



# State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND  
PROPERTY  
PROCUREMENT BUREAU  
PO BOX 230  
TRENTON, NJ 08625-0230

**CHRIS CHRISTIE**  
*Governor*

**KIM GUADAGNO**  
*Lt. Governor*

**ANDREW P. SIDAMON-ERISTOFF**  
*State Treasurer*

**JIGNASA DESAI-MCCLEARY**  
*Director*

April 4, 2013

To: All Interested Bidders

**Re: RFQ768892S**  
**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**

Proposal Due Date: **Monday, April 8, 2013 (12:00 p.m.)**

## **Modification #8**

The following constitutes Modification #8 to the above referenced solicitation. This modification consists of the following part:

**Part 1:** Additions, deletions, clarifications and modifications to the RFQ

It is the bidder's responsibility to ensure that all changes are incorporated into the original RFQ.

All other instructions, terms and conditions of the RFQ shall remain the same.

**Part 1**  
**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**  
**RFQ768892S**

**Additions, Deletions, Clarifications and Modifications to the RFQ**

#	Page #	RFQ Reference	Modifications
1	3	1.2 Proposal Submission	<p>The following language is added to Section 1.2:</p> <p>Any proprietary and/or confidential information in your quotations will be redacted by the State. A bidder may designate specific information as not subject to disclosure pursuant to the exceptions to OPRA found at <u>N.J.S.A. 47:1A-1.1</u>, when the bidder has a good faith legal and or factual basis for such assertion. The State reserves the right to make the determination as to what is proprietary or confidential, and will advise the bidder accordingly. The location in the proposal of any such designation should be clearly stated in a cover letter. <u>The State will not honor any attempt by a bidder to designate its entire proposal as proprietary, confidential and/or to claim copyright protection for its entire proposal.</u> In the event of any challenge to the bidder's assertion of confidentiality with which the State does not concur, the bidder shall be solely responsible for defending its designation.</p>



# State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND  
PROPERTY  
PROCUREMENT BUREAU  
PO BOX 230  
TRENTON, NJ 08625-0230

**CHRIS CHRISTIE**  
*Governor*  
**KIM GUADAGNO**  
*Lt. Governor*

**ANDREW P. SIDAMON-ERISTOFF**  
*State Treasurer*  
**JIGNASA DESAI-MCCLEARY**  
*Director*

April 3, 2013

To: All Interested Bidders

**Re: RFQ768892S**  
**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**

**Revised Proposal Due Date: Monday, April 8, 2013 (12:00 p.m.)**

## **Modification #7**

The following constitutes Modification #7 to the above referenced solicitation. This modification is divided into the following parts:

**Part 1:** Questions and Answers and

**Part 2:** Additions, deletions, clarifications and modifications to the RFQ.

**Please note that a FINAL PRICE SCHEDULE, dated April 3, 2013, is provided to Bidders at the end of this document.**

It is the bidder's responsibility to ensure that all changes are incorporated into the original RFQ.

All other instructions, terms and conditions of the RFQ shall remain the same.

**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)  
RFQ768892S**

**Additional Questions & Answers**

Note: Some of the questions have been paraphrased in the interest of readability and clarity. Each question is referenced by the appropriate RFP page number(s) and section where applicable.

#	Page #	RFQ Section Reference	Question	Answer
1	1	Cover Page	<p>Can you please confirm that the deadline for the above reference RFQ has been extended to April 4, 2013?</p> <p>Also, can you provide us the name and address of the individual who is to receive the completed RFQ? Thank you.</p>	<p>The Revised Proposal Due Date is Monday, April 8, 2013 at 12:00 p.m. Eastern Time.</p> <p>The proposal should be submitted in PDF form by email to: <a href="mailto:Kelly.anderson-thomas@treas.state.nj.us">Kelly.anderson-thomas@treas.state.nj.us</a> or through the GSA eBuy system.</p> <p>If the bidder is submitting a hard copy, please deliver to:</p> <p>Department of the Treasury Division of Purchase &amp; Property Procurement Bureau 33 W. State Street, 9<sup>th</sup> Floor P. O. Box 230 Trenton, NJ 08625-0230 Attn: Kelly Anderson-Thomas</p> <p>Please note that hard copy submissions must be received by the Revised Proposal Due Date of Monday, April 8, 2013 at 12:00 p.m. Eastern Time.</p>
2	1	Cover Page	Can the State provide an additional week extension to allow for adequate time for proposal changes based on answers to questions?	No, given the emergent need to proceed with this procurement, the State cannot delay another week. However, please note that the revised Proposal Due Date is Monday, April 8, 2013 at 12:00 p.m. Eastern Time.
3	2	1.0 Purpose and Intent	Please clarify the auditing licensing requirements for this RFQ.	Any audit report issued pursuant to the professional standards must be submitted by a licensed firm in accordance with <u>N.J.S.A. 45:2B-62</u> .
4	2	1.0 Purpose and Intent	The RFQ was posted for GSA schedules SIN's 520-13 and 874-1. If the proposing GSA Contractor does not have a corresponding GSA contract under these SIN categories, can it submit its "Price Schedule" utilizing other existing and audited federal contract rates that will be mapped to the RFQ staff classifications?	<p>The RFQ was posted to GSA Schedules 520 and 874, however all GSA contractors under any Schedule can submit a proposal. All Price Schedules must adhere to the RFQ.</p> <p>Bidders not listed on Schedules 520 or 874 should reference their GSA Schedule next to the Bidder's name on the Final Price Schedule, dated April 3, 2013..</p>
	2	1.0 Purpose and Intent	My firm would like to submit a proposal for the above referenced RFQ, however, we are not an approved GSA vendor at this	No, a bidder must be a GSA approved vendor.

#	Page #	RFQ Section Reference	Question	Answer
			time. Is there an alternative way to submit our proposal for the RFQ?	
	4	1.4 Engagement Process	This section states that “any firm that submits lower pricing for a specific project will be held to that lower pricing for all future engagements”. As a follow-up to the answer provided by the State our firm would like to clarify whether it is the State’s intent that any discount provided in response to a given Task Order for a specific pool, apply <u>ONLY</u> to the Price Schedule for that specific pool going forward, or would it be applicable to that contractor for the Price Schedules on all future Task Orders on <u>ALL</u> pools?	In the scenario described, the discounted rate would only apply to that specific pool going forward.
5	5	1.5 Joint Venture	Can two subcontractors form a joint venture?	Yes, in accordance with the requirements of Section 1.5.
6	6	1.6 Small Business Subcontracting Set-Aside Contracts	In regards to the SBE New Jersey % Goal that are registered with the NJ Division of Revenue as a SBE can you please answer the following:  Does the certification need to be obtained prior to award of contract?	Such certification is desired with the proposal but not required. Bidders are referred to the SBE requirements as set forth in NJAC 17:13-1.1 et seq.
	6	1.6 Small Business Subcontracting Set-Aside Contracts	Can you tell us how us how to find interested NJ partners for subcontracting?  When we go to the following url: <a href="https://www6.state.nj.us/CEG_SAVI/jsp/vendorSearch.jsp">https://www6.state.nj.us/CEG_SAVI/jsp/vendorSearch.jsp</a> to search for prospective NJ SBE partners (on p. 6 of the RFQ), we do not get a list of registered firms.	Please refer to Section 1.6 of the RFQ.  The intent of this link is not to provide a list of small business contractors but to enable bidders to enter the name of a firm they have identified as a potential subcontractor to ascertain whether the potential subcontractor is registered as a small business.
7	9	3.0 Scope of Services	Will the State accept the substitution of a certified fraud examiner for the certified public accountant required in Section 3.0 of the solicitation?	Bidders should note that having a CPA on staff or as a subcontractor is not a requirement but is desirable, A bidder should propose a staffing complement that best positions the bidder as demonstrating its ability to successfully perform the requirements of the RFQ.
8	9	3.0 Scope of Services	Does a bidder need all requirements in particular pool to qualify for other task orders in the same pool?	Yes, bidders need to meet all of the requirements of a pool to be considered for award to that pool, however this will include subcontractor capabilities.
9	12	3.5 Litigation Services	The RFQ indicates: “The contractor(s) shall represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.”  Can you please clarify that this only applies to law firms not CPA firms?  As a CPA firm we can agree to be a fact witness with respect to our work under the	Please note that <b>Section 3.5 Litigation Services</b> of the RFQ has been revised as follows:  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers developed by the contractor in assisting the State and any of its political subdivisions in defending any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.

#	Page #	RFQ Section Reference	Question	Answer
			contract, but, ultimately the decision to implement a recommendation and how that recommendation is implemented remains (as it should) the sole responsibility of the State.	This revision shall apply to all contractors.
10	14	4.4 Organizational Support and Experience	After reviewing the file posted for Modification 5, I noticed that the Subject Matter Expert labor category was dropped. I want to confirm that was intentional and not an oversight.	The State has reconsidered its determination to eliminate this labor category. The State is reinstating the Subject Matter Expert (SME) labor category and providing additional information on all labor categories in Part 2 of this Modification.
11	15	4.5 Resumes	Since resumes are required for all personnel that may work on the resulting contract, if a person can work on all 3 pools, may we submit a single resume for such personnel a particular pool and reference that resume in the other pools where that person is proposed?	Yes, it is acceptable for bidders to submit one resume for individuals that are intending to work in multiple pools. Bidders must clearly indicate the specific pools for each resume.
12	15	4.5 Resumes	In regard to the number of pages per pool, if proposing on all three pools, can the average number of pages be 25 per pool? That is, 20 pages for one pool, 20 pages for another and 35 pages for the third pool?	No. The page limit per pool is 25 pages for a bidder's technical proposal. Resumes and other required forms and documents are not included in the page count.
13	16	4.7 Proposal Content	Since Modification 5 limits the number of pages for each pool to 25 each, will the required State of New Jersey forms count against the page limit for each pool?  Can the forms be included in Volume 2, Price Schedule?	The required forms do not count toward the 25 page limit.  No, bidders must provide all required forms in Volume 1, Technical Proposal.
14	16	4.7 Proposal Content	Can the State confirm that information in tables and graphics can be smaller than the 12 point font limit?	The State confirms that information in tables and graphics can be smaller than the 12 point font limit, however bidders should be mindful to present information a a manner that is easily read.
15	16	4.6.2 Disclosure	The State's response to question #133 of Modification 5 indicates four other consulting firms are providing disaster recovery consulting services. Can you identify which specific Enterprise entity is providing these services?	The Enterprise entity is Enterprise Community Partners
16	16	4.6.3 Financial Capability of the Bidder	Can a majority bidder within a joint venture have this requirement while the minority bidder does not?	A bidder should submit what information it determines best demonstrates the bidder's financial capacity and capabilities to successfully meet the requirements of the RFQ.
		6.0 Cost Proposal	This section states that "hourly rates will be in effect for the entire term of the contract, including any renewal terms". Page 25 of the Revised RFQ dated March 27, 2013 provides a Revised Price Schedule, which has been changed to request that bidders specify rates for Base Year 1, 2 and 3 for each labor category, by pool.	Yes.

#	Page #	RFQ Section Reference	Question	Answer
			Is it the State's intent to allow for different rates for Base Years 1, 2 and 3, and then maintain the Year 3 rates in effect for the remainder of the contract period, inclusive of extensions?	
17	24	12.0 Additional Requirements	Since the question about having a New Jersey business registration was not answered until April 1 <sup>st</sup> , it would seem reasonable that an application for a business application would be appropriate for inclusion in the proposal, if a final registration has not been issued by the bid closing date.	Please note that a Business Registration Certificate is required prior to a contract award, not by the Proposal Due Date. If not already registered with the New Jersey Division of Revenue, registration can be completed online at the Division of Revenue website:  <a href="http://www.nj.gov/treasury/revenue/gettingregistered.shtml">http://www.nj.gov/treasury/revenue/gettingregistered.shtml</a>
18	23	12.0 Additional Requirements	Can the State provide instructions for obtaining the 'Waiver Number' referenced on the 'Source Disclosure Certification Form'?	The Waiver Number is <u>RFQ768892S</u> .
		NJ Standard Terms & Conditions	Large professional services firms typically require the inclusion of a limitation of liability (LOL) clause in any contract for consulting services. We understand that some task orders under this contract may be for audit services and some may be for consulting type services. We ask that the State consider allowing us to include an LOL term as noted below in any task orders for consulting services consistent with customary practices. Will the State include a <b>Limitation of Liability</b> clause in the resulting contract, as has been done in the past with professional services contracts, such as the following? "Notwithstanding anything else herein to the contrary, the liability of the Contractor on account of any actions, damages, claims, liabilities, costs, expenses or losses in any way arising out of or relating to the services performed under a Task Order issued pursuant to the Contract shall be limited to the amount of fees paid or owing to Contractor under the relevant Task Order. In no event shall Contractor be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). This section shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss asserted, whether in contract, statute, tort (including but not limited to negligence) or otherwise and shall survive termination or expiration."	The State has reviewed your request and does not agree to this modification. Please review question #98 of Modification #5.
		NJ Standard Terms & Conditions	This question did not appear to be answered in the Q&A in Modification 5. <b>Use of Third Party Service Providers</b> –  Per AICPA standards, we are required to disclose the use of third party service providers. Like most large organizations,	The State has reviewed your request and does not agree to this modification. Please review question #151 of Modification 5.

#	Page #	RFQ Section Reference	Question	Answer
			<p>our firm outsources (both on shore and off-shore) many internal, administrative functions such as timekeeping, word processing, human resources, etc. We can confirm that no direct activity in the delivery of the scope of work will be off-shored and that all direct engagement work will be performed in the U.S. The following provides additional information about our use of third parties for administrative and clerical services: "The Government acknowledges that in connection with the performance of services under the Contract, Contractor uses third party service providers within and without the United States to provide at Contractor's direction administrative and clerical services to Contractor. These third party service providers may in the performance of such services have limited access to information, including but not limited to confidential information, received by Contractor from or at the request or direction of the Government. Contractor represents to the Government that each such third party service provider has agreed to conditions of confidentiality with respect to the Government's information to the same or similar extent as Contractor has agreed to pursuant this Contract. Contractor has full responsibility to cause these third party service providers to comply with such conditions of confidentiality and Contractor shall be responsible for any consequences of their failure to comply. Accordingly, the Government consents to Contractor disclosure to a third party service provider and the use by such third party service provider of data and information, including but not limited to confidential information, received from or at the request or direction of the Connector for the purposes set forth herein. The Government agrees that any claim relating to the services under the Contract may only be made against Contractor and not any third party service provider referred to above."</p> <p>Can the State acknowledge that in connection with the performance of services under the Contract, Contractor uses third party service providers within and without the United States to provide at Contractor's direction administrative and clerical services to Contractor?</p> <p>Without such acknowledgement our firm may not be in compliance with professional standards.</p>	



#	Page #	RFQ Section Reference	Question	Answer
	25	Price Schedule	It is noted that a "Total by Contract" line item was added within the Pricing tables in the revised RFQ. Since the number of hours will be determined at the Task Order level, it is our assumption that the amount to be entered for this line item is simply a sum of the rates proposed. Is this correct? Please confirm or clarify.	Please review the attached Final Price Schedule, dated April 3, 2013, at the end of this document.
	25	Price Schedule	In the revised price schedule, there is a total by contract for each year and for all years. The price schedule is for hourly rates. Please explain what is required.	Please review the attached Final Price Schedule, dated April 3, 2013, at the end of this document.
	25	Price Schedule	Is the contractor limited to the staffing classifications provided in the RFQ, or can the contractor propose new staffing classifications that may be required to complete the work?	Yes, the bidder is limited to the labor categories presented in the Final Price Schedule dated April 3, 2013. Please note that Part 2 of this Modification reinstates the Subject Matter Expert (SME) labor category and provides additional information on all labor categories.

**Part 2**  
**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**  
**RFQ768892S**

**Additions, Deletions, Clarifications and Modifications to the RFQ**

#	Page #	RFQ Reference	Modifications
1	Cover Page	Proposal Due Date	The Proposal Due Date has been extended to Monday, April 8, 2013 at 12:00 p.m. Eastern Time.
2	RFQ	RFQ	Please note that proposals should be submitted in PDF form by email to: <a href="mailto:Kelly.anderson-thomas@treas.state.nj.us">Kelly.anderson-thomas@treas.state.nj.us</a> or through the GSA eBuy system.
3	9	3.1 Pool 1 – Program and Process Management Auditing	This section is revised to add the following service: j) Conducting on-site and remote monitoring for compliance with CDBG-DR requirements, cross cutting federal requirements including Section 3 compliance, FEMA, SBA, EPA, OMB circulars and other federal and state requirements.
4	14	4.4 Organizational Support and Experience	Please note this Section has been modified as follows on the next page of this document. This page presents a revised list of labor categories with descriptive information.
5	25	Price Schedule	Please review the Final Price Schedule dated April 3, 2013 at the end of this document..

#### 4.4 ORGANIZATIONAL SUPPORT AND EXPERIENCE

The bidder must identify its staffing complement by resume, experience, and hourly rate in accordance with the following general labor categories:

- a) **Partner/Principal/Director** - An individual who has ownership in the firm, if applicable to the structure of the company and extensive experience and/ or managerial ability within the firm. This individual would organize, direct and manage support services for all activities covered by this contract and is charged with overall management.
- b) **Program Manager** - Individuals reporting directly to the Partner/Principal/Director and acting as a liaison to all project staff. Individuals would possess knowledge and experience in providing strategic direction, vision, leadership and program management to the team. The Program Manager would also maintain productive and effective client relationships with the most senior levels of the client organization.
- c) **Project Manager** –Individuals responsible for managing the resources of projects. This individual is responsible for making sure a project is completed within a certain set of restraints. These restraints usually involve time, money, people and materials. The project must then be completed to a certain level of quality.
- d) **Subject Matter Expert (SME)** – Individuals with a definitive source of knowledge who communicate their extensive experience with regard to a specific subject area to other professionals within an organization. The subject matter expert has an advanced degree, professional certification or license within their field of study, functions as a resource for their knowledge area, and supplies their expertise through the entire process of bringing a project to fruition.
- e) **Supervisory/Senior Consultant** –Individuals who would be a managing consultant for projects. A Senior Consultant would develop strategic plans and advise on function specific strategies. This individual would also oversee the improvement of methodologies and analysis implementation.
- f) **Consultant** – Individuals that possess knowledge, some experience, and capabilities in the development of solutions, recommendations, or outcomes across multiple tasks and/or organizations. The consultant would support the development of solutions to address an organization's challenges and project objectives. The individual would assist in the assessment of the impact of industry trends, policy, or standard methodologies. Consultants may include individuals who will carry out such functions as analyses, report documenting, proposal development, or implementation efforts.
- g) **Associate/Staff** - A supervised field individual who will support the program/project in the preparation of deliverables, internal reports, briefings, and other requirements.
- h) **Administrative Support Staff** - Individuals performing office support functions such as clerical, data entry, document preparation.

**FINAL PRICE SCHEDULE**

**April 3, 2013**

**PROGRAM AND PROCESS MANAGEMENT AUDITING, FINANCIAL AUDITING AND  
GRANT MANAGEMENT, INTEGRITY MONITORING SERVICES, & OTHER RELATED  
SERVICES FOR DISASTER RECOVERY AND LONG TERM PLANNING PROJECT  
(HURRICANE SANDY)  
RFQ**

Refer to RFQ Section 3.0 (Scope of Work) for task requirements and deliverable, Section 4.4 (Staff Classifications), and Section 6.0 (Cost Proposal) for additional information regarding this Price Schedule.

**Bidder's Name:** \_\_\_\_\_

**POOL 1: PROGRAM AND PROCESS MANAGEMENT AUDITING**

<b>LINE #</b>	<b>STAFF CLASSIFICATIONS</b>	<b>YEAR 1 HOURLY RATE</b>	<b>YEAR 2 HOURLY RATE</b>	<b>YEAR 3 HOURLY RATE</b>
1	Partner/Principal/Director	\$	\$	\$
2	Program Manager	\$	\$	\$
3	Project Manager	\$	\$	\$
4	Subject Matter Expert	\$	\$	\$
5	Supervisory/Senior Consultant	\$	\$	\$
6	Consultant	\$	\$	\$
7	Associate/Staff	\$	\$	\$
8	Administrative Support Staff	\$	\$	\$

**Bidder's Name:** \_\_\_\_\_

**POOL 2: FINANCIAL AUDITING AND GRANT MANAGEMENT**

<b>LINE #</b>	<b>STAFF CLASSIFICATIONS</b>	<b>YEAR 1 HOURLY RATE</b>	<b>YEAR 2 HOURLY RATE</b>	<b>YEAR 3 HOURLY RATE</b>
9	Partner/Principal/Director	\$	\$	\$
10	Program Manager	\$	\$	\$
11	Project Manager	\$	\$	\$
12	Subject Matter Expert	\$	\$	\$
13	Supervisory/Senior Consultant	\$	\$	\$
14	Consultant	\$	\$	\$
15	Associate/Staff	\$	\$	\$
16	Administrative Support Staff	\$	\$	\$

Bidder's Name: \_\_\_\_\_

**POOL 3: INTEGRITY MONITORING/ANTI-FRAUD**

<b>LINE #</b>	<b>STAFF CLASSIFICATIONS</b>	<b>YEAR 1 HOURLY RATE</b>	<b>YEAR 2 HOURLY RATE</b>	<b>YEAR 3 HOURLY RATE</b>
17	Partner/Principal/Director	\$	\$	\$
18	Program Manager	\$	\$	\$
19	Project Manager	\$	\$	\$
20	Subject Matter Expert	\$	\$	\$
21	Supervisory/Senior Consultant	\$	\$	\$
22	Consultant	\$	\$	\$
23	Associate/Staff	\$	\$	\$
24	Administrative Support Staff	\$	\$	\$



## State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
PROCUREMENT BUREAU  
PO BOX 230  
TRENTON, NJ 08625-0230

**CHRIS CHRISTIE**  
*Governor*

**KIM GUADAGNO**  
*Lt. Governor*

**ANDREW P. SIDAMON-ERISTOFF**  
*State Treasurer*  
**JIGNASA DESAI-MCCLEARY**  
*Director*

April 2, 2013

To: All Interested Bidders

**Re: RFQ768892S**

**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**

**Proposal Due Date: April 5, 2013 (10:00 a.m.)**

### **Modification #6**

The following constitutes Modification #6 to the above referenced solicitation.

It is the bidder's responsibility to ensure that all changes are incorporated into the original RFQ.

All other instructions, terms and conditions of the RFQ shall remain the same.

**Program and Process Management Auditing, Financial Auditing and Grant  
Management, and Integrity Monitoring/Anti-Fraud Services for Disaster  
Recovery Assistance (Hurricane Sandy)  
RFQ768892S**

#	Page #	RFQ Reference	Modifications
1	Cover Page	Electronic Questions Due	<p>The RFQ originally stated:</p> <p><b><u>Electronic Questions Due: March 21, 2013 12:00 p.m. Eastern Time</u></b></p> <p>This statement shall be modified to read:</p> <p>In lieu of the abundant response in regards to RFQ768892S, The State of New Jersey will accept additional Electronic Questions.</p> <p><b>Electronic Questions Due: April 2, 2013 at 8:00 p.m. Eastern Time.</b></p>





# State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND  
PROPERTY  
PROCUREMENT BUREAU  
PO BOX 230  
TRENTON, NJ 08625-0230

**CHRIS CHRISTIE**  
*Governor*  
**KIM GUADAGNO**  
*Lt. Governor*

**ANDREW P. SIDAMON-ERISTOFF**  
*State Treasurer*  
**JIGNASA DESAI-MCCLEARY**  
*Director*

April 1, 2013

To: All Interested Bidders

**Re: RFQ768892S**  
**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**

Proposal Due Date: **April 5, 2013** (10:00 a.m.)

## **Modification #5**

The following constitutes Modification #4 to the above referenced solicitation. This modification is divided into the following parts:

**Part 1:** Questions # 1 – 105 clarify the answers and eliminate duplicate questions posted in Modification #3;  
**Part 2:** Questions #106 - 152 are additional Questions and Answers; and  
**Part 3:** Additions, deletions, clarifications and modifications to the RFQ

**Please note that the Final Revised RFQ includes a  
FINAL REVISED PRICE SCHEDULE.**

It is the bidder's responsibility to ensure that all changes are incorporated into the original RFQ.

All other instructions, terms and conditions of the RFQ shall remain the same.

**Part 1**  
**Program and Process Management Auditing, Financial Auditing and Grant**  
**Management, and Integrity Monitoring/Anti-Fraud Services for Disaster**  
**Recovery Assistance (Hurricane Sandy)**  
**RFQ768892S**

**Clarification to Modification #3 Questions & Answers**

Note: Some of the questions have been paraphrased in the interest of readability and clarity. Each question is referenced by the appropriate RFP page number(s) and section where applicable.

#	Page #	RFQ Section Reference	Question	Answer
1		General	Many of the mandatory forms require an RFQ number. Is the appropriate number: RFQ768892S as found on the GSA website?	Yes, the RFQ number is RFQ768892S
2		General	What is the name, title and address of the contact person to which cover letters should be addressed to?	Cover letters should be addressed to:  Kelly Anderson NJ Department of Treasury Division of Purchase and Property PO BOX 230 Trenton, NJ 08625
3		General	A number of the State's contract requirements may not be commercially reasonable to many potential bidders and in some instances provisions are missing. Examples include, but are not limited to the terms for indemnification, liquidated damages, intellectual property ownership, litigation services requirements and a commercially reasonable Limitation of Liability. Is the State willing to negotiate terms for these and other requirements?	Please refer to Section 1.3 of the RFQ. As stated, "All Questions regarding the State of New Jersey Standard Terms and Conditions and exceptions to mandatory requirements shall be posed during the Question and Answer period and should also contain bidder suggested changes." The State will not negotiate any new terms that were not specifically identified and agreed to during the electronic question and answer period after the close of the aforementioned period.
4		General	What is the size and makeup of the State's disaster recovery team currently administering Hurricane Sandy recovery grants?	The Sandy recovery funds come from several sources namely, FEMA, HUD, and other federal agencies. The Governor's Office of Recovery and Rebuilding is charged with managing Hurricane Sandy recovery efforts, directing and coordinating long term recovery efforts, among other duties. They have a core staff and consultant providing policy direction and oversight. The Department of Community Affairs (DCA) is managing the HUD CDBG-Disaster Recovery funds, which is an initial allocation of \$1.82 billion. DCA will build on its initial staffing to administer regular CDBG as well as many housing, code enforcement and local government programs. The DCA intends to enhance its staff with a division dedicated to sandy recovery, with an estimated staff of fifty people. This will be adjusted according to need and supplemented with consultants and contracted services.
5	Cover Page	Proposals Due	We would like to request that you extend the deadline for submission of proposals. Not only is 10 days a very short time to prepare a quality proposal (I.e. from March 18 when the RFQ was issued and the due date March 28), but it also has been requested at a time when many families are out of town to celebrate Easter and/or their children's Spring Break	The proposal due date has been changed to Friday, April 5, 2013 at 10 a.m. Please refer to link located on page 23 to register online.

#	Page #	RFQ Section Reference	Question	Answer
			from school, so the timing of the proposal is placing an increased burden on contractors' personnel.	
6	2	1.0 Purpose and Intent	Davis Bacon Act is the construction equivalent of the SCA. The <i>Service Contract Act</i> is incorporated in to the GSA Schedule. All but one of the labor categories listed in the RFP's Price Schedule appear to be "professional" exempt positions, Please confirm that the Service Contract Act is not applicable to any resulting contract.	Confirmed, SCA does not apply.
7	2	1.0 Purpose and Intent	The RFP indicates that the procurement will result in a "Federally-Based GSA" contract; however, the GSA contract is not specified. Can you provide guidance on which GSA Contract/schedule is to be utilized by the State for this procurement/contract?	This RFQ will result in State-issued contracts, not GSA contracts. The State considers the contracts it will be issuing to be "Federally-Based" as the State is defining its universe of potential bidders from GSA Schedules.
8	2	1.0 Purpose and Intent	The RFQ describes FEMA PA and HUD CDBG-DR grants, however does this SOW include work for other disaster grants such FHWA-ER and Transit grants that are also allocated as part of the Sandy bill? Does this scope of work include FEMA HMGP grants?	Yes, the RFQ includes work for other disaster grants. Monitoring may include all Hurricane Sandy related funding.  Yes, the SOW includes FEMA HMGP grants.
9	3	1.2 Proposal Submission	Notwithstanding the GSA procurement process, please confirm that email is the preferred delivery method for proposals or if hard copies are required. If hard copies are required, please state the number of originals and copies to be provided.	The proposal should be submitted in PDF form by email or through the GSA eBuy system, in two separate volumes with the content of each volume as indicated below:  <b>Volume 1</b> Required Forms as identified in Section 12.0; and Technical Proposal.  <b>Volume 2</b> Price Schedule <b>*Please do not include any pricing information in Volume 1.</b>
10	4	1.4 Engagement Processes	Is the intention of the below statement that any bidder doing work in pool 1 would be precluded from doing any work in pools 2 or 3? Or is the intention of this statement that if a bidder is doing pool 1 work for subgrantee A, they cannot be involved in pool 2 or 3 work related to subgrantee A.  "Any contractor already engaged in providing oversight, compliance or consulting services regarding the use of federal disaster relief funds shall be ineligible to submit a proposal for any other services related to that engagement."	Contractors may submit proposals to be included in all three of the pools, however contractors may not provide conflicting services for the same projects. Please refer to Section 4.0.
11	4	1.4 Engagement Processes	Will there be a standardized form developed for the Using Agency that solicit Task Orders?	Yes, a standardized form is presently being developed, but please note that the Scope of Work will be different for each task order issued.
12	4	1.4 Engagement Processes	The RFQ indicates: "Any firm that submits lower pricing for a specific project will be held to that lower pricing for all future engagements." Please clarify whether this statement applies only to the specific Task Order associated with this RFQ for which lower pricing may be offered or any other contracts that the Contractor has with the State of New Jersey.	Section 1.4 pertains only to projects on Tasks Orders issued through contracts resulting from this RFQ.

#	Page #	RFQ Section Reference	Question	Answer
13	5	1.5 Small Business Subcontracting Set-Aside Contracts	Our firm is a small business firm in another state. If we receive a New Jersey Business Registration, would we be considered a small business for this procurement?	No, as your firm is not located within New Jersey, it could not be considered a NJ Registered Small Business.
14	5	1.5 Small Business Subcontracting Set-Aside Contracts	Will the contractor be penalized for NOT intending to use subcontractors?	The contractor will not be penalized for not intending to use subcontractor. The Small Business Subcontracting Set-Aside is a goal of the State. Please refer to the modified Section 1.5.
15	5	1.5 Small Business Subcontracting Set-Aside Contracts	Since the total contract value is unknown and will only be determined by subsequent task orders, how should we complete the column "Estimated Value of Subcontracts" for each subcontractor listed in the required Subcontractor Utilization Form? For instance, should we use percentages rather than dollars? Please clarify.	Percentages will be sufficient.
16	5	1.5 Small Business Subcontracting Set-Aside Contracts	Where in our proposal should the discussion of our SBE Subcontracting Plan and the Subcontractor Utilization Form appear? Should they be placed in the Technical or the Cost Proposal?	Description of subcontracting should be in the Technical Proposal.
17	5	1.5 Small Business Subcontracting Set-Aside Contracts	We assume the stated small business subcontracting goal of 25% is of all subcontracted dollars. Please confirm.  In addition, given that this is task order procurement with unknown amount of funding, how does the government anticipate evaluating this commitment?	Yes, the State's goal is for all contractors related to this RFQ to subcontract 25% to Small Business Enterprises, based on subcontracted dollars.  The State will consider a bidder's planned use of small business subcontractors or its good faith effort to do so.
18	6	1.5 Small Business Subcontracting Set-Aside Contracts	Please clarify the term "contract" in the 4th paragraph (page 6) – does this mean contract (MSA as a result of this RFQ) or a task order. Should the need arise for a unique skill set or expertise not covered by the proposed team, can additional firms be sourced locally and added to the team later?	The term contract refers to being selected to one or more pools as a result of this RFQ. Each bidder must cite specific intended subcontractors with its proposal.
19	7	2.0 Definitions/Acronyms	The State has presented a State Contract Manager as the individual responsible for approval of deliverables. It is our understanding that the State has engaged a consulting group to facilitate this effort. Will the consulting group potentially serve as a State Contract Manager? If so, in order to properly determine if our firm is conflict free, we respectfully request the name of the consulting firm hired to facilitate the effort.	The consulting groups will not serve as the State Contract Manager, the State Contract Manager is an employee of the State.
20	8	3.0 Scope of Work	The note in section three states, "Pool 2 and Pool 3 Bidders should have CPAs on staff, or as members of the assigned team." (Page 8, Section 3.0) Does the government intend for the contractor to issue any audit reports under professional standards? If so, the contracting firm would need to be a licensed public accounting firm within the State of New Jersey. Please clarify whether the contractors bidding on Pools 2 and 3 would need to meet this requirement.	The State does not envision any financial accounting reports to be certified by a CPA. It is the State's intent that all audit work performed under Pools 2 and 3 will be completed in accordance with the government auditing standards issued by the Comptroller General of the United States.

#	Page #	RFQ Section Reference	Question	Answer
21	8	3.0 Scope of Work	Regarding the organization of the three task areas, it seems to us that Pool 2 mixes oversight/audit/ monitoring activities with operational activities. Typically one wants to see an independent auditor/monitor that is not also responsible for setting-up and performing operational activities they are supposed to audit/oversee. We believe the State would be better served if there we're a separation of these functions. One approach would be to add (or move) oversight/monitoring of these functions from Pool 2 to Pool 3. The other approach would be to move the financial management operational/advisory functions from Pool 2 to Pool 1. This would apply especially to the first requirement in Pool 2 (a) Plan, implement, administer..." that are operational activities rather than audit functions.	The State has reviewed your request and does not agree to this requested modification.
22	8	3.0 Scope of Work	Section 3.0 states that "Pool 1 Bidders do not need to be Certified Public Accountants (CPA). Pool 2 and Pool 3 Bidders should have CPAs on staff, or as members of the assigned team." This appears to conflict with Section 3.4, which states that "any final audit reports submitted by the contractor to a Using Agency shall be certified by a New Jersey Certified Public Accountant (CPA) employed by the contractor." We assume that this apparent conflict means that no final audit reports are expected to be required as deliverables under Pool 1 services, and therefore no CPA will be required for Pool 1. Please confirm or clarify	Please review revised language in Section 3.4 of the modified RFQ.
23	8	3.0 RFQ Scope of Work	What are the estimated values or number of hours anticipated for each pool?	This will be determined as each Task Order is developed and issued.
24	10	3.3.1 All Pools - Deliverables	The items numbered 1 and 3 of section 3.3.1 All Pools Deliverables – indicate a monthly deliverable requirement, and item 2 indicates a 4 week deliverable date. May we assume that all three are monthly deliverables? This makes it better for reporting all together if they should all occur in the same project/task.	Yes, these will all be monthly deliverables.
25	10	3.4 All Pools - Reporting and Documentation	Is it necessary that the required NJ CPA be an employee of the prime contractor, or can this person be an employee of a subcontractor (for instance, as one means of satisfying the SBE goal)?	The RFQ suggests that a NJ-licensed CPA should be available. The NJ-licensed CPA does not have to be an employee of the contractor but may be a subcontractor or an employee of a subcontractor.
26	10	3.4 All Pools - Reporting and Documentation	What precise certification would the NJ CPA be making in relation to the final audit reports?	The State does not envision any financial accounting reports to be certified by a CPA.
27	10	3.4 All Pools - Reporting and Documentation	The State requests that the contractor maintain "all records related to products, transactions, or services under this contract...". Could the State elaborate as to what is included within "all records" and if electronic media are acceptable?	Records would consist of all documentation electronic or otherwise.

#	Page #	RFQ Section Reference	Question	Answer
28	10	3.4 All Pools - Reporting and Documentation	It states that any final audit reports must be certified by a New Jersey Certified Public Accountant. Since our firm is located in another state, we would be required to obtain a temporary permit from the New Jersey Accountancy Board to practice in New Jersey, would our CPAs be considered a New Jersey CPA for the proposed contract?	Please refer to the answer to Question #20.
29	11	3.5 Litigation Services	It states the contractor will represent and defend the State and any of its political sub-divisions at its own costs in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations. Many audit reports have recommendations that auditees are not happy with, even though the recommendations are the most appropriate to resolve the issues reported in the audit report. This provision appears to leave the contractor open to frivolous challenges by auditees. Is there some form of safeguard that will be employed by the State of New Jersey that will protect contractors from actions that are lodged by auditees which have no merit? Does file a proceeding mean a legal action in court?	The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.
30	11	3.5 Litigation Services	My firm cannot provide legal services and we do not give broad indemnities for any and all lawsuits arising out of our services. We would like to strike the entire section.	The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.
31	11	3.5 Litigation Services	With respect to Section 3.5, it is our understanding that this provision is indicating that we would be responsible for defending our recommendations to support the State's defense, but not to undertake and pay for the State's defense (I.e. the State will have its own attorney's defending any claims filed against the State).	The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.
32	11	3.5 Litigation Services	This clause states that "The contractor(s) shall represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its	Confirmed, each of the stated itemized types of proceedings would fall under the definition of "proceeding" as it is used in Section 3.5.



#	Page #	RFQ Section Reference	Question	Answer
			<p>political sub-divisions resulting from the implementation of the contractor(s) recommendations” (emphasis added).</p> <p>Please clarify whether or not each of the following falls under the definition of “proceeding” as used in this clause:</p> <p>a) A recommendation by OIG to FEMA or HUD to take a particular action with respect to a matter on which the contractor has made a recommendation</p> <p>b) A request from FEMA or HUD that seeks a response from the State or a political sub-division to a particular OIG audit before the Agency decides to respond to the OIG</p> <p>c) A de-obligation of funds by FEMA or HUD</p> <p>d) An appeal of a de-obligation by any of the agencies involved</p> <p>e) Administrative fiat</p>	
33	11	3.5 Litigation Services	With respect to the statement “resulting from implementation of the contractor(s) recommendations,” does a discovery that there was a duplication of benefits that was not discovered by the procedures fall under this clause?	Yes.
34	11	3.5 Litigation Services	In the event of a de-obligation of funds, is it envisioned under any scenario that the contractor could be held liable for the amount of the de-obligation?	<p>The language of Section 3.5 has been modified to the following:</p> <p><b><u>3.5 LITIGATION SERVICES</u></b></p> <p>The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.</p>
35	11	3.5 Litigation Services	This procurement attaches significant contractor liability to a wide range of potential Government responses associated with the implementation of contractor recommendations. This condition may have an unintended effect. The eligibility of proposed Public Assistance applications under the regulations is seldom a black and white issue. There is often a certain amount of gray area that falls between the proposed projects and the regulations that the applications must navigate. Because of the potential liability, the audit contractors will necessarily have to act out of an abundance of caution that may dramatically limit the kinds of projects that are allowed to go forward. This conservative approach may have the effect of excluding a wide range of potential approvable projects that would fall	<p>The language of Section 3.5 has been modified to the following:</p> <p><b><u>3.5 LITIGATION SERVICES</u></b></p> <p>The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.</p>

#	Page #	RFQ Section Reference	Question	Answer
			into this gray area. Is this outcome the State's intent?	
36	11	3.5 Litigation Services	<p>Does the scope of the desired services identified in Section 3.5 include legal representation of the State? As an alternative, please advise if the below revised language would be acceptable?</p> <p>Litigation Support Services, "The contractor(s) shall <del>represent and defend</del> provide reasonable assistance and support to the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations."</p>	<p>The State does not agree to the suggested modification. However please note that the language of Section 3.5 has been modified to the following:</p> <p><b><u>3.5 LITIGATION SERVICES</u></b></p> <p>The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.</p>
37		3.5 Litigation Services	<p>The clause language contained in the RFQ, is overly broad and potentially penal to the contractor, without a direct linkage to the work performed by the contractor. Therefore, we recommend the State revise the language as follows: "The contractor(s) shall represent and defend, at its (their) own cost, the State or any of its political sub-divisions (otherwise referred to as a "Using Agencies" as defined [RFQ Pg. 2 1.0 PURPOSE and INTENT paragraph 2]), before any federal, state or local regulatory agency if any such agency files a proceeding against the State or any of its political sub-divisions, on the sole basis of gross negligence by the contractor(s) in the development of the contractor(s)'s recommendations to the user agency."</p>	<p>The State does not agree to the suggested modification. However please note that the language of Section 3.5 has been modified to the following:</p> <p><b><u>3.5 LITIGATION SERVICES</u></b></p> <p>The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.</p>
38		3.5 Litigation Services	<p>Will the State consider eliminating this section? We cannot accept liability for the actions of entities outside of our organizations control.</p>	<p>The State does not agree to the suggested modification. However please note that the language of Section 3.5 has been modified to the following:</p> <p><b><u>3.5 LITIGATION SERVICES</u></b></p> <p>The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.</p>
39	12	4.0 Required Components of the RFQ Proposal	<p>Is there a total page count for this proposal?</p>	<p>There is a 25 page limit per pool.</p>



#	Page #	RFQ Section Reference	Question	Answer
40	12	4.0 Required Components of the RFQ Proposal	Is it acceptable to submit one proposal that covers multiple pools of work, or is the State requesting a separate proposal for each pool?	A bidder may submit one proposal that covers multiple pools of work. As referenced in Section 4.0, the bidder's proposal must specifically indicate the pool(s) for which Bidder is to be evaluated.
41	12	4.0 Required Components of the RFQ Proposal	Is the cost proposal expected to be a separate document, or can it be included in the Technical proposal?	<p>The proposal should be submitted in PDF form by email or through the GSA eBuy system, in two separate volumes with the content of each volume as indicated below:</p> <p>Volume 1 Required Forms (Section 12.0) Technical Proposal (Sections 4.1 through 4.6.3)</p> <p><b>NOTE: These sections of the bidder's submission is limited to 25 pages or fewer per pool submission, with no smaller than a 12 point font.</b></p> <p>Volume 2 Price Schedule *Please do not include any pricing information in Volume 1.</p>
42	12	4.1 Technical Proposal	Do you want us to provide our similar contracts in our response to section 4.1 and also in response to section 4.6 or can we just provide them in section 4.6?	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
43	12	4.1 Technical Proposal	<p>As stated in section 4.1, "the bidder must set forth an action plan for responding to requests for an engagement and shall provide a list of previously held, or currently held, contracts with similar services..."</p> <p>a) Please clarify whether this is asking for an action plan in response to a request by a Using Agency once it is determined which Pool a contractor has been awarded, or if this is an action plan to complete the scope of services as described in Pool 1, 2, or 3?</p> <p>b) Is the list of previous or current contracts listed in 4.1 the same list that is also referenced in 4.6? If they are not, please clarify expectations for how the two areas differ.</p>	<p>The action plan is to detail how the bidders will complete the scope of services as described for Pools 1, 2, or 3.</p> <p>Yes, these are the same list. Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.</p>
44	12	4.1 Technical Proposal	It appears that virtually all of the information requested in the single paragraph under the heading Section 4.1 ("Technical Proposal") is requested again in the following sections. (See, for instance, the detailed discussion of approach under 4.2, and the list of projects required under 4.6.) Is the language in Section 4.1 simply intended to serve as an introduction to the various instructions for the Technical Proposal that follow, or should the information requested in Section 4.1 be provided in our proposal separate from (and in addition to) those other locations? Please clarify.	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.

#	Page #	RFQ Section Reference	Question	Answer
45	12	4.1 Technical Proposal	Will the State consider significantly modifying Section 4.1? Requested modifications would reflect actions directly attributable to the contractor's actions and a limitation of liability.	The State will not modify Section 4.1.
46	12	4.1 Technical Proposal & 4.2 Management Overview	These sections seem to request very similar information. Section 4.1 states that "The bidder shall describe its approach and plans for accomplishing the work," while Section 4.2 requests that "The bidder shall set forth its overall technical approach and plans to meet the requirements." Please clarify where in the proposal the technical approach and plans should be discussed—in 4.1, 4.2, or both? If different aspects of the technical approach should be discussed separately in 4.1 and 4.2, please clarify what is desired in each section.	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
47	12	4.1 Technical Proposal	[Technical Proposal] This section requests that "the bidder must set forth an action plan for responding to requests for an engagement and shall provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget, and a comprehensive description of each contract." This requirement seems similar to the requirements the bidder will need to follow when submitting a response to the Using Agencies' future task orders (Section 1.4, Engagement Process). Is the State asking (in Section 4.1) that the bidder provide in its response a plan for responding to the future task orders that are to be issued by the Using Agencies or is the State asking for a description of all contracts the bidder currently has to date providing disaster recovery assistance for or within the State of New Jersey?	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
48	13 & 24	4.4 Organizational Support and Experience & Price Schedule	The Pricing Schedules on pages 24–26 of the RFQ include eight labor categories ("Staff Classifications"). However, Section 4.4 of the RFQ lists seven "general skill classifications." Not included in this list is the category of Consultant, which appears as #5 on each of the Price Schedules. It appears that the Consultant category of professional skill classification was inadvertently omitted from Section 4.4. If so, can you provide similar general qualifications for this classification as were provided for the others?	Consultant is defined as someone that possesses knowledge, some experience, and capabilities in the development of solutions, recommendations, or outcomes across multiple tasks and/or organizations. Supports the development of solutions to address organization's challenges. Supports project objectives and helps assess the impact of industry trends, policy, or standard methodologies.
49	13	4.4 Organization Support and Experience	Regarding resumes, will resumes only be required for key personnel's or everyone whom might be supporting the contract in each labor category?	The State is requesting resumes from all personnel supporting the contract in each labor category.

#	Page #	RFQ Section Reference	Question	Answer
50	13	4.4 Organization Support and Experience	Please define key personnel positions, besides Partners/Principal, Program Manager, Project Manager, and Senior Consultant?	Please refer to Section 4.4 for the definitions of key personnel positions.
51	13	4.4 Organizational Support and Experience	Section 4.4 states that "The bidder must 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 its ability to perform the services required by this RFQ." However, the rest of the text under 4.4 does not mention provision of company experience or references, while Section 4.6 specifically requests information about experience and references. Does the State want bidders to provide similar experience details and references in both of these sections, or should these details be provided only in one place (and if so, in which section)?	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
52	13	4.4 Organizational Support and Experience	Section 4.4 requests that bidders "identify staff by resume, experience, and hourly rate." However, Section 4.5 (Page 14) requests resumes again, and Section 6.0 (Page 19) states that hourly rates should be provided in the Cost Proposal. Please confirm/clarify whether the actual resumes and hourly rates should be provided according to the later sections that request them, or whether they need to be provided in 4.4 as well.	Resumes must be provided in the Technical Proposal and the hourly rates must be provided in the Price Schedule. Please follow the below formatting:  The proposal should be submitted in PDF form by email or through the GSA eBuy system, in two separate volumes with the content of each volume as indicated below:  Volume 1 Required Forms (Section 12.0) Technical Proposal (Sections 4.1 through 4.6.3)  <b>NOTE: These sections of the bidder's submission is limited to 25 pages or fewer per pool submission, with no smaller than a 12 point font.</b>  Volume 2 Price Schedule *Please do not include any pricing information in Volume 1.
53	13	4.4 Organizational Support and Experience	Paragraph 3 on Page 13 indicates that the bidder must identify staff for seven general skill classifications. Consistent with other elements of the RFQ, is the bidder permitted to identify only key personnel?	The State is requesting resumes from all personnel supporting the contract in each labor category.
54	14	4.5 Resumes	a) To make it easier for reviewers to locate the references, we would like to include a single table with the name of the individual on the resume and their reference's name and contact information. Please confirm this is acceptable?	The resume format is acceptable as long as it meets the requirements of Section 4.5.
55	14	4.5 Resumes	To make it easier to locate and contact the references, we would like to provide references for work performed within the last	Resumes should include all related work with references.

#	Page #	RFQ Section Reference	Question	Answer
			3 years. Please confirm this is acceptable?	
56	14	4.5 Resumes	Please clarify the reference check. Many of the projects that are listed were performed with governmental agencies and there restrictions on who may be contracted related to work on those engagements. In most cases this is restricted to the Contracting Officer Representative (COTR) or the Contracting Officer (CO). These individuals may or may not have worked with the individual on the engagement. Will the listing of the COTR or CO be sufficient?	The Contract Officer Representative or Contracting Officer is sufficient as a reference.
57	14	4.5 Resumes	Will similar work be accepted for FEMA catastrophic event experience?	Please review Section 4.6.
58	14	4.5 Resumes	Is it the states intent that resumes submitted contain personal/professional references for each of the positions held by an individual bid on this contract? As responsibility for performance and execution of these task orders will be the responsibility of the company contracted to perform the work, these seems like an unusual requirement.	The resumes of the individuals that will be directly related to the awarded contract should be submitted in the Technical Proposal.
59	14	4.5 Resumes	Do we need to submit resumes for the senior consultant and up since the description for the senior consultant role (page 13) is considered "in-charge?"	Please submit resumes for all listed labor categories.
60	14	4.5 Resumes	Is senior consultant/in-charge included in the key personnel category?	Yes.
61	14	4.6 Experience of Bidder on Similar Contracts	This section states that "All professional qualifications noted in this Section should be submitted with the proposal." Please clarify what types of professional qualification should be submitted.	All professional qualifications in completing similar contracts should be listed.
62	14	4.6 Experience of Bidder on Similar Contracts	Does NJ have a limit on how many past performances we need to provide for this RFP? Or a date limit (i.e. how many years back)?	Bidders should provide a comprehensive list all relevant experience.
63	15	4.6.2 Disclosure	Are you able to provide the name of the vendor and all sub-contractors providing service on state contract G-8034?	The contractor performing services on G-8034 is Witt, Inc. No subcontractors will be utilized.
64	15	4.6.3 Financial Capability of the Bidder	Regarding submission of financial information, we are clarifying our understanding that any financial information we submit to the State would NOT become public information (per Section 1.2), and that we would be providing any such information in strict confidentiality and solely for the purpose of validating our firm's financial ability to perform the contracted services. Our firm is a private partnership and the information requested is highly confidential and critical to our firm's competitive position in the market.	Please refer to modified Section 4.6.3 "A bidder may submit specific financial documents as a separate PDF, in the same email/posting, marked "Confidential-Financial Information" along with the proposal".

#	Page #	RFQ Section Reference	Question	Answer
65	15	4.6.3 Financial Capability of the Bidder	Is it necessary to provide a bank reference if we do have audited financial statements, or is that only required when a contractor does not have audited financial statements?	Bidders should submit a bank reference.
66	15	4.6.3 Financial Capability of the Bidder	As a non-publicly traded company, certified or independently audited financial statements are not required and are not prepared. Will the State accept unaudited annual financial statements along with certifications of officers carrying the titles equivalent to a Chief Executive Officer and Chief Financial Officer?	As stated in Section 4.4, "If certified financial statements are not available, the bidder should provide either a reviewed or compiled statement from an independent accountant setting forth the same information required for the certified financial statements, together with a certification from the Chief Executive Officer and the Chief Financial Officer, that the financial statements and other information included in the statements fairly present in all material respects the financial condition, results of operations and cash flows of the bidder as of, and for, the periods presented in the statements. In addition, the bidder should submit a bank reference"
67	15	4.6.3 Financial Capability of the Bidder	Can the State define what is meant by "a bank reference"?	A statement of financial standing from your firm's banking institution.
68	16	5.1 Data Confidentiality	This paragraph specifies that the contractor shall assume total financial liability for any breach of confidentiality. This is an onerous requirement, especially for any firm smaller than the largest of your potential bidders. Will the State accept limiting the contractor's liability to the value of the awarded task order, as is customary in these contracts?	No. Limiting liability for confidentiality related to breach of confidentiality is not tied to the value of the task order. The financial responsibility for a breach could be far beyond the value of a task order. Bidders are referred to the New Jersey Identity Theft and Protection Act, <u>N.J.S.A. 56:11-44 et seq.</u>
69	16	5.1 Data Confidentiality	What level of security clearance is required for staff working this contract?	Please Review Section 5.1 of the RFQ.
70	16	5.1 Data Confidentiality	This section states that "The following shall not be considered confidential information of the State and shall not be subject to the provisions of Section 5.9.1 of the RFQ". Please provide Section 5.9.1 as it is not included in this Solicitation.	Please disregard reference to Section 5.9.1 of the RFQ as it was erroneously included. The statement should have referenced Section 5.1 of the RFQ.
71	16	5.1 Data Confidentiality	This section states that "The contractor shall assume total financial liability incurred by the contractor associated with any breach of confidentiality." In the course of performing this work, the audit contractor will necessarily be reviewing and interfacing with systems that are owned and operated by others and function essentially as "black boxes." Such interface can result in data breaches that are not necessarily within the audit contractor's span of control. In such a case, how will responsibility be determined?	If a breach of confidentiality occurs and that breach is deemed to have occurred as a result of the contractor, the contractor shall assume total financial liability.
72	16	5.1 Data Confidentiality	So that we may properly assess the risk associated with this clause, particularly with respect to the potential actions associated with Sections 3.5 (Litigation Services) and 5.5 (Liquidated Damages), please provide the following information: a) A list of all automated grants management and other mission critical systems that the audit function will be responsible for monitoring or interfacing with. b) The cyber-security and internal user security standards that apply to the specific	The automated grants management and mission critical systems that the audit function would be responsible for are the newly created Management of Rehabilitation, Reconstruction, Elevation and Mitigation Program (RREM), Superstorm Sandy Housing Incentive Program (SSHIP), & the Management of Small Rental Program.  As to the State System it would include the Sandy Integrated Recovery Operations Management System (SIROMS) to be procured

#	Page #	RFQ Section Reference	Question	Answer
			systems.	by an RFQ currently in development.
73	16	5.1 Data Confidentiality	Would the audit contractor be allowed to test program contractors, and State and government agency computer systems to the identified cyber-security and internal user security standards? This would be necessary if the audit contractor is to be held liable for breaches of security for program contractor and/or government computer systems.	Yes, where permitted.
74	16	5.2 All Pools - Ownership of Material	Is the contractor responsible for paying/performing security clearance/background checks for all project staff?	Yes a contractor is responsible for the security clearance/background checks cost.
75	17	5.2 All Pools - Ownership of Material	As a small business, providing Errors and Omissions insurance in the amount of \$5,000,000 places a disproportionate financial burden on the firm. Would the State consider keeping this coverage at \$1,000,000?	While the State will not consider reducing the amount of Insurance required by the RFQ, please note that the RFQ does include a small business subcontracting goal as set forth in Section 1.5 of the RFQ.
76	18	5.4 Insurance – Professional Liability Insurance	Will the State consider eliminating the endorsement for retroactive coverage? The Firm does not have a retroactive date currently as the Firm carries full prior acts coverage.	Full prior acts coverage will be accepted in lieu of an endorsement for retroactive coverage. However, if contractor changes carriers during the term of the contract to a policy that does not include full prior acts coverage; an endorsement for retroactive coverage will be required.
77	18	5.4 Insurance – Professional Liability Insurance	It states that a contractor must have at least a \$5,000,000 limit. Since our Insurance limit is less than that, can a winning contractor obtain the additional insurance after contract award? Should the current policy be submitted with the proposal?	Insurance certificates do not have to be submitted with the proposal; however, all required insurance must be in effect before any work is performed under the contract. Certificates of Insurance must be forwarded to the State as required by Section 4.2 of the State of New Jersey Standard Terms and Conditions.
78	18	5.5 Liquidated Damages	This requirement is onerous and will eliminate much of the potential pool of bidders. There needs to be an upper limit to these damages. As is customary, the upper limit should be limited to the value of the Task order contract.	Section 5.5 of the RFQ is amended to include the following:  Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order.
79	18	5.5 Liquidated Damages	As written this requirement is both generic and unbounded. Additionally, no specific damages are stated in this section. Here again, the requirement to use GSA Pricing does not allow potential bidders to incorporate a risk premium in to its offer, subsequently this requirement may severely limit the number of bidders responding to this RFP. Will the Government be more specific regarding when liquidated damages might be imposed and specify a reasonable maximum limit (say \$4M) to the amount of liquated damages which can be imposed for the failure to meet a given performance standards or condition of the contract?	Section 5.5 of the RFQ is amended to include the following: Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order. The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS.
80	18	5.5 Liquidated Damages	This section states that “If the contractor fails to meet any of the performance standards or conditions of the contract, the State may withhold payment for damages from the fees or premiums due to the contractor in an amount equal to the damages stated in this	Section 5.5 of the RFQ is amended to include the following: Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order. The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price



#	Page #	RFQ Section Reference	Question	Answer
			<p>section.”</p> <p>What are the performance standards by which these liquidated damages will be determined? For instance, are they universal, or determined on a task order basis?</p> <p>If they are to be determined on a task order basis, will the State please provide examples of contemplated performance standard?</p>	<p>quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS. The performance standards will vary depending upon the specific scope of work included in the request for competitive price quotes.</p>
81	18	5.5 Liquidated Damages	<p>For liquidated damages to be applied, generally the specific breach in performance must be specified. Can the state provide the list of specific breaches to which liquidated damages could be assessed and the amounts of liquidated damages for each? (This condition is required for the definition of “liquidated damages” as opposed to a “penalty.”)</p>	<p>Section 5.5 of the RFQ is amended to include the following:</p> <p>Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order. The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS. The performance standards will vary depending upon the specific scope of work included in the request for competitive price quotes.</p>
82	8.8	5.5 Liquidated Damages	<p>Would NJ contractors implementing specific disaster recovery programs such as Housing Advisory Services, Program Management Services, and HMGP grant administration services, etc. be subject to the same requirements for liquidated damages and responsibility to provide legal protection for the State and other parties that can contract for services under those contracts?</p>	<p>The terms of the other contracts referenced govern the responsibilities of the parties to those contracts.</p>
83	18	5.5 Liquidated Damages	<p>Would the audit contractor be responsible for damages associated with any potential fraud that may be committed by employees of the program implementation contractor(s), and/or State or other governmental agencies that may procure services under this contract?</p>	<p>The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS. The performance standards will vary depending upon the specific scope of work included in the request for competitive price quotes.</p>
84	18	5.5 Liquidated Damages	<p>Is there a court or other third party jurisdiction that would assign the amount of liquidated damages?</p>	<p>The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS. The performance standards will vary depending upon the specific scope of work included in the request for competitive price quotes.</p>
85	18	5.5 Liquidated Damages	<p>To balance the risk associated with this clause, would the State consider having a schedule of award fee payments for exemplary work in that exceeds performance standards, while at the same time contemplating damages for not meeting defined performance standards?</p>	<p>No.</p>
86	18	5.5 Liquidated Damages	<p>My firm does not agree to liquidated damages. We would like to strike the entire section.</p>	<p>The Disaster Relief Appropriations Act of 2013 (Public Law 113-2, approved January 29, 2013) requires that Grantees incorporate performance requirements and penalties into each procured contract or agreement.</p>

#	Page #	RFQ Section Reference	Question	Answer
87	18	5.5 Liquidated Damages	Will the State consider eliminating or significantly modifying this Section? As currently written, our Firm would take an exception to this clause.	The Disaster Relief Appropriations Act of 2013 (Public Law 113-2, approved January 29, 2013) requires that Grantees incorporate performance requirements and penalties into each procured contract or agreement.  In addition, Section 5.5 of the RFQ is amended to include the following:  Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order.
88	19	5.6 Form of Compensation and Payment	This section states that "Payments to the Contractor will be disbursed following approval by the State Contract Manager in accordance with section 6.0 above." Please provide Section 6.0 above as it is not included in this Solicitation. Or does this refer to Section 6.0 below, entitled Cost Proposal?	The reference to "above" is a typo and should state "below". Section 6 is below Section 5.3 Form of Compensation and Payment on page 19.
89	19	5.6 Form of Compensation and Payment	The RFQ references disbursements in accordance with "Section 6.0 above". Section 6.0 pertains to the Cost Proposal. Could the State clarify which section of the RFQ addresses the intended disbursement matter?	The reference to "above" is a typo and should state "below". Contractors will be paid by the hourly rates proposed with the Price Schedule and disbursed upon the State Contract Manager's approval.
90	19	6.0 Cost Proposal	Do you want the Cost Proposal to be a separate document from the Technical Proposal? If so, should we avoid including any pricing information in the Technical Proposal? Specifically, section 4.4 requests rates.	The proposal should be submitted in PDF form by email or through the GSA eBuy system, in two separate volumes with the content of each volume as indicated below:  Volume 1 Required Forms (Section 12.0) Technical Proposal (Sections 4.1 through 4.6.3)  <b>NOTE: These sections of the bidder's submission is limited to 25 pages or fewer per pool submission, with no smaller than a 12 point font.</b>  Volume 2 Price Schedule *Please do not include any pricing information in Volume 1.
91	19	6.0 Cost Proposal	Should the Cost Proposal consist of anything other than the hourly rates provided using the Price Schedule forms at the end of the RFQ document?	No, the price schedule should only include the hourly rates.
92	19	6.0 Cost Proposal	Please clarify the period of performance and the number of years for which we should provide time and materials rates for the labor categories.	The initial contract term is for three (3) years with two (2) optional one (1) year extensions.
93	20	7.0 Selection Process	With regard to pricing evaluation, please clarify Section 7D of the RFQ.	One evaluation criterion will be the bidders cost proposal. The bidder will be evaluated on the competitive pricing proposed within the pricing schedule.
94	22	10.0 Conflict of Interest Clause	One of our proposed sub-contractors has a number of people currently deployed in NJ as SME / consultants under the FEMA Public Assistance (PA) contract (as a subcontractor to one of the four prime contractors). This particular subcontractor currently provides	Yes, conflict of interest is determined on a per Task Order basis.



#	Page #	RFQ Section Reference	Question	Answer
			<p>technical assistance to FEMA in the areas of Preliminary Damage Assessments, General Disaster Operations, Project Management, Project Closeout, Environmental Compliance, Hazard Mitigation, Training, Appeals, Financial Analysis, and other Stafford Act-related activities. May we assume that the conflict of interest would be determined task order by order so as not to preclude the use of their expertise and understanding of disaster recovery in supporting the work requested under this contract?</p>	
95	22	11.0 Program Efficiency Assessment	<p>Will the Contractor be responsible for paying the State the .25% Program Efficiency Assessment or will the State invoice the Using Agencies directly for this fee? If the Contractor is responsible for paying the State, can this amount be added to our rates as opposed to coming out of our existing rates?</p>	<p>No, the contractor is not responsible for the fee. This Assessment is levied by DPP against the Using Agency.</p>
96	22	12.0 Additional Requirements	<p>Is the New Jersey's Standard Terms and Conditions document included in the list of documents that must be completed and submitted with the proposal, or does it just apply to the contract? If it should be completed and submitted, how should it be "completed"?</p>	<p>Please refer to GSA RFQ Announcement and modified Section 12.0. Bidders are to initial and date the last page of the State's Standard Terms and Conditions and return as part of your RFQ.</p>
97	23 & 27	12.0 Additional Requirements	<p>Is the Federal Vendor Letter mentioned on page 23 of the RFQ the document that is provided on page 27 of the RFQ?</p>	<p>Yes, the Federal Vendor Letter referenced on page 23, is now located on page 33 in the modified RFQ.</p>
98		Standard Terms & Conditions	<p>The RFQ indicates that the intent is to award a Federally-Based Contract in accordance with GSA but also includes the New Jersey Standard Terms and Conditions. Would the State consider using only the terms and conditions from the Federal Contract? If yes, we do not have any exceptions and requested changes to the Federal Contract terms and conditions. If the State will be using the New Jersey Standard Terms and Conditions, we respectfully request that the State consider the following changes to terms and conditions per the requirement of section 1.3, Question and Answer, "Questions regarding the State of New Jersey Standard Terms and Conditions and exceptions to mandatory requirements shall be posed during the Question and Answer period and should also contain bidder suggested changes.</p> <p>Questions and requested changes to NJ Standard Terms and Conditions:</p> <p>1. Page 4, § 4.1 – We request that the State delete "any and all" from the first sentence, 3rd line and insert after "claims" "for death, bodily injury, or damage to tangible property, and" and in the 5th line of the first sentence delete "including" and replace with "as well as".</p> <p>2. Page 5, § 4.2 –</p>	<p>The State has reviewed your request and does not agree to this requested modification.</p>

#	Page #	RFQ Section Reference	Question	Answer
			<p>a. In the third sentence, we request that the State change 60 days to 30 days.</p> <p>b. In subparagraph (b), we request that the State delete the second sentence. We don't believe this is applicable.</p> <p>3. Page 6, §5.2 - Please add: "Contractor is authorized to maintain copies of all information necessary to comply with its contractual obligations and applicable professional standards." We would like to confirm that we will be allowed to follow applicable professional standards.</p> <p>4. Page 8, § 5.15 – We request that the State modify the second sentence to begin: "Timekeeping and expense records directly relating to the contract shall be made..." We request this revision as we must protect data that may be in our timekeeping records related to our other clients.</p> <p>5. We ask the State to consider adding the following are additional terms to the contract:</p> <p>a. Will the State include a Limitation of Liability clause in the resulting contract, as has been done in the past with professional services contracts, such as the following? "Notwithstanding anything else herein to the contrary, the liability of the Contractor on account of any actions, damages, claims, liabilities, costs, expenses or losses in any way arising out of or relating to the services performed under a Task Order issued pursuant to the Contract shall be limited to the amount of fees paid or owing to Contractor under the relevant Task Order. In no event shall Contractor be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). This section shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss asserted, whether in contract, statute, tort (including but not limited to negligence) or otherwise and shall survive termination or expiration."</p>	
99		Standard Terms & Conditions	Insurance – Will the State agree to strike this language? The Firm cannot ensure that Certificates of Renewals are provided within 30 days of the expiration of the insurance.	The State will not modify its insurance requirements.

#	Page #	RFQ Section Reference	Question	Answer
100		Standard Terms & Conditions	<p>Contractor has agreed to pursuant this Contract. Contractor has full responsibility to cause these third party service providers to comply with such conditions of confidentiality and Contractor shall be responsible for any consequences of their failure to comply. Accordingly, the Government consents to Contractor disclosure to a third party service provider and the use by such third party service provider of data and information, including but not limited to confidential information, received from or at the request or direction of the Connector for the purposes set forth herein. The Government agrees that any claim relating to the services under the Contract may only be made against Contractor and not any third party service provider referred to above.”</p>	<p>The State has reviewed your request and does not agree to this requested modification.</p>
101		Standard Terms & Conditions	<p>We would like to request the following changes and/or revisions to the terms and conditions as follows:</p> <p>4.1 INDEMNIFICATION - Contractor shall indemnify the [Client Name] against any and all claims or liability arising from either any bodily injury or property damage or any infringement of third-party intellectual property rights, caused by the Contractor or its personnel in the performance of this contract. Notwithstanding the foregoing, Contractor and its present and former partners, principals and employees shall not be liable for any special, consequential, incidental, exemplary damages or loss (or any lost profits, taxes, interest, tax penalties, savings or business opportunity).</p> <p>4.2 INSURANCE - TERMINATION OF CONTRACT  -e. Contractor shall not be liable for any delay or failure in performance due to circumstances beyond its reasonable control. In the event that Contractor determines, in its professional judgment, that it cannot complete the services, Contractor may withdraw from the engagement without liability. In addition, Contractor reserves the right to, in whole or in part, decline to perform services if information comes to its attention indicating that performing any Services could cause Contractor to be in violation of applicable law, regulations or standards or in a conflict of interest, or to suffer reputational damage.</p> <p>5.12 DELIVERY REQUIREMENTS - Deletion of d.) In the event delivery of goods or services is not made within the number of days stipulated or under the schedule defined in the contract, the using agency shall be authorized to obtain the material or service from any available source, the difference in price, if any, to be paid by the contractor.</p>	<p>The State has reviewed your request and does not agree to these requested modifications.</p>

#	Page #	RFQ Section Reference	Question	Answer
			<p>5.15 MAINTENANCE OF RECORDS - Addition of : Such records shall be made available upon written notice, during normal business hours, not more than once annually, to the State, including the Comptroller, for audit and review.</p>	
102		Standard Terms & Conditions	<p>We would like to request the following changes and/or revisions to the terms and conditions as follows:</p> <p>Limitation of Liability – The state of New Jersey agrees that the liability of Contractor and its present, future and former partners, principals and employees for any claim, including but not limited to, Contractor’s negligence, shall not exceed the fees it receives for the portion of the work giving rise to such liability. In addition, [Client] agrees that Contractor and its present, future and former partners, principals and employees shall not under any circumstances be liable for any special, consequential, incidental or exemplary damages or loss (nor any lost profits, taxes, interest, tax penalties, savings or business opportunity), even if Contractor was advised in advance of such potential damages. This paragraph shall apply to any type of claim asserted, including contract, statute, tort, or strict liability, whether by [Client], Contractor, or others.</p> <p>Warranty - Contractor warrants that it will perform its services on a reasonable professional efforts basis. This warranty is in lieu of, and we expressly disclaim, all other warranties, express, implied or otherwise, including without limitation any implied warranties of merchantability or fitness for a particular purpose. Contractor does not warrant computer hardware, software or services provided by other parties.</p> <p>Intellectual Property - Contractor shall retain sole and exclusive ownership of and all right, title and interest in and to any know-how, concepts, techniques, methodologies, ideas, processes, models, templates, tools, utilities, routines and trade secrets of Contractor that existed prior to this engagement or that, to the extent they are of general application, may have been discovered, created or developed by Contractor as a result of its own efforts during this engagement (collectively, the “Contractor Property”). The [Client Name] shall acquire no rights or interest in the Contractor Property, except for a non-exclusive, non-transferable, royalty-free right to use such Contractor Property solely in connection with any deliverable or work product to the extent any Contractor Property is incorporated therein. The [Client Name] will not sublicense or otherwise grant any</p>	<p>The State has reviewed your request and does not agree to these requested modifications.</p>

#	Page #	RFQ Section Reference	Question	Answer
			<p>other party any rights to use, copy or otherwise exploit or create derivative works from the Contractor Property.</p> <p>Non-Hire - During the term of this contract and for a period of one (1) year after the Services are completed, each party agrees not to solicit, directly or indirectly, or hire any of the personnel of the other party who participate in this contract without the express written consent of the other party. This Section does not preclude either party from placing help wanted advertisements or employees of either party from pursuing employment opportunities with the other party on their own initiative.</p>	
103		Standard Terms & Conditions	<p>We would like to request the following changes and/or revisions to the terms and conditions as follows:</p> <p>Other Terms requested to add:  Disputes - Any controversy or claim arising out of or relating to this Agreement or related fees which cannot be resolved informally shall first be submitted to voluntary mediation. A mediator will be selected by agreement of the parties, or if the parties cannot agree a mediator acceptable to all parties will be appointed by the American Arbitration Association. The mediation will proceed in accordance with the customary practice of mediation. In the unlikely event that such differences cannot be resolved by mediation, the parties recognize that the matter will probably involve complex business issues that would be decided most equitably by a judge hearing the evidence without a jury. Accordingly, the parties agree to waive any right to a trial by jury in any action, proceeding or counterclaim arising out of or relating to the Services and the related fees.</p>	The State has reviewed your request and does not agree to this requested modification.
104		Standard Terms & Conditions	<p>We would like to request the following changes and/or revisions to the terms and conditions as follows:</p> <p>Other Terms requested to add:  If the above jury trial waiver is determined to be prohibited by applicable law, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Grant Thornton office providing the Services is located unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act ("FAA") and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the American Arbitration Association ("AAA"), except that no pre-hearing discovery shall be permitted unless specifically authorized by the arbitrator. The</p>	The State has reviewed your request and does not agree to this requested modification.

#	Page #	RFQ Section Reference	Question	Answer
			<p>arbitrator will be selected from AAA, JAMS, the Center for Public Resources or any other internationally or nationally-recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within 15 days of the parties' agreement to terminate or waive mediation, and arbitration will thereafter proceed expeditiously. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award non-monetary, equitable relief and will not have the right to award punitive damages. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential mediation or arbitration.</p>	

**Part 2**  
**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**  
**RFQ768892S**

**Additional Questions & Answers**

Note: Some of the questions have been paraphrased in the interest of readability and clarity. Each question is referenced by the appropriate RFP page number(s) and section where applicable.

#	Page #	RFQ Section Reference	Question	Answer
105		General	Will the government allow for a Contracting Teaming Agreement (CTA) between firms teaming on the Request for Quotation (RFQ)?	No, but the State will consider a Joint Venture. Please review Part 3 of this Modification and the Final Revised RFQ, Section 1.5.
106	2	1.0 Purpose and Intent	The RFQ indicates: "Qualified firms shall possess all required Federal and State licensing."  Please clarify which Federal and State licenses are required for vendors responding to this RFQ to meet your requirements, i.e. CPA, CFE.	Contractors shall meet all State requirements required to conduct business in New Jersey which includes licensing for certain occupations if the specific task order requires such a particular qualification or designation.
107	2	1.0 Purpose and Intent	The State requires that qualified firms possess all required Federal and State licensing. Is the State referring to licenses to do business? If the State is requesting additional, specific licenses, could the State provide a list of the required licenses?	Bidders should note the documents, forms, and registrations that are required with a proposal for this RFQ. Vendors awarded contracts resulting from this RFQ must comply with licensing requirements as may be specified by a respective Task Order. As the State does not prospectively know what the Task Orders will specify, a list of required licenses cannot yet be provided.
108	4	1.4 Engagement Process	The last sentence states: "Any firm that submits lower pricing for a specific project will be held to that lower pricing for all future engagements." Under MOBIS and similar GSA contracts, contractors establish hourly time and materials rates that may then be discounted for specific task orders based on the needs, labor mix, and risks of the engagement. Given the precedents, and the potential unintended consequence to the State of potentially paying more on certain tasks than would otherwise be needed, the State should consider eliminating the last sentence in Section 1.4 and substituting the following: When bidding on specific tasks, firms may submit rates lower, but not higher, than those proposed in the base contract.	The State has reviewed your request and does not agree to this requested modification.
109	4	1.4 Engagement Process	The RFQ states "Any contractor already engaged in providing oversight, compliance or consulting services regarding the use of federal disaster relief funds shall be ineligible to submit a proposal for any other services related to that engagement."  Is the intention of this statement that any bidder doing work in Pool 1 would be precluded from doing any work in Pools 2 or 3? Or is the intention of this statement	Yes, to the latter question. It is the State's intention that any contractor that is doing Pool 1 work for subgrantee A, cannot be involved in Pool 2 or 3 work related to subgrantee A.



#	Page #	RFQ Section Reference	Question	Answer
			that if a bidder is doing Pool 1 work for subgrantee A, it cannot be involved in Pool 2 or 3 work related to subgrantee A.	
110	5	1.5 Small Business Subcontracting Set-Aside Contracts	The 25% recommended set-aside for the NJ small business could place the small business in a very difficult position to fulfill the terms of every task award (Some task may not fit in the expertise area of the small business.) May we assume that the 25% is cumulative over the life of the contract?	Bidders should carefully review Section 1.5 of the RFQ. The set-aside for New Jersey registered small business is for subcontracting and is a goal rather than a requirement for the RFQ.
111	5	1.5 Small Business Subcontracting Set-Aside Contracts	Does the State consider it acceptable for a respondent to propose utilizing a specific small business subcontractor who is not currently registered as a SBE with the State, but who is currently in the process seeking registration?	The State would consider this acceptable to the bidder's good faith efforts to meet the small business subcontracting set-aside goal.
112	5	1.5 Small Business Subcontracting Set-Aside Contracts	Does the fact that a bidder is a New Jersey-based firm with New Jersey offices offset or reduce the State's desired goal of 25% of the work being performed by local New Jersey subcontractors?	No.
113	5	1.5 Small Business Subcontracting Set-Aside Contracts	Will the identification of SBE's be a requirement of this Phase of the procurement (current RFQ) or in the next Phase, task order selection (initiated by the Using Agency)?  Is it sufficient to only commit to the 25% goal as part of this phase of the procurement and provide detailed SBE information later?	If a bidder is proposing the use of a SBE as a subcontractor, the bidder must include the SBE within its Subcontractor Utilization Form. A bidder's determination of whether or not to use a small business subcontractor will not determine the bidder's eligibility for contractor award.  While such a commitment is not required, it could work toward a bidder's good faith effort to meet the State's small business subcontracting set-aside goal.
114	8	3.0 Scope of Work	Can you be more specific regarding the audit requirement for this bid? Is it OMB audit? Compliance? DCMA/DCAA?	The specific audit requirements will be set forth in the respective Task Orders. It is the State's intent that all audit work performed under Pools 2 and 3 will be completed in accordance with the government auditing standards issued by the Comptroller General of the United States.
115	8	3.0 Scope of Work	The RFQ title and scope of work include references to "auditing". Is it the State's desire for audits to be conducted in accordance with auditing standards generally accepted in the United States of America and/or Government Auditing Standards?	It is expected that any Task Order requiring an audit will follow the highest level of standards applicable such as GAS, GAAP requirements, GASB requirements, etc. The bidder should also review materials on FEMA and HUD web sites to understand the nature of this requirement
116	8	3.0 Scope of Work	We noted that, within the State's Action Plan, no-interest loans for Storm-Impacted Small Businesses ranging from \$100,000 to \$5 million are expected to be awarded. We did not identify due diligence or loan reviews within the scope of services.  Is the State including such loans within the category of "grants" to be monitored?	Yes, monitoring services may include all Hurricane Sandy related funding.
117	8	3.0 Scope of Work	What precise certification would the NJ CPA be making in relation to the final audit reports?	Please refer to the answer to Question #26.



#	Page #	RFQ Section Reference	Question	Answer
118	8	3.0 Scope of Work	The note in section three states, "Pool 2 and Pool 3 Bidders should have CPAs on staff, or as members of the assigned team." (Page 8, Section 3.0) Does the government intend for the contractor to issue any audit reports under professional standards? If so, the contracting firm would need to be a licensed public accounting firm within the State of New Jersey. Please clarify whether the contractors bidding on Pools 2 and 3 would need to meet this requirement.	It is the State's intent that all audit work performed under Pools 2 and 3 will be completed in accordance with the government auditing standards issued by the Comptroller General of the United States.
119	8	3.1 Pool 1 - Program and Process Management Auditing	The RFQ states, "Review and improve procedures addressing reimbursement review backlog and financial management.  With which Federal agencies is the State experiencing reimbursement review backlogs?  What is the size (number, dollar, value) of the reimbursement backlogs?  What are the major causes of the reimbursement backlog, e.g. monitoring, reporting, lack of supporting documentation problems?	This is an ongoing requirement to monitor the process. The organization selected would be required to review the processes and procedures to ensure that no backlogs are created and if they do occur recommend solutions to resolve them.
120	8	3.1 Pool 1 - Program and Process Management Auditing	Compliance Sanctions Program... Does the State have an existing Compliance Sanctions Program? If yes, please provide a copy or link to it.	No, the State relies on federal regulations. The bidder should review materials on FEMA and HUD web sites to understand the nature of this requirement.
121	8	3.1 Pool 1 - Program and Process Management Auditing	The State has identified a series of FEMA-administered programs for which the contractor would be expected to provide services. Would the contractor be expected to provide services for statewide grant administration matters or solely with regard to the programs' efforts pertaining to Hurricane Sandy matters?	Yes, the scope of work includes Hurricane Sandy State-wide grant administration matters.
122	9	3.2 Pool 2 - Financial Auditing and Grant Management	What systems is the State currently using to disperse and report on Federal grant funding?  What platform is the State Accounting System on, and is the State currently using a disaster recovery grants management system?	At the present time, the State does not have a list of all the systems currently used to report on Federal grant funding.  The official State Accounting system is NJCFS, the MB3 platform is the disaster recovery grants management system.
123	9	3.2 Pool 2 - Financial Auditing and Grant Management	Can the State summarize the current and planned accounting platform infrastructure for these systems (i.e. the accounting system and any other systems that the respondent may be asked to interface with)?	Bidder is referred to the answer to Question #72. Further detail will be provided to the contractors during the engagement process for a specific Task Order.

#	Page #	RFQ Section Reference	Question	Answer
124	9	3.2 Pool 2 - Financial Auditing and Grant Management	Does the State have an expectation that the respondent provide technical expertise with regard to system integration and procedures to reconcile and produce current E-grants management system financial reports, metrics, and data outside of the current accounting system, or is the State seeking system developers to assist in implementing a change to the current system?	No, the State does not expect the respondent to provide technical expertise with regard to system integration and procedures.
125	9	3.2 Pool 2 - Financial Auditing and Grant Management	Has the State developed specific metrics around the term "streamline"?	No, bidders must be familiar with all federal grant administration and fiscal management practices in order to make recommendations for best practices in this area.
126	9	3.3 Pool 3 - Integrity Monitoring/Anti- Fraud	1. Please provide additional details regarding "all specialty accounting services" expected so we are able to provide a more precise response in the RFQ	Some examples would include forensic accounting, performance audits, internal control assessments.
127	9	3.3 Pool 3 - Integrity Monitoring/Anti- Fraud	The State requests that the contractor have the skills to "Develop data management systems/programs for the purpose of collecting, conducting and reporting required compliance and anti-fraud analytics." Is the State seeking a respondent with experience developing software systems and programs that automate reporting and/or data collection, experience designing and executing reporting procedures, or both?	The contractor will be required to implement and execute fraud analytic operations on existing data that would identify and flag irregularities, anomalies, duplicate payments and other outlier occurrences. This may entail customizing commercial programs or other software that the contractor has used or recommends for use in ensuring anti-fraud efforts.
128	10	3.4 All Pools - Reporting and Documentation	The RFQ indicates: "The contractor shall provide and submit to the Using Agency, and the State Contract Manager, all reports and documents as may be necessary to document any services provided including, but not limited to, auditing, compliance, integrity monitoring, oversight and fraud detection and prevention, in accordance with applicable Federal HUD, FEMA and State requirements." Please specify the Federal HUD, FEMA and State requirements or provide references to where these requirements can be located.	As the specific requirements of what each Task Order may require, the State cannot prospectively provide a list of references. A bidder should consider its experience in successfully performing projects of a size and scope similar to the requirements of the RFQ when contemplating what federal and State requirements may be required. Bidders should also review materials on FEMA and HUD web sites to understand the nature of this requirement.
129	10	3.4 All Pools - Reporting and Documentation	Section 3.4 states, "Any final audit reports submitted by the contractor to a Using Agency shall be certified by a New Jersey Certified Public Accountant (CPA) employed by the contractor." Must this CPA be employed by the contractor at the time of the proposal, or can this person be employed after award of a task order?	The firm must have all individuals who are directly related to the contract listed at the time of the proposal.
130	12	4.1 Technical Proposal & 4.2 Management Overview	These sections seem to request very similar information. Section 4.1 states that "The bidder shall describe its approach and plans for accomplishing the work," while Section 4.2 requests that "The bidder shall set forth its overall technical approach and plans to meet the requirements." Please clarify where in the proposal the technical approach and plans	How a bidder elects to present this information is up to the bidder. A bidder should do its utmost within its proposal to demonstrate its capability and experience to perform the requirements of this RFQ.

#	Page #	RFQ Section Reference	Question	Answer
			should be discussed—in 4.1, 4.2, or both? If different aspects of the technical approach should be discussed separately in 4.1 and 4.2, please clarify what is desired in each section.	
131	12	4.2 Management Overview	This section requests a narrative regarding the level of effort necessary to complete the contract. Given that this is a Task Order contract with an unknown level of effort and unknown demand for services, please elaborate on what information the State requires.	A bidder should base its response upon its experience in successfully performing requirements of projects similar in size and scope to what is required within this RFQ.
132	13	4.4 Organizational Support and Experience	Under general skills classifications, can one person fill more than one role, such as key personnel (i.e. can the Partner/Principal also be the Program Manager, or the Program Manager also be the senior consultant, etc)?	Yes, one person may fill more than one role but the bidder should have other key personnel for the dual roles.
133	15	4.6.2 Disclosure	We identified Witt Group Holdings and CDM Smith, Inc., for the two referenced contracts. Can the State provide a listing of contractors that the State is referring to by “any other consultant providing consulting services on disaster recovery services” so that we may fully evaluate any potential conflicts?	The following consulting firms are providing services: Marcus Reinvestment Strategies, LLC Capital Access ICF International Enterprise
134	17	5.2 All Pools - Ownership of Material	It is our interpretation of the section of the 2nd full paragraph on p. 17 of the RFQ, “for the purposes contemplated by the contract” as covering the “relevant work” component, but the same paragraph does indicate a “perpetual royalty free license.” Please confirm that the State would not claim rights after the end of a contract period to existing proprietary systems provided for use during the terms of the contract.	Yes, the State does not claim rights to the software and systems after contract expiration provided that all data and information is available in a meaningful manner and format through the end of the required retention period.
135	18	5.5 Liquidated Damages	In defining the scope of audit work to be performed, the proposing contractor would have to be able to define all relevant conditions that potentially have a bearing on the performance of program activities. Please confirm or clarify whether the audit contractor will have the following:  a) The ability to specify the hours and labor categories to be employed  b) The conditions of the audit, to include the timing and depth of written and other materials to be furnished by NJ implementing contractors, State or other governmental bodies involved in program activities  c) Full and unfettered access to any financial, grant management, and other systems involved in the performance of program activities	The scope of the audit work to be performed will be set forth in the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS.
136	19	6.0 Cost Proposal	If the intent of Exhibit A, Cost Schedule is to propose a single BPA labor rate for each labor category is it the intent of Exhibit A, Cost Schedule that the Contractor reflects its 2013 GSA Schedule	Please be advised that this is a State issued contract. Bidders may submit its best pricing, not to exceed its GSA rate, please adhere to the Price Schedule format.

#	Page #	RFQ Section Reference	Question	Answer
			rates in the Exhibit A, Cost Schedule and specify an annual escalation factor for the ten year period of performance.	
137	19	6.0 Cost Proposal	This section requires a bidder to "set forth how its GSA hourly rate will be applied to the various services requested within the RFQ." It is our understanding from this requirement that the bidder is expected to map its GSA categories and hourly rates to the eight "staff classifications" within the three various pools. Please confirm or clarify.	Yes, the State confirms that a bidder is to map its GSA categories with the seven (7) staff classifications in the Final Revised RFQ.
138	19	6.0 Cost Proposal	Contractors would have to do this to offset the rate challenges in the latter years of the contract. Will the state consider modifying the rate template to allow contractors to provide an annual rate for each year of the expected term?	Yes, please review the modified Price Schedule that reflects the initial 3 year contract term.
139	19	6.0 Cost Proposal	There is possibility that select subcontractors on our team will have their own GSA MOBIS schedules and rates. a) If so, should we still map them only to our rates or use theirs?  b) If we use their rates in addition to ours, how should that spread be reflected in the presentation of cost?	If submitting a proposal that includes the use of subcontractors, a bidder must map the subcontractors' labor rates to those that the bidder is submitting.  Please refer to the preceding answer.
140	22	10.0 Conflict of Interest Clause	Has the State identified any additional RFQ's or programs for which successful bidders on the subject RFQ would be precluded from bidding? If yes, please provide a list?	At this time, no.
141	22	12.0 Additional Requirements	May we assume that if the prime contractor is registered/licensed in the state of NJ that means the team is registered in NJ?	This would depend upon the structure of the bidder's "team". A bidder and any named subcontractor within its Subcontractor Utilization Form must submit a Business Registration Certificate prior to contract award.
142	23	12.0 Additional Requirements	It states that a copy of a valid New Jersey Business Registration must be submitted with the proposal. Since the RFQ just came out March 18th, if the registration is not issued by the proposal due date will an application suffice for this requirement?	Please note that the proposal due date has been changed to Friday, April 5, 2013 at 10 a.m. Please further note that a Business Registration Certificate is required prior to a contract award.
143	24	Price Schedule	Can the bidder offer multiple GSA Rates for each of the generic labor categories specified in the Price Schedule? If not, please clarify the Governments expectation regarding mapping of GSA Schedule Labor Categories/Rates to RFP labor categories.	No, a bidder should submit that labor category and its pricing for that labor category on the Price Schedules that it most closely matches. It is a business decision of the the bidder to determine which labor category it elects to map to the Price Schedules.
144	24	Price Schedule	May a contractor use labor categories from both FABS and MOBIS when pricing?  Or are they restricted to one vehicle?	No.  Yes. Please also refer to the next answer.

#	Page #	RFQ Section Reference	Question	Answer
145	24	Price Schedule	<p>Do you intend for the bidder to provide a total cost for providing the various services requested for each Pool? Or do you solely intend for us to provide the rate applicable to each staff class as per the provided "Price Schedule"?</p> <p>Alternatively are you looking for the rate per staff class along with a % of time that would be spent by the various staff classes to provide the various services for each Pool?</p>	<p>Yes, the State intend for bidders to provide the rate applicable to each staff class as per the now modified Price Schedule found in the Final Revised RFQ?</p> <p>The State does not require bidders to submit the rate per staff class along with a % of time that would be spent by the various staff classes to provide the various services for each Pool.</p>
146	24	Price Schedule	<p>The total POP is for 5 years. The labor rate table in the RFP seems to indicate that NJ wants a single labor rate for each labor category covering the entire 5 years. The GSA Schedule pricing accepts proposing different rates for each year. May we propose different rates for each of the 5 years in the entire POP?</p>	<p>Please refer to the Price Schedule included within the Revised RFQ and to Section 5.0. Also, please be advised that this is a three year term contract, with two one-year extension options.</p>
147	24	Price Schedule	<p>The labor categories listed in the RFQ do not match the labor categories listed in our GSA Schedules. Will the proposing firm be considered non-responsive if the labor categories listed in their GSA Schedule are used in lieu of the labor categories listed in the RFQ?</p>	<p>Yes, a bidder augmenting the Price Lines would be deemed as non-responsive. Should a bidder's labor categories differ from those on the Price Schedules, the bidder must determine the most appropriate match.</p>
148	27	Provision for Federally-Based Contract Form on pg. 27	<p>The RFQ indicates that this will be a "Federally-Based Contract" and will include "the State's Standard Terms and Conditions." Should there be a conflict between the Federally-Based Contract terms and conditions and the States Standard Terms and Conditions, which will take precedence?</p>	<p>This RFQ will result in State-issued contracts, not GSA contracts. The State considers the contracts it will be issuing to be "Federally-Based" as the State is defining its universe of potential bidders from GSA Schedules. Therefore, the New Jersey Standard Terms and Conditions will be the governing document.</p>
149		NJ Standard Terms & Conditions	<p>We request the following:</p> <p>a. Requesting that all indemnification clauses be limited only to acts and/or omissions caused by Contractor's negligent performance.</p> <p>b. Requesting to add the following Limitation of Liability provision to the resulting contract:</p> <p>i. The Contractor's total liability to the Using Agency for any and all liabilities, claims, or damages arising out of or relating to this Contract, howsoever caused and regardless of the legal theory asserted, including breach of contract or warranty, tort, strict liability, statutory liability or otherwise, shall not, in the aggregate, exceed the amount actually paid to the Contractor under this Agreement.</p> <p>ii. In no event shall either the Contractor or the Using Agency be liable to the other for any punitive, exemplary, special, indirect, incidental, or consequential damages (including, but not limited to, lost profits, lost business opportunities, loss of use or equipment down time, and loss of or corruption to data) arising out of or</p>	<p>The State has reviewed your request and does not agree to these requested modifications.</p>

#	Page #	RFQ Section Reference	Question	Answer
			relating to this Agreement, regardless of the legal theory under which such damages are sought, and even if the parties have been advised of the possibility of such damages or loss.	
150		NJ Standard Terms & Conditions	<p>We request the following changes and/or revisions to the terms and conditions as follows:</p> <p>6.3 PAYMENT TO VENDORS - Deletion of a. The using agency(ies) is (are) authorized to order and the contractor is authorized to ship only those items covered by the contract resulting from the RFP. If a review of orders placed by the using agency(ies) reveals that goods and/or services other than that covered by the contract have been ordered and delivered, such delivery shall be a violation of the terms of the contract and may be considered by the Director as a basis to terminate the contract and/or not award the contractor a subsequent contract. The Director may take such steps as are necessary to have the items returned by the agency, regardless of the time between the date of delivery and discovery of the violation. In such event, the contractor shall reimburse the State the full purchase price.</p>	The State has considered your request and does not agree to the requested modification.
151			<p>Is the State willing to limit third party usage of any work product of the contractor? This would not limit the State in providing deliverables to federal regulators or under freedom of information laws.</p> <p>If yes, we suggest the following additional term – “Any advice, recommendations, information, deliverables or other work product provided to the State under this Contract is for the sole use of the State, and is not intended to be, and may not be, relied upon by any third party, and all advice, recommendations, information, deliverables, or other work product may be marked to so indicate. Except for disclosures that are required by law or that are expressly permitted by this Contract, the State will not disclose or permit access to such advice, recommendations, information, deliverables, or other work product to any third party without the Contractor’s prior written consent.” Use of Third Party Service Providers –Can the State acknowledge that in connection with the performance of services under the Contract, Contractor uses third party service providers within and without the United States to provide at Contractor’s direction administrative and clerical services to Contractor?</p>	The State has reviewed your request and does not agree to these requested modifications.

#	Page #	RFQ Section Reference	Question	Answer
			<p>For example, like most large organizations, our firm outsources (both on shore and off-shore) many internal, administrative functions such as timekeeping, word processing, human resources, etc. We can confirm that no direct activity in the delivery of the scope of work will be off-shored and that all direct engagement work will be performed in the U.S. The following provides additional information about our use of third parties for administrative and clerical services: "The Government acknowledges that in connection with the performance of services under the Contract, Contractor uses third party service providers within and without the United States to provide at Contractor's direction administrative and clerical services to Contractor. These third party service providers may in the performance of such services have limited access to information, including but not limited to confidential information, received by Contractor from or at the request or direction of the Government. Contractor represents to the Government that each such third party service provider has agreed to conditions of confidentiality with respect to the Government's information to the same or similar extent as.</p>	

**Part 3**  
**Program and Process Management Auditing, Financial Auditing and Grant  
Management, and Integrity Monitoring/Anti-Fraud Services for Disaster  
Recovery Assistance (Hurricane Sandy)**  
**RFQ768892S**

**Additions, Deletions, Clarifications and Modifications to the RFP**

#	Page #	RFQ Reference	Modifications
1	RFQ	RFQ	Please review the entire revised RFQ as modifications have been made throughout.





# State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND  
PROPERTY  
PROCUREMENT BUREAU  
PO BOX 230  
TRENTON, NJ 08625-0230

**CHRIS CHRISTIE**  
*Governor*  
**KIM GUADAGNO**  
*Lt. Governor*

**ANDREW P. SIDAMON-ERISTOFF**  
*State Treasurer*  
**JIGNASA DESAI-MCCLEARY**  
*Director*

March 27, 2013

To: All Interested Bidders

**Re: RFQ768892S**  
**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**

Outstanding unanswered questions received during the Electronic Question & Answer period will be posted in an additional modification on: **April 1, 2013**.

**Amended Proposal Due Date: April 3, 2013** (10:00 a.m.)

**Revised Proposal Due Date: April 5, 2013** (10:00 a.m.)

### **Modification #3**

The following constitutes Modification #3 to the above referenced solicitation. This modification is divided into the following parts:

Part 1: Answers to questions.

Part 2: Additions, deletions, clarifications and modifications to the RFP

It is the bidder's responsibility to ensure that all changes are incorporated into the original RFQ.

All other instructions, terms and conditions of the RFQ shall remain the same.

**Part 1**  
**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**  
**RFQ768892S**

**Answers to Questions**

Note: Some of the questions have been paraphrased in the interest of readability and clarity. Each question is referenced by the appropriate RFP page number(s) and section where applicable.

#	Page #	RFQ Section Reference	Question	Answer
1		General	Many of the mandatory forms require an RFQ number. Is the appropriate number: RFQ768892S as found on the GSA website?	Yes, the RFQ number is RFQ768892S
2		General	What is the name, title and address of the contact person to which cover letters should be addressed to?	Cover Letters should be addressed to:  Kelly Anderson NJ Department of Treasury Division of Purchase and Property PO BOX 230 Trenton, NJ 08625
3		General	A number of the State's contract requirements may not be commercially reasonable to many potential bidders and in some instances provisions are missing. Examples include, but are not limited to the terms for indemnification, liquidated damages, intellectual property ownership, litigation services requirements and a commercially reasonable Limitation of Liability. Is the State willing to negotiate terms for these and other requirements?	Please refer to Section 1.3 of the RFQ. As stated, "All Questions regarding the State of New Jersey Standard Terms and Conditions and exceptions to mandatory requirements shall be posed during the Question and Answer period and should also contain bidder suggested changes." The state will not negotiate any new terms that were not specifically identified during the electronic question and answer period after the close of the aforementioned period.
4		General	What is the size and makeup of the State's disaster recovery team currently administering Hurricane Sandy recovery grants?	This has yet to be determined.
5		General	What is the size and makeup of the State's disaster recovery team currently administering Hurricane Sandy recovery grants?	The Sandy recovery funds come from several sources namely, FEMA, HUD, and other federal agencies. The Governor's Office of Recovery and Rebuilding is charged with..... They have a core staff and consultant providing policy direction and oversight. The Department of Community Affairs is managing the HUD CDBG-Disaster Recovery funds, which is an initial allocation of \$1.82 billion. DCA will build on its initial staffing that runs regular CDBG as well as many housing, code enforcement and local government programs. The DCA intends to enhance its staff with a division dedicated to sandy recovery, with an estimated staff of fifty people. This will be adjusted according to need and supplemented with consultants and contracted services.
6	Cover Page	Proposals Due	We would like to request that you extend the deadline for submission of proposals. Not only is 10 days a very short time to prepare a quality proposal (I.e. from March 18 when the RFQ was issued and the due date March 28), but it also has been requested at a time when many families are out of town to celebrate Easter and/or their children's Spring Break from school, so the timing of the proposal is placing an increased burden on contractors'	The proposal due date has been changed to Wednesday, April 3, 2013 at 10 a.m. Please refer to link located on page 23 to register online.

#	Page #	RFQ Section Reference	Question	Answer
			personnel.	
7	2	1.0 Purpose and Intent	Davis Bacon Act is the construction equivalent of the SCA. The <i>Service Contract Act</i> is incorporated in to the GSA Schedule. All but one of the labor categories listed in the RFP's Price Schedule appear to be "professional" exempt positions, Please confirm that the Service Contract Act is not applicable to any resulting contract.	SCA does not apply
8	2	1.0 Purpose and Intent	The RFP indicates that the procurement will result in a "Federally-Based GSA" contract; however, the GSA contract is not specified. Can you provide guidance on which GSA Contract/schedule is to be utilized by the State for this procurement/contract?	The RFQ was posted to GSA schedules 520 & 874; however the State will accept proposals from all qualified and registered GSA firms.
9	2	1.0 Purpose and Intent	The RFQ describes FEMA PA and HUD CDBG-DR grants, however does this SOW include work for other disaster grants such FHWA-ER and Transit grants that are also allocated as part of the Sandy bill? Does this scope of work include FEMA HMGP grants?	Yes the scope of work includes FEMA HMGP grants.
10	3	1.2 Proposal Submission	Notwithstanding the GSA procurement process, please confirm that email is the preferred delivery method for proposals or if hard copies are required. If hard copies are required, please state the number of originals and copies to be provided.	The proposal should be submitted in PDF form by email or through the GSA eBuy system, in two separate volumes with the content of each volume as indicated below:  <b>Volume 1</b> Required Forms as identified in Section 12.0; and Technical Proposal.  <b>Volume 2</b> Price Schedule <b>*Please do not include any pricing information in Volume 1.</b>
11	4	1.4 Engagement Processes	Is the intention of the below statement that any bidder doing work in pool 1 would be precluded from doing any work in pools 2 or 3? Or is the intention of this statement that if a bidder is doing pool 1 work for subgrantee A, they cannot be involved in pool 2 or 3 work related to subgrantee A.  "Any contractor already engaged in providing oversight, compliance or consulting services regarding the use of federal disaster relief funds shall be ineligible to submit a proposal for any other services related to that engagement."	Contractors may submit proposals to be include in all three of the pools, however contractors may not provide conflicting services for the same projects. Please refer to Section 4.0.
12	4	1.4 Engagement Processes	Will there be a standardized form developed for the Using Agency that solicit Task Orders?	No, each task order may be different.
13	4	1.4 Engagement Processes	The RFQ indicates: "Any firm that submits lower pricing for a specific project will be held to that lower pricing for all future engagements." Please clarify whether this statement applies only to the specific Task Order associated with this RFQ for which lower pricing may be offered or any other contracts that the Contractor has with the State of New Jersey.	Section 1.4 pertains only to projects related to this RFQ.

#	Page #	RFQ Section Reference	Question	Answer
14	5	1.5 Small Business Subcontracting Set-Aside Contracts	Our Firm is a small business firm in another state. If we receive a New Jersey Business Registration, would we be considered a small business for this procurement?	Please refer to Section 1.5 and review the NJ Division of Revenue's Small Business Enterprises website for additional information.
15	5	1.5 Small Business Subcontracting Set-Aside Contracts	Will the contractor be penalized for NOT intending to use subcontractors?	The contractor will not be penalized for not intending to use subcontractor. The Small Business Subcontracting is strictly a goal of the State. Please refer to the modified Section 1.5.
16	5	1.5 Small Business Subcontracting Set-Aside Contracts	Since the total contract value is unknown and will only be determined by subsequent task orders, how should we complete the column "Estimated Value of Subcontracts" for each subcontractor listed in the required Subcontractor Utilization Form? For instance, should we use percentages rather than dollars? Please clarify.	Percentages will be sufficient.
17	5	1.5 Small Business Subcontracting Set-Aside Contracts	Where in our proposal should the discussion of our SBE Subcontracting Plan and the Subcontractor Utilization Form appear? Should they be placed in the Technical or the Cost Proposal?	Description of subcontracting should be in the Technical Proposal.
18	5	1.5 Small Business Subcontracting Set-Aside Contracts	We assume the stated small business subcontracting goal of 25% is of all subcontracted dollars. Please confirm.  In addition, given that this is task order procurement with unknown amount of funding, how does the government anticipate evaluating this commitment?	The State's goal is for all contractors related to this RFQ to subcontract 25% to Small Business Enterprises and will be evaluated by percentage not dollars.
19	6	1.5 Small Business Subcontracting Set-Aside Contracts	Please clarify the term "contract" in the 4th paragraph (page 6) – does this mean contract (MSA as a result of this RFQ) or a task order. Should the need arise for a unique skill set or expertise not covered by the proposed team, can additional firms be sourced locally and added to the team later?	The term contract refers to being selected to one or more pools as a result of this RFQ. Each bidder must cite specific intended subcontractors with its proposal.
20	7	2.0 Definitions/Acronyms	The State has presented a State Contract Manager as the individual responsible for approval of deliverables. It is our understanding that the State has engaged a consulting group to facilitate this effort. Will the consulting group potentially serve as a State Contract Manager? If so, in order to properly determine if our firm is conflict free, we respectfully request the name of the consulting firm hired to facilitate the effort.	The State Contract Managers must be employees of the State.
21	8	3.0 Scope of Work	The note in section three states, "Pool 2 and Pool 3 Bidders should have CPAs on staff, or as members of the assigned team." (Page 8, Section 3.0) Does the government intend for the contractor to issue any audit reports under professional standards? If so, the contracting firm would need to be a licensed public accounting firm within the State of New Jersey. Please clarify whether the contractors bidding on Pools 2 and 3 would need to meet this requirement.	To the extent an audit report is needed to comply, then yes they would need to be licensed.

#	Page #	RFQ Section Reference	Question	Answer
22	8	3.0 Scope of Work	Regarding the organization of the three task areas, it seems to us that Pool 2 mixes oversight/audit/ monitoring activities with operational activities. Typically one wants to see an independent auditor/monitor that is not also responsible for setting-up and performing operational activities they are supposed to audit/oversee. We believe the State would be better served if there we're a separation of these functions. One approach would be to add (or move) oversight/monitoring of these functions from Pool 2 to Pool 3. The other approach would be to move the financial management operational/advisory functions from Pool 2 to Pool 1. This would apply especially to the first requirement in Pool 2 (a) Plan, implement, administer..." that are operational activities rather than audit functions.	The State has reviewed your request and does not agree to this requested modification.
23	8	3.0 Scope of Work	Section 3.0 states that "Pool 1 Bidders do not need to be Certified Public Accountants (CPA). Pool 2 and Pool 3 Bidders should have CPAs on staff, or as members of the assigned team." This appears to conflict with Section 3.4, which states that "any final audit reports submitted by the contractor to a Using Agency shall be certified by a New Jersey Certified Public Accountant (CPA) employed by the contractor." We assume that this apparent conflict means that no final audit reports are expected to be required as deliverables under Pool 1 services, and therefore no CPA will be required for Pool 1. Please confirm or clarify	Please review revised language in Section 3.4 of the modified RFQ.
24	8	3.0 RFQ Scope of Work	What are the estimated values or number of hours anticipated for each pool?	This will be determined in each task order.
25	10	3.3.1 All Pools - Deliverables	The items numbered 1 and 3 of section 3.3.1 All Pools Deliverables – indicate a monthly deliverable requirement, and item 2 indicates a 4 week deliverable date. May we assume that all three are monthly deliverables? This makes it better for reporting all together if they should all occur in the same project/task.	Yes, these will all be monthly deliverables.
26	10	3.4 All Pools - Reporting and Documentation	Is it necessary that the required NJ CPA be an employee of the prime contractor, or can this person be an employee of a subcontractor (for instance, as one means of satisfying the SBE goal)?	It is not required to be an employee. A subcontractor is permissible
27	10	3.4 All Pools - Reporting and Documentation	What precise certification would the NJ CPA be making in relation to the final audit reports?	Accuracy and timeliness of the reports and the independence of the auditor.
28	10	3.4 All Pools - Reporting and Documentation	The State requests that the contractor maintain "all records related to products, transactions, or services under this contract...". Could the State elaborate as to what is included within "all records" and if electronic media are acceptable?	Yes, electronic media is acceptable.

#	Page #	RFQ Section Reference	Question	Answer
29	10	3.4 All Pools - Reporting and Documentation	It states that any final audit reports must be certified by a New Jersey Certified Public Accountant. Since our Firm is located in another state, we would be required to obtain a temporary permit from the New Jersey Accountancy Board to practice in New Jersey, would our CPAs be considered a New Jersey CPA for the proposed contract?	Must be NJ licensed CPA.
30	11	3.5 Litigation Services	It states the contractor will represent and defend the State and any of its political sub-divisions at its own costs in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations. Many audit reports have recommendations that auditees are not happy with, even though the recommendations are the most appropriate to resolve the issues reported in the audit report. This provision appears to leave the contractor open to frivolous challenges by auditees. Is there some form of safeguard that will be employed by the State of New Jersey that will protect contractors from actions that are lodged by auditees which have no merit? Does file a proceeding mean a legal action in court?	The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.
31	11	3.5 Litigation Services	My firm cannot provide legal services and we do not give broad indemnities for any and all lawsuits arising out of our services. We would like to strike the entire section.	The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.
32	11	3.5 Litigation Services	With respect to Section 3.5, it is our understanding that this provision is indicating that we would be responsible for defending our recommendations to support the State's defense, but not to undertake and pay for the State's defense (I.e. the State will have its own attorney's defending any claims filed against the State).	The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.
33	11	3.5 Litigation Services	This clause states that "The contractor(s) shall represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its	Confirmed, each of the stated itemized types of proceedings would fall under the definition of "proceeding" as it is used in Section 3.5.



#	Page #	RFQ Section Reference	Question	Answer
			<p>political sub-divisions resulting from the implementation of the contractor(s) recommendations” (emphasis added).</p> <p>Please clarify whether or not each of the following falls under the definition of “proceeding” as used in this clause:</p> <p>a) A recommendation by OIG to FEMA or HUD to take a particular action with respect to a matter on which the contractor has made a recommendation</p> <p>b) A request from FEMA or HUD that seeks a response from the State or a political sub-division to a particular OIG audit before the Agency decides to respond to the OIG</p> <p>c) A de-obligation of funds by FEMA or HUD</p> <p>d) An appeal of a de-obligation by any of the agencies involved</p> <p>e) Administrative fiat</p>	
34	11	3.5 Litigation Services	With respect to the statement “resulting from implementation of the contractor(s) recommendations,” does a discovery that there was a duplication of benefits that was not discovered by the procedures fall under this clause?	Yes.
35	11	3.5 Litigation Services	In the event of a de-obligation of funds, is it envisioned under any scenario that the contractor could be held liable for the amount of the de-obligation?	<p>The language of Section 3.5 has been modified to the following:</p> <p><b>3.5 LITIGATION SERVICES</b></p> <p>The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.</p>
36	11	3.5 Litigation Services	This procurement attaches significant contractor liability to a wide range of potential Government responses associated with the implementation of contractor recommendations. This condition may have an unintended effect. The eligibility of proposed Public Assistance applications under the regulations is seldom a black and white issue. There is often a certain amount of gray area that falls between the proposed projects and the regulations that the applications must navigate. Because of the potential liability, the audit contractors will necessarily have to act out of an abundance of caution that may dramatically limit the kinds of projects that are allowed to go forward. This conservative approach may have the effect of excluding a wide range of potential approvable projects that would fall into this gray area. Is this outcome the State's intent?	<p>The language of Section 3.5 has been modified to the following:</p> <p><b>3.5 LITIGATION SERVICES</b></p> <p>The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.</p> <p>:</p>

#	Page #	RFQ Section Reference	Question	Answer
37	11	3.5 Litigation Services	Does the scope of the desired services identified in Section 3.5 include legal representation of the State? As an alternative, please advise if the below revised language would be acceptable.	No. The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.
38		3.5 Litigation Services	Litigation Support Services, “The contractor(s) shall <del>represent and defend</del> provide reasonable assistance and support to the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.”	No. The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.
39		3.5 Litigation Services	The clause language contained in the RFQ, is overly broad and potentially penal to the contractor, without a direct linkage to the work performed by the contractor. Therefore, we recommend the state revise the language as follows: “The contractor(s) shall represent and defend, at its (their) own cost, the State or any of its political sub-divisions (otherwise referred to as a “Using Agencies” as defined [RFQ Pg. 2 1.0 PURPOSE and INTENT paragraph 2]), before any federal, state or local regulatory agency if any such agency files a proceeding against the State or any of its political sub-divisions, on the sole basis of gross negligence by the contractor(s) in the development of the contractor(s)’s recommendations to the user agency.”	No. The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.
40		3.5 Litigation Services	Will the State consider eliminating this section? We cannot accept liability for the actions of entities outside of our organizations control.	No. The language of Section 3.5 has been modified to the following:  <b><u>3.5 LITIGATION SERVICES</u></b>  The contractor(s) shall, at its own cost, fully cooperate with the State and provide all documentation and/or working papers necessary to represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.



#	Page #	RFQ Section Reference	Question	Answer
41	12	4.0 Required Components of the RFQ Proposal	Is there a total page count for this proposal?	There is a 25 page limit per pool.
42	12	4.0 Required Components of the RFQ Proposal	Is it acceptable to submit one proposal that covers multiple pools of work, or is the State requesting a separate proposal for each pool?	A Bidder may submit only one proposal that covers multiple pools of work. As referenced in Section 4.0, the Bidder's proposal must specifically indicate the pool(s) for which Bidder is to be evaluated.
43	12	4.0 Required Components of the RFQ Proposal	Is the cost proposal expected to be a separate document, or can it be included in the Technical proposal?	<p>The proposal should be submitted in PDF form by email or through the GSA eBuy system, in two separate volumes with the content of each volume as indicated below:</p> <p>Volume 1 Required Forms (Section 12.0) Technical Proposal (Sections 4.1 through 4.6.3)</p> <p><b>NOTE: These sections of the bidder's submission is limited to 25 pages or fewer per pool submission, with no smaller than a 12 point font.</b></p> <p>Volume 2 Price Schedule *Please do not include any pricing information in Volume 1.</p>
44	12	4.1 Technical Proposal	Do you want us to provide our similar contracts in our response to section 4.1 and also in response to section 4.6 or can we just provide them in section 4.6?	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
45	8	4.0 Required Components of the RFQ Proposal	Is it acceptable to submit one proposal that covers multiple pools of work, or is the State requesting a separate proposal for each pool?	A Bidder may submit only one proposal that covers multiple pools of work. As referenced in Section 4.0, the Bidder's proposal must specifically indicate the pool(s) for which Bidder is to be evaluated.
46	9	4.0 Required Components of the RFQ Proposal	Is the cost proposal expected to be a separate document, or can it be included in the Technical proposal?	<p>The proposal should be submitted in PDF form by email or through the GSA eBuy system, in two separate volumes with the content of each volume as indicated below:</p> <p>Volume 1 Required Forms (Section 12.0) Technical Proposal (Sections 4.1 through 4.6.3)</p> <p><b>NOTE: These sections of the bidder's submission is limited to 25 pages or fewer per pool submission, with no smaller than a 12 point font.</b></p> <p>Volume 2 Price Schedule *Please do not include any pricing information in Volume 1.</p>
47	12	4.0 Required Components of the RFQ Proposal	Is there a total page count for this proposal?	There is a 25 page limit per pool.

#	Page #	RFQ Section Reference	Question	Answer
48	12	4.1 Technical Proposal	Do you want us to provide our similar contracts in our response to section 4.1 and also in response to section 4.6 or can we just provide them in section 4.6?	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
49	12	4.1 Technical Proposal	<p>As stated in section 4.1, "the bidder must set forth an action plan for responding to requests for an engagement and shall provide a list of previously held, or currently held, contracts with similar services..."</p> <p>a) Please clarify whether this is asking for an action plan in response to a request by a Using Agency once it is determined which Pool a contractor has been awarded, or if this is an action plan to complete the scope of services as described in Pool 1, 2, or 3?</p> <p>b) Is the list of previous or current contracts listed in 4.1 the same list that is also referenced in 4.6? If they are not, please clarify expectations for how the two areas differ.</p>	<p>The action plan is to detail how the bidders will complete the scope of services as described for Pools 1, 2, or 3.</p> <p>These are the same list. Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.</p>
50	12	4.1 Technical Proposal	It appears that virtually all of the information requested in the single paragraph under the heading Section 4.1 ("Technical Proposal") is requested again in the following sections. (See, for instance, the detailed discussion of approach under 4.2, and the list of projects required under 4.6.) Is the language in Section 4.1 simply intended to serve as an introduction to the various instructions for the Technical Proposal that follow, or should the information requested in Section 4.1 be provided in our proposal separate from (and in addition to) those other locations? Please clarify.	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
51	12	4.1 Technical Proposal	Will the State consider significantly modifying Section 4.1? Requested modifications would reflect actions directly attributable to the contractor's actions and a limitation of liability.	The State will not modify Section 4.1.
52	12	4.1 Technical Proposal & 4.2 Management Overview	These sections seem to request very similar information. Section 4.1 states that "The bidder shall describe its approach and plans for accomplishing the work," while Section 4.2 requests that "The bidder shall set forth its overall technical approach and plans to meet the requirements." Please clarify where in the proposal the technical approach and plans should be discussed—in 4.1, 4.2, or both? If different aspects of the technical approach should be discussed separately in 4.1 and 4.2, please clarify what is desired in each section.	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
53	12	4.1 Technical Proposal	[Technical Proposal] This section requests that "the bidder must set forth an action plan for responding to requests for an engagement and shall provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget, and a comprehensive	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.

#	Page #	RFQ Section Reference	Question	Answer
			description of each contract.” This requirement seems similar to the requirements the bidder will need to follow when submitting a response to the Using Agencies’ future task orders (Section 1.4, Engagement Process). Is the State asking (in Section 4.1) that the bidder provide in its response a plan for responding to the future task orders that are to be issued by the Using Agencies or is the State asking for a description of all contracts the bidder currently has to date providing disaster recovery assistance for or within the State of New Jersey?	
54	13 & 24	4.4 Organizational Support and Experience & Price Schedule	The Pricing Schedules on pages 24–26 of the RFQ include eight labor categories (“Staff Classifications”). However, Section 4.4 of the RFQ lists seven “general skill classifications.” Not included in this list is the category of Consultant, which appears as #5 on each of the Price Schedules. It appears that the Consultant category of professional skill classification was inadvertently omitted from Section 4.4. If so, can you provide similar general qualifications for this classification as were provided for the others?	Consultant is defined as someone that possesses knowledge, some experience, and capabilities in the development of solutions, recommendations, or outcomes across multiple tasks and/or organizations. Supports the development of solutions to address organization’s challenges. Supports project objectives and helps assess the impact of industry trends, policy, or standard methodologies.
55	12	4.1 Technical Proposal	<p>As stated in section 4.1, "the bidder must set forth an action plan for responding to requests for an engagement and shall provide a list of previously held, or currently held, contracts with similar services..."</p> <p>c) Please clarify whether this is asking for an action plan in response to a request by a Using Agency once it is determined which Pool a contractor has been awarded, or if this is an action plan to complete the scope of services as described in Pool 1, 2, or 3?</p> <p>d) Is the list of previous or current contracts listed in 4.1 the same list that is also referenced in 4.6? If they are not, please clarify expectations for how the two areas differ.</p>	<p>The action plan is to detail how the bidders will complete the scope of services as described for Pools 1, 2, or 3.</p> <p>These are the same list. Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.</p>
56	12	4.1 Technical Proposal	It appears that virtually all of the information requested in the single paragraph under the heading Section 4.1 (“Technical Proposal”) is requested again in the following sections. (See, for instance, the detailed discussion of approach under 4.2, and the list of projects required under 4.6.) Is the language in Section 4.1 simply intended to serve as an introduction to the various instructions for the Technical Proposal that follow, or should the information requested in Section 4.1 be provided in our proposal separate from (and in addition to) those other locations? Please clarify.	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.

#	Page #	RFQ Section Reference	Question	Answer
57	12	4.1 Technical Proposal	Will the State consider significantly modifying Section 4.1? Requested modifications would reflect actions directly attributable to the contractor's actions and a limitation of liability.	The State will not modify Section 4.1.
58	12	4.1 Technical Proposal	[Technical Proposal] This section requests that "the bidder must set forth an action plan for responding to requests for an engagement and shall provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget, and a comprehensive description of each contract." This requirement seems similar to the requirements the bidder will need to follow when submitting a response to the Using Agencies' future task orders (Section 1.4, Engagement Process). Is the State asking (in Section 4.1) that the bidder provide in its response a plan for responding to the future task orders that are to be issued by the Using Agencies or is the State asking for a description of all contracts the bidder currently has to date providing disaster recovery assistance for or within the State of New Jersey?	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
59	13	4.4 Organization Support and Experience	Regarding resumes, will resumes only be required for key personnel's or everyone whom might be supporting the contract in each labor category?	The State is requesting resumes from all personnel supporting the contract in each labor category.
60	13	4.4 Organization Support and Experience	Please define key personnel positions, besides Partners/Principal, Program Manager, Project Manager, and Senior Consultant?	Consultant is defined as someone that possesses knowledge, some experience, and capabilities in the development of solutions, recommendations, or outcomes across multiple tasks and/or organizations. Supports the development of solutions to address organization's challenges. Supports project objectives and helps assess the impact of industry trends, policy, or standard methodologies.
61	13	4.4 Organizational Support and Experience	Section 4.4 states that "The bidder must 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 its ability to perform the services required by this RFQ." However, the rest of the text under 4.4 does not mention provision of company experience or references, while Section 4.6 specifically requests information about experience and references. Does the State want bidders to provide similar experience details and references in both of these sections, or should these details be provided only in one place (and if so, in which section)?	Responding to Section 4.1 is sufficient to provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.
62	13	4.4 Organizational Support and Experience	Section 4.4 requests that bidders "identify staff by resume, experience, and hourly rate." However, Section 4.5 (Page 14) requests resumes again, and Section 6.0 (Page 19) states that hourly rates should be provided in the Cost Proposal. Please confirm/clarify	Resumes must be provided in the Technical Proposal and the hourly rates must be provided in the Price Schedule. Please follow the below formatting:  The proposal should be submitted in PDF form

#	Page #	RFQ Section Reference	Question	Answer
			whether the actual resumes and hourly rates should be provided according to the later sections that request them, or whether they need to be provided in 4.4 as well.	by email or through the GSA eBuy system, in two separate volumes with the content of each volume as indicated below:  Volume 1 Required Forms (Section 12.0) Technical Proposal (Sections 4.1 through 4.6.3)  <b>NOTE: These sections of the bidder's submission is limited to 25 pages or fewer per pool submission, with no smaller than a 12 point font.</b>  Volume 2 Price Schedule *Please do not include any pricing information in Volume 1.
63	13	4.4 Organizational Support and Experience	Paragraph 3 on Page 13 indicates that the bidder must identify staff for seven general skill classifications. Consistent with other elements of the RFQ, is the bidder permitted to identify only key personnel?	The State is requesting resumes from all personnel supporting the contract in each labor category.
64	14	4.5 Resumes	a) To make it easier for reviewers to locate the references, we would like to include a single table with the name of the individual on the resume and their reference's name and contact information. Please confirm this is acceptable?	The resume format is acceptable as long as it meets the requirements of Section 4.5.
65	14	4.5 Resumes	To make it easier to locate and contact the references, we would like to provide references for work performed within the last 3 years. Please confirm this is acceptable?	Resumes should include all related work with references.
66	14	4.5 Resumes	Please clarify the reference check. Many of the projects that are listed were performed with governmental agencies and there restrictions on who may be contracted related to work on those engagements. In most cases this is restricted to the Contracting Officer Representative (COTR) or the Contracting Officer (CO). These individuals may or may not have worked with the individual on the engagement. Will the listing of the COTR or CO be sufficient?	The Contract Officer Representative or Contracting Officer is sufficient as a reference.
67	14	4.5 Resumes	Will similar work be accepted for FEMA catastrophic event experience?	Please review Section 4.6.
68	14	4.5 Resumes	Is it the states intent that resumes submitted contain personal/professional references for each of the positions held by an individual bid on this contract? As responsibility for performance and execution of these task orders will be the responsibility of the company contracted to perform the work, these seems like an unusual requirement.	The resumes of the individuals that will be directly related to the awarded contract should be submitted in the Technical Proposal.
69	14	4.5 Resumes	Do we need to submit resumes for the senior consultant and up since the description for the senior consultant role (page 13) is considered "in-charge?"	Please submit resumes for all listed labor categories.

#	Page #	RFQ Section Reference	Question	Answer
70	14	4.5 Resumes	Is senior consultant/in-charge included in the key personnel category?	Yes.
71	14	4.6 Experience of Bidder on Similar Contracts	This section states that "All professional qualifications noted in this Section should be submitted with the proposal." Please clarify what types of professional qualification should be submitted.	All professional qualifications in completing similar contracts should be listed.
72	14	4.6 Experience of Bidder on Similar Contracts	Does NJ have a limit on how many past performances we need to provide for this RFP? Or a date limit (i.e. how many years back)?	Bidders should provide a comprehensive list all relevant experience.
73	15	4.6.2 Disclosure	Are you able to provide the name of the vendor and all sub-contractors providing service on state contract G-8034?	Please refer to the following link: <a href="http://www.state.nj.us/treasury/purchase/noa/contracts/g8034_13-r-22921.shtml">http://www.state.nj.us/treasury/purchase/noa/contracts/g8034_13-r-22921.shtml</a>
74	15	4.6.3 Financial Capability of the Bidder	Regarding submission of financial information, we are clarifying our understanding that any financial information we submit to the State would NOT become public information (per Section 1.2), and that we would be providing any such information in strict confidentiality and solely for the purpose of validating our firm's financial ability to perform the contracted services. Our firm is a private partnership and the information requested is highly confidential and critical to our firm's competitive position in the market.	Please refer to modified Section 4.6.3 "A bidder may submit specific financial documents as a separate PDF, in the same email/posting, marked "Confidential-Financial Information" along with the proposal".
75	15	4.6.3 Financial Capability of the Bidder	Is it necessary to provide a bank reference if we do have audited financial statements, or is that only required when a contractor does not have audited financial statements?	Bidders should submit a bank reference.
76	15	4.6.3 Financial Capability of the Bidder	As a non-publicly traded company, certified or independently audited financial statements are not required and are not prepared. Will the State accept unaudited annual financial statements along with certifications of officers carrying the titles equivalent to a Chief Executive Officer and Chief Financial Officer?	As stated in Section 4.4, "If certified financial statements are not available, the bidder should provide either a reviewed or compiled statement from an independent accountant setting forth the same information required for the certified financial statements, together with a certification from the Chief Executive Officer and the Chief Financial Officer, that the financial statements and other information included in the statements fairly present in all material respects the financial condition, results of operations and cash flows of the bidder as of, and for, the periods presented in the statements. In addition, the bidder should submit a bank reference"
77	15	4.6.3 Financial Capability of the Bidder	Can the State define what is meant by "a bank reference"?	A statement of financial standing from your firm's banking institution.
78	16	5.1 Data Confidentiality	This paragraph specifies that the contractor shall assume total financial liability for any breach of confidentiality. This is an onerous requirement, especially for any firm smaller than the largest of your potential bidders. Will the State accept limiting the contractor's	No. Limiting liability for confidentiality related to breach of confidentiality is not customarily tied to the value of the task order. The financial responsibility for a breach could be far beyond the value of a task order. This requirement will not be changed.



#	Page #	RFQ Section Reference	Question	Answer
			liability to the value of the awarded task order, as is customary in these contracts?	
79	16	5.1 Data Confidentiality	What level of security clearance is required for staff working this contract?	Please Review Section 5.1 of the RFQ.
80	16	5.1 Data Confidentiality	This section states that "The following shall not be considered confidential information of the State and shall not be subject to the provisions of Section 5.9.1 of the RFQ". Please provide Section 5.9.1 as it is not included in this Solicitation.	Please disregard reference to Section 5.9.1 of the RFQ as it was erroneously included. The statement should have referenced Section 5.1
81	16	5.1 Data Confidentiality	This section states that "The contractor shall assume total financial liability incurred by the contractor associated with any breach of confidentiality." In the course of performing this work, the audit contractor will necessarily be reviewing and interfacing with systems that are owned and operated by others and function essentially as "black boxes." Such interface can result in data breaches that are not necessarily within the audit contractor's span of control. In such a case, how will responsibility be determined?	If a breach of confidentiality occurs and that breach is deemed to have occurred as a result of the contractor, the contractor shall assume total financial liability.
82	16	5.1 Data Confidentiality	So that we may properly assess the risk associated with this clause, particularly with respect to the potential actions associated with Sections 3.5 (Litigation Services) and 5.5 (Liquidated Damages), please provide the following information: a) A list of all automated grants management and other mission critical systems that the audit function will be responsible for monitoring or interfacing with. b) The cyber-security and internal user security standards that apply to the specific systems	They would need access to the systems set up in the first three RFQ's (RREM, SSHIP, & Small Rental) As to the State System it would include the Sandy Integrated Recovery Operations Management System (SIROMS) for which we are doing an RFQ on
83	16	5.1 Data Confidentiality	Would the audit contractor be allowed to test program contractors, and State and government agency computer systems to the identified cyber-security and internal user security standards? This would be necessary if the audit contractor is to be held liable for breaches of security for program contractor and/or government computer systems.	Yes, where permitted.
84	16	5.2 All Pools - Ownership of Material	Is the contractor responsible for paying/performing security clearance/background checks for all project staff?	Yes a contractor is responsible for the security clearance/background checks cost.
85	17	5.2 All Pools - Ownership of Material	As a small business, providing Errors and Omissions insurance in the amount of \$5,000,000 places a disproportionate financial burden on the firm. Would the State consider keeping this coverage at \$1,000,000?	While the State will not consider reducing the amount of Insurance required by the RFQ, please note that the RFQ does include a small business subcontracting goal as set forth in Section 1.5 of the RFQ.

#	Page #	RFQ Section Reference	Question	Answer
86	18	5.4 Insurance – Professional Liability Insurance	Will the State consider eliminating the endorsement for retroactive coverage? The Firm does not have a retroactive date currently as the Firm carries full prior acts coverage.	Full prior acts coverage will be accepted in lieu of an endorsement for retroactive coverage. However, if contractor changes carriers during the term of the contract to a policy that does not include full prior acts coverage; an endorsement for retroactive coverage will be required.
87	18	5.4 Insurance – Professional Liability Insurance	It states that a contractor must have at least a \$5,000,000 limit. Since our Insurance limit is less than that, can a winning contractor obtain the additional insurance after contract award? Should the current policy be submitted with the proposal?	Insurance certificates do not have to be submitted with the proposal; however, all required insurance must be in effect before any work is performed under the contract. Certificates of Insurance must be forwarded to the State as required by Section 4.2 of the State of New Jersey Standard Terms and Conditions.
88	18	5.5 Liquidated Damages	This requirement is onerous and will eliminate much of the potential pool of bidders. There needs to be an upper limit to these damages. As is customary, the upper limit should be limited to the value of the Task order contract.	Section 5.5 of the RFQ is amended to include the following:  Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order.
89	18	5.5 Liquidated Damages	As written this requirement is both generic and unbounded. Additionally, no specific damages are stated in this section. Here again, the requirement to use GSA Pricing does not allow potential bidders to incorporate a risk premium in to its offer, subsequently this requirement may severely limit the number of bidders responding to this RFP. Will the Government be more specific regarding when liquidated damages might be imposed and specify a reasonable maximum limit (say \$4M) to the amount of liquated damages which can be imposed for the failure to meet a given performance standards or condition of the contract?	Section 5.5 of the RFQ is amended to include the following: Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order. The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS.
90	18	5.5 Liquidated Damages	This requirement is onerous and will eliminate much of the potential pool of bidders. There needs to be an upper limit to these damages. As is customary, the upper limit should be limited to the value of the Task order contract.	Section 5.5 of the RFQ is amended to include the following:  Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order.
91	18	5.5 Liquidated Damages	This section states that “If the contractor fails to meet any of the performance standards or conditions of the contract, the State may withhold payment for damages from the fees or premiums due to the contractor in an amount equal to the damages stated in this section.” a) What are the performance standards by which these liquidated damages will be determined? For instance, are they universal, or determined on a task order basis? b) If they are to be determined on a task order basis, will the State please provide examples of contemplated performance standard?	Section 5.5 of the RFQ is amended to include the following: Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order. The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS. The performance standards will vary depending upon the specific scope of work included in the request for competitive price quotes.
92	18	5.5 Liquidated Damages	For liquidated damages to be applied, generally the specific breach in performance must be specified. Can the state provide the list of specific breaches to which liquidated damages could be assessed and the amounts of liquidated damages for each? (This condition is required for the definition of “liquidated damages” as opposed to a “penalty.”)	Section 5.5 of the RFQ is amended to include the following:  Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order. The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors



#	Page #	RFQ Section Reference	Question	Answer
				in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS. The performance standards will vary depending upon the specific scope of work included in the request for competitive price quotes.
93			Would NJ contractors implementing specific disaster recovery programs such as Housing Advisory Services, Program Management Services, and HMGP grant administration services, etc. be subject to the same requirements for liquidated damages and responsibility to provide legal protection for the State and other parties that can contract for services under those contracts?	The terms of the other contracts referenced would govern the responsibilities of the parties to those contracts.
94	18	5.5 Liquidated Damages	Would the audit contractor be responsible for damages associated with any potential fraud that may be committed by employees of the program implementation contractor(s), and/or State or other governmental agencies that may procure services under this contract?	The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS. The performance standards will vary depending upon the specific scope of work included in the request for competitive price quotes.
95	18	5.5 Liquidated Damages	Is there a court or other third party jurisdiction that would assign the amount of liquidated damages?	The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS. The performance standards will vary depending upon the specific scope of work included in the request for competitive price quotes.
96	18	5.5 Liquidated Damages	To balance the risk associated with this clause, would the State consider having a schedule of award fee payments for exemplary work in that exceeds performance standards, while at the same time contemplating damages for not meeting defined performance standards?	No.
97	18	5.5 Liquidated Damages	My firm does not agree to liquidated damages. We would like to strike the entire section.	The Disaster Relief Appropriations Act of 2013 (Public Law 113-2, approved January 29, 2013) requires that Grantees incorporate performance requirements and penalties into each procured contract or agreement.
98	18	5.5 Liquidated Damages	Will the state consider eliminating or significantly modifying this Section? As currently written, our Firm would take an exception to this clause.	The Disaster Relief Appropriations Act of 2013 (Public Law 113-2, approved January 29, 2013) requires that Grantees incorporate performance requirements and penalties into each procured contract or agreement.  In addition, Section 5.5 of the RFQ is amended to include the following:  Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order.
99	19	5.6 Form of Compensation and Payment	This section states that "Payments to the Contractor will be disbursed following approval by the State Contract Manager in accordance with section 6.0 above." Please provide Section 6.0 above as it is not included in this Solicitation. Or does this refer to Section 6.0 below, entitled Cost Proposal?	The reference to "above" is a typo and should state "below". . Section 6 is below Section 5.3 Form of Compensation and Payment on page 19.

#	Page #	RFQ Section Reference	Question	Answer
100	19	5.6 Form of Compensation and Payment	The RFQ references disbursements in accordance with "Section 6.0 above". Section 6.0 pertains to the Cost Proposal. Could the State clarify which section of the RFQ addresses the intended disbursement matter?	The reference to "above" is a typo and should state "below". Contractors will be paid by the hourly rates proposed with the Price Schedule and disbursed upon the State Contract Manager's approval.
101	19	6.0 Cost Proposal	Do you want the Cost Proposal to be a separate document from the Technical Proposal? If so, should we avoid including any pricing information in the Technical Proposal? Specifically, section 4.4 requests rates.	The proposal should be submitted in PDF form by email or through the GSA eBuy system, in two separate volumes with the content of each volume as indicated below:  Volume 1 Required Forms (Section 12.0) Technical Proposal (Sections 4.1 through 4.6.3)  <b>NOTE: These sections of the bidder's submission is limited to 25 pages or fewer per pool submission, with no smaller than a 12 point font.</b>  Volume 2 Price Schedule *Please do not include any pricing information in Volume 1.
102	19	6.0 Cost Proposal	Should the Cost Proposal consist of anything other than the hourly rates provided using the Price Schedule forms at the end of the RFQ document?	No, the price schedule should only include the hourly rates.
103	19	6.0 Cost Proposal	Please clarify the period of performance and the number of years for which we should provide time and materials rates for the labor categories.	The initial contract term is for three (3) years with two (2) optional one (1) year extensions.
104	20	7.0 Selection Process	With regard to pricing evaluation, please clarify Section 7D of the RFQ.	One evaluation criterion will be the bidders cost proposal. The bidder will be evaluated on the competitive pricing proposed within the pricing schedule.
105	22	10.0 Conflict of Interest Clause	One of our proposed sub-contractors has a number of people currently deployed in NJ as SME / consultants under the FEMA Public Assistance (PA) contract (as a subcontractor to one of the four prime contractors). This particular subcontractor currently provides technical assistance to FEMA in the areas of Preliminary Damage Assessments, General Disaster Operations, Project Management, Project Closeout, Environmental Compliance, Hazard Mitigation, Training, Appeals, Financial Analysis, and other Stafford Act-related activities. May we assume that the conflict of interest would be determined task order by order so as not to preclude the use of their expertise and understanding of disaster recovery in supporting the work requested under this contract?	Yes, conflict of interest is determined on a per task order basis.
106	22	11.0 Program Efficiency Assessment	Will the Contractor be responsible for paying the State the .25% Program Efficiency Assessment or will the State invoice the Using Agencies directly for this fee? If the Contractor is responsible for paying the State, can this amount be added to our rates as opposed to coming out of our existing rates?	The State will invoice the Using Agency.

#	Page #	RFQ Section Reference	Question	Answer
107	22	12.0 Additional Requirements	Is the New Jersey's Standard Terms and Conditions document included in the list of documents that must be completed and submitted with the proposal, or does it just apply to the contract? If it should be completed and submitted, how should it be "completed"?	Please refer to GSA RFQ Announcement and modified Section 12.0. Bidders are to initial and date the last page of the State's Standard Terms and Conditions and return as part of your RFQ.
108	23 & 27	12.0 Additional Requirements	Is the Federal Vendor Letter mentioned on page 23 of the RFQ the document that is provided on page 27 of the RFQ?	Yes, the Federal Vendor Letter referenced on page 23, is now located on page 33 in the modified RFQ.
109		Standard Terms & Conditions	<p>The RFQ indicates that the intent is to award a Federally-Based Contract in accordance with GSA but also includes the New Jersey Standard Terms and Conditions. Would the State consider using only the terms and conditions from the Federal Contract? If yes, we do not have any exceptions and requested changes to the Federal Contract terms and conditions. If the State will be using the New Jersey Standard Terms and Conditions, we respectfully request that the State consider the following changes to terms and conditions per the requirement of section 1.3, Question and Answer, "Questions regarding the State of New Jersey Standard Terms and Conditions and exceptions to mandatory requirements shall be posed during the Question and Answer period and should also contain bidder suggested changes.</p> <p>Questions and requested changes to NJ Standard Terms and Conditions:</p> <ol style="list-style-type: none"> <li>1. Page 4, § 4.1 – We request that the State delete "any and all" from the first sentence, 3rd line and insert after "claims" "for death, bodily injury, or damage to tangible property, and" and in the 5th line of the first sentence delete "including" and replace with "as well as".</li> <li>2. Page 5, § 4.2 – <ol style="list-style-type: none"> <li>a. In the third sentence, we request that the State change 60 days to 30 days.</li> <li>b. In subparagraph (b), we request that the State delete the second sentence. We don't believe this is applicable.</li> </ol> </li> <li>3. Page 6, §5.2 - Please add: "Contractor is authorized to maintain copies of all information necessary to comply with its contractual obligations and applicable professional standards." We would like to confirm that we will be allowed to follow applicable professional standards.</li> <li>4. Page 8, § 5.15 – We request that the State modify the second sentence to begin: "Timekeeping and expense records directly relating to the contract shall be made..." We request this revision as we must protect data</li> </ol>	The State has reviewed your request and does not agree to this requested modification.

#	Page #	RFQ Section Reference	Question	Answer
			<p>that may be in our timekeeping records related to our other clients.</p> <p>5. We ask the State to consider adding the following are additional terms to the contract:</p> <p>a. Will the State include a Limitation of Liability clause in the resulting contract, as has been done in the past with professional services contracts, such as the following?  “Notwithstanding anything else herein to the contrary, the liability of the Contractor on account of any actions, damages, claims, liabilities, costs, expenses or losses in any way arising out of or relating to the services performed under a Task Order issued pursuant to the Contract shall be limited to the amount of fees paid or owing to Contractor under the relevant Task Order. In no event shall Contractor be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). This section shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss asserted, whether in contract, statute, tort (including but not limited to negligence) or otherwise and shall survive termination or expiration.”</p>	
110		Standard Terms & Conditions	Insurance – Will the State agree to strike this language? The Firm cannot ensure that Certificates of Renewals are provided within 30 days of the expiration of the insurance.	The State will not modify it insurance requirements.
111		Standard Terms & Conditions	Contractor has agreed to pursuant this Contract. Contractor has full responsibility to cause these third party service providers to comply with such conditions of confidentiality and Contractor shall be responsible for any consequences of their failure to comply. Accordingly, the Government consents to Contractor disclosure to a third party service provider and the use by such third party service provider of data and information, including but not limited to confidential information, received from or at the request or direction of the Connector for the purposes set forth herein. The Government agrees that any claim relating to the services under the Contract may only be made against Contractor and not any third party service provider referred to above.”	The State has reviewed your request and does not agree to this requested modification.

#	Page #	RFQ Section Reference	Question	Answer
112		Standard Terms & Conditions	<p>The requirement for resumes states “With respect to each similar contract, the bidder should include the name and address of each reference together with a person to contact for a reference check and a telephone number.” (Page 14, Section 4.5)</p> <p>a. To make it easier for reviewers to locate the references, we would like to include a single table with the name of the individual on the resume and their reference’s name and contact information. Please confirm this is acceptable?</p> <p>b. To make it easier to locate and contact the references, we would like to provide references for work performed within the last 3 years. Please confirm this is acceptable?</p> <p>c. Please clarify the reference check. Many of the projects that are listed were performed with governmental agencies and there restrictions on who may be contracted related to work on those engagements. In most cases this is restricted to the Contracting Officer Representative (COTR) or the Contracting Officer (CO). These individuals may or may not have worked with the individual on the engagement. Will the listing of the COTR or CO be sufficient?</p>	<p>It is acceptable so long as the requested information is provided.</p> <p>The RFQ does not limit it to three years but it is the bidder's choice to include what references it sees fit.</p> <p>c) If the COTR or the CO is the only reference you can provide, that is acceptable.</p>
113		Standard Terms & Conditions	<p>We would like to request the following changes and/or revisions to the terms and conditions as follows:</p> <p>4.1 INDEMNIFICATION - Contractor shall indemnify the [Client Name] against any and all claims or liability arising from either any bodily injury or property damage or any infringement of third-party intellectual property rights, caused by the Contractor or its personnel in the performance of this contract. Notwithstanding the foregoing, Contractor and its present and former partners, principals and employees shall not be liable for any special, consequential, incidental, exemplary damages or loss (or any lost profits, taxes, interest, tax penalties, savings or business opportunity).</p> <p>4.2 INSURANCE - TERMINATION OF CONTRACT</p> <p>-e. Contractor shall not be liable for any delay or failure in performance due to circumstances beyond its reasonable control. In the event that Contractor determines, in its professional judgment, that it cannot complete the services, Contractor may withdraw from the engagement without liability. In addition, Contractor reserves the right to, in whole or in part, decline to perform services if information comes to its attention indicating that performing any Services could cause Contractor to be in violation of applicable law, regulations or standards or in</p>	<p>The State has reviewed your request and does not agree to this requested modification.</p>

#	Page #	RFQ Section Reference	Question	Answer
			<p>a conflict of interest, or to suffer reputational damage.</p> <p>5.12 DELIVERY REQUIREMENTS - Deletion of d.) In the event delivery of goods or services is not made within the number of days stipulated or under the schedule defined in the contract, the using agency shall be authorized to obtain the material or service from any available source, the difference in price, if any, to be paid by the contractor.</p> <p>5.15 MAINTENANCE OF RECORDS - Addition of : Such records shall be made available upon written notice, during normal business hours, not more than once annually, to the State, including the Comptroller, for audit and review.</p>	
114		Standard Terms & Conditions	<p>We would like to request the following changes and/or revisions to the terms and conditions as follows:</p> <p>Limitation of Liability – The state of New Jersey agrees that the liability of Contractor and its present, future and former partners, principals and employees for any claim, including but not limited to, Contractor’s negligence, shall not exceed the fees it receives for the portion of the work giving rise to such liability. In addition, [Client] agrees that Contractor and its present, future and former partners, principals and employees shall not under any circumstances be liable for any special, consequential, incidental or exemplary damages or loss (nor any lost profits, taxes, interest, tax penalties, savings or business opportunity), even if Contractor was advised in advance of such potential damages. This paragraph shall apply to any type of claim asserted, including contract, statute, tort, or strict liability, whether by [Client], Contractor, or others.</p> <p>Warranty - Contractor warrants that it will perform is services on a reasonable professional efforts basis. This warranty is in lieu of, and we expressly disclaim, all other warranties, express, implied or otherwise, including without limitation any implied warranties of merchantability or fitness for a particular purpose. Contractor does not warrant computer hardware, software or services provided by other parties.</p> <p>Intellectual Property - Contractor shall retain sole and exclusive ownership of and all right, title and interest in and to any know-how, concepts, techniques, methodologies, ideas, processes, models, templates, tools, utilities, routines and trade secrets of Contractor that existed prior to this engagement or that, to the extent they are of general application, may have been discovered, created or</p>	The State has reviewed your request and does not agree to this requested modification.

#	Page #	RFQ Section Reference	Question	Answer
			<p>developed by Contractor as a result of its own efforts during this engagement (collectively, the "Contractor Property"). The [Client Name] shall acquire no rights or interest in the Contractor Property, except for a non-exclusive, non-transferable, royalty-free right to use such Contractor Property solely in connection with any deliverable or work product to the extent any Contractor Property is incorporated therein. The [Client Name] will not sublicense or otherwise grant any other party any rights to use, copy or otherwise exploit or create derivative works from the Contractor Property.</p> <p>Non-Hire - During the term of this contract and for a period of one (1) year after the Services are completed, each party agrees not to solicit, directly or indirectly, or hire any of the personnel of the other party who participate in this contract without the express written consent of the other party. This Section does not preclude either party from placing help wanted advertisements or employees of either party from pursuing employment opportunities with the other party on their own initiative.</p>	
115		Standard Terms & Conditions	<p>We would like to request the following changes and/or revisions to the terms and conditions as follows:</p> <p>Other Terms requested to add:  Disputes - Any controversy or claim arising out of or relating to this Agreement or related fees which cannot be resolved informally shall first be submitted to voluntary mediation. A mediator will be selected by agreement of the parties, or if the parties cannot agree a mediator acceptable to all parties will be appointed by the American Arbitration Association. The mediation will proceed in accordance with the customary practice of mediation. In the unlikely event that such differences cannot be resolved by mediation, the parties recognize that the matter will probably involve complex business issues that would be decided most equitably by a judge hearing the evidence without a jury. Accordingly, the parties agree to waive any right to a trial by jury in any action, proceeding or counterclaim arising out of or relating to the Services and the related fees.</p>	The State has reviewed your request and does not agree to this requested modification.
116		Standard Terms & Conditions	<p>We would like to request the following changes and/or revisions to the terms and conditions as follows:</p> <p>Other Terms requested to add:  If the above jury trial waiver is determined to be prohibited by applicable law, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Grant Thornton office</p>	The State has reviewed your request and does not agree to this requested modification.



#	Page #	RFQ Section Reference	Question	Answer
			<p>providing the Services is located unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act ("FAA") and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the American Arbitration Association ("AAA"), except that no pre-hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from AAA, JAMS, the Center for Public Resources or any other internationally or nationally-recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within 15 days of the parties' agreement to terminate or waive mediation, and arbitration will thereafter proceed expeditiously. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award non-monetary, equitable relief and will not have the right to award punitive damages. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential mediation or arbitration.</p>	



**Part 2**  
**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**  
**RFQ768892S**

**Additions, Deletions, Clarifications and Modifications to the RFP**

#	Page #	RFQ Reference	Modifications
1	Cover Page	Answers to be Posted	Outstanding unanswered questions received during the Electronic Question & Answer period will be posted in an additional modification on: <b>April 1, 2013.</b>
2	Cover Page	Proposal Due	The RFQ originally stated: <i>Proposals Due: <b>April 3, 2013</b> (10:00 a.m.)</i> This statement shall be modified to read: <i>Proposals Due: <b>April 5, 2013</b> (10:00 a.m.)</i>
3	RFQ	RFQ	Please review the entire revised RFQ as modifications have been made throughout.



## State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
PROCUREMENT BUREAU  
PO BOX 230  
TRENTON, NJ 08625-0230

**CHRIS CHRISTIE**  
*Governor*

**KIM GUADAGNO**  
*Lt. Governor*

**ANDREW P. SIDAMON-ERISTOFF**  
*State Treasurer*  
**JIGNASA DESAI-MCCLEARY**  
*Director*

March 21, 2013

To: All Interested Bidders

**Re: RFQ768892S**

**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)**

**Original** Proposals Due: **March 28, 2013** (10:00 a.m.)

**Revised** Proposals Due: **April 3, 2013** (10:00 a.m.)

### **Modification #2**

The following constitutes Modification #2 to the above referenced solicitation.

It is the bidder's responsibility to ensure that all changes are incorporated into the original RFQ.

All other instructions, terms and conditions of the RFQ shall remain the same.

**Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)  
RFQ768892S**

#	Page #	RFQ Reference	Modifications
1	Cover Page	Answers to be Posted	<p>The RFQ originally stated:</p> <p><u>Answers to be Posted: March 22,2013 at 5:00 p.m. Eastern Time</u></p> <p>This statement shall be modified to read:</p> <p><u>Answers to be Posted: March 27,2013 at 5:00 p.m. Eastern Time</u></p>
2	Cover Page	Proposal Due	<p>The RFQ originally stated:</p> <p><u>Proposals Due: March 28,2013 at 10:00 a.m. Eastern Time</u></p> <p>This statement shall be modified to read:</p> <p><u>Proposals Due: April 3 ,2013 at 10:00 a.m. Eastern Time</u></p>

**FINAL REVISED REQUEST FOR QUOTATION  
FOR  
PROGRAM AND PROCESS MANAGEMENT AUDITING, FINANCIAL  
AUDITING AND GRANT MANAGEMENT, AND INTEGRITY  
MONITORING/ANTI-FRAUD SERVICES FOR DISASTER RECOVERY  
ASSISTANCE  
(HURRICANE SANDY)**

**Issued by the  
State of New Jersey  
Division of Purchase and Property**

**Date Initial RFQ Issued: March 18, 2013**

**Electronic Questions Due: March 21, 2013 12:00 p.m. Eastern Time**

**Answers to be Posted Revised Date: March 27, 2013 5:00 p.m. Eastern Time  
& April 1, 2013 5:00 p.m. Eastern Time**

**Proposals Due Date Revised: April 5, 2013 at 10:00 a.m. Eastern Time**

**FINAL REVISED REQUEST FOR QUOTATION (“RFQ”)  
FOR  
PROGRAM AND PROCESS MANAGEMENT AUDITING, FINANCIAL  
AUDITING AND GRANT MANAGEMENT, AND INTEGRITY  
MONITORING/ANTI-FRAUD SERVICES FOR DISASTER RECOVERY  
ASSISTANCE  
(HURRICANE SANDY)**

**1.0 PURPOSE AND INTENT**

This RFQ is issued by the State of New Jersey (“State”) Procurement Bureau, Division of Purchase and Property, Department of the Treasury on behalf of the State of New Jersey Governor’s Office. The purpose of this RFQ is to solicit quotes from interested qualified firms who can provide Program and Process Management Auditing, Financial Auditing and Grant Management and Integrity Monitoring/Anti-Fraud support services for Disaster Recovery.

The intent of this RFQ is to award a minimum of five (5) to a maximum of twenty (20), federally-based General Services Administration (GSA) contracts in each of three (3) pools of qualified contractors for the following three (3) separate areas: 1) Program and Process Management Auditing, 2) Financial Auditing and Grant Management and 3) Integrity Monitoring/Anti-Fraud from which any State department, agency or authority or any Cooperative Purchasing Partner (Using Agencies) may select a qualified contractor appointed through this RFQ on an as-needed basis pursuant to the engagement process set forth in Section 1.4 of the RFQ. Bidders may compete for one or more pools.

Award of contracts within these three (3) pools will be to those qualified firms whose quotes, conforming to this RFQ, are most advantageous to the State, price and other factors considered. Bidders may compete for one or more of the pools.

It is the State’s intent to ensure that all work performed pursuant to this RFQ is eligible for United States Department of Housing and Urban Development (HUD) and United States Federal Emergency Management Agency (FEMA) Public Assistance grant funding and performed in accordance with HUD, FEMA and other applicable federal and State regulations, policies and guidance including, but not limited to, Davis-Bacon Act (40 U.S.C. 276a to 276a-7) and Clean Air Act (42 U.S.C. 1857 (h)). Qualified firms shall possess all required Federal and State licensing.

**The State will not issue any Task Orders for services funded by CDBG until receipt of all pertinent HUD approvals.**

**1.1 BACKGROUND**

On October 27, 2012, Governor Chris Christie signed Executive Order 104 (“EO 104”) declaring a State of Emergency in New Jersey related to the impact of Hurricane Sandy, which caused massive property damage and loss of life. On October 30, 2012, President Obama declared a

major disaster for New Jersey (DR-4086), thereby qualifying New Jersey for federal disaster assistance funds. Disaster assistance includes HUD Community Development Block Grant Funding-Disaster Relief (CBDG-DR) and FEMA Public Assistance, Individual Assistance and Hazard Mitigation Grant Program funds as well as other federal disaster assistance programs. The New Jersey Office of Emergency Management (NJOEM), in cooperation with other State entities, executed the State Emergency Operations Plan (EOP) in responding to the needs of the State during and immediately following the hurricane. As the State moves into the recovery phase in the aftermath of the storm, it seeks strategic consultant services designed to support all facets of intermediate and long-term recovery efforts.

The State is seeking Program and Process Management Auditing, Financial Auditing and Grant Management and Integrity Monitoring/Anti-Fraud services to monitor the State's recovery efforts and the compliance and reporting of that effort with both Federal and State requirements for the use and acquisition of appropriated disaster assistance funding for DR-4086 as designated by the grantor agencies.

On January 29, 2013, the Disaster Relief Appropriations Act, 2013 (H.R. 152/Public Law 113-2), appropriated \$16,000,000,000 in Community Development Block Grant (CDBG) funds available for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing and economic revitalization in a declared major disaster pursuant to the Richard T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et seq.) (Stafford Act). As a grantee of these funds, the State must submit an Action Plan to HUD for review and approval. The State posted its Action Plan for public comment on March 12, 2013.

## **1.2 PROPOSAL SUBMISSION**

Proposals are to be submitted through the GSA RFQ process by March 28, 2013 at 10:00 a.m. Eastern Time.

Subsequent to bid submission, all information submitted by bidders in response to the solicitation is considered public information, except as may be exempted from public disclosure by the Open Public Records Act, N.J.S.A. 47:1A-1 et seq., and the common law. Because the State proposes to negotiate and/or pursue a Best and Final Offer, proposals will not be made public until the contract award is approved by the Treasurer's office.

## **1.3 QUESTION AND ANSWER**

The Procurement Bureau will accept questions electronically, pertaining to this RFQ, until the March 21, 2013 at 12:00 p.m. Eastern Time of proposal submission from all potential bidders. Questions shall be directed via email to:

**Damian Fantini**  
[damian.fantini@treas.state.nj.us](mailto:damian.fantini@treas.state.nj.us)

Questions regarding the State of New Jersey Standard Terms and Conditions and exceptions to mandatory requirements shall be posed during the Question and Answer period and should also contain bidder suggested changes.

**Bidders who submit with its proposal any terms that conflict with the RFQ terms, the Standard Terms and Conditions of this RFQ that have not been addressed during the Question and Answer period will be null and void.**

Communications with other representatives of the State regarding this RFQ are prohibited during the submission and selection processes. Failure to comply with these communications restrictions will result in rejection of a firm's proposal.

The State will not be responsible for any expenses in the preparation and/or presentation of the proposals, oral interviews or for the disclosure of any information or material received in connection with this RFQ.

The State reserves the right to reject any and all proposals received in response to this RFQ, when determined to be in the State's best interest, and to waive minor noncompliance in a proposal. The State further reserves the right to make such investigations as it deems necessary as to the qualifications of any and all firms submitting proposals in response to this RFQ. In the event that all proposals are rejected, the State reserves the right to re-solicit proposals.

The State intends to extend the contract(s) awarded to the Division's Cooperative Purchasing partners. These partners include quasi-state agencies, counties, municipalities, school districts, volunteer fire departments, first aid squads, independent institutions of higher learning, County colleges and State colleges. In order for the State contract(s) to be extended to cooperative purchasing partners, the bidder must agree to the extension by executing the Cooperative Purchase Form attached to this RFQ. Although the State, with the assent of the vendor(s), is making the use of any contract resulting from this RFQ available to non-State Agencies, the State makes no representation as to the acceptability of any State RFQ terms and conditions under the Local Public Contracts Law or any other enabling statute or regulation.

#### **1.4 ENGAGEMENT PROCESS**

The scope of work and request for competitive price quotes for each request will be for all or some of the services listed under this RFQ and shall be developed, and submitted for approval to the State Contract Manager, on an individual basis as required from a Using Agency. The Using Agency will include the specific performance milestones, standards and deliverables, as appropriate, in the request. The Using Agency will structure the liquidated damages provision associated with a failure to meet any required milestones, standards or deliverables, as appropriate. The request will be sent from the Using Agency to a minimum of 5 contractors in the appropriate pool in order to avoid any perception of preference.

Each Using Agency will engage a firm from the pool of qualified vendors in accordance with the Using Agency's needs and the following process. If a contractor is not able to participate in a specific project due to a conflict of interest or scheduling, it shall decline the request for a



competitive quote in writing to the requesting Using Agency within three (3) business days of issuance of the request. Any contractor already engaged in providing oversight, compliance or consulting services regarding the use of federal disaster relief funds shall be ineligible to submit a proposal for any other services related to that engagement.

For each request, each contractor that does not have a conflict of interest or scheduling shall respond within five (5) business days with the following:

- A detailed proposal, including a detailed budget, to perform the scope of work reflecting the requirements of the engagement for competitive price quotes;
- A contract schedule that shall identify the performance milestones and associated deliverable items to be submitted as evidence of completion of each task and/or sub-task;
- Person-hour and/or labor category mix: A comprehensive chart showing the person-hours proposed to meet the requirements of the request for competitive quotes. The chart shall be designed to reflect the tasks, sub-tasks, or other work elements required by the request for competitive quote. The chart shall set forth, for each task, sub-task or other work element, the total number of person-hours, by labor category, proposed to complete the contract. The hourly rates used for each labor category shall be the hourly rates specified in the contract; and
- A detailed list of all engagements, contracts or task orders in which the firm is currently providing services for any type of disaster recovery assistance. The list must include the name of the contracting entity, a detailed list of the scope of services and the contract term.

The Using Agency will review the proposals and select the contractor whose proposal represents the best value, price and other factors considered. Prior to finalizing any engagement under this contract, the Using Agency must determine whether the intended contractor has any conflict with regard to the services requested with due regard to the entity being audited or monitored. Any person with CDBG responsibilities, decision-making power or information may not obtain a financial interest or benefit from CDBG activity or have any interest in the contract or subcontract. The Using Agency will then issue a task order with a “Not to Exceed” clause to the engaged firm. Any firm that submits lower pricing for a specific project will be held to that lower pricing for all future engagements.

### **1.5 JOINT VENTURE**

If a joint venture is submitting a proposal, the agreement between the parties relating to such joint venture should be submitted with the joint venture’s proposal. Authorized signatories from each party comprising the joint venture must sign the proposal. A separate Ownership Disclosure Form, Disclosure of Investigations and Actions Involving Bidder form, and Affirmative Action Employee Information Report must be supplied for each party to a joint venture. NOTE: Each party comprising the joint venture must also possess a valid Business Registration Certificate (“BRC”) issued by the Department of Treasury, Division of Revenue prior to the award of a contract. Refer to Section 12.0 of this RFQ.

## **1.6 SMALL BUSINESS SUBCONTRACTING SET-ASIDE CONTRACTS**

The Procurement Bureau strongly encourages the use of local subcontractors and has set a 25% goal for the use of subcontractors that are registered with the N.J. Division of Revenue as Small Business Enterprises (SBE). Contractors may search for registered SBEs at:

[https://www6.state.nj.us/CEG\\_SAVI/jsps/vendorSearch.jsp](https://www6.state.nj.us/CEG_SAVI/jsps/vendorSearch.jsp)

If the bidder intends to subcontract, it must submit a Subcontractor Utilization Plan. If the bidder intends to subcontract, the bidder should take the following actions to achieve the set-aside subcontracting goal requirements:

1. Attempt to locate eligible small businesses in Categories I, II, and III appropriate to the RFP;
2. Request a listing of small businesses by Category from the New Jersey Division of Revenue, Small Business Enterprise Unit;
3. Record efforts to locate eligible businesses, including the names of businesses contacted and the means and results of such contacts;
4. Provide all potential subcontractors with detailed information regarding the specifications;
5. Attempt, whenever possible, to negotiate prices with potential subcontractors submitting higher than acceptable price quotes;
6. Obtain, in writing, the consent of any proposed subcontractor to use its name in response to the RFP; and,
7. Maintain adequate records documenting efforts to achieve the set-aside subcontracting goals.

Proposals should also contain a copy of the New Jersey of Revenue, Small Business Enterprise Unit's proof of registration as a small business for any business proposed as a subcontractor; and documentation of the bidder's good faith effort to meet the targets of the set-aside subcontracting requirement in sufficient detail to permit the Bid Review Unit of the Division to effectively assess the bidder's efforts to comply if the bidder has failed to attain the statutory goals.

If the bidder chooses to use subcontractors and fails to meet the small business subcontracting targets set forth above, the bidder must submit documentation demonstrating its good faith effort to meet the targets with its proposal or within seven (7) business days upon request.

If awarded the contract, the bidder shall notify each subcontractor listed in the Plan, in writing.

In addition, bidders are affirmatively encouraged to engage women and minority owned business owners and to employ local businesses and labor.

## **2.0 DEFINITIONS/ACRONYMS**

**Bidder** – an organization, firm or individual submitting a proposal in response to the Request for Quotations that is not currently debarred.

**CDBG** – Community Development Block Grant program is a flexible program that provides communities with resources to address a wide range of unique community development needs.

**CDBG-DR** – Community Development Block Grant-Disaster Recovery is an allocation of additional funding specifically for disaster recovery purposes.

**Contractor** (also Qualified Contractor) – A bidder awarded a contract resulting from this RFQ.

**Director** – Director, Division of Purchase and Property, Department of the Treasury. By statutory authority, the Director is the chief contracting officer for the State of New Jersey.

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

**DOJ** – United States Department of Justice.

**DRGR** – Disaster Recovery Grant Reporting. A system developed by HUD's Office of Community Planning and Development for the Disaster Recovery CDBG program and other special appropriations.

**FEMA** – United States Federal Emergency Management Agency.

**GSA** – United States General Services Administration.

**HUD** – United States Department of Housing and Urban Development.

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

**OMB** – State of New Jersey Office of Management and Budget.

**Shall or Must** – Denotes that which is a mandatory requirement. Failure to meet a mandatory material requirement will result in the rejection of a proposal as non-responsive.

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

**State** – State of New Jersey.

**SME** – Subject Matter Expert.

**State Contract Manager** – The individual responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work, as set forth in Sections 3.0.

**Transaction** - The payment or remuneration to the contractor for services rendered or products provided to the State pursuant to the terms of the contract, including but not limited to the following: purchase orders, invoices, hourly rates, firm fixed price, commission payments, progress payments and contingency payments.

**Using Agency** – The entity for which the Division has issued this RFP and will enter into a contract.

### **3.0 RFQ SCOPE OF SERVICES**

Work will be assigned by written task order containing a specific and detailed scope of work for each engagement, with pricing based on a not to exceed clause pursuant to the selection of a qualified contractor from one of the three (3) pools under the Engagement Process.

**Note: Pool 1 Bidders do not need to be Certified Public Accountants (CPA). Pool 2 and Pool 3 Bidders should have CPAs on staff, or as members of the assigned team.**

### **3.1 POOL 1 -PROGRAM AND PROCESS MANAGEMENT AUDITING**

Contractors selected from this pool must be able to provide all of the following services including, but not limited to:

- a) Development of processes, controls and technologies to support the execution of the following FEMA-administered programs: Public Assistance, Hazard Mitigation, and Individual Assistance; HUD-administered Community Development Block Grant (CDBG) program; and other Federal and State grant and assistance programs in compliance with Federal and State guidance, including OMB circulars;
- b) Review and improve procedures addressing reimbursement review backlog and financial management;
- c) Resources to perform workload analysis; skills gap analysis, organizational effectiveness and workforce recruiting strategies;
- d) Compliance Sanctions Program for those applicants that fail to meet Federal and State program requirements;
- e) Consulting services to support account reconciliations necessary to control and report on existing Project Worksheet accounts, applicant balances, system interfaces, and other control balances;
- f) Quality assurance / quality control reviews and assessments associated with the payments process to ensure that they are in compliance with Federal and State regulations and conform to industry best practices;
- g) Risk analysis and identify options for risk management for the Federal and State grant payment process;
- h) Consulting services to reduce the reconciliation backlog for the Request for Reimbursements process; and
- i) Consulting services providing Subject Matter Expert (SME) knowledge of required standards for related monitoring and financial standards for Disaster Relief set forth in HUD's Community Planning and Development Monitoring Handbook 6509.2.

### **3.2 POOL 2 – FINANCIAL AUDITING AND GRANT MANAGEMENT**

Contractors selected from this pool must be able to provide all of the following services including, but not limited to:

- a) Plan, implement, administer, coordinate, monitor and evaluate the specific activities of all assigned financial and administrative functions. Develop and modify policies/procedures/systems in accordance with organizational needs and objectives, as well as applicable government regulations;
- b) Provide technical knowledge and expertise to assist in the integration of the Electronic Grants management program into the State finance and accounting system;
- c) Review and make recommendations to streamline the grant management and fiscal management processes and to ensure accountability of funds and compliance with Federal and State program regulations;
- d) Provide tools to be used by Using Agencies for the assessment of the performance of the financial transaction processes;
- e) Monitor all grant management, accounting, budget management, and other business office functions regularly; and
- f) Provide and/or identify training for staff in the area of detection and prevention of fraud, waste and abuse; and
- g) Ensure compliance with all applicable Federal and State accounting and financial reporting requirements.

### **3.3 POOL 3 - INTEGRITY MONITORING/ANTI-FRAUD**

Contractors selected from this pool must be able to provide all of the following services including, but not limited to:

- a) Forensic accounting and all specialty accounting services;
- b) Risk assessments and loss prevention strategies;
- c) Performance and program monitoring and promotion of best practices as applicable to each task order issued under this contract;
- d) Fraud and misconduct investigation, prevention, detection and remediation;
- e) Implementation and management of appropriate compliance systems and controls required by State and Federal governing guidelines, regulations and law;
- f) Development and implementation of policies and procedures to assist in ensuring that program requirements are met, including preventing a duplication of benefits, and

measures to detect and prevent fraud, waste abuse and mismanagement of funds; Compliance with Federal and State laws, and DRGR regulations as applicable;

- g) Compliance with local regulations and ordinances as applicable;
- h) Disseminate information regarding the Anti-Fraud hotline maintained by the Office of the State Comptroller; and
- i) Provide data management systems/programs for the purpose of collecting, conducting and reporting required compliance and anti-fraud analytics.

The contractor should have the ability to provide integrity monitoring services for professional specialties such as engineering and structural integrity services, etc. either directly or through a subcontractor relationship.

### **3.3 ALL POOLS -DELIVERABLES AND DUE DATES**

The contractor shall provide the following to the Using Agency:

#### **3.3.1 ALL POOLS - DELIVERABLES**

- 1) Monthly reports on activities conducted on or for each task to include the type of activity, results, recommendations and analysis;
- 2) A report every four (4) weeks on analysis of data as to fraud detection, outlier trends and progress by agencies or contractors to correct anomalies and system processes to provide verification of resolution and prevention of reoccurrence; and
- 3) Monthly reports on the resolution and closure of issues identified as result of any audit or monitoring from agencies providing oversight.

#### **3.3.2 ALL POOLS - DELIVERABLE DUE DATES**

The contractor shall provide a deliverable schedule as requested by each Using Agency for each task order.

### **3.4 ALL POOLS - REPORTING AND DOCUMENTATION**

The contractor shall provide and submit to the Using Agency, and the State Contract Manager, all reports and documents as may be necessary to document any services provided including, but not limited to, auditing, compliance, integrity monitoring, oversight and fraud detection and prevention, in accordance with applicable Federal HUD, FEMA and State requirements.

The contractor shall retain all records, documents, and communications of any kind (including electronic in disk or print form) that relate in any manner to the award and performance of this contract as required by State and Federal regulations.

The contractor shall maintain all records related to products, transactions or services under this contract for a minimum period of five (5) years from the date of final payment. Such records

shall be made available to the New Jersey Office of the Comptroller, for audit and review, upon request pursuant to N.J.A.C. 17:44-2.2 and disclose to other parties for audit and review. Record retention beyond the five (5) year mark may be necessary and will be directed by the State.

The contractor shall be responsible for providing protective storage of daily or disaster-related documents and reports used during the provision of services under this RFQ, including but not limited to, audit, compliance, integrity monitoring, oversight and fraud detection and prevention and shall make any documents held available to the State upon request.

### **3.5 LITIGATION SERVICES**

The contractor(s) shall represent and defend the State and any of its political sub-divisions at its own cost, in any matter before any federal, state or local regulatory agency if any agency files a proceeding against the State or any of its political sub-divisions resulting from the implementation of the contractor(s) recommendations.

### **3.6 TRAVEL EXPENSES AND REIMBURSEMENTS**

Travel expenses and reimbursements shall be paid to the contractor as follows:

The contractor agrees to adhere to the General Services Administration (GSA) published travel rules and rates to include disaster specific amendments in accordance with the Federal Travel Regulations. Reimbursable expenses shall be limited to the following:

- a) Coach class air fare purchased at the lowest reasonably available rate and baggage fees, to include consultant deployment and demobilization travel;
- b) Meals limited to the maximum current GSA per diem rate (receipts not required but will be supplied if HUD or other funding agencies require same)
- c) Lodging limited to the maximum current GSA per diem rate to include GSA- or HUD approved lodging waivers;
- d) Rotation airfare for contractor employees or approved sub-consultants/subcontractors will be reimbursed based on the consultant travel policy which limits each individual to a maximum of one (1) extended weekend trip every two (2) weeks, with up to one (1) trip up every quarter being a trip that can extend up to a week in duration; coach class air fare purchased at the lowest reasonably available rate plus baggage fees. Additional rotations or extensions of rotation duration may also be allowed outside of this rotation policy if deemed cost-effective or for client-recognized holidays, as long as they are approved by the State; and
- e) Mileage for contractor privately owned vehicles at the current New Jersey rate of 31 cents per mile.



#### **4.0 REQUIRED COMPONENTS OF THE RFQ PROPOSAL**

Bidders may submit a proposal for one, two or all three of the intended pools:

POOL 1: Program and Process Management Auditing;

POOL 2: Financial Auditing and Grant Management; and/or

POOL 3: Integrity Monitoring/Anti-Fraud.

The bidder's proposal must specifically indicate the pool(s) for which bidder is to be evaluated.

#### **4.1 TECHNICAL PROPOSAL**

The bidder shall describe its approach and plans for accomplishing the work outlined above in 3.0 RFQ Scope of Services. The bidder must set forth an action plan for responding to requests for an engagement and shall provide a list of previously held, or currently held, contracts with similar services provided by the bidder. The list must detail the type, budget and a comprehensive description of each contract.

#### **4.2 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 State 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. This narrative should demonstrate to the State that the bidder's general 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 ability to complete the contract. The bidder's response to this section should be designed to demonstrate to the State that the bidder's detailed plans and proposed approach to complete the Scope of Services are realistic, attainable and appropriate and that the bidder's quote will lead to successful contract completion.

#### **4.3 CONTRACT MANAGEMENT**

The bidder should describe its specific plans to manage, control and supervise any Task Orders issued pursuant to the contract to ensure satisfactory completion according to the required schedule. The plan should include the bidder's approach to communication with the State Contract Manager, or Cooperative Partner, including, but not limited to, status meetings, status reports, etc.

#### **4.4 ORGANIZATIONAL SUPPORT AND EXPERIENCE**

The bidder must 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 its ability to perform the services required by this RFQ.

The bidder should include a contract organization chart, with names showing management, supervisory and other key personnel (including subcontractor's management, supervisory or other key personnel) to be assigned to the contract. The chart should include the labor category and title of each such individual.

**Note: Pool 1 Bidders do not need to be Certified Public Accountants (CPA). Pool 2 and Pool 3 Bidders should have CPAs on staff, or as members of the assigned team.**

The bidder must identify staff by resume, experience, and hourly rate in accordance with the following general skill classifications:

a) Partner/Principal - A partner/principal is an individual who has ownership in the firm and extensive experience and managerial ability. This individual is charged with the overall management of the project.

b) Program Manager - This classification of staff reports directly to the partner. This individual is responsible for the direct management of the project.

c) Project Manager – This classification is an individual responsible for managing the resources of projects. This individual is responsible for making sure a project is completed within a certain set of restraints. These restraints usually involve time, money, people and materials. The project must then be completed to a certain level of quality.

d) Senior Consultant - This classification represents the highest level of field staff (in charge).

e) Consultant - Defined as someone that possesses knowledge, some experience, and capabilities in the development of solutions, recommendations, or outcomes across multiple tasks and/or organizations. Supports the development of solutions to address organization's challenges. Supports project objectives and helps assess the impact of industry trends, policy, or standard methodologies.

f) Associate/Staff - This field position denotes a supervised field individual.

h) Administrative Support Staff - This classification is for the individuals performing office support functions such as clerical, data entry, document preparation.

Each bidder shall segment its professional skill classifications into the above-noted categories. If the title differs in the bidder's organization, that title should be listed in parenthesis after the

particular category. It is not necessary for a bidder's firm to possess all categories of professional skill classifications.

All professional qualifications noted in this Section should be submitted with the proposal.

#### **4.5 RESUMES**

Detailed resumes should be submitted for all management, supervisory and key personnel to be assigned to the contract. Resumes should be structured to emphasize relevant qualifications and experience of these individuals. Resumes should include the following:

- Clearly identify the individual's previous experience in completing similar contracts;
- Beginning and ending dates should be given for each similar contract;
- A description of the contract should be given and should demonstrate 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
- With respect to each similar contract, the bidder should include the name and address of each reference together with a person to contact for a reference check and a telephone number.

#### **4.6 EXPERIENCE OF BIDDER ON SIMILAR CONTRACTS**

The bidder should provide a comprehensive listing of similar contracts that it has successfully completed, as evidence of the bidder's ability to successfully complete the services required by this RFQ and the pool for which the bidder submits a proposal. The bidder should emphasize previously held in which they engaged in the oversight/monitoring of programs of a similar size administered by a federal agency, such as HUD or FEMA. A description of all such contracts should include and show the relation of such contracts to the ability of the bidder to complete the services required by this RFQ. For each such contract, the bidder should provide two (2) names and telephone numbers of individuals for the other contract party. Beginning and ending dates should also be given for each contract.

##### **4.6.1 ADDITIONAL EXPERIENCE OF BIDDER**

Bidder should have experience in dealing with FEMA in the aftermath of major catastrophic events.

Bidder should demonstrate experience interfacing with state and federal agencies in the administration of a monitoring or oversight program.

Bidder should demonstrate prior experience and success with all relevant federal and state documentation practices necessary to ensure the receipt and retention of grant funding.

Bidder should also have experience monitoring grants and supplemental appropriations from Congress as well as with other governmental agencies such as HUD, the U.S. Department of

Transportation, the U.S. Department of Homeland Security as well as other federal agencies that can provide support to the state after a catastrophic event.

#### **4.6.2 DISCLOSURE**

Bidder shall disclose the nature of any current or past business relationship that they have had with the contractor providing service on State Contract G-8034 Consulting: Disaster Recovery, G-8037 Housing Strategy Advisor, or any other consultant providing consulting services on disaster recovery services.

#### **4.6.3 FINANCIAL CAPABILITY OF THE BIDDER**

In order to provide the State with the ability to judge the bidder's financial capacity and capabilities to undertake and successfully complete the contract, the bidder should submit certified financial statements 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 certified financial statements are not available, the bidder should provide either a reviewed or compiled statement from an independent accountant setting forth the same information required for the certified financial statements, together with a certification from the Chief Executive Officer and the Chief Financial Officer, that the financial statements and other information included in the statements fairly present in all material respects the financial condition, results of operations and cash flows of the bidder as of, and for, the periods presented in the statements. In addition, the bidder should submit a bank reference.

If the information is not supplied with the proposal, 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 proposal 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. A bidder may submit specific financial documents as a separate PDF, in the same email/posting, marked "Confidential-Financial Information" along with the proposal.

The State reserves the right to make the determination to accept the assertion and shall so advise the bidder.

#### **4.7 PROPOSAL CONTENT**

The proposal should be submitted in two (2) volumes with the content of each volume as indicated below.

Volume 1

Required Forms (Section 12.0)

Technical Proposal (Sections 4.1 through 4.6.3) **NOTE: These sections of the bidder's submission is limited to 25 pages or fewer per pool submission, with no smaller than a 12 point font.**

\*Please do not include any pricing information in Volume 1.

## **5.0 CONTRACT TERM**

The term of the contract shall be for the term of CDBR-DR funding, including any extensions. If the contract is not paid with CDBG-DR funds, the term shall be a period of three (3) years, with up to two (2) one-year extensions by the mutual written consent of the contractor and the Director at the same terms, conditions, and pricing at the rates in effect in the last year of the contract or rates more favorable to the State.

## **5.1 DATA CONFIDENTIALITY**

All financial, statistical, personnel, customer and/or technical data supplied by the State to the contractor are confidential. The contractor must secure all data from manipulation, sabotage, theft or breach of confidentiality. The contractor is prohibited from releasing any financial, statistical, personnel, customer and/or technical data supplied by the State that is deemed confidential. The following shall not be considered confidential information of the State and shall not be subject to the provisions of Section 5.9.1 of the RFQ: Any information that (a) was in contractor's possession before receipt from the State; (b) is independently developed or acquired by or for contractor without use of the State's proprietary information; (c) is rightfully received by contractor from a third party without a duty of confidentiality; (d) was disclosed by the State to a third party not under an obligation of confidentiality; or (e) is or becomes available to the public through no fault of contractor. Contractor will not release any confidential information to a third party without the consent of the State unless required in order to comply with judicial or administrative process. Prior to releasing the State's confidential information in response to judicial process, the contractor shall give the State advanced written notice of the subpoena, if not legally prohibited, and provide the State the opportunity to object to the required disclosure. Any other use, sale, or offering of this data to a third party without the State's consent in any form by the contractor, or any individual or entity in the contractor's charge or employ, will be considered a violation of this contract and may result in contract termination and the contractor's suspension or debarment from State contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution. The contractor shall be liable to the State for a breach of confidentiality subject to the insurance requirements set forth in this RFP.

The contractor shall assume total financial liability incurred by the contractor associated with any breach of confidentiality in accordance with New Jersey Identity Theft and Protection Act, N.J.S.A 56:11-44 et seq.

When requested, the contractor and all project staff including its subcontractor(s) must complete and sign confidentiality and non-disclosure agreements provided by the State. The Contractor shall require all staff to view yearly security awareness and confidentiality training modules provided by the contractor. It shall be the contractor's responsibility to ensure that any new staff sign the confidentiality agreement and complete the security awareness and confidentiality training modules within one month of the employees' start date.

Security clearance/background check for all contractors and project staff must be obtained and provided to the State (to protect the State of New Jersey from losses resulting from contractor employee theft, fraud or dishonesty) upon request. Refer to the National Institute of Standards and Technology (NIST) Special Publication (SP) 300-12, An Introduction to Computer Security: The NIST Handbook, Section 10.1.3, Filling the Position – Screening and Selecting.

## **5.2 ALL POOLS - OWNERSHIP OF MATERIAL**

All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract except where noted herein shall be and remain the property of the State of New Jersey and shall be delivered to the State of New Jersey upon thirty (30) days notice by the State.

With respect to software computer programs and/or source codes developed for the State, the work shall be considered “work for hire”, i.e., the State, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Contract, contractor or subcontractor hereby assigns to the State all right, title and interest in and to any such material, and the State shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

Should the bidder anticipate bringing pre-existing intellectual property into the project, the intellectual property must be identified in the proposal. Otherwise, the language in the first paragraph of this section prevails. If the bidder identifies such intellectual property ("Background IP") in its proposal, then the Background IP owned by the bidder on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the bidder. Upon contract award, the bidder or contractor shall grant the State a non-exclusive, perpetual royalty free license to use any of the bidder/contractor's Background IP delivered to the State for the purposes contemplated by the contract.

Auditing firm working papers remain the property of the auditing firm in accordance with standards issued by the American Institute of Certified Public Accountants (AICPA). While considered confidential information, the State recognizes that the firm may be requested to make certain working papers available to regulatory agencies pursuant to authority given by law or regulation. In such instances, access to the working papers may be provided to these agencies based upon AICPA standards and under supervision of the firm.

### **5.3 ADDITIONAL WORK AND/OR SPECIAL PROJECTS**

The contractor shall not begin performing any additional work or special projects without first obtaining written approval from both the State Contract Manager and the Director.

In the event of additional work and/or special projects, the contractor must present a written proposal to perform the additional work to the State Contract Manager. The proposal should provide justification for the necessity of the additional work. The relationship between the additional work and the base contract work must be clearly established by the contractor in its proposal.

The contractor's written proposal must provide a detailed description of the work to be performed broken down by task and subtask. The proposal should also contain details on the level of effort, including hours, labor categories, etc., necessary to complete the additional work.

The written proposal must detail the cost necessary to complete the additional work in a manner consistent with the contract. The written price schedule must be based upon the hourly rates, unit costs or other cost elements submitted by the contractor in the contractor's original quote submitted in response to this RFQ. Whenever possible, the price schedule should be a firm, fixed price to perform the required work. The firm fixed price should specifically reference and be tied directly to costs submitted by the contractor in its original quote. A payment schedule, tied to successful completion of tasks and subtasks, must be included.

Upon receipt and approval of the contractor's written proposal, the State Contract Manager shall forward same to the Director for the Director's written approval. Complete documentation from the Using Agency, confirming the need for the additional work, must be submitted. Documentation forwarded by the State Contract Manager to the Director must include all other required State approvals, such as those that may be required from the State of New Jersey's Office of Management and Budget and NJOIT.

No additional work and/or special project may commence without the Director's written approval. In the event the contractor proceeds with additional work and/or special projects without the Director's written approval, it shall be at the contractor's sole risk. The State shall be under no obligation to pay for work performed without the Director's written approval.

### **5.4 INSURANCE - PROFESSIONAL LIABILITY INSURANCE**

Section 4.2 of the State of NJ Standard Terms and Conditions regarding insurance is modified with the addition of the following section regarding Professional Liability Insurance.

- d. 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 the contract. The insurance shall be in the amount of not less than \$5,000,000 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 the contract, it shall obtain from its new Errors and Omissions, Professional Liability Insurance and/or Professional Malpractice Insurance carrier an endorsement for retroactive coverage.

## **5.5 LIQUIDATED DAMAGES**

Effective and efficient operation of all Task Orders issued pursuant to this contract is necessary to promote the best interests of all parties, especially the public. To the extent that actions of the contractor result in failure to meet performance standards, the State may suffer damages that could be difficult or impossible to quantify. As a result, situations may arise where the imposition of liquidated damages may be required to compensate for the failure to meet performance standards.

If the contractor fails to meet any of the performance standards or conditions of the contract, the State may withhold payment for damages from the fees or premiums due to the contractor in an amount equal to the damages stated in this section. Such payments shall not relieve the contractor of its obligation to remedy any breach of the performance standards to which they relate. Nothing in this section shall limit the State's right to seek damages or any other remedy at law or equity not specified in this section.

Assessment of liquidated damages shall be in addition to, and not in lieu of, such other remedies as may be available to the State of New Jersey. Except and to the extent expressly provided herein, the Division shall be entitled to recover liquidated damages under each section applicable to any given incident.

Upon determination that liquidated damages are to be assessed, the Director shall notify the Contractor of the assessment in writing. The availability of any period of cure will depend on the situation and will be in the sole discretion of the Director. The Director may, in the Director's sole discretion, elect to notify the Contractor that liquidated damages may be assessed so as to provide a warning, prior to assessing them in accordance with this section, but if the Director does not provide such a warning the Director is not precluded from assessing liquidated damages in accordance with this contract.

Liquidated Damages shall be limited to the total amount of payment due to the contractor under the Task Order. The Liquidated Damage provisions will be set forth in the scope of work of the request for competitive price quotes that will be sent from the Using Agency to the contractors in the appropriate pool in accordance with Section 1.4 ENGAGEMENT PROCESS.

## **5.6 FORM OF COMPENSATION AND PAYMENT**

Payments to the Contractor will be disbursed following approval by the State Contract Manager in accordance with section 6.0 above. The State reserves the right to negotiate with the bidder, the final fee for services provided under each task order.



## **6.0 COST PROPOSAL**

The bidder shall provide an hourly rate for each staff position listed in using Exhibit A, Cost Schedule As part of its proposal the bidder is to set forth how its GSA hourly rates will be applied to the various services requested within the RFQ. The bidder may offer hourly rates more competitive than its GSA pricing but may not increase said rates.

Contractor shall provide services pursuant to each Task Order on a time and materials basis in accordance with the rate schedule provided in the attached Price Schedule. Contractor's direct cost must be supported and separately invoiced.

Direct costs may include: postage (includes US Mail, FedEx, UPS, and etc.) for purposes of mailings, notifications, etc.; personal computer workstations, laptop computers, computer peripherals (scanners, printers); security for on-site inspections on a pre-approved basis; advanced recording fees; cost of outreach and other public events; wire communication devices (cell phones, GPS, wireless cards, etc.) for purposes of remote communication for FTEs performing field based work; lease costs (according to the agreed-upon cost per square foot); notary service fees, and legal service fees related to Third Party Requests for Release of Information. Additional Direct Costs, if required, must be approved in advance of purchase by the State Contract Manager.

Prior to the purchasing or leasing any Direct Costs, the contractor shall provide a list of these costs to the State Contract Manager. The State Contract Manager will review that list and will either (a) authorize the contractor to purchase, obtain or lease the items or services and submit that expense for reimbursement (with proper documentation), or (b) deny the request. For any such purchases, the contractor should obtain price quotations from a minimum of three (3) sources.

## **7.0 SELECTION PROCESS**

All proposals will be reviewed to determine responsiveness. Non-responsive proposals, or those submitted by debarred firms or individuals, will be rejected without evaluation. The following evaluation criteria categories, separate or combined in some manner, and not necessarily listed in order of significance, will be used to evaluate proposals received in response to this RFQ and determine which firms will be included in each of the three Pools:

- a. Personnel: The skills, qualifications and depth of 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 similar contracts in relation to the work required by this RFQ, including the firm's experience with CDBG-DR, HUD and/or FEMA or other federal agency experience and the firm's subcontracting plans, if any, for the inclusion of qualified small businesses.
- c. Ability of firm to complete the Scope of Work based on its Technical Proposal: The overall ability of the bidder to undertake and successfully complete the technical

requirements of the Pool for which bidder submits a proposal in a timely manner, including its approach to deliver and manage services required under any Task Order issued to the firm.

- d. Cost proposal: For evaluation purposes, bidders' price sheets will be evaluated and ranked based on an analysis of competitive range and cost reasonableness based on the price lines of all responsive and responsible bidders. Bidders will be selected for inclusion in a Pool(s) based on the bid prices but the reasonable of cost, based on the hourly rates bid, will be determined on the basis of a specific Task Order.

## **8.0 ORAL PRESENTATION AND/OR CLARIFICATION OF PROPOSAL**

A bidder may be required to give an oral presentation to the Evaluation Committee concerning its proposal. The Evaluation Committee also may require a bidder to submit written responses to questions regarding its proposal. The purpose of such communication with a bidder, either through an oral presentation or written letter of clarification, is to provide an opportunity for the bidder to clarify or elaborate on its proposal. However, original proposals may not be supplemented, changed, or corrected in any way. No comments regarding other proposals are permitted. Further, bidders may not attend presentations made by other bidders.

It is within the discretion of the Evaluation Committee to require a bidder to make an oral presentation or to submit written responses to questions regarding its proposal. Action by the Evaluation Committee in this regard should not be construed to imply acceptance or rejection of a proposal. The Procurement Bureau will be the sole point of contact regarding any request for an oral presentation or written clarification.

### **8.1 NEGOTIATION AND BEST AND FINAL OFFER (BAFO)**

**Negotiations will only be conducted in those circumstances where they are deemed by the State to be in the State's best interests and to maximize the State's ability to get the best value. Therefore, bidders are advised to submit their best technical and price quotes in response to this RFQ, because the State may, after evaluation, make a contract award based on the content of these initial submissions, without further negotiation with any bidder.**

All contacts, records of initial evaluations, any correspondence with bidders related to any request for clarification, negotiation or BAFO, any revised technical and/or price proposals, and the Award Recommendation will remain confidential until a Notice of Intent to Award a contract is issued.

## **9.0 STATE CONTRACT MANAGER**

The State Contract Manager is the State employee responsible for the overall management and administration of the Contract.

The State Contract Manager for this project will be identified at the time of execution of contract. At that time, the Contractor will be provided with the State Contract Manager's name, department, division, agency, address, telephone number, fax phone number, and e-mail address.

### **9.1 STATE CONTRACT MANAGER RESPONSIBILITIES**

The State Contract Manager is the person that the contractor will contact **after the contract is executed** for answers to any questions and concerns about any aspect of the Contract. The State Contract Manager is responsible for coordinating the use of the Contract and resolving minor disputes between the Contractor and the State. The State Contract Manager shall be the central coordinator of the use of the Contract for the State. All persons and agencies that use the Contract must notify and coordinate the use of the contract with the State Contract Manager.

### **9.2 COORDINATION WITH THE STATE CONTRACT MANAGER**

Any contract user that is unable to resolve disputes with a contractor shall refer those disputes to the State Contract Manager for resolution. Any questions related to performance of the work of the contract by contract users shall be directed to the State Contract Manager. The contractor may contact the State Contract Manager if the contractor cannot resolve a dispute with contract users.

### **10.0 CONFLICT OF INTEREST CLAUSE**

Firms are prohibited from acting as a contractor for both the auditing and integrity monitoring requirements for the same project.

### **11.0 PROGRAM EFFICIENCY ASSESSMENT**

The State Using Agencies shall be charged an assessment equal to one-quarter of one percent (0.25%) of the value of all transactions under this contract. This assessment is authorized by N.J.S.A 52:27B-56 and N.J.A.C 17:12-1.5, to maintain the State's procurement system at a level to meet industry standards of efficiency.

### **12.0 ADDITIONAL REQUIREMENTS**

The documents listed below must be completed and submitted with the Bidder's quotation. They may be downloaded from the Division of Purchase and Property's website, which is located at <http://www.state.nj.us/treasury/purchase/forms.shtml>

- Ownership Disclosure Form  
<http://www.state.nj.us/treasury/purchase/forms/StandardRFPForms.pdf>
- Disclosure of Investigations and Other Actions Involving Bidder Form  
<http://www.state.nj.us/treasury/purchase/forms/StandardRFPForms.pdf>
- Disclosure of Investment Activities in Iran  
<http://www.state.nj.us/treasury/purchase/forms/StandardRFPForms.pdf>

- Certification of MacBride Principles and Northern Ireland Act of 1989  
<http://www.state.nj.us/treasury/purchase/forms/MacBride.pdf>

Subcontractor Utilization Form

<http://www.state.nj.us/treasury/purchase/forms/SubContractingForms.pdf>

- Affirmative Action Employee Information Report or, in the alternative, supply either a New Jersey Affirmative Action Certificate or appropriate evidence that the bidder is operating under an existing federally approved or sanctioned affirmative action program (Letter of Federal Approval Program). [http://www.state.nj.us/treasury/purchase/forms/AA\\_%20Supplement.pdf](http://www.state.nj.us/treasury/purchase/forms/AA_%20Supplement.pdf)

- New Jersey's Standard Terms and Conditions –Bidders must initial and date this form.  
<http://www.state.nj.us/treasury/purchase/forms/pbst.pdf>

- Source Disclosure Certification Form  
<http://www.state.nj.us/treasury/purchase/forms/sdcertificationform.pdf>

- Two-Year Chapter 51/EO 117 Vendor Certification and Disclosure of Political Contributions  
[http://www.state.nj.us/treasury/purchase/forms/eo134/c51\\_eo117\\_cd\\_02\\_10\\_09.pdf](http://www.state.nj.us/treasury/purchase/forms/eo134/c51_eo117_cd_02_10_09.pdf)

Bidders must sign and return the attached Federal Vendor Letter for this RFQ and the Cooperative Purchasing Form.

**NOTE:** A copy of a valid New Jersey Business Registration must be submitted prior to contract award. If not already registered with the New Jersey Division of Revenue, registration can be completed online at the Division of Revenue website: <http://www.state.nj.us/treasury/revenue/>  
<http://www.nj.gov/treasury/revenue/gettingregistered.shtml>

To obtain a copy of your New Jersey Business Registration you may do so by using the following website: [https://www1.state.nj.us/TYTR\\_BRC/jsp/BRCLoginJsp.jsp](https://www1.state.nj.us/TYTR_BRC/jsp/BRCLoginJsp.jsp)

A valid Insurance Certificate must be submitted prior to contract award.

**FINAL REVISED PRICE SCHEDULE**

**PROGRAM AND PROCESS MANAGEMENT AUDITING, FINANCIAL AUDITING  
AND GRANT MANAGEMENT, INTEGRITY MONITORING SERVICES, & OTHER  
RELATED SERVICES FOR DISASTER RECOVERY AND LONG TERM PLANNING  
PROJECT  
(HURRICANE SANDY)  
RFQ**

Refer to RFQ Section 3.0 (Scope of Work) for task requirements and deliverable, Section 4.4 (Staff Classifications), and Section 6.0 (Cost Proposal) for additional information regarding this Price Schedule.

**Bidder's Name:** \_\_\_\_\_

**POOL 1: PROGRAM AND PROCESS MANAGEMENT AUDITING**

<b>LINE #</b>	<b>STAFF CLASSIFICATIONS</b>	<b>YEAR 1 HOURLY RATE</b>	<b>YEAR 2 HOURLY RATE</b>	<b>YEAR 3 HOURLY RATE</b>
1	Partner	\$	\$	\$
2	Program Manager	\$	\$	\$
3	Project Manager	\$	\$	\$
4	Senior Consultant	\$	\$	\$
5	Consultant	\$	\$	\$
6	Associate/Staff	\$	\$	\$
7	Administrative Support	\$	\$	\$

**Bidder's Name:** \_\_\_\_\_

**POOL 2: FINANCIAL AUDITING AND GRANT MANAGEMENT**

<b>LINE #</b>	<b>STAFF CLASSIFICATIONS</b>	<b>YEAR 1 HOURLY RATE</b>	<b>YEAR 2 HOURLY RATE</b>	<b>YEAR 3 HOURLY RATE</b>
8	Partner	\$	\$	\$
9	Program Manager	\$	\$	\$
10	Project Manager	\$	\$	\$
11	Senior Consultant	\$	\$	\$
12	Consultant	\$	\$	\$
13	Associate/Staff	\$	\$	\$
14	Administrative Support	\$	\$	\$

**Bidder's Name:** \_\_\_\_\_

**POOL 3: INTEGRITY MONITORING/ANTI-FRAUD**

<b>LINE #</b>	<b>STAFF CLASSIFICATIONS</b>	<b>YEAR 1 HOURLY RATE</b>	<b>YEAR 2 HOURLY RATE</b>	<b>YEAR 3 HOURLY RATE</b>
15	Partner	\$	\$	\$
16	Program Manager	\$	\$	\$
17	Project Manager	\$	\$	\$
18	Senior Consultant	\$	\$	\$
19	Consultant	\$	\$	\$
20	Associate/Staff	\$	\$	\$
21	Administrative Support	\$	\$	\$



# State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
PROCUREMENT BUREAU  
P.O. BOX 230  
TRENTON, NJ 08625-0230

**CHRIS CHRISTIE**  
*Governor*  
**KIM GUADAGNO**  
*Lt. Governor*

**ANDREW P. SIDAMON-ERISTOFF**  
*State Treasurer*  
**JIGNASA DESAI-MCCLEARY**  
*Director*

**Date:**

**Subject:** Provision for Federally-Based Contract –Request for Quotation for Program and Process Management Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud Services for Disaster Recovery Assistance (Hurricane Sandy)

The Federally-Based Contract executed between **[Bidder Name – Insert Here]** and the State of New Jersey shall include the following provisions:

1. The price under the contract shall be no greater than the price offered to federal agencies.
2. The contract shall include a provision requiring the vendor to give the State federally mandated price reductions during the term of the contract, if any are provided for in the federal contract or by law.
3. The contract shall have a list of the specific products or services being purchased and the prices for each. None of the goods and services listed on a federal supply schedule may be the subject of a single NJ contract without the specific, written approval of the Director.
4. The contract shall have an initial term of one to five years, with no more than five one-year extensions.
5. The contract may be available for local use pursuant to N.J.A.C. 17:12-2.3.
6. The contract shall include the State's Standard Terms and Conditions.
7. The vendor must satisfy all the procurement requirements for State contracting, i.e., submitting the statutorily required forms and certifications as set forth in Section 11.0 of the Request for Quotations.
8. Insurance Certificates: In accordance with Section 4.2 of the State of New Jersey Standard Terms and Conditions, the contractor shall secure and maintain in force for the term of the contract insurance as required by the terms of the contract. The contractor shall provide the State with current certificates of insurance for all coverages and renewals thereof.

Organ and Tissue Donation: As defined in section 2 of P.L. 2012, c. 4 (N.J.S.A.52:32-33), contractors are encouraged to notify their employees, through information and materials or through an organ and tissue awareness program, of organ donation options. The information provided to employees shall be prepared in collaboration with the organ procurement organizations designated pursuant to 42 U.S.C. §1320b-8 to serve in this State.

I certify that I have read and, if selected, will conform to all of the requirements stated on this sheet and included within the applicable Federal Supply Schedule of the Federal General Services Administration or other federal procurement program, the Request for Quotation if issued by the State and the State of New Jersey Standard Terms and Conditions.

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_