws, rules and regulations regarding and governing such governmental audits**.

Each narrative should be direct and concise yet must clearly demonstrate each of the points indicated above. **Each narrative submitted should be accompanied by a copy of the complete set of client's financial statements including, but not limited to, the independent auditor's report, management's discussion and analysis, financial statements and accompanying notes to the financial statements for each of the three (3) narrative studies submitted.** Failure to submit the annual audit information and reports will cause the Evaluation Committee to evaluate the proposal based on the narrative information alone.

**At least one (1) of the case studies must describe a governmental-based audit engagement performed for a New Jersey-based entity.**

### **3. Qualifications - Key Team Members List –**

The proposing firm must submit a list of proposed *Key Team Members*, using "Form 201" included in this RFQ/P as *Exhibit N*. For the purposes of this RFQ/P, a "Key Team Member" is defined as a principal, partner or officer of the firm, project executive, project manager or project controls person (i.e. scheduler, compliance officer, etc.) who shall be responsible for an active role in the services to be provided. Each identified Key Team Member, which must also include the individual staff member serving as the Technical Reviewer, will dedicate an estimated twenty (20%) percent or more of his / her time actively engaged in providing the requisite services.

**Using "Form 201", the proposing firm must identify one (1) specific Key Team Member as the "Project Manager". The Project Manager shall be actively engaged full-time in providing the required independent audit services.**

### **4. Organization Chart -**

The proposing firm must provide an **organization chart that includes all of the proposed Key Team Members, including the Technical Reviewer, their respective titles for the engagement and the firm they represent.**

In the event the proposing firm is a "joint venture" or subcontracted firms will be utilized, the proposing firm must clearly indicate the direct employer of each Key Team Member, as well as the Technical Reviewer.

### **5. Resumes of Key Team Members -**

The proposing firm must include a **fully completed resume form for each proposed Key Team Member, utilizing “Form 202”** attached to this RFQ/P as **Exhibit O**.

All licenses, registrations, certifications and other relevant qualifications that are required to provide the requisite services (regardless of whether such licenses, registrations, etc. are the result of state, federal or professional requirements), must be indicated on “Form 202” for each individual.

**The selected firm shall be required to utilize all Key Team Members identified in its proposal, in the performance of the work against the resulting contract.** Failure to utilize such Key Team members, without the prior written consent and approval of the New Jersey Economic Development Authority may result in termination of the contract.

6. **Approach -**

The proposing firm must provide a detail outlining their intended approach to providing the services listed in the *Scope of Services*.

7. **Control of Budget -**

In an effort to understand the proposing firm’s approach in determining its cost of providing the required services, the proposing firm will **explain its approach to estimating the cost of providing the requisite services.**

8. **Control of Schedule -**

As *Time is of the Essence* in performing such auditing services, the proposing firm must **describe any scheduling tools that will be used in the performance of the required services**, as well as explain any **techniques the firm plans to use to ensure that schedules are met.**

XVI. **PROPOSAL SUBMISSION DUE DATE -**

**Proposals must be received** at the New Jersey Economic Development Authority’s offices, located at 36 West State Street, in Trenton, **at or before 3:00 PM** (prevailing local time), **on Friday, July 9, 2010**. Submissions received after the above date and time will not be considered. **Proposals must be submitted to the New Jersey Economic Development Authority’s Internal Process Management Department – Attn: Geraldine M. Stout. Proposals must be submitted in a securely SEALED envelope or carton.** Unsealed, faxed or e-mailed proposals will not be accepted.

**Proposals should be submitted as follows:**

1. one (1) **printed, signed original**
2. one (1) **original “Fee Proposal”**
3. five (5) **printed copies of the signed original**
4. one (1) **printed copy of the signed proposal, unbound**

**signed Adobe PDF version supplied on six (6) compact discs \***

(The compact disc should include electronic (i.e. scanned) versions of any and all submittals / samples / documents supplied with the proposal submission)

**~ IMPORTANT ~**

1. **The “FEE PROPOSAL”** (to include the “Lump Sum Fee” and Hourly rates) for each entity identified in the “Scope of Services” for which auditing services will be provided **must be SUBMITTED in a SEPARATE, SEALED ENVELOPE**, which is then to be placed in the same package as the original, signed proposal.
2. The “**FEE PROPOSAL**” and **COVER LETTER MUST BE SIGNED** by an authorized representative of the Proposing Firm.
3. The following **Compliance documents MUST be submitted with the proposal submission**:
  - a. **“Business Registration Certificate”** (Exhibit E)
  - b. **“Source Disclosure”** form (Exhibit G)
  - c. **“Set-Aside Certificate”** form (Exhibit I)
  - d. **“Notice of Intent to Subcontract”** form (Exhibit S)
  - e. **“Subcontractor Utilization Plan”** form (Exhibit S-1)
4. In the interest of time, it is suggested that the **Proposing Firm also submit the following Compliance documents with the proposal**:
  - a. **“Acknowledgement of Receipt of Addenda / Questions & Answers”** form (Exhibit M)
  - b. **“Set-Aside Information”** form (Exhibit H)
  - c. **Equal Employment Opportunity** (AA-302 Form or other as specified herein) (Exhibits B, C or D)
  - d. **“Two (2) Year Chapter 51 / Executive Order 117 Vendor Certification of Political Contributions Disclosure”** form and **“Ownership Disclosure Form”** (Exhibit K)

**Failure to submit the requisite documents, as specified, for the Proposer, as well as any joint venture partners, will render the proposal materially non-responsive and subject to rejection.**

Proposals should be addressed to:

**Mailing Address:**

New Jersey Economic Development Authority  
Board of Directors – Audit Committee  
Internal Process Management Department – Attn: G. Stout  
**REF # 2010- RFQ/P- 001 – Independent Auditor Services**  
**Due Date: Friday, July 9, 2010 – 3:00 PM**  
PO Box 990  
Trenton, NJ 08625-0990

**Shipping / Delivery Address:**

New Jersey Economic Development Authority  
Board of Directors – Audit Committee  
Internal Process Management Department – Attn: G. Stout  
**REF # 2010 - RFQ/P-001 – Independent Auditor Services**  
**Due Date: Friday, July 9, 2010 – 3:00 PM**  
36 West State Street  
Trenton, NJ 08625 -0990  
Telephone: 609-292-1800 – Main Reception Desk

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*.

**XVII. COMPLIANCE:**

The following are compliance requirements with Attachments containing several forms, instructions and samples. Except for *P.L. 2005, c.51 Special Provisions – Political Campaign Contributions (Item E, below)*, and as required by law, **ALL COMPLIANCE FORMS MUST BE COMPLETED, SIGNED AND RETURNED WITH THE PROPOSAL**, either as required by law or as expressly required by this *RFQ/P*. **FAILURE TO DO SO MAY RESULT IN REJECTION OF THE PROPOSAL.** (Forms for *P.L. 2005, c.51 “Special Provision – Political Campaign Contributions and Executive Order 117 (Corzine – 2008)”* will only be completed and returned by the successful Proposer after a selection has been made.)

**A. EQUAL EMPLOYMENT OPPORTUNITY:**

Proposers 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**. Within ten (10) calendar days from the Authority issuing a “*Conditional Notice of Award*” or “*Notice of Award*”, the successful Proposer, as well as any joint venture partners, subcontractors or subconsultants must either complete and submit an “*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:**

Each entity responding to this *RFQ/P* shall submit a copy of the entity's "**Business Registration Certificate**" issued by the New Jersey Division of Revenue, with the Proposal, a sample of which is attached as **Exhibit E**.

**The PROPOSER, and any joint venture partners, MUST SUBMIT evidence of a VALID "Business Registration Certificate" (BRC) WITH ITS PROPOSAL.** The Proposer and any joint venture partners must possess a valid BRC, as of the due date and time of the bid proposal opening. Proposers are encouraged to submit *BRCs* on behalf of each subcontractor identified in the proposal, with the proposal.

During the term of the contract and any extensions thereto, and prior to performing any work against said contract, the successful Proposer must obtain and submit to the Authority proof of valid *BRC* registration for any subcontractor who will perform work against the resulting contract.

Upon notification from the Authority of intent to award, the successful Proposer must provide written notice to all 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 Proposer(s,) or joint venture partner, which does not possess a valid BRC, as of the date and time of the bid opening.

The Proposer MUST submit proof of valid business registration with the bid proposal. Failure to submit such valid *Business Registration* with a bid proposal may render the proposal 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>**.

The Proposer may go to [www.nj.gov/nibqs](http://www.nj.gov/nibqs) 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 subconsultant, MUST possess a valid "*BRC*" as of the date and time of the bid opening. The individual must complete, 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 MUST 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/pdf/forms/reg\\_a.pdf](http://www.state.nj.us/treasury/revenue/pdf/forms/reg_a.pdf)**

The contractor and any subcontractor 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 F**.

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

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 as **Exhibit G** the location **by country** where services rendered pursuant to this *RFQ/P* will be performed.

Failure to submit a completed and signed “Source Disclosure Certification” form with a bid proposal may render the bid materially non-responsive.

**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 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 Department of Treasury, Division of Minority and Women Business Development 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](http://www.sba.gov/tools/resourcelibrary/laws.and.regultaions/index.html)),

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

**FOR GOODS AND SERVICES:**

It is the 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.

The Proposer and its named Subcontractors / Subconsultants should complete the attached "Set Aside Information Form" (**Exhibit H**) and submit it with the proposal.

**In addition, the Proposer must complete and submit the attached "Set Aside Compliance Certificate" (Exhibit I) with its proposal. The "Set Aside Compliance Certificate" is considered a mandatory requirement to be completed and included as part of the proposal submission.**

**Failure to complete and submit the "Set Aside Compliance Certificate " will be a sufficient basis to deem the Proposer's proposal non-responsive and thus subject to mandatory rejection.**

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

The successful Proposer must submit a "Monthly Status Report" (**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. 2009, c. 335 (formerly Executive Order 151 – Corzine 2009): SUBCONTRACTOR UTILIZATION –**

It is the policy of the New Jersey Economic Development Authority and as required by *Public Law 2009 c. 335* that small businesses (each a "Small Business Enterprise" or "SBE"), as determined and defined by the State of New Jersey - Division of Minority and Women Business Development ("DMWBD") and the New Jersey Department of the Treasury ("Treasury") in *N.J.A.C. 17:14 et seq.* or other application regulation, should have the opportunity to participate in New Jersey Economic Development Authority contracts.

To the extent the Contractor engages subcontractors or subconsultants to perform services for the New Jersey Economic Development Authority pursuant to the contract, the Firm must demonstrate to the Authority's satisfaction that a good faith effort was made to utilize subcontractors and subconsultants who are registered with the Division of Minority and Women Business Development as SBEs. The Division shall evaluate the New Jersey Economic Development Authority on a quarterly basis, based on its attainment of the *Participation Goals* set forth in the "State of New Jersey Construction Services Disparity Study" (October, 2005) and the "State of New Jersey Disparity Study of Procurement in

*Professional Services, Other Services, and Goods and Commodities*” (June, 2005) as applicable to independent state authorities.

Evidence of a “good faith effort” includes, but is not limited to:

1. The Firm shall request listings of Small Business Enterprises from the Division of Minority and Women Business Development by calling (609) 292-2146 and attempt to contact same.
2. The Firm shall keep and maintain specific records of its efforts, including records of all requests made to the DMWBD, the names of SBEs contacted, and the means and results of such contacts, including without limitation receipts from certified mail and telephone records.
3. The Firm shall actively solicit and shall provide the New Jersey Economic Development Authority with proof of solicitations of SBEs for the provision of services; including advertisements in general circulation media, professional service publications and small business, minority-owned business or women-owned business focus media.
4. The Firm shall provide evidence of efforts made to identify categories of services capable of being performed by SBEs.
5. The Firm shall provide all potential subcontractors and subconsultants that the Firm has contacted pursuant to Items #2 or 3 above, with detailed information regarding the *Scope of Work* of the subject contract.
6. The Firm shall provide evidence of efforts made to use the goods and / or services of available community organizations, consultant groups, and local, State, and federal agencies that provide assistance in the recruitment and placement of SBEs.

Furthermore, **the Firm shall submit proof of its subcontractors’ and / or subconsultants’ respective SBE registrations** by submitting a copy of its *SBE Certificate*, as issued by the Division of Minority and Women Business Development, and shall complete such other forms as may be required by the Authority for State reporting, as to participation.

**Prior to engaging a subcontractor / subconsultant in the performance of any work related to the resulting contract, the Firm shall also collect and maintain evidence of a valid “Business Registration Certificate” (BRC) for each such subcontractor / subconsultant** which it utilizes in the performance of the work against the resulting contract (reference the section “Compliance – Business Registration” of this RFQ/P).

### **Minority and Women Enterprise Participation Goals:**

Pursuant to *Public Law 2009 chapter 335* (formerly known as *Executive Order 151*), the participants’ goals for various categories of *Goods and Services* are as follows:

#### **Participation Goals - Professional Services**

(with the exception of those professional services deemed to be construction-related, all services that are of a professional nature and requiring special licensing, education degrees and / or very highly specialized expertise, including accounting and financial services, advertising services, laboratory testing services; legal services; management consulting services; technical services and training):

Independent State Authorities:

- |    |                   |   |       |
|----|-------------------|---|-------|
| 1. | African Americans | - | 2.47% |
| 2. | Asian Americans   | - | 1.47% |
| 3. | Hispanics         | - | 1.1%  |
| 4. | Native Americans  | - | 0.07% |
| 5. | Caucasian Females | - | 1.96% |

**The Proposer should complete and submit with its proposal, the “Notice of Intent to Subcontract” form, attached to this RFQ/P as Exhibit S. Failure to do so may render the proposal materially non-responsive and therefore subject to rejection.**

If the Proposing Entity indicates that it **intends to utilize subcontractors / subconsultants in the performance of the work against the resulting contract; it should also complete and submit the “Subcontractor Utilization Plan” form attached to this RFQ/P as Exhibit S-1.**

**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-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.* a contribution made to a legislative leadership committee, a contribution made to a municipal political party committee or a contribution made to a candidate committee or election fund of any candidate for or holder of the office of Lieutenant Governor. Currently, contributions in excess of \$300 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 a for-profit entity as follows:
  - A. in the case of a corporation: the corporation, any officer of the corporation, and any person or business entity that owns or controls 10% or more of the stock of corporation;
  - B. in the case of a general partnership: the partnership and any partner;

- C. in the case of a limited partnership: the limited partnership and any partner;
  - D. in the case of a professional corporation: the professional corporation any shareholder or officer;
  - E. in the case of a limited liability company: the limited liability company and any member;
  - F. in the case of a limited liability partnership: the limited liability partnership and any partner;
  - G. in the case of a sole proprietorship: the proprietor; and
  - H. in the case of any other form of entity organized under the laws of this State or other state or foreign jurisdiction: the entity and any principal, officer, or partner thereof;
  - I. any subsidiary directly or indirectly controlled by the business entity;
- iii. any political organization organized under section 527 of the Internal Revenue Code is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and
  - iv. with respect to an individual who is included within the definition of business entity the individual's spouse or civil union partner, and any child residing with the individual, provided, however, that, this Order shall not apply to a contribution made by such spouse, civil union partner, or child to a candidate for whom the contributor is entitled to vote or to a political party committee within whose jurisdiction the contributor resides unless such contribution is in violation of *section 9 of P.L. 2005, c. 51 (C.19:44A-20.1 et seq.) ("Chapter 51")*.
- c) *PL 2005, c.51 – means Public Law 2005, chapter 51 (C. 19:44A-20.13 through C. 19:44A-20.25, inclusive) as expanded by Executive Order 117 (Gov. Corzine, September 24, 2008).*
- (2) **Prohibited Conduct.** The Authority shall not enter into a contract valued at more than \$17,510 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 and Disclosure of Political Contributions” form and “Business Entity Disclosure” form*** 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. Proposers are not required to include the *P.L. 2005, c. 51* forms as part of the Proposal submission. Only the selected entity will need to complete and submit these forms. Selected entity will be notified by the Authority at the appropriate time.

- (ii) **Firm'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 / her 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 Firm with the intent or understanding that such lobbyist or Firm 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 Firms, 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.

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.

Respondent firms should note that **it is the successful Firm's responsibility to maintain in good order, valid and up-to-date compliance** (i.e. *BRC, P.L. 2005, c.51* (i.e. "Two (2) Year Vendor Certification of Political Contributions and Ownership Disclosure"), "Affirmative Action / Equal Employment Opportunity" (i.e. *Certificate of Employee Information Report*, etc.), **insurance and any professional certifications required** of this *RFQ/P* and the resulting contract, throughout the term of the contract and any extensions thereto. Failure to do so may be cause for immediate cancellation of the contract.

## **XVIII. EVALUATION CRITERIA –**

In accordance with *Executive Order 122*, the New Jersey Economic Development Authority's Board of Directors has established an Evaluation Committee to evaluate proposals received for this procurement, in conjunction with the Authority's Audit Committee. The Evaluation Committee will review each proposal to determine its responsiveness and then evaluate those responsive proposals, based on the evaluation criteria indicated below. Only those proposals deemed responsive to the requirements of this *RFQ/P* will be evaluated, scored and ranked. Selection of the successful Proposer will be based upon a determination of which proposal is the most favorable to the Authority, based on 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*:

- the Proposer's **demonstrated ability and qualifications to conduct governmental audits, in particular enterprise fund audits and "not-for-profits" audits, tax filing and K-1 preparations, as evidenced by the firm's size, technical niche practice, Team Members' resumes** (i.e. credentials education, experience, etc., as evidenced in the narratives and resumes submitted)
- the Proposer's **documented experience in successfully completing governmental audits of a similar size and scope to the work required by this RFQ/P**, to include ancillary "not-for-profit" and tax filing return and K-1 preparation, as evidenced in the narratives submitted
- the Proposer's proposed **"Price"** as determined by its **"Blended Lump Sum Fees"** and **"Blended Hourly Rates"** to provide these requisite services for each entity grouping
- the Proposer's **detailed approach and plans to perform the services required, as outlined in the "Scope of Work / Deliverables"**
- the Proposer's **demonstrated familiarity with and understanding of federal and state laws, rules and regulations relevant to governmental audits**
- the Proposer's **quality and completeness of the proposal response**

The Evaluation Committee will evaluate responsive proposals, considering the information provided by the respondent firm, and any necessary verification thereof, and submit a written report to the Board's Audit Committee.

## **XIX. SELECTION PROCESS -**

The Evaluation Committee will forward a written report of its evaluations to the Audit Committee, with a ranking of responses pursuant to the evaluation criteria. Upon review of the report, the Audit Committee will determine whether it is in the Authority's best interest to conduct interviews with one (1) or more Proposers. The Audit Committee, in its sole discretion, shall determine the appropriateness of such interviews, as well as determine the number of firms that will participate. Following these interviews, if held, the Audit Committee will prepare its final report regarding the evaluation, scoring and ranking of proposals, based on the evaluation criteria referenced above.

Upon review and acceptance of the Committee's report, the Audit Committee shall recommend to the Authority's Board of Directors, the firm found to be most highly qualified with respect to the evaluation criteria. Upon approval by the Authority's Board, the successful firm shall receive a "Conditional Notice of Award" subject to the expiration of the ten (10) day Gubernatorial Veto Period and submission and approval of the requisite compliance documentation and insurance. Unsuccessful firms will be notified by letter following the award.

## **XX. INTERVIEWS -**

Upon review of the proposals, one (1) or more Proposers may be invited to interview, with members of the Audit Committee. The decision to conduct interviews is at the sole discretion of the Evaluation Committee. In the event the Audit Committee does decide to conduct interviews, the Proposer must be available to meet with the Committee, **on or about mid July**. The specific date for these interviews will be communicated to the Proposers, 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 Audit Committee evaluating and scoring the proposal, based solely on the information submitted. The Authority shall not be expected to reschedule interviews to accommodate the schedule of the Proposer.

It is expected that interviews will take place at the Authority's offices, located at 36 West State Street, in Trenton, during normal business hours (9:00 AM to 5:00 PM) or via teleconference during these business hours. The decision to participate in person or via teleconference will be at the discretion of the Audit Committee.

## **XXI. 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" (Attachment R), as well as submitting invoices for payment, the successful Proposer shall not include federal or state sales tax. The successful Proposer shall not charge, nor be reimbursed for tax.

## **XXII. ADDENDUM / "QUESTIONS & ANSWERS -**

There are no designated dates for release of addenda or posting of "Questions & Answers" on the Authority's website. 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 bid 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 / Q&A*” form (*Exhibit M*).

All addenda and “*Questions & Answers*” to the original *RFQ/P* will become part of this *RFQ/P* and will be incorporated by reference, into the final resulting contract. **Proposers should acknowledge receipt of all addenda and each sequentially numbered “Questions & Answers”**, by completing the “*Acknowledgment of Receipt of Addenda / Q&A*” form. Proposers should list EACH addendum and EACH sequentially numbered “*Questions & Answers*” posted for this *RFQ/P*, on the form. The Proposer should initial and date each entry on the form, sign it and **submit the “*Acknowledgment of Receipt of Addenda / Q&A*” form with the proposal**. A proposal cannot be reviewed and evaluated, unless and until the Proposer has correctly completed, signed and submitted the “*Acknowledgment of Receipt of Addenda / Q&A*” form (*Attachment M*).

**EACH addendum and EACH sequentially numbered “Questions & Answers” posted on the Authority’s website MUST be acknowledged on the form.** Each entry on the form must be initialed and dated with the date referenced in the addendum or “*Q & A*” document, as it was posted on the Authority’s website.

(NOTE: When completing the “*Acknowledgment of Receipt of Addenda / Q&A*” 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.)

#### **XXIII. HOLDING PRICES FIRM -**

Proposers shall hold their proposal prices firm for a period of ninety (90) days, to accommodate the Audit Committee’s evaluation and Board award processes.

#### **XXIV. TERM of CONTRACT / AWARD -**

It is the intent of the Authority’s Board of Directors to award a **three (3) year contract for these Independent Auditor Services, with two (2) one (1) year extension options, to be exercised at the sole discretion of the Authority’s Audit Committee, at the same prices, terms and conditions.** Prices shall remain firm and no adjustments will be made to the prices stated in the Consultant Firm’s “*Fee Schedule (“Lump Sum Fee” and “Hourly Rates”)*” and its proposal, throughout the term of the contract and any extensions thereto.

The contract term will be as indicated or will remain in effect until all obligations of the Consultant to deliver the requisite services as specified in the Contract and *RFQ/P*, have been performed to the satisfaction of the Authority, whichever occurs later. Should the Authority, in its sole discretion, exercise one (1) or both extension options; the Term shall extend from the Effective Date through such additional extension period or until all obligations of the Consultant to deliver the requisite services as specified in the Contract and the *RFQ/P*, have been performed to the satisfaction of the Authority, whichever occurs later.

The contract award will be made to the successful 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's Board of Directors, in its sole discretion.

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 *Attachment B*.

Acceptance of a Proposal and award of a contract is subject to the approval of the Authority's Board of Directors.

**XXV. 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 Consultant Firm. In such event, absent a default on the part of the Consultant Firm, the Consultant Firm shall be entitled to compensation for all services properly provided to the Authority pursuant to the Contract, prior to such termination.

**XXVI. 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)* and *New Jersey Right-to-Know* statutory law and relevant case law.

**XXVII. 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*, or to request clarifications of any portion of the proposal received. Further, the Authority's staff reserves the right, in 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*.

Subject to approval of the governing body of the Authority, selection of the successful respondent will be based upon a determination of which proposal is viewed as the most favorable to the Authority, based on the evaluation criteria listed herein, considering price and other factors.

The Authority's staff retains the discretion to modify, expand or delete any portion of this *RFQ/P* or terminate the selection process or this *RFQ/P* at any time.

The Authority reserves the right to reject any and all responses to this Request; to schedule interviews with no Proposers, all Proposers, or only the most highly qualified Proposers, as determined by the Authority; to request additional information from, any and all firms; to waive any requirements, or minor informalities; 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 selected firm must comply with all local, state and federal laws, rules and regulations applicable to the contract issued pursuant to this *RFQ/P* and to the services performed hereunder.

2010-RFQP-001 -NJEDA Auditors Rev 6 (5-25-10)

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**Board of Directors – Audit Committee**

**REQUEST FOR QUALIFICATIONS / PROPOSALS**  
**for**  
**INDEPENDENT AUDITOR SERVICES**  
**(reference 2010-RFQ/P-001)**

**ATTACHMENTS & EXHIBITS DETAIL**

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

**ATTACHMENTS:**

<b>Attachment A</b>	<b><i>“Scope of Services”</i></b>
<b>Attachment B</b>	<b>New Jersey Economic Development Authority Specimen Form of <i>“Contract for Professional Services – Independent Auditor Services”</i></b>
<b>Attachment C</b>	<b><i>Executive Order 122 (McGreevey – 2004)</i></b>
<b>Attachment D</b>	<b><i>Executive Order 37 (Corzine – 2006)</i></b>
<b>Attachment E</b>	<b>New Jersey Economic Development Authority 2009 Comprehensive Annual Report</b>
<b>Attachment F</b>	<b>2009 Comprehensive Annual Report – Technology Centre of New Jersey LLC</b>
<b>Attachment G</b>	<b>2009 Comprehensive Annual Report – NJUSB Investment Fund, LLC and Subsidiary</b>
<b>Attachment H</b>	<b>2009 Comprehensive Annual Report - NJUSB Investment Fund-2, LLC and Subsidiary</b>
<b>Attachment I</b>	<b>2009 Comprehensive Annual Report - USB Landis Investment Fund, LLC and Subsidiary</b>
<b>Attachment J</b>	<b>2009 Comprehensive Annual Report – VDC New Markets Investment Fund, LLC and Subsidiary</b>
<b>Attachment K</b>	<b>2009 Comprehensive Annual Report – New Jersey Community Development Entity, LLC</b>
<b>Attachment L</b>	<b>2009 Comprehensive Annual Report - New Jersey Community Development Entity-1, LLC</b>
<b>Attachment M</b>	<b>2009 Comprehensive Annual Report - New Jersey Community Development Entity-2, LLC</b>
<b>Attachment N</b>	<b>2009 Comprehensive Annual Report - New Jersey Community Development Entity-3, LLC</b>

Attachment O	2009 Comprehensive Annual Report - New Jersey Community Development Entity-4, LLC
Attachment P	2009 Comprehensive Annual Report - New Jersey Community Development Entity-5, LLC
Attachment Q	2009 Comprehensive Annual Report - New Jersey Community Development Entity-6, LLC
Attachment R	2009 Comprehensive Annual Report - New Jersey Community Development Entity-7, LLC
Attachment S	2009 Comprehensive Annual Report - New Jersey Community Development Entity-8, LLC
Attachment T	2009 Comprehensive Annual Report - Corporation for Business Assistance in New Jersey

**~ 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” (form AA-302)</i>
Exhibit C	<i>“Certificate of Employee Information Report”</i>
Exhibit D	<i>“Letter of Federal Affirmative Action Plan Approval”</i>
Exhibit E	New Jersey <i>“Business Registration Certificate”</i>
Exhibit F	NJ Department of Treasury - Division of Taxation - <i>“Sales and Use Tax Act”</i> <i>(P.L. 1966, c.30; N.J.S.A. 54:32B- 1 et seq)</i>
Exhibit G	<i>“Source Disclosure Certification” form (P.L. 2005, c.92 and N.J.S.A. 52:34-13.2)</i>
Exhibit H	<i>“Set Aside Information” form</i>
Exhibit I	<i>“Set Aside Compliance Certificate”</i>
Exhibit J	<i>“Monthly Status Report”</i>
Exhibit K	<i>“Two (2) Year Vendor Certification and Disclosure of Political Campaign Contributions / and Ownership Disclosure” (P.L. 2005, c.51 and Executive Order 117 (Corzine)</i>
Exhibit L	RESERVED; not applicable to the RFQ/P
Exhibit M	<i>“Acknowledgement of Receipt of Addenda / Questions &amp; Answers” form</i>
Exhibit N	<i>“Key Team Members Listing” form (reference Form 201)</i>

- Exhibit O**                    **“Key Team Member’s Resume” form** (reference Form 202)
- Exhibit P**                    RESERVED; not applicable to the RFQ/P
- Exhibit Q**                    RESERVED; not applicable to the RFQ/P
- Exhibit R**                    **“Fee Proposal – Lump Sum Fee” form** (Form 301)
- Exhibit R-1**                **“Fee Proposal- Hourly Rates” form** (Form 302)
- Exhibit S**                    **“Notice of Intent to Subcontract” form** (P.L. 2009, c. 335 (formerly EO 151 – Corzine – 2009)
- Exhibit S-1**                **“Subcontractor Utilization Plan” form** (P.L. 2009, c. 335 (formerly EO 151 – Corzine – 2009)

***ATTACHMENT A***

***“SCOPE of SERVICES / DELIVERABLES”***

**NEW JERSEY ECONOMIC DEVELOPEMNT AUTHORITYY**  
**BOARD of DIRECTORS**  
**Request for Qualifications / Proposals**  
**Independent Auditor Services (reference 2010-RFQ/P-001)**

**SCOPE of SERVICES / DELIVERABLES:**

At a minimum, and on an annual basis, the successful Proposer / Consultant Firm will be required to provide the following services in accordance with the approved practices and methodologies of the entities referenced in the section "Introduction / Summary" and as outlined herein:

**I. NATURE of the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY and ASSOCIATED ENTITIES: ENTITIES to be AUDITED -**

Presently, the scope of the services required of this RFQ/P involves the following entities:

1. **NJ Economic Development Authority ("NJEDA") –**
  - The New Jersey Economic Development Authority is an instrumentality and component unit of the State of New Jersey and follows enterprise fund reporting, promulgated by GASB 34. The Authority was primarily created to provide assistance to commercial and public entities for the purpose of retaining and expanding employment opportunities and to increase the tax base of the State and local governments by providing services in three (3) general areas: direct and indirect conduit financing, real estate development and technical assistance.
  - **The New Jersey Economic Development Authority requires a financial and OMB A-133 GAGAS audit of its financial statements and accompanying notes and certifications of specific conduit bond covenants, in accordance with the requirements of Executive Order 122 (McGreevey 2004).**
  
2. **Camden Center Urban Renewal Limited Partnership ("CCURLP") –**
  - The **CCURLP**, which owns two (2) entities, is a wholly owned subsidiary of the New Jersey Economic Development Authority. All three (3) entities are "shell" companies formed to construct and own an office / administrative facility and a manufacturing / research facility, located in Camden, NJ. The New Jersey Economic Development Authority issued debt and loaned the proceeds to the partnership to construct the facility. The loan is secured by the property and lease rental payments from the tenant. The unsecured portion of the debt is a general obligation of the New Jersey Economic Development Authority.

- **The CCURLP and two (2) additional related entities require Schedule K-1 and tax return preparation. The CCURLP is consolidated into the New Jersey Economic Development Authority's financial statements.**
3. **Technology Centre of NJ, LLC ("LLC")** –
- The LLC is a joint venture between the New Jersey Economic Development Authority and the AFL / CIO Building Investment Trust. The venture comprises a fifty (50) acre site, located on U.S. Route One in North Brunswick, NJ, that was developed in to and leased as a high-tech facility.
  - **The LLC requires a financial audit and Schedule K-1 and tax return preparation.**
4. **Corporation for Business Assistance in NJ ("CBA")**-
- The **CBA**, taxed as a 501(c)(4), is incorporated as a private, not-for-profit entity. Its current purpose is to facilitate the New Markets Tax Credit program, by forming and holding two (2) wholly-owned subsidiaries that in turn, are affiliated with the various project CDEs.
  - **The CBA requires a financial audit and tax return preparation.**
5. **NJ Community Development Entities, LLCs ("CDEs")** –
- The various **CDEs** were formed to implement the allocation of federal New Market Tax Credits. The first phase was structured with a \$31 million loan to an LLC and the second phase, \$21.3 million, both to facilitate investment in various CDEs, whose primary mission is to provide capital for the encouragement of private investment in low income areas throughout the State. As part of the financing structure, the New Jersey Economic Development Authority guarantees the other investor's equity investment against adverse consequences caused by a recapture event.
  - **For each of the fourteen (14) shell-like entities, requiring twelve (12) financial audits, one (1) compilation, as well as Schedule K-1 and tax return preparation.**

## **II. ADDITIONAL SERVICES / WORK -**

In the event the Authority, in support of its mission to promote and attract businesses to New Jersey, creates additional entities similar to those outlined herein, the Consultant Firm may be required to provide independent audit services for the newly created entities. The "*Lump Sum Fee*" to perform such auditing services should be

the same as for that of a similar structure (i.e. all LLCs requiring a financial audit and *Schedule K-1* and tax return preparation as indicated above, should result in the same “*Lump Sum Fee*” charges). In the event a similarly structured entity requires additional services (i.e. a financial audit and *Schedule K-1* and tax return preparation and an additional federal or state required report,

this additional work (i.e. the report) will be performed based on the “*Hourly Rates*” indicated on the “*Fee Schedule – Hourly Rates - Exhibit R-1, with a “Maximum Not-to-Exceed Fee*”. The Proposer’s prices, as stated in the “*Fee Schedule*” represent the Proposer’s “maximum not to exceed” costs to provide these services. **Actual invoices for the performance of these services will be based on the Proposer’s “Hourly Rate Fee Schedule”, detailing the position, hours and services performed to successfully complete each *Scope of Services*.**

Regarding any additional work that may be required, the Authority reserves the right, in its sole discretion, to recommend and make changes to the Consultant Firm’s approach to the work (i.e. staff level positions assigned, corresponding hourly rates, number of hours dedicated, etc.), thereby effecting its initially proposed “*Maximum Not-to Exceed Fee*”. For instance, an executive-level position (i.e. Vice President / Partner and its corresponding hourly rate) is not appropriately assigned to perform hands-on auditing of the respective payables files, which should be performed by a staff accountant level position. No such additional work shall be performed unless and until the Authority’s representative has approved, in writing, the work to be performed and the corresponding staff level positions to be assigned, hourly rates and hours required to perform such additional work.

**The current audited financial statements of the entities referenced in this *Scope of Work* are posted to the New Jersey Economic Development Authority’s website and are included as part of this RFP/Q, as *Attachments F through T* or on-line at the Authority’s website at [www.njeda.com/rfq](http://www.njeda.com/rfq) on its “*Bidding Opportunities*” page for this solicitation (reference 2010-RFQ/P-001).**

### **III. DIRECT RESPONSIBILITIES TO AUDIT COMMITTEE -**

In accordance with the requirements of *Executive Order 122*, the auditor (“Consultant Firm”) appointed shall report directly to the Audit Committee. At no time shall the auditor report to any staff member of the New Jersey Economic Development Authority, to include its management. At least twice each year, the auditor is required to meet in private with the Audit Committee: first, prior to the commencement of the fiscal year-end annual audit to discuss the audit plan, and second, upon the issuance of the final audit report to discuss the results of the audit. Additional meetings may be held at the request of the Audit Committee or the auditor.

At least once every three (3) years, the auditor shall submit to the Audit Committee:

- the independent auditor’s internal quality control procedures
- any material issues raised by the most recent internal quality control peer review or by reviews conducted by governmental or

- professional authorities
- a detail of the steps taken by the auditor to address such issues

#### IV. **COMPLETION DATES -**

As "*Time is of the Essence*" in completing and presenting these independent audits to the Authority's Board of Directors and Audit Committee, **adherence to deadlines for the**

**required services and deliverables are of critical importance.** The following outlines the **timelines by which each of the interval services / deliverables are to be completed.**

More exact deadlines (i.e. dates) will be established with the Consultant Firm, at the initial organizational meeting:

- Interim fieldwork will be completed no later than mid-December of each fiscal year
- Final fieldwork will be completed no later than the first Friday of February following the fiscal year of the audit work
- Partner review and technical review of draft financials and notes will be completed no later than two (2) weeks after final fieldwork
- Auditor's opinion will be issued no later than mid March following the fiscal year of the audit work
- Tax returns will be completed and submitted to the client no later than April 1<sup>st</sup> following the fiscal year of the audit work

All such work completed shall be submitted to the New Jersey Economic Development Authority's Audit Committee within the timeframes specified.

***ATTACHMENT B***

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
SPECIMEN FORM of CONTRACT:**

***“CONTRACT FOR PROFESSIONAL SERVICES –  
INDEPENDENT AUDITOR SERVICES”***

**ATTACHMENT B**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
CONTRACT FOR PROFESSIONAL SERVICES**

**INDEPENDENT AUDITOR SERVICES**

**AGREEMENT** made this \_\_\_\_ day of \_\_\_\_\_, 2010, 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 "Consultant Firm"), having its address \_\_\_\_\_ at \_\_\_\_\_.

The Authority and the Consultant Firm agree as follows:

1. **The Work.** The Consultant Firm shall perform or shall provide the services as specifically detailed in the Consultant Firm's Proposal, dated \_\_\_\_\_, 2010 (and as clarified in the Consultant Firm's revised Proposal dated \_\_\_\_\_, and \_\_\_\_\_, 2010) and the Authority's Request for Proposal ("*RFQ/P*"), dated \_\_\_\_\_ 2010, which are attached hereto and made a part of this Contract.

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

The term of this Contract is three (3) years, with two (2) one (1) year extension options, to be exercised at the sole discretion of the Authority at the same terms and conditions. Pricing shall be as stated and accepted in the Consultant Firm's proposal and Fee Schedules (Exhibits R and R-1)

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 Independent Auditor Services is entered into by the Authority.

3. **Contract Price.** The Authority shall pay the Consultant Firm for the performance of the Work on a Lump Sum basis as per the Fee Proposal and the Hourly Rate Fee Schedule set forth in the Consultant Firm's Proposal (*Attachments R and R-1* respectively). The total annual Contract Price shall not exceed \_\_\_\_\_ Thousand (\$\_\_\_\_,000.00) Dollars per year unless an increase is approved in writing by the Authority. The Authority may require services in addition to those agreed to in the *RFQ/P* and the Proposal. Compensation to the Consultant Firm for additional services shall be in accordance with the *Hourly Rates Fee Schedule (reference Exhibit R-1)* as set forth in Consultant Firm's Proposal; or if not specified in Consultant Firm'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 Consultant Firm 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 Consultant Firm or subcontractor 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.

5. **Manner of Payment.** On a monthly basis, or another such interval as approved by the Authority, the Consultant Firm shall submit 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 Consultant Firm, 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 Consultant Firm must submit a "Monthly Status Report" to the Authority. Invoices will not be processed unless accompanied by the "Monthly Status Report".

6. **Indemnification.** The Consultant Firm 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 Consultant Firm, its officers, agents, servants, employees and subcontractors in the performance of services under this Contract. The Consultant Firm 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 Consultant Firm shall, at its own expense, satisfy and discharge the same.

The Consultant Firm 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 Consultant Firm or any Work

performed by the Consultant Firm or its subcontractor 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 Consultant Firm, its officers, agents, servants, employees and subcontractors. The Consultant Firm 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 Consultant Firm 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 Consultant Firm 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 Consultant shall maintain Commercial General Liability Insurance, and, if necessary, Commercial Umbrella Insurance, with a limit of not less than \$1,000,000 for each occurrence, and \$2,000,000 general aggregate limit. Commercial General Liability insurance shall be written on an ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and shall not be circumscribed by any endorsements limiting the breadth of coverage. The policy shall include liability arising out of, occasioned by or resulting from premises, operations, independent contractors, products, completed operations, personal injury and advertising injury, and liability assumed under an insured contract in connection with Services performed under this Contract. The New Jersey Economic Development Authority, the State of New Jersey

and their respective directors, officers, members, employees and agents shall be included as an additional insured under the Commercial General Liability, using ISO additional insured endorsement CG 20 10 (or a substitute form providing equivalent coverage), and under the Commercial Umbrella, if any. In addition, the Consultant Firm may also be required to name other parties as additional insureds prior to the initiation of Services. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to the New Jersey Economic Development Authority.

(b) Workers' Compensation and Employers' Liability.

The Consultant shall, at its own cost and expense, maintain Workers' Compensation and Employers' Liability insurance prescribed by the laws of the State of New Jersey and any other jurisdiction required to protect employees of the Consultant while engaged in the performance of the Services under this Contract. Coverage shall include an endorsement to extend coverage to any State, which may be interpreted to have legal jurisdiction. Workers' Compensation coverage shall be statutory and the Employers' liability limits (including Umbrella coverage) shall not be less than \$100,000 per accident for bodily injury by accident and \$100,000 for each employee for bodily injury by disease and \$500,000 policy limit for bodily injury by disease.

(c) Professional Liability Insurance (Errors and Omissions).

The Consultant shall maintain Professional Liability Insurance with coverage retroactive to the Effective Date, sufficient to protect the Consultant from any liability arising from the Services and professional obligations performed pursuant to this Agreement in an amount not less than \$1,000,000 per claim and \$1,000,000 in the aggregate for all operations conducted.

The Consultant warrants they will notify the Authority in writing of any reduction in the aggregate coverage within thirty (30) days. The Consultant warrants that coverage

shall not be circumscribed by any endorsements excluding coverage arising out of services performed pursuant to this Agreement.

(d) Commercial 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 automobile / vehicle used by the insured 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 Consultant Firm shall notify the Authority within forty-eight (48) hours of any changes or

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' advance written notice to the Consultant Firm. In such event, absent a default on the part of the Consultant Firm, the Consultant Firm 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 Consultant Firm, its employees and subcontractors may receive, review and become aware of proprietary, personnel, commercial, marketing and financial information of the Authority, its employees, members, borrowers or business

associates that is confidential and/or proprietary in nature (“Confidential Information”).

The Consultant Firm agrees that the use and handling of Confidential Information by the Consultant Firm, its employees and subcontractors, shall be done in a responsible manner and solely for furtherance of the Work. Other than to its employees and subcontractors who have a need to know Confidential Information in connection with performance of the Work, the Consultant Firm agrees not to disclose any Confidential Information, without the prior written consent of the Authority. The Consultant Firm shall be responsible to assure that its employees and subcontractors do not disclose any Confidential Information without the prior written consent of the Authority. The Consultant Firm shall inform each of its employees and subcontractors 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 Consultant Firm, its employees and subcontractors 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 Consultant Firm or its employees; or (iii) is required to be disclosed by law or by regulatory or judicial process.

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

**10. Debarment Liability.** The Consultant Firm 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 Consultant Firm 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 Consultant Firm 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 Consultant Firm shall be reported in writing forthwith by the Consultant Firm to the Attorney General of New Jersey and the Executive Commission on Ethical Standards.

c. No Consultant Firm 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 Consultant Firm 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 Consultant Firm 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 Consultant Firm 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 Consultant Firm 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 of the "Notice to Proceed".

The Consultant Firm shall proceed with the Work at such rate of progress to insure full completion as set forth in the *RFQ/P* and the Consultant Firm's Proposal.

For reasons within the Consultant Firm's control, if the Consultant Firm 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, or extension of time granted by the Authority, then the Consultant Firm 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 Consultant Firm 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 as 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., a contribution made to a legislative leadership committee, a contribution made to a municipal political party committee or a contribution made to a candidate committee or election fund of any candidate for or holder of the office of Lieutenant Governor. Currently, contributions in excess of \$300 during a reporting period are deemed “reportable” under these laws.

- b) “Business Entity” - means:
- i. a for-profit entity as follows:
    - A. in the case of a corporation: the corporation, any officer of the corporation, and any person or business entity that owns or controls 10% or more of the stock of corporation;
    - B. in the case of a general partnership: the partnership and any partner;
    - C. in the case of a limited partnership: the limited partnership and any partner;
    - D. in the case of a professional corporation: the professional corporation any shareholder or officer;
    - E. in the case of a limited liability company: the limited liability company and any member;
    - F. in the case of a limited liability partnership: the limited liability partnership and any partner;
    - G. in the case of a sole proprietorship: the proprietor; and
    - H. in the case of any other form of entity organized under the laws of this State or other state or foreign jurisdiction: the entity and any principal, officer, or partner thereof;
  - ii. any subsidiary directly or indirectly controlled by the business entity;
  - iii. any political organization organized under section 527 of the Internal Revenue Code is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and
  - iv. with respect to an individual who is included within the definition of business entity the individual’s spouse or civil union partner, and any child residing with the individual, provided, however, that, this Order shall not apply to a contribution made by such spouse, civil union partner, or child to a candidate for whom the contributor is entitled to vote or to a political party committee within whose jurisdiction the contributor

resides unless such contribution is in violation of section 9 of P.L. 2005, c. 51 (C.19:44A-20.1 et seq.) ("Chapter 51").

c) "PL 2005, c.51" – means Public Law 2005, chapter 51 (C. 19:44A-20.13 through C. 19:44A-20.25, inclusive) as expanded by Executive Order 117 (Gov. Corzine, September 24, 2008).

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 Consultant Firm shall be a material term of this Agreement.

13.3 Consultant Firm hereby certifies to the Authority that commencing on and after October 15, 2004, Consultant Firm (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 Consultant Firm and the Authority pursuant to P.L. 2005, c. 51. Consultant Firm hereby further certifies to the Authority that any and all certifications and disclosures delivered to the Authority by Consultant Firm (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 Consultant Firm hereby covenants that Consultant Firm (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 Consultant Firm (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) Consultant Firm (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) Consultant Firm (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) Consultant Firm (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) Consultant Firm (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) Consultant Firm (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) engages or employs a lobbyist or Firm with the intent or understanding that such lobbyist or Firm would make or solicit any Contribution, which if made or solicited by Consultant Firm (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) Consultant Firm (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) funds Contributions made by third parties, including Firms, attorneys, family members, and employees; (vii) Consultant Firm (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) Consultant Firm (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 Consultant Firm to the Authority in connection with this Agreement.

13.6 Consultant Firm hereby acknowledges and agrees that pursuant to P.L. 2005, c. 51, Consultant Firm 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 Consultant Firm 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

**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 Consultant Firm shall provide such reports, certificates, and documents as the Authority may reasonably require.

C. The Consultant Firm shall provide to the Authority, at Consultant Firm'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 Consultant Firm 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 Consultant Firm's services and of the Work.

F. The Consultant Firm 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 Consultant Firm 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, reference "*Attachment A*" annexed hereto and made a part hereof.

H. In accordance with Public Law 2004, Chapter 57, a subcontractor shall provide a copy of its Business Registration to any Consultant Firm who shall forward it to the NJEDA. No contract with a subconsultant shall be entered into by any Consultant Firm unless the subconsultant first provides proof of valid Business Registrations. The Consultant Firm shall provide written notice to all subconsultants that they are required to submit a copy of their Business Registration to the Consultant Firm. The Consultant Firm 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 Consultant Firm shall submit to the NJEDA a copy of the list of subconsultants, updated

as necessary during the course of performance of the contract. The Consultant Firm shall submit a complete and accurate list of the subconsultants to the NJEDA before a request for final payment is made to the NJEDA. The Consultant Firm 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 N*".

I. In accordance with the requirements of N.J.S.A. 52:32-17 et seq., N.J.A.C. 12A:10-1.2 et seq., N.J.A.C. 12A:10A-1.2 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 Consultant Firm agrees that, if awarded a contract based on this plan, it shall comply with all requirements of these provisions. If the Consultant Firm 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. The Consultant Firm 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 Consultant Firm, 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

Consultant Firm 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: Gregory Ritz – Chief Financial Officer

N. To the extent that there is any conflict between the terms and conditions of the Consultant Firm'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 Consultant Firm 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 Consultant Firm to be legally bound.

This Contract for Professional Services – Independent Auditor Services is entered into as of the day and year first written above.

ATTEST:

NEW JERSEY ECONOMIC  
DEVELOPMENT AUTHORITY

\_\_\_\_\_  
Gregory Ritz  
Chief Financial Officer

By: \_\_\_\_\_  
Caren S. Franzini  
Chief Executive Officer

ATTEST:

CONSULTANT FIRM NAME

\_\_\_\_\_  
Name  
Title

By: \_\_\_\_\_  
Name  
Title

## ***ATTACHMENT A***

### **MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE**

**N.J.S.A. 10:5-31 et seq., N.J.A.C. 17:27 et seq.**

#### **GOODS, PROFESSIONAL SERVICES 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 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, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act 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 afford equal employment opportunities to minority and women workers consistent with good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2, or good faith efforts to meet targeted county employment goals determined by the Division, pursuant to N.J.A.C. 17:27-5.2.

## **ATTACHMENT A** (Continued)

### **MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE N.J.S.A. 10:5-31 et seq., N.J.A.C. 17:27**

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, 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.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personal testing conforms to the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

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, 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 documents:

*Letter of Federal Affirmative Action Plan Approval*  
*Certificate of Employee Information Report*  
*Employee Information Report Form AA302*

The contractor and its subcontractor shall furnish such reports or other documents to the Division of Public Contracts Equal Employment Opportunity Compliance as may be requested by the Division 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 Public Contracts Equal Employment Opportunity Compliance for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code at N.J.A.C.17:27.

**CONTRACT Attachment B**

## ***ATTACHMENT 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 conducting business with the New Jersey Economic Development Authority (“NJEDA”). Proof of valid *Business Registration* must be submitted by the Proposer with its bid proposal. Failure to submit such valid *Business Registration* with a bid will 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.

***ATTACHMENT B (Continued)***

**Requirements Regarding *Business Registration Certificate Form***

A contractor shall submit a copy of its *Business Registration* at the time of submission of its bid proposal in response to an RFQ/P.

A subcontractor 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 provide written notice to all subcontractors that they are required to submit a copy of their *Business Registration Certificate* to the contractor. 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 New Jersey Economic Development 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 Authority before a request for final payment is made to the New Jersey Economic Development 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 sales of tangible personal property delivered into the State.