



# Request for Quotes

## PERS Election Processing

	Date	Time
<b>Due Date For Questions</b>	September 7, 2022	2:00 PM
<b>Quote Submission Date</b>	September 21, 2022	2:00 PM

Dates are subject to change. All times contained in the RFQ refer to Eastern Time.

All changes will be reflected in Bid Amendments to the RFQ posted on Using Agency website.

**RFQ Issued By:**

State of New Jersey  
Department of the Treasury  
Division of Pensions and Benefits  
Trenton, New Jersey 08625-0230

Date: August 25, 2022

# TABLE OF CONTENTS

<b>1</b>	<b>INTRODUCTION AND SUMMARY OF THE REQUEST FOR QUOTES</b>	<b>1</b>
1.1	PURPOSE, INTENT, AND BACKGROUND	1
1.2	ORDER OF PRECEDENCE OF CONTRACTUAL TERMS	1
<b>2</b>	<b>PRE-QUOTE SUBMISSION INFORMATION</b>	<b>2</b>
2.1	QUESTION AND ANSWER PERIOD	2
2.2	BID AMENDMENTS	2
<b>3</b>	<b>QUOTE SUBMISSION REQUIREMENTS</b>	<b>3</b>
3.1	QUOTE SUBMISSION	3
3.2	BIDDER RESPONSIBILITY	3
3.3	BIDDER ADDITIONAL TERMS SUBMITTED WITH THE QUOTE	3
3.4	QUOTE CONTENT	3
3.5	FORMS, REGISTRATIONS AND CERTIFICATIONS TO BE SUBMITTED WITH QUOTE	3
3.5.1	OFFER AND ACCEPTANCE PAGE	3
3.5.2	OWNERSHIP DISCLOSURE FORM	3
3.5.3	DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM	3
3.5.4	DISCLOSURE OF INVESTIGATIONS AND OTHER ACTIONS INVOLVING BIDDER FORM	4
3.5.5	MACBRIDE PRINCIPLES FORM	4
3.5.6	SERVICE PERFORMANCE WITHIN THE UNITED STATES	4
3.5.7	CONFIDENTIALITY/COMMITMENT TO DEFEND	4
3.5.8	SUBCONTRACTOR UTILIZATION PLAN	5
3.5.9	PAY TO PLAY PROHIBITIONS	5
3.5.10	AFFIRMATIVE ACTION	5
3.5.11	EXECUTIVE ORDER 271	5
3.5.12	STATE OF NEW JERSEY SECURITY DUE DILIGENCE THIRD-PARTY INFORMATION SECURITY QUESTIONNAIRE	5
3.5.13	BUSINESS REGISTRATION	6
3.6	TECHNICAL QUOTE	6
3.7	MANAGEMENT OVERVIEW	6
3.8	CONTRACT MANAGEMENT	6
3.9	CONTRACT SCHEDULE	6
3.10	ORGANIZATIONAL EXPERIENCE	6
3.11	LOCATION	7
3.12	RESUMES	7
3.13	EXPERIENCE WITH CONTRACTS OF SIMILAR SIZE AND SCOPE	7
3.14	FINANCIAL CAPABILITY OF THE BIDDER	7
3.15	STATE PRICE SHEET INSTRUCTIONS	7
3.15.1	USE OF "NO BID" VERSUS "NO CHARGE" ON THE STATE-SUPPLIED PRICE SHEET	8
<b>4</b>	<b>SCOPE OF WORK</b>	<b>9</b>
4.1	PHASE I	9
4.1.1	PRINTING AND MAILING ELECTRONIC NOTICES	9
4.2	PHASE II	9
4.2.1	NOMINATION PROCESS	9
4.2.2	VALIDATION OF NOMINATIONS	10
4.2.3	CANDIDATE SELECTION (ONE (1) CANDIDATE ONLY)	10
4.3	PHASE III	10
4.4	PHASE IV	11
4.5	PAYMENT	12
<b>5</b>	<b>GENERAL CONTRACT TERMS</b>	<b>13</b>
5.1	CONTRACT TERM AND EXTENSION OPTION	13
5.2	CONTRACT TRANSITION	13
5.3	ELECTRONIC PAYMENTS	13
5.4	CONTRACT ACTIVITY REPORT	13
<b>6</b>	<b>DATA SECURITY REQUIREMENTS – CONTRACTOR RESPONSIBILITY</b>	<b>14</b>
6.1	SECURITY PLAN	14

6.2	INFORMATION SECURITY PROGRAM MANAGEMENT .....	14
6.3	COMPLIANCE .....	14
6.4	PERSONNEL SECURITY .....	14
6.5	SECURITY AWARENESS AND TRAINING .....	14
6.6	RISK MANAGEMENT .....	15
6.7	PRIVACY .....	15
6.8	ASSET MANAGEMENT .....	16
6.9	SECURITY CATEGORIZATION .....	16
6.10	MEDIA PROTECTION .....	16
6.11	CRYPTOGRAPHIC PROTECTIONS .....	16
6.12	ACCESS MANAGEMENT .....	17
6.13	IDENTITY AND AUTHENTICATION .....	17
6.14	REMOTE ACCESS .....	17
6.15	SECURITY ENGINEERING AND ARCHITECTURE .....	17
6.16	CONFIGURATION MANAGEMENT .....	17
6.17	ENDPOINT SECURITY .....	17
6.18	ICS/SCADA/OT SECURITY .....	18
6.19	INTERNET OF THINGS SECURITY .....	18
6.20	MOBILE DEVICE SECURITY .....	18
6.21	NETWORK SECURITY .....	18
6.22	CLOUD SECURITY .....	19
6.23	CHANGE MANAGEMENT .....	19
6.24	MAINTENANCE .....	19
6.25	THREAT MANAGEMENT .....	19
6.26	VULNERABILITY AND PATCH MANAGEMENT .....	19
6.27	CONTINUOUS MONITORING .....	19
6.28	SYSTEM DEVELOPMENT AND ACQUISITION .....	20
6.29	PROJECT AND RESOURCE MANAGEMENT .....	20
6.30	CAPACITY AND PERFORMANCE MANAGEMENT .....	20
6.31	THIRD PARTY MANAGEMENT .....	20
6.32	PHYSICAL AND ENVIRONMENTAL SECURITY .....	20
6.33	CONTINGENCY PLANNING .....	21
6.34	INCIDENT RESPONSE .....	21
<b>7</b>	<b>MODIFICATIONS TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS .....</b>	<b>22</b>
7.1	INDEMNIFICATION .....	22
7.2	INSURANCE .....	23
7.2.1	PROFESSIONAL LIABILITY INSURANCE .....	23
7.2.2	CYBER BREACH INSURANCE .....	23
7.2.3	LIMITATION OF LIABILITY OPTIONS .....	23
<b>8</b>	<b>QUOTE EVALUATION AND AWARD .....</b>	<b>24</b>
8.1	RECIPROCITY FOR JURISDICTIONAL BIDDER PREFERENCE .....	24
8.2	CLARIFICATION OF QUOTE .....	24
8.3	TIE QUOTES .....	24
8.4	STATE'S RIGHT TO INSPECT BIDDER'S FACILITIES .....	24
8.5	STATE'S RIGHT TO CHECK REFERENCES .....	24
8.6	EVALUATION CRITERIA .....	24
8.6.1	TECHNICAL EVALUATION CRITERIA .....	24
8.6.2	PRICE EVALUATION .....	24
8.7	QUOTE DISCREPANCIES .....	24
8.8	BEST AND FINAL OFFER (BAFO) .....	25
8.9	POOR PERFORMANCE .....	25
8.10	RECOMMENDATION FOR AWARD .....	25
8.11	CONTRACT AWARD .....	25
<b>9</b>	<b>GLOSSARY .....</b>	<b>26</b>

ATTACHMENT 1 – State of New Jersey Standard Terms and Conditions (12/13/2021)

ATTACHMENT 2 – PERS' Yearly Schedule of Elections

ATTACHMENT 3 – Employer Locations and Number of Eligible Voters

ATTACHMENT 4 – File Layout for the PERS' Election

ATTACHMENT 5 – File Layout for the PERS' Nominating Process

## **1 INTRODUCTION AND SUMMARY OF THE REQUEST FOR QUOTES**

This Request for Quotes (RFQ) is issued by the Division of Pensions and Benefits (Using Agency). The Contract will be awarded in the State of New Jersey's eProcurement system, [NJSTART \(www.njstart.gov\)](http://www.njstart.gov). The awarded Contractor is advised to read through all Quick Reference Guides (QRGs) located on the [NJSTART Vendor Support Page](#) for information.

### **1.1 PURPOSE, INTENT, AND BACKGROUND**

The purpose of this RFQ is to solicit Quotes for the purpose of selecting a Contractor to handle any or all Phases of the Public Employees' Retirement System (PERS) election process, including electronic delivery of the notice of election to employing locations (Phase I), verifying candidate nominations to assure compliance with the requisite number of valid PERS members (Phase II), printing of election packet materials, sorting (as described in this Bid Specification), mailing of election packets including postage (Phase III), and tabulation and certification of the results of the election (Phase IV).

It is the intent of the State to award one Contract to that responsible Bidder whose Quote, conforming to this RFQ, is most advantageous to the State of New Jersey (State), price and other factors considered. The State may award any or all price lines. The State, however, reserves the right to separately procure individual requirements that are the subject of the Contract during the Contract term, when deemed to be in the State's best interest.

This is a re-procurement of the services under **T1500 - PERS Election Processing**, presently due to expire on **August 31, 2022**. For reference, the Request for Proposals can be found on the Division of Purchase & Property's website at <https://www.state.nj.us/treasury/purchase>. Bidders are cautioned that this new Request for Proposal addresses current requirements. Neither Bidders nor Contractors should not rely upon or use data from the prior Contract.

The State of New Jersey Standard Terms and Conditions (SSTCs) included with this RFQ will apply to all Contracts made with the State. These terms are in addition to the terms and conditions set forth in this RFQ and should be read in conjunction with them unless the RFQ specifically indicates otherwise.

### **1.2 ORDER OF PRECEDENCE OF CONTRACTUAL TERMS**

The Contract awarded, and the entire agreement between the parties, as a result of this RFQ shall consist of: (1) the final RFQ, (2) State of New Jersey Standard Terms and Conditions, and (3) the Quote. In the event of a conflict in the terms and conditions among the documents comprising this Contract, the order of precedence, for purposes of interpretation thereof, listed from highest ranking to lowest ranking as noted above.

Any other terms or conditions, not included with the Bidder's Quote and accepted by the State, shall not be incorporated into the Contract awarded. Any references to external documentation, included those documents referenced by a URL, including without limitation, technical reference manuals, technical support policies, copyright notices, additional license terms, etc., are subject to the terms and conditions of the RFQ and the State of New Jersey Standard Terms and Condition. In the event of any conflict between the terms of a document incorporated by reference the terms and conditions of the RFQ and the State of New Jersey Standard Terms and Condition shall prevail.

## **2 PRE-QUOTE SUBMISSION INFORMATION**

The Bidder assumes sole responsibility for the complete effort required in submitting a Quote and for reviewing the Quote submission requirements and the Scope of Work requirements.

### **2.1 QUESTION AND ANSWER PERIOD**

The Using Agency will electronically accept questions and inquiries from all potential Bidders.

- A. Questions should be directly tied to the RFQ and asked in consecutive order, from beginning to end, following the organization of the RFQ; and
- B. Each question should begin by referencing the Request for Proposal page number and section number to which it relates.

A Bidder shall submit questions only to the Using Agency designee by email [Jeff.Ignatowitz@treas.nj.gov](mailto:Jeff.Ignatowitz@treas.nj.gov). The Using Agency will not accept any question in person or by telephone concerning this RFQ. The cut-off date for electronic questions and inquiries relating to this RFQ is indicated on the RFQ cover sheet. In the event that questions are posed by Bidders, answers to such questions will be issued by Addendum. Any Addendum to this RFQ will become part of this RFQ and part of any Contract awarded as a result of this RFQ. Addenda to this RFQ, if any, will be posted to the Using Agency's website <https://www.state.nj.us/treasury/pensions/>.

### **2.2 BID AMENDMENTS**

In the event that it becomes necessary to clarify or revise this RFQ, such clarification or revision will be by Bid Amendment. Any Bid Amendment will become part of this RFQ and part of any Contract awarded. Bid Amendments will be posted with RFQ posted on Using Agency website. There are no designated dates for release of Bid Amendments. It is the sole responsibility of the Bidder to be knowledgeable of all Bid Amendments related to this RFQ.

### **3 QUOTE SUBMISSION REQUIREMENTS**

#### **3.1 QUOTE SUBMISSION**

In order to be considered for award, the Quote must be received by the Using Agency, by the required date and time indicated on the RFQ cover sheet. If the Quote opening deadline has been revised, the new Quote opening deadline shall be shown on the posted Bid Amendment. Quotes not received prior to the Quote opening deadline shall be rejected.

#### **3.2 BIDDER RESPONSIBILITY**

The Bidder assumes sole responsibility for the complete effort required in submitting a Quote in response to this RFQ. No special consideration will be given after Quotes are opened because of a Bidder's failure to be knowledgeable as to all of the requirements of this RFQ. The State assumes no responsibility and bears no liability for costs incurred by a Bidder in the preparation and submittal of a Quote in response to this RFQ or any pre-contract award costs incurred.

#### **3.3 BIDDER ADDITIONAL TERMS SUBMITTED WITH THE QUOTE**

A Bidder may submit additional terms as part of its Quote. Additional terms are Bidder-proposed terms or conditions that do not conflict with the scope of work required in this RFQ, the terms and conditions of this RFQ, or the State of New Jersey Standard Terms and Conditions. Bidder proposed terms or conditions that conflict with those contained in the State of New Jersey Standard Terms and Conditions will render a Quote non-responsive. It is incumbent upon the Bidder to identify and remove its conflicting proposed terms and conditions prior to Quote submission.

#### **3.4 QUOTE CONTENT**

The Quote should be submitted with the attachments organized in following manner:

- Forms
- Technical Quote
- State Price Sheet

A Bidder should not password protect any submitted documents. Use of URLs in a Quote should be kept to a minimum and shall not be used to satisfy any material term of a RFQ. If a preprinted or other document included as part of the Quote contains a URL, a printed copy of the information should be provided and will be considered as part of the Quote.

#### **3.5 FORMS, REGISTRATIONS AND CERTIFICATIONS TO BE SUBMITTED WITH QUOTE**

A Bidder is required to complete and submit the following forms.

##### **3.5.1 OFFER AND ACCEPTANCE PAGE**

The Bidder should complete and submit the Offer and Acceptance Page with the Quote. The Offer and Acceptance Page must be signed by an authorized representative of the Bidder. If a Bidder does not submit the form with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

##### **3.5.2 OWNERSHIP DISCLOSURE FORM**

Pursuant to N.J.S.A. 52:25-24.2, in the event the Bidder is a corporation, partnership or limited liability company, the Bidder must disclose all 10% or greater owners by (a) completing and submitting the Ownership Disclosure Form with the Quote; (b) if the Bidder has submitted a signed and accurate Ownership Disclosure Form dated and received no more than six (6) months prior to the Quote submission deadline for this procurement, the Using Agency may rely upon that form; however, if there has been a change in ownership within the last six (6) months, a new Ownership Disclosure Form must be completed, signed and submitted with the Quote; or, (c) a Bidder with any direct or indirect parent entity which is publicly traded may submit the name and address of each publicly traded entity and the name and address of each person that holds a 10 percent or greater beneficial interest in the publicly traded entity as of the last annual filing with the federal Securities and Exchange Commission or the foreign equivalent, and, if there is any person that holds a 10 percent or greater beneficial interest, also shall submit links to the websites containing the last annual filings with the federal Securities and Exchange Commission or the foreign equivalent and the relevant page numbers of the filings that contain the information on each person that holds a 10 percent or greater beneficial interest. N.J.S.A. 52:25-24.2.

A Bidder's failure to submit the information required by N.J.S.A. 52:25-24.2 will result in the rejection of the Quote as non-responsive and preclude the award of a Contract to said Bidder.

##### **3.5.3 DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM**

The Bidder should submit Disclosure of Investment Activities in Iran form to certify that, pursuant to N.J.S.A. 52:32-58, neither the Bidder, nor one (1) of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32-56(e)(3)), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither the Bidder, nor one (1)

of its parents, subsidiaries, and/or affiliates, is involved in any of the investment activities set forth in N.J.S.A. 52:32-56(f). If the Bidder is unable to so certify, the Bidder shall provide a detailed and precise description of such activities as directed on the form. If a Bidder does not submit the form with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

### **3.5.4 DISCLOSURE OF INVESTIGATIONS AND OTHER ACTIONS INVOLVING BIDDER FORM**

The Bidder should submit the Disclosure of Investigations and Other Actions Involving Bidder Form, with its Quote, to provide a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five (5) years, including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition. If a Bidder does not submit the form with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

### **3.5.5 MACBRIDE PRINCIPLES FORM**

The Bidder should submit the MacBride Principles Form. Pursuant to N.J.S.A. 52:34-12.2, a Bidder is required to certify that it either has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein or that it will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.5 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles. If a Bidder does not submit the form with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

### **3.5.6 SERVICE PERFORMANCE WITHIN THE UNITED STATES**

The Bidder should submit a completed Source Disclosure Form. Pursuant to N.J.S.A. 52:34-13.2, all Contracts primarily for services shall be performed within the United States. If a Bidder does not submit the form with the Quote, the Bidder must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

### **3.5.7 CONFIDENTIALITY/COMMITMENT TO DEFEND**

Pursuant to the New Jersey Open Public Records Act (OPRA), N.J.S.A. 47:1A-1 et seq., or the common law right to know, Quotes can be released to the public in accordance with N.J.A.C. 17:12-1.2(b) and (c).

The Bidder should submit a completed and signed Confidentiality /Commitment to Defend Form with the Quote. In the event that the Bidder does not submit the Confidentiality form with the Quote, the State reserves the right to request that the Bidder submit the form after Quote submission.

After the opening of sealed Quotes, all information submitted by a Bidder in response to a RFQ is considered public information notwithstanding any disclaimers to the contrary submitted by a Bidder. Proprietary, financial, security and confidential information may be exempt from public disclosure by OPRA and/or the common law when the Bidder has a good faith, legal/factual basis for such assertion.

When the RFQ contains a negotiation component, the Quote will not be subject to public disclosure until a notice of intent to award a Contract is announced.

As part of its Quote, a Bidder may request that portions of the Quote be exempt from public disclosure under OPRA and/or the common law. Bidder must provide a detailed statement clearly identifying those sections of the Quote that it claims are exempt from production, and the legal and factual basis that supports said exemption(s) as a matter of law. The State will not honor any attempts by a Bidder to designate its price sheet, price list/catalog, and/or the entire Quote as proprietary and/or confidential, and/or to claim copyright protection for its entire Quote. If the State does not agree with a Bidder's designation of proprietary and/or confidential information, the State will use commercially reasonable efforts to advise the Bidder. Copyright law does not prohibit access to a record which is otherwise available under OPRA.

The State reserves the right to make the determination as to what to disclose in response to an OPRA request. Any information that the State determines to be exempt from disclosure under OPRA will be redacted.

In the event of any challenge to the Bidder's assertion of confidentiality that is contrary to the State's determination of confidentiality, the Bidder shall be solely responsible for defending its designation, but in doing so, all costs and expenses associated therewith shall be the responsibility of the Bidder. The State assumes no such responsibility or liability.

In order not to delay consideration of the Quote or the State's response to a request for documents, the State requires that Bidder respond to any request regarding confidentiality markings within the timeframe designated in the State's correspondence regarding confidentiality. If no response is received by the designated date and time, the State will be permitted to release a copy of the Quote with the State making the determination regarding what may be proprietary or confidential.

### **3.5.8 SUBCONTRACTOR UTILIZATION PLAN**

Bidders intending to use Subcontractor(s) shall list all subcontractors on the Subcontractor Utilization Plan form.

For a Quote that does NOT include the use of any Subcontractors, the Bidder is automatically certifying that, if selected for an award, the Bidder will be performing all work required by the Contract.

If it becomes necessary for the Contractor to substitute a Subcontractor, add a Subcontractor, or substitute its own staff for a Subcontractor, the Contractor will identify the proposed new Subcontractor or staff member(s) and the work to be performed. The Contractor shall forward a written request to substitute or add a Subcontractor or to substitute its own staff for a Subcontractor to the State Contract Manager for consideration. The Contractor must provide a completed Subcontractor Utilization Plan, a detailed justification documenting the necessity for the substitution or addition, and resumes of its proposed replacement staff or of the proposed Subcontractor's management, supervisory, and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the Subcontractor is to undertake. The qualifications and experience of the replacement(s) must equal or exceed those of similar personnel proposed by the Contractor in its Quote. The State Contract Manager will forward the request to the Director for approval.

NOTE: No substituted or additional Subcontractors are authorized to begin work until the Contractor has received written approval from the State.

#### **3.5.8.1 SMALL BUSINESS AND/OR DISABLED VETERANS' BUSINESS SUBCONTRACTING SET-ASIDE CONTRACT**

NOT APPLICABLE TO THIS PROCUREMENT.

### **3.5.9 PAY TO PLAY PROHIBITIONS**

Pursuant to N.J.S.A. 19:44A-20.13 et seq. (P.L. 2005, c. 51), the State shall not enter into a Contract to procure services or any material, supplies or equipment, or to acquire, sell, or lease any land or building from any Business Entity, where the value of the transaction exceeds \$17,500, if that Business Entity has 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 or holder of the public office of Governor or Lieutenant Governor, to any State, county, municipal political party committee, or to any legislative leadership committee during certain specified time periods.

Prior to awarding any Contract or agreement to any Business Entity, the Business Entity proposed as the intended Contractor of the Contract shall submit the Two-Year Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions form, certifying that no contributions prohibited by either Chapter 51 or Executive Order No. 117 have been made by the Business Entity and reporting all qualifying contributions made by the Business Entity or any person or entity whose contributions are attributable to the Business Entity. Failure to submit the required forms will preclude award of a Contract under this RFQ.

Further, the Contractor is required, on a continuing basis, to report any contributions it makes during the term of the Contract, and any extension(s) thereof, at the time any such contribution is made.

### **3.5.10 AFFIRMATIVE ACTION**

The intended Contractor and its named subcontractors must submit a copy of a New Jersey Certificate of Employee Information Report, or a copy of Federal Letter of Approval verifying it is operating under a federally approved or sanctioned Affirmative Action program. If the Contractor and/or its named subcontractors are not in possession of either a New Jersey Certificate of Employee Information Report or a Federal Letter of Approval, it/they must complete and submit the Affirmative Action Employee Information Report (AA-302). Information, instruction and the application are available at

[https://www.state.nj.us/treasury/contract\\_compliance/index.shtml](https://www.state.nj.us/treasury/contract_compliance/index.shtml).

### **3.5.11 EXECUTIVE ORDER 271**

NOT APPLICABLE TO THIS PROCUREMENT.

### **3.5.12 STATE OF NEW JERSEY SECURITY DUE DILIGENCE THIRD-PARTY INFORMATION SECURITY QUESTIONNAIRE**

The Bidder shall complete and submit the State of New Jersey Security Due Diligence Third-Party Information Security Questionnaire (Questionnaire) with its Quote. This Questionnaire is designed to provide the State with an overview of the Bidder's security and



privacy controls to ensure that the Bidder will (1) meet the State of New Jersey’s objectives as outlined and documented in the Statewide Information Security Manual; and (2) comply with the State’s security requirements as outlined in *Section 6 – Data Security Requirements – Contractor Responsibility*.

The State has executed a Confidentiality/Non-Disclosure Agreement which is attached to the Questionnaire. The Bidder must countersign the Confidentiality/Non-Disclosure Agreement and include it with its submitted Questionnaire. No amendments to Confidentiality/Non-Disclosure Agreement are permitted.

To the extent permissible under OPRA, the New Jersey common law right to know, and any other lawful document request or subpoena, the completed Questionnaire and supplemental documentation provided by the Bidder will be kept confidential and not shared with the public or other Bidders.

### **3.5.13 BUSINESS REGISTRATION**

In accordance with N.J.S.A. 52:32-44(b), a Bidder and its named Subcontractors must have a valid Business Registration Certificate (“BRC”) issued by the Department of the Treasury, Division of Revenue and Enterprise Services prior to the award of a Contract. A Bidder should verify its Business Registration Certification Active status on the “Maintain Terms and Categories” Tab within its profile in *NJSTART*. In the event of an issue with a Bidder’s Business Registration Certification Active status, *NJSTART* provides a link to take corrective action.

### **3.6 TECHNICAL QUOTE**

The Bidder shall describe its approach and plans for accomplishing the work outlined in the Scope of Work. The Bidder must set forth its understanding of the requirements of this RFQ and its approach to successfully complete the Contract. The Bidder should include the level of detail it determines necessary to assist the Evaluation Committee in its review of the Bidder’s Quote.

### **3.7 MANAGEMENT OVERVIEW**

The Bidder shall set forth its overall technical approach and plans to meet the requirements of the RFQ in a narrative format. This narrative should demonstrate to the Evaluation Committee that the Bidder understands the objectives that the Contract is intended to meet, the nature of the required work, and the level of effort necessary to successfully complete the Contract. The narrative should demonstrate that the Bidder’s approach and plans to undertake and complete the Contract are appropriate to the tasks and subtasks involved.

Mere reiterations of RFQ tasks and subtasks are strongly discouraged, as they do not provide insight into the Bidder’s approach to complete the Contract. The Bidder’s response to this section should demonstrate to the Evaluation Committee that the Bidder’s detailed plans and approach proposed to complete the Scope of Work are realistic, attainable and appropriate, and that the Bidder’s Quote will lead to successful Contract completion.

### **3.8 CONTRACT MANAGEMENT**

The Bidder should describe its specific plans to manage, control and supervise the Contract to ensure satisfactory Contract completion according to the required schedule. The plan should include the Bidder’s approach to communicate with the State Contract Manager including, but not limited to, status meetings, status reports, etc.

### **3.9 CONTRACT SCHEDULE**

The Bidder shall include a draft Contract schedule. If key dates are a part of this RFQ, the Bidder’s schedule should incorporate such key dates and should identify the completion date for each task and sub-task required by the Scope of Work. Such schedule should also identify the associated deliverable item(s) to be submitted as evidence of completion of each task and/or subtask. See Attachment 2 for Election Timeline and key dates.

The Bidder should identify the Contract scheduling and control methodology to be used and should provide the rationale for choosing such methodology.

### **3.10 ORGANIZATIONAL EXPERIENCE**

The Bidder should include information relating to its organization, personnel, and experience, including, but not limited to, references, together with contact names and telephone numbers, evidencing the Bidder’s qualifications, and capabilities to perform the services required by this RFQ. The Bidder should include the level of detail it determines necessary to assist the Evaluation Committee in its review of Bidder’s Quote.

### **3.11 LOCATION**

The Bidder should include the address of where responsibility for managing the Contract will take place. The Bidder should include the telephone number and name of the individual to contact. The Bidder should also include the name and contact information for any of its employees working on the contract.

### **3.12 RESUMES**

Detailed resumes should be submitted for all management, supervisory, and key personnel to be assigned to the Contract. Resumes should emphasize relevant qualifications and experience of these individuals in successfully completing Contracts of a similar size and scope to those required by this RFQ. Resumes should include the following:

- A. The individual's previous experience in completing each similar Contract;
- B. Beginning and ending dates for each similar Contract;
- C. A description of the Contract demonstrating how the individual's work on the completed Contract relates to the individual's ability to contribute to successfully providing the services required by this RFQ; and
- D. With respect to each similar Contract, the name and address of each reference together with a person to contact for a reference check and a telephone number.

The Bidder should provide detailed resumes for each Subcontractor's management, supervisory, and other key personnel that demonstrate knowledge, ability, and experience relevant to that part of the work which the Subcontractor is designated to perform.

### **3.13 EXPERIENCE WITH CONTRACTS OF SIMILAR SIZE AND SCOPE**

The Bidder should provide a comprehensive listing of contracts of similar size and scope that it has successfully completed, as evidence of the Bidder's ability to successfully complete services similar to those required by this RFQ. Emphasis should be placed on contracts that are similar in size and scope to the work required by this RFQ. A description of all such contracts should be included and should show how such contracts relate to the ability of the firm to complete the services required by this RFQ. For each such contract listed, the Bidder should provide two (2) names and telephone numbers of individuals for contracting party. Beginning and ending dates should also be given for each contract.

The Bidder must provide details of any negative actions taken by other contracting entities against them in the course of performing these projects including, but not limited to, receipt of letters of potential default, default, cure notices, termination of services for cause, or other similar notifications/processes. Additionally, the Bidder should provide details, including any negative audits, reports, or findings by any governmental agency for which the Bidder is/was the Contractor on any contracts of similar scope. In the event a Bidder neglects to include this information in its Quote, the Bidder's omission of necessary disclosure information may be cause for rejection of the Bidder's Quote by the State.

The Bidder should provide documented experience to demonstrate that each Subcontractor has successfully performed work on contracts of a similar size and scope to the work that the Subcontractor is designated to perform in the Bidder's Quote. The Bidder must provide a detailed description of services to be provided by each Subcontractor.

### **3.14 FINANCIAL CAPABILITY OF THE BIDDER**

The Bidder should provide sufficient financial information to enable the State to assess the financial strength and creditworthiness of the Bidder and its ability to undertake and successfully complete the Contract. In order to provide the State with the ability to evaluate the Bidder's financial capacity and capability to undertake and successfully complete the Contract, the Bidder should submit the following:

- A. For publicly traded companies the Bidder should provide copies or the electronic location of the annual reports filed for the two most recent years; or
- B. For privately held companies the Bidder should provide the certified financial statement (audited or reviewed) in accordance with applicable standards by an independent Certified Public Accountant which include a balance sheet, income statement, and statement of cash flow, and all applicable notes for the most recent calendar year or the Bidder's most recent fiscal year.

If the information is not supplied with the Quote, the State may still require the Bidder to submit it. If the Bidder fails to comply with the request within seven (7) business days, the State may deem the Quote non-responsive.

A Bidder may designate specific financial information as not subject to disclosure when the Bidder has a good faith legal/factual basis for such assertion. The State reserves the right to make the determination to accept the assertion and shall so advise the Bidder.

### **3.15 STATE PRICE SHEET INSTRUCTIONS**

The Bidder must submit its pricing using the State Price Sheet accompanying this RFQ and located on the "Attachments" Tab.

Any price changes including hand written revisions or "white-outs" must be initialed. Failure to initial price changes shall preclude a Contract award from being made to the Bidder pursuant to N.J.A.C. 17:12-2.2(a)(8).

- A. Bidder shall provide an all-inclusive rate for each task on the State Price Sheet.
- B. Bidder shall not provide a price for any block that is shaded in black as this represents a year in which there is no election for that group.

DPB reserves the right to perform the work in Phases I and II. Submitting a quote for any line does not guarantee work or volume.

**3.15.1 USE OF "NO BID" VERSUS "NO CHARGE" ON THE STATE-SUPPLIED PRICE SHEET**

All price lines must be filled out in accordance with the instructions above. If the Bidder is not submitting a price for an item on a price line, the Bidder must indicate "No Bid" on the State-Supplied Price Sheet accompanying this RFQ. If the Bidder will supply an item on a price line free of charge, the Bidder must indicate "No Charge" on the State-Supplied Price Sheet accompanying this RFQ. The use of any other identifier may result in the Bidder's Quote being deemed non-responsive.

#### **4 SCOPE OF WORK**

The following are a list of general requirements for this Contractor and Request for Proposal. A Contractor shall have the ability to complete all four (4) Phases of each election as requested by the Division of Pensions and Benefits (DPB).

DPB reserves the right to temporarily or permanently move the performance of any Phase(s) during an election cycle in-house, if it is determined by the DPB to be in the State's best interests. DPB will provide written notice a minimum of 30 calendar days in advance of the commencement of a Phase if it is decided that the performance of a Phase will be performed in-house.

#### **4.1 PHASE I**

The DPB reserves the right to complete all of Phase I in-house. Upon request, the Contractor shall complete the requirements listed under Phase I.

Phase I consists of:

- A. Contractor electronically mails (emails) notice and a certifying officer letter to employer locations; and
- B. Contractor submits a voucher for payment of Phase I to be authorized by the DPB.

#### **4.1.1 PRINTING AND MAILING ELECTRONIC NOTICES**

The DPB will provide original form of a notice of election to the Contractor along with a certifying officer letter at least nine (9) months prior to the expiration of the term of the elected PERS representative or immediately upon the vacancy of a Board member. The Contractor shall:

- A. Receive all files created by the DPB which include employer name, address, certifying officer's name, telephone number, FAX number, internet address, pension location number, check distribution number (if any) and summary totals of the number of eligible voters at each employing location;
- B. Email election notices and certifying officer letter to employing locations for distribution to eligible PERS members;
- C. Include in the certifying officer letter that the employer shall acknowledge distribution of the notice to its employees; and
- D. Have an email address for an employer to acknowledge that an electronic copy was sent.

#### **4.2 PHASE II**

The DPB reserves the right to complete all of Phase II in-house. Phase II consists of the nomination process of the election as well as the certification of the nominations.

#### **4.2.1 NOMINATION PROCESS**

Each eligible PERS member has the ability to nominate one (1) potential candidate for their respective government entity (State, Municipal, County). Eligible members shall have the ability to nominate both through an electronic secure website created by the Contractor or by paper petition. The DPB will receive all paper petitions and forward those petitions to the Contractor for certification.

#### **4.2.1.1 ELECTRONIC NOMINATIONS PROCESS**

The Contractor shall have a secure nominations website in which all listed members can access and submit their nomination choices. Each member shall be given customized secure access to the nomination website and have the ability to view all nominations that have been collected. The Contractor shall give the DPB access to the secure nominations website to be able to view all potential candidates and their verifying signatures.

#### **4.2.1.2 PAPER NOMINATIONS PROCESS**

All paper nominations are sent to the DPB. The DPB will forward all paper nominations to the Contractor for certification within ten (10) weeks prior to the distribution of ballots. Each nomination form consists of a signature and a social security number or pensions membership number.

#### **4.2.2 VALIDATION OF NOMINATIONS**

The Contractor shall validate all electronic and paper nomination forms. Approximately ten (10) weeks prior to distribution of ballots, the DPB will send the Contractor an internet transmission, CD, or secure email containing each PERS members name, social security number, membership number, and date of birth for the validation check. Each validation consists of the following steps that the Contractor shall perform:

- A. Verify the petitioner's name and pension membership number, date of birth, and social security number with the DPB database file. All of those results shall be electronically recorded on a secure website;
- B. Validate all signatures to ensure the appropriate number of eligible active members has nominated the correct number of eligible candidates;
- C. Ensure that a minimum number of nominations are received: 500 for active PERS State, 300 for active PERS Municipal, and 500 for active PERS County; and
- D. Verify that the nominated individual is an eligible member of the retirement system and qualifies for the nomination.

Upon completion of the verification process, the Contractor shall provide the DPB with a written report for each candidate of all validated petitioners names, membership numbers, and total number of nominations. The report shall include an exception list for all rejected nominations including the specific reason for the rejection. This report shall be sent via email to the DPB.

#### **4.2.3 CANDIDATE SELECTION (ONE (1) CANDIDATE ONLY)**

The DPB reserves the right to complete this step of the Phase in-house. The Contractor shall only complete this step upon request.

If only one (1) candidate is nominated for a position, the candidate shall be deemed elected to the position without balloting. The Contractor shall email the notice to the employer locations, indicating no contest as only one (1) candidate was nominated by petition for that position. This notice will have been created by the DPB and forwarded via email to the Contractor.

#### **4.3 Phase III**

Phase III consists of the election balloting process and procedures. The DPB will provide the Contractor with member files that include member names, fund, member number, date of birth, social security number, pension employer location number or payroll number, and check distribution number.

The Contractor shall:

- A. Review all employer and member data supplied by the DPB;
- B. Submit a sample election ballot output that the DPB will review;
- C. Provide the DPB with a test of the electronic ballot procedures at least two (2) weeks prior to the distribution of the actual election packets. The DPB will proofread and make all edits to the test sample during this stage;
- D. Print all election materials needed for distribution which include member's names, member's pension number (confidential and shall not be visible on the postage paid or on the self-sealed return mailer), location number, ballot control number, PIN number, and specified distribution code for sorting locations on the outside of portion of the mailer;
- E. For State representatives only, the sort order shall follow according to Attachment #4;
- F. Mail active PERS election packets and transmittal letters to employing locations sorted and distributed as described in the method listed in this specification;
- G. Certify to the DPB that the distribution of all election materials to employing locations has been completed;

- H. Follow-up at least twice (if necessary) with employing locations that have not emailed a response regarding the certification of distribution of election packets or have not cast votes from that location. The Contractor must provide the DPB with a mid-election report that will list the location names and numbers of all employers that have certified the distribution of election packets and a separate list of those location that have not certified the distribution of election packets. The results of the Contractor's follow-up must be included in the mid-election report;
- I. Must produce replacement election packets for lost or missing election packets upon request of the DPB;
- J. Must distribute all election packets to the employing locations and sorted via first- class mail or an express mail service by the dates listed on Attachment #2. The boxes or packets to employers must clearly indicate on the outside packet that the materials contain important time sensitive Board of Trustee election materials and must be distributed immediately. The employer is responsible for the distribution of the active member election packets to the eligible member voters. Each election packet must contain the following:
  - 1. Instructions containing information on how to cast a vote through one (1) of the means listed below. There will be instructions on how to use the member's personal identification number (PIN). The instructions must also provide members with a statement regarding the confidentiality, and security used by the Contractor to protect the election process against fraudulent voting; and
  - 2. The election packet will provide a designated space for members to record a confirmation number, which will be provided to the member by the Contractor upon completion of an electronic vote. Informational data about the election process must be provided, including that the first vote cast by the member will be counted as the official vote and all subsequent votes will be rejected; the last date to cast a vote; and the candidate collecting the plurality of all eligible votes will be deemed the winner of the election, subject to final approval by the PERS Board of Trustees.
- K. Allow three methods of voting:
  - 1. Toll-free telephone voice retrieval system;
  - 2. Secure Internet site (also can use a secure hyperlink from the DPB website: [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions)); and
  - 3. Paper Ballot (using bar code system, postage-paid, self-sealed, return mailer).
- L. A transmittal letter must be enclosed with every employer packet which will require the certifying officers of each employing location to electronically certify that the election packets were received and distributed to active employees, and all non-distributable ballots (i.e., employee transferred, terminated, or retired) are properly discarded by the certifying officer at the employing locations;
- M. Must monitor that each employing location electronically verifies that they have distributed the election packets in accordance with NJ State statutes and regulations;
- N. Report the results to the DPB at the time of the mid-election report and final certification;
- O. Conduct written follow-up with the employing location at least twice (as necessary), and record the results as mentioned above; and
- P. All misprints and over prints shall not be charged to the Division or Pensions and Benefits.

#### **4.4 Phase IV**

Phase IV consists of the validation and certification of all election results. The Contractor must complete the following:

- A. Validate votes cast by eligible PERS members. The members voting through electronic means (telephone and Internet) will be given a confirmation number by the Contractor upon completion of a valid electronic vote;
- B. Provide bi-weekly updates to the DPB regarding the overall status of the election returns. A mid-election listing of any employer location for which no ballots have been received by Contractor. Additionally, the report must indicate which employing locations have and which have not acknowledged distribution of the election packets after the required Contractor

follow-up. The list should include verification of the locations with votes cast in one (1) or more of the three (3) methods as denoted in Phase III;

- C. Count all paper ballots;
- D. Do not count and validate all ballots incorrectly completed or mutilated;
- E. Count only ballots received on time according to the deadlines shown in Attachment #1;
- F. Perform a tabulation of electronic votes and/or paper ballots; and
- G. Report of the final certification of results by 4:00PM EST on the dates according to Attachment #1 and must contain the following information:
  - 1. The parties to the Contract;
  - 2. The service performed in connection with the Contract;
  - 3. The date of the original distribution of election packets;
  - 4. The total number of all election packets distributed;
  - 5. Sample paper ballot;
  - 6. The results of certifications collected from employing locations;
  - 7. The total number of replacement packets mailed;
  - 8. The total number of electronic votes, and paper ballots received;
  - 9. The total number of electronic votes, and paper ballots rejected, and the corresponding reasons;
  - 10. The time and date of the receipt deadline for all electronic votes, and paper ballots;
  - 11. The results of votes cast for each candidate;
  - 12. The total number of votes received from each employing location; and
  - 13. Verification that the total number of electronic votes matches the number of confirmation numbers assigned.

All certified ballots must be sent to the DPB within thirty (30) calendar days following the certification of the results of the election. At least fifteen (15) physical copies of the certified election results must also be sent to the DPB

#### **4.5 Payment**

Following the completion of each Phase of the PERS election process performed by the Contractor, the Contractor shall submit an invoice to the DPB. The Contractor shall be paid the applicable all-inclusive task rate following the completion of each Phase.

Payment for the voting Phase is dependent on the percentage of votes received. If over 35% of the vote is received, the Contractor will be paid at a higher rate according to the State-Supplied Price Sheet.

The Contractor shall be paid for postage of all mailings at the applicable federal postage rate. The Contractor must notify DPB at least thirty (30) days prior to a government imposed increase on postage. DBP will adjust all postage pricing to match the government imposed increase on postage upon notification.

## **5 GENERAL CONTRACT TERMS**

The Contractor shall have sole responsibility for the complete effort specified in this Contract. Payment will be made only to the Contractor. The Contractor is responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required to be provided under this Contract. The Contractor shall, without additional compensation, 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 Contractor of responsibility for the technical adequacy of its work. The review, approval, acceptance or payment for any of the deliverables, goods or services, shall not be construed as a waiver of any rights that the State may have arising out of the Contractor's performance of this Contract.

### **5.1 CONTRACT TERM AND EXTENSION OPTION**

The base term of this Contract shall be for a period of three (3) years.

This Contract may be extended up to two (2) years with no single extension exceeding one (1) year, by the mutual written consent of the Contractor and the State at the same terms, conditions, and pricing at the rates in effect in the last year of this Contract or rates more favorable to the State.

### **5.2 CONTRACT TRANSITION**

In the event that a new Contract has not been awarded prior to the expiration date for this Contract, including any extensions exercised, and the State exercises this Contract transition, the Contractor shall continue this Contract under the same terms, conditions, and pricing until a new Contract can be completely operational. At no time shall this transition period extend more than 180 calendar days beyond the expiration date of this Contract, including any extensions exercised.

### **5.3 ELECTRONIC PAYMENTS**

With the award of this Contract, the successful Contractor(s) will be required to receive its payment(s) electronically. In order to receive your payments via automatic deposit from the State of New Jersey, you must complete the EFT information within your **NJSTART** Vendor Profile. Please refer to the QRG entitled "Vendor Profile Management – Company Information and User Access" for instructions.

### **5.4 CONTRACT ACTIVITY REPORT**

The Contractor must provide, on a quarterly basis, a record of all purchases made under this Contract. The calendar quarters will end March 31, June 30, September 30, and December 31 with the required reports due no later than thirty (30) days after the calendar quarter. The Contractor must submit the required information in Microsoft Excel format to [NJSupplierReports@treas.nj.gov](mailto:NJSupplierReports@treas.nj.gov).

This reporting requirement includes sales to State Using Agencies, political sub-divisions thereof and, if permitted under the terms of this Contract, sales to counties, municipalities, school districts, volunteer fire departments, first aid squads and rescue squads, independent institutions of higher education, state and county colleges and quasi-State entities. Quasi-State entities include any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member.

This information must be provided in Microsoft Excel such that an analysis can be made to determine the following:

- A. Contractor's total sales volume, with line item detail, to each purchaser under this Contract;
- B. Subtotals by product, including, if applicable, catalog number and description, price list with appropriate page reference, and/or Contract, discount applied; and
- C. Total dollars paid to Subcontractors.

Submission of purchase orders, confirmations, and/or invoices do not fulfill this Contract requirement for information. Failure to report this mandated information may be a factor in future award decisions.



## **6 DATA SECURITY REQUIREMENTS – CONTRACTOR RESPONSIBILITY**

### **6.1 SECURITY PLAN**

The Contractor shall submit a detailed Security Plan that addresses the Contractor's approach to meeting each applicable security requirement outlined below, to the State, no later than thirty (30) calendar days after the award of the Contract. The State approval of the Security Plan shall be set forth in writing. In the event that the State reasonably rejects the Security Plan after providing the Contractor an opportunity to cure, the State may terminate the Contract pursuant to the SSTC.

### **6.2 INFORMATION SECURITY PROGRAM MANAGEMENT**

The Contractor shall establish and maintain a framework to provide assurance that information security strategies are aligned with and support the State's business objectives, are consistent with applicable laws and regulations through adherence to policies and internal controls, and provide assignment of responsibility, in an effort to manage risk. Information security program management shall include, at a minimum, the following:

- A. Establishment of a management structure with clear reporting paths and explicit responsibility for information security;
- B. Creation, maintenance, and communication of information security policies, standards, procedures, and guidelines to include the control areas listed in sections below;
- C. Development and maintenance of relationships with external organizations to stay abreast of current and emerging security issues and for assistance, when applicable; and
- D. Independent review of the effectiveness of the Contractor's information security program.

### **6.3 COMPLIANCE**

The Contractor shall develop and implement processes to ensure its compliance with all statutory, regulatory, contractual, and internal policy obligations applicable to this Contract. Examples include but are not limited to General Data Protection Regulation (GDPR), Payment Card Industry Data Security Standard (PCI DSS), Health Insurance Portability and Accountability Act of 1996 (HIPAA), IRS-1075. Contractor shall timely update its processes as applicable standards evolve.

- A. Within ten (10) calendar days after award, the Contractor shall provide the State with contact information for the individual or individuals responsible for maintaining a control framework that captures statutory, regulatory, contractual, and policy requirements relevant to the organization's programs of work and information systems;
- B. Throughout the solution development process, Contractor shall implement processes to ensure security assessments of information systems are conducted for all significant development and/or acquisitions, prior to information systems being placed into production; and
- C. The Contractor shall also conduct periodic reviews of its information systems on a defined frequency for compliance with statutory, regulatory, and contractual requirements. The Contractor shall document the results of any such reviews.

### **6.4 PERSONNEL SECURITY**

The Contractor shall implement processes to ensure all personnel having access to relevant State information have the appropriate background, skills, and training to perform their job responsibilities in a competent, professional, and secure manner. Workforce security controls shall include, at a minimum:

- A. Position descriptions that include appropriate language regarding each role's security requirements;
- B. To the extent permitted by law, employment screening checks are conducted and successfully passed for all personnel prior to beginning work or being granted access to information assets;
- C. Rules of behavior are established and procedures are implemented to ensure personnel are aware of and understand usage policies applicable to information and information systems;
- D. Access reviews are conducted upon personnel transfers and promotions to ensure access levels are appropriate;
- E. Contractor disables system access for terminated personnel and collects all organization owned assets prior to the individual's departure; and
- F. Procedures are implemented that ensure all personnel are aware of their duty to protect information assets and their responsibility to immediately report any suspected information security incidents.

### **6.5 SECURITY AWARENESS AND TRAINING**

The Contractor shall provide periodic and on-going information security awareness and training to ensure personnel are aware of information security risks and threats, understand their responsibilities, and are aware of the statutory, regulatory, contractual, and policy requirements that are intended to protect information systems and State Confidential Information from a loss of confidentiality, integrity, availability and privacy. Security awareness and training shall include, at a minimum:

- A. Personnel are provided with security awareness training upon hire and at least annually, thereafter;
- B. Security awareness training records are maintained as part of the personnel record;
- C. Role-based security training is provided to personnel with respect to their duties or responsibilities (e.g. network and systems administrators require specific security training in accordance with their job functions); and

- D. Individuals are provided with timely information regarding emerging threats, best practices, and new policies, laws, and regulations related to information security.

## **6.6 RISK MANAGEMENT**

The Contractor shall establish requirements for the identification, assessment, and treatment of information security risks to operations, information, and/or information systems. Risk management requirements shall include, at a minimum:

- A. An approach that categorizes systems and information based on their criticality and sensitivity;
- B. An approach that ensures risks are identified, documented and assigned to appropriate personnel for assessment and treatment;
- C. Risk assessments shall be conducted throughout the lifecycles of information systems to identify, quantify, and prioritize risks against operational and control objectives and to design, implement, and exercise controls that provide reasonable assurance that security objectives will be met; and
- D. A plan under which risks are mitigated to an acceptable level and remediation actions are prioritized based on risk criteria and timelines for remediation are established. Risk treatment may also include the acceptance or transfer of risk.

## **6.7 PRIVACY**

If there is State Data associated with the Contract, this section is applicable.

- A. Data Ownership. The State owns State Data. Contractor shall not obtain any right, title, or interest in any State Data, or information derived from or based on State Data.
- B. Data usage, storage, and protection of Personal Data are subject to all applicable international, federal and state statutory and regulatory requirements, as amended from time to time, including, without limitation, those for HIPAA, Tax Information Security Guidelines for Federal, State, and Local Agencies (IRS Publication 1075), New Jersey State tax confidentiality statute, the New Jersey Privacy Notice found at NJ.gov, N.J.S.A. § 54:50-8, New Jersey Identity Theft Prevention Act, N.J.S.A. § 56:11-44 *et. seq.*, the federal Drivers' Privacy Protection Act of 1994, Pub.L.103-322, and the confidentiality requirements of N.J.S.A. § 39:2-3.4. Contractor shall also conform to PCI DSS, where applicable.
- C. Security: Contractor agrees to take appropriate administrative, technical and physical safeguards reasonably designed to protect the security, privacy, confidentiality, and integrity of user information. Contractor shall ensure that State Data is secured and encrypted during transmission or at rest.
- D. Data Transmission: The Contractor shall only transmit or exchange State Data with other parties when expressly requested in writing and permitted by and in accordance with requirements of the Contract or the State of New Jersey. The Contractor shall only transmit or exchange State Data with the State of New Jersey or other parties through secure means supported by current technologies.
- E. Data Storage: All data provided by the State of New Jersey or State data obtained by the Contractor in the performance of the Contract must be stored, processed, and maintained solely in accordance with a project plan and system topology approved by the State Contract Manager. No State data shall be processed on or transferred to any device or storage medium including portable media, smart devices and/or USB devices, unless that device or storage medium has been approved in advance in writing by the State Contract Manager. The Contractor must not store or transfer State of New Jersey data outside of the United States.
- F. Data Re-Use: All State Data shall be used expressly and solely for the purposes enumerated in the Contract Data shall not be distributed, repurposed or shared across other applications, environments, or business units of the Contractor. No State Data shall be transmitted, exchanged or otherwise passed to other contractors or interested parties except on a case-by-case basis as specifically agreed to in writing by the State Contract Manager.
- G. Data Breach: In the event of any actual, probable or reasonably suspected Breach of Security, or any unauthorized access to or acquisition, use, loss, destruction, compromise, alteration or disclosure of any Personal Data, Contractor shall: (a) notify the State immediately of such Breach of Security, but in no event later than 24 hours after such security breach; (b) designate a single individual employed by Contractor who shall be available to the State 24 hours per day, seven (7) days per week as a contact regarding Contractor's obligations under *RFQ Section 6.34 - Incident Response*; (c) not provide any other notification or provide any disclosure to the public regarding such Breach of Security without the prior written consent of the State, unless required to provide such notification or to make such disclosure pursuant to any applicable law, regulation, rule, order, court order, judgment, decree, ordinance, mandate or other request or requirement now or hereafter in effect, of any applicable governmental authority or law enforcement agency in any jurisdiction worldwide (in which case Contractor shall consult with the State and reasonably cooperate with the State to prevent any notification or disclosure concerning any Personal Data or Breach of Security); (d) assist the State in investigating, remedying and taking any other action the State deems necessary regarding any Breach of Security breach and any dispute, inquiry, or claim that concerns the Breach of Security; (e) follow all instructions provided by the State relating to the Personal Data affected or potentially affected by the Breach of Security; (f) take such actions as necessary to prevent future Breaches of Security; and (g) unless prohibited by an applicable statute or court order, notify the State of any third party legal process relating to any Breach of Security including, at a minimum, any legal process initiated by any governmental entity (foreign or domestic).

- H. Minimum Necessary. Contractor shall ensure that State Data requested represents the minimum necessary information for the services as described in this RFQ and, unless otherwise agreed to in writing by the State, that only necessary individuals or entities who are familiar with and bound by the Contract will have access to the State Data in order to perform the work.
- I. End of Contract Data Handling: Upon termination/expiration of this Contract the Contractor shall first return all State Data to the State in a usable format as defined in the Contract, or in an open standards machine-readable format if not. The Contractor shall then erase, destroy, and render unreadable all Contractor backup copies of State Data according to the standards enumerated in accordance with the State's most recent Media Protection policy, [https://www.nj.gov/it/docs/ps/NJ\\_Statewide\\_Information\\_Security\\_Manual.pdf](https://www.nj.gov/it/docs/ps/NJ_Statewide_Information_Security_Manual.pdf), and certify in writing that these actions have been completed within 30 days after the termination/expiration of the Contract or within seven (7) days of the request of an agent of the State whichever should come first.
- J. In the event of loss of any State Data or records where such loss is due to the intentional act, omission, or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the State Contract Manager. The Contractor shall ensure that all State Data is backed up and is recoverable by the Contractor. In accordance with prevailing federal or state law or regulations, the Contractor shall report the loss of State data.

#### **6.8 ASSET MANAGEMENT**

The Contractor shall implement administrative, technical, and physical controls necessary to safeguard information technology assets from threats to their confidentiality, integrity, or availability, whether internal or external, deliberate or accidental. Asset management controls shall include at a minimum:

- A. Information technology asset identification and inventory;
- B. Assigning custodianship of assets; and
- C. Restricting the use of non-authorized devices.

#### **6.9 SECURITY CATEGORIZATION**

The Contractor shall implement processes that classify information and categorize information systems throughout their lifecycles according to their sensitivity and criticality, along with the risks and impact in the event that there is a loss of confidentiality, integrity, availability, or breach of privacy. Information classification and system categorization includes labeling and handling requirements. Security categorization controls shall include the following, at a minimum:

- A. Implementing a data protection policy;
- B. Classifying data and information systems in accordance with their sensitivity and criticality;
- C. Masking sensitive data that is displayed or printed; and
- D. Implementing handling and labeling procedures.

#### **6.10 MEDIA PROTECTION**

The Contractor shall establish controls to ensure data and information, in all forms and mediums, are protected throughout their lifecycles based on their sensitivity, value, and criticality, and the impact that a loss of confidentiality, integrity, availability, and privacy would have on the Contractor, business partners, or individuals. Media protections shall include, at a minimum:

- A. Media storage/access/transportation;
- B. Maintenance of sensitive data inventories;
- C. Application of cryptographic protections;
- D. Restricting the use of portable storage devices;
- E. Establishing records retention requirements in accordance with business objectives and statutory and regulatory obligations; and
- F. Media disposal/sanitization.

#### **6.11 CRYPTOGRAPHIC PROTECTIONS**

The Contractor shall employ cryptographic safeguards to protect sensitive information in transmission, in use, and at rest, from a loss of confidentiality, unauthorized access, or disclosure. Cryptographic protections shall include at a minimum:

- A. Using industry standard encryption algorithms;
- B. Establishing requirements for encryption of data in transit;
- C. Establishing requirements for encryption of data at rest; and
- D. Implementing cryptographic key management processes and controls.

#### **6.12 ACCESS MANAGEMENT**

The Contractor shall establish security requirements and ensure appropriate mechanisms are provided for the control, administration, and tracking of access to, and the use of, the Contractor's information systems that contain or could be used to access State data. Access management plan shall include the following features:

- A. Ensure the principle of least privilege is applied for specific duties and information systems (including specific functions, ports, protocols, and services), so processes operate at privilege levels no higher than necessary to accomplish required organizational missions and/or functions;
- B. Implement account management processes for registration, updates, changes and de-provisioning of system access;
- C. Apply the principles of least privilege when provisioning access to organizational assets;
- D. Provision access according to an individual's role and business requirements for such access;
- E. Implement the concept of segregation of duties by disseminating tasks and associated privileges for specific sensitive duties among multiple people;
- F. Conduct periodic reviews of access authorizations and controls.

#### **6.13 IDENTITY AND AUTHENTICATION**

The Contractor shall establish procedures and implement identification, authorization, and authentication controls to ensure only authorized individuals, systems, and processes can access the State's information and Contractor's information and information systems. Identity and authentication provides a level of assurance that individuals who log into a system are who they say they are. Identity and authentication controls shall include, at a minimum:

- A. Establishing and managing unique identifiers (e.g. User-IDs) and secure authenticators (e.g. passwords, biometrics, personal identification numbers, etc.) to support nonrepudiation of activities by users or processes; and
- B. Implementing multi-factor authentication (MFA) requirements for access to sensitive and critical systems, and for remote access to the Contractor's systems.

#### **6.14 REMOTE ACCESS**

The Contractor shall strictly control remote access to the Contractor's internal networks, systems, applications, and services. Appropriate authorizations and technical security controls shall be implemented prior to remote access being established. Remote access controls shall include at a minimum:

- A. Establishing centralized management of the Contractor's remote access infrastructure;
- B. Implementing technical security controls (e.g. encryption, multi-factor authentication, IP whitelisting, geo-fencing); and
- C. Training users in regard to information security risks and best practices related remote access use.

#### **6.15 SECURITY ENGINEERING AND ARCHITECTURE**

The Contractor shall employ security engineering and architecture principles for all information technology assets, and such principles shall incorporate industry recognized leading security practices and sufficiently address applicable statutory and regulatory obligations. Applying security engineering and architecture principles shall include:

- A. Implementing configuration standards that are consistent with industry-accepted system hardening standards and address known security vulnerabilities for all system components;
- B. Establishing a defense in-depth security posture that includes layered technical, administrative, and physical controls;
- C. Incorporating security requirements into the systems throughout their life cycles;
- D. Delineating physical and logical security boundaries;
- E. Tailoring security controls to meet organizational and operational needs;
- F. Performing threat modeling to identify use cases, threat agents, attack vectors, and attack patterns as well as compensating controls and design patterns needed to mitigate risk;
- G. Implementing controls and procedures to ensure critical systems fail-secure and fail-safe in known states; and
- H. Ensuring information system clock synchronization.

#### **6.16 CONFIGURATION MANAGEMENT**

The Contractor shall ensure that baseline configuration settings are established and maintained in order to protect the confidentiality, integrity, and availability of all information technology assets. Secure configuration management shall include, at a minimum:

- A. Hardening systems through baseline configurations; and
- B. Configuring systems in accordance with the principle of least privilege to ensure processes operate at privilege levels no higher than necessary to accomplish required functions.

#### **6.17 ENDPOINT SECURITY**

The Contractor shall ensure that endpoint devices are properly configured, and measures are implemented to protect information and information systems from a loss of confidentiality, integrity, and availability. Endpoint security shall include, at a minimum:

- A. Maintaining an accurate and updated inventory of endpoint devices;

- B. Applying security categorizations and implementing appropriate and effective safeguards on endpoints;
- C. Maintaining currency with operating system and software updates and patches;
- D. Establishing physical and logical access controls;
- E. Applying data protection measures (e.g. cryptographic protections);
- F. Implementing anti-malware software, host-based firewalls, and port and device controls;
- G. Implementing host intrusion detection and prevention systems (HIDS/HIPS) where applicable;
- H. Restricting access and/or use of ports and I/O devices; and
- I. Ensuring audit logging is implemented and logs are reviewed on a continuous basis.

#### **6.18 ICS/SCADA/OT SECURITY**

The Contractor shall implement controls and processes to ensure risks, including risks to human safety, are accounted for and managed in the use of Industrial Control Systems (ICS), Supervisory Control and Data Acquisition (SCADA) systems and Operational Technologies (OT). ICS/SCADA/OT Security requires the application of all of the enumerated control areas in this RFQ, including, at a minimum:

- A. Conducting risk assessments prior to implementation and throughout the lifecycles of ICS/SCADA/OT assets;
- B. Developing policies and standards specific to ICS/SCADA/OT assets;
- C. Ensuring the secure configuration of ICS/SCADA/OT assets;
- D. Segmenting ICS/SCADA/OT networks from the rest of the Contractor's networks;
- E. Ensuring least privilege and strong authentication controls are implemented
- F. Implementing redundant designs or failover capabilities to prevent business disruption or physical damage; and
- G. Conducting regular maintenance on ICS/SCADA/OT systems.

#### **6.19 INTERNET OF THINGS SECURITY**

The Contractor shall implement controls and processes to ensure risks are accounted for and managed in the use of Internet of Things (IoT) devices including, but not limited to, physical devices, vehicles, appliances and other items embedded with electronics, software, sensors, actuators, and network connectivity which enables these devices to connect and exchange data. IoT. IoT security shall include, at a minimum, the following:

- A. Developing policies and standards specific to IoT assets;
- B. Ensuring the secure configuration of IoT assets;
- C. Conducting risk assessments prior to implementation and throughout the lifecycles of IoT assets;
- D. Segmenting IoT networks from the rest of the Contractor's networks; and
- E. Ensuring least privilege and strong authentication controls are implemented.

#### **6.20 MOBILE DEVICE SECURITY**

The Contractor shall establish administrative, technical, and physical security controls required to effectively manage the risks introduced by mobile devices used for organizational business purposes. Mobile device security shall include, at a minimum, the following:

- A. Establishing requirements for authorization to use mobile devices for organizational business purposes;
- B. Establishing Bring Your Own Device (BYOD) processes and restrictions;
- C. Establishing physical and logical access controls;
- D. Implementing network access restrictions for mobile devices;
- E. Implementing mobile device management solutions to provide centralized management of mobile devices and to ensure technical security controls (e.g. encryption, authentication, remote-wipe, etc.) are implemented and updated as necessary;
- F. Establishing approved application stores from which applications can be acquired;
- G. Establishing lists approved applications that can be used; and
- H. Training of mobile device users regarding security and safety.

#### **6.21 NETWORK SECURITY**

The Contractor shall implement defense-in-depth and least privilege strategies for securing the information technology networks that it operates. To ensure information technology resources are available to authorized network clients and protected from unauthorized access, the Contractor shall:

- A. Include protection mechanisms for network communications and infrastructure (e.g. layered defenses, denial of service protection, encryption for data in transit, etc.);
- B. Include protection mechanisms for network boundaries (e.g. limit network access points, implement firewalls, use Internet proxies, restrict split tunneling, etc.);
- C. Control the flow of information (e.g. deny traffic by default/allow by exception, implement Access Control Lists, etc.); and
- D. Control access to the Contractor's information systems (e.g. network segmentation, network intrusion detection and prevention systems, wireless restrictions, etc.).

## **6.22 CLOUD SECURITY**

The Contractor shall establish security requirements that govern the use of private, public, and hybrid cloud environments to ensure risks associated with a potential loss of confidentiality, integrity, availability, and privacy are managed. This shall ensure, at a minimum, the following:

- A. Security is accounted for in the acquisition and development of cloud services;
- B. The design, configuration, and implementation of cloud-based applications, infrastructure and system-system interfaces are conducted in accordance with mutually agreed-upon service, security, and capacity-level expectations;
- C. Security roles and responsibilities for the Contractor and the cloud provider are delineated and documented; and
- D. Controls necessary to protect sensitive data in public cloud environments are implemented.

## **6.23 CHANGE MANAGEMENT**

The Contractor shall establish controls required to ensure change is managed effectively. Changes are appropriately tested, validated, and documented before implementing any change on a production network. Change management provides the Contractor with the ability to handle changes in a controlled, predictable, and repeatable manner, and to identify, assess, and minimize the risks to operations and security. Change management controls shall include, at a minimum, the following:

- A. Notifying all stakeholder of changes;
- B. Conducting a security impact analysis and testing for changes prior to rollout; and
- C. Verifying security functionality after the changes have been made.

## **6.24 MAINTENANCE**

The Contractor shall implement processes and controls to ensure that information assets are properly maintained, thereby minimizing the risks from emerging information security threats and/or the potential loss of confidentiality, integrity, or availability due to system failures. Maintenance security shall include, at a minimum, the following:

- A. Conducting scheduled and timely maintenance;
- B. Ensuring individuals conducting maintenance operations are qualified and trustworthy; and
- C. Vetting, escorting and monitoring third-parties conducting maintenance operations on information technology assets.

## **6.25 THREAT MANAGEMENT**

The Contractor shall establish effective communication protocols and processes to collect and disseminate actionable threat intelligence, thereby providing component units and individuals with the information necessary to effectively manage risk associated with new and emerging threats to the organization's information technology assets and operations. Threat management includes, at a minimum:

- A. Developing, implementing, and governing processes and documentation to facilitate the implementation of a threat awareness policy, as well as associated standards, controls and procedures.
- B. Subscribing to and receiving relevant threat intelligence information from the US CERT, the organization's vendors, and other sources as appropriate.

## **6.26 VULNERABILITY AND PATCH MANAGEMENT**

The Contractor shall implement proactive vulnerability identification, remediation, and patch management practices to minimize the risk of a loss of confidentiality, integrity, and availability of information system, networks, components, and applications. Vulnerability and patch management practices shall include, at a minimum, the following:

- A. Prioritizing vulnerability scanning and remediation activities based on the criticality and security categorization of systems and information, and the risks associated with a loss of confidentiality, integrity, availability, and/or privacy;
- B. Maintaining software and operating systems at the latest vendor-supported patch levels;
- C. Conducting penetration testing and red team exercises; and
- D. Employing qualified third-parties to periodically conduct Independent vulnerability scanning, penetration testing, and red-team exercises.

## **6.27 CONTINUOUS MONITORING**

The Contractor shall implement continuous monitoring practices to establish and maintain situational awareness regarding potential threats to the confidentiality, integrity, availability, privacy and safety of information and information systems through timely collection and review of security-related event logs. Continuous monitoring practices shall include, at a minimum, the following:

- A. Centralizing the collection and monitoring of event logs;
- B. Ensuring the content of audit records includes all relevant security event information;
- C. Protecting of audit records from tampering; and
- D. Detecting, investigating, and responding to incidents discovered through monitoring.

#### **6.28 SYSTEM DEVELOPMENT AND ACQUISITION**

The Contractor shall establish security requirements necessary to ensure that systems and application software programs developed by the Contractor or third-parties (e.g. vendors, contractors, etc.) perform as intended to maintain information confidentiality, integrity, and availability, and the privacy and safety of individuals. System development and acquisition security practices shall include, at a minimum, the following:

- A. Secure coding;
- B. Separation of development, testing, and operational environments;
- C. Information input restrictions;
- D. Input data validation;
- E. Error handling;
- F. Security testing throughout development;
- G. Restrictions for access to program source code; and
- H. Security training of software developers and system implementers.

#### **6.29 PROJECT AND RESOURCE MANAGEMENT**

The Contractor shall ensure that controls necessary to appropriately manage risks are accounted for and implemented throughout the System Development Life Cycle (SDLC). Project and resource management security practices shall include, at a minimum:

- A. Defining and implementing security requirements;
- B. Allocating resources required to protect systems and information; and
- C. Ensuring security requirements are accounted for throughout the SDLC.

#### **6.30 CAPACITY AND PERFORMANCE MANAGEMENT**

The Contractor shall implement processes and controls necessary to protect against avoidable impacts to operations by proactively managing the capacity and performance of its critical technologies and supporting infrastructure. Capacity and performance management practices shall include, at a minimum, the following:

- A. Ensuring the availability, quality, and adequate capacity of compute, storage, memory and network resources are planned, prepared, and measured to deliver the required system performance and future capacity requirements; and
- B. Implementing resource priority controls to prevent or limit Denial of Service (DoS) effectiveness.

#### **6.31 THIRD PARTY MANAGEMENT**

The Contractor shall implement processes and controls to ensure that risks associated with third-parties (e.g. vendors, contractors, business partners, etc.) providing information technology equipment, software, and/or services are minimized or avoided. Third party management processes and controls shall include, at a minimum:

- A. Tailored acquisition strategies, contracting tools, and procurement methods for the purchase of systems, system components, or system service from suppliers;
- B. Due diligence security reviews of suppliers and third parties with access to the Contractor's systems and sensitive information;
- C. Third party interconnection security; and
- D. Independent testing and security assessments of supplier technologies and supplier organizations.

#### **6.32 PHYSICAL AND ENVIRONMENTAL SECURITY**

The Contractor shall establish physical and environmental protection procedures that limit access to systems, equipment, and the respective operating environments, to only authorized individuals. The Contractor ensures appropriate environmental controls in facilities containing information systems and assets, to ensure sufficient environmental conditions exist to avoid preventable hardware failures and service interruptions. Physical and environmental controls shall include, at a minimum, the following:

- A. Physical access controls (e.g. locks, security gates and guards, etc.);
- B. Visitor controls;
- C. Security monitoring and auditing of physical access;
- D. Emergency shutoff;
- E. Emergency power;
- F. Emergency lighting;
- G. Fire protection;
- H. Temperature and humidity controls;
- I. Water damage protection; and
- J. Delivery and removal of information assets controls.

### **6.33 CONTINGENCY PLANNING**

The Contractor shall develop, implement, test, and maintain a contingency plan to ensure continuity of operations for all information systems that deliver or support essential or critical business functions on behalf of the Contractor. The plan shall address the following:

- A. Backup and recovery strategies;
- B. Continuity of operations;
- C. Disaster recovery; and
- D. Crisis management.

### **6.34 INCIDENT RESPONSE**

The Contractor shall maintain an information security incident response capability that includes adequate preparation, detection, analysis, containment, recovery, and reporting activities. Information security incident response activities shall include, at a minimum, the following:

- A. Information security incident reporting awareness;
- B. Incident response planning and handling;
- C. Establishment of an incident response team;
- D. Cybersecurity insurance;
- E. Contracts with external incident response services specialists; and
- F. Contacts with law enforcement cybersecurity units.



## **7 MODIFICATIONS TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS**

### **7.1 INDEMNIFICATION**

Section 4.1 of the State Standard Terms and Conditions is deleted in its entirety and replaced with the following;

#### **4.1 INDEMNIFICATION**

- A. CONTRACTOR RESPONSIBILITIES - The Contractor's liability to the State and its employees in third party suits shall be as follows:
1. The Contractor shall indemnify, defend, and save harmless the State and its officers, agents, servants and employees, from and against any and all third party claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith:
    - i. For or on account of the loss of life, tangible property (not including lost or damaged data) or injury or damage to the person, body or property (not including lost or damaged data) of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or products supplied under this Contract; and
    - ii. For or on account of the use of any patent, copyright, trademark, trade secret or other proprietary right of any copyrighted or uncopied composition, secret process, patented or unpatented invention, article or appliance ("Intellectual Property Rights") furnished or used in the performance of the contract; and
    - iii. For or on account of a Breach of Security resulting from Contractor's breach of its obligation to encrypt Personal Data or otherwise prevent its release or misuse; and
    - iv. The Contractor's indemnification and liability under Section 4.1(A)(1) is not limited by, but is in addition to the insurance obligations contained in Section 4.2 of the State Standard Terms and Conditions.
  2. In the event of a claim or suit involving third-party Intellectual Property Rights, the Contractor, at its option, may: (1) procure for the State the legal right to continue the use of the product; (2) replace or modify the product to provide a non-infringing product that is the functional equivalent; or (3) refund the purchase price less a reasonable allowance for use that is agreed to by both parties. The State will: (1) promptly notify Contractor in writing of the claim or suit; (2) Contractor shall have control of the defense and settlement of any claim that is subject to Section 4.1(A)(1); provided, however, that the State must approve any settlement of the alleged claim, which approval shall not be unreasonably withheld. The State may observe the proceedings relating to the alleged claim and confer with the Contractor at its expense. Furthermore, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of New Jersey, nor purport to act as legal representative of the State of New Jersey, without having provided notice to the Director of the Division of Law in the Department of Law and Public Safety and to the Director of DPP. The State of New Jersey may, at its election and expense, assume its own defense and settlement.
  3. Notwithstanding the foregoing, Contractor has no obligation or liability for any claim or suit concerning third-party Intellectual Property Rights arising from: (1) the State's unauthorized combination, operation, or use of a product supplied under this contract with any product, device, or software not supplied by Contractor; (2) the State's unauthorized alteration or modification of any product supplied under this contract; (3) the Contractor's compliance with the State's designs, specifications, requests, or instructions, provided that if the State provides Contractor with such designs, specifications, requests, or instructions, Contractor shall review same and advise if such designs, specifications, requests or instructions present potential issues of patent or copyright infringement and the State nonetheless directs the Contractor to proceed with one or more designs, specifications, requests or instructions that present potential issues of patent or copyright infringement; or (4) the State's failure to promptly implement a required update, use a new version of the product, or to make a change or modification to the product if requested in writing by Contractor.
  4. Contractor will be relieved of its responsibilities under Subsection 4.1(A)(1)(i), (ii), and (iii) for any claims made by an unaffiliated third party that arise solely from the actions or omissions of the State, its officers, employees or agents.
  5. This section states the entire obligation of Contractor and the exclusive remedy of the State, in respect of any infringement or alleged infringement of any Intellectual Property Rights. This indemnity obligation and remedy are given to the State solely for its benefit and in lieu of, and Contractor disclaims, all warranties, conditions and other terms of non-infringement or title with respect to any product.
  6. The provisions of this indemnification clause shall in no way limit the Contractor's obligations assumed in the Contract, nor shall they be construed to relieve the Contractor from any liability, nor preclude the State from taking any other actions available to it under any other provisions of the contract or otherwise at law or equity.
  7. The Contractor agrees that any approval by the State of the work performed and/or reports, plans or specifications provided by the Contractor shall not operate to limit the obligations of the Contractor assumed in the Contract.

- 8. The State of New Jersey will not indemnify, defend or hold harmless the Contractor. The State will not pay or reimburse for claims absent compliance with Section 4.1(B) below and a determination by the State to pay the claim or a final order of a court of competent jurisdiction.
- B. STATE RESPONSIBILITIES - Subject to the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.), the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.) and the appropriation and availability of funds, the State will be responsible for any cost or damage arising out of actions or inactions of the State, its employees or agents under Section 4.1(A)(1)(i), (ii), and (iii) which results in an unaffiliated third party claim. This is Contractor’s exclusive remedy for these claims.

**7.2 INSURANCE**

**7.2.1 PROFESSIONAL LIABILITY INSURANCE**

Section 4.2 of the SSTC is supplemented with the following:

Professional Liability Insurance: The Contractor shall carry Errors and Omissions, Professional Liability Insurance, and/or Professional Liability Malpractice Insurance sufficient to protect the Contractor from any liability arising out the professional obligations performed pursuant to the requirements of this Contract. The insurance shall be in the amount of not less than \$1,000,000 per each occurrence and in such policy forms as shall be approved by the State. If the Contractor has claims-made coverage and subsequently changes carriers during the term of this Contract, it shall obtain from its new Errors and Omissions, Professional Liability Insurance, and/or Professional Malpractice Insurance carrier an endorsement for retroactive coverage.

**7.2.2 CYBER BREACH INSURANCE**

Section 4.2 of the SSTC supplemented with the following:

Cyber Breach Insurance: The Contractor shall carry Cyber Breach Insurance in sufficient to protect the Contractor from any liability arising out of its performance pursuant to the requirements of this Contract. The insurance shall be in an amount of not less than \$10,000,000 or higher if appropriate – see table below for consideration per each occurrence and in such policy forms as shall be approved by the State. The insurance shall at a minimum cover the following: Data loss, malware, ransomware and similar breaches to computers, servers and software; Protection against third-party claims; cost of notifying affected parties; cost of providing credit monitoring to affected parties; forensics; cost of public relations consultants; regulatory compliance costs; costs to pursue indemnity rights; costs to Data Breach and Credit Monitoring Services analyze the insured’s legal response obligations; costs of defending lawsuits; judgments and settlements; regulatory response costs; costs of responding to regulatory investigations; and costs of settling regulatory claims.

Level of Risk	Data Breach and Privacy/Cyber Liability Minimum Insurance Coverage
Low	\$2,000,000
Moderate	\$5,000,000
High	\$10,000,000

**7.2.3 LIMITATION OF LIABILITY OPTIONS**

Section 4.0 of the SSTC is supplemented with the following:

**4.3 LIMITATION OF LIABILITY**

- A. The Contractor’s liability for actual, direct damages resulting from the Contractor’s performance or non-performance of, or in any manner related to, the Contract for any and all third party claims, shall be limited in the aggregate to 200% of the fees paid by the State during the previous twelve months to Contractor for the products or services giving rise to such damages. Notwithstanding the preceding sentence, in no event shall the limit of liability be less than \$1,000,000. This limitation of liability shall not apply to the following:
  - i. The Contractor’s indemnification obligations as described in Section 4.1; and
  - ii. The Contractor’s breach of its obligations of confidentiality described in this RFQ.
- B. Notwithstanding the foregoing exclusions, where a Breach of Security is a direct result of Contractor’s breach of its contractual obligation to encrypt Personal Data pursuant to this RFQ or otherwise prevent its release as reasonably determined by the State, the Contractor shall bear the costs associated with (1) the investigation and resolution of the Breach of Security; (2) notifications to individuals, regulators, or others required by federal and state laws or as otherwise agreed to; (3) a credit monitoring service required by state or federal law or as otherwise agreed to; (4) a website or a toll-free number and call center for affected individuals required by federal and state laws — all not to exceed the average per record, per person cost calculated for data breaches in the United States in the most recent Cost of Data Breach Study: Global Analysis published by the Ponemon Institute for the public sector at the time of the Breach of Security; and (5) completing all corrective actions as reasonably determined by Contractor based on root cause of the Breach of Security.
- C. The Contractor shall not be liable for punitive, special, indirect, incidental, or consequential damages.

## **8 QUOTE EVALUATION AND AWARD**

### **8.1 RECIPROCITY FOR JURISDICTIONAL BIDDER PREFERENCE**

In accordance with N.J.S.A. 52:32-1.4, the State of New Jersey will invoke reciprocal action against an out-of-State Bidder whose state or locality maintains a preference practice for its in-state Bidders. The State of New Jersey will use the annual surveys compiled by the Council of State Governments, National Association of State Procurement Officials, or the National Institute of Governmental Purchasing or a State's statutes and regulations to identify States having preference laws, regulations, or practices and to invoke reciprocal actions. The State of New Jersey may obtain additional information as it deems appropriate to supplement the stated survey information.

A Bidder may submit information related to preference practices enacted for a State or Local entity outside the State of New Jersey. This information may be submitted in writing as part of the Quote response, including name of the locality having the preference practice, as well as identification of the county and state, and should include a copy of the appropriate documentation, i.e., resolution, regulation, law, notice to Bidder, etc. It is the responsibility of the Bidder to provide documentation with the Quote or submit it to the Using Agency within five (5) business days after the deadline for Quote submission. Written evidence for a specific procurement that is not provided to the Using Agency within five (5) business days of the public Quote submission date may not be considered in the evaluation of that procurement, but may be retained and considered in the evaluation of subsequent procurements.

### **8.2 CLARIFICATION OF QUOTE**

After the Quote Opening Date, unless requested by the State as noted below, Bidder contact with the Using Agency regarding this RFQ and the submitted Quote is not permitted. After the Quotes are reviewed, one (1), some or all of the Bidders may be asked to clarify inconsistent statement contained within the submitted Quote.

### **8.3 TIE QUOTES**

Tie Quotes will be awarded by the Director in accordance with N.J.A.C. 17:12-2.10.

### **8.4 STATE'S RIGHT TO INSPECT BIDDER'S FACILITIES**

The State reserves the right to inspect the Bidder's establishment before making an award, for the purposes of ascertaining whether the Bidder has the necessary facilities for performing the Contract.

### **8.5 STATE'S RIGHT TO CHECK REFERENCES**

The State may also consult with clients of the Bidder during the evaluation of Quotes. Such consultation is intended to assist the State in making a Contract award that is most advantageous to the State.

### **8.6 EVALUATION CRITERIA**

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate Quotes received in response to this RFQ. The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process.

#### **8.6.1 TECHNICAL EVALUATION CRITERIA**

The following criteria will be used to evaluate and score Quotes received in response to this RFQ. Each criterion will be scored, and each score multiplied by a predetermined weight to develop the Technical Evaluation Score:

- A. Personnel: The qualifications and experience of the Bidder's management, supervisory, and key personnel assigned to the Contract, including the candidates recommended for each of the positions/roles required;
- B. Experience of firm: The Bidder's documented experience in successfully completing Contract of a similar size and scope in relation to the work required by this RFQ; and
- C. Ability of firm to complete the Scope of Work based on its Technical Quote: The Bidder's demonstration in the Quote that the Bidder understands the requirements of the Scope of Work and presents an approach that would permit successful performance of the technical requirements of the Contract.

#### **8.6.2 PRICE EVALUATION**

For evaluation purposes, Bidders will be ranked from lowest to highest according to the total Quote price located on the State-Supplied Price Sheet accompanying this RFQ.

### **8.7 QUOTE DISCREPANCIES**

In evaluating Quotes, discrepancies between words and figures will be resolved in favor of words. Discrepancies between Unit Prices and totals of Unit Prices will be resolved in favor of Unit Prices. Discrepancies in the multiplication of units of work and Unit Prices will be resolved in favor of the Unit Prices. Discrepancies between the indicated total of multiplied Unit Prices and units of work and the

actual total will be resolved in favor of the actual total. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum of the column of figures.

#### **8.8 BEST AND FINAL OFFER (BAFO)**

The Using Agency may invite one (1) Bidder or multiple Bidders to submit a Best and Final Offer (BAFO). Said invitation will establish the time and place for submission of the BAFO. Any BAFO that does not result in more advantageous pricing to the State will not be considered, and the State will evaluate the Bidder's most advantageous previously submitted pricing.

The Using Agency may conduct more than one (1) round of BAFO in order to attain the best value for the State.

BAFOs will be conducted only in those circumstances where it is deemed to be in the State's best interests and to maximize the State's ability to get the best value. Therefore, the Bidder is advised to submit its best technical and price Quote in response to this RFQ since the State may, after evaluation, make a Contract award based on the content of the initial submission

If the Using Agency contemplates BAFOs, Quote prices will not be publicly read at the Quote opening. Only the name and address of each Bidder will be publicly announced at the Quote opening.

#### **8.9 POOR PERFORMANCE**

A Bidder with a history of performance problems may be bypassed for consideration of an award issued as a result of this RFQ. The following materials may be reviewed to determine Bidder performance:

- A. Contract cancellations for cause pursuant to *State of New Jersey Standard Terms and Conditions Section 5.7(B)*;
- B. information contained in Vendor performance records;
- C. information obtained from audits or investigations conducted by a local, state or federal agency of the Bidder's work experience;
- D. current licensure, registration, and/or certification status and relevant history thereof; or
- E. Bidder's status or rating with established business/financial reporting services, as applicable.

Bidders should note that this list is not exhaustive.

#### **8.10 RECOMMENDATION FOR AWARD**

After the evaluation of the submitted Quotes is complete, the Using Agency will recommend to the Director of the Division of Purchase and Property for award, the responsible Bidder whose Quote, conforming to this RFQ, is most advantageous to the State, price and other factors considered.

#### **8.11 CONTRACT AWARD**

Contract award will be made with reasonable promptness by written notice to that responsible Bidder, whose Quote, conforming to this RFQ, is most advantageous to the State, price, and other factors considered.

## 9 GLOSSARY

**Acceptance** – The written confirmation by the Using Agency that Contractor has completed a Deliverable according to the specified requirements.

**All-Inclusive Hourly Rate** – An hourly rate comprised of all direct and indirect costs including, but not limited to: labor costs, overhead, fee or profit, clerical support, travel expenses, per diem, safety equipment, materials, supplies, managerial support and all documents, forms, and reproductions thereof. This rate also includes portal-to-portal expenses as well as per diem expenses such as food.

**Apparel** - means any clothing, headwear, linens or fabric.

**Apparel Contracts** - include all purchases, rentals or other acquisition of apparel products by the State of New Jersey, including authorizations by the State of New Jersey for vendors to sell apparel products through cash allowances or vouchers issued by the State of New Jersey, and license agreements with a public body.

**Apparel Production** - includes the cutting and manufacturing of apparel products performed by the vendor or by any subcontractors, but not including the production of supplies or sundries such as buttons, zippers, and thread.

**Best and Final Offer or BAFO** – Pricing timely submitted by a Bidder upon invitation by the Procurement Bureau after Quote opening, with or without prior discussion or negotiation.

**Bid or RFQ** – The documents which establish the bidding and Contract requirements and solicits Quotes to meet the needs of the Using Agencies as identified herein, and includes the RFQ, State of New Jersey Standard Terms and Conditions (SSTC), State Price Sheet, Attachments, and Bid Amendments.

**Bid Amendment** – Written clarification or revision to this RFQ issued by the Division. Bid Amendments, if any, will be issued prior to Quote opening.

**Bid Opening Date** – The date Quotes will be opened for evaluation and closed to further Quote submissions.

**Bid Security** - means a guarantee, in a form acceptable to the Division, that the bidder, if selected, will accept the contract as bid; otherwise, the bidder or, as applicable, its guarantor will be liable for the amount of the loss suffered by the State, which loss may be partially or completely recovered by the State in exercising its rights against the instrument of bid security.

**Bidder** – An entity offering a Quote in response to the RFQ.

**Breach of Security** – as defined by N.J.S.A. 56:8-161, means unauthorized access to electronic files, media, or data containing Personal Data that compromises the security,

confidentiality, or integrity of Personal Data when access to the Personal Data has not been secured by encryption or by any other method or technology that renders the Personal Data unreadable or unusable. Good faith acquisition of Personal Data by an employee or agent of the Provider for a legitimate business purpose is not a Breach of Security, provided that the Personal Data is not used for a purposes unrelated to the business or subject to further unauthorized disclosure.

**Business Day** – Any weekday, excluding Saturdays, Sundays, State legal holidays, and State-mandated closings unless otherwise indicated.

**Calendar Day** – Any day, including Saturdays, Sundays, State legal holidays, and State-mandated closings unless otherwise indicated.

**Change Order** – An amendment, alteration, or modification of the terms of a Contract between the State and the Contractor(s). A Change Order is not effective until it is signed and approved in writing by the Director or Deputy Director, Division of Purchase and Property.

**Commercial off the Shelf Software or COTS** - Software provided by Provider that is commercially available and that can be used with little or no modification.

**Customized Software** - COTS that is adapted or configured by Provider to meet specific requirements of the Authorized Purchaser that differ from the standard requirements of the base product. For the avoidance of doubt, “Customized Software” is not permitted to be sold to the State under the scope of this Contract.

**Contract** – The Contract consists of the State of NJ Standard Terms and Conditions (SSTC), the RFQ, the responsive Quote submitted by a responsible Bidder as accepted by the State, the notice of award, any Best and Final Offer, any subsequent written document memorializing the agreement, any modifications to any of these documents approved by the State and any attachments, Bid Amendment or other supporting documents, or post-award documents including Change Orders agreed to by the State and the Contractor, in writing.

**Contractor** – The Bidder awarded a Contract resulting from this RFQ.

**Cooperative Purchasing Program** – The Division’s intrastate program that provides procurement-related assistance to New Jersey local governmental entities and boards of education, State and county colleges and other public entities having statutory authority to utilize select State Contracts issued by the Division, pursuant to the provisions of N.J.S.A. 52:25-16.1 et seq.

**Cooperative Purchasing Participants** - These participants include quasi-State entities, counties, municipalities, school districts, volunteer fire departments, first aid squads, independent institutions of higher learning, County colleges, and State colleges

**Days After Receipt of Order (ARO)** – The number of calendar days ‘After Receipt of Order’ in which the Using Agency will receive the ordered materials and/or services.

**Dealer/Distributor** – A Company authorized by a Bidder or Contractor as having the contractual ability to accept and fulfill orders and receive payments directly on behalf of the Contractor that is awarded a Contract. Any authorized Dealer/Distributor must agree to all terms and conditions contained within the RFQ and must agree to provide all products and services in accordance with the Contract specifications, terms, conditions and pricing.

**Deliverable** – Goods, products, Services and Work Product that Contractor is required to deliver to the State under the Contract.

**Director** – Director, Division of Purchase and Property, Department of the Treasury, who by statutory authority is the Chief Contracting Officer for the State of New Jersey; or the Director’s designee.

**Disabled Veterans’ Business** - means a business which has its principal place of business in the State, is independently owned and operated and at least 51% of which is owned and controlled by persons who are disabled veterans or a business which has its principal place of business in this State and has been officially verified by the United States Department of Veterans Affairs as a service disabled veteran-owned business for the purposes of department contracts pursuant to federal law. N.J.S.A. 52:32-31.2.

**Disabled Veterans’ Business Set-Aside Contract** - means a Contract for goods, equipment, construction or services which is designated as a Contract with respect to which bids are invited and accepted only from disabled veterans’ businesses, or a portion of a Contract when that portion has been so designated. N.J.S.A. 52:32-31.2.

**Discount** – The standard price reduction applied by the Bidder to all items.

**Division** – The Division of Purchase and Property.

**Evaluation Committee** – A group of individuals or a Using Agency staff member assigned to review and evaluate Quotes submitted in response to this RFQ and recommend a Contract award.

**Firm Fixed Price** – A price that is all-inclusive of direct cost and indirect costs, including, but not limited to, direct labor costs, overhead, fee or profit, clerical support, equipment, materials, supplies, managerial (administrative) support, all documents, reports, forms, travel, reproduction and any other costs.

**Hardware** – Includes computer equipment and any Software provided with the Hardware that is necessary for the Hardware to operate.

**Internet of Things (IoT)** - the network of physical devices, vehicles, home appliances and other items embedded with electronics, software, sensors, actuators, and network connectivity which enables these objects to connect and exchange data.

**Intrastate cooperative purchasing participants** - refers to political subdivisions, volunteer fire departments and first aid squads, and independent institutions of higher education and school districts pursuant to N.J.S.A. 52:25-16.1 et seq., State and county colleges pursuant to N.J.S.A. 18A:64-60 and 18A:64A-25.9, quasi-State agencies and independent authorities pursuant to N.J.S.A. 52:27B-56.1, and other New Jersey public entities having statutory authority to utilize select State contracts issued by the Division

**Joint Venture** – A business undertaking by two (2) or more entities to share risk and responsibility for a specific project.

**Life cycle assessment** – The comprehensive examination of a product’s environmental and economic aspects and potential impacts throughout its lifetime, including raw material extraction, transportation, manufacturing, use and disposal.

**Life cycle cost** – The amortized total cost of a product, including capital costs, installation costs, operating costs, maintenance costs, and disposal costs discounted over the lifetime of the product.

**Master Blanket Purchase Order (Blanket/Blanket P.O.)** – A Term Contract that allows repeated purchases from an awarded contract.

**Materials in Solid Waste** – Material found in the various components of the solid waste stream. General, solid waste has several components, such as municipal solid waste (MSW), construction and demolition debris (C&D), and nonhazardous industrial waste. Under RCRA Section 6002, EPA considers materials recovered from any component of the solid waste stream when designating items containing Recovered Materials.

**May** – Denotes that which is permissible or recommended, not mandatory.

**Mobile Device** - means any device used by Provider that can move or transmit data, including but not limited to laptops, hard drives, and flash drives.

**Must** – Denotes that which is a mandatory requirement.

**Net Purchases** - means the total gross purchases, less credits, taxes, regulatory fees and separately stated shipping charges not included in unit prices, made by Intrastate Cooperative Purchasing Participants, regardless of whether or not **NJSTART** is used as part of the purchase process.

**No Bid** – The Bidder is not submitting a price Quote for an item on a price line.

**No Charge** – The Bidder will supply an item on a price line free of charge.

**Non-Public Data** - means data, other than Personal Data, that is not subject to distribution to the public as public information. Non-Public Data is data that is identified by the State as non-public information or otherwise deemed to be sensitive and confidential by the State because it contains information that is exempt by statute, ordinance or administrative rule from access by the general public as public information.

**Percentage Discount or Markup** - The percentage bid applied as a Markup or a Discount to a firm, fixed price contained within a price list/catalog.

**Performance Security** - means a guarantee, executed subsequent to award, in a form acceptable to the Division, that the successful bidder will complete the contract as agreed and that the State will be protected from loss in the event the contractor fails to complete the contract as agreed.

**Personal Data** means –

“Personal Information” as defined in N.J.S.A. 56:8-161, means an individual’s first name or first initial and last name linked with any one or more of the following data elements: (1) Social Security number, (2) driver’s license number or State identification card number or (3) account number or credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual’s financial account. Dissociated data that, if linked would constitute Personal Information is Personal Information if the means to link the dissociated were accessed in connection with access to the dissociated data. Personal Information shall not include publicly available information that is lawfully made available to the general public from federal, state or local government records, or widely distributed media; and/or

Data, either alone or in combination with other data, that includes information relating to an individual that identifies the person or entity by name, identifying number, mark or description that can be readily associated with a particular individual and which is not a public record, including but not limited to, Personally Identifiable Information (PII); government-issued identification numbers (e.g., Social

Security, driver’s license, passport); Protected Health Information (PHI) as that term is defined in the regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996, P.L. No. 104-191 (1996) and found in 45 CFR Parts 160 to 164 and defined below; and Education Records, as that term is defined in the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g.

**Personally Identifiable Information or PII** - as defined by the U.S. Department of Commerce, National Institute of Standards and Technology, means any information about an individual maintained by an agency, including (1) any information that can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth, mother’s maiden name, or biometric records; and (2) any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information.

**Post-Consumer Material** – Material or finished product that has served its intended use and has been diverted or recovered from waste destined for disposal, having completed its life as a consumer item. Post-Consumer Materials are part of the broader category of Recovered Materials.

**Pre-Consumer Material** – Materials generated in manufacturing and converting processes, such as manufacturing scrap and trimmings/cuttings.

**Price List/Catalog** – A document published by a manufacturer, resellers, Dealers, or Distributors that typically contains product descriptions, a list of products with fixed prices to which a Bidder’s percentage discount or markup bid is applied.

**Procurement Bureau (Bureau)** – The Division unit responsible for the preparation, advertisement, and issuance of RFQs, for the tabulation of Quotes and for recommending award(s) of Contract(s) to the Director and the Deputy Director.

**Project** – The undertakings or services that are the subject of this RFQ.

**Protected Health Information or PHI** - has the same meaning as the term is defined in the regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996, P.L. No. 104-191 (1996) and found in 45 CFR Parts 160 to 164 means Individually Identifiable Health Information (as defined below) transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium. PHI excludes education records covered by the Family Educational Rights and Privacy Act (FERPA), as amended, 20 U.S.C. 1232g, records described at 20 U.S.C. 1232g(a)(4)(B)(iv) and employment records held by a covered entity in its role as employer. The term “Individually Identifiable Health Information” has the same meaning as the term is defined in the regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996,

P.L. No. 104-191 (1996) and found in 45 CFR Parts 160 to 164 and means information that is a subset of Protected Health Information, including demographic information collected from an individual, and (1) is created or received by a health care provider, health plan, employer or health care clearinghouse; and (2) relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

**Quasi-State Agency** - is any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member, as defined in N.J.S.A. 52:27B-56.1, provided that any sale to any such bi-state governmental entity is for use solely within the State of New Jersey.

**Quick Reference Guides (QRGs)** – Informational documents which provide Vendors with step-by-step instructions to navigate the NJSTART eProcurement System. QRGs are available on the [NJSTART Vendor Support Page](#).

**Quote** – Bidder’s timely response to the RFQ including, but not limited to, technical Quote, price Quote including Best and Final Offer, any licenses, forms, certifications, clarifications, negotiated documents, and/or other documentation required by the RFQ.

**Quote Opening Date** - The date Quotes will be opened for evaluation and closed to further Quote submissions.

**Recovered Material** – Waste material and byproduct that have been recovered or diverted from solid waste, but does not include materials and byproducts generated from, and commonly reused within, an original manufacturing process.

**Recycling** – The series of activities, including collection, separation, and processing, by which products or other materials are recovered from the solid waste stream for use in the form of raw materials in the manufacture of new products other than fuel for producing heat or power by combustion.

**Recyclability** – The ability of a product or material to be recovered from, or otherwise diverted from, the solid waste stream for the purpose of recycling.

**Request For Quotes (RFQ)** – This series of documents, which establish the bidding and contract requirements and solicits Quotes to meet the needs of the Using Agencies as identified herein, and includes the RFQ, State of NJ Standard Terms and Conditions (SSTC), price schedule, attachments, and Bid Amendments.

**Retainage** – The amount withheld from the Contractor payment that is retained and subsequently released upon

satisfactory completion of performance milestones by the Contractor.

**Revision** – A response to a BAFO request or a requested clarification of the Bidder’s Quote.

**RMAN** – Recovered Materials Advisory Notices provide purchasing guidance and recommendations for Recovered and Post-Consumer Material content levels for designated items.

**Security Incident** - means the potential access by non-authorized person(s) to Personal Data or Non-Public Data that the Provider believes could reasonably result in the use, disclosure, or access or theft of State’s unencrypted Personal Data or Non-Public Data within the possession or control of the Provider. A Security Incident may or may not turn into a Breach of Security.

**Services** – Includes, without limitation (i) Information Technology (IT) professional services, (ii) Software and Hardware-related services, including without limitation, installation, configuration, and training, and (iii) Software and Hardware maintenance and support and/or Software and Hardware technical support services.

**Shall** – Denotes that which is a mandatory requirement.

**Should** – Denotes that which is permissible or recommended, not mandatory.

**Small Business** – Pursuant to N.J.S.A. 52:32-19, N.J.A.C. 17:13-1.2, and N.J.A.C. 17:13-2.1, “small business” means a business that meets the requirements and definitions of “small business” and has applied for and been approved by the New Jersey Division of Revenue and Enterprise Services, Small Business Registration and M/WBE Certification Services Unit as (i) independently owned and operated, (ii) incorporated or registered in and has its principal place of business in the State of New Jersey; (iii) has 100 or fewer full-time employees; and has gross revenues falling in one (1) of the six (6) following categories:

For goods and services - (A) 0 to \$500,000 (Category I); (B) \$500,001 to \$5,000,000 (Category II); and (C) \$5,000,001 to \$12,000,000, or the applicable federal revenue standards established at 13 CFR 121.201, whichever is higher (Category III).

For construction services: (A) 0 to \$3,000,000 (Category IV); (B) gross revenues that do not exceed 50 percent of the applicable annual revenue standards established at 13 CFR 121.201 (Category V); and (C) gross revenues that do not exceed the applicable annual revenue standards established at CFR 121.201, (Category VI).

**Small Business Set-Aside Contract** – means (1) a Contract for goods, equipment, construction or services which is designated as a Contract with respect to which bids are invited and accepted only from small businesses, or (2) a portion of a



Contract when that portion has been so designated.” N.J.S.A. 52:32-19.

**Software** - means, without limitation, computer programs, source codes, routines, or subroutines supplied by Provider, including operating software, programming aids, application programs, application programming interfaces and software products, and includes COTS, unless the context indicates otherwise.

**Software as a Service or SaaS** - means the capability provided to a purchaser to use the Provider’s applications running on a cloud infrastructure. The applications are accessible from various client devices through a thin client interface such as a Web browser (e.g., Web-based email) or a program interface. The purchaser does not manage or control the underlying cloud infrastructure, including network, servers, operating systems, storage or even individual application capabilities, with the possible exception of limited user-specific application configuration settings.

**State** – The State of New Jersey.

**State Confidential Information** - shall consist of State Data and State Intellectual Property supplied by the State, any information or data gathered by the Contractor in fulfillment of the Contract and any analysis thereof (whether in fulfillment of the Contract or not);

**State Contract Manager or SCM** – The individual, responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work. The SCM cannot direct or approve a Change Order.

**State Data** - means all data and metadata created or in any way originating with the State, and all data that is the output of computer processing of or other electronic manipulation of any data that was created by or in any way originated with the State, whether such data or output is stored on the State’s hardware, the Provider’s hardware or exists in any system owned, maintained or otherwise controlled by the State or by the Provider. State Data includes Personal Data and Non-Public Data.

**State Intellectual Property** – Any intellectual property that is owned by the State. State Intellectual Property includes any derivative works and compilations of any State Intellectual Property.

**State-Supplied Price Sheet** – the bidding document created by the State and attached to this RFQ on which the Bidder submits its Quote pricing as is referenced and described in the RFQ.

**Subtasks** – Detailed activities that comprise the actual performance of a task.

**Subcontractor** – An entity having an arrangement with a Contractor, whereby the Contractor uses the products and/or services of that entity to fulfill some of its obligations under its State Contract, while retaining full responsibility for the performance of all Contractor’s obligations under the Contract, including payment to the Subcontractor. The Subcontractor has no legal relationship with the State, only with the Contractor.

**Task** – A discrete unit of work to be performed.

**Third Party Intellectual Property** – Any intellectual property owned by parties other than the State or Contractor and contained in or necessary for the use of the Deliverables. Third Party Intellectual Property includes COTS owned by Third Parties, and derivative works and compilations of any Third Party Intellectual Property.

**Unit Cost or Unit Price** – All-inclusive, firm fixed price charged by the Bidder for a single unit identified on a price line.

**US CERT** – United States Computer Emergency Readiness Team.

**USEPA** – United States Environmental Protection Agency

**Using Agency[ies]** – A State department or agency, a quasi-State governmental entity, or an Intrastate Cooperative Purchasing participant, authorized to purchase products and/or services under a Contract procured by the Division.

**Vendor** – Either the Bidder or the Contractor.

**Vendor Intellectual Property** – Any intellectual property that is owned by Contractor and contained in or necessary for the use of the Deliverables or which the Contractor makes available for the State to use as part of the work under the Contract Vendor Intellectual Property includes COTS or Customized Software owned by Contractor, Contractor’s technical documentation, and derivative works and compilations of any Vendor Intellectual Property.

**Work Product** – Every invention, modification, discovery, design, development, customization, configuration, improvement, process, Software program, work of authorship, documentation, formula, datum, technique, know how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection) that is specifically made, conceived, discovered, or reduced to practice by Contractor or Contractor’s subcontractors or a third party engaged by Contractor or its subcontractor pursuant to the Contract Notwithstanding anything to the contrary in the preceding sentence, Work Product does not include State Intellectual Property, Vendor Intellectual Property or Third Party Intellectual Property.