



Request for Information

*Issued by the New Jersey Division of Purchase
and Property on behalf of the Office of
Management and Budget*

Release Date: 9/14/12

REQUEST FOR INFORMATION (RFI) SUMMARY SHEET

The purpose of this RFI is to solicit ideas for possible solutions for a replacement of the State's existing budget preparation and monitoring systems. This RFI contains preliminary information meant to stimulate reactions from and discussion with the vendor community.

Name: REQUEST FOR INFORMATION for the Enhanced Decision and Information System of New Jersey (EDISON)	
Issue Date: Friday, September 14, 2012	
Closing Date and Time: 5:00 p.m., EDT, on Monday, October 29, 2012	
Issuing Office: Division of Purchase and Property	
Questions are to be sent via e-mail to: Questions must be submitted no later than 5:00 p.m., EDT, on Friday, September 28, 2012.	Email Address: jacki.stevens@treas.state.nj.us Subject: EDISON RFI Questions-Vendor Name
Responses are to be sent via e-mail to: Responses must be submitted no later than 5:00 p.m., EDT, on Monday, October 29, 2012	Email Address: jacki.stevens@treas.state.nj.us Subject: EDISON RFI Response-Vendor Name

SECTION I: BACKGROUND

Introduction

The New Jersey Office of Management and Budget (OMB) is initiating a project to replace the existing Integrated Planning and Budgeting (IPB) system. The IPB system, which was custom built over 30 years ago, runs on outdated technology. Although the VAX servers and the VMS operating system are currently supported by the vendor community, the State anticipates this situation changing in the not too distant future. More significantly, the ADABAS database and NATURAL programming language used by IPB are outdated and are no longer supported by any vendor. The risk of system failure is significant, and IPB does not have the flexibility required to incorporate changes in budgeting practices, such as performance-based budgeting.¹

The new system will be called EDISON (Enhanced Decision and Information System of NJ).

Phase 1 of the EDISON project will culminate in the award of a vendor contract to implement a modern budgeting IT system. OMB expects this to occur near the end of calendar year 2013. Phase 2 will encompass the actual system implementation, which OMB expects to begin around the end of calendar year 2013.

OMB is currently examining and documenting every aspect of the state budget cycle “as is,” and will then design business process improvements as a precursor to drafting system requirements for the EDISON Request for Proposal (RFP).

Purpose of the Request for Information (RFI)

The purpose of this RFI is to solicit ideas for possible solutions for a replacement of the New Jersey Office of Management and Budget’s existing budget preparation and monitoring systems. For purposes of this RFI, replacement is defined as “a replacement of functionality currently existing in the New Jersey Office of Management and Budget systems used to produce the Governor’s Recommended Budget and to monitor the spending plan as set forth in the annual Appropriations Act”. Additionally, the State is interested in expanding its current functionality, especially with regard to performance-based budgeting.

This RFI contains preliminary information which is meant to serve as a means of initiating discussion with the vendor community. This RFI does not contain final system requirements nor does it represent what may be contained in a Request for Proposal (RFP). This issuance does not constitute a commitment to issue an RFP, award a contract, or pay any costs incurred in preparation of a response to this request for information. Furthermore, the State requires that all responding vendors abstain from providing any quotes or bids in response to this RFI.

¹ Please note that this project does not include replacement of the New Jersey Comprehensive Financial System (NJCFS); it affects only IPB and the related internal systems used by OMB to produce the Governor’s Recommended Budget and monitor the spending plan as set forth in the State’s annual Appropriations Act.



The input from this RFI will assist the State in preparing an RFP for the implementation of EDISON.

The OMB Organization

OMB's Mission is to provide strategic direction, financing alternatives and asset management to guide the prudent allocation of limited resources within the policy framework set by the Governor, and to accurately implement and reflect the results of those decisions and subsequent financial transactions in the State Budget, in the State Accounting System, and in the State's Comprehensive Annual Financial Report.

The Office of Management and Budget (OMB) performs the following functions:

- Coordinates the annual agency-based planning process, identifies and projects trends affecting the demand for services, provides information and planning support for the process of allocating available financial and human resources, and evaluates strategic and long-term issues.
- Assesses budget needs, based on studies of State fiscal requirements, ongoing monitoring of agency spending patterns, and on official requests for appropriations by State departments, and formulates the annual budget submitted by the Governor to the Legislature.
- Develops and reviews State agency responses to proposed State and federal legislation and regulations to ensure that the broad State interest and fiscal policy is taken into account.
- Identifies overlap between programs in different departments that serve the same clients or provide a similar set of services, thus avoiding unnecessary duplication of effort and highlighting possible cost reduction opportunities.
- As the staff arm of the Commission on Capital Budgeting and Planning, provides analysis and planning for the State's capital budget, including the evaluation of capital construction projects, research into financing options, and relative ranking of priority needs across departments.
- Provides for the receipt, processing, recording and reporting of all financial data of the State's various funds, in accordance with existing statutes and generally accepted accounting principles.
- Responsible for assuring that State employees are paid accurately and on a timely basis.
- Develops procedures, revises accounting systems, enhances accounting controls and monitors financial activities of various State agencies.

Additionally, OMB is responsible for creation of the following publications, which are available at www.state.nj.us/treasury/omb:

- Governor's Recommended Budget (Detailed Budget)
- State Budget Summary
- Appropriations Handbook
- Citizens' Guide to the Budget
- NJ Comprehensive Annual Financial Report



The full budget cycle is described in Appendix A to this RFI.

Current Systems Background

The Integrated Planning and Budgeting system is used as a repository for budget information. Its primary function is to create budget publications, such as the Governor's Recommended Budget (Detailed Budget) book.

IPB interfaces with various ancillary systems and with external State systems. The ancillary systems provide enhanced functionality to IPB (mostly for decision support), while the State systems provide data to the IPB. These systems are only marginally integrated.

OMB would like to improve its automated decision support by consolidating and integrating ancillary systems to the extent possible, and by fully integrating with other State systems from which EDISON will receive data.

Both ancillary and interfacing State systems are identified on the following pages.

Ancillary systems are identified in the table below:

System Name	Functionality	Software Platform
Budget Increase/Reduction Database	Planning and decision support system which includes analysis, scoring ² , reporting, budget narratives, appropriation tracking and changes to original budget projections	Microsoft Access
Schedule 1 Database ³	Tracks, scores and reports revenue estimates	Microsoft Access
IPB Docs	Using incorporated Word functionality, tracks changes in appropriations language and other narrative data and issues reports	Microsoft Access
Reserves Database ⁴	Tracks, classifies and reports accounts placed into budget authority reserve on the New Jersey General Ledger system	Microsoft Access
Line-Item Veto Database	Produces line-item vetoes in the annual Appropriations Act; includes analysis, scoring and reporting functionality	Microsoft Access
Account Summaries Database ⁵	Provides program descriptions and history of funding for certain line item appropriations	Microsoft Access
Spending Plan Process	Provides quarterly year-to-date spending information from the State's General Ledger system to agencies, and captures agencies revised spending projections based on the quarterly information	New Jersey Comprehensive Financial System (NJCFS) data
Capital Budget Database	Produces three and seven year capital plans; accessed by requesting agencies directly through the State's web portal	Visual Basic

² Scoring is the process by which an item is evaluated and approved for inclusion in the State's annual spending plan.

³ This system is part of the Budget Increase/Reduction Database

⁴ This system is part of the Budget Increase/Reduction Database

⁵ This system is part of the Budget Increase/Reduction Database

Quick Silver

Desktop Publishing for IPB Documents

Quick Silver (COTS) software
running on an IBM AIX
server

Systems with which EDISON needs to interface are listed below:

System Name	Functionality needing Edison Interface	Software Platform
New Jersey Comprehensive Financial System (NJCFS)	Establishes appropriation and appropriated revenues' spending authority, and tracks revenue and expenditure data by fiscal year	Customized version of American Management System's Government Financial System (GFS), running on an IBM Z/OS mainframe. Written in COBOL, using VSAM files.
Payroll System	Tracks all payroll expenditure data, including adjustments and lump sum payments	Custom Software running on an IBM Z/OS mainframe. Written in COBOL, using VSAM files
Personnel Master Information System (PMIS)	Contains all State employee employment data	Custom Software running on an IBM Z/OS mainframe. Written in Natural, using an ADABAS database.
New Jersey Administrative Warehouse System (NJAWS)⁶	Consolidates data from multiple State systems	Oracle database hosted on IBM P-series running AIX. ETL platform is IBM DataStage. Reporting platform is SAP Business Objects.
Employee Timekeeping Systems (TALRS, E-CATS)	Tracks all State employees time	TALRS - Custom Software running on an IBM Z/OS mainframe. Written in COBOL, using VSAM files. eCATS – Custom software running on IBM P-series running AIX. Written in JAVA, using an Oracle database.
Share Point	Document repository	Microsoft COTS Document Storage and Work Group Collaboration Product
Clarity/Cognos	Used to publish the State's Consolidated Annual Financial Report (CAFR)	IBM COTS Business Intelligence Product running on a SQL database Server 2008/R2 in a Windows operating system environment

⁶ NJAWS contains data from NJCFS, the State Payroll System, PMIS, the State Position Control System, LMIS, and MACS-E.

Position Control System	Tracks all State positions, both filled and vacant	Custom Software running on an IBM Z/OS mainframe. Written in Natural, using ADABAS database.
Land, Building and Asset Management (LBAM)	Maintains an inventory of the State's physical assets	Custom Software running on a distributed platform.
Lease Management Information System (LMIS)	Maintains all State lease contract and cost data	Custom Software running on an AS/400 minicomputer written in COBOL.
State Health Information Processing System (SHIPS)	Maintains health coverage data for persons serviced by State –administered medical, prescription drug and dental plans	Custom Software running on an IBM Z/OS mainframe. Written in Natural, using an ADABAS database.
Pension Member Master Record System (PMMR)	Contains data on present and former State employees who may be eligible for or are receiving pension benefits	Custom Software running on an IBM Z/OS mainframe. Written in Natural, using an ADABAS database.
Management Acquisition Control System – Enhanced (MACS-E)	Creates RFPs, RFQs, contracts, procurement orders, notices of award, and contains data related to contracts, vendors and commodities.	Custom Software running on an IBM Z/OS mainframe. Written in COBOL, using an ADABAS database. (THE STATE HAS RECENTLY ISSUED AN RFP TO REPLACE THIS SYSTEM.)

Objectives of EDISON

The Office of Management and Budget intends to achieve several objectives through the implementation of the EDISON Project:

- Mitigate the risk of failure of currently unsupported hardware and software;
- Increase the efficiency of the State budgeting process by supporting improved processes and workflows;
- Improve decision making through the use of analytic tools that identify what-if scenarios and the total potential effect of those scenarios on the proposed State budget and on future years;
- Enhance customer service to the Treasurer's Office, the Governor's Office, Cabinet Departments, other agencies, the Legislature and the public;
- Provide straightforward and intuitive access to system data by the users of budget information;
- Provide more effective support for budget monitoring activities in current fiscal years;
- Facilitate rapid and high quality production of budget publications;
- Better utilize data from other New Jersey Information Technology systems (e.g., PMIS, Payroll, MACS-E) via interfaces to the State's enterprise data warehouse;
- Ensure that data processing technology within the Office of Management and Budget remains current, user directed and reliable into the next decade.

SECTION II: RESPONDING TO THE RFI

General Requirements

The focus of this document is to gather information on existing integrated budgeting systems and vendors to assist the State in the preparation of an RFP for implementation of EDISON.

All responding vendors should be experienced with the design and implementation of large and complex system applications, preferably with state or federal budget agencies. The State is especially interested in learning about and having a demonstration of systems that are currently being used to support the processes associated with developing and publishing the Governor's Recommended Budget and monitoring the actual spending plan which is established by the Legislature's Appropriations Act.

General Vendor Information (Section I of the RFI Response)

Please provide the following information as Section I of your RFI response.

- a) Name of company
- b) Contact person
- c) Address, telephone number and e-mail address
- d) Brief history of company, including a listing of government agencies for which the company has successfully implemented budgeting systems or financial systems or both. Please include a contact name, company and or government agency, phone number, and e-mail address for these agencies.
- e) Company brochures/literature, if available

Questions (Section II of the RFI Response)

The State requests that vendors answer the following questions as Section II of their response to this RFI.

1. Installations and General Software Functionality

- Where has your company installed a government budgeting system? When were those systems installed?
- By your estimation, what percentage of the budgeting software market have you captured?
- Please indicate the total number of customers using your solution. Do any of your government customers do performance-based budgeting?

- Where you have installations, do agencies outside of the central budgeting office use the system? If yes, how do they use it? For example, do they submit budget requests, generate reports, perform alternative scenario analysis, etc.?
- Where you have installations, what other systems feed into your production system (e.g., Payroll, Human Resources (HR), General Ledger, etc.)?
- How does the system interface with agencies, legislative bodies and other entities for generating or reporting on funding requests or budget reductions?
- Is your system typically supplemented by add-on software? If yes, what functionality is provided by the add-on software?
- Please describe how your system supports:
 - Incorporation of text into budget forecasts
 - Budget year spending projections
 - Budget year revenue projections
 - Development of funding targets
 - Collection of agency budget requests
 - Mid-year budget revisions
 - Analysis and decision support
 - Final budget adoption
 - Budget implementation and monitoring
 - Projection of out-year impacts
 - Incorporation of historic funding and expenditure data into budget forecasts
 - “What if” analysis
 - Publishing formal budget documents, both in print and on the web
 - Performance data
 - Compensation that varies by bargaining unit and includes items such as clothing and tool allowances
 - Importing and exporting of HR information used as a baseline for personnel expenditures
 - Capital budgeting
 - Performance-based budgeting

2. Implementation Approach and Plan

- How many full time equivalent State staff would you recommend for participation in system implementation, and what roles would they play?

- Please discuss the type of implementation approach you use and the benefits. Such approaches may include COTS, custom, transfer systems, and/or reengineering of legacy system(s).
- What is your approach to validating requirements in an RFP? What is your overall approach to gathering requirements?
- Should the implementation be phased? If yes, how do you recommend that the phases and delivery be scheduled?
- How would you coordinate installation of the system with the State's regular budget cycle?
- If you were including a data warehouse in the implementation approach, how would you incorporate it?
- What is a suitable time frame for implementing a system like EDISON? If you have similar installations in other States or agencies, how long did it take to implement a project of this type and scope?
- Please describe your approach to testing the software prior to client sign-off and acceptance. What role does your company play during client Acceptance Testing?
- Does your company use a project management methodology? If yes, please provide a brief overview of that methodology.
- Are your project managers certified? If yes, by which certification agency?
- In your opinion, what are the major obstacles to successful system implementation and what can be done to address these obstacles?
- In your opinion, what are the major risks to successful system implementation and what can be done to mitigate those risks?
- Does your staff typically work on-site during system implementation? How many of them might be involved in a project of this size and scope?

3. Web Capabilities

- Please describe your product's ability to provide on-line web-based or web-enabled capabilities.
- Is your system web-browser and platform independent?

- How does your system move budget data to a public-facing website?

4. Legacy System Data Conversion

- How would you manage the legacy data conversion and cleansing activities?
- What tools (such as Extract, Transform, and Load (ETL)) do you use for data conversions?

5. Data Warehousing

- Has your budgeting system ever been integrated with a data warehouse? If yes, where has this been done and what is your generic technical approach to incorporating a data warehouse with your budgeting system?
- What types of data have you found useful to store in a data warehouse (as opposed to getting data through an interface with the system generating the data)?
(For example, the State is interested in monitoring staffing and salary expenditure trends during budget implementation to help identify potential surplus and/or deficits.)
- What tools do you generally use to create and retrieve data from a data warehouse? Is your system compatible with Business Objects?
- Do you have an approach to assimilating external data into a data warehouse?
- Do you have an approach to "data mining" the warehouse for trends and patterns of data?
(For example, the State is interested in cross-cutting analyses of agency spending by category, commodity type, vendor, geographic region, etc. to help identify potential savings through consolidation of functions or economies of scale.)
- Briefly describe your main initiatives as they pertain to analytics and data warehousing technologies.

6. Business Rules

- Does your solution employ business rules? (For example, OMB is interested in automatically flagging changes in an account that are linked to other funding sources, dedicated revenues or that have special legislative spending restrictions.)

- Please describe your generic approach to business rules and how they are developed and maintained.

7. Document Publication

(For example, the State is interested in a system that can produce output suitable for publication with limited manual intervention.)

- Please describe your generic approach to publishing documents using your system.
- In your approach, do you generally interface with external software or do you incorporate document publication functionality within your solution? If so, what features do you have within your solution and what is the process for producing the budget publications?
- If you interface with external software, with which products are you compatible?

8. Workflow

(For example, workflow would automatically direct assignments to staff based on criteria set by management.)

- Please describe your generic approach to workflow.
- In your approach, do you generally interface with an external workflow system, or do you incorporate workflow functionality within your solution? If you incorporate work flow, what features do you have within your solution?
- If you do interface with an external workflow system, with what products are you compatible?

9. Reporting/Aggregation of Data

- Please describe your approach to standard and ad hoc reporting.
- What tools do you generally use or is the reporting capability a core part of your solution?
- In your approach, can a trained user/administrator create their own ad hoc reports, and can the users develop these within the core application?

- Does your system support the grouping or aggregation of data by establishing relationships such as parent/child records?

10. E-mail

(For example, the State would like to explore generating e-mails to agencies and/or staff when certain conditions exist.)

- What is your e-mail approach within your solution?
- If e-mail functionality is external to your solution, please describe your approach to interfacing with e-mail systems, such as Microsoft Outlook, which is used by OMB.
- Does your approach incorporate automatically triggering e-mails to external customers based on processing rules?
- Are you compatible with Outlook? If not, with what e-mail systems are you compatible?

11. Hosting the Application

- Does your firm have the capacity to host the budget application? Have you ever done so? Please identify clients, including contact information, for whom you have hosted the application.
- When system updates are required, how is that handled?
- Does your maintenance contract include routine (non-State specific) updates? If yes, how frequently are the updates made?
- Please describe your pricing model used to determine the cost of making State-requested enhancements to existing software. (*The State is **NOT** asking for a price as an answer.*)
- How would you approach data back-up and disaster recovery if you hosted the application?
- Please describe your approach to data retention. Is there any time limit related to data retention?

- If the State desired it, would you be able to have the application available 24/7 for 365 days a year?

12. Technical Architecture

- Please describe recent technological advances made in the industry which you now incorporate into your approach.
- Please describe the recommended technical architecture of your solution, including recommended hardware platform, operating systems, connectivity services, database platform, etc.
- Please describe any restrictions or limitations for the above recommended architecture components.
- Please describe the recommended scalability of the hardware platform.
- Please describe the web components of your system approach, such as web services, XML usage, etc.
- Please describe how real-time and batch processing and printing are leveraged for your approach.
- Please describe your recommended approach for remote access (for example, for employees working off-site, and teleworkers).
- Please describe the security and audit (accountability) components of your solution.
- The State's Office of Information Technology has architectural standards which can be found at http://www.nj.gov/it/ps/Shared_IT_Architecture.pdf. Please describe how your system would work within these parameters.

13. Commercial Off-the-Shelf (COTS) Software and Custom Components Integration

- What components and functionality do you offer as COTS software?
- Please describe the types of configurations that can be made using the COTS product.
- Is your COTS software customizable? What types of customizations have you implemented in the past?
- Please describe your approach to maintenance of customizations.

- Please describe the flexibility of your solution. How easily can you add/change functionality so that new requirements can be accommodated in the future? Which parts of your COTS are configurable so that a trained EDISON administrator can make the modifications and enhancements?
- Please describe the COTS product's scalability.
- What functional components do you recommend as interfaces to the COTS product or custom components that would not be part of your COTS solution?
- How do you integrate the custom with the COTS components?
- What 3rd party products do you recommend for use with your solution?
- Please describe where your product is in its product life-cycle.
- How are patches and minor bugs fixes installed in your COTS software?
- Do you have a user group that provides input on product upgrades and enhancements?
- When are you expecting a new major release? What new features or enhancements are you expecting to include?
- Are your clients required to install every new release when it becomes available? Is the timing of upgrades left up to the client? Is it possible to skip installation of a release and then install a subsequent release?

14. User Interface Approach

- What is the user interface platform that is used?
- Can screen design be performed by a trained EDISON administrator (business user)?
- Please supply some sample user interface screens in your written response.

15. Maintenance, Licensing, and Upgradeability

- Does your company typically perform the Help Desk function? If not, *can* you perform that function?
- Are software upgrades included in the annual maintenance fee?

- Please describe your approach to maintenance. Can the State have access to the code to make necessary code changes?
- If you offer a COTS product, please describe how the existing customizations will be applied to the new release when it occurs.
- If you offer COTS software, does your product follow a release schedule for modifications to code? If the product your company is describing follows a release schedule, please describe the release schedule and how modification selections are made if there are competing demands from your customer base.
- Will a trained EDISON administrator be able to change forms and reports easily? Will he or she be able to create documents and forms templates easily?
- Please describe your product warranties.
- Do you provide for a source code escrow account which a client can access in case your company is acquired by another company or the product is discontinued?
- Do you license your product line or solution based on named users? Concurrent users?
- Do you offer licensing which is role-based and sold on a per-user or installation basis?
- Do you offer platform-based pricing (for example, per application server, per number of CPUs, per engine size/cycles – MIPS)?
- Please describe your primary pricing model and the potential value of the model to the prospective purchasers. (*The State is **NOT** asking for a price as an answer.*)
- Would you please provide us with a copy of your standard licensing agreement and general Service Level Agreement information?

16. Consulting and Training

- Please describe your primary model for selling consulting services.
- Please describe your primary method of pricing training (per trainees, in groups of 10 participants or other approaches, for example, training the trainers) (*The State is **NOT** asking for a price as an answer.*)
- Do you offer training delivered through recommended third parties or business partners?

- Do you offer computer-based training via the Internet for end-users? If so, is this a free service or fee-based?
- What training methods do you use for face-to-face classroom, train the trainer and computer based training? Do you usually perform success rate analysis after training delivery?
- When delivering classroom training, do you typically offer it on the client site or on a vendor-hosted site or in some hybrid form?
- Is the system implementation effort performed by your staff or do you typically use a system integrator?

17. External Interfaces

(For example, OMB is interested in interfacing with other government agencies, such as the Department of Human Services, the Office of Legislative Services, etc.)

- Please describe your approach to interfacing with external technical components, such as an existing data warehouse.
- Please describe your approach to developing external interfaces.
- If you have a COTS product, please describe how your software generally interfaces with mainframe systems.
- If you have a COTS product, does your software currently interface with any other COTS products, such as Oracle or SAP? If yes, which ones are they?

18. Security

- Please describe how your product addresses system, user and data security.
- Please describe your approach toward protecting against vulnerabilities.
- State security standards can be found at <http://www.state.nj.us/it> under “Policies, Procedures and Standards/Information Security”. Please describe how your system complies or can be made to comply with those standards.

19. Business Continuity

- Please describe your approach and methodology relating to business continuity and disaster recovery services.

20. General

- Are you registered to do business in New Jersey? (Please see <http://www.state.nj.us/treasury/revenue/busregcert.shtml> for a description of the registration process.)
- Have you done business with the State within the last 5 years? If yes, could any of the work be considered related to the EDISON project?
- Would you be willing to demonstrate your software at the OMB site in Trenton, NJ if the State were to ask you to do so?

21. Requested Vendor RFP Input

The State requests responders to recommend what kind of statistics, documentation, and information that the State should furnish bidders in a future RFP and what the significance or criticality of that information is to the success of the procurement.

Additionally, RFP requirements often consist of a lengthy list of what the solution needs to do in order to be accepted. The State would like to facilitate the vendor's understanding of what OMB requires to effectively support its business needs. Do you have suggestions for improving this process?

The State's Contractual Terms and Conditions (T's and C's) are identified in Appendix B of this document. Does your firm have issues related to any of them? If you do, what suggestions do you have for dealing with these issues?

Please provide any additional clarifications or areas for discussion that should be included. All input is valuable to us.

SECTION III: RFI Submittal Process and Response Format

RFI Submittal Process

This RFI is being issued by the State to seek initial Vendor input through a written response. Once the responses have been received, the State may request that some of the Vendors make an on-site presentation of their approach. This presentation is informational only, for the purpose of market research to determine feasible solutions and recommendations that could be included in the future RFP. The invitation does not indicate that the State is engaged in a pre-selection process for an Implementation Vendor.

Written Responses and Questions shall be submitted to the EDISON Program Director identified below:

Name: Jacki Stevens
e-mail: Jacki.Stevens@treas.state.nj.us

From the issue date of this RFI until the responses are due, vendors shall communicate only with the EDISON Program Director in writing.

Written questions shall be submitted to the EDISON Program Director via e-mail as indicated above. The due date for written questions is **9/28/12**. No questions will be accepted after that date.

RFI Responses shall be submitted to the EDISON Program Director via e-mail. RFI responses are due on **10/29/12 by 5:00 p.m. EDT**, and are to be sent to the **Program Director's** e-mail address as shown above. The EDISON Program Director will not accept submissions after the stated date and exact time. The time of receipt will be local time as determined by the State's e-mail system time stamp. The responses to the RFI are to be submitted via e-mail as MS Word 2010 and/or Adobe PDF files. The subject line in the e-mail submission shall state "EDISON RFI Response, Vendor Name".

Vendors should give specific attention to the identification of those portions of its response which it considers confidential, proprietary, commercial information, or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the New Jersey Open Public Records Act, N.J.S.A. 47: 1A-1 et.seq.

Information provided in response to this Request for Information can be released to the public under the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq., (OPRA) or the common law right to know. All information submitted in response to this Request for Information is considered public information, notwithstanding any disclaimers to the contrary submitted by a bidder, except as may be exempted from public disclosure by OPRA and the common law.

Any proprietary and/or confidential information which you provide will be redacted by the State. A person responding to this Request for Information may designate specific information as not subject to disclosure pursuant to the exceptions to OPRA found at N.J.S.A. 47:1A-1.1, when such person 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 responding person accordingly. The location in the response to this Request for Information of any such designation should be clearly stated in a cover letter. The State will not honor any attempt by a respondent to designate all materials submitted in a response to this Request for Information as proprietary, confidential and/or to claim copyright protection for such materials. In the event of any challenge to an assertion of confidentiality with which the State does not concur, the person responding to this Request for Information shall be solely responsible for defending its designation. By submitting a response to this Request for Information, the responding person waives any claims of copyright protection set forth within any materials submitted in the response.

The inside title of the RFI is to be marked:

EDISON Request for Information (RFI)

Name of Respondent

RFI Response Format

The purpose of the following section is to describe the format that vendors should use in responding to this RFI. The State is very interested in your comments, ideas and opinions concerning EDISON.

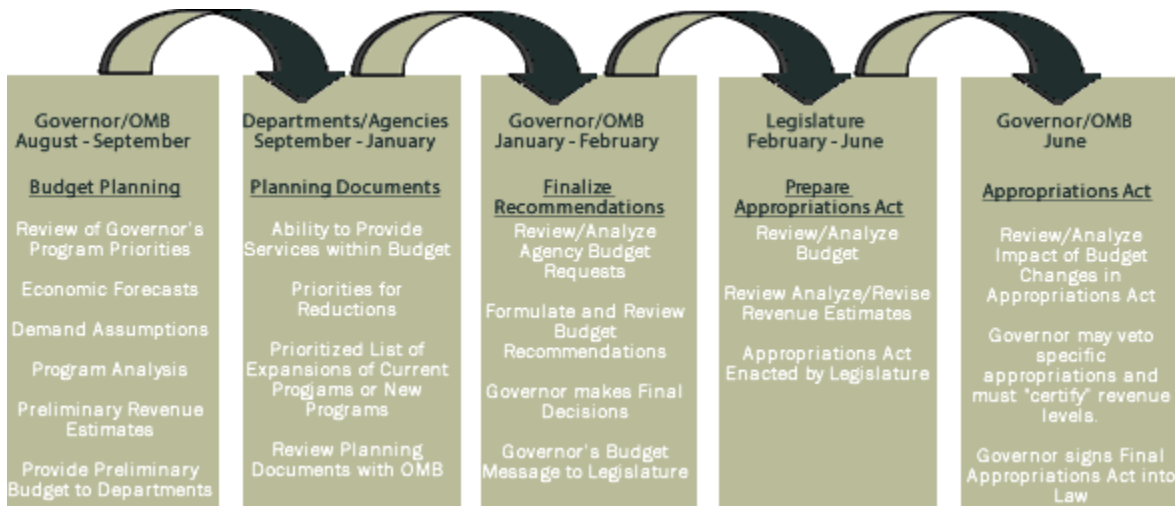
The Sections which should be included in your response to the RFI are:

- Transmittal Letter (separate MS Word 2010 or Adobe PDF file, named “EDISON RFI Transmittal VendorName”)
The transmittal letter should be in the form of a standard business letter and should be signed by a vendor-authorized individual. It should note the following:
 - A statement that proprietary information is included, if applicable, and which information is proprietary.
- Response(separate MS Word 2010 or Adobe PDF file, named “EDISON RFI Response VendorName”)
Please provide responses to the questions as listed in Section II. In addition, please make any comments, observations, or suggestions which may assist the State in drafting the EDISON RFP.

- Product Brochures (separate MS Word 2010 or Adobe PDF file, named “EDISON RFI Brochures VendorName”)⁷
Product literature, white papers, and other publications which the vendor would like to submit in response to the RFI are to be e-mailed as separate files.
- Proprietary Information
The vendor should place all confidential data, in order, in a separate file clearly marked “EDISON RFI Confidential”. All data should be titled and reference the question to which the information is related.

⁷ Since the State is requesting that brochures and other marketing material be submitted separately, there is no need to cut and paste marketing material into the body of your RFI response. If you would like to reference specific marketing material when responding to a question, please just identify where the material can be found.

APPENDIX A: THE STATE BUDGET PROCESS



The State Budget Process is designed to result in budget decisions that are informed by performance, with a focus on furthering agency core missions. Implementation of the budget process usually begins during the month of August, some 11 months prior to the year for which the budget will be effective. The State Budget cycle is set on a fiscal year basis, which extends from July 1 to June 30 of the following year.

To formally initiate the process, the Office of Management and Budget (OMB) provides salary projection reports and technical budget instructions to the departments in September. Among other things, this enables the agencies to determine how to best allocate available resources to meet their core missions in the coming budget year. The ensuing planning process includes reviews of the Governor's program priorities, as well as economic forecasts, demand assumptions, and analyses of selective program areas. OMB provides general guidance to each State agency in September, including establishing preliminary budgets.

Agencies prepare planning documents that describe: (1) their ability to achieve their core missions at the preliminary budget level (including projections of mandatory growth); (2) the agencies' priorities for reduction of current services if requested, and the impact of such reductions on their core mission areas; and (3) priority packages representing either expansion of current programs or new programs. OMB reviews the planning documents with the agencies from November through mid-January, when preliminary recommendations are agreed upon.

During the months of December, January and February, the Director of OMB reviews budget recommendations with the State Treasurer, the Governor, and the Governor's staff. Normally, the Governor makes the final decisions in February.

The planning portion of the budget process usually culminates in February with the submission of the Governor's Budget Message, representing the Governor's recommendations for allocating available resources, to the Legislature. The Budget Message is delivered to the Legislature on or before the fourth Tuesday in February (unless superseded by legislation). From year to year, the Budget is the single most important policy statement that the Governor makes as he or she allocates the State's resources for programs and services.

The annual review process for capital spending requests and recommendations, which runs somewhat parallel to the process described above, has several stages. All State departments requesting capital funding must submit a seven-year Capital Improvement Plan to the New Jersey Commission on Capital Budgeting and Planning. Each capital project request must include an operating impact statement. The Commission schedules public hearings, analyzes the capital requests, and recommends projects to the Governor. The Governor, in turn, selects projects to be recommended in the annual Budget Message.

The Legislature, through a series of hearings conducted by its appropriations committees, reviews the Governor's Budget and makes changes. The Legislature also reviews the revenue estimates included in the Governor's Budget and, based upon several additional months of actual revenue collections in the current fiscal year, makes adjustments to these revenue projections and surplus estimates.

The Budget, including changes made by the legislative committees, then must be approved by the Senate and the Assembly. According to the New Jersey Constitution, a balanced Budget must be approved as an Appropriations Act and signed by the Governor before July 1. After the Legislature passes the Appropriations Act, the bill is sent to the Governor. The Governor may sign it, conditionally veto it (returning it for changes) or veto it absolutely. The Governor also has the power to veto specific appropriations (line items) or appropriation language segments, some of which may have been added by the Legislature as a result of its review. The line-item veto allows the Governor to reshape the final Budget and ensure that appropriations do not exceed the certified level of revenues. (As part of the final Appropriations Act, the Governor must "certify" the level of revenues in order to meet the constitutional requirement of a balanced budget.) The final approved Budget, which includes the Governor's line-item vetoes and certification of revenues, is the Appropriations Act. Once the budget is enacted, it becomes an effective tool for fiscal control and for monitoring program effectiveness.

Throughout the course of the fiscal year, the Legislature has the authority to pass legislation that provides funding for programs and projects above and beyond those provided for in the Appropriations Act. The additional amounts of funding provided by these acts of the Legislature are referred to as "supplemental appropriations." The Director of the Office of Management and Budget also has statutory authority to authorize supplemental appropriations at any time during the fiscal year by virtue of authorizing budget language contained in the Appropriations Act. This is accomplished and documented by the issuance of Directory Letters by OMB.

APPENDIX B: STANDARD NJ CONTRACT TERMS AND CONDITIONS

1. STANDARD TERMS AND CONDITIONS APPLICABLE TO THE CONTRACT- Unless the bidder/offeror is specifically instructed otherwise in the Request for Proposals (RFP), the following terms and conditions shall apply to all contracts or purchase agreements made with the State of New Jersey. These terms are in addition to the terms and conditions set forth in the RFP and should be read in conjunction with same unless the RFP specifically indicates otherwise. In the event that the bidder/offeror would like to present terms and conditions that are in conflict with either these terms and conditions or those set forth in the RFP, the bidder/offeror must present those conflicts during the Question and Answer period for the State to consider. Any conflicting terms and conditions that the State is willing to accept will be reflected in an addendum to the RFP. The State's terms and conditions shall prevail over any conflicts set forth in a bidder/offeror's proposal that were not submitted through the question and answer process and approved by the State. Nothing in these terms and conditions shall prohibit the Director of the Division of Purchase and Property (Director) from amending a contract when the Director determines it is in the best interests of the State.

2. STATE LAW REQUIRING MANDATORY COMPLIANCE BY ALL CONTRACTORS - The statutes, laws or codes cited herein are available for review at the New Jersey State Library, 185 West State Street, Trenton, New Jersey 08625.

2.1 BUSINESS REGISTRATION – Pursuant to N.J.S.A. 52:32-44, the State is prohibited from entering into a contract with an entity unless the bidder and each subcontractor named in the proposal have a valid Business Registration Certificate on file with the Division of Revenue.

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the "Sales and Use Tax Act, P.L. 1966, c. 30 (<http://www.state.nj.us/treasury/revenue/busregcert.shtml>, N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State. Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG can be filed online at

2.2 ANTI-DISCRIMINATION - All parties to any contract with the State agree not to discriminate in employment and agree to abide by all anti-discrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A. 10:5-1 et seq. and N.J.S.A. 10:5-31 through 10:5-38, and all rules and regulations issued thereunder are hereby incorporated by reference.

2.3 PREVAILING WAGE ACT - The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.26 et seq. is hereby made part of every contract entered into on behalf of the State of New Jersey through the Division of Purchase and Property, except those contracts which are not within the contemplation of the Act. The bidder's signature on [this proposal] is his guarantee that neither he nor any subcontractors he might employ to perform the work covered by [this proposal] has been suspended or debarred by the Commissioner, Department of Labor for violation of the provisions of the Prevailing Wage Act and/or the Public Works Contractor Registration Acts; the bidder's signature on the proposal is also his guarantee that he and any subcontractors he might employ to perform the work covered by [this proposal] shall comply with the provisions of the Prevailing Wage and Public Works Contractor Registration Acts, where required.

2.4 AMERICANS WITH DISABILITIES ACT - The contractor must comply with all provisions of the Americans with Disabilities Act (ADA), P.L 101-336, in accordance with 42 U.S.C. 12101, et seq.

2.5 MACBRIDE PRINCIPLES – The bidder must certify pursuant to N.J.S.A. 52:34-12.2 that it either has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein or that it will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.5 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles.

2.6 PAY TO PLAY PROHIBITIONS – Pursuant to N.J.S.A. 19:44A-20.13 et seq (L.2005, c. 51), and specifically, N.J.S.A. 19:44A-20.21, it shall be a breach of the terms of the contract for the business entity to:

- a. make or solicit a contribution in violation of the statute;
- b. knowingly conceal or misrepresent a contribution given or received;
- c. make or solicit contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution;

- d. make or solicit any contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate of holder of the public office of Governor, or to any State or county party committee;
- e. engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the business entity itself, would subject that entity to the restrictions of the Legislation;
- f. fund contributions made by third parties, including consultants, attorneys, family members, and employees;
- g. engage in any exchange of contributions to circumvent the intent of the Legislation; or
- h. directly or indirectly through or by any other person or means, do any act which would subject that entity to the restrictions of the Legislation.

2.7 <http://www.elec.state.nj.us/> . **POLITICAL CONTRIBUTION DISCLOSURE** – The contractor is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (ELEC), pursuant to N.J.S.A. 19:44A-20.27 (L. 2005, c. 271, §3 as amended) if in a calendar year the contractor receives one or more contracts valued at \$50,000.00 or more. It is the contractor's responsibility to determine if filing is necessary. Failure to file can result in the imposition of penalties by ELEC. Additional information about this requirement is available from ELEC by calling 1(888) 313-3532 or on the internet at **2.8 STANDARDS PROHIBITING CONFLICTS OF INTEREST** - The following prohibitions on contractor activities shall apply to all contracts or purchase agreements made with the State of New Jersey, pursuant to Executive Order No. 189 (1988).

- a. No vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b. and e., in the Department of the Treasury or any other agency with which such vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i., of any such officer or employee, or partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52: 13D-13g.
- b. The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor shall be reported in writing forthwith by the vendor to the Attorney General and the Executive Commission on Ethical Standards.
- c. No vendor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such vendor to, any State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52: 130-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.
- d. No vendor shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.
- e. No vendor shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the vendor or any other person.

f. The provisions cited above in paragraphs 2.8a through 2.8e shall not be construed to prohibit a State officer or employee or Special State officer or employee from receiving gifts from or contracting with vendors under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards may promulgate under paragraph 3c of Executive Order No. 189.

2.9 NOTICE TO ALL CONTRACTORS SET-OFF FOR STATE TAX NOTICE - Pursuant to L 1995, c. 159, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set

off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act.

The Director of the Division of Taxation shall give notice to the set-off to the taxpayer and provide an opportunity for a hearing within thirty (30) days of such notice under the procedures for protests established under R.S. 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c.184 (c.52:32-32 et seq.), to the taxpayer shall be stayed.

2.10 COMPLIANCE - LAWS - The contractor must comply with all local, State and Federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.

2.11 COMPLIANCE - STATE LAWS - It is agreed and understood that any contracts and/or orders placed as a result of [this proposal] shall be governed and construed and the rights and obligations of the parties hereto shall be

3. STATE LAW REQUIRING MANDATORY COMPLIANCE BY CONTRACTORS UNDER CIRCUMSTANCES SET FORTH IN LAW OR BASED ON THE TYPE OF CONTRACT

3.1 COMPLIANCE - CODES - The contractor must comply with NJUCC and the latest NEC70, B.O.C.A. Basic Building code, OSHA and all applicable codes for this requirement. The contractor shall be responsible for securing and paying all necessary permits, where applicable.

3.2 PUBLIC WORKS CONTRACTOR REGISTRATION ACT - The New Jersey Public Works Contractor Registration Act requires all contractors, subcontractors and lower tier subcontractor(s) who engage in any contract for public work as defined in N.J.S.A. 34:11-56.26 be first registered with the New Jersey Department of Labor and Workforce Development. Any questions regarding the registration process should be directed to the Division of Wage and Hour Compliance at (609) 292-9464.

3.3 PUBLIC WORKS CONTRACT - ADDITIONAL AFFIRMATIVE ACTION REQUIREMENTS -

N.J.S.A. 10:5-33 and N.J.A.C. 17:27-3.5 require that during the performance of this contract, the contractor must agree as follows:

- a) The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause;
- b) The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex;
- c) The contractor or subcontractor where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

N.J.A.C. 17:27-3.7 requires all contractors and subcontractors, if any, to further agree as follows;

1. The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2.
2. The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.
3. The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.
4. In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

3.4 BUILDING SERVICE – Pursuant to N.J.S.A. 34:11-56.58 et seq., in any contract for building services, as defined in N.J.S.A. 34:11-56.59, the employees of the contractor or subcontractors shall be paid prevailing wage for building services rates, as defined in N.J.S.A. 34:11.56.59. The prevailing wage shall be adjusted annually during the term of the contract.

3.5 THE WORKER AND COMMUNITY RIGHT TO KNOW ACT - The provisions of N.J.S.A. 34:5A-1 et seq. which require the labeling of all containers of hazardous substances are applicable to this contract. Therefore, all goods offered for purchase to the State must be labeled by the contractor in compliance with the provisions of the statute.

3.6 SERVICE PERFORMANCE WITHIN U.S. – Under N.J.S.A. 52:34-13.2, all contracts primarily for services awarded by the Director shall be performed within the United States, except when the Director certifies in writing a finding that a required service cannot be provided by a contractor or subcontractor within the United States and the certification is approved by the State Treasurer.

A shift to performance of services outside the United States during the term of the contract shall be deemed a breach of contract. If, during the term of the contract, the contractor or subcontractor, proceeds to shift the performance of any of the services outside the United States, the contractor shall be deemed to be in breach of its contract, which contract shall be subject to termination for cause pursuant to Section 5.7(b)(1) of the Standard Terms and Conditions, unless previously approved by the Director and the Treasurer.

3.7 BUY AMERICAN – Pursuant to N.J.S.A. 52:32-1, if manufactured items or farm products will be provided under this contract to be used in a public work, they shall be manufactured or produced in the United States and the contractor shall be required to so certify.

4. INDEMNIFICATION AND INSURANCE

4.1 INDEMNIFICATION - The contractor's liability to the State and its employees in third party suits shall be as follows:

(a) Indemnification for Third Party Claims - The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith which shall arise from or result directly or indirectly from the work and/or materials supplied under this contract, including liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of this contract.

(b) The contractor's indemnification and liability under subsection (a) is not limited by, but is in addition to the insurance obligations contained in Section 4.2 of these Terms and Conditions.

(c) In the event of a patent and copyright claim or suit, the contractor, at its option, may: (1) procure for the State of New Jersey the legal right to continue the use of the product; (2) replace or modify the product to provide a non-infringing product that is the functional equivalent; or (3) refund the purchase price less a reasonable allowance for use that is agreed to by both parties.

4.2 INSURANCE - The contractor shall secure and maintain in force for the term of the contract insurance as provided herein. All required insurance shall be provided by insurance companies with an A- VIII or better rating by A.M. Best & Company. The contractor shall provide the State with current certificates of insurance for all coverages and renewals thereof, and the certificates shall reflect that the insurance policies shall not be canceled for any reason except after sixty (60) days written notice to the State. Certificates of renewals shall be provided within thirty (30) days of the expiration of the insurance. The contractor shall not begin to provide services or goods to the State until evidence of the required insurance is provided. The certificates of insurance shall indicate the contract number or purchase order number and title of the contract in the Description of Operations box and shall list the State of New Jersey, Department of the Treasury, Division of Purchase & Property, Contract Compliance & Audit Unit, PO Box 236, Trenton, New Jersey 08625 in the Certificate Holder box. The certificates and any notice of cancelation shall be emailed to the State at:

ccau.certificate@treas.state.nj.us

The insurance to be provided by the contractor shall be as follows:

- a. Occurrence Form Comprehensive General Liability Insurance or its equivalent: The minimum limit of liability shall be \$1,000,000 per occurrence as a combined single limit for bodily injury and property damage. The above required Comprehensive General Liability Insurance policy or its equivalent shall name the State, its officers, and employees as "Additional Insureds" and include the blanket additional insured endorsement or its equivalent. The coverage to be provided under these policies shall be at least as broad as that provided by the standard basic, unamended, and unendorsed Comprehensive General Liability Insurance occurrence coverage forms or its equivalent currently in use in the State of New Jersey, which shall not be circumscribed by any endorsement limiting the breadth of coverage.
- b. Automobile Liability Insurance which shall be written to cover any automobile used by the insured. Limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit. The State must be named as an "Additional Insured" and a blanket additional insured endorsement or its equivalent must be provided when the services being procured involve vehicle use on the State's behalf or on State controlled property.
- c. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than:

\$1,000,000 BODILY INJURY, EACH OCCURRENCE

\$1,000,000 DISEASE EACH EMPLOYEE

\$1,000,000 DISEASE AGGREGATE LIMIT

d. This \$1 million amount may have been raised by the RFP when deemed necessary by the Director.

e. In the case of a contract entered into pursuant to N.J.S.A. 52:32-17, et.seq., (small business set asides) the minimum amount of insurance coverage in subsections a., b., and c. above may have been lowered in the RFP for certain commodities when deemed in the best interests of the State by the Director.

5. TERMS GOVERNING ALL CONTRACTS

5.1 CONTRACTOR IS INDEPENDENT CONTRACTOR – The contractor's status shall be that of any independent contractor and not as an employee of the State.

5.2 CONTRACT AMOUNT - The estimated amount of the contract(s), when stated on the RFP form, shall not be construed as either the maximum or minimum amount which the State shall be obliged to order as the result of the RFP or any contract entered into as a result of the RFP.

5.3 CONTRACT TERM AND EXTENSION OPTION - If, in the opinion of the Director, it is in the best interest of the State to extend a contract, the contractor shall be so notified of the Director's Intent at least thirty (30) days prior to the expiration date of the existing contract. The contractor shall have fifteen (15) calendar days to respond to the Director's request to extend the term and period of performance of the contract. If the contractor agrees to the extension, all terms and conditions including pricing of the original contract shall apply unless more favorable terms for the State have been negotiated.

5.4 STATE'S OPTION TO REDUCE SCOPE OF WORK – The State has the option, in its sole discretion, to reduce the scope of work for any deliverable, task or subtask called for under this contract. In such an event, the Director shall provide to the contractor advance written notice of the change in scope of work and what the

Director believes should be the corresponding adjusted contract price. Within five (5) business days of receipt of such written notice, if either is applicable:

(a) If the contractor does not agree with the Director's proposed adjusted contract price, the contractor shall submit to the Director any additional information that the contractor believes impacts the adjusted contract price with a request that the Director reconsider the proposed adjusted contract price. The parties shall negotiate the adjusted contract price. If the parties are unable to agree on an adjusted contract price, the Director shall make a prompt decision taking all such information into account, and shall notify the contractor of the final adjusted contract price.

(b) If the contractor has undertaken any work effort toward a deliverable, task or subtask that is being changed or eliminated such that it would not be compensated under the adjusted contract, the contractor shall be compensated for such work effort according to the applicable portions of its price schedule and the contractor shall submit to the Director an itemization of the work effort already completed by deliverable, task or subtask within the scope of work, and any additional information the Director may request. The Director shall make a prompt decision taking all such information into account, and shall notify the contractor of the compensation to be paid for such work effort.

5.5 CHANGE IN LAW– Whenever a change in applicable law or regulation affects the scope of work, the Director shall provide written notice to the contractor of the change and the Director's determination as to the corresponding adjusted change in the scope of work and corresponding adjusted contract price. Within five (5) business days of receipt of such written notice, if either is applicable:

(a) If the contractor does not agree with the adjusted contract price, the contractor shall submit to the Director any additional information that the contractor believes impacts the adjusted contract price with a request that the Director reconsider the adjusted contract price. The Director shall make a prompt decision taking all such information into account, and shall notify the contractor of the final adjusted contract price.

(b) If the contractor has undertaken any work effort toward a deliverable, task or subtask that is being changed or eliminated such that it would not be compensated under the adjusted contract, the contractor shall be compensated for such work effort according to the applicable portions of its price schedule and the contractor shall submit to the Director an itemization of the work effort already completed by deliverable, task or subtask within the scope of work, and any additional information the Director may request. The Director shall make a prompt decision taking all such information into account, and shall notify the contractor of the compensation to be paid for such work effort.

5.6 SUSPENSION OF WORK - The State may, for valid reason, issue a stop order directing the contractor to suspend work under the contract for a specific time. The contractor shall be paid for goods ordered, goods delivered, or services requested and performed until the effective date of the stop order. The contractor shall resume work upon the date specified in the stop order, or upon such other date as the State Contract Manager may thereafter direct in writing. The period of suspension shall be deemed added to the contractor's approved schedule of performance. The Director shall make an equitable adjustment, if any is required, to the contract price. The contractor shall provide whatever information that Director may require related to the equitable adjustment.

5.7 TERMINATION OF CONTRACT

a. For Convenience

Notwithstanding any provision or language in this contract to the contrary, the Director may terminate this contract at any time, in whole or in part, for the convenience of the State, upon no less than thirty (30) days written notice to the contractor.

b. For Cause 1. Where a contractor fails to perform or comply with a contract or a portion thereof, and/or fails to comply with the complaints procedure in N.J.A.C. 17: 12-4.2 et seq., the Director may terminate the contract, in whole or in part, upon ten (10) days notice to the contractor with an opportunity to respond.

2. Where in the reasonable opinion of the Director, a contractor continues to perform a contract poorly as demonstrated by e.g., formal complaints, late delivery, poor performance of service, short-shipping, so that the Director is required to use the complaints procedure in N.J.A.C. 17:12-4.2 et seq., and there has been a failure on the part of the contractor to make progress towards ameliorating the issue(s) or problem(s) set forth in the complaint, the Director may terminate the contract, in whole or in part, upon ten (10) days notice to the contractor with an opportunity to respond.

c. In cases of emergency the Director may shorten the time periods of notification and may dispense with an opportunity to respond.

d. In the event of termination under this section, the contractor shall be compensated for work performed in accordance with the contract, up to the date of termination. Such compensation may be subject to adjustments.

5.8 SUBCONTRACTING OR ASSIGNMENT –

a. Subcontracting: The contractor may not subcontract other than as identified in the contractor's proposal without the prior written consent of the Director. Such consent, if granted in part, shall not relieve the contractor of any of his responsibilities under the contract, nor shall it create privity of contract between the State and any subcontractor. If the contractor uses a subcontractor to fulfill any of its obligations, the contractor shall be responsible for the subcontractor's: (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws.

b. Assignment: The contractor may not assign its responsibilities under the contract, in whole or in part, without the prior written consent of the Director.

5.9 NO CONTRACTUAL RELATIONSHIP BETWEEN SUBCONTRACTORS AND STATE - Nothing contained in any of the contract documents, including the RFP and vendor's bid or proposal shall be construed as creating any contractual relationship between any subcontractor and the State.

5.10 MERGERS, ACQUISITIONS - If, during the term of this contract, the contractor shall merge with or be acquired by another firm, the contractor shall give notice to the Director as soon as practicable and in no event longer than thirty (30) days after said merger or acquisition. The contractor shall provide such documents as may be requested by the Director, which may include but need not be limited to the following: corporate resolutions prepared by the awarded contractor and new entity ratifying acceptance of the original contract, terms, conditions and prices; updated information including ownership disclosure and Federal Employer Identification Number. The documents must be submitted within thirty (30) days of the request. Failure to do so may result in termination of the contract for cause. If, at any time during the term of the contract, the contractor's partnership, limited liability company, limited liability partnership, professional corporation, or corporation shall dissolve, the Director must be so notified. All responsible parties of the dissolved business entity must submit to the Director in writing, the names of the parties proposed to perform the contract, and the names of the parties to whom payment should be made. No payment shall be made until all parties to the dissolved business entity submit the required documents to the Director.

5.11 PERFORMANCE GUARANTEE OF CONTRACTOR - The contractor hereby certifies that:

a. The equipment offered is standard new equipment, and is the manufacturer's latest model in production, with parts regularly used for the type of equipment offered; that such parts are all in production and not likely to be discontinued; and that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice.

b. All equipment supplied to the State and operated by electrical current is UL listed where applicable.

c. All new machines are to be guaranteed as fully operational for the period stated in the contract from time of written acceptance by the State. The contractor shall render prompt service without charge, regardless of geographic location.

d. Sufficient quantities of parts necessary for proper service to equipment shall be maintained at distribution points and service headquarters.

e. Trained mechanics are regularly employed to make necessary repairs to equipment in the territory from which the service request might emanate within a 48-hour period or within the time accepted as industry practice.

f. During the warranty period the contractor shall replace immediately any material which is rejected for failure to meet the requirements of the contract.

g. All services rendered to the State shall be performed in strict and full accordance with the specifications stated in the contract. The contract shall not be considered complete until final approval by the State's using agency is rendered.

5.12 DELIVERY REQUIREMENTS-

a. Deliveries shall be made at such time and in such quantities as ordered in strict accordance with conditions contained in the contract.

b. The contractor shall be responsible for the delivery of material in first class condition to the State's using agency or the purchaser under this contract and in accordance with good commercial practice.

c. Items delivered must be strictly in accordance with the contract.

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.

5.13 APPLICABLE LAW AND JURISDICTION - This contract and any and all litigation arising therefrom or related thereto shall be governed by the applicable laws, regulations and rules of evidence of the State of New Jersey without reference to conflict of laws principles and shall be filed in the appropriate Division of the New Jersey Superior Court.

5.14. CONTRACT AMENDMENT – Except as provided herein, the contract may only be amended by written agreement of the State and the contractor.

5.15 MAINTENANCE OF RECORDS - The contractor shall maintain records for products and/or services delivered against the contract for a period of five (5) years from the date of final payment unless otherwise specified in the RFP. Such records shall be made available to the State, including the Comptroller, for audit and review.

5.16 ASSIGNMENT OF ANTITRUST CLAIM(S) - The contractor recognizes that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the ultimate purchaser. Therefore, and as consideration for executing this contract, the contractor, acting herein by and through its duly authorized agent, hereby conveys, sells, assigns, and transfers to the State of New Jersey, for itself and on behalf of its political subdivisions and public agencies, all right, title and interest to all claims and causes of action it may now or hereafter acquire under the antitrust laws of the United States or the State of New Jersey, relating to the particular goods and services purchased or acquired by the State of New Jersey or any of its political subdivisions or public agencies pursuant to this contract.

In connection with this assignment, the following are the express obligations of the contractor:

- a. It shall take no action that will in any way diminish the value of the rights conveyed or assigned hereunder.
- b. It shall advise the Attorney General of New Jersey:
 1. in advance of its intention to commence any action on its own behalf regarding any such claim or cause(s) of action;
 2. immediately upon becoming aware of the fact that an action has been commenced on its behalf by some other person(s) of the pendency of such action.
- c. It shall notify the defendants in any antitrust suit of the within assignment at the earliest practicable opportunity after the contractor has initiated an action on its own behalf or becomes aware that such an action has been filed on its behalf by another person. A copy of such notice shall be sent to the Attorney General of New Jersey.
- d. It is understood and agreed that in the event any payment under any such claim or cause of action is made to the contractor, it shall promptly pay over to the State of New Jersey the allotted share thereof, if any, assigned to the State hereunder.

6. TERMS RELATING TO PRICE AND PAYMENT

6.1 PRICE FLUCTUATION DURING CONTRACT - Unless otherwise agreed to in writing by the State, all prices quoted shall be firm through issuance of contract or purchase order and shall not be subject to increase during the period of the contract.

In the event of a manufacturer's or contractor's price decrease during the contract period, the State shall receive the full benefit of such price reduction on any undelivered purchase order and on any subsequent order placed during the contract period. The Director must be notified, in writing, of any price reduction within five (5) days of the effective date.

Failure to report price reductions may result in cancellation of contract for cause, pursuant to provision 5.7(b)1.

6.2 TAX CHARGES - The State of New Jersey is exempt from State sales or use taxes and Federal excise taxes. Therefore, price quotations must not include such taxes. The State's Federal Excise Tax Exemption number is 22-75-0050K.

6.3 PAYMENT TO VENDORS -

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.

b. The contractor must submit invoices to the using agency with supporting documentation evidencing that work or goods for which payment is sought has been satisfactorily completed or delivered. For commodity contracts, the invoice, together with the original Bill of Lading, express receipt and other related papers must be sent to the State Contract Manager or using agency on the date of each delivery. For contracts featuring services, invoices must reference the tasks or subtasks detailed in the Scope of Work section of the RFP and must be in strict accordance with the firm, fixed prices submitted for each task or subtask on the RFP pricing sheets. When applicable, invoices should reference the appropriate RFP price sheet line number from the contractor's bid proposal. All invoices must be approved by the State Contract Manager or using agency before payment will be authorized.

c. In all time and materials contracts, the State Contract Manager or designee shall monitor and approve the hours of work and the work accomplished by contractor and shall document both the work and the approval. Payment shall not be made without such documentation. A form of timekeeping record that should be adapted as appropriate for the Scope of Work being performed can be found at www.nj.gov/treasury/purchase/forms/Vendor_Timesheet.xls.

d. The contractor shall provide, on a monthly and cumulative basis, a breakdown in accordance with the budget submitted, of all monies paid to any small business, minority or woman-owned subcontractor(s). This breakdown shall be sent to the Chief of Operations, Division of Revenue, P.O. Box 628, Trenton, NJ 08646.

6.4 OPTIONAL PAYMENT METHOD: P-CARD - The State offers contractors the opportunity to be paid through the MasterCard procurement card (p-card). A contractor's acceptance and a State agency's use of the p-card are optional. P-card transactions do not require the submission of a contractor invoice; purchasing transactions using the p-card will usually result in payment to a contractor in three (3) days. A contractor should take note that there will be a transaction-processing fee for each p-card transaction. To participate, a contractor must be capable of accepting the MasterCard. Additional information can be obtained from banks or merchant service companies.

6.5 NEW JERSEY PROMPT PAYMENT ACT - The New Jersey Prompt Payment Act, N.J.S.A. 52:32-32 et seq., requires state agencies to pay for goods and services within sixty (60) days of the agency's receipt of a properly executed State Payment Voucher or within sixty (60) days of receipt and acceptance of goods and services, whichever is later. Properly executed performance security, when required, must be received by the State prior to processing any payments for goods and services accepted by state agencies. Interest will be paid on delinquent accounts at a rate established by the State Treasurer. Interest shall not be paid until it exceeds \$5.00 per properly executed invoice.

Cash discounts and other payment terms included as part of the original agreement are not affected by the Prompt Payment Act.

6.6 AVAILABILITY OF FUNDS - The State's obligation to make payment under this contract is contingent upon the availability of appropriated funds and receipt of revenues from which payment for contract purposes can be made. No legal liability on the part of the State for payment of any money shall arise unless and until funds are appropriated each fiscal year to the using agency by the State Legislature and made available through receipt of revenues.