

NEW JERSEY DIVISION OF MENTAL HEALTH SERVICES

REQUEST FOR PROPOSALS – PACT PASSAIC CO.

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Request for Proposals (RFP)

Program of Assertive Community Treatment (PACT)

I. Introduction

The New Jersey Division of Mental Health Services (DMHS) believes that individuals who have a serious and persistent mental illness can achieve wellness and recovery, and lead rich full lives as contributing members of their communities. This belief is supported by a growing body of research and knowledge in the mental health recovery field, as well as first hand accounts from people recovering from mental illness. Moreover, the DMHS is committed to providing and promoting opportunities for mental health consumers that will maximize their abilities to live, work, socialize and learn in the communities of their choice.

DMHS continues to implement the recommendations articulated in the Final Report of the Governor's Task Force on Mental Health of March 2005. These recommendations were further delineated and advanced in the Wellness and Recovery Transformation Action Plan issued in October 2007. These recommendations have functioned as a catalyst for the transformation of the mental health system in New Jersey and have placed greater emphasis on the principles of wellness and recovery.

The current RFP focuses on the recommendation related to continued emphasis of evidenced-based practices, specifically the Program of Assertive Community Treatment (PACT). The United States Department of Health and Human Services' Substance Abuse and Mental Health Service Administration (SAMHSA) has rated accessibility to Assertive Community Treatment as a key measure indicative of the quality of a state's mental health system of care (United States Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, Center for Mental Health Services Mental Health, United States [2002]. *Mental Health, United States*, Rockville, MD, Author.).

The intent of this RFP is to ensure continued provision of Assertive Community Treatment services in Passaic County.

II. Program Description and Background

The Program of Assertive Community Treatment (**PACT**) is an evidence-based model of service delivery in which a trans-disciplinary, mobile, treatment team provides a comprehensive array of mental health and rehabilitative services to a targeted cohort of individuals with severe and persistent mental illness. The program is designed to meet the needs of individuals, who have experienced involuntary psychiatric hospitalization and have not benefited from traditional mental health programs.

In order to meet the unique needs of this targeted population, PACT teams offer highly individualized services, employ a low staff: consumer ratio, conduct the majority of their

contacts in natural community settings and are available for psychiatric crises 24 hours a day/7 days a week. Service intensity is flexibly and regularly adjusted to consumer needs and services are offered for an unlimited time period.

Fundamental to the PACT model is the tenet that PACT teams function as comprehensive, self-contained programs. Referral of consumers to other program entities for specialized mental health treatment, rehabilitation, and support services should be minimal.

The outcomes associated with PACT, nationally and locally, are highly consistent with the goals of the DMHS effort to transform the mental health system in New Jersey. Research on Assertive Community Treatments indicates that programs with high model fidelity are more effective than programs with lower adherence in reducing hospital use, reducing costs, improving substance abuse outcomes for individuals with dual diagnoses, and improving functioning and consumers' quality of life (Phillips et al., [2001]. *Moving Assertive Community Treatment into Standard Practice. Psychiatric Services, 52-771-779*).

PACT was first implemented in New Jersey in 1995. There are currently thirty one PACT teams serving all twenty one New Jersey Counties. PACT teams in New Jersey are staffed with a minimum of 8 FTEs, in addition to psychiatrist time, a full time secretary and 10 hours of program director (administrator) time (See N.J.A.C.10:37J2.8). The majority of PACT teams in New Jersey carry a caseload of 60-65 consumers. PACT is a long term service, with treatment having no pre-determined end point. As such, PACT teams' annual caseload turnover rates should not exceed 15%.

PACT is the first program element for which the NJDMHS has employed performance based contracting. All NJ PACT teams now receive an annual contract evaluation score that measures agency and program performance relative to eight contractual domains, including inputs, outputs, and consumer outcomes. These contractual specifications are: psychiatric in-patient hospital reduction (50% or higher); competitive employment rate (20 % of total caseload); educational enrollment rate (5% of total caseload); an annual consumer retention rate of 90% (not inclusive of consumers who are discharged due to functional improvement); a 100% staff-fill rate; maintaining capacity caseload and service intensity (annual minimum of 4100 face-to-face hours for a team of 8FTE)

III. Purpose of Request

The DMHS seeks proposals for the provision of PACT services in Passaic County. Based on longitudinal service utilization data specific to Passaic County, the DMHS anticipates the need for two PACT teams in Passaic County, with each team carrying a caseload of 60-65 consumers. This proposal is for the continuation of existing PACT services within Passaic County to mental health consumers currently enrolled, as well as new admissions for eligible consumers as need, vacancies, and resources allow.

IV. Funding Availability

The DMHS has approximately \$1.2M in annualized state funds available through this RFP. Total operational costs for two high fidelity PACT teams are estimated at approximately \$1.8M. PACT services are a NJDMAHS Medicaid reimbursable service at a monthly rate of \$1,377 per month per eligible consumer. Data suggests average rate of Medicaid eligibility for Passaic County PACT services is 60-65%. Applicants are expected to include projected Medicaid revenues in their budget and comply with relevant DMAHS Medicaid PACT Rules, N.J.A.C. 10:76.

Contingent on both continuing appropriations and achievement of contractual commitments, funding and contracts may be renewable. Programs awarded pursuant to this RFP will be separately clustered until such time as the DMHS determines, in its sole discretion, that the PACT program is stable in terms of service provision, expenditures and applicable revenue generation.

V. Applicant Qualifications

In order to be eligible for consideration for funding under this RFP, applicants must meet the following qualifications:

1. The applicant must be a fiscally viable profit or non-profit organization, and document demonstrable experience in successfully providing mental health support, rehabilitation, and treatment or housing services for adults with serious and persistent mental illness.
2. The applicant must be duly registered to conduct business in the State of New Jersey, or if not yet registered, eligible to register. (Note: registering as a business in the State of New Jersey will be a contractual requirement.)
3. The applicant must currently meet DMHS PACT licensing standards, N.J.A.C. 10:37J, or demonstrate the capability of meeting such standards within six months of operation.
4. The applicant must currently meet, or be able to meet, the terms and conditions of the Department of Human Services' contracting rules and regulations as set forth in the Standard Language Document, the Contract Reimbursement Manual (CRM), and the Contract Policy and Information Manual (CPIM).
5. Non-public applicants must demonstrate that they are incorporated through the New Jersey Department of State and provide documentation of their current non-profit status under Federal IRS 501 (c) (3) regulations, as applicable.

VI. Clustering, Incentives and Fiscal Consequences Related to Performance

The Program awarded pursuant to this RFP will be separately clustered until such time as the DMHS determines, in its sole discretion, that the program is stable in terms of service provision, expenditures and as applicable revenue generation.

Contract commitments will be negotiated based upon representations made in response to this RFP. Failure to deliver contract commitments may result in a reduction of compensation or contract termination.

The Program awarded pursuant to this RFP will be subject to the same contracting minimums as other New Jersey PACT programs. (See section II above)

VII. Proposal Content Requirements

Proposals will be evaluated based on the elements indicated below. At a minimum, all facets of the proposal must comply fully with the standards delineated in the NJ PACT regulations (N.J.A.C. 10:37J). The proposal must not exceed 30 pages (not inclusive of appendices and required attachments.)

All proposals must include responses that clearly correspond to the letters delineated in this section.

A. Description of the applicant organization including:

- 1) Primary corporate office location;
- 2) Applicant's status for federal income tax purposes;
- 3) Applicant's table of organization, inclusive of the proposed PACT program;
- 4) A brief description of the applicant's history, including the organization's experience over the last five (5) years in providing: outreach oriented treatment, rehabilitation, and recovery oriented services to individuals with serious mentally illness;
- 5) Evidence of the agency's commitment to the principles of wellness, recovery and consumer empowerment by describing specific organizational strategies or structures that have been employed in the last five years that would exhibit this;
- 6) Listing of all related corporations as disclosed in most recent audit report (and subsequently formed if applicable) and brief description of services provided and relationship to applicant; and

- 7) Listing of all reviews performed by the Department of Human Services (DHS), one of the operating divisions of DHS, or the Department of Health within the last five (5) years and the results of the reviews.
- B. Description of the geographic area (municipalities) covered by each PACT team, proposed location for the two teams and the space allocation for each team.
- C. The applicant must clearly articulate a commitment to provide the full range of services delineated in the NJ PACT regulations (See N.J.A.C. 10:37J) and discuss how this will be achieved.
- D. Detail the following related to program staffing:
- 1) The number of staff (in full time equivalents) who will be providing the proposed service, along with their specific titles and qualifications. (Job descriptions for each position must be included in an appendix.)
 - 2) The proposal must address how the selection of specific employee titles for PACT staff and program specific salary considerations will be incorporated into the existing agency human resource structure. (If the creation of new staff titles or modifications to existing staff titles is required in order to meet all the staffing requirements in the NJ PACT regulations, this must be clearly articulated.)
 - 3) Discussion of how the agency intends to account for the unique demands that high fidelity PACT places on staff (e.g. What specific compensation strategies will be used to ensure that after-hours service and 24/7 coverage are adequately built into the PACT program's structure?)
 - 4) Proposed process and schedule for staff recruitment. DMHS encourages that priority be given to current PACT staff in Passaic County. This will allow for minimal disruption in services to the consumers served by these PACT programs. Respondents are to describe the application and decision making process to be employed with both existing staff, and with overall staff recruitment.
- E. Demonstrate how the proposed service will integrate the following principles into service delivery:
- 1) Promotion of wellness and recovery;
 - 2) Culturally competent and linguistically accessible services;
 - 3) Demonstration of best practices;
- F. An overview of the total proposed PACT service package that results in the following:

- 1) Promotion of community inclusion;
- 2) Promotion of recovery oriented, rehabilitation outcomes;
- 3) Improved illness self-management;
- 4) Reduction of acute care service usage over time;

- G. A description of the administrative, supervisory and quality assurance activities that will be used by the provider agency to ensure success of the PACT program;
- H. A description of the management and supervision methods that will be used to support a high level of fidelity to the PACT model;
- I. Details regarding specific methods to be used to measure and evaluate the quality and fidelity of the PACT program; inclusive of proposed consumer outcomes;
- J. Details on the proposed staff schedule (inclusive of the psychiatrist) for service delivery, with specific detail as to how 24 hour availability and psychiatric emergencies will be addressed;
- K. A description of how formal coordination with other community agencies will be accomplished, and where possible, specification of such agencies;
- L. A copy of the organization's training plan;
- M. A proposed schedule, not to exceed four months from the date of final notification of the award, for assumption of services to the existing caseload of approximately one hundred and thirty consumers, with a detailed narrative for facilitating transfer of services from the current provider in a manner that ensures continuity of care. Rapidity, detail and logistical feasibility are critical.
- N. Letters of Support
- O. Required Respondent Assurances:

Express a written assurance that if your organization is funded pursuant to this RFP:

1. You will pursue all available sources of revenue and support upon award and in future contracts including your agreement to pursue Medicaid certification. Failure to obtain approval and maintain certification may result in termination of the service contract.

2. You will pursue available resources, e.g. grants, vouchers, rental assistance, etc. and collaborate with local housing authorities and/or other related housing development entities to develop, expand, and/or enhance housing options for PACT consumers in Passaic County.
3. You will work in cooperation with the regional and central offices of DMHS, County Mental Health Boards, State and County psychiatric hospitals, Systems Review Committees and county assessment teams to identify people to be served, meet data collection requirements, and participate in any standardized affiliation agreements that may be developed.
4. A letter of agreement to collaborate with a training entity, that has at least five years' of experience providing technical assistance specific to Assertive Community Treatment, for a period of no less than two years.
5. The program must be evaluated by DMHS to document compliance with the PACT standards and be licensed within the first six months of operation, regardless of whether a hospital based or clinic program. Failure to maintain any/all licensure from relevant licensing entities may result in termination of contract.

VIII. Budget Requirements

Provide detailed budget information employing the Annex B categories for expenses and revenues, utilizing the excel template which will be e-mailed based on the attendance list from the bidders' conference. The template contains three clearly labeled separate areas for each PACT team; one to show full annualized operating costs and revenues, one to show one-time costs; and one to show the phase-in operating costs and revenues related to your proposed start-up date through the end of the affected contract year. Note that the budget submission should be organized with separate columns (cost centers) for each PACT team.

Include a hard copy of the budget material with your proposal and email the completed file to Mahmood Ghauri at Mahmood.Ghauri@dhs.state.nj.us

All budget data, if approved and included in signed contracts, will be subject to the provisions of the DHS [Contract Policy & Information Manual](#), and the DHS [Contract Reimbursement Manual](#). These Manuals can be accessed from the Office of Contract Policy and Management (OCPM) webpage at:

http://dhs.state.nj.us/humanservices/ocpm/contract_manuals.htm

Budget notes are useful to help explain costs and assumptions made regarding certain non-salary expenses and the calculations behind various revenue estimates. Applicants must provide a detailed schedule supporting their calculations for each type of contemplated revenue. Narrative budget notes, detailing assumptions behind proposed costs and revenues must be included in the applicant's response. Please note that reviewers will need to fully understand the budget projections from the information presented, and failure to provide adequate narrative information could result in lower ranking of the proposal. Put notes to the maximum extent possible right on the budget file.

For personnel line items, staff names should not be included, but the staff position titles and hours per workweek and credentials are needed.

Staff Fringe Benefit expenses may be presented as a percentage factor of total salary costs, and should be consistent with your organization's current Fringe Benefits percentage.

Provide the number of hours associated with each line of any clinical consultants so that cost/hour may be considered by evaluators.

If applicable, General and Administrative (G & A) expenses, otherwise known as indirect or overhead costs, should be included if attributable and allocable to the proposed program. Because administrative costs for existing DMHS programs reallocated to a new program do not require new DMHS resources, limit your G & A expense projection to "new" G & A only by showing the full amount as an expense and the offsetting savings in other programs in the revenue section.

The information listed below is **REQUIRED FOR PROVIDERS NOT ALREADY UNDER CONTRACT WITH DMHS.**

- A. A copy of the applicant's code of ethics and/or conflict of interest policy;
- B. A copy of the applicant's most recent organization-wide audited financial statements;
- C. A copy of the applicant's certification of incorporation;
- D. A copy of the applicant's charitable registration status (if applicable);
- E. A list of the board of directors, officers and their terms of office;
- F. A list of those persons responsible and authorized within the organization to approve and certify binding documents, reports and financial information;
- G. A list of the name(s) and address (es) of those entities providing support and/or money to help fund the program for which the proposal is being made;

- H. A statement of assurance that all Federal and State laws and regulations are being followed. (Signed and dated)(Attachment B);
- I. The Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions (Signed and dated) (Attachment C);
- J. N.J.S.A. 52:34-13.2 Source Disclosure Certification (formerly Executive Order 129) (signed & dated); and
- K. Public Law 2005, Chapters 51 and 271 Compliance forms (formerly Executive Order 134) and Executive Order 117 (signed and dated) only for For-Profit organizations.

Proposals will be reviewed and rated by a review panel. The proposals will be rated on factors such as the scope and quality of the proposal and the appropriateness and reasonableness of the budget. Also the review panel may choose to visit an applicant's existing programs, request additional information, and/or have oral presentation to clarify or elaborate on parts of their proposal.

IX. Mandatory Bidders' Conference

All applicants intending to submit a proposal in response to this RFP must attend a mandatory Bidders' Conference. Proposals submitted by an applicant not in attendance will not be considered. The Bidders' Conference will be held from **10:00 a.m. to 12:00 p.m.** on **March 27, 2009** at the following location:

Location: Division of Mental Health Services
 Capital Center, 50 E. State St.
 3rd Floor - Conference Room, 336
 Trenton, NJ 08625

Bidders are required to pre-register for this session by telephoning John Verney, Statewide PACT Coordinator, at 973-977-4489 or via email at John.Verney@dhs.state.nj.us

Applicants who require special accommodations can articulate this when registering for the Bidders conference.

Please note: A copy of the DMHS PACT Rule, N.J.A.C. 10:37J and the DMAHS Medicaid PACT Rule, N.J.A.C. 10:76 describing the standards for program operations will be available to all bidders at the Bidders' Conference.

X. Submission Instructions

All proposals are due to the office below no later than April 23, 2009. Seven (7) copies of the proposal must be submitted to:

**John Verney
Statewide PACT Coordinator
Division of Mental Health Services
TDK Bank Building
100 Hamilton Plaza, Suite 615
Paterson, NJ 07505**

Proposal must be received **by 4:00 p.m. on April 23, 2009. No faxed or electronic submissions will be accepted.**

Awards will not be considered final until all timely appeals have been reviewed and final decisions rendered.

In addition, the Passaic County Mental Health Board Administrator (317 Pennsylvania Avenue, Paterson, NJ 07503, Attn: Francine Vince) must receive a copy of the proposal **by 4:00 p.m. on April 23, 2009.**

NO FAX SUBMISSIONS WILL BE ACCEPTED.

XI. Notification of Decisions

There will be a review process for all timely submitted proposals which materially comply with the content requirements required in this RFP.

Recommendations from affected County Mental Health Boards are being requested and will be strongly considered in final award determinations.

The DMHS reserves the right to reject any and all applications when circumstances indicate that it is in its best interests to do so.

The DMHS will notify all applicants of preliminary award decisions no later than May 22, 2009.

If awarded a contract, the applicant will be required to comply with the affirmative action requirements of P.L. 1975 c. 127 (N.J.A.C. 17:27).

XII. Appeals of Award Decisions

Appeals of any award determinations may be made only by the respondents to this RFP. All appeals must be made in writing and must be received by the DMHS at the address below no later than 4:00 p.m. on June 5, 2009. The written request must clearly set forth the basis for the appeal.

Correspondence related to appeals should be addressed to:

**Jonathan Poag, Acting Assistant Commissioner
Division of Mental Health Services
Capital Center, 3rd Floor
P.O. Box 727
Trenton, New Jersey 08625-0727**

Please note that all costs incurred in connection with any appeals of DMHS decisions are considered unallowable costs for purposes of DMHS contract funding.

Attachment A

**STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES**

**ADDENDUM TO REQUEST FOR PROPOSAL
FOR SOCIAL SERVICE AND TRAINING CONTRACTS**

Executive Order No. 189 establishes the expected standard of responsibility for all parties that enter into a contract with the State of New Jersey. All such parties must meet a standard of responsibility which assures the State and its citizens that such parties will compete and perform honestly in their dealings with the State and avoid conflicts of interest.

As used in this document "provider agency" or "provider" means any person, firm, corporation, or other entity or representative or employee thereof which offers or proposes to provide goods or services to or performs any contract for the Department of Human Services.

In compliance with Paragraph 3 of Executive Order No. 189, no provider agency shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b and e, in the Department of the Treasury or any other agency with which such provider agency transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i, of any such officer or employee, or any partnership, firm, or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13g.

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

No provider agency may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such provider agency to, any State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52:13D-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.

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

No provider agency shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the provider agency or any other person.

The provisions cited above shall not be construed to prohibit a State officer or employee or special State officer or employee from receiving gifts from or contracting with provider agencies under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards may promulgate.

Department of Human Services
Statement of Assurances

As the duly authorized Chief Executive Officer/Administrator, I am aware that submission to the Department of Human Services of the accompanying application constitutes the creation of a public document and as such may be made available upon request at the completion of the RFP process. This may include the application, budget, and list of applicants (bidder's list). In addition, I certify that the applicant:

- Has legal authority to apply for the funds made available under the requirements of the RFP, and has the institutional, managerial and financial capacity (including funds sufficient to pay the non Federal/State share of project costs, as appropriate) to ensure proper planning, management and completion of the project described in this application.
- Will give the New Jersey Department of Human Services, or its authorized representatives, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with Generally Accepted Accounting Principles (GAAP). Will give proper notice to the independent auditor that DHS will rely upon the fiscal year end audit report to demonstrate compliance with the terms of the contract.
- Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain. This means that the applicant did not have any involvement in the preparation of the RFP, including development of specifications, requirements, statement of works, evaluation of the RFP applications/bids.
- Will comply with all federal and State statutes and regulations relating to non-discrimination. These include but are not limited to: 1.) Title VI of the Civil Rights Act of 1964 (P.L. 88-352;34 CFR Part 100) which prohibits discrimination on the basis of race, color or national origin; 2.) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794; 34 CFR Part 104), which prohibits discrimination on the basis of handicaps and the Americans with Disabilities Act (ADA), 42 U.S.C. 12101 et. seq.; 3.) Age Discrimination Act of 1975, as amended (42 U.S.C. 6101 et. seq.; 45 CFR part 90), which prohibits discrimination on the basis of age; 4.) P.L. 2975, Chapter 127, of the State of New Jersey (N.J.S.A. 10:5-31 et. seq.) and associated executive orders pertaining to affirmative action and non-discrimination on public contracts; 5.) Federal Equal Employment Opportunities Act; and 6.) Affirmative Action Requirements of PL 1975 c. 127 (NJAC 17:27).
- Will comply with all applicable federal and State laws and regulations.

- Will comply with the Davis-Bacon Act, 40 U.S.C. 276a-276a-5 (29 CFR 5.5) and the New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.27 et. seq. and all regulations pertaining thereto.
- Is in compliance, for all contracts in excess of \$100,000, with the Byrd Anti-Lobbying amendment, incorporated at Title 31 U.S.C. 1352. This certification extends to all lower tier subcontracts as well.
- Has included a statement of explanation regarding any and all involvement in any litigation, criminal or civil.
- Has signed the certification in compliance with federal Executive Orders 12549 and 12689 and State Executive Order 34 and is not presently debarred, proposed for debarment, declared ineligible, or voluntarily excluded. Will have on file signed certifications for all subcontracted funds.
- Understands that this provider agency is an independent, private employer with all the rights and obligations of such, and is not a political subdivision of the Department of Human Services.
- Understands that unresolved monies owed the Department and/or the State of New Jersey may preclude the receipt of this award.

Applicant Organization

Signature: Chief Executive Officer or Equivalent

Date

Typed Name and Title

Certification Regarding Debarment
Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of facts upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

READ THE ATTACHED INSTRUCTIONS BEFORE SIGNING THIS CERTIFICATION.
THE INSTRUCTIONS ARE AN INTEGRAL PART OF THE CERTIFICATION.

Certification Regarding Debarment, Suspension, Ineligibility and
Voluntary Exclusion
Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by an Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Name and Title of Authorized Representative

Signature

Date

This certification is required by the regulations implementing Executive order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510