



Ensuring a Transparent Recovery from COVID-19 in New Jersey: Internal Controls and Procurement Compliance Resources

State of New Jersey, Office of the State Comptroller



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Internal Controls

Components of Internal Controls

An internal control is a process to aid an organization to meet its objectives for:

- Operational effectiveness and efficiency
- Reliable financial reporting
- Compliance with laws, regulations, and policies

Why It Matters: Internal controls help to mitigate the risk of fraud, waste, and abuse. Refer to the the [COSO model](#) and [GAO's Greenbook](#) to learn more.

Internal Control consists of five interrelated components that work together to achieve the entity's goals:

1. Control environment

Effective internal controls need positive and strong "tone from the top." That includes management's philosophy and operating style towards controls, human resources policies and practices, and organizational structure.

2. Risk assessment

A risk assessment is the evaluation to determine those areas and functions that have a risk of errors, noncompliance, and fraud. Controls can then be put in place to mitigate risk.

3. Control activities

Policies and procedures put in place to mitigate risk. Designed to help ensure management directives are carried out. Occur throughout the organization at all levels.

4. Information and communication

Systems that identify, capture and distribute information on organizations' financial and program operations. Help the entity obtain and process information to assess how it's doing and control operations.

5. Monitoring

Management's review of controls to verify they're in place and working towards desired results. Management must continually review performance during its monitoring of internal controls.

Understanding Fraud, Waste, and Abuse

Fraud

Fraud is the intentional or deliberate act to deprive another of property or money by deception or other unfair means.

It involves obtaining something of value through willful misrepresentation. Whether an act is, in fact, fraud is determined through the judicial or other adjudicative system and is beyond the auditors' professional responsibility (Source: Government Accountability Office, GAO).

Examples of fraud indicators include:

- Unsupported or unauthorized transactions
- Missing or altered documents
- Unusual delays in providing requested information
- Inadequate or absent internal controls

Waste

Waste is defined as the act of using or expending resources carelessly, extravagantly, or to no purpose.

Waste can include activities that do not include abuse and does not necessarily involve a violation of law.

Examples of waste include:

- Using funds for unnecessary reasons
- Travel costs that are contrary to existing policies

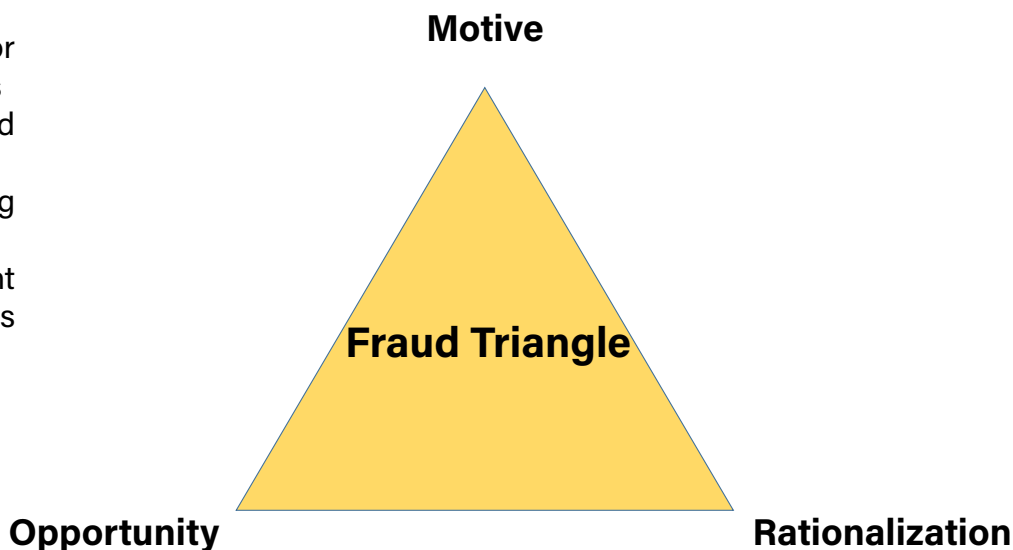
Abuse

Abuse is behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstance.

It excludes fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements.

Examples of abuse include:

- Unnecessary overtime
- Requiring staff to perform personal errands





Procurement Compliance

OSC Contract Review

Statutory Thresholds and Exemptions

Effective July 1, 2020 N.J.S.A. 52:15C-10

Contracts Greater Than \$12.5 Million:

Pre-advertisement review is required:

For any procurement process expected to be **greater than \$12.5 million**, notice and appropriate documentation must be submitted to OSC for review at least 30 days prior to advertisement.

Includes contract amendments valued at \$12.5 million or greater.

For valuation purposes, do not include optional contract terms or extensions – original contract term only. *N.J.A.C. 17:44-3.2*

Contracts Greater Than \$2.5 Million:

Post-award notice is required:

For contracts **greater than \$2.5 million but less than \$12.5 million**, Post-Award Notice must be submitted to OSC no later than 20 business days after award.

Includes contract amendments and extensions valued at \$2.5 million or greater.

For emergency contracts greater than \$2.5 million, Post-Award Notice must be submitted to OSC no later than 30 business days after award.

Exempt from OSC's Review:

- Collective bargaining agreements, *N.J.S.A. 52:15C-7(b)*
- Developers agreements under "Municipal Land Use Law," *N.J.S.A. 40:55D-1 et seq.*
- Redevelopment agreements entered into under the "Local Redevelopment and Housing Law," *N.J.S.A. 40A:12A-1 et al.*
- Financial agreements under the "Long Term Tax Exemption Law," *N.J.S.A. 40A:20-1 et seq.*
- Agreements under the "Five-Year Exemption and Abatement Law," *N.J.S.A. 40A:21-1 et seq.*
- Agreements entered into under section 7 of P.L.1989, c.207, *N.J.S.A. 54:4-3.145*
- Agreements entered into under sections 34 through 39 of P.L.1997, c.278, *N.J.S.A. 58:10B-26 through 58:10B-31*
- Agreements entered into under the "Municipal Land-fill Site Closure, Remediation and Redevelopment Act," *N.J.S.A. 13:1E-116.1 et al.*

Contract Review Submission Process for E.O. 166

1. Complete [form E1](#).

- Email completed form and relevant documents to **contracts@osc.nj.gov**

2. Submit all relevant documents in final form including:

- Proposed Advertisement
- Request for Proposals or Invitation to Bidders
- Statutory forms
- Waiver packet (with necessary approvals)

3. Within 10 business days of submission, OSC will:

- Review potential procurements for compliance with applicable laws, rules and regulations
- Inform the state entity of the changes needed to make the process legally compliant

4. For planning purposes, submit the final RFP, bid or waiver package to OSC not later than 10 business days prior to anticipated date of advertisement

5. Accountability Officers:

- Must be identified on submission form
- Must be available for questions
- Must send to OSC the final contract for posting on the COVID-19 Transparency website

What OSC Looks For

Contract Amendments & Extensions

Is the scope of work for the amendment consistent with the proposed contract?

Is the extension permitted within the terms of the contract and/or statutory limitations?

NOTE: if the scope of work for the proposed amendment is too far removed from the scope of work from the initial solicitation, it could result in a no-bid contract.

All Contracts:

OSC reviews all contracts for open competition, fairness and transparency.

The Supreme Court has said:

"The purpose is to secure competition and to guard against favoritism, improvidence, extravagance and corruption. Statutes directed toward these ends are for the benefit of the taxpayers and not the bidders; they should be construed with sole reference to the public good; and they should be rigidly adhered to by the courts."

Twp. of Hillside v. Sternin, 25 N.J. 317, 322 (1957).

Pre-Advertisement Review

We look at the contracting authority of the state department, agency or instrumentality.

We ensure that the solicitation is:

- Clear – scope of work.
- Doesn't favor a particular bidder.
- Prequalification requirements are reasonable and authorized by law.
- Evaluation criteria are reasonable and relate to the bid or RFP requirements.
- Contains all statutory requirements – forms & statutory language.

Post-Award Review

- Did the entity follow proper statutory procedures?
- Was the contract awarded on the proper basis (low bid vs. price & other factors)?
- Was the contract awarded for the correct duration?
- Did the bid or proposal comply with the solicitation?
- Were the required forms properly completed?
- If there was a bid protest or litigation, what went wrong?
- Need final contract to post on COVID-19 Transparency website: the RFP, the proposal or bid, and all signed forms

Public Contracting Statutory Requirements and References

- E.O. 166 (Murphy) – Notice to Proposers/ Bidders that approved contract will be posted on COVID-19 Transparency Website
- OSC Record Retention Language – *N.J.A.C.* 17:44-2.2
- Statement of Corporate Ownership – *N.J.S.A.* 52:25-24.2
- Business Registration Certificate – *N.J.S.A.* 52:32-44
- Source Disclosure – (contracts primarily for services shall be performed in the U.S.) – *N.J.S.A.* 52:34-13.2
- Affirmative Action/Equal Employment Opportunity – *N.J.S.A.* 10:5-31; *N.J.A.C.* 17:27; Include “Exhibit A” in all goods & services contracts
- Disclosure of Investment Activities in Iran – *N.J.S.A.* 52:32-55 *et seq.*
- Pay to Play, *N.J.S.A.* 19:44A-20.13 *et seq.* (P.L. 2005, Ch. 51); E.O. 117 (Corzine)
- Ch. 271 Vendor Certification and Political Contribution Disclosure, *N.J.S.A.* 19:44A-20.26 (P.L. 2005, Ch. 271) (contracts awarded by waiver)
- Annual Political Contribution Disclosure – *N.J.S.A.* 19:44A-20.27
- E.O. 189 (Kean) – Conflicts of Interest for Vendors
- Prompt Payment Act – Goods and Services State – *N.J.S.A.* 52:32-32 *et seq.*
- Independent State Authorities (sued & be sued AND bonding authority) – *N.J.S.A.* 52:32-39.1
- Diane B. Allen Equal Pay Act (Qualifying Services & Construction) *N.J.S.A.* 34:11-56.13 *et seq.*
- MacBride Principles (State Departments only) – *N.J.S.A.* 52:34-12.2
- Notice re Set-Off for Taxes – *N.J.S.A.* 54:49-19
- Contractor Warranty of No Solicitation – *N.J.S.A.* 52:34-15
- Small Business Set-Aside Goal (if applicable) must be included in advertisement – *N.J.S.A.* 52:32-23

Public Works Contracts:

- Prompt Payment Act – *N.J.S.A.* 2A:30A- 1 *et seq.*
- State Construction Prompt Payment Act – *N.J.S.A.* 52:32-40 *et seq.*
- Public Works Contractor Registration Act – *N.J.S.A.* 34:11-56.48 *et seq.*
- N.J. Prevailing Wage Act – *N.J.S.A.* 34:11-56.25 *et seq.*/Davis Bacon Act 40 U.S.C. 3141-3148
- Affirmative Action/EEO – *N.J.S.A.* 10:5-31; *N.J.A.C.* 17:27; Include “Exhibit B” in all construction contracts
- Mandatory Anti-Discrimination Language – *N.J.S.A.* 10:2-1
- Federal Debarment Certification – *N.J.S.A.* 52:32-44.1
- Buy American – *N.J.S.A.* 52:32-1; *N.J.S.A.* 52:33-1 *et seq.*

Compliance with Super Circular & Contracting by State Departments

Compliance with Super Circular

Compliance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards: Super Circular 2 *CFR* Part 200

When using federal funds, State must follow the same policies and procedures it uses for procurements from non-federal funds. 2 *CFR* 200.317

States must comply with:

- 2 *CFR* 200.322 - procurement of recovered materials
- 2 *CFR* 200.326 - Ensure that every purchase order or other contract includes any clauses required by 200.326

States must also comply with Subpart E Cost Principles at 2 *CFR* Part 200

Contracting by State Departments

Some Departments have no power or authority to make purchases or enter into contracts on their own.

- Division of Purchase and Property (DPP) in Treasury makes purchases of goods and services on behalf of these Departments. *N.J.S.A.* 52:25-6
- Division of Property Management & Construction (DPMC) in Treasury is responsible for the purchase or rental of properties and construction. *N.J.S.A.* 52:18A-151 and 153

Some Departments have limited power, power in some areas but not in others or implied power.

- For example, the Department of Transportation has authority over the construction and design of all roads but must purchase road salt through DPP. *N.J.S.A.* 27:7-21

Advertised Contracting: Independent State Authorities

Contracting by Independent State Authorities

- Created “in, but not of,” a state department
- As a “public body corporate and politic”
- “Instrumentality of the State”
- Must look to its enabling statute to determine contracting authority
- Typically, these are “sue and be sued” agencies, including:
 - NJ Transit – buses, rail, design-build, construction
 - NJ Turnpike Authority
 - Schools Development Authority
 - Economic Development Authority
 - Housing and Mortgage Finance Agency

On September 26, 2006, Governor Corzine issued Executive Order 37 to address, among other things, procurement by independent State authorities. E.O. 37 requires:

- Advertisement of all procurement contracts such that interested firms will receive appropriate notice and for each authority to create procedures for advertisement
- Contracts be awarded in accordance with pre-set, transparent procedures established by each authority and reviewed by the Governor’s Authorities Unit (GAU)
- Project specifications shall be made available to interested parties
- If the contract is to be awarded to the low bidder, bids shall remain sealed until opened

- Pre-bid conferences with interested parties may be held: the date, time and location shall be set forth in the advertised bid
- Absent exceptional circumstances, contracts for the purchase of materials, products, supplies and non-professional services shall be awarded to the lowest bidder
- Authority must justify by-passing the low bidder
- Contracts for professional or technical services may be awarded on the basis of multiple factors, not just cost
- Transparency: Any scoring factors and procedures shall be in writing
- Scoring system or specifications may not be drafted to steer the award
- Exceptions to advertisement include: public exigency, sole source and authorization from the GAU

BOTTOM LINE:

Where enabling statute is broad, but silent as to procedure, must comply with policies authorized by the Authority’s Board and EO 37.

Advertised Competition & Elements of Documents

Advertised Competition: Goods and Services

N.J.S.A. 52:34-12 requires that DPP:

- Advertise the request for proposals in newspaper and other media selected by the Treasurer;
- Must identify the time and location of where and how proposals will be submitted
- Open and publicly announce bids
- Include bid guarantee if required
- Provide notice of revisions or addenda must be given at least 7 days prior to opening

N.J.S.A. 52:34-12 provides the award shall be made to that responsible bidder whose bid, conforming to the invitations for bids, will be most advantageous to the State, price and other factors considered.

Allow for the “best and final offer” procedure

The Advertisement or Notice to Bidders, Bid Openings, and Pre-Bid Meetings

The Advertisement must include the basics:

- Date
- Time
- Place of bid opening
- Required statement: “Bidders are required to comply with the requirements of *N.J.S.A. 10:5-31 et seq.* and *N.J.A.C. 17:27 et seq.*
- Small Business Enterprise Set Aside Act, if applicable, *N.J.S.A. 52:32-23*

Must incorporate elements of distancing as required by E.O. 107:

- Is electronic procurement an option?
- If a pre-bid meeting is necessary, can it be conducted remotely?
- Maintain transparency and equal footing.
- Good reference: Local Finance Notices 2020-06 and 2020-10

Elements of Invitation to Bidders and Request for Proposals

Elements of the Invitation to Bidders: Construction Contracts

The contract = the RFP, response of the successful proposer (including signed forms), the State's Standard Terms and Conditions

Invitation to Bidders includes:

- Detailed scope of work - Specifications
- Design and building requirements (Plans & drawings)
- General Provisions (for construction) and/or Special Provisions
- Statutory Requirements and forms
- Instructions for Submitting a bid
- Bid proposal form (price sheet - often a lump sum)
- Prevailing wage rates
- Basis of award: lowest responsible bidder
- Adopt social distancing measures for construction sites in accordance with E.O. 122 superseded in part by E.O. 142 (Murphy)
- Notice to the Bidders that the final contract will be posted on the COVID-19 Transparency website

The contract = the Invitation to bid, response of the successful bidder (including signed forms), General Provisions, Special Provisions, Specifications, Plans and Drawings and Prevailing Wage Rates

Elements of the Request for Proposals: Goods and Services

- All contract requirements, deliverables and time frame for performance
- Detailed scope of work
- Instructions for submission of Proposal
- Price Sheet
- Statutory Requirements and forms
- Basis of award – most advantageous to the state, price and other factors
- Notice to the Proposers that the final contract will be posted on the COVID-19 Transparency website

The contract = the Request for Proposals, response of the successful bidder (including signed forms), the State Standard Terms and Conditions.

Exceptions to Advertising: Waivers

The Waiver Approval Process: State Departments

State Departments that purchase through DPP have to follow the Circular 18-14-DPP

There are eight questions you must answer to justify the waiver.

For federal reimbursement purposes, it is crucial to document the justification for the waiver.

Be specific about why the goods or services are needed and what actions that you took to try to obtain them through normal procurement channels.

For high demand items like PPE, document your attempts to purchase and why you were not able to make the purchase through ordinary channels.

Circular 18-14-DPP requires pre-approval by DPP by sending an email to Waiverpreapproval@treas.nj.gov with the following information/justification:

1. There is no State contract currently available for the good or service that is needed
2. The specific commodity or services needed
3. The statutory citation the agency is relying upon for the waived contract
4. The facts that support the justification for a public exigency
5. The amount of the proposed purchase
6. The term of the proposed contract
7. The funding sources
8. OMB and OIT approvals, when required.

You must also complete the Waiver Packet.

Pay-to-play disclosure waived by Treasurer for COVID-19 emergency contracts.

The Public Exigency Exception

State Departments

Statutory Authority: *N.J.S.A. 52:34-10(b)*

State Departments and Using Agencies without direct purchasing authority must follow Circular 18-14-DPP which includes the following definition:

Public exigency requires the immediate delivery of the goods or performance of the services. Waivers are granted for public exigency when the following conditions prevail and are documented by the using agency:

- Potential health or safety hazard exists;
- Homeland security of other purchases of goods and services, which cannot be publicly advertised because of an overriding State safety or security concern; and
- A critical agency mandate, statutory or operational requirement must be fulfilled immediately.

Independent State Authorities

Independent State authorities and instrumentalities of the State:

- first, look to statutory contracting authority
- if silent, follow E.O. 37 (Corzine)
- should have a Board authorized Procurement Policy for Emergency purchases

E.O. 37 requires:

- In cases of unforeseen life, safety, or health emergencies where the public exigency requires that services or products be purchased immediately, as demonstrated by the memorialized concurrence of three authority officials who have been pre-designated to make such determinations.
- Limited exception for purchasing those services or products necessary to mitigate the emergency situation.
- Board resolution shall justify the exigency circumstances
- Executive Director shall certify that the circumstances warrant application of the exception

The Sole-Source Exception

State Departments

Statutory Authority: *N.J.S.A. 52:34-10(c)* allows for a purchase to be made without advertising when only one (1) source of supply is available.

State Departments and Using Agencies without direct purchasing authority must follow Circular 18-14-DPP which includes the following:

- The agency must document thoroughly why the recommended contract is the only available source that can provide the item or services required and why seemingly comparable products do not satisfy the documented needs of the agency.
- A thorough explanation must be included as to what attempts were made to obtain competition and the results.
- Sole-source justification is a legal determination subject to the review and approval of the Attorney General's office.

Independent State Authorities

Independent authorities- instrumentalities of the State:

- first look to statutory contracting authority
- if silent, follow E.O. 37 (Corzine)
- should have a Board authorized Procurement Policy for Emergency purchases

E.O. 37 requires:

- Sole-source awards made when there is only one vendor capable or available to provide the goods or services.
- Should be used only in exceptional circumstances and only when necessary.
- Designated agency officer shall write and sign a memorandum of justification
- Board resolution shall justify the exigency circumstances
- Executive Director shall certify that the circumstances warrant application of the exception

Conflicts of Interest & Federal Requirements

Conflicts of Interest — Vendor Code of Ethics

E.O. 189 (Kean) — requires the State and independent State agencies include specific vendor prohibitions in all requests for proposals

Statutory Ownership Disclosure *N.J.S.A. 52:25-24.2* — requires bidders to disclose ownership interests of 10% or more so the State and the public are aware of the “real parties in interest”

Organizational Conflicts of Interest — if using a consultant or third party to develop or assist in developing specifications, scopes of work, invitations for bids or requests for proposals, that consultant or third party must be precluded from competing in the procurement

Federal Requirements: Public Exigency and Sole Source Exceptions

2 *CFR* 200.320(f) — Procurement by non-competitive proposals.

- Applies to both Public exigency or emergency and single source
- Carefully document the justification and how the situation created an urgent need to perform the work sooner than a competitive process would allow
- Once the urgent need has ended transition to a competitively procured contract
- Avoid:
 - long-term contracts
 - contract should be just long enough for agency to get through the emergency
 - “time and materials” contracts without a ceiling price and without documenting why another type of contract is not suitable
 - “cost-plus-percentage of cost” or “percentage-of-construction cost” contract

Must include required federal contract provisions, 2 *CFR* Part 200, Appendix II, and ensure contractors/vendors are not suspended or debarred on SAM.

Using State Contracts & E.O. 166

Competition was already conducted by Division of Purchase and Property.

- Using agencies may make purchases from that State Contract
- Typically, contracts with firm fixed price (WB Mason)
- Other cooperative contracts have a Method of Operation

Submit to OSC for E.O. 166 review if:

- Using COVID-19 Recovery Funds
- Value is over \$150,000
- Method of operation requires:
 - Mini-bid process seeking quotations
 - Development of the vendor's scope of work

[List of COVID-19 Emergency Contracts found here.](#)

Under the Bid Threshold: Delegated Purchasing Authority

Even though purchase amount is under the state threshold, the federal requirements still apply.

The Treasurer's April 8, 2020 memorandum increased the threshold to \$250,000. Purchases between \$150,000-\$250,000 using the DPA have to be submitted to OSC & follow Circular 21-02-DPP

Applies to:

- Department of Health
- Department of Law and Public Safety – NJ State Police/OEM
- Department of Human Services
- Department of Children and Families

State Departments with Increased Delegated Purchasing Authority

You must:

- Obtain three written quotations
- Follow Circular 21-02-DPP
- Complete ADMF-120 Agency Request for Proposal form
- Should post on Agency website
- Open proposals on designated return date and hour
- Internal controls:
- Time stamp
- Do not open proposals before designated time
- Do not accept late proposals
- Maintain fairness among proposers

The Super Circular: Federal Requirements

Federal Required Clauses

Include all of the required federal required provisions in every federally funded contract!

Refer to 2 *CFR* Part 200, Appendix II

Good Reference: State updated its Standard Terms and Conditions.

All of these federal provisions are included in the current version of the State's Terms and Conditions (revised as of 10/21/19) which can be found on page 25.

Oversight of Contractors

- Contract management should be directly tied to the development of the RFP
 - RFP should be clear
 - Deliverables should be clear
 - Reporting
- Performance under the contract should be in accordance with contract requirements

2 *CFR* 200.318(b) – non-federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions and specifications of their contracts and purchase orders

Oversight of Sub-recipients

Sub-recipient = entity that receives a sub-award from the State (pass-through entity)

Grants are not subject to E.O. 166 review BUT – keep in mind:

Non-federal entities, including sub-recipients of the state will follow 2 *CFR* 200.318 through 326.

- 2 C.F.R. 200.318 – The non-federal entity must use its own documented procedures which reflect applicable State and local laws, provided that the procurements conform to applicable Federal law and the standards in this part.

If a direct conflict exists between state and federal law, follow the more restrictive requirement.

If you're making a grant, you are responsible for your sub-recipients:

2 *CFR* 200.331 – Requirements for pass-through entities include:

- Monitoring sub-recipient activities to ensure compliance with the terms of the subaward
- Taking corrective action if deficiencies are found in sub-recipient performance
- Reviewing financial and performance reports in a timely manner
- Issuing a management decision for audit findings pertaining to the federal award provided to the sub-recipient from the pass-through entity as required by 200.521

2 *CFR* 200.331 – Sub-recipient monitoring:

- Provide training and technical assistance on program-related matters
- Perform on-site review(s) of the sub-recipient's program operations

Important Definitions

State

means any State and agency or instrumentality thereof, excluding local governments. 2 *CFR* 200.90

Local Government

means any unit of government within a state, including a municipality and county or instrumentality of thereof such as county colleges. 2 *CFR* 200.64

Non-federal entity

means a state, local government, institution of higher education, or non-profit organization that carries out a Federal award as a recipient or subrecipient. 2 *CFR* 200.69

Pass-through entity

means a non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program. 2 *CFR* 200.74

Sub-award

means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract. 2 *CFR* 200.92

Sub-recipient

means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency. 2 *CFR* 200.93

For full definitions, see 2 *CFR* Part 200, Subpart A.



Additional Resources

Internal Controls Additional Resources

General Useful Internal Controls Resources

- [State of New Jersey, Office of the State Comptroller's Guide to Internal Controls](#)
- [Committee of Sponsoring Organizations of the Treadway Commission \(COSO\) Framework](#)
- [U.S. Government Accountability Office \(GAO\) Standards for Internal Control \(aka "The Green Book"\)](#)

CARES Act/COVID-19-Specific Resources

- [Office of Inspector General, Memorandum for Coronavirus Relief Fund Recipients](#)

Federal Resources from EPA (ARRA and Sandy-Specific)

- [Office of Inspector General, When Good Money Goes Bad: True Stories of Grant Fraud at EPA](#)
- [Office of Inspector General, When Good Money Goes Bad: True Stories of Fraud in the EPA Superfund Program](#)
- [Office of Inspector General, When Good Money Goes Bad: True Stories of Contract Fraud at EPA](#)
- [Office of Inspector General, Fraud, Waste, and Abuse: Prevention, Detecting, and Reporting](#)

Procurement Compliance Additional Resources

OSC Application Forms

- [Form E1 \(Pre-Advertisement Notice for Contracts\)](#)
- [Form E2 \(Post-Award Notice for Contracts\)](#)
- Submit completed forms and relevant documents to **contracts@osc.nj.gov**

COVID-Related Resources

- [Local Finance Notice 2020-6, Coronavirus Response: Emergency Procurement & Use of Storm Recovery Reserves, Division of Local Government Services](#)
- [Local Finance Notice, 2020-10, COVID-19 - Supplemental Emergency Procurement Guidance, Department of Community Affairs, Division of Local Government Services](#)
- [List of State COVID Emergency Contracts](#)
- [Waiver of Pay-to-Play for Emergency Procurements](#)

Executive Orders

- [Executive Order 166 \(Murphy\) — COVID Recovery](#)
- [Executive Order 122 \(Murphy\)](#)
- [Executive Order 142 \(Murphy\)](#)
- [Executive Order 37 \(Corzine\)](#)
- [Executive Order 189 \(Kean\)](#)

Procurement Compliance Additional Resources

Additional Useful Contracts Review References

- [State of New Jersey Standard Terms and Conditions](#)
- [2 CFR Part 200, Appendix II](#)
- [Circular 21-02-DPP — Delegated Purchasing Authority for Goods and Services, N.J. Department of the Treasury](#)
- [Circular 18-14-DPP — Requests for Waivers of Advertising, N.J. Department of the Treasury](#)
- [Top 10 Procurement under Grant Mistakes that Can Lead to Loss of FEMA Public Assistance Funding](#)

Notice of Executive Order 166 Requirement for Posting of Winning Proposal and Contract Documents

Principal State departments, agencies and independent State authorities must include the following notice in any solicitation:

Pursuant to Executive Order No. 166, signed by Governor Murphy on July 17, 2020, the Office of the State Comptroller ("OSC") is required to make all approved State contracts for the allocation and expenditure of COVID-19 Recovery Funds available to the public by posting such contracts on an appropriate State website. Such contracts will be posted on the New Jersey transparency website developed by the Governor's Disaster Recovery Office (GDRO Transparency Website). The contract resulting from this [RFP/RFQ] is subject to the requirements of Executive Order No. 166. Accordingly, the OSC will post a copy of the contract, including the [RFP/RFQ], the winning bidder's proposal and other related contract documents for the above contract on the GDRO Transparency website.

In submitting its proposal, a bidder/proposer may designate specific information as not subject to disclosure. However, such bidder must have a good faith legal or factual basis to assert that such designated portions of its proposal: (i) are proprietary and confidential financial or commercial information or trade secrets; or (ii) must not be disclosed to protect the personal privacy of an identified individual. The location in the proposal of any such designation should be clearly stated in a cover letter, and a redacted copy of the proposal should be provided. A Bidder's/Proposer's failure to designate such information as confidential in submitting a bid/proposal shall result in waiver of such claim.

The State reserves the right to make the determination regarding what is proprietary or confidential and will advise the winning bidder/proposer accordingly. The State will not honor any attempt by a winning bidder/proposer to designate its entire proposal as proprietary or confidential and will not honor a claim of copyright protection for an entire proposal. In the event of any challenge to the winning bidder's/proposer's assertion of confidentiality with which the State does not concur, the bidder /proposer shall be solely responsible for defending its designation.

Created: July 21, 2020

Do you suspect waste, fraud or abuse?

Email the New Jersey Office of the State Comptroller at **comptrollertips@osc.nj.gov** or call our Government Fraud and Mismanagement Hotline at **1-855-OSC-TIPS** (1-855-672-8477). We'll keep your tip anonymous.