



**Request for Quotation
for
Unemployment Insurance Call Center**

Date Issued April 24, 2020

Question and answer deadline April 27, 2020 at 4:00 PM

Proposal Submission Date and Time May 4, 2020, 5:00 PM

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1.0 INFORMATION FOR VENDORS {BIDDERS}

1.1 Purpose and Intent

This Request for Quotation (RFQ) is issued by the NJ Department of Labor. The purpose of this Request for Quotation is to solicit proposals for an Unemployment Insurance Call Center.

The intent of this Request for Quotation is to award up to three Contracts through a Waiver of Advertising to those responsible Vendors whose Proposals, conforming to this Request for Quotation, is the most advantageous to the State price and other factors considered.

The State of New Jersey Standard Terms and Conditions and Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions accompanying this RFQ will apply to any Contract entered into with the State of New Jersey. These terms are in addition to the terms and conditions set forth in this RFQ and should be read in conjunction with them unless the RFQ specifically indicates otherwise.

1.2 Background

Due to the COVID-19 Pandemic, the New Jersey Department of Labor and Workforce Development (DOL), Unemployment Insurance Benefits (UIB) division is experiencing an extremely high volume of calls into its three call centers. To best support New Jersey's citizens who find themselves either separated from work entirely or experiencing reduced hours of work during this uncertain time, DOL would like to further expand its call center capability to 3rd party vendor(s) ("Contractors"). In general, the Contractor(s) will be responsible for handling and assisting claimants with the filing of their initial claims for unemployment benefits and answering high-level unemployment related inquiries including the Corona Virius Aid, Relief and Economic Security (CARES) Act.

1.3 Electronic Question and Answer Period

All questions must be sent to [Marianne Bixler](#), Assistant Director of Procurement no later than **April 27, 2020 no later than 4:00 PM EST**.

1.4 Submission of Quotation/Proposal

Quotation/Propals must be submitted in response to this RFQ to [Marianne Bixler](#) at Marianne.Bixler@dol.nj.gov no later than **April 30, 2020, 2:00 PM**.

1.5 Contents of Quote

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

As part of its Quote, a Vendor {Bidder} may designate any data or materials it asserts are exempt from public disclosure under OPRA and/or the common law, explaining the basis for such assertion. Vendor {Bidder} must provide a detailed statement clearly identifying those sections of the Quote that it claims are exempt from production, and the legal and factual basis that supports said exemption(s) as a matter of law. **The State will not honor any attempts by a Vendor {Bidder} to designate its entire Quote as proprietary, confidential and/or to claim copyright protection for its entire Quote.**

The State reserves the right to make the determination as to what is proprietary or confidential, and will advise the Vendor {Bidder} accordingly. Any proprietary and/or confidential information in a Quote will be redacted by the State. Copyright law does not prohibit access to a record which is otherwise available under OPRA.

In the event of any challenge to the Vendor's {Bidder's} assertion of confidentiality with which the State does not concur, the Vendor {Bidder} shall be solely responsible for defending its designation, but in doing so, all costs and expenses associated therewith shall be the responsibility of the Vendor {Bidder}. The State assumes no such responsibility or liability.

2.0 SCOPE OF WORK – REQUIREMENTS

2.1 Work Duties of Call Center:

The Contractor must establish and operate a call center for the purpose of responding to a majority of calls on Unemployment Insurance Benefits (UIB), CARES Act related matters not addressed through the existing Unemployment Insurance IVR VoIP system, supplemented by a tiered approach utilizing seamless transfers and/or referrals between established State call center. Protocols for the established call center tiered approach and referrals shall be defined in conjunction with the State. During the term of the contract, the Contractor shall maximize the number and types of calls that can be handled by its call center without further referral to State personnel. The State will develop, in conjunction with the Contractor, a call referral matrix for the IVR to ensure that calls are routed to appropriate call center or office with minimal further referral.

In addition to the 4.7 million calls received by the existing IVR System, the State estimates that the anticipated number of potential call center calls would be increasing by 25% given Unemployment Insurance's pending caseload of approximately 1 million claims.

The contractor must provide the following:

1. All equipment, infrastructure and environment, software, and hardware necessary to implement call center operations that can integrate with existing Unemployment Insurance applications.
2. Develop the call handling procedures for its call center inclusive of the new business practices and provide functional Customer Service Provisions. These procedures must be approved by the state prior to implementation.
3. Hire and manage call center staff, and maintain staffing levels to meet performance standards and provide a detailed employee retention plan that limits

turnover.

4. Maintain customer service call center representatives, Monday through Friday from 8:00am to 7:00 pm Eastern time and Saturday and Sunday from 8:00AM – 5:00PM.

5. Utilize the existing Unemployment Insurance Case Processing system (LOOPS), RCC/SSI, and WPAY applications to answer inquiries, document all calls, and send referrals, as needed to the appropriate Unemployment staff.

6. Shall track, maintain and document all referrals and provide reports to the State Contract Manager/Project Manger or designee(s) once a week and on an as needed basis.

7. Record and retrieve customer calls for the purposes of quality assurance, call sampling, and validation and verification of performance standards. The parameters used to retrieve a call must include, but are not limited to, call date and call time, phone number and name of claimant and other identifiable information. Previously recorded call data must be made available to the State upon request.

8. Provide a call management system that includes reporting capabilities in which the reporting component has the capability for customized reporting and uploading to MS Office Suite software and/or any other state compatible format.

9. Resolve the 80% of the caller issues without transfer or referral to the State operated Call Center.

10. Provide a voice messaging component available from 7:00 pm until 8:00 am Eastern time responding to all inquiries from this component within 1 business day. The Contractor shall provide a holiday schedule, to be approved by the State.

11. Correct inaccurate answers via contact to the customer and in consultation with the State Contract Manager/Project Manger or designee(s), when necessary. Errors identified in this process shall be incorporated into the Contractor's ongoing training plan.

12. Verify mailing residence and employer addresses and process address changes from claimant's and provide employer with the Taxation website for address changes. Obtain email addresses when available from both claimants and employers.

13. Produce and deliver, by mail and/or electronically, unemployment insurance forms to customer at customer request.

14. Be available to respond to issues raised by State Contract Manager/Project Manger or designee(s).

15. Make outgoing calls to respond to customer voicemail messages within one (1) business day.

16. Develop and maintain a database for the logging of all calls received that do not relate to an identifiable case in LOOPS. The reporting of these calls to the state shall be weekly and upon request. The Contractor shall allow access to the State Contract Manager/Project Manger or designee(s).

17. Provide call center services for the states multicultural population.

- a. Bilingual (Spanish and English) customer service representatives must be included on staff at a percentage which coincides with the states Spanish speaking population (2009 census data indicates that approximately 17% of the states" populous is of Hispanic or Latino decent).
- b. The Contractor shall provide service to clients that speak primarily English and/or Spanish, as well as the ability to communicate with clients in other languages as needed.
- c. TTY/TDD capabilities available during weekdays from 8:00am through 7:00pm Eastern time and Saturday and Sunday 8:00am – 5:00pm.

18. Must meet or exceed the following call center operational standards:

- a. An average daily call wait time, including wait time for abandoned calls, for callers in the queue waiting to speak with call center staff that does not exceed ten (10) minutes, with a requirement to reduce to 20 seconds within the first year of the contract.
- b. Within the first 3 months of its operation, shall respond and resolve 80% of the calls that are transferred from the IVR to the vendor operated call center, within 6 months, 83%, and 85% must be resolved within the first year of its operation. The contractor shall continue to increase this percentage during the term of the contract.
- c. Call abandon rate not to exceed 5% of the total calls received, with a requirement to reduce by .5% each year until maximum efficiency is reached.
- d. No more than 5% of the responses shall contain inaccurate information.

19. All staff working at the call center are required to undergo background checks. Contractor must provide evidence of all background checks to the DOL Project Manager.

20. Contractor and all staff at the call center must sign a document that they have read and agree to adhere to 20 CFR 603, et seq. concerning the confidentiality of data. The Contractor shall be responsible for any breach of the confidentiality requirements and must take appropriate steps to resolve the breach in a reasonable timeframe. Failure to do so may be considered as a violation of the contract.

The Contractor shall maintain a database of received telephone calls that are not related to an identifiable case on the State's automated system for reporting of these calls monthly to the State Contract Manager/Project Manger. In addition to the Customer Service reporting requirements identified in this subsection, all summary information regarding calls handled by representatives that can be identified to a specific case shall be logged and case notes entered in the State's automated system. The Contractor shall enter the following minimum data elements into the State's automated system: the Claimant ID, callers' name, date of call, telephone number, if different than telephone number in system, email

address and nature of call and response/resolution provided.

2.2 Hours of Operation:

Contractor Call center staff must be responsible for answering phone calls during UI's current, regular hours of operation (Monday - Friday - 8:00am - 7:00pm EST) and Saturday and Sunday— 8:00am to 5:00pm EST. Staffing levels will need to be consistent throughout the week unless otherwise agreed upon with the State.

- o Reference material will be provided to navigate the claim filing website, process and FAQs.
- o Additional training may be required as needed to address claimant questions.

UI is presently optimizing the flow by which calls are received via the Interactive Voice Response ("IVR") call tree. At the time of contract, we will ensure that identified calls are routed to 3rd party. UI will ensure calls reach the 3rd party contractors phone system; the 3rd party is responsible for distributing these calls to their agents.

2.3 Location Requirements

Contractor Call Center staff must be located in the United States. New Jersey location preferred to provide onsite tiered program support. Additionally, no data, phone calls, or other information may leave the United States. Should the Contractor utilize a Subcontractor, it must indicate to the State Contractor/Project Manager in advance.

2.4 Equipment/Technology Requirements

Contractor must provide all equipment necessary for a fully operational Call Center and must be able to provide this equipment at the start of the engagement at no additional cost. This equipment includes at a minimum, all work locations, computers, phone services, internet connections, phones, headsets as required to operate a call center.

2.5 Performance Requirements

Contractor must adhere to the following requirements:

Subject to revision, which are based upon NJDOL UI's review of new CARES Act.

Average Speed of Answer (ASA): not to exceed more than 10 minutes (target) average

2.6 Pricing and Invoicing

Contractor shall invoice UI Monthly for all services according to the following rate schedule. Understanding the volumes are currently unknown, and may fluctuate rapidly. UI and Contractor will work together to ramp up and ramp down staffing based on the number of calls that are directed to the Contractor Call Center. UI and Contractor will meet weekly and determine the appropriate level of staffing required for the following

week and agree to the following weeks staffing and pricing rate selected from the schedule below.

Pricing Rate Schedule: See attached Price Sheet

1500 calls answered per day: \$Price per week

(Base)1500 to 5,000 calls answered per day: \$Price per week

5,000 to 10,000 calls answered perday: price per week

Each additional 5,000 calls answered per day: \$Price per week

(fixed pricing per each 5,000 calls determined to be needed)

2.7 Reporting

Contractor will provide weekly reports addressing the following key items. All reports are to be delivered electronically to UI every Monday morning by 9 am EST for the previous week of activity.

NOTE: Contractor to provide any ad hoc reports requested by the State.

Key Reports:

1. Total Number of Calls;
2. Total Number of Referrals-Transferred calls to UI State Call Center;
3. Total Number of Correspondence Received and Addressed;
4. Total Number of Abandoned Calls;
5. Total Number and speed of Answered Calls;
6. Number of Times and Duration of Time All Lines on the System Were Busy;
7. Time in queue, length of call, length of after call work;
8. Ad Hoc reports and/or additional reports as requested by the State;
9. Annually survey customers regarding their satisfaction with Call Center services and provide an annual report to the state. The goal, initially is to meet an 85% customer level of satisfaction with a continuing goal to increase customer satisfaction by 5% each year during the term of the contract until maximum efficiency is reached;
10. Staffing Level of Contractor – Staffing/Call Ratios;
11. Average Handle time (duration of call from answer to resolution/termination).

2.8 UI Responsibilities

UI will provide to the Contractor the following for use by the Contractor Call Center

Agents:

- a. Initial program/system training, documentation and information on how to handle calls and questions
 1. FAQ's, Resources, etc...
- b. Access and training on entering claimant information into UI web based claimant application(s)
- c. Decision matrix for use by Contractor Call Center Agents to direct the Contractor Agent when to transfer caller to the UI Call Center
- d. Reference material will be provided to navigate the claim filing website, process and FAQs.
- e. Additional training may be required as needed to address claimant questions.

UI is presently optimizing the flow by which calls are received via the Interactive Voice Response ("IVR") call tree. At the initiation of the Contract, UI will ensure that identified calls are routed to 3rd party. UI will ensure calls reach the 3rd party Contractor's phone system; the 3rd part is responsible for distributing these calls to its agents.

2.9 IMPLEMENTATION

The Contractor must establish a fully-functional UI Call Center as specified in this RFQ, and put it into production within 10 days of contract award, or as approved by the State. The Contractor shall remain responsible for the operations and support of the call center for the remainder of the contract period as described in this RFQ.

2.10 MODIFICATIONS TO THE STATEMENT OF WORK

This Scope of Work may not be modified unless mutually agreed upon by both parties, the State and Contractor. All changes and/or modifications to the Scope of Work must be documented in a written amendment to the Contract after approved by both parties.

2.11 Additional Work and/or Special Projects

The Contractor shall not begin performing any additional work or special projects without first obtaining the State Contract Manager/Project Manager's recommendation and written approval.

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

The Contractor's written Quote must provide a detailed description of the work to be

performed broken down by task and subtask. The Quote should also contain details on the level of effort, including hours, labor categories, etc., necessary to complete the additional work.

The written Quote must detail the cost necessary to complete the additional work in a manner consistent with this Contract. The written price schedule must be based upon the hourly rates, unit costs or other cost elements submitted by the Vendor {Contractor} in the Contractor 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 Vendor {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 written Quote, the State Contract Manager/Project Manager shall forward same to the Office of Procurement , who will submit for written approval from the Director or designee. Complete documentation from the Using Agency, confirming the need for the additional work, must be submitted. Documentation forwarded by the State Contract Manager/Project Manager/Project Manager, who will forward to the Procurement Office to obtain approval from 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 Office of Information Technology.

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 sole risk. The State shall be under no obligation to pay for work performed without the Director's written approval.

2.11 Security Plan

The Contractor shall submit a detailed Security Plan that addresses the Contractor's approach to meeting each applicable security requirement outlined below, to the State, no later than 5 days after the award of the Contract. The State approval of the Security Plan shall be set forth in writing. In the event that the State reasonably rejects the Security Plan after providing the Contractor an opportunity to cure, the Director may terminate the Contract, pursuant to the SSTC.

2.11.1 Information Security Program Management

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

- a. Establishment of a management structure with clear reporting paths and explicit responsibility for information security;

- b. Creation, maintenance, and communication of information security policies, standards, procedures, and guidelines to include the control areas listed in sections below;
- c. Development and maintenance of relationships with external organizations to stay abreast of current and emerging security issues and for assistance, when applicable; and
- d. Independent review of the effectiveness of the Contractor information security program.

2.11.2 Compliance

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

- a. Within 5 days after award, the Contractor shall provide the State with contact information for the individual or individuals responsible for maintaining a control framework that captures statutory, regulatory, contractual, and policy requirements relevant to the organization's programs of work and information systems;
- b. Throughout the solution development process, Contractor shall implement processes to ensure security assessments of information systems are conducted for all significant development and/or acquisitions, prior to information systems being placed into production; and
- c. The Contractor shall also conduct periodic reviews of its information systems on a defined frequency for compliance with statutory, regulatory, and contractual requirements. The Contractor shall document the results of any such reviews.

2.11.3 Personnel Security

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

- a. Position descriptions that include appropriate language regarding each role's security requirements;
- b. To the extent permitted by law, employment screening checks are conducted and successfully passed, including legal background check, for all personnel prior to beginning work or being granted access to information assets;
- c. Rules of behavior are established and procedures are implemented to ensure personnel are aware of and understand usage policies applicable to information and information systems;

- d. Access reviews are conducted upon personnel transfers and promotions to ensure access levels are appropriate;
- e. Contractor disables system access for terminated personnel and collects all organization owned assets prior to the individual's departure; and
- f. Procedures are implemented that ensure all personnel are aware of their

duty to protect information assets and their responsibility to immediately report any suspected information security incidents.

2.11.4 Security Awareness and Training

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

- a. Personnel are provided with security awareness training upon hire and at least annually, thereafter;
- b. Security awareness training records are maintained as part of the personnel record;
- c. Role-based security training is provided to personnel with respect to their duties or responsibilities (e.g. network and systems administrators require specific security training in accordance with their job functions); and
- d. Individuals are provided with timely information regarding emerging threats, best practices, and new policies, laws, and regulations related to information security.

2.11.5 Risk Management

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

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

2.11.6 Privacy

If the State data associated with the Contract includes PII, State Confidential Information, this section is applicable.

- a. Data Ownership. The State is the data owner. Contractor shall not obtain any right, title, or interest in any of the data furnished by the State, or information derived from or based on State data.
- b. Data usage, storage, and protection of PII and State Confidential Information, as defined in Section 5.9 are subject to all applicable international, federal and state statutory and regulatory requirements, as amended from time to time, including, without limitation, those for HIPAA, Tax Information Security Guidelines for Federal, State, and Local Agencies (IRS Publication 1075), New Jersey State tax confidentiality statute, the New Jersey Privacy Notice found at NJ.gov, N.J.S.A. § 54:50-8, New Jersey Identity Theft Prevention Act, N.J.S.A. § 56:11-44 et. seq., the federal Drivers' Privacy Protection Act of 1994, Pub.L.103-322, and the confidentiality requirements of N.J.S.A. § 39:2-3.4. Contractor shall also conform to PCI DSS, where applicable.
- c. Security: Contractor agrees to take appropriate administrative, technical and physical safeguards reasonably designed to protect the security, privacy, confidentiality, and integrity of user information. Contractor shall ensure that PII and other State Confidential Information is secured and encrypted during transmission or at rest.
- d. Data Transmission: The Contractor shall only transmit or exchange State of New Jersey data with other parties when expressly requested in writing and permitted by and in accordance with requirements of the Contract. or the State of New Jersey. The Contractor shall only transmit or exchange data with the State of New Jersey or other parties through secure means supported by current technologies. The Contractor shall encrypt all PII and other State Confidential Information as defined by the State of New Jersey or applicable law, regulation or standard during any transmission or exchange of that data.
- e. Data Re-Use: All State data shall be used expressly and solely for the purposes enumerated in the Contract. Data shall not be distributed, repurposed or shared across other applications, environments, or business units of the Vendor {Contractor}. No State data of any kind shall be transmitted, exchanged or otherwise passed to other contractors or interested parties except on a case-by-case basis as specifically agreed to in writing by the State Contract Manager/Project Manger.
- f. Data Breach: In the event of any actual, probable or reasonably suspected

breach of security, or any unauthorized access to or acquisition, use, loss, destruction, compromise, alteration or disclosure of any PII (each, a security breach) that may concern any State Confidential Information or PII, Contractor shall: (a) notify the State immediately of such breach, but in no event later than

24 hours after such security breach; (b) designate a single individual employed by Contractor who shall be available to the State 24 hours per day, seven (7) days per week as a contact regarding Contractor obligations under Section 2.11.33 (Incident Response); (c) not provide any other notification or provide any disclosure to the public regarding such security breach without the prior written consent of the State, unless required to provide such notification or to make such disclosure pursuant to any applicable law, regulation, rule, order, court order, judgment, decree, ordinance, mandate or other request or requirement now or hereafter in effect, of any applicable governmental authority or law enforcement agency in any jurisdiction worldwide (in which case Contractor shall consult with the State and reasonably cooperate with the State to prevent any notification or disclosure concerning any PII, security breach, or other State Confidential Information); (d) assist the State in investigating, remedying and taking any other action the State deems necessary regarding any security breach and any dispute, inquiry, or claim that concerns the security breach; (e) follow all instructions provided by the State relating to the State Confidential Information affected or potentially affected by the security breach; (f) take such actions as necessary to prevent future security breaches; and (g) unless prohibited by an applicable statute or court order, notify the State of any third party legal process relating to any security breach including, at a minimum, any legal process initiated by any governmental entity (foreign or domestic).

- g. Minimum Necessary. Contractor shall ensure that PII and other State Confidential Information requested represents the minimum necessary information for the services as described in this Request for Quotation and, unless otherwise agreed to in writing by the State, that only necessary individuals or entities who are familiar with and bound by the Contract will have access to the State Confidential Information in order to perform the work.
- h. End of Contract Data Handling: Upon termination/expiration of this Contract, the Contractor shall first return all State data to the State in a usable format as defined in the Contract., or in an open standards machine-readable format if not. The Contractor shall then erase, destroy, and render unreadable all Contractor back up copies of State data according to the standards enumerated in accordance with the State's most recent Media Protection policy,
https://www.nj.gov/it/docs/ps/NJ_Statewide_Information_Security_Manual.pdf, and certify in writing that these actions have been completed within 30 days after the termination/expiration of the Contract. or within seven (7) days of the request of an agent of the State whichever should come first.
- i. In the event of loss of any State data or records where such loss is due to the intentional act, omission, or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating

such lost data in the manner and on the schedule set by the State Contract Manager/Project Manager. The Contractor shall ensure that all data is backed up and is recoverable by the Vendor {Contractor}. In accordance with prevailing federal or state law or regulations, the Contractor shall report the loss of non-public data.

2.11.7 Asset Management

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

- a. Information technology asset identification and inventory;
- b. Assigning custodianship of assets; and
- c. Restricting the use of non-authorized devices.

2.11.8 Security Categorization

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

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

2.11.9 Media Protection

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

- a. Media storage/access/transportation;
- b. Maintenance of sensitive data inventories;
- c. Application of cryptographic protections;
- d. Restricting the use of portable storage devices;
- e. Establishing records retention requirements in accordance with business objectives and statutory and regulatory obligations; and
- f. Media disposal/sanitization.

2.11.10 Cryptographic Protections

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

- a. Using industry standard encryption algorithms;
- b. Establishing requirements for encryption of data in transit;
- c. Establishing requirements for encryption of data at rest; and
- d. Implementing cryptographic key management processes and controls.

2.11.11 Access Management

The Contractor shall establish security requirements and ensure appropriate mechanisms are provided for the control, administration, and tracking of access to, and the use of, the Contractor information systems that contain or could be used to access State data.

Access management plan shall include the following features:

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

2.11.12 Identity and Authentication

The Contractor shall establish procedures and implement identification, authorization, and authentication controls to ensure only authorized individuals, systems, and processes can access the State's information and Contractor information and information systems.

Identity and authentication provides a level of assurance that individuals who log into a system are who they say they are. Identity and authentication controls shall include, at a minimum:

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

2.11.13 Remote Access

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

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

2.11.14 Security Engineering and Architecture

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

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

2.11.15 Configuration Management

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

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

2.11.16 Endpoint Security

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

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

2.11.17 ICS/SCADA/OT Security

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

- a. Conducting risk assessments prior to implementation and throughout the lifecycles of ICS/SCADA/OT assets;
- b. Developing policies and standards specific to ICS/SCADA/OT assets;
- c. Ensuring the secure configuration of ICS/SCADA/OT assets;
- d. Segmenting ICS/SCADA/OT networks from the rest of the Contractor networks;
- e. Ensuring least privilege and strong authentication controls are implemented;
- f. Implementing redundant designs or failover capabilities to prevent business disruption or physical damage; and
- g. Conducting regular maintenance on ICS/SCADA/OT systems.

2.11.18 Internet of Things Security

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

- a. Developing policies and standards specific to IoT assets;
- b. Ensuring the secure configuration of IoT assets;

- c. Conducting risk assessments prior to implementation and throughout the lifecycles of IoT assets;
- d. Segmenting IoT networks from the rest of the Contractor networks; and
- e. Ensuring least privilege and strong authentication controls are implemented.

2.11.19 Mobile Device Security

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

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

2.11.20 Network Security

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

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

2.11.21 Cloud Security

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

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

2.11.22 Change Management

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

- a. Notifying all stakeholders of changes;
- b. Conducting a security impact analysis and testing for changes prior to rollout; and
- c. Verifying security functionality after the changes have been made.

2.11.23 Maintenance

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

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

2.11.24 Threat Management

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

- a. Developing, implementing, and governing processes and documentation to

facilitate the implementation of a threat awareness policy, as well as associated standards, controls and procedures.

- b. Subscribing to and receiving relevant threat intelligence information from the US CERT, the organization's vendors, and other sources as appropriate.

2.11.25 Vulnerability and Patch Management (VU)

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

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

2.11.26 Continuous Monitoring

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

- a. Centralizing the collection and monitoring of event logs;
- b. Ensuring the content of audit records includes all relevant security event information;
- c. Protecting of audit records from tampering; and
- d. Detecting, investigating, and responding to incidents discovered through monitoring.

2.11.27 System Development and Acquisition

The Contractor shall establish security requirements necessary to ensure that systems and application software programs developed by the Contractor or 3rd-party (e.g. vendors, contractors, etc.) perform as intended to maintain information confidentiality, integrity, and availability, and the privacy and safety of individuals. System development and acquisition security practices shall include, at a minimum, the following:

- a. Secure coding;
- b. Separation of development, testing, and operational environments;
- c. Information input restrictions;

- d. Input data validation;
- e. Error handling;
- f. Security testing throughout development;
- g. Restrictions for access to program source code; and
- h. Security training of software developers and system implementers.

2.11.28 Project and Resource Management

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

- a. Defining and implementing security requirements;
- b. Allocating resources required to protect systems and information; and
- c. Ensuring security requirements are accounted for throughout the SDLC.

2.11.29 Capacity and Performance Management

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

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

2.11.30 Third Party Management

The Contractor shall implement processes and controls to ensure that risks associated with third-parties (e.g. vendors, contractors, business partners, etc.) providing information technology equipment, software, and/or services are minimized or avoided. The 3rd party management processes and controls shall include, at a minimum:

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

2.11.31 Physical and Environmental Security

The Contractor shall establish physical and environmental protection procedures that limit access to systems, equipment, and the respective operating environments, to only authorized individuals. The Contractor ensures appropriate environmental controls in

facilities containing information systems and assets, to ensure sufficient environmental conditions exist to avoid preventable hardware failures and service interruptions. Physical and environmental controls shall include, at a minimum, the following:

- a. Physical access controls (e.g. locks, security gates and guards, etc.);
- b. Visitor controls;
- c. Security monitoring and auditing of physical access;
- d. Emergency shutoff;
- e. Emergency power;
- f. Emergency lighting;
- g. Fire protection;
- h. Temperature and humidity controls;
- i. Water damage protection; and
- j. Delivery and removal of information assets controls.

2.11.32 Contingency Planning

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

- a. Backup and recovery strategies;
- b. Continuity of operations;
- c. Disaster recovery; and
- d. Crisis management.

2.11.33 Incident Response

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

- a. Information security incident reporting awareness;
- b. Incident response planning and handling;
- c. Establishment of an incident response team;
- d. Cybersecurity insurance;
- e. Contracts with external incident response services specialists; and
- f. Contacts with law enforcement cybersecurity units.

3.0 TECHNICAL AND PRICING PROPOSAL

Bidders must submit a Technical Proposal, which addresses all requirements set forth in this RFQ to establish a fully operational UI Call Center.

Bidders must complete the attached Price schedule for this Request for Quotation, and identify all costs associated with establishing a fully operational call center, and provides sufficient details to support the costs and show a direct correlation to the Scope of Work.

3.1 Additional Work Rates

Bidders must submit Additional Work Rates on the Price Sheet, indicating titles and hourly rates, which will be used for any additional work or special projects, in accordance with Section 2.11.

3.2 Organizational Support and Experience

Bidders 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 capabilities to perform the services required by this RFQ. This section of the proposal shall minimally contain the information identified below.

3.3 Resumes

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

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

3.4 Experience with Contracts of Similar Size and Scope

The bidder must have knowledge and experience involving unemployment processes in another State Government entity and must have successfully implemented at least one similar call center in another state or governmental entity in the United States. This experience must be of similar size and scope of that required by this RFQ. A description of all such contracts should be included and should show how such contracts relate to the ability of the firm to complete the services required by this RFQ. Failure to provide this information in the proposal may result in the proposal being deemed non-responsive. Beginning and ending dates should also be given for each contract.

4.0 EVALUATION CRITERIA

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate proposals received in response to this RFQ.

4.1 Evaluation Criteria

- Personnel: The qualifications and experience of the Bidder's management,

supervisory, and key personnel assigned to the contract.

- Experience of firm: The Bidder's documented experience in successfully completing contracts of a similar size and scope in relation to the work required by this RFQ.
- Ability of firm to complete the Scope of Work based on its Proposal: The overall ability of the Bidder to undertake and successfully complete the requirements set forth in this RFQ.
- Pricing: All pricing must be submitted on the attached Price Sheet and submitted as a separate document, and not included with the Bidder's Technical Proposal. Pricing will be ranked and may not be the sole determination of the successful bidder. All pricing must be Inclusive comprised of all direct and indirect costs including, but not limited to: labor costs, overhead, fee or profit, clerical support, travel expenses, per diem, safety equipment, materials, supplies, managerial support and all documents, forms, and reproductions thereof. This rate also includes portal-to-portal expenses as well as per diem expenses such as food.

4.2 Contract Award and Term of Contract

Contract award(s) will be made to a maximum of three bidder(s), whose proposal(s) is/are the most advantageous to the State, price and other factors considered, as set forth in the Evaluation Criteria listed above. It should be noted that the State reserves the right to award up to three contracts, however, it may award to less than three contracts.

Term of Contract(s) will be for the period of one year.

4.3 Required Forms and Certifications

All Bidder's must agree to attached State of New Jersey Standard Terms and Conditions and Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions Bidder's must also complete all of the State's required forms as listed on the Waiver and DPA Contract Checklist and submit with its proposal or within five (5) business days of the proposal submission date. Failure to do so will result in the Bidder's proposal being deemed non-responsive and not eligible for award.

Revisions to the RFQ for UI Call Center

Please be advised that the following revisions have been made to the RFQ:

2.1 (4) Work Duties

Custom Call Center Staffing Levels are as follows:

Level 1 Activities

- ☐ FAQ
- ☐ Simple Q&A
- ☐ Introductory to claimant navigation
- ☐ Other messaging specific to current UI Requirements

Level 2 Activities

- ☐ Claims look up
- ☐ Claims Update
- ☐ Missing Documentation Review
- ☐ Escalation

Level 3 Activities

- ☐ Initial Claim Submission
- ☐ Claim completeness review
- ☐ Help desk for those who lack internet access

Section 2.1 (16) has been revised to weekly reports.

Background checks 2.1 (19) has been revised to add evidence of background checks.

Section 3.3 Resumes

Customer Service Experience

Section 4.2 Contract Award and Term of Contract

The State reserves the right to award by Level of Service and/or Tier, whichever is in the best interest of the State.

Please note: The Price Sheet has been revised.

Please be advised the Proposal due date and time have been extended to Tuesday, May 5, 2020 at 2:00 PM EST.

UI Call Center Questions and Answers

	Section #	Description	Question	Answer
1.			Does the NJDOL have any data surrounding the Average Handle Time (AHT) per call?	Average call times by Level: Level 1 – 5 minutes Level 2 – 10 minutes Level 3 – 15 minutes
2.		Call Distribution	UIB has an internal call center and contemplates adding up to 3 additional outsourced vendors. Please identify which call distribution method will be used to allocate calls across the maximum of 3 additional vendors plus internal site. A) Overflow Only: NJ Call Center always filled with calls first and then overflows to Vendors B) Fixed allocation percentage: Calls are allocated by % based on scheduled staff. C) Next available agent: All agents handle calls out of a shared queue, real-time.	Calls other than those that can be handled by automated applications in the NJDOL call center would be sent to vendor call center, where it would be expected to triage calls and answer questions posed by the claimant. A determination of distribution will be made after the review of vendor proposals.
3.			What type of telecom set-up do you require at the Vendor data center (to receive calls)?	Using DOL numbers and redirecting calls

UI Call Center Questions and Answers

			A) Toll-free Number B) DID C) Other	to Contractor call center.
4.			Bi-Lingual Call Center Operations Is the UIB IVR identifying and segmenting English vs Spanish calls up front and then distributing them to the selected Vendor(s) in a way that segments the two languages? Is UIB already subscribed to a third-party language interpreter service for calls that are not presented in English or Spanish languages? If Yes: May the selected Vendor(s) simply leverage the same service for the benefit of the Customer and UIB to aggregate volumes; ensure the lowest cost of Service and create a single point of reporting and tracking? If No: Any objection to the selected Vendor(s) using a third-party language interpreter Service?	Yes. Two options – English or Spanish. Yes. Yes, vendor may use same service currently used by DOL.
5.			Other Languages Since UIB is using IVR up front, UIB is likely seeing all non-English/Spanish calls fall out of the IVR. What is the volume of calls in languages OTHER THAN English & Spanish that need Service?	The volume is difficult to estimate since DOL is not able to take a fraction of the calls coming in. Estimate is 1000 a day are attempting to call UI.
6.			<u>TTY/TDD</u>	Vendors must indicate whether it can handle these

UI Call Center Questions and Answers

			Please discuss in greater detail. If UIB is distributing calls wouldn't these calls be best served to be aggregated into one vendor Site or with the UIB internal call center? - Please confirm that both TDD and Relay Services have separate numbers and not part of the primary toll-free calls.	types of calls or not. Vendor should propose a strategy on how to handle these calls going forward in joint operations (UI & vendor).
7.		Call Transfers	Please discuss the call transfer process. Is the toll-free number that is sending calls to Vendor's provisioned with network call transfer feature OR is the Vendor starting a new call leg to UIB?	This will be determined after Contract Award.
8.		Outbound Calling	Please confirm that you asking Vendors to provide the outbound calling lines <i>and</i> bill for both agent time and outbound telecom minutes for the duration of follow-up calls.	Yes.
9.		Call Recording, QA & Monitoring	Which brand of Call Recording System does UIB utilize today? Is there an option to have UIB voice record all calls to eliminate multiple capture and storage points?	Avaya. Unless calls are in the DOL call center the system cannot be leveraged.
10.			Please confirm that there is NO screen recording requested.	Screen recording is required.
11.			What percentage of calls would UIB require be voice recorded by Vendor? - Is it 100% of all calls?	100% of voice calls UI related or charged to UI.
12.			Does UIB have a quality monitoring form that's currently used or will Vendor(s) supply?	UI uses Avaya. Contractor is responsible to supply for any calls it handles.

UI Call Center Questions and Answers

13.		Voice messaging	Does UIB have an estimate regarding the number of messages to be retrieved/responded to that are collected between 7pm and 8am EST? How does that work? Does the UIB main IVR that's doing the call distribution still cascade calls after 7pm even though the Vendor(s) are closed?	No. DOL is not collecting messages.
14.			Given that volumes are probably very high at present, any reason why UIB wouldn't consider running extended hours for the first 30 / 60 days? – and reduce the number of messages?	DOL is open to considering extending the hours of operation for calls.
15.		NJ LOOPS, RCC/SSI an WPAY Applications access	Please describe the method which the Vendors can connect with to access these systems. For example, are these systems accessible via a A) Web-based URL B) B2B VPN C) Other: Please describe	These systems will be accessible via B2B VPN.
16.			What lead time (in terms of days) does UIB anticipate/require to help Vendor(s) establish and test system connections? - Does UIB provide one login for each agent on the program? - What is the lead time to request new login credentials?	Yes. Lead time for Login credentials is approximately one week.
17.			Is there any Multi-factor authentication that needs to be contemplated?	Yes.

UI Call Center Questions and Answers

18.		Escalations to UIB from Vendor(s)	• Into what file format will any records or escalations be sent to UIB? • What transmission method would be required (since PII may be part of the messaging).	File format will be determined at a later date. Records need to be encrypted in transit and at rest.
19.		Agent Desktop Requirements	Please discuss the minimum requirements for the Agent desktop that will be compatible with the software that will be accessed at UIB. • Operating system • Internet access requirements. • Email program utilized • Assumption is USB headsets are compatible.	MS Windows 10 Contractor is required to provide its all equipment and internet and email access.
20.		Fulfillment of Forms and mailing	Please discuss what equipment requirements exist to support the fulfillment of forms by mail. What amount of inventory (paper, envelopes etc.) will be provided? How will postage be handled? Please discuss volumes being sent via this method.	Contractor may be responsible for minimal mailing and will be reimbursed accordingly. Most forms are system generated or agents can advise where to find forms on UI website.
21.		Track, Maintain and Document and Provide Reports to	Can you provide a description of the anticipated report content or provide a sample of an existing report.	Call statistics, such as number of calls, average wait times, length of calls., etc.

UI Call Center Questions and Answers

		State Project Manager		Please refer to RFQ Section 2.7 Reporting.
22.		Unemployment Forms via Mail & Email	Please discuss the volume of unemployment forms that are to be: a) Mailed (via USPS) to customers. b) Emailed, via email account, to customers. Please discuss how email accounts will be established. Will these be Vendor email addresses or NJ DOL email addresses? Please discuss the Forms, Envelopes and Postage plan for mailing forms.	Please refer to the answer to question #20.
23.		PERSONNEL Background Checks	Please describe the details of the background checks required. Exclusions: Based on the background check results, what findings would preclude an agent candidate from participating the in the program? As many third-party background check companies are running with smaller staff, it is slowing down that process across the entire industry. Is UIB open to waiving or enabling continued agent employment contingent on completion of background checks? Concept being allowing agents to train and participate but when their check is complete and if they do not pass, they must be removed.	State background checks required by vendor. If a candidate fails the background check, they would be ineligible. No. DOL will not waive this requirement.

UI Call Center Questions and Answers

24.		20 CFR 603 – Signed Document	Please provide copy of 20 CFR 603	Document available online here
25.		Existing UI, In-house call center(s)	Considering social distancing and COVID-19, are all of the UI call center staff working in the UI Sites <i>OR</i> is some portion of the UI team presently able to work remote, from home? If the UI internal site were to close due to emergency, how many potential additional agents would be needed at the Vendor level? What is the current ratio of Supervisors to Live Agents? What is ratio of Quality Assurance Agents to Live Agents? - How many calls per Agent are monitored per week? - Is this the same requirement for the Vendor(s)?	Mixture. Most at home right now. None. Most have work from home capabilities. Ranges from 6-1 to 12-1. Yes, it is the same. Supervisors can also be Quality Assurance agents.
26.		TRAINING	Please provide a description with an estimated number of days or hours of training required. For example, is the training duration 2 or 3 business days?	Startup training will be approximately 2-3 days. More detailed may be required for more advanced tasks.

UI Call Center Questions and Answers

27.			This program requires that Live Agents will access LOOPS, RCC/SSI and WPAY. There will also likely be some FAQ, Outbound training and any other topics. Assuming each of these were modules, please describe how you deliver training today and the duration of each applicable training modules.	Various methods including WebEx, Word documents and other forms of training modules.
28.			In what format will you be providing TRAINING MATERIALS to the vendor(s)? A) PowerPoints B) Word Documents C) Videos D) Learning Management System (LMS) E) Other F) Combination	F) Combination
29.			Do you leverage a training environment or is training done in production environment with respect to familiarizing agents with the screens BEFORE they take live calls? Does UIB have enough elasticity to support a train the trainer session? What would the duration of that session be? Do you have other training modules for Compliance and Security or do you anticipate leveraging the Vendor's training materials?	Yes, this is done in production environment with the supervision of experienced staff. This will be determined after Contract Award. DOL has training modules, however DOL anticipates using Contractor's training as well.

UI Call Center Questions and Answers

30.			Do you expect/require specific agent classroom training to be administered around: General Data Protection Regulation (GDPR) Yes or No Payment Card Industry Data Security Standard (PCI DSS) Yes or No Health Insurance Portability and Accountability Act of 1996 (HIPAA) Yes or No IRS-1075? Yes or No	No, DOL does not require any of these.
31.			Does UI currently administer any tests or other checkpoint evaluations to agents as they navigate the training materials?	No. NJ would work with vendor to evaluate agents.
32.			Will UIB offer any SME's or other support during Vendor "go live" period to help with questions that will arise?	Yes.
33.		Customer Satisfaction Surveys	Please discuss what format you are using today and how you would envision each Vendor delivering this requirement. Do you have a Survey form currently used today?	DOL uses Survey Monkey.
34.		Reporting	UIB discusses reporting to be provided. Can UIB discuss what reporting tools are part of the systems that the Vendors will be accessing? If Vendors are simply providing the structure to process calls, but using UIB systems, the Vendors could reasonably report "switch" data regarding calls. Please discuss expectations in greater detail.	Vendors will not be accessing state reporting tools. Please refer to the answer for Question #2.

UI Call Center Questions and Answers

35.		PRICING	Performance criteria associated with the pricing include: <u>Pricing specifies “Calls Answered” per day.</u> Please confirm that this implies that the call is answered <i>and</i> processed.	Yes, Calls would need to be answered and processed.
36.		PRICING	<u>\$ price per week</u> Please confirm that the term “week” refers to 7 days This aligns with the staffing Hours of Operation.	The requirement is 7 days.
37.		Average Handle Time	Please identify the Average Handle Time (AHT) in total minutes and/or seconds an average call. This will ensure that each bidder is using the same exact assumption to compute pricing. Average Handle Time (AHT) as an industry standard takes into account: • talk time, • any hold-time and • after call work (documenting the details of call) For example, is each call 10 minutes in duration?	Average call times by Level: Level 1 – 5 minutes Level 2 – 10 minutes Level 3 – 15 minutes That includes hold time. Average Wait Time is under 1 minute.
38.		Outbound Calls	Outbound calls, initiated in response to a message or to follow-up and close out a claim would be “calls placed”. How do you want to account for these in your pricing response? And what duration Average Handle Time (AHT) would you like to use for these?	Vendors must determine how these are priced and DOL will consider its response. Vendor to determine based on its

UI Call Center Questions and Answers

				experience with these types of calls.
39.		Terms	Payment terms are assumed to be net 30	No. The State's Payment Terms are 60 days.
40.			What kind of background checks? (state? Federal? Drug testing?) What findings preclude the person from working on the team?	Contractor staff must pass a State background check. Drug test is not required. Failure of this background check would preclude a person working in the Contractor's Call Center.
41.			How long is training?	Please see answer to Question #26
42.			How will we access state systems that we're required to use?	DOL will provide this access after the Contractor is awarded the Contract.
43.			Can we have a hybrid team in NJ and in any other states?	Yes, however all staff must be located in the US.

UI Call Center Questions and Answers

44.			What is the length in training (in hours)?	The number of hours have not been determined at this time.
45.			What is the Average Handle Time (talk time, agent hold, and after call work)?	Average call times by Level: Level 1 – 5 minutes Level 2 – 10 minutes Level 3 – 15 minutes No more than 1 minute After Call Work.
46.			Can we use Work At Home agents?	Yes, provided agents pass a background check and are working through a secure connection.
47.			Are all of the systems referenced in section 2.1, item 5 web based?	No. All systems are not web based.
48.			Section 2.1 item 13 indicates that we have to produce and deliver applications by mail. Does this mean we initiate the mailing request in the system and NJ UI mails the documents?	DOL will process all mailings.
49.	2.1		Section 2.1 item 16 – What data needs to be collected on accounts not in LOOPS? How frequently does the data need to be reported?	This information will be provided after the Contract is awarded.
50.			Is there an opportunity to use the NJ UI system to identify potential candidate for employment for this project?	The Contractor may be able to work with

UI Call Center Questions and Answers

				DOL Workforce Development to engage candidates for this project after contract award.
51.			What is the historical average handle time per call across all calls?	Please refer to the Answer to Question #45.
52.			Section 2.1 – What is the timeframe for the stated existing 4.7 million calls (Weekly/Monthly?) Is there an average number of daily calls being received?	4.7 million refers to the first 3 weeks of the month of April 2020. However, this does not represent 4.7 million unique callers.
53.			What is the average number of agents handling the existing workload?	The number of agents fluctuates based on volume at this time.
54.	2.1		Item #6 – Is there a preferred method for tracking/documenting referrals/reporting	Reporting requirements will be identified after Contract Award.
55.	2.1		Item #20 – Is there specific information on the “State’s automated system” – How will this be accessed?	Systems will be accessible through VPN

UI Call Center Questions and Answers

56.			Does the RFQ need to be submitted under a specific state contracting mechanism? Section 1.1 indicates an award of up to three contracts	Yes. The Procurement Mechanism is a Waiver of Advertising.
57.			Does the NJDOL have any data surrounding the Average Handle Time (AHT) per call?	Average call times by Level: Level 1 – 5 minutes Level 2 – 10 minutes Level 3 – 15 minutes
58.			Can we use Work-From-Home Agents?	Yes, with proper background check approvals and secure connections.
59.			When will the decision be made?	DOL anticipates making a selection by May 11, 2020. However, selections must receive multiple levels of State approval before Contract Award.
60.			Section 4.3 references an attachment (State of NJ Terms and Conditions and Waivered Contracts Supplement) – can you please provide these documents?	All of the relevant State Terms and Conditions, as well as Required forms

UI Call Center Questions and Answers

				were sent in a separate email on Monday, April 27, 2020.
61.			How long is the training estimated to take?	Please refer to the Answer to Question #26.
62.			Approximately what is the volume of mail (per 1500 calls) that will need to be handled manually?	Please refer to Answer to Question #20.
63.	2.1.1		What are the specific requirements? Can the State advise as to whether the ACD, IVR, Workforce Management, Quality Assurance and Reporting systems must be could based or will premise-based platforms be sufficient if capable of supporting a virtual workforce?	Please refer to Answer to Question #2.
64.	2.1.1		What are the desktop/laptop spec requirements?	Please refer to the answer to question #19.
65.	2.1.1		Assume that all circuits, Long distance (both inbound/outbound) will be the responsibility of the vendor? How will calls be allocated to selected vendors?	Please refer to the answer to question #2.
66.	2.1.3		Are virtual agents - work at home - possible	Please see answer to question#58.
67.	2.1.5		How will the integration between these platforms, the IVR, the ACD, and the vendors' desktop be managed?	Please see the answer to question #2.

UI Call Center Questions and Answers

68.	2.1.6		Where is this referral activity recorded? IF in the State's database, will the selected vendors be provided appropriate access and training to support this requirement?	This will be provided after Contract Award.
69.	2.1.7		Is the required recording requirement 100% of all interactions? IS the vendor responsible for the storage capacity associated with recordings? Are these recordings only audio or screen capture as well?	100% of all UI related calls chargeable to the state. Contractor is responsible with potential to use NJ's current Avaya system. NJ currently uses voice and screen capture. Voice is required, voice & screen is preferred.
70.	2.1.11		Are the selected vendors responsible for all new hire and refresher training for all agents?	Contractor will be responsible to train individual agents, however DOL may train larger groups of agents that are 10 or more.
71.	2.1.13		What is the number of pieces anticipated to be fulfilled? Will postage be a pass-thru?	Please refer the answer to question #20.

UI Call Center Questions and Answers

72.	2.1.17		Will Language Line services be sufficient to support languages other than English/Spanish?	Yes.
73.	2.1.18		Will the State be willing to negotiate these standards? .5% ABANDON is not a correlation to a 20 Average Speed of Answer. This could be problematic. Also, what is the AHT for all call types?	Yes, DOL will negotiate this after Contract Award.
74.	2.1.19		What are the specific requirements for these background checks - as price is completely related to the degree of check required?	Please refer to the answer to question #40.
75.	2.1.20		Can the State provide the contents of 20 CFR 603	Please refer to the link in Answer to question #24.
76.		General	Are there any wage determinations or state requirements applicable to rates of pay for agents or other staff?	All staff must be paid at least NJ's Minimum Wage.
77.			What is the current average call handle time?	Average call times by Level: Level 1 – 5 minutes Level 2 – 10 minutes Level 3 – 15 minutes
78.			What is the length of agent training (# of days, # of hours)?	Please refer to the answer to question #26.
79.	2.1.13		Will forms production, envelopes and postage be provided and paid by DOL? 1.	Please refer to the answer to question #20.

UI Call Center Questions and Answers

80.	2.1.17		Can DOL provide the average number of calls TTY-TDD per day?	This number is minimal however, no current statistics are available.
81.			How long does it take for the agent to complete the required training?	Please refer to the answer to question #26.
82.	3.23		What percentage of calls will require language line service and what is the average length of call?	10%
83.			What languages other than English and Spanish will be required? Will “Language Line” be required?	Please refer to the answer to question #4.
84.			How will the work done for CARES calls differ from the calls for the existing UI services?	Basically the work is the same with a different set of eligibility requirements.
85.	2.1		Regarding the resolution rate of 80 percent or better referenced in paragraph 18.b of section 2.1, assuming that the state’s internal UI contact center is doing similar work today what is the resolution rate of that internal group and what are the expectations about how the resolution rate will change for them in the future?	Resolution rate is 95% for internal staff.
86.			Regarding the maximum of 5 percent of responses with inaccurate information as stipulated in paragraph 18.d of section 2.1, please provide more details about what common errors are encountered and what methods and best practices	Most commons errors are providing inaccurate information,

UI Call Center Questions and Answers

			are used by State of New Jersey's in house UI contact center to minimize those errors	improperly paying claims, or failing to obtain necessary information from customer. Supervisor reviews, bulletins on program changes, training and staff meetings are methods used to minimize errors.
87.			Regarding work at home agents, please provide any qualifying criteria the state will impose to meet its compliance or security requirements.	Please refer to the answer to question#46
88.	2.2	Hours of Operation	"Reference material will be provided to navigate the claim filing website, process and FAQs." Is it expected that reference material will be the primary training vendor agents will receive?	Yes, reference material will be provided. However, the primary Training Methodology.
89.	2.3	Location Requirements	"Contractor Call Center staff must be located in the United States. New Jersey location preferred to provide onsite tiered program support." Can you clarify what is meant by provide onsite tiered program support? Is it expected that vendor agent will be housed in a single location, or can they work remotely as long as they are located in the US?	Please refer to the answer to question #46. Tiered support refers to the difficulty of the call.

UI Call Center Questions and Answers

90.	4.3	Required Forms and Certifications	"All Bidder's must agree to attached State of New Jersey Standard Terms and Conditions and Waivered Contracts Supplement to the State of New Jersey Standard Terms and Conditions." Will the contract be provided or negotiated upon award?	The State's Standard Terms and Conditions are not negotiable. Negotiations may occur on other contract components.
91.	2.11.8		On PII, RFQ stated that "the state is the data ownership". It is also stated in 2.11.8 that "The Contractor shall implement processes that classify information and categorize information systems throughout their lifecycles according to their sensitivity and criticality". Typically, Information owner/agency AO plays a key stakeholder role in defining system categorization, please share State of New Jersey's categorization approach on this RFQ.	Please refer to Federal requirement for Publication 1075 http://www.irs.gov/pub/irs-pdf/p1075.pdf
92.	2.11.1		ICS/SCADA/OT Security – Could SoNJ provide details and technical specifications on these ICS/SCADA/OT assets? What types of security relate maintenance tasks on ICS/SCADA/OT systems are expected from contractor?	Not at this time. Not at this time.
93.	2.1.18		IIOT - Could State of New Jersey provide details and technical specifications on these IOT assets?	This information is not available at this time.
94.	2.11.9		Mobility Device - could State of New Jersey provide details and technical specifications on Mobility Devices?	This is not applicable to this RFQ.

UI Call Center Questions and Answers

95.			Can you provide details on the current call center? How many agents, number of call per day per agent, etc.?	There are three calls centers throughout NJ. The number of agents fluctuates based on volume at this time.
96.			Will the State accept quotes for certain aspects of the project?	Yes. DOL reserves the right to award in whole or in part.
97.	2.1		What is the average handle time (AHT) assumption of the calls handled post IVR by agents?	Average call times by Level: Level 1 – 5 minutes Level 2 – 10 minutes Level 3 – 15 minutes
98.	2.1		What is the current IVR platform that NJ uses that the UI will receive calls from?	Avaya/CMS
99.	2.1		Are there any monthly or weekly volume spikes?	The volume is higher Mondays, Tuesdays and Wednesdays.
100.	2.1		Are there any monthly or weekly call arrival data that are available for the past few weeks or months?	About 2-3 million calls are coming in per week. No data on how many unique callers (many claimants attempt to call several times per

UI Call Center Questions and Answers

				day several days per week).
101.	2.1		Is there an existing Knowledge Base today that agents use and what is it built in?	DOL will share with the Contractor if needed.
102.	2.1		What data elements are included in tracking and documenting all referrals?	Vendor should propose preferred process. However, DOL must approve this.
103.	2.1.6		How long is initial agent new hire training?	Please refer to the answer to question #26.
104.	2.1.13		Should bidder establish a secondary physical mailing capability from what exists today, or, establish a process to utilize what is used today?	Please refer to the answer to question #20.
105.	2.1.13		The RFQ PDF indicates a requirement for a price per week, however the Price Schedule in the excel file indicated an All-Inclusive Price per month. Shall the bidder provide both?	Please see revised Price Sheet.
106.	2.1.18 (c)		What is average speed to abandon?	At this time, 8-22 minutes.
107.	2.3		Are shared agents an option? Meaning the use of flexible agents to meet staffing requirements who may work on another program?	No.
108.	2.3		Are US based home agents acceptable to consider, or, are all agents required to be located in a US based call center?	All must be in US whether home or in

UI Call Center Questions and Answers

				office. In office is preferred.
109.		General	Is a standard Statement of Work available to review?	The scope of work is detailed in the RFQ section 2.0.
110.	2.6		What is the preferred method for delivering calls to Vendor? We recommend a transfer directly from the DOL NJ IVR to Vendor owned DID/TFN(s) for delivery to the Vendor ACD and recording platform.	This will be determined after Contract Award.
111.		IT Security	Will Vendor be required to develop IVR self-service features or system integrations?	No
112.		IT/Security	Are there any CTI variables transferred with the calls?	No
113.		IT/Security	Are there any CTI requirements or integrations into DOL systems?	No
114.		IT/Security	What is the requirement for call and screen recording? (Percentage and storage duration). Our standard is to record 100% voice and 30% screen with 90 days of storage.	DOL does the same 100%/30%
115.		IT/Security	Will recordings be transferred to DOWLD NJ or is it required that they stay on the Vendor storage network (How long will they be stored)? Our standard storage duration is 90 days.	Vendor system, 90 days is ok.
116.		IT/Security	We understand the need to track and report calls received not associated to a case in the LOOPS system. Aside from that, will Vendor be required to provide a CRM solution or ticket platform? If "Yes" please give business case or requirements?	No. DOL will determine all report formatting.
117.		IT/Security	How will Vendor access DOL NJ applications (open internet, VPN, etc.)?	VPN
118.		IT/Security	Will agents be processing credit cards?	No

UI Call Center Questions and Answers

119.		IT/Security	What are the minimum PC requirements to run DOWLD NJ applications?	Please refer to the answer to question #19.
120.		IT/Security	Are dual monitors required?	No
121.		IT/Security	Will Microsoft office or email licenses be needed for individual agents? We understand the need to send customers information via email.	No. Emailing claimants is not a requirement.
122.	2.1	Work Duties of Call Center	Is the vendor responsible for production and mailing (if electronic delivery is not an option)?	Please see the answer to question #20.
123.	1.4	Submission of Quotation/Proposal	Are there any restrictions on the file size of the proposal that can be emailed/submitted?	No. If file is too large to send, vendor should zip the file.
124.	3.0	TECHNICAL AND PRICING PROPOSAL	Can the State provide potential bidders with current/historical call data to ensure accurate pricing, including: a) Average and median call lengths (Average Handle Time or AHT) b) Average hold times c) Current staffing patterns	Please refer to the answers to questions #37 and #53.
125.	2.8	UI Responsibilities Training	Will the department be providing trainers to perform the items described in the RFQ and for what period of time? Can Vendors rely on the department for additional training as needed? Please delineate the UI staff provided training effort and time you anticipate.	Please refer to the answer to question #36.
126.		Pricing	UI and Contractor will meet weekly and determine the appropriate level of staffing required for the following week and agree to the following weeks staffing and pricing rate	This RFQ Section has been revised to state that the Contractor

UI Call Center Questions and Answers

			selected from the schedule below. This section is out of sync with the pricing sheet which specifies a monthly fixed price. Please clarify and confirm which is correct.	will determine its staffing needs each week.
127.			Will the successful Respondent have an opportunity for good faith negotiations with the State?	No, these terms will not be negotiated.
128.	2.8	UI Responsibilities	UI will provide to the Contractor the following for use by the Contractor Call Center Agents: Does the State intend for the selected vendors to operate from existing call scripts, or will new scripts be developed for use with overflow calls? Can the State share the existing scripts with potential bidders for review and to assist in scope definition?	No, DOL will not share the scripts prior to Contract Award.
129.			What is the State's plan, if any, for call escalation? Will the selected vendors operate in parallel with the State's existing resources and carry out the same workflow? Or will certain call types be designated for handling either by the State or by the overflow vendors specifically?	Vendor must propose its preferred process. DOL will work with vendor to refine any proposed processes.
130.	2.4	Equipment/ Technology Requirements	Can the State describe the hardware, software and network environment for the existing Unemployment Insurance applications with which the selected vendors' platforms will be expected to interface?	Please refer to the answer to question #108.
131.	2.1	Work Duties of Call Center	The RFQ requires selected vendors to be able to "Resolve 80% of the caller issues without transfer or referral to the State operated call center." Can the State describe the range of caller issues that the program has experienced to date?	The primary questions are similar but related. "What is the status of my claim?" "Am I

UI Call Center Questions and Answers

				eligible?" "Why haven't I received a payment." The vast majority of calls revolve around those questions.
132.			What level of expertise/experience is required for the representatives that will answer these inquiries? College degree? Certification? Tier 1 or other?	Our agents have a mixed background in terms of college education. College degree and/or call center experience is preferred but not required. Contractor staff must have customer service experience.
133.		Operations	Are we contacting citizens on outbound calls, if inaccurate information is sent? How is this determined? Is this just through Quality Assurance (QA) monitoring? What % of calls need to be monitored? How many outbound calls is your center currently completing?	100% of calls are recorded. Vendors should propose what % they feel should be monitored (real time, recorded call review) based on its experience. Outbound calls are currently low and

UI Call Center Questions and Answers

				vary widely from day to day. Over the past year the 1,800-2,200 per day.
134.		Operations	What % of calls require TTY/TDD capabilities?	Under .5%
135.		Operations	What percent of calls are in languages other than English or Spanish?	Under 1%
136.		Operations	What are the background check requirements? Are there minimum requirements that can be established?	Please refer to the answer to question #23
137.		Operations	Section says, "New Jersey location preferred to provide onsite tiered program support." Are you open to an @home solution?	Please refer to the answer to question #
138.		Operations	How quickly will deliverables be approved, so as the 10 day to production timeline can be met?	This will be determined after Contract Award.
139.		IT	Please confirm if Case Processing system (LOOPS), RCC/SSI and WPAY are accessible via public internet?	No. They are not.
140.			If no not public, supplier will partner with NJ to establish site to site co-managed VPN.	The State has a VPN solution that would be the required method of connectivity
141.			b. Please provide a list of web site access to be allowed via white list.	This will be provided after Contract Award.

UI Call Center Questions and Answers

142.		IT	Please confirm if Case Processing system (LOOPS), RCC/SSI and WPAY require thick client install?	RCC is a thick client. LOOPS is mainframe.
143.		IT	What is the preferred Internet Browser for Unemployment Insurance Case Processing systems?	DOL does not have a preferred internet browser.
144.		IT	Please confirm trunking ratio (number of voice channels to concurrent seat) to be used for sizing of voice capacity?	Contractor must make this determine.
145.		IT	How many NJ staff members will require access to call recordings?	This will be determined after Contract Award.
146.		IT	4.7 million calls are referenced in Section 2.1. Is that measurement daily, weekly, monthly, etc.?	The first 3 weeks of April 2020. However, this does not represent 4.7 million unique callers.
147.		IT	What is the total call record percentage requirement? How long do calls need to be stored?	100% voice and 90 days of storage.
148.		IT	Call wait time - Not to exceed 10 minutes. Must reduce to 20 seconds within first year? Months 0-3 Resolve 80% of calls without transfer Months 3-6 Resolve 83% of calls without transfer Must reach 85% resolve rate without transfer in 1st year How are these targets managed based on "Understanding the volumes are currently unknown, and may fluctuate rapidly," from Section 2.6	These times are targets and can be negotiated with the Contractor.

UI Call Center Questions and Answers

149.		Quality	How many audits are required per agent each month?	Vendor to propose based on their experience and current guidelines.
150.		Quality	No more than 5% of responses shall contain inaccurate information: How is this measured? What if the information provided to vendor is incorrect?	DOL will randomly audit calls for quality purposes.
151.		Reporting	Can the state provide an example of adhoc reports that they might expect?	Some examples may include but are not limited to calls coming in from a specific phone number. Call reason/type. Calls answered for a specific time period. Call wait times for a specific time period. Call length for a specific time period or type of call.
152.		Workforce Management	Please provide call arrival patterns by Day of Week	At this time, call volumes are high every day of the week.

UI Call Center Questions and Answers

153.		Workforce Management	What is the average handle time each for each contact type?	Please refer to the answer to question #37.
154.		Workforce Management	Please provide the expected volume per day/week	Please refer to the answer to question #52.
155.		Workforce Management	What % of calls are processing new claims versus supporting inquiries on existing claims?	This is difficult to quantify. Estimated at 25% new claims and 75% existing (or pending/waiting for approval).
156.		Workforce Management	Request state's call abandon rate not to exceed 5%. What is your current abandon rate? Will this be phased in?	Traditionally about 3-4%
157.		Workforce Management	This section references pricing by week. Price schedule references price per month. Are the average calls answered (i.e. 1500 from Tier 1) an average of weekdays and weekends?	Please refer to the revised Price Sheet.
158.		Workforce Management	Please provide further detail around "Staffing levels will need to be consistent throughout the week unless otherwise agreed upon with the State."	DOL requires the Contractor to provide sufficient staffing that will remain consistent with the current volume of calls. However, this may change depending on reduced volume

UI Call Center Questions and Answers

				of calls at a later time.
159.	1.1		The RFQ references awards to three vendors. How calls would be assigned/distributed to each vendor? Equal volumes to each?	This will be determined after review of proposals received.
160.	2.1		Does the State have projections on the number of maximum simultaneous calls the Contractor will receive from the State?	At this time, DOL does not have projections.
161.	2.1		What the average handle time per agent for existing State UI call centers for similar call types today	Average call times by Level: Level 1 – 5 minutes Level 2 – 10 minutes Level 3 – 15 minutes
162.	2.1		Item 13. How many Unemployment Insurance forms should we expect to mail on a weekly basis? Any special mailing instruction/type of service? Will the vendor actually mail the forms or is mailing done from a centralized State mailing center upon vendor request?	Please see the answer to question #20.
163.	2.1		Item 18. How the SLAs to be calculated are – average monthly?	These will be calculated Weekly. However, may be modified.
164.	2.1		Systems/Access: Item 5. Are the various State hosted systems that the Contractor needs access to (e.g., LOOPS, RCC/SSI, and WPAY) accessible directly via the Internet - or would the Contractor	VPN

UI Call Center Questions and Answers

			need to first establish VPN or virtual desktop sessions to the State to then consume these applications? Are these systems configured to use State provided credentials for our agents? Are these systems configured with Multi-Factor Authentication (MFA)? If yes - what form of MFA is leveraged for these systems? Are there other 3rd party systems not hosted by State that agents need access to?	State VPN solution uses multi-factor authentication. Credentials will be provided as required. No
165.	2.8		Training: Item a. How long is the expected training period for each Agent class? Will the DOL require the Contractor to perform training or will they train the vendor's trainers?	Please refer to the answer to question #26.
166.	2.6		Pricing and Invoicing. Does a vendor have the option to bid only up to a certain tier based on capacity (i.e., bid on tiers 1-3, but not 4 and 5)?	Yes. DOL reserves the right to award in whole or in part.
167.	4.2		Contract Award and Term. When does the State anticipate contract award notification?	DOL anticipates making a selection by May 11, 2020. However, selections must receive

UI Call Center Questions and Answers

				multiple levels of 1 State approval before Contract Award.
168.	4.3		Required Forms and Conditions. Please confirm due date for required forms listed on Waiver and DPA contract checklist. The RFP states these are required within five business days of proposal submission. Does the state expect these forms from bidders on May 8th by 2pm EST?	Please refer to RFQ Section 4.3.
169.		Price Sheet	In the column C, cells C10 through C13 – for each Tier, these cells calculate an all-inclusive monthly price. By totaling them in C15, it duplicates costs and results in a very inflated total price. Can each of the Tier rows include the incremental number of headcount and total monthly costs to provide you with a better view of total costs since in this environment volumes will fluctuate greatly over the next 12 months?	Please see the revised Price Sheet.
170.		Price Sheet	The formula in Cell C18 of the price sheet multiplies the implementation fee by 60 leading to an overstated Total Price for Call Center for Evaluation Purposes. May vendors change this formula so the implementation fee is only added in one time?	Please see the revised Price Sheet.

Proposal for:

New Jersey Department of Labor

Unemployment Insurance Call Center



“BAFO-2” Price Submission

Submitted by:

NAVIENT[®]
B.P.O., LLC

SUMMARY & DISCUSSION

As requested by the State, Navient has reviewed each pricing factor contributing to our overall proposed price to the State. This review has included:

- Direct and indirect labor costs for Agents
- Direct and indirect management costs
- Ratios of management and support personnel per Agent
- Technology costs
- Key assumptions regarding Agent productivity

Based on our updated staffing approach, we have utilized the following staffing ratios.

FTE	Ratio of Agents to Role	
	BAFO-1	BAFO-2
Agents	1:1	1:1
Managers	12:1	15:1
Sr Managers	34:1	44:1
Directors	70:1	88:1
Support Staff	27:1	27:1

In addition, we have identified several areas where we can reduce our price to the State without directly impacting SLAs or other required services. We believe it is essential to document several key assumptions as we do so, including:

- **Estimated Call Handle Times.** Navient has relied on RFQ-provided estimates to determine its staffing plan. If these assumptions are incorrect, (i.e., actual call handling times are higher than estimated), this factor will negatively impact Navient's ability to achieve targeted SLAs (e.g., 5% abandon rate, 10-minute average speed of answer, etc.). In such event, Navient cannot be held responsible for such SLAs unless staffing levels are adjusted by mutual agreement to reflect the updated call handle time assumptions.
- **Screen Recordings.** In various places in the RFQ and answers to questions, the concept of screen recordings are mentioned, but specifications vary in different locations. For our reduced price offered here, our assumption is that 100% of call audio would be recorded and maintained for quality and training purposes, but no screens would be recorded. This assumption drives both cost and compliance as screen recordings have the potential to capture sensitive and protected PII data which is a potential hazard for Information Security and Pub-1075 compliance. Eliminating these risks allows us to eliminate related costs.

There may be additional cost savings for consideration, including:

- Targeted Service Level Agreements (SLAs)
- Utilization of "Language Line" services for non-English/Spanish calls – potentially utilizing on a pass-through cost basis
- Routing only English-speaking calls to the contractor call center

Finally, Navient could revisit other pricing inputs, including possibly further reducing the ratio of Agents to management and support personnel, however our experience is that these support resources are critical to the success of emergency and temporary services programs like New Jersey's UI call center.

Price Schedule

Refer to RFQ Section 2.0 Scope of Work for UI Call Center Requirements

NJ Unemployment Call Center	Request For Quotation		
Instructions: Please indicate all titles of staff and assigned duties and include hourly rates for all staff. This must be submitted in an attachment to this Price Schedule.			
State of New Jersey Department of Labor and Workforce Development	Date: 5/19/2020		
	Name: Navient B.P.O., LLC		
Please indicate price for a complete UI Call Center	Indicate number of Call Center Staff	Price Per Hour-list all titles	All-Inclusive Price per month
Tier 1 - Volume 0 -1500 calls per day	34	Call Center Agents = \$43.24 Call Center Managers = \$77.95 Call Center Sr Managers = \$95.96 Call Center Directors = \$146.27 Call Center Support Staff =\$87.73	\$ 282,465.70
Tier 2 - Volume 1501 – 5000 calls per day	78	Call Center Agents = \$41.96 Call Center Managers = \$75.64 Call Center Sr Managers = \$93.12 Call Center Directors = \$141.99 Call Center Support Staff =\$84.97	\$ 626,798.15

Tier 3 - Volume 5001 - 10,000 calls per day	111	Call Center Agents = \$39.91 Call Center Managers = \$71.94 Call Center Sr Managers = \$88.56 Call Center Directors = \$135.15 Call Center Support Staff =\$80.90	\$ 843,286.84
Tier 4 - Volume 10,001 – 15,000 calls per day	111	Call Center Agents = \$37.32 Call Center Managers = \$69.27 Call Center Sr Managers = \$84.81 Call Center Directors = \$130.50 Call Center Support Staff =\$76.69	\$ 790,731.56
Tier 5 - Volume Each Additional 5,000 calls per day	111	Call Center Agents = \$37.32 Call Center Managers = \$69.27 Call Center Sr Managers = \$84.81 Call Center Directors = \$130.50 Call Center Support Staff =\$76.69	\$ 790,731.56
Please indicate price for complete set-up of Call Center Operation			Price
Bidder must submit an attachment or indicate below details the costs associated with this price.			

Price Schedule

Refer to RFQ Section 2.0 Scope of Work for UI Call Center Requirements

NJ Unemployment Call Center	Request For Quotation		
Instructions: Please indicate all titles of staff and assigned duties and include hourly rates for all staff. This must be submitted in an attachment to this Price Schedule.			
State of New Jersey Department of Labor and Workforce Development	Date: 5/19/2020		
	Name: Navient B.P.O., LLC		

Please indicate price for a complete UI Call Center	Indicate number of Call Center Staff	Price Per Hour-list all titles	All-Inclusive Price per month
Tier 1 - Volume 0 -1500 calls per day	47	Call Center Agents = \$43.24 Call Center Managers = \$77.95 Call Center Sr Managers = \$95.96 Call Center Directors = \$146.27 Call Center Support Staff =\$87.73	\$ 382,736.97
Tier 2 - Volume 1501 – 5000 calls per day	108	Call Center Agents = \$41.96 Call Center Managers = \$75.64 Call Center Sr Managers = \$93.12 Call Center Directors = \$141.99 Call Center Support Staff =\$84.97	\$ 858,194.43

Tier 3 - Volume 5001 - 10,000 calls per day	155	Call Center Agents = \$39.91 Call Center Managers = \$71.94 Call Center Sr Managers = \$88.56 Call Center Directors = \$135.15 Call Center Support Staff =\$80.90	\$ 1,169,496.73
Tier 4 - Volume 10,001 – 15,000 calls per day	155	Call Center Agents = \$37.32 Call Center Managers = \$69.27 Call Center Sr Managers = \$84.81 Call Center Directors = \$130.50 Call Center Support Staff =\$76.69	\$ 1,099,335.50
Tier 5 - Volume Each Additional 5,000 calls per day	155	Call Center Agents = \$37.32 Call Center Managers = \$69.27 Call Center Sr Managers = \$84.81 Call Center Directors = \$130.50 Call Center Support Staff =\$76.69	\$ 1,099,335.50
Please indicate price for complete set-up of Call Center Operation			Price
Bidder must submit an attachment or indicate below details the costs associated			

Price Schedule

Refer to RFQ Section 2.0 Scope of Work for UI Call Center Requirements

NJ Unemployment Call Center	Request For Quotation		
Instructions: Please indicate all titles of staff and assigned duties and include hourly rates for all staff. This must be submitted in an attachment to this Price Schedule.			
State of New Jersey Department of Labor and Workforce Development	Date: 5/19/2020		
	Name: Navient B.P.O., LLC		
Please indicate price for a complete UI Call Center	Indicate number of Call Center Staff	Price Per Hour-list all titles	All-Inclusive Price per month
Tier 1 - Volume 0 -1500 calls per day	67	Call Center Agents = \$43.24 Call Center Managers = \$77.95 Call Center Sr Managers = \$95.96 Call Center Directors = \$146.27 Call Center Support Staff =\$87.73	\$ 551,169.11
Tier 2 - Volume 1501 – 5000 calls per day	156	Call Center Agents = \$41.96 Call Center Managers = \$75.64 Call Center Sr Managers = \$93.12 Call Center Directors = \$141.99 Call Center Support Staff =\$84.97	\$ 1,229,366.01

Tier 3 - Volume 5001 - 10,000 calls per day	225	Call Center Agents = \$39.91 Call Center Managers = \$71.94 Call Center Sr Managers = \$88.56 Call Center Directors = \$135.15 Call Center Support Staff =\$80.90	\$ 1,698,296.01
Tier 4 - Volume 10,001 – 15,000 calls per day	225	Call Center Agents = \$37.32 Call Center Managers = \$69.27 Call Center Sr Managers = \$84.81 Call Center Directors = \$130.50 Call Center Support Staff =\$76.69	\$ 1,596,522.54
Tier 5 - Volume Each Additional 5,000 calls per day	225	Call Center Agents = \$37.32 Call Center Managers = \$69.27 Call Center Sr Managers = \$84.81 Call Center Directors = \$130.50 Call Center Support Staff =\$76.69	\$ 1,596,522.54
Please indicate price for complete set-up of Call Center Operation			Price
Bidder must submit an attachment or indicate below			

Price Schedule

Refer to RFQ Section 2.0 Scope of Work for UI Call Center Requirements

NJ Unempl oyment Call Center	Request For Quotation		
State of New Jersey Departm	Date: 5/19/2020		
	Name: Navient B.P.O., LLC		

**Addition
al Work
and
Special
Projects
Rates
per RFQ
Section
2.11 and
3.1**

<u>Title</u>	<u>Hourly Rate</u>
Business Analyst I	95.15
Business Analyst II	117.39
Business Analyst III	137.07
Business Process Analyst I	68.09
Business Process Analyst II	85.70
Business Systems Specialist II	93.64
Business Systems Specialist III	108.19
Business Systems Specialist IV	135.34
Contact Center Administrative Assistant I	54.00
Contact Center Analyst - Finance & Accounting	84.27
Contact Center Customer Service Representative I	55.88
Contact Center Customer Service Representative I Bil	55.88
Contact Center Customer Service Representative II	64.63
Contact Center Director	187.35
Contact Center Help Desk Technician I	62.65
Contact Center Help Desk Technician II	59.28
Contact Center Manager	115.16
Contact Center Operations Admin I	48.60
Contact Center Operations Admin II	56.66
Contact Center Quality Assurance Manager	112.86
Contact Center Quality Assurance Supervisor	88.22
Contact Center Senior Analyst - Reporting	101.95

Contact Center Senior Director	196.88
Contact Center Senior Manager	126.73
Contact Center Supervisor	82.26
Contact Center Team Lead	63.62
Contact Center Training I	56.31
Contact Center Training Manager	107.51
Contact Center Training Senior Manager	125.79
Contact Center Training Supervisor	83.61
Contact Center Vice President - Program	330.09
Software Engineer I - Contact Center	123.60
Software Engineer II - Contact Center	152.53
Software Engineer III - Contact Center	158.88
Software Engineer IV - Contact Center	188.50
IT Security Specialist I	110.00
IT Security Specialist II	101.62
Program Manager M1	176.94
Program Manager M2	239.84
Quality Assurance Analyst I	75.04
Quality Assurance Analyst II	90.75
Subject Matter Expert IV	311.34
Test Engineer	70.40
Senior Test Engineer	110.00
Test Engineer Manager	120.18

Proposal for:

New Jersey Department of Labor

Unemployment Insurance Call Center



Due Date: May 5, 2020 – 2:00 p.m.

Technical Proposal

Submitted by:

NAVIENT[®]
B.P.O., LLC

**This response is presented by Navient B.P.O., LLC
a wholly owned and controlled subsidiary of Navient Corporation.
Navient Corporation also wholly owns Pioneer Credit Recovery, Inc. (Pioneer)
and various other subsidiaries that may be involved
in the delivery of services under this proposal.**

**For simplicity, we routinely refer to ourselves as “Navient”
throughout this proposal.**



May 5, 2020

[REDACTED]
Assistant Director of Procurement
New Jersey Department of Labor

Re: RFQ for Unemployment Insurance Call Center

Dear [REDACTED] and Selection Committee:

On behalf of Navient B.P.O., LLC, I am pleased to provide our response to the New Jersey Department of Labor's (DOL) Request for Quotation (RFQ) for Unemployment Insurance Call Center.

Like many States across the US, New Jersey is experiencing an unprecedented volume of calls for Unemployment Insurance claims stemming from the COVID-19 crisis. As a leading provider of contact center solutions to federal, state, and local government agencies and a proven partner to New Jersey state agencies, Navient is ready and able to assist the State with its call center needs. Navient has the expertise, knowledge, and ability to rapidly train and deploy experienced call center agents to successfully resolve calls regarding UI claims.

We understand the emergency nature of this procurement and have attempted to keep our response brief and direct. Should any questions regarding our proposal arise, we are more than willing to respond or meet quickly to address them.

Many of our colleagues and clients across Navient call New Jersey home. We are eager to help in any way we can.

Sincerely,

A handwritten signature in black ink that reads "Chad Wilson".

Chad Wilson
President
Navient B.P.O., LLC

[REDACTED]
Chad.Wilson@Navient.com

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Executive Summary

The emergence of COVID-19 has created a new landscape of challenges for New Jersey's businesses, its workforce, and the Department of Workforce Development (DOL), Unemployment Insurance Benefits (UIB) Division whose charter is to serve these key stakeholders when economic challenges arise.

The fact is, New Jersey has been struck hard by Coronavirus (COVID-19). Despite years of preparations for all manner of disasters and emergencies, this global pandemic has confounded our impulses as Americans to reach out to our fellow citizens – instead practicing “social distancing” to “flatten the curve” – phrases and response tactics that were unthinkable just a few short weeks ago.

But COVID-19 is among us, and while its toll is yet unknown as a public health crisis, it is already clear that its economic impact will be both immediate and significant. Leaders like New Jersey Governor Phil Murphy are working closely with federal government partners and agencies like the New Jersey Department of Labor and Workforce Development to assist those who have already been impacted by the business closures forced by the disease. However, the demand of the millions of Americans who have already lost their jobs is a daunting task for Unemployment Insurance (UI) agencies' resources. Worried claimants have frantically called state agency call centers looking for answers amid rapid changes stemming from the CARES Act and updated US Department of Labor guidance.

Given the historically unprecedented volumes of inquiries, it can feel like there just isn't enough capacity to help every caller and every claimant immediately.

Navient is here to help.

About Navient

A leading provider of contact center solutions to federal, state, and local government agencies, Navient employs 6,000 call center professionals in the US. Many of our traditional call center activities have been fundamentally altered by this epidemic, giving us immediate capacity to provide emergency support services to government agencies like New Jersey's Division of Unemployment Insurance (DUI). Our technology platforms have enabled us to rapidly reposition most of our agents in “work from home” (WFH) environments, allowing our personnel to continue providing services while conforming with state and local social distancing mandates and guidelines published by the Centers for Disease Control (CDC).

Furthermore, 200+ Navient employees work right here in New Jersey, meaning many of the call center agents we are proposing to provide to support this initiative will be providing services from within the State. Through a collaborative staffing arrangement supporting this contract, many of these New Jersey residents will be among the call center agents serving on this contract.

Navient in New Jersey



*Navient operates a major technology
and servicing center in
Moorestown, NJ.*

Approach for New Jersey UI Call Center

Navient specializes in call center services for public agencies that rely on professional, accurate, empathetic communications with their customers.



Navient Capabilities. Navient has the Experience, Expertise, and demonstrated Execution capability to minimize risk and optimize performance impact for New Jersey's UI Call Center program.

Our services include supporting New Jersey's Department of Treasury – Division of Taxation, for which we handle customer service inquiries that support thousands of New Jersey workers, businesses, and visitors annually from our operations center in Moorestown, NJ. This location also supports a dedicated high-speed data connection that facilitates agent access to secure State systems in conformance with state and federal data privacy and secure handling requirements.

Our telephony infrastructure utilizes state-of-the-art call center management software that can seamlessly integrate with the State's call platform to simplify call handling and reporting and efficient call handling and documentation by agents. Agents have direct access to online help tools and guides, as well as immediate access to supervisors and specialists to assist in call handling. We find that these tools are particularly helpful for agents' early days and weeks servicing a new program and allow for strong performance even with expedited training for complex programs such as UI.

Each call is recorded and retained for training and quality assurance purposes, including capabilities to record screen as well as calls. Managers and supervisors have continuous access to agent and team performance so that resources and schedules can be managed in real time to ensure performance objectives are met.

Experience Helping Unemployment Insurance Agencies

In just the past several weeks, Navient has been called upon by several of our state government partners to confront this incredible challenge.

New York State – Department of Labor



On Monday, April 6th, 2020, the New York State Department of Labor (NYS DOL) contacted Navient to take us up on our offer to provide supplemental contact center services to confront its unprecedented volume of UI calls and claims. New York elected to engage 300 (and eventually up to 500) experienced customer service agents. Initial Go-Live was set for Monday, April 13, but was expedited to Saturday, April 11 based on rapid mobilization progress and the State's urgent needs. Working closely with NYS DOL around the clock, **we successfully executed our plan for an ahead-of schedule launch at 8:00 a.m. Saturday, April 11th.**

Services include:

- 300+ trained call center agents, plus supervisory, management, and quality management personnel
- Support for both inbound and outbound calling functions to complete pending claims and to address all forms of inbound call types, including the full claims intake process
- Utilization of blend of NYS DOL technology and native Navient technology to rapidly deliver services and reduce technology dependencies on NYS DOL technology resources

Indiana Department of Workforce Development (DWD)



At 2:00 p.m. on Friday, April 3rd, 2020, the Indiana Department of Workforce Development (DWD) contacted Navient to take us up on our offer to provide supplemental contact center services to support its UI programs, which had massively exceeded its capacity both in terms of technical scalability and trained agents due to this unforeseeable and unprecedented crisis. By close of business that very day, Navient had developed a technical and operational plan to add call capacity, introduce automated Interactive Voice Response (IVR) features to assist the large influx of callers, and train and deploy 100 experienced phone agents. Working closely with the IN DWD through a hectic weekend, **we successfully executed our plan for an on-time cutover to Navient call center operations on Monday, April 6th at 6:30 p.m. – less than two business days later.**

Services include:

- 250+ trained call center agents, plus supervisory, management, and quality management personnel
- Support for 100% of initial inbound calls
- Advanced call center telephony solution to expand the State's call capacity by 10x its normal levels
- Training and management support for progressively expanded scope of services based on rapidly changing needs based on evolution of COVID epidemic and its impacts on economy and workforce

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Please Note: To provide convenience for the DOL to print this submission double-sided to save paper, we have included blank pages marked as – “This Page Intentionally Left Blank.”

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TECHNICAL PROPOSAL

3.0 TECHNICAL AND PRICING PROPOSAL

Bidders must submit a Technical Proposal, which addresses all requirements set forth in this RFQ to establish a fully operational UI Call Center.

Bidders must complete the attached Price schedule for this Request for Quotation, and identify all costs associated with establishing a fully operational call center, and provides sufficient details to support the costs and show a direct correlation to the Scope of Work.

ORGANIZATIONAL SUPPORT AND EXPERIENCE (3.2)

Bidders 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 capabilities to perform the services required by this RFQ. This section of the proposal shall minimally contain the information identified below.

Navient Response:

Navient B.P.O., LLC is a wholly owned subsidiary of Navient Corporation (Nasdaq: NAVI), a Fortune 500 company. With the combined support and resources of the entire Navient organization, we are poised and ready to quickly provide the State with a depth of resources, IT capability, and cybersecurity unrivaled by our peers.

 Navient Corporation – Nasdaq: NAVI – \$3B market cap – Fortune 500 organization	 Industry leader 6,000 employees at service centers in 14 states and in Washington, DC
\$300B+ Under management \$146B in balance sheet assets	 Data-driven customer strategies Predictive analytics identify customers in need of early outreach and identify the most affordable repayment plan
 Private- and public-sector clients across various industries – Federal – State – Local – Education – Financial services – Healthcare – Transportation	 Federal contract-standard IT infrastructure and cybersecurity posture
 10+ million customers supported	 Compliance framework and corporate governance
 On GSA Schedule 520	

Navient Overview. Navient has the resources and experience to fulfill the RFQ requirements for the State of New Jersey Department of Labor (DOL).

Our demonstrated capabilities include hundreds of government services call center contracts, including projects for Arizona, Delaware, Hawaii, Indiana, New Jersey, New York, Pennsylvania, Utah, and West Virginia. Further, we have been selected in some of the highest profile competitive procurements for call center services at the federal government level, including the Internal Revenue Service (IRS), the U.S. Departments of Education, Homeland Security, and Treasury.

RESUMES (3.3, 4.1)

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

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

Navient Response:

Navient has provided detailed resumes for all management, supervisory, and key personnel that will be assigned to this contract as an *Appendix* to our proposal response.

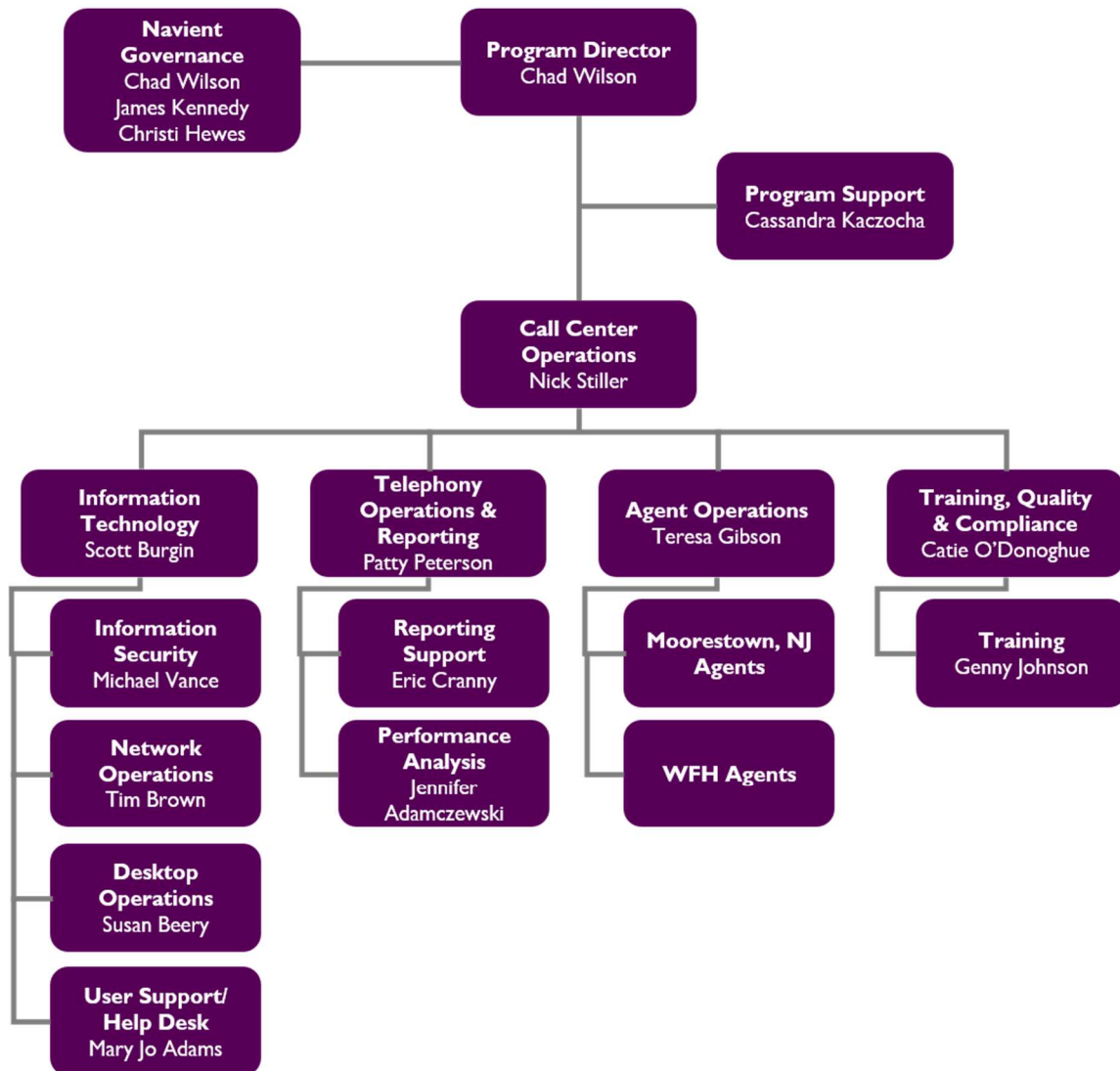
Management, Supervisory, and Key Personnel

The following individuals will oversee and manage the State's UI project. selected the team below based upon their extensive experience, unique qualifications, and continued success with similar projects to those of the DOL.

Name	Title	Function	Years of Experience
Chad Wilson	Program Director	Executive oversight of operations; Program management	18 years
Cassandra Kaczocha	Program Support	Milestones development and management	17 years
James Kennedy	Client Support	Performance management, scope management, client satisfaction	20 years
Nick Stiller	Operations Management	Responsible for delivery of call center services	15 years
Scott Burgin	Information Technology	Technical and leadership oversight	28 years
Michael Vance	Information Security	Security architecture, security operations, threat mitigation, incident response management	22 years

Name	Title	Function	Years of Experience
Tim Brown	Network Operations	IT and network architecture	35 years
Susan Beery	IT Service Delivery	Oversight of IT planning and operations	25 years
Mary Jo Adams	User Support / Help Desk	IT Infrastructure and operations support	20 years
Patty Peterson	Telephony Operations & Reporting	Integrated solutions for telephony, call center capacity management, staffing strategies, and performance management	22 years
Eric Cranny	Reporting Support	Reporting and analysis support	15 years
Jennifer Adamczewski	Performance Analysis	Performance management and specialized operations support	20 years
Teresa Gibson	Agent Operations Management	Operations management, individual and team performance management, collaboration with training/quality teams to ensure collective achievement of SLAs	18 years
Catie O'Donoghue	Training, Quality & Compliance	Executive oversight of Compliance, Training and Claimant Experience	20 years
Genny Johnson	Training	Training and development	15 years
Christi Hewes	Program Oversight	Project management, call center operations and support, risk management and executive oversight	19 years

Navient – New Jersey UI Call Center



Proposed Project Organization. Navient's project management team for the New Jersey Unemployment Insurance call center ensures managers with expertise in technology, operations, and training to rapidly configure technology and onboard agents.

EXPERIENCE WITH CONTRACTS OF SIMILAR SIZE AND SCOPE (3.4, 4.1)

The bidder must have knowledge and experience involving unemployment processes in another State Government entity and must have successfully implemented at least one similar call center in another state or governmental entity in the United States. This experience must be of similar size and scope of that required by this RFQ. A description of all such contracts should be included and should show how such contracts relate to the ability of the firm to complete the services required by this RFQ. Failure to provide this information in the proposal may result in the proposal being deemed non-responsive. Beginning and ending dates should also be given for each contract.

Navient Response:

New York State – Department of Labor (Project dates 4/11/2020 – 10/11/2020)



On Monday, April 6th, 2020, the New York State Department of Labor (NYS DOL) contacted Navient to take us up on our offer to provide supplemental contact center services to confront its unprecedented volume of UI calls and claims. New York elected to engage 300 (and eventually up to 500) experienced customer service agents. Initial Go-Live was set for Monday, April 13, but was expedited to Saturday, April 11 based on rapid mobilization progress and the State's urgent needs. Working closely with NYS DOL around the clock, **we successfully executed our plan for an ahead-of schedule launch at 7:30 a.m. Saturday, April 11th.**

Services include:

- 300+ trained call center agents, plus supervisory, management, and quality management personnel
- Support for both inbound and outbound calling functions to complete pending claims and to address all forms of inbound call types, including the full claims intake process
- Utilization of blend of NYS DOL technology and native Navient technology to rapidly deliver services and reduce technology dependencies on NYS DOL technology resources

New York State – Department of Labor		
Contact Name:		
Contact Title:		
Contact Address:		
Contact Telephone Number:		
Contact Email Address:		
Contract Duration:	4/11/2020 – 10/11/2020	
Project Size and Scope:	Rapid mobilization to provide supplemental contact center services to confront unprecedented volume of UI calls and claims.	
Description of Services:	Call center and data processing services for 300+ Agents supporting Unemployment Insurance claims on emergency basis to aid in COVID-19 response. Services include providing outbound calling to assist in completion of claims process, data processing, and inbound call handling for full claims intake process.	

Indiana Department of Workforce Development (DWD) (Project dates 4/6/2020 – 12/30/2020)



At 2:00 p.m. on Friday, April 3rd, 2020, the Indiana Department of Workforce Development (DWD) contacted Navient to take us up on our offer to provide supplemental contact center services to support its UI programs, which had massively exceeded its capacity both in terms of technical scalability and trained agents due to this unforeseeable and unprecedented crisis. By close of business that very day, Navient had developed a technical and operational plan to add call capacity, introduce automated Interactive Voice Response (IVR) features to assist the large influx of callers, and train and deploy 100 experienced phone agents. Working closely with the IN DWD through a hectic weekend, **we successfully executed our plan for an on-time cutover to Navient call center operations on Monday, April 6th at 6:30 p.m. – less than two business days later.**

Services include:

- 100 trained call center agents, plus supervisory, management, and quality management personnel
- Support for 100% of initial inbound calls – with first call resolution for all general information and standard response items
- Advanced call center telephony solution to expand the State's call capacity by 10x its normal levels
- Training and management support for progressively expanded scope of services each day

Indiana Department of Workforce Development (DWD)		
Contact Name:		
Contact Title:		
Contact Address:		
Contact Telephone Number:		
Contact Email Address:		
Contract Duration:	4/11/2020 – 10/11/2020	
Project Size and Scope:	Rapid mobilization to provide supplemental contact center services to confront unprecedented volume of UI calls and claims.	
Description of Services:	Call center and data processing services for 120+ Agents supporting Unemployment Insurance claims on emergency basis to aid in COVID-19 response. Services include full telephony services including informational IVR, call routing to State specialists for special inquiry types, and call center agent services for Tier 1 services to claimants. Initial services were set up and deployed in two business days based on urgent priority approach.	

Supporting References

We have provided selected reference information below that demonstrate our ability to provide the services specified in the State's RFQ.

State of New Jersey, Department of Treasury, Division of Taxation (New Jersey Taxation)

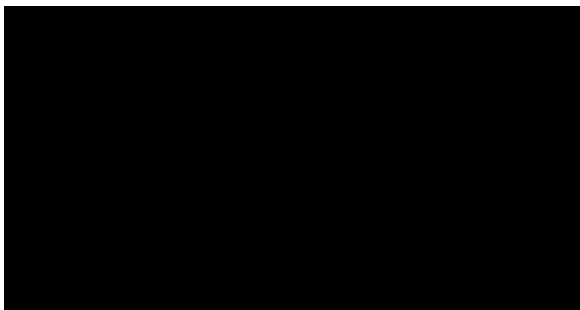
Navient was awarded our first contract from New Jersey Taxation in 2006. As part of this engagement, we opened an in-state facility, recruited, hired, and trained 130 professionals, and successfully launched operations within 90 days of contract award. New Jersey Taxation awarded a second contract in 2007, extended our initial contract in 2009, and re-awarded us the contract in 2011.

NJ Client Testimonial

"Taxation finds Pioneer's management staff to be consistently professional and responsive to our needs and requests providing a high level of quality service while delivering a quantity of revenue that regularly exceeds expectations."

Brian O'Connell
State Contract Manager
New Jersey Division of Taxation

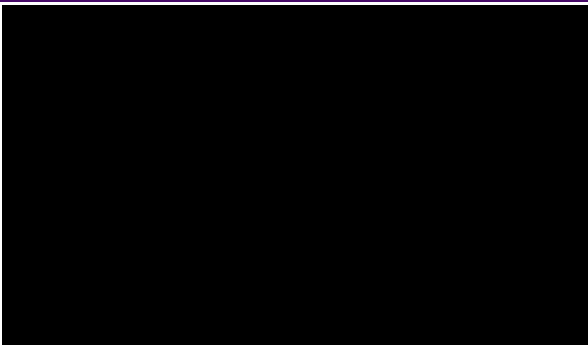
- New Jersey Taxation's partner for 13 years
- Exceeded our recovery goal and guarantee every year since the program's inception
- Posted recovery rates of 48.9% and 36.4%, for filed and unfiled returns respectively

State of New Jersey, Department of Treasury, Division of Taxation	
Contact Name:	
Contact Title:	
Contact Address:	
Contact Telephone Number:	
Contact Email Address:	
Contract Duration:	2006 – Present
Project Size and Scope:	Opened an in-state facility, recruited, hired, and trained 130 agents, and successfully launched operations within 90 days of contract award.
Description of Services:	We perform large scale call center services in support of third-party collection service of deficient and delinquent individual and business tax cases for New Jersey. The scope of work includes direct telephone contact, direct mailing, skip-tracing, and administrative resolutions. We also act on behalf of New Jersey when granting abatements, making adjustments on cases and determining responsible parties, and placing Certificates of Debt on both businesses and individuals. We take all cases through several cycles until they are resolved or returned to the client for further action.

U.S. Department of Treasury – Internal Revenue Service (IRS)

In 2016, we were awarded a second contract with the IRS to serve as one of four private collection agency (PCA) vendors to recover delinquent tax debt. According to the latest quarterly report the IRS provided to the U.S. Congress, we collected \$10,267,051 on behalf of the IRS during the fourth quarter of 2018.

As part of this engagement, our team contacts taxpayers with an omnichannel outreach strategy (telephone and letter outreach with requisite skip tracing), secures payments-in-full, negotiates and monitors installment repayment agreements, and obtains taxpayer financial information as necessary. We developed and executed a cybersecurity plan that satisfies the IRS' security and safeguard requirements including, but not limited to, the Federal Information Security Management Act (FISMA) 2002 and IRS Publication 1075/4812.

U.S. Department of Treasury – Internal Revenue Service (IRS)	
Contact Name:	
Contact Title:	
Contact Address:	
Contact Telephone Number:	
Contact Email Address:	
Contract Type:	
Contract Duration:	2006 - Present
Project Size and Scope:	Our agents contact taxpayers with an omnichannel outreach strategy (telephone and letter outreach with requisite skip tracing), secures payments-in-full, negotiates and monitors installment repayment agreements, and obtains taxpayer financial information as necessary.
Description of Services:	Since 2006, Navient's division supporting receivables management for federal agencies – has supported federal tax collection for the Internal Revenue Service (IRS). Services include provision of 200+ highly trained Agents operating in a high-sensitivity and high-security environment (Federal Information Security Management Act (FISMA) 2002 and IRS Publication 4812). Agents contact constituents via phone and direct mail, capture updated information, process secure payments, and correspond with contacts via email and mail to follow-up as required.

SCOPE OF WORK - REQUIREMENTS (2.0, 3.0, 4.1)

2.1 Work Duties of Call Center:

The Contractor must establish and operate a call center for the purpose of responding to a majority of calls on Unemployment Insurance Benefits (UIB), CARES Act related matters not addressed through the existing Unemployment Insurance IVR VoIP system, supplemented by a tiered approach utilizing seamless transfers and/or referrals between established State call center. Protocols for the established call center tiered approach and referrals shall be defined in conjunction with the State. During the term of the contract, the Contractor shall maximize the number and types of calls that can be handled by its call center without further referral to State personnel. The State will develop, in conjunction with the Contractor, a call referral matrix for the IVR to ensure that calls are routed to appropriate call center or office with minimal further referral.

In addition to the 4.7 million calls received by the existing IVR System, the State estimates that the anticipated number of potential call center calls would be increasing by 25% given Unemployment Insurance's pending caseload of approximately 1 million claims.

The contractor must provide the following:

1. All equipment, infrastructure and environment, software, and hardware necessary to implement call center operations that can integrate with existing Unemployment Insurance applications.

Navient Response:

Navient acknowledges we are required to provide all equipment, infrastructure and environment, software and hardware necessary for implementation of call center operations and that all equipment used will integrate with existing Unemployment Insurance applications.

Navient has seamlessly integrated our technology with two other States (New York and Indiana) recently to provide the very same support and services. We stand ready and able to provide the same technology solutions tailored for the State of New Jersey.

2. Develop the call handling procedures for its call center inclusive of the new business practices and provide functional Customer Service Provisions. These procedures must be approved by the state prior to implementation.

Navient Response:

Navient is fully equipped to develop the call handling procedures for our call center inclusive of the requirements of this RFQ.

Navient proposes to rapidly document answers to frequently asked questions (FAQs), standard call scripts, and basic case-handling procedures, then to develop an internal database to track the details of each call for monitoring and reporting. We are able to leverage materials and applications from similar engagements and can rapidly proceed from documentation to workflow configuration to agent training to deployment. Navient will provide these procedures to the State for approval prior to implementation.

3. Hire and manage call center staff, and maintain staffing levels to meet performance standards and provide a detailed employee retention plan that limits turnover.

Navient Response:

Navient can provide the required number of call center agents operating from New Jersey and locations throughout the U.S. to support front-line call center operations for DOL.

Committed, knowledgeable employees are the foundation of Navient's success. We begin our retention strategy, which is maintained and enhanced by the Corporate Attrition Team, on an employee's first day of new hire training. We conduct employee engagement activities to keep employees motivated and pleased with their work environment. We offer incentives within and between call center teams to promote job satisfaction and retain staff as they continue their careers. Navient provides employees with a career path, promoting from within whenever possible. Our Corporate Attrition Team personally reviews employee attrition rates and regularly interacts with staff to learn about any concerns. Navient regularly conducts Employee Engagement Surveys and takes proactive steps to make improvements based on employee input.

4. Maintain customer service call center representatives, Monday through Friday from 8:00am to 7:00 pm Eastern time and Saturday and Sunday from 8:00AM – 5:00PM.

Navient Response:

Navient agrees to provide customer call center staffing levels Monday through Friday from 8:00 a.m. to 7:00 p.m. Eastern Time and Saturday and Sunday from 8:00 a.m. to 5:00 p.m.

5. Utilize the existing Unemployment Insurance Case Processing system (LOOPS), RCC/SSI, and WPAY applications to answer inquiries, document all calls, and send referrals, as needed to the appropriate Unemployment staff.

Navient Response:

Navient's IT teams will coordinate with the State to provide secure access to State systems per the requirements of the RFQ. We understand the sensitivity of the data involved and the need for flexible solutions that will allow access only for authorized uses.

Furthermore, as a current vendor for the State of New Jersey, we have a secure high-speed connection between Navient and the State utilizing New Jersey's TAXNET system on our call center services contract. This high-speed, secure communication path may be helpful in enabling similar secure data access to our agents supporting this UI Call Center program.

6. Shall track, maintain and document all referrals and provide reports to the State Contract Manager/Project Manager or designee(s) once a week and on an as needed basis.

Navient Response:

During implementation Navient meet with the State to discuss reporting needs and provide a reporting package that tracks all referrals and provide this information once a week and on an as needed basis. Navient has a flexible reporting suite designed to be highly responsive and meet the State's needs. Reports are available in both PDF and Excel formats and can be sent to the State via data-encrypted email or other

preferred delivery method. The date and frequency of the requested report(s) can be customized to fit the State's needs. Reports can help identify the status of accounts, balances, completed work steps, and additional information as needed.

7. Record and retrieve customer calls for the purposes of quality assurance, call sampling, and validation and verification of performance standards. The parameters used to retrieve a call must include, but are not limited to, call date and call time, phone number and name of claimant and other identifiable information. Previously recorded call data must be made available to the State upon request.

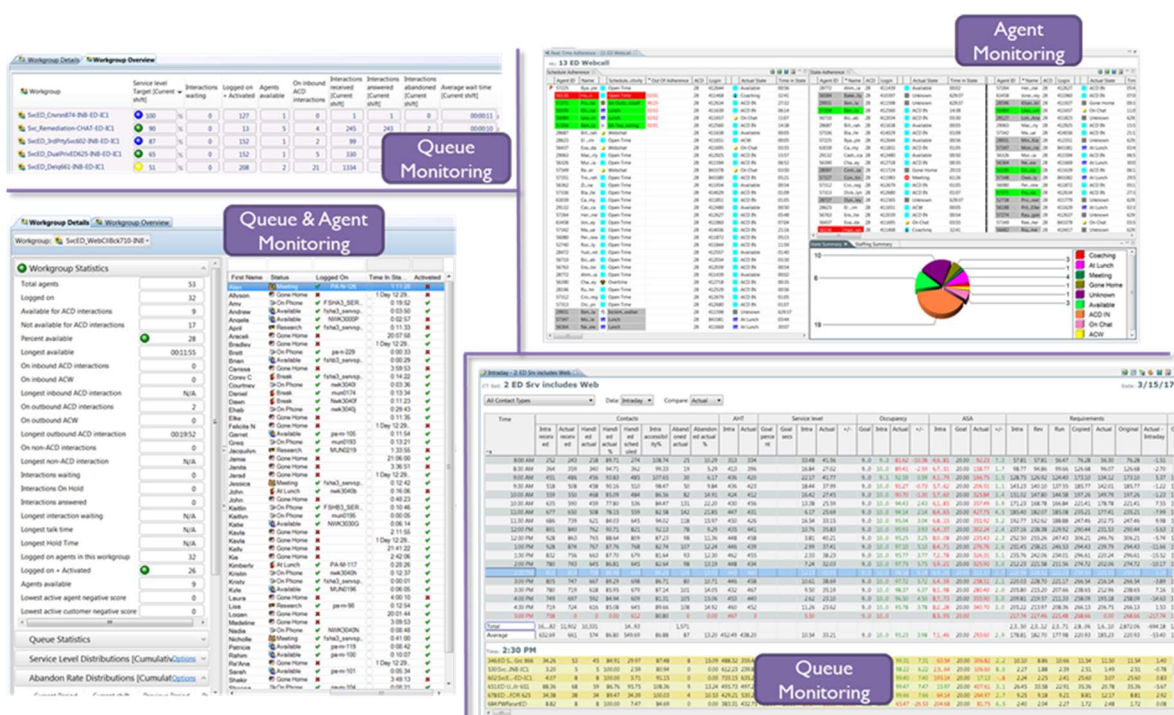
Navient Response:

Navient's Genesys[®] system's call monitoring and screen reporting enables our Compliance and Operation teams to perform live and recorded call monitoring to ensure that call center agents are delivering professional service at all times. These online recordings can be used to review collector performance and increase effectiveness of coaching sessions. We are able to locate calls utilizing a variety of criteria such as call date, time, phone number and name of claimant, etc. Navient will make previously recorded call data available to the State upon request.

8. Provide a call management system that includes reporting capabilities in which the reporting component has the capability for customized reporting and uploading to MS Office Suite software and/or any other state compatible format.

Navient Response:

Navient's advanced contact center technology and systems support management, documentation, and reporting for each customer interaction. These data allow comprehensive reporting regarding the volume of calls handled, the nature of each call, how each call was resolved, whether a transfer was required, and any follow-ups required as a result of the contact (e.g., sending a link to an online resource, delivering a benefits packet, resending a disposition letter). We will work closely with the State to document each step of the process and ensure a seamless delivery of services – both for the State and its workforce customers.



Advanced Contact Center Technology. Navient's contact centers use real-time management tools to ensure each call is handled accurately and efficiently while providing comprehensive reporting for daily operations.

9. Resolve the 80% of the caller issues without transfer or referral to the State operated Call Center.

Navient Response:

Navient will resolve 80% of the caller issues without transfer or referral to the State operated Call Center. The services we provide could work as follows:

- A dedicated and trained group would be available to accept and resolve inquiries, including general information requests, assistance completing online claims, and supporting claims acceptance and management via phone
- A team of supervisors, managers, and team would actively manage and support agents, ensuring accurate, high-quality services for each customer service interaction
- Every interaction (voice call, chat, email, text, etc.) would be recorded and stored for training and quality assurance purposes, and supervisors and managers would continuously monitor agent calls for service quality, accuracy, and other key performance factors

10. Provide a voice messaging component available from 7:00 pm until 8:00 am Eastern time responding to all inquiries from this component within 1 business day. The Contractor shall provide a holiday schedule, to be approved by the State.

Navient Response:

Navient will provide a voice message available from 7:00 p.m. until 8:00 a.m. Eastern time responding to all inquiries from this component within 1 business day. Navient observes the following holiday schedule which is subject to approval by the State:

- New Year's Day
- Martin Luther King Jr. Day
- Memorial Day
- Independence Day
- Labor Day

11. Correct inaccurate answers via contact to the customer and in consultation with the State Contract Manager/Project Manager or designee(s), when necessary. Errors identified in this process shall be incorporated into the Contractor's ongoing training plan.

Navient Response:

Navient proposes to rapidly document answers to frequently asked questions (FAQs), standard call scripts, and basic case-handling procedures, then to develop an internal database to track the details of each call for monitoring and reporting. This allows us to quickly identify inaccurate information and correct via contact with the customer.

12. Verify mailing residence and employer addresses and process address changes from claimant's and provide employer with the Taxation website for address changes. Obtain email addresses when available from both claimants and employers.

Navient Response:

Navient verifies mailing residence and employer address information with claimants during telephone contact. Our call center agents process address changes and obtain email addresses when available from both claimants and employers.

13. Produce and deliver, by mail and/or electronically, unemployment insurance forms to customer at customer request.

Navient Response:

Navient is well versed on the production of electronically mailing required insurance forms and information to claimants at their request and is prepared to do so for this RFQ. In 2019 we produced and delivered nearly 85 million pieces of mail and correspondence – including government forms similar to the State's UI forms – to customers and constituents.

14. Be available to respond to issues raised by State Contract Manager/Project Manager or designee(s).

Navient Response:

Navient has designated Chad Wilson, President of Navient B.P.O. as the main point of contact for the State regarding this engagement. Mr. Wilson will be available to respond to any issues raised by the State Contract Manager/Project Manager or designee. Mr. Wilson can be contacted any time at:

Telephone: 585-322-0803

Email: Chad.Wilson@Navient.com

15. Make outgoing calls to respond to customer voicemail messages within one (1) business day.

Navient Response:

Our experienced call center team is prepared to make outgoing calls and respond to customer voicemail messages within one (1) business day. Outbound calling is part of our core business and we make more than 100 million calls annually.

16. Develop and maintain a database for the logging of all calls received that do not relate to an identifiable case in LOOPS. The reporting of these calls to the state shall be ~~monthly~~ weekly and upon request. The Contractor shall allow access to the State Contract Manager/Project Manager or designee(s).

Navient Response:

As discussed above, Navient's advanced contact center technology and systems support management, documentation, and reporting for each customer interaction. These data allow comprehensive reporting regarding numerous reporting criteria including unidentifiable cases in LOOPS. This reporting will be provided to the State weekly and upon request. Navient will allow the State Contract Manager/Project Manager or their designee(s) access to these reports.

17. Provide call center services for the states multicultural population.

a. Bilingual (Spanish and English) customer service representatives must be included on staff at a percentage which coincides with the states Spanish speaking population (2009 census data indicates that approximately 17% of the states' populous is of Hispanic or Latino decent).

b. The Contractor shall provide service to clients that speak primarily English and/or Spanish, as well as the ability to communicate with clients in other languages as needed.

c. TTY/TDD capabilities available during weekdays from 8:00am through 7:00pm Eastern time and Saturday and Sunday 8:00am – 5:00pm.

Navient Response:

The ability to communicate effectively with the State's non-English-speaking claimants improves our ability to support the needs of these individuals and the State. Navient employs bilingual call center agents and we can establish a dedicated toll-free number that directs incoming calls to these agents.

If an agent receives a call from a consumer who speaks in a foreign language beyond what our bilingual staff can provide, we use a language line translation service to communicate with the individual and resolve their questions. Language Line Services, Inc. (Language Line) is a third-party vendor that delivers

live language translation for over 150 languages. While on the phone with the claimant, the agent calls Language Line, requests a translator for the necessary language, and facilitates a three-way conference call between the agent, the consumer, and the translator. Agents can access Language Line for both outgoing and incoming calls with claimants.

Navient has access to Text Telephone (TTY) services to interact with the State's hearing-impaired claimants weekdays from 8:00 a.m.-7:00 p.m. Eastern time and Saturday and Sunday 8:00 a.m.-5:00 p.m.

18. Must meet or exceed the following call center operational standards:

a. An average daily call wait time, including wait time for abandoned calls, for callers in the queue waiting to speak with call center staff that does not exceed ten (10) minutes, with a requirement to reduce to 20 seconds within the first year of the contract.

b. Within the first 3 months of its operation, shall respond and resolve 80% of the calls that are transferred from the IVR to the vendor operated call center, within 6 months, 83%, and 85% must be resolved within the first year of its operation. The contractor shall continue to increase this percentage during the term of the contract.

c. Call abandon rate not to exceed 5% of the total calls received, with a requirement to reduce by .5% each year until maximum efficiency is reached.

d. No more than 5% of the responses shall contain inaccurate information.

Navient Response:

Given the global pandemic crisis which has led to the unprecedented volume of calls to the State's Unemployment Insurance call centers, Navient understands that high service levels are a priority but that the exact SLAs will require close monitoring and ongoing discussion with the State to ensure optimal performance is achieved.

We understand the State's objectives for an immediate positive impact for the State's call center operations and its claimants – notably its expectation not to exceed a 10-minute wait time for Average Speed of Answer (ASA) with a further objective to reduce to just 20 seconds within a year of implementation. As noted in Q&A Item 48, Navient understands that these targets will be negotiated and will likely evolve through the life of the program as volumes fluctuate and staffing levels reach their optimal levels.

19. All staff working at the call center are required to undergo background checks.

Navient Response:

External applicants selected for employment are subject to a criminal background check as part of the company's general pre-employment background investigation. All screening reports are kept and maintained in the applicant's personnel file. Unlimited federal and county criminal record searches are processed based on addresses that appear on the candidate's credit report. Searches include a national criminal database search, including an Office of Foreign Assets Control (OFAC) search and sex offender search, and maiden name and alias searches based on additional names that appear on the credit report. or Navient's background check also includes employment verifications, education verifications, and when applicable, professional license certification.

20. Contractor and all staff at the call center must sign a document that they have read and agree to adhere to 20 CFR 603, et seq. concerning the confidentiality of data. The Contractor shall be responsible for any breach of the confidentiality requirements and must take appropriate steps to resolve the breach in a reasonable timeframe. Failure to do so may be considered as a violation of the contract.
The Contractor shall maintain a database of received telephone calls that are not related to an identifiable case on the State's automated system for reporting of these calls monthly to the State Contract Manager/Project Manager. In addition to the Customer Service reporting requirements identified in this subsection, all summary information regarding calls handled by representatives that can be identified to a specific case shall be logged and case notes entered in the State's automated system. The Contractor shall enter the following minimum data elements into the State's automated system: the Claimant ID, callers' name, date of call, telephone number, if different than telephone number in system, email address and nature of call and response/resolution provided.

Navient Response:

All Navient employees are trained on the necessity of maintaining the confidentiality of claimant and client data along with the tools to do so. Navient conducts annual refresher training and certification for employees regarding confidentiality. Navient will require all call center agents on this contract to read, attest and sign to adherence with 20 CFR 603, et seq. concerning confidentiality of data.

Navient has implemented administrative, technical, and physical safeguards that are designed to:

- Ensure the security and confidentiality of customer information
- Protect against any anticipated threats or hazards to the security or integrity of such information
- Protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any customer
- Ensure the proper disposal of customer and consumer information

In the event of an inadvertent disclosure, such as wrong party contact, Navient takes immediate action to ensure the incident does not further compromise the security, confidentiality, or integrity of a claimant's personal information.

Navient's security breach policies adhere to the requirements outlined in the applicable state and/or federal security breach notice laws. The State would be notified in 24 hours of such a discovery.

Navient maintains a database of received telephone calls that are not related to an identifiable case on the State's automated system for reporting of these calls monthly to the State Contract Manager/Project Manager. In addition to the Customer Service reporting requirements identified in this subsection, all summary information regarding calls handled by representatives that can be identified to a specific case shall be logged and case notes entered in the State's automated system. Navient will enter the following minimum data elements into the State's automated system: the Claimant ID, callers' name, date of call, telephone number, if different than telephone number in system, email address and nature of call and response/resolution provided.

2.2 Hours of Operation:

Contractor Call center staff must be responsible for answering phone calls during UI's current, regular hours of operation (Monday - Friday - 8:00am - 7:00pm EST) and Saturday and Sunday- 8:00am to 5:00pm EST. Staffing levels will need to be consistent throughout the week unless otherwise agreed upon with the State.

o Reference material will be provided to navigate the claim filing website, process and FAQs.

o Additional training may be required as needed to address claimant questions.

UI is presently optimizing the flow by which calls are received via the Interactive Voice Response ("IVR") call tree. At the time of contract, we will ensure that identified calls are routed to 3rd party. UI will ensure calls reach the 3rd party contractors phone system; the 3rd party is responsible for distributing these calls to their agents.

Navient Response:

Navient has the staff and resources to take responsibility for answering phone calls during UI's current regular hours of operation (Monday – Friday – 8:00 a.m. – 7:00 p.m. EST and Saturday and Sunday 8:00 a.m. to 5:00 p.m. EST). Our staffing levels will offer consistent coverage during these hours of operation. Our training department will work with the State to develop reference material to assist in navigating the claim filing website, process and FAQs. Any additional training needs to address claimant questions will be developed in collaboration with the State.

2.3 Location Requirements

Contractor Call Center staff must be located in the United States. New Jersey location preferred to provide onsite tiered program support. Additionally, no data, phone calls, or other information may leave the United States. Should the Contractor utilize a Subcontractor, it must indicate to the State Contractor/Project Manager in advance.

Navient Response:

Navient is proposing to work all services required under this RFQ in the United States. Navient has 19 locations within the United States and our technology platforms have enabled us to rapidly reposition most of our agents to "work from home" (WFH) environments, allowing our personnel to continue providing services while conforming with state and local social distancing mandates and guidelines published by the Centers for Disease Control (CDC). For this contract, Navient proposes utilizing call center agents within the following States:

- New Jersey
- Indiana
- New York
- Texas

2.4 Equipment/Technology Requirements

Contractor must provide all equipment necessary for a fully operational Call Center and must be able to provide this equipment at the start of the engagement at no additional cost. This equipment includes at a minimum, all work locations, computers, phone services, internet connections, phones, headsets as required to operate a call center.

Navient Response:

Navient confirms that all equipment necessary for a fully operational Call Center under this RFQ will be provided at the start of the engagement by Navient at no additional cost to the State. This equipment includes computers, phone services, internet connections, phones, headsets and other required equipment to operate a successful call center.

2.5 Performance Requirements

Contractor must adhere to the following requirements:

Subject to revision, which are based upon NJDOL UI's review of new CARES Act.

Average Speed of Answer (ASA): not to exceed more than 10 minutes (target) average

Navient Response:

Navient agrees to comply to the State requirements for average speed of answer not to exceed more than 10 minutes (target) average. Given the historically unprecedented volumes of inquiries, it can feel like there just isn't enough capacity to help every caller and every claimant immediately. Navient is here to help.

2.6 Pricing and Invoicing

Contractor shall invoice UI Monthly for all services according to the following rate schedule. Understanding the volumes are currently unknown, and may fluctuate rapidly. UI and Contractor will work together to ramp up and ramp down staffing based on the number of calls that are directed to the Contractor Call Center. UI and Contractor will meet weekly and determine the appropriate level of staffing required for the following week and agree to the following weeks staffing and pricing rate selected from the schedule below.

Pricing Rate Schedule: See attached Price Sheet

1500 calls answered per day: \$Price per week

(Base)1500 to 5,000 calls answered per day: \$Price per week

5,000 to 10,000 calls answered perday: price per week

Each additional 5,000 calls answered per day: \$Price per week

(fixed pricing per each 5,000 calls determined to be needed)

Navient Response:

Navient shall invoice the State UI division monthly for all services according to the rate schedule contained within this RFQ. Our pricing schedule incorporating all requirements within section 2.6 has been provided as required under Section 3.0 Pricing Proposal.

2.7 Reporting

Contractor will provide weekly reports addressing the following key items. All reports are to be delivered electronically to UI every Monday morning by 9 am EST for the previous week of activity.

NOTE: Contractor to provide any ad hoc reports requested by the State.

Key Reports:

- 1. Total Number of Calls;**
- 2. Total Number of Referrals-Transferred calls to UI State Call Center;**
- 3. Total Number of Correspondence Received and Addressed;**
- 4. Total Number of Abandoned Calls;**
- 5. Total Number and speed of Answered Calls;**
- 6. Number of Times and Duration of Time All Lines on the System Were Busy;**
- 7. Time in queue, length of call, length of after call work;**
- 8. Ad Hoc reports and/or additional reports as requested by the State;**
- 9. Annually survey customers regarding their satisfaction with Call Center services and provide an annual report to the state. The goal, initially is to meet an 85% customer level of satisfaction with a continuing goal to increase customer satisfaction by 5% each year during the term of the contract until maximum efficiency is reached;**
- 10. Staffing Level of Contractor – Staffing/Call Ratios;**
- 11. Average Handle time (duration of call from answer to resolution/termination).**

Navient Response:

Navient is familiar with the reporting requirements for UI services and this RFQ. Navient agrees to provide weekly reports addressing all key items in section 2.7 weekly via electronic delivery to UI every Monday by 9 a.m. EST regarding the previous week of activity as well as providing any ad hoc reports requested.

Navient's advanced contact center technology and systems support management, documentation, and reporting for each customer interaction. These data allow comprehensive reporting regarding the volume of calls handled, the nature of each call, how each call was resolved, whether a transfer was required, and any follow-ups required as a result of the contact (e.g., sending a link to an online resource, delivering a benefits packet, resending a disposition letter). We will work closely with the State to document each step of the process and ensure a seamless delivery of services – both for the State and its workforce customers.

2.8 UI Responsibilities

UI will provide to the Contractor the following for use by the Contractor Call Center Agents:

a. Initial program/system training, documentation and information on how to handle calls and questions

1. FAQ's, Resources, etc...

b. Access and training on entering claimant information into UI web based claimant application(s)

c. Decision matrix for use by Contractor Call Center Agents to direct the Contractor Agent when to transfer caller to the UI Call Center

d. Reference material will be provided to navigate the claim filing website, process and FAQs.

e. Additional training may be required as needed to address claimant questions.

UI is presently optimizing the flow by which calls are received via the Interactive Voice Response ("IVR") call tree. At the initiation of the Contract, UI will ensure that identified calls are routed to 3rd party. UI will ensure calls reach the 3rd party Contractor's phone system; the 3rd part is responsible for distributing these calls to its agents.

Navient Response:

Navient will collaborate with UI during the onboarding of this project to ensure smooth transition of work and training of Navient call center agents to swiftly implement services. Based on our experienced team and best practices established in the completion of highly relevant engagements in New York and Indiana, we have a significant library of training content and customized tools to rapidly onboard hundreds of

Agents quickly in support of New Jersey’s program. Our team of trainers and managers is highly skilled at packaging customized client materials and job aids for expedited training and ongoing reference to manage learning curves and speed the “time to proficiency” for our Agents.

We acknowledge UI responsibilities to provide data listed in Section 2.8 above and will use that information to develop our customized training plan for call center agents.

2.9 IMPLEMENTATION

The Contractor must establish a fully-functional UI Call Center as specified in this RFQ, and put it into production within 10 days of contract award, or as approved by the State. The Contractor shall remain responsible for the operations and support of the call center for the remainder of the contract period as described in this RFQ.

Navient Response:

Navient is ready to implement a fully functional UI call Center as specified in this RFQ and put it into production within 10 days of contract award, or as approved by the State. Navient has demonstrated our success in rapidly deploying these same services in less than that timeframe for the State of New York and Indiana. Our proposed phased implementation approach is as follows:

Call Center Implementation Process

- **Content/Knowledge Management**
 - Document call types
 - Develop call scripts
 - Develop agent training materials and job aids
 - Populate online content management
- **Implement Technology**
 - Configure virtual call agent groups
 - Establish call documentation database
 - Configure daily call reporting
 - Configure “Next Action” data flow
 - Establish daily client reporting
 - Establish real-time management reporting
- **Train & Deploy Workforce**
 - Confirm agent counts/IDs for work group
 - Conduct training
 - Complete virtual academy/agent certification
- **Go-Live**
 - Complete final call flow testing
 - Complete off-hours live test
 - Launch
 - Provide immediate post-Go-Live support from all support teams
- **Transition to Ongoing Operations**
 - Operations Management
 - Technical Support
 - Issue Management
 - Daily Reporting
 - Call Monitoring | Quality Management | Compliance Management | Continuous Improvement

Phased Implementation Approach. *Navient’s approach provides immediate relief for UI agencies by expediting service introduction for basic calls and gradually implementing more sophisticated services as system access and specialized training permit.*

2.10 MODIFICATIONS TO THE STATEMENT OF WORK

This Scope of Work may not be modified unless mutually agreed upon by both parties, the State and Contractor. All changes and/or modifications to the Scope of Work must be documented in a written amendment to the Contract after approved by both parties.

Navient Response:

Navient agrees to provide all services outlined within this RFQ and agrees that the scope of work may not be modified unless mutually agreed upon by both parties, the State and Navient. All changes and/or modifications to the Scope of Work must be documented in a written amendment to Navient after approved by both parties.

2.11 Additional Work and/or Special Projects

The Contractor shall not begin performing any additional work or special projects without first obtaining the State Contract Manager/Project Manager's recommendation and written approval.

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

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

The written Quote must detail the cost necessary to complete the additional work in a manner consistent with this Contract. The written price schedule must be based upon the hourly rates, unit costs or other cost elements submitted by the Vendor {Contractor} in the Contractor 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 Vendor {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 written Quote, the State Contract Manager/Project Manager shall forward same to the Office of Procurement, who will submit for written approval from the Director or designee. Complete documentation from the Using Agency, confirming the need for the additional work, must be submitted. Documentation forwarded by the State Contract Manager/Project Manager/Project Manager, who will forward to the Procurement Office to obtain approval from 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 Office of Information Technology.

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 sole risk. The State shall be under no obligation to pay for work performed without the Director's written approval.

Navient Response:

Navient agrees that we shall not begin performing any additional work or special projects without first obtaining the State Contract Manager/Project Manager's recommendation and written approval. Navient will be pleased to collaborate with the State upon request to fulfill any special requests, including projects which may add automation, increase agent efficiency, or improve the claimant experience, but will only do so as authorized by the State. Any fees or costs for any such effect will only be billed to the State with specific authorization to do so as defined above.

2.11 Security Plan

The Contractor shall submit a detailed Security Plan that addresses the Contractor's approach to meeting each applicable security requirement outlined below, to the State, no later than 5 days after the award of the Contract. The State approval of the Security Plan shall be set forth in writing. In the event that the State reasonably rejects the Security Plan after providing the Contractor an opportunity to cure, the Director may terminate the Contract, pursuant to the SSTC.

Navient Response:

Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ no later than five (5) days after being awarded a Contract. We understand and acknowledge that in the event the State reasonably rejects the Security Plan after providing an opportunity to cure, that the Director may terminate the Contract, pursuant to the SSTC.

Navient has extensive experience on large, complex projects that demand strict security protections and policies such as the U.S. Department of the Treasury, Internal Revenue Service (IRS), and U.S. Department of Education. Our plan will follow and adhere to the unique requirements of the New Jersey Department of Labor as outlined in the RFQ. Navient has created similar plans for our recent UI call center projects with the Indiana Department of Workforce Development and the New York Department of Labor.

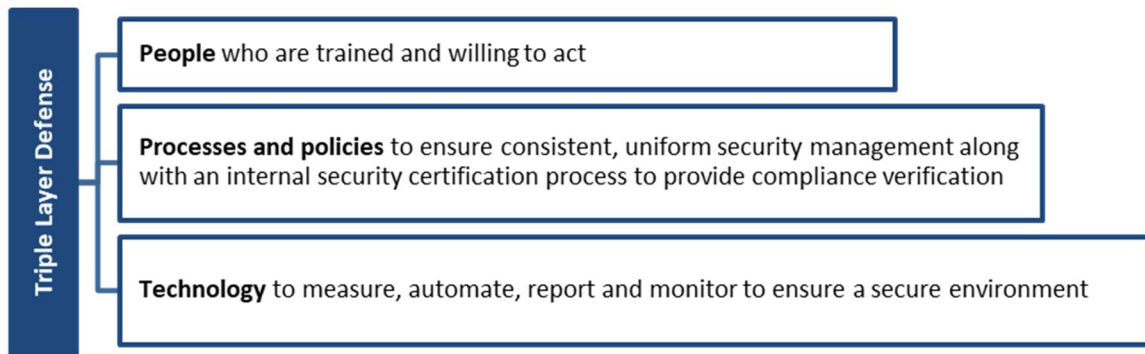
Security Plan Overview

As required by many of our contracts, Navient is fully compliant with the Federal Information Security Management Act of 2002 and the Federal Information Security Modernization Act of 2014 (collectively, "FISMA"), IRS Publication 1075/4812, the Federal Financial Institutions Examination Council (FFIEC), and other state-mandated frameworks where required. As such, Navient and its subsidiaries take security seriously, offering state-of-the-art systems supported by highly qualified technology and security professionals.

Navient's Corporate Information Security Program (CISP) is based on these regulations as well as commercial compliance regimes such as Gramm-Leach-Bliley Act (GLBA) and the Health Insurance Portability and Accountability Act (HIPAA) requirements. In aggregate, these form powerful protective measures that comprehensively safeguard the confidentiality, integrity, and availability of data and information assets managed by Navient on behalf of our varied and diverse clients.

Navient's network, system, and application security is managed and supported by Navient's Corporate Information Security (IS) team. A continuously improving comprehensive security plan safeguards client information.

At the core of Navient's security management strategy is the Triple Layer Defense.



Navient's Triple Layer Defense. *Our three-pronged approach to compliance and quality ensures information security at the highest level.*

Navient's security plan combines strategies and policies, deployment management, technical solutions and architecture, and processes and controls to mitigate risk during the life cycle of a client's contract. The security plan is continuously improved as part of the application and infrastructure design process and change management, adding continuing value by safeguarding information.

Routine reviews of policies, procedures, guidelines, and laws are conducted by the security team and supported by Navient's legal and policy development teams. In addition, external compliance audits are performed regularly by the agencies for which Navient serves as data custodian. These audits provide validation of the security posture Navient maintains in support of our various clients and their customers.

Our security plan incorporates and covers the areas and requirements outlined in the NJ DOL's RFQ including, but not limited to:

- Information Security Program Management (2.11.1)
- Compliance (2.11.2)
- Personnel Security (2.11.3)
- Security Awareness and Training (2.11.4)
- Risk Management (2.11.5)
- Privacy (2.11.6)
- Asset Management (2.11.7)
- Security Categorization (2.11.8)
- Media Protection (2.11.9)
- Cryptographic Protections (2.11.10)
- Access Management (2.11.11)
- Identity and Authentication (2.11.12)
- Remote Access (2.11.13)
- Security Engineering and Architecture (2.11.14)
- Configuration Management (2.11.15)
- Endpoint Security (2.11.16)

- ICS/SCADA/OT Security (2.11.17)
- Internet of Things Security (2.11.18)
- Mobile Device Security (2.11.19)
- Network Security (2.11.20)
- Cloud Security (2.11.21)
- Change Management (2.11.22)
- Maintenance (2.11.23)
- Threat Management (2.11.24)
- Vulnerability and Patch Management (VU) (2.11.25)
- Continuous Monitoring (2.11.26)
- System Development and Acquisition (2.11.27)
- Project and Resource Management (2.11.28)
- Capacity and Performance Management (2.11.29)
- Third Party Management (2.11.30)
- Physical and Environmental Security (2.11.31)
- Contingency Planning (2.11.32)
- Incident Response (2.11.33)

2.11.1 Information Security Program Management

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

a. Establishment of a management structure with clear reporting paths and explicit responsibility for information security;

b. Creation, maintenance, and communication of information security policies, standards, procedures, and guidelines to include the control areas listed in sections below;

c. Development and maintenance of relationships with external organizations to stay abreast of current and emerging security issues and for assistance, when applicable; and

d. Independent review of the effectiveness of the Contractor information security program.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Information Security Program Management.

2.11.2 Compliance

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

a. Within 5 days after award, the Contractor shall provide the State with contact information for the individual or individuals responsible for maintaining a control framework that captures statutory, regulatory, contractual, and policy requirements relevant to the organization's programs of work and information systems;

b. Throughout the solution development process, Contractor shall implement processes to ensure security assessments of information systems are conducted for all significant development and/or acquisitions, prior to information systems being placed into production; and

c. The Contractor shall also conduct periodic reviews of its information systems on a defined frequency for compliance with statutory, regulatory, and contractual requirements. The Contractor shall document the results of any such reviews.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Compliance.

2.11.3 Personnel Security

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

a. Position descriptions that include appropriate language regarding each role's security requirements;

b. To the extent permitted by law, employment screening checks are conducted and successfully passed, including legal background check, for all personnel prior to beginning work or being granted access to information assets;

c. Rules of behavior are established and procedures are implemented to ensure personnel are aware of and understand usage policies applicable to information and information systems;

d. Access reviews are conducted upon personnel transfers and promotions to ensure access levels are appropriate;

e. Contractor disables system access for terminated personnel and collects all organization owned assets prior to the individual's departure; and

f. Procedures are implemented that ensure all personnel are aware of their duty to protect information assets and their responsibility to immediately report any suspected information security incidents.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Personnel Security.

2.11.4 Security Awareness and Training

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

- a. Personnel are provided with security awareness training upon hire and at least annually, thereafter;*
- b. Security awareness training records are maintained as part of the personnel record;*
- c. Role-based security training is provided to personnel with respect to their duties or responsibilities (e.g. network and systems administrators require specific security training in accordance with their job functions); and*
- d. Individuals are provided with timely information regarding emerging threats, best practices, and new policies, laws, and regulations related to information security.*

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Security Awareness and Training.

2.11.5 Risk Management

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

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

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Risk Management.

2.11.6 Privacy

If the State data associated with the Contract includes PII, State Confidential Information, this section is applicable.

- a. Data Ownership. The State is the data owner. Contractor shall not obtain any right, title, or interest in any of the data furnished by the State, or information derived from or based on State data.*
- b. Data usage, storage, and protection of PII and State Confidential Information, as defined in Section 5.9 are subject to all applicable international, federal and state statutory and regulatory requirements, as amended from time to time, including, without limitation, those for HIPAA, Tax Information Security Guidelines for Federal, State, and Local Agencies (IRS Publication 1075), New Jersey State tax*

confidentiality statute, the New Jersey Privacy Notice found at NJ.gov, N.J.S.A. § 54:50-8, New Jersey Identity Theft Prevention Act, N.J.S.A. § 56:11-44 et. seq., the federal Drivers' Privacy Protection Act of 1994, Pub.L.103-322, and the confidentiality requirements of N.J.S.A. § 39:2-3.4. Contractor shall also conform to PCI DSS, where applicable.

c. Security: Contractor agrees to take appropriate administrative, technical and physical safeguards reasonably designed to protect the security, privacy, confidentiality, and integrity of user information. Contractor shall ensure that PII and other State Confidential Information is secured and encrypted during transmission or at rest.

d. Data Transmission: The Contractor shall only transmit or exchange State of New Jersey data with other parties when expressly requested in writing and permitted by and in accordance with requirements of the Contract. or the State of New Jersey. The Contractor shall only transmit or exchange data with the State of New Jersey or other parties through secure means supported by current technologies. The Contractor shall encrypt all PII and other State Confidential Information as defined by the State of New Jersey or applicable law, regulation or standard during any transmission or exchange of that data.

e. Data Re-Use: All State data shall be used expressly and solely for the purposes enumerated in the Contract. Data shall not be distributed, repurposed or shared across other applications, environments, or business units of the Vendor {Contractor}. No State data of any kind shall be transmitted, exchanged or otherwise passed to other contractors or interested parties except on a case-by-case basis as specifically agreed to in writing by the State Contract Manager/Project Manager.

f. Data Breach: In the event of any actual, probable or reasonably suspected breach of security, or any unauthorized access to or acquisition, use, loss, destruction, compromise, alteration or disclosure of any PII (each, a security breach) that may concern any State Confidential Information or PII, Contractor shall: (a) notify the State immediately of such breach, but in no event later than

24 hours after such security breach; (b) designate a single individual employed by Contractor who shall be available to the State 24 hours per day, seven (7) days per week as a contact regarding Contractor obligations under Section 2.11.33 (Incident Response); (c) not provide any other notification or provide any disclosure to the public regarding such security breach without the prior written consent of the State, unless required to provide such notification or to make such disclosure pursuant to any applicable law, regulation, rule, order, court order, judgment, decree, ordinance, mandate or other request or requirement now or hereafter in effect, of any applicable governmental authority or law enforcement agency in any jurisdiction worldwide (in which case Contractor shall consult with the State and reasonably cooperate with the State to prevent any notification or disclosure concerning any PII, security breach, or other State Confidential Information); (d) assist the State in investigating, remedying and taking any other action the State deems necessary regarding any security breach and any dispute, inquiry, or claim that concerns the security breach; (e) follow all instructions provided by the State relating to the State Confidential Information affected or potentially affected by the security breach; (f) take such actions as necessary to prevent future security breaches; and (g) unless prohibited by an applicable statute or court order, notify the State of any third party legal process relating to any security breach including, at a minimum, any legal process initiated by any governmental entity (foreign or domestic).

g. Minimum Necessary. Contractor shall ensure that PII and other State Confidential Information requested represents the minimum necessary information for the services as described in this Request for Quotation and, unless otherwise agreed to in writing by the State, that only necessary individuals or entities who are familiar with and bound by the Contract will have access to the State Confidential Information in order to perform the work.

h. End of Contract Data Handling: Upon termination/expiration of this Contract, the Contractor shall first return all State data to the State in a usable format as defined in the Contract., or in an open standards machine-readable format if not. The Contractor shall then erase, destroy, and render

unreadable all Contractor back up copies of State data according to the standards enumerated in accordance with the State's most recent Media Protection policy, https://www.nj.gov/it/docs/ps/NJ_Statewide_Information_Security_Manual.pdf, and certify in writing that these actions have been completed within 30 days after the termination/expiration of the Contract. or within seven (7) days of the request of an agent of the State whichever should come first.
i. In the event of loss of any State data or records where such loss is due to the intentional act, omission, or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the State Contract Manager/Project Manger. The Contractor shall ensure that all data is backed up and is recoverable by the Vendor {Contractor}. In accordance with prevailing federal or state law or regulations, the Contractor shall report the loss of non-public data.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Privacy.

2.11.7 Asset Management

The Contractor shall implement administrative, technical, and physical controls necessary to safeguard information technology assets from threats to their confidentiality, integrity, or availability, whether internal or external, deliberate or accidental. Asset management controls shall include at a minimum:
a. Information technology asset identification and inventory;
b. Assigning custodianship of assets; and
c. Restricting the use of non-authorized devices.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Asset Management.

2.11.8 Security Categorization

The Contractor shall implement processes that classify information and categorize information systems throughout their lifecycles according to their sensitivity and criticality, along with the risks and impact in the event that there is a loss of confidentiality, integrity, availability, or breach of privacy. Information classification and system categorization includes labeling and handling requirements. Security categorization controls shall include the following, at a minimum:
a. Implementing a data protection policy;
b. Classifying data and information systems in accordance with their sensitivity and criticality;
c. Masking sensitive data that is displayed or printed; and
d. Implementing handling and labeling procedures.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Security Categorization.

2.11.9 Media Protection

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

- a. Media storage/access/transportation;**
- b. Maintenance of sensitive data inventories;**
- c. Application of cryptographic protections;**
- d. Restricting the use of portable storage devices;**
- e. Establishing records retention requirements in accordance with business objectives and statutory and regulatory obligations; and**
- f. Media disposal/sanitization.**

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Media Protection.

2.11.10 Cryptographic Protections

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

- a. Using industry standard encryption algorithms;**
- b. Establishing requirements for encryption of data in transit;**
- c. Establishing requirements for encryption of data at rest; and**
- d. Implementing cryptographic key management processes and controls.**

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Cryptographic Protections.

2.11.11 Access Management

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

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

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Access Management.

2.11.12 Identity and Authentication

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

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

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Identity and Authentication.

2.11.13 Remote Access

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

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

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Remote Access.

2.11.14 Security Engineering and Architecture

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

- a. Implementing configuration standards that are consistent with industry-accepted system hardening standards and address known security vulnerabilities for all system components;*

b. Establishing a defense in-depth security posture that includes layered technical, administrative, and physical controls;
c. Incorporating security requirements into the systems throughout their life cycles;
d. Delineating physical and logical security boundaries;
e. Tailoring security controls to meet organizational and operational needs;
f. Performing threat modeling to identify use cases, threat agents, attack vectors, and attack patterns as well as compensating controls and design patterns needed to mitigate risk;
g. Implementing controls and procedures to ensure critical systems fail-secure and fail-safe in known states; and
h. Ensuring information system clock synchronization.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Security Engineering and Architecture.

2.11.15 Configuration Management

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

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

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Configuration Management.

2.11.16 Endpoint Security

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

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

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Endpoint Security.

2.11.17 ICS/SCADA/OT Security *The Contractor shall implement controls and processes to ensure risks, including risks to human safety, are accounted for and managed in the use of Industrial Control Systems (ICS), Supervisory Control and Data Acquisition (SCADA) systems and Operational Technologies (OT). ICS/SCADA/OT Security requires the application of all of the enumerated control areas in this Request for Quotation, including, at a minimum: a. Conducting risk assessments prior to implementation and throughout the lifecycles of ICS/SCADA/OT assets; b. Developing policies and standards specific to ICS/SCADA/OT assets; c. Ensuring the secure configuration of ICS/SCADA/OT assets; d. Segmenting ICS/SCADA/OT networks from the rest of the Contractor networks; e. Ensuring least privilege and strong authentication controls are implemented; f. Implementing redundant designs or failover capabilities to prevent business disruption or physical damage; and g. Conducting regular maintenance on ICS/SCADA/OT systems.*

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including ICS/SCADA/OT Security.

2.11.18 Internet of Things Security *The Contractor shall implement controls and processes to ensure risks are accounted for and managed in the use of Internet of Things (IoT) devices including, but not limited to, physical devices, vehicles, appliances and other items embedded with electronics, software, sensors, actuators, and network connectivity which enables these devices to connect and exchange data. IoT security shall include, at a minimum, the following: a. Developing policies and standards specific to IoT assets; b. Ensuring the secure configuration of IoT assets; c. Conducting risk assessments prior to implementation and throughout the lifecycles of IoT assets; d. Segmenting IoT networks from the rest of the Contractor networks; and e. Ensuring least privilege and strong authentication controls are implemented.*

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Internet of Things Security.

2.11.19 Mobile Device Security

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

a. Establishing requirements for authorization to use mobile devices for organizational business purposes;

b. Establishing Bring Your Own Device (BYOD) processes and restrictions;

c. Establishing physical and logical access controls;

d. Implementing network access restrictions for mobile devices;

e. Implementing mobile device management solutions to provide centralized management of mobile devices and to ensure technical security controls (e.g. encryption, authentication, remote-wipe, etc.) are implemented and updated as necessary;

f. Establishing approved application stores from which applications can be acquired;

g. Establishing lists approved applications that can be used; and

h. Training of mobile device users regarding security and safety.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Mobile Device Security.

2.11.20 Network Security

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

a. Include protection mechanisms for network communications and infrastructure (e.g. layered defenses, denial of service protection, encryption for data in transit, etc.);

b. Include protection mechanisms for network boundaries (e.g. limit network access points, implement firewalls, use Internet proxies, restrict split tunneling, etc.);

c. Control the flow of information (e.g. deny traffic by default/allow by exception, implement Access Control Lists, etc.); and

d. Control access to the Contractor information systems (e.g. network segmentation, network intrusion detection and prevention systems, wireless restrictions, etc.)

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Network Security.

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

a. Security is accounted for in the acquisition and development of cloud services;

b. The design, configuration, and implementation of cloud-based applications, infrastructure and system-system interfaces are conducted in accordance with mutually agreed-upon service, security, and capacity-level expectations;

c. Security roles and responsibilities for the Contractor and the cloud provider are delineated and documented; and

d. Controls necessary to protect sensitive data in public cloud environments are implemented.

2.11.22 Change Management

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

a. Notifying all stakeholders of changes;

b. Conducting a security impact analysis and testing for changes prior to rollout; and

c. Verifying security functionality after the changes have been made.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Cloud Security.

2.11.23 Maintenance

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

- a. Conducting scheduled and timely maintenance;*
- b. Ensuring individuals conducting maintenance operations are qualified and trustworthy; and*
- c. Vetting, escorting and monitoring third-parties conducting maintenance operations on information technology assets.*

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Maintenance.

2.11.24 Threat Management

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

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

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Threat Management.

2.11.25 Vulnerability and Patch Management (VU)

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

- a. Prioritizing vulnerability scanning and remediation activities based on the criticality and security categorization of systems and information, and the risks associated with a loss of confidentiality, integrity, availability, and/or privacy;*
- b. Maintaining software and operating systems at the latest vendor-supported patch levels;*
- c. Conducting penetration testing and red team exercises; and*

d. Employing qualified third-parties to periodically conduct independent vulnerability scanning, penetration testing, and red-team exercises.

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Vulnerability and Patch Management (VU).

2.11.26 Continuous Monitoring

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

- a. Centralizing the collection and monitoring of event logs;*
- b. Ensuring the content of audit records includes all relevant security event information;*
- c. Protecting of audit records from tampering; and*
- d. Detecting, investigating, and responding to incidents discovered through monitoring.*

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Continuous Monitoring.

2.11.27 System Development and Acquisition

The Contractor shall establish security requirements necessary to ensure that systems and application software programs developed by the Contractor or 3rd-party (e.g. vendors, contractors, etc.) perform as intended to maintain information confidentiality, integrity, and availability, and the privacy and safety of individuals. System development and acquisition security practices shall include, at a minimum, the following:

- a. Secure coding;*
- b. Separation of development, testing, and operational environments;*
- c. Information input restrictions;*
- d. Input data validation;*
- e. Error handling;*
- f. Security testing throughout development;*
- g. Restrictions for access to program source code; and*
- h. Security training of software developers and system implementers.*

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including System Development and Acquisition.

2.11.28 Project and Resource Management

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

- a. Defining and implementing security requirements;**
- b. Allocating resources required to protect systems and information; and**
- c. Ensuring security requirements are accounted for throughout the SDLC.**

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Project and Resource Management.

2.11.29 Capacity and Performance Management

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

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

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Capacity and Performance Management.

2.11.30 Third Party Management

The Contractor shall implement processes and controls to ensure that risks associated with third-parties (e.g. vendors, contractors, business partners, etc.) providing information technology equipment, software, and/or services are minimized or avoided. The 3rd party management processes and controls shall include, at a minimum:

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

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Third-Party Management.

2.11.31 Physical and Environmental Security

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

- a. Physical access controls (e.g. locks, security gates and guards, etc.);**
- b. Visitor controls;**
- c. Security monitoring and auditing of physical access;**
- d. Emergency shutoff;**
- e. Emergency power;**
- f. Emergency lighting;**
- g. Fire protection;**
- h. Temperature and humidity controls;**
- i. Water damage protection; and**
- j. Delivery and removal of information assets controls.**

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Physical and Environmental Security.

2.11.32 Contingency Planning

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

- a. Backup and recovery strategies;**
- b. Continuity of operations;**
- c. Disaster recovery; and**
- d. Crisis management.**

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Contingency Planning.

2.11.33 Incident Response

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

- a. Information security incident reporting awareness;**
- b. Incident response planning and handling;**
- c. Establishment of an incident response team;**
- d. Cybersecurity insurance;**
- e. Contracts with external incident response services specialists; and**
- f. Contacts with law enforcement cybersecurity units.**

Navient Response:

As stated in our response to 2.11 Security Plan above, Navient will submit a detailed Security Plan in writing to the State that addresses our approach to all applicable security requirements outlined in the State's RFQ including Incident Response.

APPENDIX

RESUMES (3.3, 4.1)

The resumes include:

Program Management

- Chad Wilson
- Cassandra Kaczocha

Operations Management

- Nick Stiller

Information Technology

- Scott Burgin
- Michael Vance
- Tim Brown
- Susan Beery
- Mary Jo Adams

Telephony Operations and Reporting

- Patty Peterson
- Eric Canny
- Jennifer Adamczewski

Agent Operation Management

- Teresa Gibson

Training, Quality and Compliance

- Catie O'Donoghue
- Genny Johnson

Navient Governance

- James Kennedy
- Christi Hewes
- Chad Wilson

Chad Wilson

President, Navient B.P.O., LLC

Qualification Summary

Chad has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD). Chad is the main point of contact for the DOL throughout the contract term. He provides overall direction for the DOL and interacts with executive management and functional leads to ensure all requirements are met. Chad's extensive operational and regulatory knowledge concerning government tax debt allows him to create customized strategies that maximize recoveries for each client.

Throughout his 18-year tenure, Chad has led numerous successful contracts in the federal, state, and local government markets. He has also been an integral part of six major tax amnesty programs.

Primary Areas of Responsibility

- Provide management, direction, and profit and loss responsibilities, including the central management of all contract deliverables and the development of internal control documentation for the critical processes of all Operating Divisions including process narratives, standard operating procedures, flowcharts, and risk matrices.
- Maintain open lines of communication among the Operations, Quality Assurance, and Internal Audit Departments to ensure contract compliance.

Professional Experience

GSA Contract Administrator

- Primary point of contact
- Responsible for overall compliance with contract terms and conditions
- Responsible official for issues concerning Industrial Funding Fee and Sales Reporting, including reviews performed by the GSA Industrial Operations Analyst

Federal Contract Experience

- U.S. Dept. of the Treasury – Bureau of the Fiscal Service (BFS) (2007–present)
- U.S. Dept. of the Treasury – Internal Revenue Service (IRS) – Pilot Project (2007–2009)
- U.S. Dept. of the Treasury – Internal Revenue Service (IRS) – Private Debt Collection (2016–present)

State Contract Experience

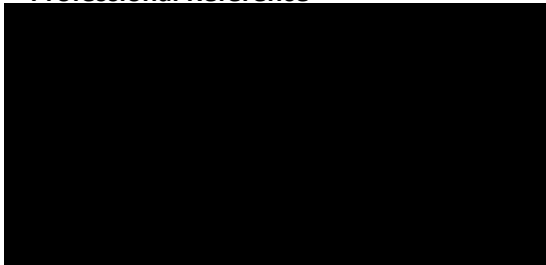
- New Jersey Division of Taxation
 - Collections Contract (2006–present)
 - Tax Amnesty Program (2009)
- Delaware Department of Finance
 - Collections Contract (2012–present)
 - Tax Amnesty Program (2009)
- Utah State Cooperative Contract (2007–present)
- New York State Worker's Compensation Board (2014–present)

- Louisiana Department of Revenue (2015–present)
- New York State Department of Taxation and Finance (2010–2016)
- Colorado Statewide Contract (2007–2009)
- Oregon Department of Revenue (2007–2009)
- Indiana Department of Revenue – Tax Amnesty Programs (2005, 2015)
- Pennsylvania Department of Revenue
 - Collections Contract (2007–2009)
 - Tax Amnesty Program (2017)

Education, Professional Memberships and Certifications

- Master of Business Administration – Wagner College
- Bachelor of Science, Accounting – St. John Fisher College
- ACA International – Professional Collection Specialist

Professional Reference



Cassandra Kaczocha

Senior IT Project Manager, Application Development

Qualification Summary

Cassandra has 17 years of extensive project management experience and a proven track record of organizing project implementation. Her past public sector experience with state and federal government clients includes directly managing large-scale, high-priority projects such as Oklahoma, Delaware, and the City of Philadelphia. Her responsibilities include coordinating the implementation of client contracts to ensure contract activities are initiated quickly while meeting all client requirements within the required timeframe. She is also responsible for determining and documenting requirements, building project plans, managing project timelines and milestones, and facilitating communications among work groups.

Cassandra has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD).

Primary Areas of Responsibility

- Project management of implementation for client contracts to ensure all systems and protocols are established to client specifications in a prompt manner
- Provide documentation of client requirements and set up of client-specific processes to ensure all client requirements are being met
- Create detailed project plans to assist in the maximization of client returns
- Create and maintain open lines of communication among IT project groups to ensure the completion of all contract goals
- Manage project timelines to ensure all work is completed on time and to client specifications

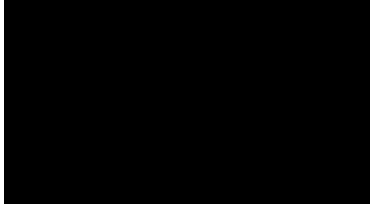
Past Professional Experience

- Project Manager, Sallie Mae Collection Services (2006–2007)
 - Managed projects to support Sallie Mae contingency contracts and helped to develop and streamline project management processes and procedures for this division
- Project Manager, Discover Financial Services (2002–2006)
 - Worked in Marketing, Collections and Customer Service Divisions managing projects, forecasting revenues and expenses for various product lines including Balance Transfers and Cash Advances
- Senior Associate, Discover Financial Services (2000–2002)
 - Participated in management trainee programs and rotated through Purchasing, Telemarketing, Direct Mail and E-Commerce divisions working on special projects

Education, Professional Memberships and Certifications

- Bachelor of Arts, Humanities – Shimmer College

Professional Reference



Nick Stiller
Program Manager II

Qualifications Summary

Nick is responsible for the management, direction, and quality of production for call center staff assigned to the State's contract. He assists in the design and implementation of call handling strategies and ensures that staff assigned to the State's contract meet all service level agreements and maintain both regulatory compliance and internal service quality benchmarks. He performs continual monitoring of representative calls and contract-specific training.

Nick has 15 years of experience in the call center industry, including long term contracts with the New York State Workers' Compensation Board and Department of Taxation and Finance, the State of Utah, the Louisiana Department of Revenue, and the Cities of Philadelphia and Los Angeles. Nick also oversees support team for our contract with the U.S. Department of Treasury.

Primary Areas of Responsibility

- Responsible for the management, direction, and quality of production of call center staff
- Control production quality metrics (average call handling time, abandon rate, call quality), staffing, and selection of qualified personnel
- Responsible for departmental operations procedures and maintenance
- Continual monitoring of corporate client-specific training

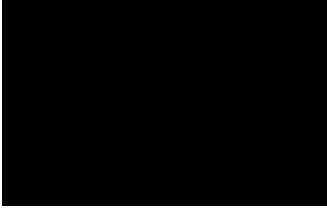
Past Professional Experience

- **Director of Operations**, Capital Management Services (2005–2014)
 - Provided oversight and direction to management team and contact center representatives supporting a diverse portfolio of financial products with Citibank, JP Morgan Chase, Discover and Bank of America
 - Coordinated with outside client managers and executives providing deliverables and integrating feedback pertaining to performance, compliance, quality assurance, and customer care objectives
- **Unit Control Manager (Senior Manager)**, Capital Management Services
 - Managed team of frontline managers to ensure internal and client performance benchmarks were met
 - Worked with staff to ensure the delivery of all regulatory, client, company, and department service level agreements and compliance expectations
- **Unit Manager**, Capital Management Services
 - Managed daily performance objectives including call handling time, regulatory compliance and call quality
 - Handled escalated calls and agent training

Education, Professional Memberships and Certifications

- Bachelor of Arts – Canisius College

Professional Reference



Scott Burgin

Principal, Information Technology

Qualification Summary

Scott is a strategic IT leader with more than 28 years of progressive experience working in enterprise technology. Scott has strong leadership and teambuilding skills with demonstrated ability to accomplish objectives and meet deadlines in a fast paced and dynamic environment.

Scott has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD).

Primary Areas of Responsibility

- Influence Data Center and Client Computing choices to match Business needs
- Represents IT interests in RFP development as well as Merger and Acquisition activity
- Provides technical and leadership oversight to Navient Cloud adoption efforts

Professional Experience

Federal Contract Experience

- U.S. Dept. of the Treasury – Bureau of the Fiscal Service (BFS) (2001–present)
- U.S. Dept. of the Treasury – Internal Revenue Service (IRS) (2006–2009, 2016–present)
- U.S. Dept. of Education (ED) (2011–present)
- U.S. General Services Administration (GSA) (2011–present)

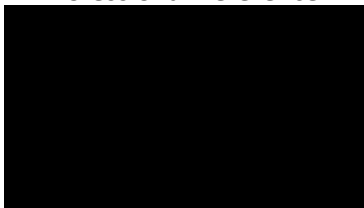
State Contract Experience

- New Jersey Department of Treasury, Division of Taxation (2006–present)
- Delaware Department of Finance, Division of Revenue (2009–present)
- New York State Department of Taxation and Finance (2010–2016)
- Utah State Cooperative Contract (2007–present)
- Colorado Statewide Contract (2007–2009)
- Oregon Department of Revenue (2007–2009)
- Pennsylvania Department of Revenue (2007–2009)

Education, Memberships, and Certifications

- Federal clearance – U.S. Dept. of Treasury
- Federal clearance – U.S. Dept. of Education

Professional Reference



Michael Vance

Senior Director, Security Architecture and Application Security

Qualification Summary

Michael has 22 years of information security and technical architecture experience and has been with Navient for over 17 years. For the last 10 years, he has led Navient's Information Security Architecture team, which is responsible for developing and implementing enterprise-wide technologies, programs, policies, and strategies to protect corporate information assets. His blend of technical expertise, staff leadership, and project management skills help ensure the success of the department.

Michael acts as Information System Security Officer for all of Navient's past and current Federal contracts, including the Department of Treasury, Department of Homeland Security Customs and Border Protection, the Internal Revenue Service, and two for the Department of Education and as such is very familiar with the Federal Information Security Management Act (FISMA) and National Institute of Standards and Technology (NIST) security standards. He has experience in a broad range of specialties in security, including firewalls and network design, application security, user provisioning and identity management, and regulatory compliance. Prior to joining Navient, Michael spent five years in Global IT Security for a "Big Five" professional services firm.

Michael has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD).

Primary Areas of Responsibility

- Architecture and design of the security controls in the technology systems that support contracts with our clients
- Work closely with the IT application and network teams and with other teams within Information Security during contract implementation and throughout the contract term to ensure that the security posture of the system is manageable, auditable, and operationally sound for our clients
- Responsible for conducting in-depth security risk assessments for new and existing systems, applications and programs to help identify weaknesses or security exposures
- Lead project teams, develop comprehensive project plans, and participate in critical Information Technology planning initiatives to ensure adequate security protection measures are incorporated into IT strategic plans
- Assists in developing corporate-wide Information Security policies, programs and standards to improve the overall security and protection of information assets

Professional Experience

Federal Contract Experience

- U.S. Dept. of the Treasury – Bureau of the Fiscal Service (BFS) (2001–present)
- U.S. Dept. of the Treasury – Internal Revenue Service (IRS) (2016–present)
- U.S. Dept. of Education Private Collection Agency (PCA) (2011–present)
- U.S. Dept. of Education Title IV Loan Servicing (2009–present)

State Contract Experience

- Indiana Dept. of Workforce Development (2020-present)

- New York State Dept. of Labor (2020-present)
- New Jersey Dept. of Treasury, Division of Taxation (2006–present)
- Ohio Attorney General (2014-present)
- Pennsylvania Department of Revenue Tax Amnesty
- Indiana Department of Revenue Tax Amnesty

Education, Professional Memberships and Certifications

- Bachelor of Arts – Northwestern University
- Certified Information Systems Security Professional (CISSP), #33686 (2002–Present)
- Adjudicated Background Investigation, 6C Public Trust: Dept. of Education, Dept. of Treasury, IRS

Professional Reference



Tim Brown

Principal, Information Technology

Tim has more than 35 years' experience with telecommunication, cryptography, application development, data processing systems design, and integration. He is responsible for system design, capacity projection, and planning for the Navient data and voice communications infrastructure. He ensures employed data communications and processing systems meet or exceed the design requirements and availability and is integrally involved application and system combination and functionality.

Tim has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD).

Primary Areas of Responsibility

- Information Technology Operations systems design and integration

Professional Experience

Federal Experience

- U.S. Dept. of Defense – U.S. Air Force (1983-2018)
- U.S. Dept. of the Treasury – Bureau of the Fiscal Service (BFS) (2007–present)
- U.S. Dept. of the Treasury – Internal Revenue Service (IRS) – Pilot Project (2007–2009)
- U.S. Dept. of the Treasury – Internal Revenue Service (IRS) – Private Debt Collection (2016–present)
- U.S. Dept. of Education (ED) (2011–present)
- U.S. General Services Administration (GSA) (2011–present)

State Contract Experience

- EDFUND (Now ECMC)
- Educational Credit Management Corporation (ECMC)
- Finance Authority of Maine (FAME)
- Georgia Higher Education Assistance Corporation (GHEAC)
- Illinois Student Assistance Commission (ISAC)
- Louisiana Office of Student Financial Assistance (LOSFA)
- Michigan Guaranty Agency
- Missouri Department of Higher Education (MDHE)
- New York State Higher Education Services Corporation (HESC)
- Northwest Education Loan Association (NELA)
- Oklahoma College Assistance Program (OCAP)
- Pennsylvania Higher Education Assistance Agency (PHEAA)
- Rhode Island Higher Education Assistance Authority
- Student Loan Guarantee Foundation of Arkansas
- Texas Guaranteed Student Loan Corporation (TG)
- United Student Aid Funds (USAF)

- North Texas Tolling Agency (NTTA)

Education, Professional Memberships and Certifications

- Associates Degree, Information Technology and Data Processing Systems
- Cisco Certified Design Professional

Professional Reference



Susan Beery
Senior Director, IT Service Delivery

Qualification Summary

Susan has over 25 years of IT experience responsible for IT Infrastructure and Operations support and leadership in various roles including end user technologies and support, security, process and control development, IT compliance, incident resolution, and budget and strategy creation. She has experience in providing and maintaining a single source of consistent information on all IT services delivered to business to ensure and verify service performance against stated Service Level Agreements. She is also responsible for building strategic IT plans, sourcing projects, managing project timelines and milestones, and facilitating communications to the organization. Susan has extensive experience working in a highly regulated and audited environment with frameworks such as NIST, FFIEC, HIPAA, GLBA, PCI, IRS Publication 1075 and 4812.

Susan has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD).

Primary Areas of Responsibility

- Provide management, direction, coordination and communication for technology projects, including the management of all deliverables related to major IT initiatives and the integration of technology organizations and the development of internal technology controls for critical processes.
- Establish and direct the strategic long-term goals, policies and procedures.
- Manage people, timelines, and budget to ensure all work is completed on time.

Past Professional Experience

- Sr IT Director, Navient (2013 – present)
 - Responsible for the integration of technology organizations for Navient including human resources, processes, controls, technology, budget and strategy. Key responsibilities include communication with business management, internal and external customers, and vendors regarding incidents, issues, and service levels.
- IT Director, Sallie Mae (2009 – 2012)
 - Responsible for IT Service Management processes such as the help desk function, problem, change, and configuration management. Key IT participant in acquisitions and divestitures. Responsible for the planning and management all technical aspects of key divestitures. Managed responsible and measurements to ensure success.
- IT Manager, Sallie Mae (2007 – 2009)
 - Responsible for IT Service Management processes such as the help desk function, problem, and change management.
 - Worked with consultants to create all process documentation to comply with ED Servicing contract with the department of Education.
- Enterprise Architect, Sallie Mae (2003 –2006)
 - Responsible for communication of IT strategies, projects, applications, systems, etc. to IT and business representatives.
- Business Systems Analyst, Sallie Mae (2002 – 2003)

- Provided analysis for departmental computing solutions to ensure compliance to company standards. Managed cross-functional IT projects including creation of disaster site and remote access.
- Help Desk and Process Manager, USA Group (1993 – 1999)
 - Managed corporate help desk team.
- Help Desk Manager, Ford Motor Company (1992 – 1993)
 - Managed help desk team.
- Data Specialist, American Bar Association (1988- 1991)
 - Provided data support for ABA Section on Legal Education and Accreditation.

Education, Professional Memberships and Certifications

- Bachelor of Arts, Economics – Indiana University

Professional Reference



Mary Jo Adams
Director, IT Service Delivery

Qualification Summary

Mary Jo has more than 20 years' experience with end user support, IT Infrastructure and Operations, end user compute, ITSM processes, IT Infrastructure and Operations support and leadership in various roles including end user technologies and support, security, process and control development, IT compliance, incident resolution, and budget and strategy creation. Mary Jo has extensive experience working in a highly regulated and audited environment with frameworks such as NIST, FFIEC, HIPAA, GLBA, PCI, IRS Publication 1075 and 4812.

Mary Jo has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD).

Primary Areas of Responsibility

- Provide management, direction and oversight for the following technology, processes and staff within Navient:
 - End User Compute Management
 - ITSM Processes
 - Office 365, ServiceNow systems administration
 - Help Desk Support
 - Virtualized Desktop administration and management
 - Mobile Device administration and management
- Manage project timelines, technology budgets, staff

Professional Experience

- IT Director, IT Service Delivery, Navient (2018-Present)
 - Responsible for IT Service Management processes such as the help desk function, problem, change, and configuration management. Key IT participant in acquisitions and divestitures. Responsible for the planning and management all technical aspects of key divestitures. Managed responsible and measurements to ensure success.
- IT Sr. Manager, IT Service Delivery, Navient (2015-2018)
 - Responsible for end user support, managing technology related to end user compute technologies. Responsible for the planning and management all technical aspects of key divestitures. Managed responsible and measurements to ensure success.
- IT Systems Analyst, IT Enterprise Technology, Sallie Mae (2010-2014)
 - Responsible for business and systems analyst projects. Also responsible for the planning and management all technical aspects of key divestitures.
- Product Manager, USA Funds R&D, Sallie Mae (2005-2010)
 - Responsible for marketing, end user support, research and design for USA Funds
- Sr. Analyst, Guarantor Services, Sallie Mae (2000-2005)
 - Provide direct contact, support, training and budget management for Guarantor customers.

- Analyst, Business Systems Support, USA Group (1998-2000)
 - Provide direct contact, support, training and budget management for delinquency and default business processes and systems.

Education, Professional Memberships and Certifications

- Bachelor's Degree – Indiana University Bloomington

Professional Reference



Patty Peterson
Senior Vice President, Operations Support

Qualifications Summary

Patty is responsible for providing operational support to the operations teams for Business Processing Solutions, as well as providing dialer support to the Asset Management business. The key areas supported are Training, Integration and Implementation Support of Call Center Systems, Channel Strategies, Auto dialer administration, Strategies, and Reporting and Process Automation. Technology projects include I-3, Titanium and Robotics.

Patty has 22 years of experience in call center support and 25 years' experience in implementation support, channels strategies, autodialer administration, and operational reporting strategies.

Primary Areas of Responsibility

- Provides operational support to the operations teams for Business Processing Solutions
- Provides dialer support to the Asset Management business
- Supports Collections Training, Integration and Implementation Support of Collection Systems, Channel Strategies, Auto dialer administration, Strategies, and Reporting and Process Automation.

Past Professional Experience

- Private Credit Collection system implementation (Artiva)
- Led conversion of legacy collection platforms to a new single collection platform (Titanium) impacting over 1,300 employees
- Support Legal and Regulatory requests through depositions, data requests and other procedural related questions
- Supported the conversion to a single autodialer
- Implemented agent initiated eSign capability for customers to sign Consolidation, Rehab and IDR forms increasing return rates by over 40%
- Implemented multiple models/strategies to optimize the business operations.
- Sr. Director of Collection Services, Sallie Mae

Education and Professional Memberships

- Bachelor of Arts – University of Northern, Iowa
- Associate of Arts – Kirkwood Community College

Professional Reference



Eric Cranny

Senior Manager, Reporting Modeling and Strategies

Qualification Summary

Eric is responsible for the development and distribution of performance reporting and analytics to the operations teams for Business Processing Solutions, as well as process improvement through strategic optimization for target clients. The key areas supported are Call Center and Servicing Operations, Strategies and Reporting analytics.

Eric has over 15 years of combined reporting and strategy development in collections, fraud prevention, risk avoidance and marketing in both the financial and servicing industry.

Primary Areas of Responsibility

- Provide performance reporting to the operations teams for Business Processing Solutions.
- Development of dialer optimization process to improve overall efficiency and performance.
- Provide strategy support to specific clients within Business Processing Solutions.

Past Professional Experience

- Developed customizable dialer optimization strategy to increase target prioritization while improving penetration for outbound collection efforts.
- Consolidation of multiple data sources, processes, and methodology into a “Single Source” reporting warehouse process now used for majority of Business Processing Solutions automated reporting.
- Creation of near real-time dashboard reporting for all operational support lines of business currently supported by existing auto dialer.
- Provide ongoing support in various capacities to all existing lines of business related to impact forecasting and ad hoc analysis.

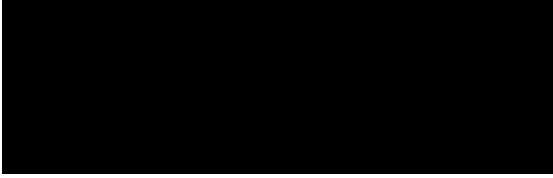
State Contract Experience

- Indiana Department of Workforce Development: April 2020 - Present
- New York Department of Labor: April 2020 – Present
- NJ Department of Public Safety & Security (DPS): May 2019 – Present
- NYS Workers Comp: 2018 – Present
- Indiana Tax Amnesty Program: 2017
- Department of Education (Federal Gov’t): 2015 – Present
- Department of Treasury (Federal Gov’t): 2016 – Present
- Department of IRS (Federal Gov’t): 2018 – Present

Education, Professional Memberships and Certifications

- Bachelor of Arts – Wilmington University, Delaware

Professional Reference



Jennifer Adamczewski
Senior Director, Operations Support

Qualifications Summary

Jennifer is part of the operational support team for Navient. The main areas supported by Jennifer include Operational Strategies and Reporting, Workforce Management, DM9 (Call Center System) Configuration and Reporting and Process Automation.

Jennifer has 20+ years of experience in various aspects of call center operations including strategies, agency and law firm outsourcing management, marketing and operational analysis, channel strategies, workforce management and process automation.

Primary Areas of Responsibility

- Provides Strategies and Reporting support for several operations teams within Business Processing Solutions
- Oversees team that manages collection system configuration
- Helps develop, enhance and quality check various operational process flows
- Manages staffing models and reporting for prospective and existing lines of business

Past Professional Experience

- Implemented multiple models and strategies to optimize the business operations
- Developed and maintained various forecast models for various BPS and Asset Management Lines of Business
- Provided support in various capacities to additional Navient Lines of Business including Private Credit Collections and Recovery, Department of Education Servicing and FFELP Portfolio
- Developed legal network and managed Agency network for a Sallie Mae subsidiary, Arrow Financial, that acquired charged off debt portfolios
- Sr. Director, Sallie Mae

State Experience

- NY Dept. of Labor: April 2020 – Present
- IN Dept. of Workforce Development: April 2020 - Present

Education and Professional Memberships

- Bachelor of Arts – Lake Forest College, Illinois

Professional Reference



Teresa Gibson
Program Manager I

Qualification Summary

Teresa is responsible for contact center operations and the overall financial performance of the Government Services Receivables Call Center division. She analyzes call volumes and trends, while managing staff to achieve monthly, quarterly and annual goals. She is also responsible for the Client Services and back office support team, which handle all client reporting and day-to-day contact, complaints, disputes, legal letters, data entry, and special client contract projects. Teresa joined the Navient family in 2002 at the ground level as a call center agent. With several leadership roles during her career. Her knowledge and experience have made all areas in her organization more efficient and increased performance.

Primary Areas of Responsibility

As the Director of Operations, Teresa manages the call center agents. This involves implementing policies and procedures including all operational, systems, analyses, and reporting. She is also responsible for leadership and professional development.

- Establishes practices to ensure alignment with enterprise objectives
- Ensures compliance with regulatory guidelines
- Serves as an escalation point for internal and external related customer inquiries and complaints
- Mentors team members to operational excellence in customer service

Professional Experience

Navient - 3/11/2002 - Present

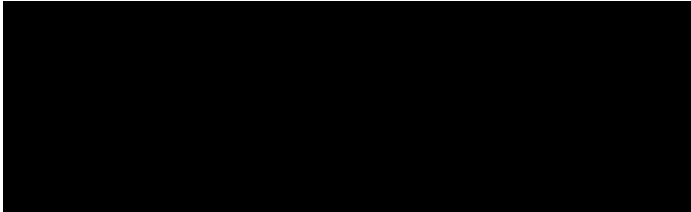
- Director of Operations – 7/2012 – present
 - Manage staff to achieve monthly, quarterly, and annual goals
 - Create and execute strategies to increase performance/rank
 - Analyze weekly/monthly rankings
 - Manage staffing, budgeting, and forecasting
 - Focusing on staff development – continued education at all levels
 - Daily file audits to ensure maximum penetration of portfolio
 - Staff motivation and engagement
- Sr Collection Manager – 6/2006 – 7/2012
 - Responsible for department performance
 - Monitor, create, and modify policies to ensure compliance achieved
 - Staff motivation and engagement
 - Training and development at all levels
 - Monthly budgeting for department goals
- Unit Collection Manager – 5/2005 – 6/2006
 - Responsible for team performance
 - Manage day to day activities of staff to ensure performance targets were achieved while exceeding compliance with federal, state, and company laws/policies.

- Training and development of both supervisor staff as well as agents.
 - Staff motivation
- Supervisor – 2/2005 – 5/2005
 - Responsible for individual and team performance
 - Manage day to day activities of staff to ensure adherence to laws and policies
 - Training and development
- Collector – 3/2002 – 2/2005
 - Responsible for achieving individual targets
 - Follow FDCPA and company policies

Education, Professional Memberships and Certifications

- ASA in Business Administration, Rochester Business Institute

Professional Reference



Catie O'Donoghue

Vice President, Business Processing Solutions First Line Compliance/Training/Customer Experience

Qualification Summary

Catie is responsible for the management and oversight of Navient compliance, training and customer experience functions for over 2,000 agents. She provides leadership and guidance to ensure compliance with all state, federal and regulatory requirements, oversees the training team responsible for both new hire and continuing education, and manages programs to monitor and enhance the customer experience across multiple business lines.

Catie has over 20 years of experience in a variety of call center roles, including operations, training, compliance, project management and customer experience initiatives that deliver dynamic business. Through Catie's experience and careful attention to detail; the Navient training team has consistently been recognized as one of the top 125 training programs by Training Magazine. In addition, control posture remains strong throughout the various lines of business within BPS.

Catie is highly active in several large-scale call center industry associations (listed below). These memberships provide Catie the opportunity to maintain up to date communication with industry trends as well as actively implement best in industry Business Processing Solutions for Navient's call center.

Catie has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD).

Primary Areas of Responsibility

- Directly responsible for managing all aspects of first line of defense compliance activities for Business Processing Solutions; serving over 1000 clients and multiple industry verticals, including Government Services, Healthcare, Tolling Services and Federal Asset Recovery.
- First line of defense support encompasses call monitoring, transactional testing, technical listening, internal/external audit support, policy management, issue identification/remediation and third-party agency oversight for a division of over 3,000 people.
- Directly responsible for all training activities for Business Processing Solutions including New Hire training and continuing education.
- Directly responsible for the Customer Experience for Business Processing Solutions, managing initiatives to deliver outstanding service to our customers and clients.

Professional Experience

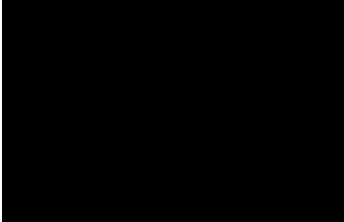
Federal Experience

- U.S. Dept. of the Treasury – Internal Revenue Service (IRS) – Private Debt Collection (2019–present)
- U.S. Dept. of Education – Debt Collection (2017–present)

Education, Professional Memberships and Certifications

- Bachelor of Science – Pennsylvania State University
- ACA International
- Inside ARM
- National Council of Higher Education Resources (NCHER) Debt Management Committee

Professional Reference



Genny Johnson
Senior Director, Training

Qualification Summary

Genny has 15 years of experience in call center services training and management. She is responsible for the oversight and development of new hire, continuing education and technical training staff for new and existing Navient employees.

Genny has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD).

Primary Areas of Responsibility

- Manage Leadership and Education employees for first- and third-party collections sites
- Ensure delivery of New Hire Training, Continuing Education, and Leadership Development course across all sites
- Oversee creation and maintenance of written training material for all lines of business and ensure publication to Collect Net website
- Liaison with operations to ensure proper support of new projects and initiatives
- Provide developmental training for the front-line trainers to ensure growth and effective modeling is achieved
- Integrate computer-based training into the training programs through the use of a Learning Management System

Professional Experience

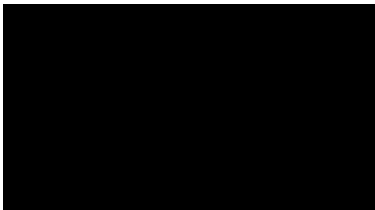
- Senior Director, Training (2013-Present)
- Senior Collections Manager, Sallie Mae (2008–2013)
 - Listened to calls and monitor accounts to draw out training and development items to be delivered to staff members
 - Provided developmental learning opportunities for Unit Collections Managers and Senior Collections Specialists in management skills and operational business practices
 - Drew conclusions and developed solutions from issues brought forward from staff members, ensuring items are understood with depth and handled appropriately
 - Assisted in hiring processes for subordinate roles and ensured monthly staffing levels were achieved for assigned delinquency ranges
- Unit Collections Manager, Sallie Mae (2007–2008)
 - Implemented and executed start-up of bullpen department designed for employees in first 30 days in call center
 - Piloted team of 18 representatives in new system program and communicated progress to development team and management
 - Provided representative development in areas of negotiations, compliance, and account resolution
 - Partnered with Operations and Training departments to ensure consistency in following best practices

- Supported Representatives by answering questions, coaching talk-off strategies and second voicing accounts
- Provided monthly employee reviews with staff to ensure continued performance goals were achieved
- Participated in monthly management development courses through Achieve Global training program
- Trainer, Arrow Financial Services (2006–2007)
 - Facilitated two-week training class for Account Representatives and Account Representative Assistants
 - Remained current on all Fair Debt Collections Practices Act (FDCPA) policies and procedures
 - Presented Continuing Education courses for tenured employees
 - Created and developed new training materials and products
 - Organized new employee mentoring process
 - Developed office wide publications and announcements for various employee incentive opportunities

Education, Professional Memberships and Certifications

- Bachelor of Science, Psychology – University of Wisconsin, Platteville

Professional Reference



James Kennedy

Client Services

Qualification Summary

More than 20 years of experience supporting high-volume, complex call center, data processing, and revenue management programs for government programs in areas including workforce development, unemployment insurance, healthcare, human services, transportation, and government revenue operations.

James is responsible for coordinating with the client and key stakeholders to fully understand client needs and expectations, work to implement solutions, and support performance management at every stage of the engagement.

Most recently, James has been instrumental in the recent onboarding of two projects similar in scope and size to that outlined in the New Jersey UI RFQ – New York State Department of Labor (NYS DOL) and Indiana Department of Workforce Development (DWD).

Primary Areas of Responsibility

- Responsible for the contract management, performance management, and client satisfaction
- Coordinates closely with all program delivery areas to ensure achievement of SLAs and successful completion of all scope of work requirements

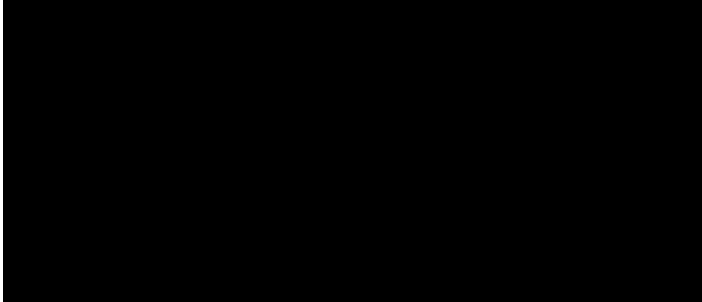
Professional Experience

- Vice President – Client Services, Navient BPS (2017-Present)
 - Lead client services initiatives focused on key new clients and implementations
 - Coordinate closely with program managers to ensure full understanding of contract requirements and client expectations to ensure adequate resources to ensure client success
 - Responsible for Unemployment Insurance call center operations operated on behalf of the States of Indiana and New York
- Sr. Vice President / Chief Operating Officer, Duncan Solutions (2007-2017)
 - Responsible for all operations for Duncan Solutions, a transportation, parking, and tolling management services company supporting more than 200 state and local government clients
 - Services include high-volume, complex call center, data processing, and revenue management programs for government programs
- Sr. Manager, Accenture (2006-2007)
 - Established and led the Project Management Operations (PMO) unit supporting a 300+ person Technology Operations team for the Texas Access Alliance (TAA), a partnerships supporting the Texas Integrated Eligibility & Enrollment Services (TxIEES) program supporting the Texas Health & Human Services Commission (HHSC)
- Manager, Lockheed Martin IMS / ACS State & Local Solutions (1999-2006)
 - Served as Solution Architect for numerous large-scale business process outsourcing (BPO) engagements, including projects related to workforce development services, child support, healthcare, transportation, and data center services.

Education, Professional Memberships and Certifications

- Bachelor of Arts – Mount St. Mary's University

Professional Reference



Christi Hewes

Chief of Staff and Senior Director Operations

Qualification Summary

Creative Senior Financial Services Leader who has built a reputation for driving results in key operational areas and managing complex process improvement projects with bottom-line impact. Possesses significant experience across call center operations, recovery, compliance, risk management, channel strategy and people development. Background includes key roles in call center services, fraud prevention, business development and account management with MBNA America, Bank of America (BAC) and most recently Sallie Mae/Navient.

Primary Areas of Responsibility

- Directed 24 separate process improvement projects to improve education and tools for Associates across the organization. Drove performance to new levels of success to a previously challenged organization. Results included dramatic reductions in Average Handle Time by over 2 minutes. Increased early stage accounts resolved by 60.8%
- Lead department including building first Delaware Late Age Collections department. Drove growth and success for the 150 day, 180 day, and Charge off departments including channel strategy, budget and overall performance management.
- Identified Opportunity for Department of Education to allow change to Death Claim Process for ED accounts. Initial Result cleaned up 1800 incremental delinquent accounts. Process implemented in Back office included change in initial letter, acceptance of fax documentation, and ability to file Death claim quicker to prevent unnecessary charge off.
- Created Forbearance tool from Call Flow Poppad Implementation with results driving down error rates and consistently dropping CRS below 3%. Automated Poppad for Processors and Reply Yes Texting which allowed Processors to resolve 100 accounts and error with minimal errors. Implemented 2013.
- Directed issue resolution with CRS IDT submissions, created reporting, and follow up procedures which has resulted in a steady decline in submission rate and incremental resolves for CRS. Error Rate went from 49% to 21%. Implemented 2013.
- Achieved First Place Ranking on ED Scorecard for Defaults. Reduced Call Overflow to Mid Stage from End of Year 28% to 5%. Increased staffing and improved performance allowed for increased Mid Stage Results.

Professional Experience

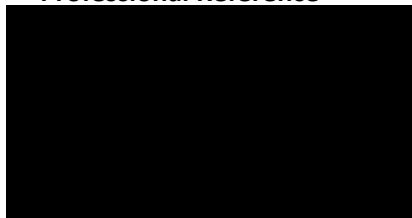
- Senior Director- Chief of Staff to Group President, Navient (2018-Current)
 - Strategist, consultant and implementer, ensures streamlined activities within the organization based on the priorities of the Group President.
- Senior Director Private Credit Collections, Navient (2016-2018)
 - Led team of 315 across Early Age, Late Age, Post Default Recovery and Cosigner Release, managing a 2.6 Billion dollar portfolio.
- Director Customer Resolutions, Sallie Mae (2012-2016)
 - Led team of 275 within Collections pre-split and re-brand of Navient.
- Senior Collections Manager, Sallie Mae (2009-2012)
 - Built the first late stage collections department, oversaw build out.

- Assistant Vice President Collections, Bank of America (2007-2009)
 - Oversaw the efforts of 48 collections managers in \$104M Charge-Off Unit.
- Assistant Vice President Fraud Operations, Bank of America (2004-2007)
 - Directed GA operational efforts to 215 associates and 8 team leaders.
- Account Executive Business Lending, Bank of America (2003-2004)
 - Managed implementation of corporate and small business card portfolios.
- Account Executive Business Development, Bank of America (2001-2003)
 - Led management of 24 NYC card portfolios.

Education, Professional Memberships and Certifications

- B.A. Communications and History – Loyola College of Maryland, Baltimore, MD

Professional Reference



REQUIRED FORMS AND CERTIFICATIONS (4.3)

Please see the following pages for the required forms and certifications.

- INFORMATION SHEET AND CHECKLIST FOR WAIVERS AND DELEGATED PURCHASING AUTHORITY (DPA) TRANSACTIONS
- STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS (For Waiver and DPAs)
- WAIVERED CONTRACTS SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS (For Waivers only)
- OWNERSHIP DISCLOSURE FORM
- DISCLOSURE OF INVESTIGATIONS AND OTHER ACTIONS INVOLVING VENDOR
- DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM
- TWO-YEAR CHAPTER 51/EXECUTIVE ORDER 117 VENDOR CERTIFICATION AND DISCLOSURE OF POLITICAL CONTRIBUTIONS
- CHAPTER 271 VENDOR CERTIFICATION AND POLITICAL DISCLOSURE FORM
- MACBRIDE PRINCIPALS FORM
- PROOF OF BUSINESS REGISTRATION
- CERTIFICATE OF INSURANCE / ACORD
- SOURCE DISCLOSURE FORM (To be used only where the contract is primarily for services)
- AFFIRMATIVE ACTION COMPLIANCE (Submit one of the following)
 - NEW JERSEY CERTIFICATE OF EMPLOYEE INFORMATION REPORT

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**STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY**

**33 WEST STATE STREET, P.O. BOX 039
TRENTON, NEW JERSEY 08625-0039**

**INFORMATION SHEET AND CHECKLIST FOR WAIVERS
AND DELEGATED PURCHASING AUTHORITY (DPA) TRANSACTIONS**

VENDOR NAME: Navient B.P.O., LLC

THIS CHECKLIST IS ONLY A GUIDE TO ASSIST VENDORS IN LOCATING AND COMPILING ALL REQUIRED COMPLIANCE FORMS FOR WAIVERS AND DPA TRANSACTIONS. VENDORS ARE REQUIRED TO ENSURE THAT ALL COMPLIANCE REQUIREMENTS HAVE BEEN MET.

	VENDOR HAS INCLUDED THE FORM
<u>STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS</u> (For Waiver and DPAs)	☒
<u>WAIVERED CONTRACTS SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS</u> (For Waivers only)	☒
<u>OWNERSHIP DISCLOSURE FORM</u>	☒
<u>DISCLOSURE OF INVESTIGATIONS AND OTHER ACTIONS INVOLVING VENDOR</u>	☒
<u>DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM</u>	☒
<u>TWO-YEAR CHAPTER 51/EXECUTIVE ORDER 117 VENDOR CERTIFICATION AND DISCLOSURE OF POLITICAL CONTRIBUTIONS</u>	☒
<u>CHAPTER 271 VENDOR CERTIFICATION AND POLITICAL DISCLOSURE FORM</u>	☒
<u>MACBRIDE PRINCIPALS FORM</u>	☒
PROOF OF BUSINESS REGISTRATION You may register your business HERE or obtain a copy of the Business Registration Certificate HERE .	☒
CERTIFICATE OF INSURANCE / ACORD	☒
<u>SOURCE DISCLOSURE FORM</u> (To be used only where the contract is primarily for services)	☒
AFFIRMATIVE ACTION COMPLIANCE (Submit one of the following)	
NEW JERSEY CERTIFICATE OF EMPLOYEE INFORMATION REPORT	☒
FEDERAL LETTER OF APPROVAL VERIFYING A FEDERALLY APPROVED OR SANCTIONED AFFIRMATIVE ACTION PROGRAM (Dated within one year of the submission)	☐
<u>AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT</u> (FORM AA302)	☐

VENDORS SHOULD RETURN ALL COMPLETED AND SIGNED FORMS TO THE USING AGENCY.



**STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY**

**33 WEST STATE STREET, P.O. BOX 230
TRENTON, NEW JERSEY 08625-0230**

State of New Jersey Standard Terms and Conditions

(Rev: 10/21/19)

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.

1.1 CONTRACT TERMS CROSSWALK

<i>NJSTART</i> Term	Equivalent Statutory, Regulatory and/or Legacy Term
Bid/Bid Solicitation	Request For Proposal (RFP)/Solicitation
Bid Amendment	Addendum
Change Order	Contract Amendment
Master Blanket Purchase Order (Blanket P.O.)	Contract
Offer and Acceptance Page	Signatory Page
Quote	Proposal
Vendor	Bidder/Contractor

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 and Enterprise Services. A subcontractor named in a bid or other proposal shall provide a copy of its business registration to the bidder who shall provide it to the State.

The contractor shall maintain and submit to the State a list of subcontractors and their addresses that may be updated from time to time with the prior written consent of the Director during the course of contract performance. The contractor shall submit to the State a complete and accurate list of all subcontractors used and their addresses before final payment is made under the contract.

Pursuant to N.J.S.A. 54:49-4.1, a business organization that fails to provide a copy of a business registration, or that provides false business registration information, shall be liable for a penalty of

\$25 for each day of violation, not to exceed \$50,000 for each business registration copy not properly provided under a contract with a contracting agency.

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 (N.J.S.A. 54:32B-1 et seq.) on all 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 <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.

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. The agreement to abide by the provisions of N.J.S.A. 10:5-31 through 10:5-38 include those provisions indicated for Goods, Professional Service and General Service Contracts (Exhibit A, attached) and Constructions Contracts (Exhibit B and Executive Order 151, August 28, 2009, attached) as appropriate.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time.

2.3 PREVAILING WAGE ACT

The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.25 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/her guarantee that neither he/she nor any subcontractors he/she might employ to perform the work covered by [this proposal] has been suspended or debarred by the Commissioner, Department of Labor and Workforce Development 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/her guarantee that he/she and any subcontractors he/she 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. (P.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 or holder of the public office of Governor or Lieutenant 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 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 (P.L. 2005, c. 271, §3 as amended) if in a calendar year the contractor receives one (1) 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 <http://www.elec.state.nj.us/>.

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).

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;

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 New Jersey Office of the Attorney General and the Executive Commission on Ethical Standards, now known as the State Ethics Commission;

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/she is employed or associated or in which he/she has an interest within the meaning of N.J.S.A. 52:13D-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, now known as the State Ethics Commission, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest;

No 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/her official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee;

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/her official position to secure unwarranted privileges or advantages for the vendor or any other person; and

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, now known as the State Ethics Commission may promulgate under paragraph 3c of Executive Order No. 189.

2.9 NOTICE TO ALL CONTRACTORS SET-OFF FOR STATE TAX NOTICE

Pursuant to N.J.S.A. 54:49-19, 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 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 determined in accordance with the laws of the State of New Jersey.

2.12 WARRANTY OF NO SOLICITATION ON COMMISSION OR CONTINGENT FEE BASIS

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business. If a breach or violation of this section occurs, the State shall have the right to terminate the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage or contingent fee.

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 pursuant to N.J.S.A. 34:11-56.51. 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. 10:2-1 requires that during the performance of this contract, the contractor must agree as follows:

- A. In the hiring of persons for the performance of work under this contract or any subcontract hereunder, or for the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under this contract, no contractor, nor any person acting on behalf of such contractor or subcontractor, shall, by reason of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex, discriminate against any person who is qualified and available to perform the work to which the employment relates;
- B. No contractor, subcontractor, nor any person on his/her behalf shall, in any manner, discriminate against or intimidate any employee engaged in the performance of work under this contract or any subcontract hereunder, or engaged in the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under such contract, on account of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex;
- C. There may be deducted from the amount payable to the contractor by the contracting public agency, under this contract, a penalty of \$50.00 for each person for each calendar day during which such person is discriminated against or intimidated in violation of the provisions of the contract; and
- D. This contract may be canceled or terminated by the contracting public agency, and all money due or to become due hereunder may be forfeited, for any violation of this section of the contract occurring after notice to the contractor from the contracting public agency of any prior violation of this section of the contract.

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; and
 - 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.

3.8 DIANE B. ALLEN EQUAL PAY ACT

Pursuant to N.J.S.A. 34:11-56.14, a contractor performing “qualifying services” or “public work” to the State or any agency or instrumentality of the State shall provide the Commissioner of Labor and Workforce Development a report regarding the compensation and hours worked by employees categorized by gender, race, ethnicity, and job category. For more information and report templates see <https://nj.gov/labor/equalpay/equalpay.html>.

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; and
- 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. All policies must be endorsed to provide 30 days’ written notice of cancellation or material change to the State of New Jersey at the address shown below. If the contractor’s insurer cannot provide 30 days written notice, then it will become the obligation of the contractor to provide the same. The contractor shall provide the State with current certificates of insurance for all coverages and renewals thereof. Renewal certificates shall be provided within 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, P.O. 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.nj.gov

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

- A. Occurrence Form Commercial 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 Commercial 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 Commercial 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 \$1,000,000 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. \$1,000,000 BODILY INJURY, EACH OCCURRENCE;
 - 2. \$1,000,000 DISEASE EACH EMPLOYEE; and
 - 3. \$1,000,000 DISEASE AGGREGATE LIMIT.
 - A. This \$1,000,000 amount may have been raised by the RFP when deemed necessary by the Director; and
 - B. 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 30 days prior to the expiration date of the existing contract. The contractor shall have 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 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; and
- 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

If, after award, a change in applicable law or regulation occurs which affects the Contract, the parties may amend the Contract, including pricing, in order to provide equitable relief for the party disadvantaged by the change in law. The parties shall negotiate in good faith, however if agreement is not possible after reasonable efforts, the Director shall make a prompt decision as to an equitable adjustment, taking all relevant information into account, and shall notify the Vendor {Contractor} of the final adjusted contract price.

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 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; and

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; and
- 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/her 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; and
- 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 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 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; and
- 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; and
- 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 a longer period is required by law. 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; and
 - 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; and
- 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.

In an exceptional situation the State may consider a price adjustment. Requests for price adjustments must include justification and documentation.

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; and
- 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 60 days of the agency's receipt of a properly executed State Payment Voucher or within 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 revenue.

7. TERMS RELATING TO ALL CONTRACTS FUNDED, IN WHOLE OR IN PART, BY FEDERAL FUNDS

The provisions set forth in this Section 7 of the Standard Terms and Conditions apply to all contracts funded, in whole or in part, by Federal funds as required by 2 CFR 200.317.

7.1 PROCUREMENT OF RECOVERED MATERIALS

To the extent that the scope of work or specifications in the contract requires the contractor to provide any of the following items, this Section 7.1 of the Standard Terms and Conditions modifies the terms of the scope of work or specification.

Pursuant to 2 CFR 200.322, the contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 U.S.C. § 6962. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$ 10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$ 10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

- A. Designated items are those set forth in 40 CFR 247 subpart B, as may be amended from time to time, including:
 - 1. Paper and paper products listed in 40 C.F.R. 247.10;
 - 2. Certain vehicular products as listed in 40 CFR 247.11;
 - 3. Certain construction products listed in 40 C.F.R. 247.12;
 - 4. Certain transportation products listed in 40 C.F.R. 247.13;
 - 5. Certain park and recreation products, 40 C.F.R. 247.14;
 - 6. Certain landscaping products listed in 40 C.F.R. 247.15;
 - 7. Certain non-paper office products listed in 40 C.F.R. 247.16; and
 - 8. Other miscellaneous products listed in 40 C.F.R. 247.17.
- B. As defined in 40 CFR 247.3, "recovered material" means:
 - 1. waste materials and byproducts which have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process; and
 - 2. for purposes of purchasing paper and paper products, means waste material and byproducts that have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process. In the case of paper and paper products, the term recovered materials includes:
 - a. Postconsumer materials such as --
 - i. Paper, paperboard, and fibrous wastes from retail stores, office buildings, homes, and so forth, after they have passed through their end-usage as a consumer item, including: used corrugated boxes; old newspapers; old magazines; mixed waste paper; tabulating cards; and used cordage; and
 - ii. All paper, paperboard, and fibrous wastes that enter and are collected from municipal solid waste, and
 - b. Manufacturing, forest residues, and other wastes such as --

- i. Dry paper and paperboard waste generated after completion of the papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel in smaller rolls of rough sheets) including: envelope cuttings, bindery trimmings, and other paper and paperboard waste, resulting from printing, cutting, forming, and other converting operations; bag, box, and carton manufacturing wastes; and butt rolls, mill wrappers, and rejected unused stock; and
 - ii. Finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters, or others;
 - iii. Fibrous byproducts of harvesting, manufacturing, extractive, or wood-cutting processes, flax, straw, linters, bagasse, slash, and other forest residues;
 - iv. Wastes generated by the conversion of goods made from fibrous material (that is, waste rope from cordage manufacture, textile mill waste, and cuttings); and
 - v. Fibers recovered from waste water which otherwise would enter the waste stream.
- C. For contracts in an amount greater than \$ 100,000, at the beginning of each contract year, contractor shall provide the State estimates of the total percentage of recovered material utilized in the performance of its contract for each of the categories listed in subsection (A). For all contracts subject to this Section 7.1 of the Standard Terms and Conditions, at the conclusion of each contract year, contractor shall certify to the State the minimum recovered material content actually utilized in the prior contract year.

7.2 EQUAL EMPLOYMENT OPPORTUNITY

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. 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 setting forth the provisions of this nondiscrimination clause.
- (2) The contractor 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 race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about,

discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

- (4) The contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his/her books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

7.3 DAVIS-BACON ACT, 40 U.S.C. 3141-3148, AS AMENDED

When required by Federal program legislation, all prime construction contracts in excess of \$ 2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

7.4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, 40 U.S.C. 3701-3708

Where applicable, all contracts awarded by the non-Federal entity in excess of \$ 100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

7.5 RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit

Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

7.6 CLEAN AIR ACT, 42 U.S.C. 7401-7671Q, AND THE FEDERAL WATER POLLUTION CONTROL ACT, 33 U.S.C. 1251-1387, AS AMENDED

Contracts and subgrants of amounts in excess of \$ 150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

7.7 DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689)

A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

7.8 BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. 1352

Contractors that apply or bid for an award exceeding \$ 100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

EXHIBIT A

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, c. 127)

N.J.A.C. 17:27 et seq.

GOODS, GENERAL SERVICE AND PROFESSIONAL SERVICES CONTRACTS

During the performance of this contract, the contractor agrees as follows:

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 ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, 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 equal employment opportunity 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 Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

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.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

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.

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.

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.

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.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval;

Certificate of Employee Information Report; or

Employee Information Report Form AA302 (electronically provided by the Division and distributed to the public agency through the Division's website at http://www.state.nj.us/treasury/contract_compliance).

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Purchase and Property, CCAU, EEO Monitoring Program as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Purchase and Property, CCAU, EEO Monitoring Program for conducting a compliance investigation pursuant to **N.J.A.C. 17:27-1 et seq.**

EXHIBIT B

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, c. 127)

N.J.S.A. 10:5-39 et seq. (P.L. 1983, c. 197)

N.J.A.C. 17:27-1.1 et seq.

CONSTRUCTION CONTRACTS

During the performance of this contract, the contractor agrees as follows:

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 ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, 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 equal employment opportunity shall include, but not be limited to the following: employment, up grading, 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 Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

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.

N.J.S.A. 10:5-39 et seq. requires contractors, subcontractors, and permitted assignees performing construction, alteration, or repair of any building or public work in excess of \$250,000 to guarantee equal employment opportunity to veterans.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, 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.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer, pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

When hiring or scheduling workers in each construction trade, the contractor or subcontractor agrees to make good faith efforts to employ minority and women workers in each construction trade consistent with the targeted employment goal prescribed by N.J.A.C. 17:27-7.2; provided, however, that the Dept. of LWD, Construction EEO Monitoring Program may, in its discretion, exempt a contractor or subcontractor from compliance with the good faith procedures prescribed by the following provisions, A, B and C, as long as the Dept. of LWD, Construction EEO Monitoring Program is satisfied that the contractor or subcontractor is employing workers provided by a union which provides evidence, in accordance with standards prescribed by the Dept. of LWD, Construction EEO Monitoring Program, that its percentage of active "card carrying" members who are minority and women workers is equal to or greater than the targeted employment goal established in accordance with N.J.A.C. 17:27-7.2. The contractor or subcontractor agrees that a good faith effort shall include compliance with the following procedures:

- (A) If the contractor or subcontractor has a referral agreement or arrangement with a union for a construction trade, the contractor or subcontractor shall, within three business days of the contract award, seek assurances from the union that it will cooperate with the contractor or subcontractor as it fulfills its affirmative action obligations under this contract and in accordance with the rules promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et. seq., as supplemented and amended from time to time and the Americans with Disabilities Act. If the contractor or subcontractor is unable to obtain said assurances from the construction trade union at least five business days prior to the commencement of construction work, the contractor or subcontractor agrees to afford equal employment opportunities minority and women workers directly, consistent with this chapter. If the contractor's or subcontractor's prior experience with a construction trade union, regardless of whether the union has provided said assurances, indicates a significant possibility that the trade union will not refer sufficient minority and women workers consistent with affording equal employment opportunities as specified in this chapter, the contractor or subcontractor agrees to be prepared to provide such opportunities to minority and women workers directly, consistent with this chapter, by complying with the hiring or scheduling procedures prescribed under (B) below; and the contractor or subcontractor further agrees to take said action immediately if it determines that the union is not referring minority and women workers consistent with the equal employment opportunity goals set forth in this chapter.
- (B) If good faith efforts to meet targeted employment goals have not or cannot be met for each construction trade by adhering to the procedures of (A) above, or if the contractor does not have a referral agreement or arrangement with a union for a construction trade, the contractor or subcontractor agrees to take the following actions:
- (1) To notify the public agency compliance officer, the Dept. of LWD, Construction EEO Monitoring Program, and minority and women referral organizations listed by the Division pursuant to N.J.A.C. 17:27-5.3, of its workforce needs, and request referral of minority and women workers;
 - (2) To notify any minority and women workers who have been listed with it as awaiting available vacancies;
 - (3) Prior to commencement of work, to request that the local construction trade union refer minority and women workers to fill job openings, provided the contractor or subcontractor has a referral agreement or arrangement with a union for the construction trade;
 - (4) To leave standing requests for additional referral to minority and women workers with the local construction trade union, provided the contractor or subcontractor has a referral agreement or arrangement with a union for the construction trade, the State Training and Employment Service and other approved referral sources in the area;
 - (5) If it is necessary to lay off some of the workers in a given trade on the construction site, layoffs shall be conducted in compliance with the equal employment opportunity and non-discrimination standards set forth in this regulation, as well as with applicable Federal and State court decisions;
 - (6) To adhere to the following procedure when minority and women workers apply or are referred to the contractor or subcontractor:
 - (i) The contractor or subcontractor shall interview the referred minority or women worker.
 - (ii) If said individuals have never previously received any document or certification signifying a level of qualification lower than that required in order to perform the work of the construction trade, the contractor or subcontractor shall in good faith

determine the qualifications of such individuals. The contractor or subcontractor shall hire or schedule those individuals who satisfy appropriate qualification standards in conformity with the equal employment opportunity and non-discrimination principles set forth in this chapter. However, a contractor or subcontractor shall determine that the individual at least possesses the requisite skills, and experience recognized by a union, apprentice program or a referral agency, provided the referral agency is acceptable to the Dept. of LWD, Construction EEO Monitoring Program. If necessary, the contractor or subcontractor shall hire or schedule minority and women workers who qualify as trainees pursuant to these rules. All of the requirements, however, are limited by the provisions of (C) below.

(iii) The name of any interested women or minority individual shall be maintained on a waiting list, and shall be considered for employment as described in (i) above, whenever vacancies occur. At the request of the Dept. of LWD, Construction EEO Monitoring Program, the contractor or subcontractor shall provide evidence of its good faith efforts to employ women and minorities from the list to fill vacancies.

(iv) If, for any reason, said contractor or subcontractor determines that a minority individual or a woman is not qualified or if the individual qualifies as an advanced trainee or apprentice, the contractor or subcontractor shall inform the individual in writing of the reasons for the determination, maintain a copy of the determination in its files, and send a copy to the public agency compliance officer and to the Dept. of LWD, Construction EEO Monitoring Program.

(7) To keep a complete and accurate record of all requests made for the referral of workers in any trade covered by the contract, on forms made available by the Dept. of LWD, Construction EEO Monitoring Program and submitted promptly to the Dept. of LWD, Construction EEO Monitoring Program upon request.

(C) The contractor or subcontractor agrees that nothing contained in (B) above shall preclude the contractor or subcontractor from complying with the union hiring hall or apprenticeship policies in any applicable collective bargaining agreement or union hiring hall arrangement, and, where required by custom or agreement, it shall send journeymen and trainees to the union for referral, or to the apprenticeship program for admission, pursuant to such agreement or arrangement. However, where the practices of a union or apprenticeship program will result in the exclusion of minorities and women or the failure to refer minorities and women consistent with the targeted county employment goal, the contractor or subcontractor shall consider for employment persons referred pursuant to (B) above without regard to such agreement or arrangement; provided further, however, that the contractor or subcontractor shall not be required to employ women and minority advanced trainees and trainees in numbers which result in the employment of advanced trainees and trainees as a percentage of the total workforce for the construction trade, which percentage significantly exceeds the apprentice to journey worker ratio specified in the applicable collective bargaining agreement, or in the absence of a collective bargaining agreement, exceeds the ratio established by practice in the area for said construction trade. Also, the contractor or subcontractor agrees that, in implementing the procedures of (B) above, it shall, where applicable, employ minority and women workers residing within the geographical jurisdiction of the union.

After notification of award, but prior to signing a construction contract, the contractor shall submit to the public agency compliance officer and the Dept. of LWD, Construction EEO Monitoring Program an initial project workforce report (Form AA-201) electronically provided to the public agency by the Dept. of LWD, Construction EEO Monitoring Program, through its website, for distribution to and completion by the contractor, in accordance with N.J.A.C. 17:27-7.

The contractor also agrees to submit a copy of the Monthly Project Workforce Report once a month thereafter for the duration of this contract to the Dept. of LWD, Construction EEO Monitoring Program and to the public agency compliance officer.

The contractor agrees to cooperate with the public agency in the payment of budgeted funds, as is necessary, for on the job and/or off the job programs for outreach and training of minorities and women.

- (D) The contractor and its subcontractors shall furnish such reports or other documents to the Dept. of LWD, Construction EEO Monitoring Program as may be requested by the Dept. of LWD, Construction EEO Monitoring Program from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Dept. of LWD, Construction EEO Monitoring Program for conducting a compliance investigation pursuant to N.J.A.C. 17:27-1.1 et seq.

EXECUTIVE ORDER NO. 151 REQUIREMENTS

It is the policy of the Division of Purchase and Property that its contracts should create a workforce that reflects the diversity of the State of New Jersey. Therefore, contractors engaged by the Division of Purchase and Property to perform under a construction contract shall put forth a good faith effort to engage in recruitment and employment practices that further the goal of fostering equal opportunities to minorities and women.

The contractor must demonstrate to the Division of Purchase and Property's satisfaction that a good faith effort was made to ensure that minorities and women have been afforded equal opportunity to gain employment under the Division of Purchase and Property's contract with the contractor. Payment may be withheld from a contractor's contract for failure to comply with these provisions.

Evidence of a "good faith effort" includes, but is not limited to:

1. The Contractor shall recruit prospective employees through the State Job bank website, managed by the Department of Labor and Workforce Development, available online at <http://NJ.gov>/<http://NJ.gov/JobCentralNJ>;
2. The Contractor shall keep specific records of its efforts, including records of all individuals interviewed and hired, including the specific numbers of minorities and women;
3. The Contractor shall actively solicit and shall provide the Division of Purchase and Property with proof of solicitations for employment, including but not limited to advertisements in general circulation media, professional service publications and electronic media; and
4. The Contractor shall provide evidence of efforts described at 2 above to the Division of Purchase and Property no less frequently than once every 12 months.
5. The Contractor shall comply with the requirements set forth at N.J.A.C. 17:27.

This language is in addition to and does not replace good faith efforts requirements for construction contracts required by N.J.A.C. 17:27-3.6, 3.7 and 3.8, also known as Exhibit B.

State of New Jersey Standard Terms and Conditions

(Rev: 10/21/19)

**I HEREBY ACCEPT THE TERMS AND CONDITIONS OF
THIS CONTRACT**



Signature

5/5/2020

Date

Chad Wilson, President

Print Name and Title

Navient B.P.O., LLC

Print Name of Contractor

**WAIVERED CONTRACTS SUPPLEMENT TO THE
STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS**
(Rev. 6/14/2018)

- A. WAIVERED CONTRACTS SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS** - This Supplement to the State of New Jersey Standard Terms and Conditions ("Supplement") shall apply to all contracts or purchase agreements made with the State of New Jersey ("State") under N.J.S.A. 52:34-9 or -10 ("Waivered Contracts"). The terms in this Supplement modify the terms of the New Jersey Division of Purchase and Property's Standard Terms and Conditions as may be updated from time to time ("Standard Terms and Conditions"). The combined terms of the Standard Terms and Conditions and this Supplement, in addition to the terms and conditions set forth in the Request for Proposal, Request for Quotation, and/or other agency request ("Solicitation"), if applicable, shall prevail over any conflicts set forth in or incorporated by reference into a contractor's proposal submitted in response to a Solicitation including any standard license, service or other agreement ("Contractor Standard Form Agreement").

The "Contract" shall consist of this Supplement, the Standard Terms and Conditions, the Solicitation, and the proposal submitted by the contractor.

The Standard Terms and Conditions are hereby incorporated by reference. Section numbering of the changes and additions enumerated below continue the number scheme of the Standard Terms and Conditions.

- B. CHANGES/ADDITIONS TO THE STANDARD TERMS AND CONDITIONS FOR ALL GOODS, SERVICES, AND INFORMATION TECHNOLOGY WAIVERED CONTRACTS:**

2.13 OWNERSHIP DISCLOSURE

Pursuant to N.J.S.A. 52:25-24.2, in the event the contractor is a corporation, partnership or limited liability company, the contractor must complete an Ownership Disclosure Form.

A current completed Ownership Disclosure Form must be received prior to or accompany the submitted proposal. A contractor's failure to submit the completed and signed form with its proposal will result in the rejection of the proposal as non-responsive and preclude the award of a Contract to said contractor unless the Division has on file a signed and accurate Ownership Disclosure Form dated and received no more than six (6) months prior to the receipt of the proposal. If any ownership change has occurred within the last six (6) months, a new Ownership Disclosure Form must be completed, signed and submitted with the proposal.

In the alternative, to comply with this section, a contractor with any direct or indirect parent entity which is publicly traded may submit the name and address of each publicly traded entity and the name and address of each person that holds a 10 percent or greater beneficial interest in the publicly traded entity as of the last annual filing with the federal Securities and Exchange Commission or the foreign equivalent, and, if there is any person that holds a 10 percent or greater beneficial interest, also shall submit links to the websites containing the last annual filings with the federal Securities and Exchange Commission or the foreign equivalent and the relevant page numbers of the filings that contain the information on each person that holds a 10 percent or greater beneficial interest. N.J.S.A. 52:25-24.2.

2.14 PROHIBITED INVESTMENT IN IRAN

Pursuant to N.J.S.A. 52:32-58, the contractor must utilize this Disclosure of Investment Activities in Iran form to certify that neither the contractor, nor one (1) of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32-56(e)(3)), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither the contractor, nor one (1) of its parents, subsidiaries, and/or affiliates, is involved in any of the investment activities set forth in N.J.S.A. 52:32-56(f). If the contractor is unable to so certify, the contractor shall provide a detailed and precise description of such activities as directed on the form.

**WAIVERED CONTRACTS SUPPLEMENT TO THE
STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS**
(Rev. 6/14/2018)

2.15 STATE'S RIGHT TO INSPECT CONTRACTOR'S FACILITIES

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

The State may also consult with clients of the contractor to assist the State in making a contract award that is most advantageous to the State.

2.16 STATE'S RIGHT TO REQUEST FURTHER INFORMATION

The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the contractor's financial capabilities to perform the Contract. Further, the Director reserves the right to request a contractor to explain, in detail, how the proposal price was determined.

2.17 DELIVERY TIME AND COSTS

Unless otherwise noted elsewhere in the Solicitation, all delivery times are 30 calendar days after receipt of order (ARO) and prices for items in proposals shall be submitted Freight On Board (F.O.B.) Destination (30 calendar days ARO/F.O.B.). The contractor shall assume all costs, liability and responsibility for the delivery of merchandise in good condition to the State's Using Agency or designated purchaser. Thirty calendar days ARO/F.O.B. does not cover "spotting" but does include delivery on the receiving platform of the Using Agency at any destination in the State of New Jersey unless otherwise specified.

No additional charges will be allowed for any additional transportation costs resulting from partial shipments made at the contractor's convenience when a single shipment is ordered.

The weights and measures of the State's Using Agency receiving the shipment shall govern.

2.18 COLLECT ON DELIVERY (C.O.D) TERMS

C.O.D. terms will not be accepted.

2.19 CASH DISCOUNTS

The contractor is encouraged to offer cash discounts based on expedited payment by the State. The State will make efforts to take advantage of discounts.

Should the contractor choose to offer cash discounts the following shall apply:

- A. Discount periods shall be calculated starting from the next business day after the Using Agency has accepted the goods or services, received a properly signed and executed invoice and, when required, a properly executed performance security, whichever is latest; and
- B. The date on the check issued by the State in payment of that invoice shall be deemed the date of the State's response to that invoice.

2.20 CLAIMS AND REMEDIES

- A. All claims asserted against the State by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

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- B. Nothing in this Contract shall be construed to be a waiver by the State of any warranty, expressed or implied, of any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.
- C. In the event that the contractor fails to comply with any material Contract requirements, the Director may take steps to terminate this Contract in accordance with the Standard Terms and Conditions, authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor, as provided for in the State administrative code, or take any other action or seek any other remedies available at law or in equity.

2.21 NEWS RELEASES & ADVERTISING

- A. The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this Contract without the prior written consent of the Director.
- B. The contractor shall not use the State's name, logos, images, or any data or results arising from this Contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

2.22 ORGAN DONATION

As required by N.J.S.A. 52:32-33.1, the State encourages the contractor to disseminate information relative to organ donation and to notify its employees, through information and materials or through an organ and tissue awareness program, of organ donation options. The information provided to employees should be prepared in collaboration with the organ procurement organizations designated pursuant to 42 U.S.C. 1320b-8 to serve in this State.

3.8 PERFORMANCE SECURITY

If performance security is required, such security must be submitted with the bid in the amount listed in the Solicitation. N.J.A.C. 17:12-2.5. Acceptable forms of performance security are as follows:

- 1. A properly executed individual or annual performance bond issued by an insurance or security company authorized to do business in the State of New Jersey,
- 2. A certified or cashier's check drawn to the order of "Treasurer, State of New Jersey," or
- 3. An irrevocable letter of credit issued by a federally insured financial institution and naming "Treasurer, State of New Jersey," as beneficiary.

The Performance Security must be submitted to the State within 30 days of the effective date of the Contract award and cover the period of the Contract and any extensions thereof. Failure to submit performance security may result in cancellation of the Contract for cause and nonpayment for work performed.

Although the performance bond is required for the full term of the Contract, the Director recognizes that the industry practice of sureties is to issue a one (1) year performance bond for goods and services contracts. Thus, the contractor is permitted to submit a one (1) year performance bond for the amount required under the Contract and, on each succeeding anniversary date of the Contract, provide a continuation or renewal certificate to evidence that the bond is in effect for the next year of the Contract. This procedure will remain in place for each year of the Contract thereafter until the termination of the Contract. Failure to provide such proof on the anniversary date of the Contract shall result in suspension of the Contract, and possibly, termination of the Contract.

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For performance bonds based on a percentage of the total estimated Contract price. On each anniversary of the effective date of the Contract, the amount of the required performance bond, unless otherwise noted, is calculated by applying the established RFQ performance bond percentage to the outstanding balance of the estimated amount of the Contract price to be paid to the contractor.

In the event that the Contract price is increased by a Contract Amendment, the contractor may be required to provide, within 30 calendar days of the effective date of the Contract Amendment, performance bond coverage for the increase in Contract price. The required increase in the performance bond amount is calculated by applying the established bond percentage set forth above to the increase in Contract price. Failure to provide such proof to the Director of this required coverage may result in the suspension of payment to the contractor until such time the contractor complies with this requirement.

3.9 RETAINAGE

If retainage is required on the Contract as stated in the Solicitation, the state and/or agency will retain the stated percentage or retainage from each invoice. Payment of retainage will be authorized after satisfactory completion and submission of all services, deliverables or work products by the contractor and acceptance by the agency of all services, deliverables or work products required by the Contract.

For ongoing contracts, the agency will retain the stated percentage of each invoice submitted. At the end of the three (3) month period after payment of each invoice, the agency will review the contractor's performance and if performance has been satisfactory, the agency will release the retainage for the preceding three (3) month period. Following the expiration of the Contract, retained fees will be released to the contractor after certification by the agency's project manager, if any, that all services have been satisfactorily performed.

3.10 SUBCONTRACTOR UTILIZATION PLAN

A contractor that will subcontract any of the work or services to be provided under the Contract shall submit to the agency along with its proposal a Subcontractor Utilization Plan located at the following webpage: <http://www.state.nj.us/treasury/purchase/forms/subcontracting.pdf>. See also Section 5.8 of the Standard Terms and Conditions.

5.17 CONFIDENTIALITY

- a. The State's obligation to maintain the confidentiality of the contractor's confidential information provided to the State under the Contract is conditioned upon and subject to the State's obligations under the New Jersey Public Records Act, N.J.S.A. 47:1A-1 et seq., ("OPRA"), the New Jersey common law right to know, and any other lawful document request or subpoena.
- b. By virtue of the Contract, the parties may have access to information that is confidential to one another. The parties agree to disclose only information that is required for the performance of their obligations under the Contract. The contractor's confidential information, to the extent not expressly prohibited by law, shall consist of all information clearly identified as confidential at the time of disclosure ("Contractor Confidential Information"). Notwithstanding the previous sentence, the contractor acknowledges the terms and pricing of the Contract are subject to disclosure under OPRA, the New Jersey common law right to know, and any other lawful document request or subpoena.
- c. The State's Confidential Information shall consist of all information or data in any form whatsoever supplied by the State, any information or data gathered by the contractor in fulfillment of the Contract and any analysis thereof (whether in fulfillment of the Contract or not).
- d. A party's Confidential Information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party, except that if the information is personally identifying to a person or entity regardless of whether it has become part of the public

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domain through other means, the other party must maintain full efforts under the Contract to keep it confidential; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently developed by the other party.

- e. The parties agree to hold each other's Confidential Information in confidence, using at least the same degree of care in doing so that it uses to protect its own confidential information.
- f. In the event that the State receives a request for Contractor Confidential Information related to the Contract pursuant to a court order, subpoena, lawful document request or other operation of law, the State agrees, if permitted by law, to provide the contractor with as much notice, in writing, as is reasonably practicable and the State's intended response to such request. The contractor shall take any action it deems appropriate to protect its documents and/or information.
- g. In addition, in the event the contractor receives a request for State Confidential Information pursuant to a court order, subpoena, or other operation of law, the contractor shall, if permitted by law, provide the State with as much notice, in writing, as is reasonably practicable and the contractor's intended response to such request. The State shall take any action it deems appropriate to protect its documents and/or information. Notice to the State shall not relieve the contractor of its obligation to take action to protect such information if the contractor is aware of a legal reason to do so.
- h. Notwithstanding the requirements of nondisclosure described in this Section 5.17, either party may release the other party's Confidential Information (i) if directed to do so by a court or arbitrator of competent jurisdiction, (ii) pursuant to a lawfully issued subpoena or other lawful document request, (iii) in the case of the State, if the State determines the documents or information are subject to disclosure and the contractor does not exercise its rights as described in subsection (f), or if the contractor is unsuccessful in defending its rights as described in subsection (f), or (iv) in the case of the contractor, if the contractor determines the documents or information are subject to disclosure and the State does not exercise its rights as described in subsection (g), or if the State is unsuccessful in defending its rights as described in subsection (g).

C. CHANGES/ADDITIONS TO THE STANDARD TERMS AND CONDITIONS APPLICABLE TO SERVICES AND INFORMATION TECHNOLOGY WAIVERED CONTRACTS:

4.2 INSURANCE

The following paragraph D is added to section 4.2 of the Standard Terms and Conditions:

- D. Professional Liability Insurance: When it is common to the contractor's profession to do so, 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.

5.18 OWNERSHIP

Capitalized terms used but not defined are defined in Subsection D of this Supplement, below.

- a. Contractor Intellectual Property; COTS and Customized Software – The contractor retains ownership of all Contractor Intellectual Property, and any modifications thereto and derivatives thereof, that the contractor supplies to the State pursuant to the Contract. The contractor grants the State a non-exclusive, perpetual royalty-free license to use Contractor Intellectual Property delivered to the State for the purposes contemplated by the Contract.

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- b. Third Party Intellectual Property – Unless otherwise specified in the Solicitation that the State, on its own, will acquire and obtain a license to Third Party Intellectual Property, the contractor shall secure on the State's behalf, in the name of the State and subject to the State's approval, a license to Third Party Intellectual Property sufficient to fulfill the business objectives, requirements and specifications identified in the Contract at no additional cost to the State beyond that in the bid price. Under no circumstances will the State accept a license for Third Party Intellectual Property that contains terms and conditions that conflict with the terms and conditions of the Contract. If the contractor uses Third Party Intellectual Property, the contractor must indemnify the State for infringement claims with respect to the Third Party Intellectual Property. The contractor agrees that its use of Third Party Intellectual Property shall be consistent with the license for the Third Party Intellectual Property, whether supplied by the contractor, secured by the State as required by the Solicitation, or otherwise supplied by the State.
- c. Work Product; Custom Software – The State owns all Custom Software which shall be considered "work made for hire", i.e., the State, not the contractor, subcontractor, or third party, shall have full and complete ownership of all such Custom Software. To the extent that any Custom Software may not, by operation of the law, be a "work made for hire" in accordance with the terms of the Contract, contractor, subcontractor, or third party hereby assigns to the State, or the contractor shall cause to be assigned to the State, all right, title and interest in and to any such Custom Software and any copyright thereof, and the State shall have the right to obtain and hold in its own name any copyrights, registrations and any other proprietary rights that may be available.
- d. Work Product; Services – The State owns all Deliverables developed for the State in the course of providing Services under the Contract, including but not limited to, 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, 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 the Contract.
- e. State Intellectual Property – Data and Background Information. The State owns all State Intellectual Property and State data and background information provided to the contractor pursuant to the Contract. The State's data and background information shall include, without limitation, all data, technical information, and materials provided to the contractor by the State to facilitate performance of the Contract, including but not limited to all reports, 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. The items described in the preceding sentence shall be delivered or returned to the State of New Jersey upon thirty (30) days' notice by the State or thirty (30) days after the expiration or termination of the Contract. Only to fulfill the purposes of the Contract does the State grant the contractor a non-exclusive, royalty-free, world-wide license to use, copy, display, distribute, transmit and prepare derivative works of State Intellectual Property and State data and background information. Notwithstanding anything to the contrary contained in the Terms and Conditions or this Supplement, no part of the State's data will be disclosed, sold, assigned, leased or otherwise disposed of to any person or entity other than the State unless specifically directed to do so in writing by the Contract Manager. The State's license to the contractor is limited by the term of the Contract and the confidentiality obligations set forth in Section 5.17 of this Supplement.
- f. No Rights – Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the contractor any right, title, or interest in State Intellectual Property or any intellectual property that is now owned or licensed to or subsequently owned by or licensed by the State. Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the State any right, title, or interest in any Contractor Intellectual Property that is now owned or subsequently owned by the contractor. Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the State any right, title, or interest in any Third Party Intellectual Property that is now owned or subsequently owned by a Third Party.

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**D. CHANGES/ADDITIONS TO THE STANDARD TERMS AND CONDITIONS FOR ALL INFORMATION
TECHNOLOGY WAIVERED CONTRACTS:**

1.2 DEFINITIONS

The following definitions shall apply to information technology contracts:

- i. The term "Acceptance" means the written confirmation by an Agency that the contractor has completed a Deliverable according to the specified requirements.
- ii. The term "Contractor Intellectual Property" means any intellectual property that is owned by the contractor and contained in or necessary for the use of the Deliverables or which the contractor makes available for the State to use as part of the work under the Contract. Contractor Intellectual Property includes COTS or Customized Software owned by the contractor, the contractor's technical documentation, and derivative works and compilations of any Contractor Intellectual Property.
- iii. The term Commercial Off the Shelf Software ("COTS") means Software provided by the contractor that is intended for general use.
- iv. The term "Custom Software" means Software and Work Product that is developed by the contractor at the request of the Agency to meet the specific requirements of the Agency and is intended for its use.
- v. The term "Customized Software" means COTS that is adapted by the contractor to meet specific requirements of the Agency that differ from the standard requirements of the base product.
- vi. The term "Deliverable" means the goods, products, Services and Work Product that the contractor is required to deliver to the State under the Contract;
- vii. The terms "goods" and "products" shall be deemed to include, without limitation, Software and Hardware.
- viii. The term "Hardware" shall be deemed to include computer equipment and any Software provided with the Hardware that is necessary for the Hardware to operate.
- ix. The term "Information Technology Contract" shall mean, notwithstanding any definition in New Jersey Statutes, a Contract for one or more of the following: Hardware, Software, Services, telecommunication goods and services, and all related goods.
- x. The terms "Services" shall be deemed to include, without limitation (i) Information Technology ("IT") professional services; (ii) Software and Hardware-related services, including without limitation, installation, configuration, and training and (iii) Software and Hardware maintenance and support and/or Software and Hardware technical support services.
- xi. The term "Software" means, without limitation, computer programs, source codes, routines, or subroutines supplied by the contractor, including operating software, programming aids, application programs, application programming interfaces and software products, and includes COTS, Customized Software and Custom Software, unless the context indicates otherwise.
- xii. The term "State Intellectual Property" means any intellectual property that is owned by the State. State Intellectual Property includes any derivative works and compilations of any State Intellectual Property.
- xiii. The term "Third Party Intellectual Property" means any intellectual property owned by parties other than the State or the contractor and contained in or necessary for the use of the Deliverables. Third Party Intellectual Property includes COTS owned by Third Parties, and derivative works and compilations of any Third Party Intellectual Property.
- xiv. The term "Work Product" means every invention, modification, discovery, design, development, customization, configuration, improvement, process, Software program, work of authorship, documentation, formula, datum, technique, know how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection) that is specifically made, conceived, discovered, or reduced to practice by the contractor or the contractor's subcontractors or a third party engaged by the contractor or its subcontractor pursuant to the Contract. Notwithstanding anything to the contrary in the preceding sentence, Work Product does not include State Intellectual Property, Contractor Intellectual Property or Third Party Intellectual Property.

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2.10 COMPLIANCE - LAWS

The following is added to section 2.10 of the Standard Terms and Conditions:

COMPLIANCE – DATA AND PRIVACY LAWS – The contractor must comply with all State and Federal data and privacy laws, rules and regulations applicable to both the contractor and the State under the Contract.

4.1 INDEMNIFICATION

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

INDEMNIFICATION AND LIMITATION OF LIABILITY:

1. INDEMNIFICATION - The contractor's liability to the State and its employees in third party suits shall be as follows:
 - a) The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State and its officers, agents, servants and employees, from and against any and all third party claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith:
 - i. For or on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or products supplied under the Contract or the order; and
 - ii. For or on account of the use of any patent, copyright, trademark, trade secret or other proprietary right of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance ("Intellectual Property Rights") furnished or used in the performance of the Contract; and
 - iii. The contractor's indemnification and liability under subsection (a) is not limited by, but is in addition to the insurance obligations contained in these Standard Terms and Conditions.
 - b) In the event of a claim or suit involving third-party Intellectual Property Rights, the contractor, at its option, may: (1) procure for the State the legal right to continue the use of the product; (2) replace or modify the product to provide a non-infringing product that is the functional equivalent; or (3) refund the purchase price less a reasonable allowance for use that is agreed to by both parties. The State will (1) promptly notify the contractor in writing of the claim or suit; (2) the contractor shall have control of the defense and settlement of any claim that is subject to subsection (a); provided, however, that the State must approve any settlement of the alleged claim, which approval shall not be unreasonably withheld. The State may observe the proceedings relating to the alleged claim and confer with the contractor at its expense. Furthermore, neither the contractor nor any attorney engaged by the contractor shall defend the claim in the name of the State of New Jersey or any Agency, nor purport to act as legal representative of the State of New Jersey or any Agency, without having provided notice to the Director of the Division of Law in the Department of Law and Public Safety and to the Director of DPP. The State of New Jersey may, at its election and expense, assume its own defense and settlement.
 - c) Notwithstanding the foregoing, the contractor has no obligation or liability for any claim or suit concerning third-party Intellectual Property Rights arising from: (1) the State's unauthorized combination, operation, or use of a product supplied under the Contract with any product, device, or Software not supplied by the contractor; (2) the State's unauthorized alteration or modification of any product supplied under the Contract; (3) the contractor's compliance with the State's designs, specifications, requests, or instructions, provided that if the State provides the contractor with such designs, specifications, requests, or instructions, the contractor reviews same and advises that such designs, specifications, requests or instructions present potential issues of patent or copyright infringement and the State nonetheless directs the contractor to proceed with one or more designs, specifications, requests or instructions that

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- present potential issues of patent or copyright infringement; or (4) the State's failure to promptly implement a required update or modification to the product provided by the contractor.
- d) The contractor will be relieved of its responsibilities under subsection (a)(i) and (ii) for any claims made by an unaffiliated third party that arise solely from the actions or omissions of the State, its officers, employees or agents.
 - e) This section states the entire obligation of the contractor and its suppliers, and the exclusive remedy of the State, in respect of any infringement or alleged infringement of any Intellectual Property Rights. This indemnity obligation and remedy are given to the State solely for its benefit and in lieu of, and the contractor disclaims, all warranties, conditions and other terms of non-infringement or title with respect to any product.
 - f) The provisions of this indemnification clause shall in no way limit the contractor's obligations assumed in the Contract, nor shall they be construed to relieve the contractor from any liability, nor preclude the State from taking any other actions available to it under any other provisions of the Contract or otherwise at law or equity.
 - g) The contractor agrees that any approval by the State or Using Agency of the work performed and/or reports, plans or specifications provided by the contractor shall not operate to limit the obligations of the contractor assumed in the Contract.
 - h) The State of New Jersey will not indemnify, defend or hold harmless the contractor. The State will not pay or reimburse for claims absent compliance with Section 4.1(2) of this Supplement and a determination by the State to pay the claim or a final order of a court of competent jurisdiction.

2. STATE RESPONSIBILITIES

Subject to the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.), the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.) and the appropriation and availability of funds, the State will be responsible for any cost or damage arising out of actions or inactions of the State, its employees or agents under Section 4.1(1)(a)(i) and (ii) of this Supplement which results in an unaffiliated third party claim. This is the contractor's exclusive remedy for these claims.

3. LIMITATION OF LIABILITY

- a) The contractor's liability to the State for actual, direct damages resulting from the contractor's performance or non-performance of, or in any manner related to, the Contract for any and all claims, shall be limited in the aggregate to 200% of the fees paid to the contractor for the products or Services giving rise to such damages, except that such limitation of liability shall not apply to the following:
 - i. The contractor's indemnification obligations as described in Section 4.1(1) of this Supplement; and
 - ii. The contractor's breach of its obligations of confidentiality described in Section 5.17 of this Supplement; and
- b) The contractor shall not be liable for consequential or incidental damages.

5.11 CONTRACTOR PERFORMANCE WARRANTIES

Section 5.11 of the Standard Terms and Conditions is deleted in its entirety and replaced with the following:

1. COTS and Customized Software

- a. Unless the Contractor Standard Form Agreement provides greater coverage as determined by the State, in its sole discretion, the contractor warrants that COTS and Customized Software products licensed to the State shall operate in all material respects as described in the Solicitation and/or contractor technical documentation for ninety (90) days after Acceptance. The State shall

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notify the contractor of any COTS or Customized Software product deficiency within ninety (90) days after Acceptance. For a Contract requiring the delivery of COTS or Customized Software and Custom Software, a notice within one hundred eighty (180) days that describes a deficiency in functional terms without specifying whether the deficiency is with COTS, Customized Software or Custom Software shall be deemed a notice that triggers the warranty provisions in both Section 5.11(a) and 5.11(b) of this Supplement.

- b. Except for the portion of the contractor's COTS or Customized Software product that intentionally contains one or more of the following for the purpose of anti-virus protection, the contractor warrants that, at the time of delivery and installation of the COTS or Customized Software provided pursuant to the Contract, its product shall be free of what are commonly defined as viruses, backdoors, worms, spyware, malware and other malicious code that will hamper performance of the COTS or Customized Software, collect unlawful personally identifiable information on users, or prevent the COTS or Customized Software from performing as required under the Contract.
- c. In the event of any breach of this warranty, the contractor shall correct the product errors that caused the breach of warranty, or if the contractor cannot substantially correct such breach in a commercially reasonable manner, the State may end its usage and recover the fees paid to the contractor for the license and any unused, prepaid, technical support fees paid. Under no circumstances does this warranty provision limit the contractor's obligation in the event of a breach of confidentiality.
- d. The contractor does not warrant that COTS or Customized Software is error-free or that it will operate uninterrupted.

2. Custom Software

- a. Unless the Contractor Standard Form Agreement provides greater coverage, as determined by the State, in its sole discretion, the contractor warrants that Custom Software Deliverables shall operate in all material respects as described in the applicable specification documentation for one hundred and eighty (180) days after Acceptance. The State shall notify the contractor of any Custom Software deficiency within one hundred and eighty (180) days after Acceptance of the Custom Software Deliverable (the "Notice Period"). Where the contractor is providing multiple Custom Software Deliverables over the term of the Contract, the Notice Period shall begin to run after the Acceptance of the final Custom Software Deliverable under the Contract. At that time, the State may assert defect claims relating to any and all of the Custom Software Deliverables provided under the Contract; however, the State may also assert claims earlier, in its discretion, without waiving the Notice Period.
- b. For a Contract requiring the delivery of COTS or Customized Software and Custom Software, a notice within one hundred eighty (180) days that describes a deficiency in functional terms without specifying whether the deficiency is with COTS, Customized Software or Custom Software shall be deemed a notice that triggers the warranty provisions in both Section 5.11(a) and 5.11(b) of this Supplement.
- c. The contractor warrants that, at the time of Acceptance of the Custom Software Deliverable provided pursuant to the Contract, its product shall be free of what are commonly defined as viruses, backdoors, worms, spyware, malware and other malicious code that will hamper performance of the Custom Software, collect unlawful personally identifiable information on users, or prevent the Custom Software from performing as required under the Contract. Under no circumstances does this warranty provision limit the contractor's obligation in the event of a breach of confidentiality.
- d. In the event of any breach of this warranty, the contractor shall correct the Custom Software errors that caused the breach of warranty, or if the contractor cannot substantially correct such breach in a commercially reasonable manner, the State may recover a portion of the fees paid to the contractor for the Custom Software with the uncorrected defect or in the event that the Custom Software is still deemed, by the State in its sole discretion, to be usable by the State even with the uncorrected defect, the State may recover a portion of the fees paid to the

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contractor for the Custom Software (up to the total amount of such charges for such Custom Software) to reflect any reduction in the value of the Custom Software Deliverable as a result of the uncorrected defect. Under no circumstances does this warranty provision limit the contractor's obligations in the event of a breach of confidentiality.

- e. The contractor does not warrant that Custom Software is error-free or that it will operate uninterrupted.

3. IT Services

- a. Unless the Contractor Standard Form Agreement provides greater coverage, as determined by the State, in its sole discretion, the contractor warrants that all Services will be provided in a professional manner consistent with industry standards. The State shall notify the contractor of any Services warranty deficiencies within ninety (90) days from performance of the deficient Services.
- b. In the event of any breach of this warranty, the contractor shall re-perform the deficient Services, or if the contractor cannot substantially correct a breach in a commercially reasonable manner, the State may end the relevant Services and recover the fees paid to the contractor for the deficient Services.

4. Hardware

- a. Unless the Contractor Standard Form Agreement provides greater coverage, as determined by the State, in its sole discretion, the contractor warrants that 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. The contractor warrants that all equipment supplied to the State and operated by electrical current is UL listed where applicable.
 - c. The contractor warrants that all new machines are to be guaranteed as fully operational for one (1) year from time of Acceptance by the State. For the avoidance of doubt, Acceptance with respect to Hardware in this subsection (d) shall occur no later than sixty (60) days after delivery, as evidenced by a signed delivery receipt. The contractor shall render prompt service without charge, regardless of geographic location.
 - d. The contractor warrants that sufficient quantities of parts necessary for proper service to equipment shall be maintained at distribution points and service headquarters.
 - e. The contractor warrants that 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. The contractor warrants that all Software included with the Hardware shall perform substantially in accordance with specifications, for one (1) year from the time of Acceptance. The contractor warrants that Software media will be free from material defects in materials and workmanship for a period of one (1) year from the date of Acceptance.
 - g. In the event of any breach of this warranty, the contractor shall promptly repair, replace or refund the purchase price of product rejected for failure to conform with the contractor's product specifications.
5. THE WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, AND THE CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.

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5.19 AUDIT NOTICE AND DISPUTE RESOLUTION

To the extent the contractor's proposal or Standard Form Agreement permits the contractor to conduct periodic audits of the State's usage of the Contractor Intellectual Property provided thereunder, such provision is amended to include the following audit notice and dispute resolution process:

- a. **AUDIT NOTICE** – Notwithstanding anything to the contrary in the contractor's proposal or Standard Form Agreement, in the event that the contractor seeks to exercise a right in its proposal or Standard Form Agreement to audit the State's use of Contractor Intellectual Property, the contractor shall deliver simultaneous written notice, no less than thirty days in advance of the audit start date (unless the contractor's notice provides a longer notice period), to the:
 - i. Director of the New Jersey Department of Treasury, Division of Purchase and Property:
Procurement Bureau, Technology Unit
P.O. Box 230
Trenton, NJ 08625-0230
 - ii. Chief of Staff of the New Jersey Office of Information Technology:
Office of the Chief Technology Officer
300 Riverview Plaza
Trenton, NJ 08625
 - iii. State Contract Manager.

The notice shall reference the specific audit provision(s) in the contractor's proposal or Standard Form Agreement being exercised and include copies of same, specify the means by which the contractor will conduct the audit, and shall require the audit to be conducted in accordance with generally accepted standards in the field of such audits.

- b. **AUDIT DISPUTE RESOLUTION** -- If the State, in good faith, provides the contractor with written notice of an alleged error in the amount of underpaid fees due the contractor as a result of an audit (the "dispute"), then the parties will endeavor to resolve the dispute in accordance with this paragraph. Each party will appoint a Vice President, Assistant Director, or the equivalent (hereinafter referred to as "Representative") to discuss the dispute and no formal proceedings for the judicial resolution of such dispute, except for the seeking of equitable relief or those required to avoid non-compliance with the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., may begin until either such Representative concludes, after a good faith effort to resolve the dispute, that resolution through continued discussion is unlikely. In addition, the parties shall refrain from exercising any termination right related to the dispute being considered under this paragraph and shall continue to perform their respective obligations under the Contract while they endeavor to resolve the dispute under this paragraph.
- c. **STATE NOT LIABLE FOR AUDIT COSTS** -- Notwithstanding anything to the contrary in the contractor's proposal or Standard Form Agreement, the State will not reimburse the contractor for any costs related to an audit.
- d. **NO AUDIT RIGHT CREATED** -- In the event that the contractor's proposal or Standard Form Agreement does not permit audits of the State's usage of Contractor Intellectual Property, Section 5.19 of this Supplement shall not be interpreted to provide such an audit right.

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**I HEREBY ACCEPT THE TERMS AND CONDITIONS
OF THIS CONTRACT**



Signature

5/5/2020

Date

Chad Wilson, President

Print Name and Title

Navient B.P.O., LLC

Print Name of Contractor



**STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY**

**33 WEST STATE STREET, P.O. BOX 230
TRENTON, NEW JERSEY 08625-0230**

State of New Jersey Standard Terms and Conditions

(Rev: 10/21/19)

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.

1.1 CONTRACT TERMS CROSSWALK

<i>NJSTART</i> Term	Equivalent Statutory, Regulatory and/or Legacy Term
Bid/Bid Solicitation	Request For Proposal (RFP)/Solicitation
Bid Amendment	Addendum
Change Order	Contract Amendment
Master Blanket Purchase Order (Blanket P.O.)	Contract
Offer and Acceptance Page	Signatory Page
Quote	Proposal
Vendor	Bidder/Contractor

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 and Enterprise Services. A subcontractor named in a bid or other proposal shall provide a copy of its business registration to the bidder who shall provide it to the State.

The contractor shall maintain and submit to the State a list of subcontractors and their addresses that may be updated from time to time with the prior written consent of the Director during the course of contract performance. The contractor shall submit to the State a complete and accurate list of all subcontractors used and their addresses before final payment is made under the contract.

Pursuant to N.J.S.A. 54:49-4.1, a business organization that fails to provide a copy of a business registration, or that provides false business registration information, shall be liable for a penalty of

\$25 for each day of violation, not to exceed \$50,000 for each business registration copy not properly provided under a contract with a contracting agency.

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 (N.J.S.A. 54:32B-1 et seq.) on all 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 <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.

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. The agreement to abide by the provisions of N.J.S.A. 10:5-31 through 10:5-38 include those provisions indicated for Goods, Professional Service and General Service Contracts (Exhibit A, attached) and Constructions Contracts (Exhibit B and Executive Order 151, August 28, 2009, attached) as appropriate.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time.

2.3 PREVAILING WAGE ACT

The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.25 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/her guarantee that neither he/she nor any subcontractors he/she might employ to perform the work covered by [this proposal] has been suspended or debarred by the Commissioner, Department of Labor and Workforce Development 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/her guarantee that he/she and any subcontractors he/she 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. (P.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 or holder of the public office of Governor or Lieutenant 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 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 (P.L. 2005, c. 271, §3 as amended) if in a calendar year the contractor receives one (1) 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 <http://www.elec.state.nj.us/>.

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).

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;

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 New Jersey Office of the Attorney General and the Executive Commission on Ethical Standards, now known as the State Ethics Commission;

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/she is employed or associated or in which he/she has an interest within the meaning of N.J.S.A. 52:13D-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, now known as the State Ethics Commission, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest;

No 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/her official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee;

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/her official position to secure unwarranted privileges or advantages for the vendor or any other person; and

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, now known as the State Ethics Commission may promulgate under paragraph 3c of Executive Order No. 189.

2.9 NOTICE TO ALL CONTRACTORS SET-OFF FOR STATE TAX NOTICE

Pursuant to N.J.S.A. 54:49-19, 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 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 determined in accordance with the laws of the State of New Jersey.

2.12 WARRANTY OF NO SOLICITATION ON COMMISSION OR CONTINGENT FEE BASIS

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business. If a breach or violation of this section occurs, the State shall have the right to terminate the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage or contingent fee.

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 pursuant to N.J.S.A. 34:11-56.51. 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. 10:2-1 requires that during the performance of this contract, the contractor must agree as follows:

- A. In the hiring of persons for the performance of work under this contract or any subcontract hereunder, or for the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under this contract, no contractor, nor any person acting on behalf of such contractor or subcontractor, shall, by reason of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex, discriminate against any person who is qualified and available to perform the work to which the employment relates;
- B. No contractor, subcontractor, nor any person on his/her behalf shall, in any manner, discriminate against or intimidate any employee engaged in the performance of work under this contract or any subcontract hereunder, or engaged in the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under such contract, on account of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex;
- C. There may be deducted from the amount payable to the contractor by the contracting public agency, under this contract, a penalty of \$50.00 for each person for each calendar day during which such person is discriminated against or intimidated in violation of the provisions of the contract; and
- D. This contract may be canceled or terminated by the contracting public agency, and all money due or to become due hereunder may be forfeited, for any violation of this section of the contract occurring after notice to the contractor from the contracting public agency of any prior violation of this section of the contract.

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; and
 - 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.

3.8 DIANE B. ALLEN EQUAL PAY ACT

Pursuant to N.J.S.A. 34:11-56.14, a contractor performing “qualifying services” or “public work” to the State or any agency or instrumentality of the State shall provide the Commissioner of Labor and Workforce Development a report regarding the compensation and hours worked by employees categorized by gender, race, ethnicity, and job category. For more information and report templates see <https://nj.gov/labor/equalpay/equalpay.html>.

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; and
- 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. All policies must be endorsed to provide 30 days’ written notice of cancellation or material change to the State of New Jersey at the address shown below. If the contractor’s insurer cannot provide 30 days written notice, then it will become the obligation of the contractor to provide the same. The contractor shall provide the State with current certificates of insurance for all coverages and renewals thereof. Renewal certificates shall be provided within 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, P.O. 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.nj.gov

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

- A. Occurrence Form Commercial 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 Commercial 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 Commercial 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 \$1,000,000 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. \$1,000,000 BODILY INJURY, EACH OCCURRENCE;
 - 2. \$1,000,000 DISEASE EACH EMPLOYEE; and
 - 3. \$1,000,000 DISEASE AGGREGATE LIMIT.
 - A. This \$1,000,000 amount may have been raised by the RFP when deemed necessary by the Director; and
 - B. 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 30 days prior to the expiration date of the existing contract. The contractor shall have 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 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; and
- 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

If, after award, a change in applicable law or regulation occurs which affects the Contract, the parties may amend the Contract, including pricing, in order to provide equitable relief for the party disadvantaged by the change in law. The parties shall negotiate in good faith, however if agreement is not possible after reasonable efforts, the Director shall make a prompt decision as to an equitable adjustment, taking all relevant information into account, and shall notify the Vendor {Contractor} of the final adjusted contract price.

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 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; and

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; and
- 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/her 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; and
- 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 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 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; and
- 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; and
- 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 a longer period is required by law. 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; and
 - 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; and
- 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.

In an exceptional situation the State may consider a price adjustment. Requests for price adjustments must include justification and documentation.

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; and
- 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 60 days of the agency's receipt of a properly executed State Payment Voucher or within 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 revenue.

7. TERMS RELATING TO ALL CONTRACTS FUNDED, IN WHOLE OR IN PART, BY FEDERAL FUNDS

The provisions set forth in this Section 7 of the Standard Terms and Conditions apply to all contracts funded, in whole or in part, by Federal funds as required by 2 CFR 200.317.

7.1 PROCUREMENT OF RECOVERED MATERIALS

To the extent that the scope of work or specifications in the contract requires the contractor to provide any of the following items, this Section 7.1 of the Standard Terms and Conditions modifies the terms of the scope of work or specification.

Pursuant to 2 CFR 200.322, the contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 U.S.C. § 6962. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$ 10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$ 10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

- A. Designated items are those set forth in 40 CFR 247 subpart B, as may be amended from time to time, including:
 - 1. Paper and paper products listed in 40 C.F.R. 247.10;
 - 2. Certain vehicular products as listed in 40 CFR 247.11;
 - 3. Certain construction products listed in 40 C.F.R. 247.12;
 - 4. Certain transportation products listed in 40 C.F.R. 247.13;
 - 5. Certain park and recreation products, 40 C.F.R. 247.14;
 - 6. Certain landscaping products listed in 40 C.F.R. 247.15;
 - 7. Certain non-paper office products listed in 40 C.F.R. 247.16; and
 - 8. Other miscellaneous products listed in 40 C.F.R. 247.17.
- B. As defined in 40 CFR 247.3, "recovered material" means:
 - 1. waste materials and byproducts which have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process; and
 - 2. for purposes of purchasing paper and paper products, means waste material and byproducts that have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process. In the case of paper and paper products, the term recovered materials includes:
 - a. Postconsumer materials such as --
 - i. Paper, paperboard, and fibrous wastes from retail stores, office buildings, homes, and so forth, after they have passed through their end-usage as a consumer item, including: used corrugated boxes; old newspapers; old magazines; mixed waste paper; tabulating cards; and used cordage; and
 - ii. All paper, paperboard, and fibrous wastes that enter and are collected from municipal solid waste, and
 - b. Manufacturing, forest residues, and other wastes such as --

- i. Dry paper and paperboard waste generated after completion of the papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel in smaller rolls of rough sheets) including: envelope cuttings, bindery trimmings, and other paper and paperboard waste, resulting from printing, cutting, forming, and other converting operations; bag, box, and carton manufacturing wastes; and butt rolls, mill wrappers, and rejected unused stock; and
 - ii. Finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters, or others;
 - iii. Fibrous byproducts of harvesting, manufacturing, extractive, or wood-cutting processes, flax, straw, linters, bagasse, slash, and other forest residues;
 - iv. Wastes generated by the conversion of goods made from fibrous material (that is, waste rope from cordage manufacture, textile mill waste, and cuttings); and
 - v. Fibers recovered from waste water which otherwise would enter the waste stream.
- C. For contracts in an amount greater than \$ 100,000, at the beginning of each contract year, contractor shall provide the State estimates of the total percentage of recovered material utilized in the performance of its contract for each of the categories listed in subsection (A). For all contracts subject to this Section 7.1 of the Standard Terms and Conditions, at the conclusion of each contract year, contractor shall certify to the State the minimum recovered material content actually utilized in the prior contract year.

7.2 EQUAL EMPLOYMENT OPPORTUNITY

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. 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 setting forth the provisions of this nondiscrimination clause.
- (2) The contractor 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 race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about,

discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

- (4) The contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his/her books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

7.3 DAVIS-BACON ACT, 40 U.S.C. 3141-3148, AS AMENDED

When required by Federal program legislation, all prime construction contracts in excess of \$ 2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

7.4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, 40 U.S.C. 3701-3708

Where applicable, all contracts awarded by the non-Federal entity in excess of \$ 100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

7.5 RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit

Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

7.6 CLEAN AIR ACT, 42 U.S.C. 7401-7671Q, AND THE FEDERAL WATER POLLUTION CONTROL ACT, 33 U.S.C. 1251-1387, AS AMENDED

Contracts and subgrants of amounts in excess of \$ 150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

7.7 DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689)

A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

7.8 BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. 1352

Contractors that apply or bid for an award exceeding \$ 100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

EXHIBIT A

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, c. 127)

N.J.A.C. 17:27 et seq.

GOODS, GENERAL SERVICE AND PROFESSIONAL SERVICES CONTRACTS

During the performance of this contract, the contractor agrees as follows:

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 ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, 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 equal employment opportunity 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 Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

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.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

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.

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.

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.

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.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval;

Certificate of Employee Information Report; or

Employee Information Report Form AA302 (electronically provided by the Division and distributed to the public agency through the Division's website at http://www.state.nj.us/treasury/contract_compliance).

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Purchase and Property, CCAU, EEO Monitoring Program as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Purchase and Property, CCAU, EEO Monitoring Program for conducting a compliance investigation pursuant to **N.J.A.C. 17:27-1 et seq.**

EXHIBIT B

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, c. 127)

N.J.S.A. 10:5-39 et seq. (P.L. 1983, c. 197)

N.J.A.C. 17:27-1.1 et seq.

CONSTRUCTION CONTRACTS

During the performance of this contract, the contractor agrees as follows:

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 ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, 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 equal employment opportunity shall include, but not be limited to the following: employment, up grading, 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 Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

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.

N.J.S.A. 10:5-39 et seq. requires contractors, subcontractors, and permitted assignees performing construction, alteration, or repair of any building or public work in excess of \$250,000 to guarantee equal employment opportunity to veterans.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, 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.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer, pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

When hiring or scheduling workers in each construction trade, the contractor or subcontractor agrees to make good faith efforts to employ minority and women workers in each construction trade consistent with the targeted employment goal prescribed by N.J.A.C. 17:27-7.2; provided, however, that the Dept. of LWD, Construction EEO Monitoring Program may, in its discretion, exempt a contractor or subcontractor from compliance with the good faith procedures prescribed by the following provisions, A, B and C, as long as the Dept. of LWD, Construction EEO Monitoring Program is satisfied that the contractor or subcontractor is employing workers provided by a union which provides evidence, in accordance with standards prescribed by the Dept. of LWD, Construction EEO Monitoring Program, that its percentage of active "card carrying" members who are minority and women workers is equal to or greater than the targeted employment goal established in accordance with N.J.A.C. 17:27-7.2. The contractor or subcontractor agrees that a good faith effort shall include compliance with the following procedures:

- (A) If the contractor or subcontractor has a referral agreement or arrangement with a union for a construction trade, the contractor or subcontractor shall, within three business days of the contract award, seek assurances from the union that it will cooperate with the contractor or subcontractor as it fulfills its affirmative action obligations under this contract and in accordance with the rules promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et. seq., as supplemented and amended from time to time and the Americans with Disabilities Act. If the contractor or subcontractor is unable to obtain said assurances from the construction trade union at least five business days prior to the commencement of construction work, the contractor or subcontractor agrees to afford equal employment opportunities minority and women workers directly, consistent with this chapter. If the contractor's or subcontractor's prior experience with a construction trade union, regardless of whether the union has provided said assurances, indicates a significant possibility that the trade union will not refer sufficient minority and women workers consistent with affording equal employment opportunities as specified in this chapter, the contractor or subcontractor agrees to be prepared to provide such opportunities to minority and women workers directly, consistent with this chapter, by complying with the hiring or scheduling procedures prescribed under (B) below; and the contractor or subcontractor further agrees to take said action immediately if it determines that the union is not referring minority and women workers consistent with the equal employment opportunity goals set forth in this chapter.
- (B) If good faith efforts to meet targeted employment goals have not or cannot be met for each construction trade by adhering to the procedures of (A) above, or if the contractor does not have a referral agreement or arrangement with a union for a construction trade, the contractor or subcontractor agrees to take the following actions:
- (1) To notify the public agency compliance officer, the Dept. of LWD, Construction EEO Monitoring Program, and minority and women referral organizations listed by the Division pursuant to N.J.A.C. 17:27-5.3, of its workforce needs, and request referral of minority and women workers;
 - (2) To notify any minority and women workers who have been listed with it as awaiting available vacancies;
 - (3) Prior to commencement of work, to request that the local construction trade union refer minority and women workers to fill job openings, provided the contractor or subcontractor has a referral agreement or arrangement with a union for the construction trade;
 - (4) To leave standing requests for additional referral to minority and women workers with the local construction trade union, provided the contractor or subcontractor has a referral agreement or arrangement with a union for the construction trade, the State Training and Employment Service and other approved referral sources in the area;
 - (5) If it is necessary to lay off some of the workers in a given trade on the construction site, layoffs shall be conducted in compliance with the equal employment opportunity and non-discrimination standards set forth in this regulation, as well as with applicable Federal and State court decisions;
 - (6) To adhere to the following procedure when minority and women workers apply or are referred to the contractor or subcontractor:
 - (i) The contractor or subcontractor shall interview the referred minority or women worker.
 - (ii) If said individuals have never previously received any document or certification signifying a level of qualification lower than that required in order to perform the work of the construction trade, the contractor or subcontractor shall in good faith

determine the qualifications of such individuals. The contractor or subcontractor shall hire or schedule those individuals who satisfy appropriate qualification standards in conformity with the equal employment opportunity and non-discrimination principles set forth in this chapter. However, a contractor or subcontractor shall determine that the individual at least possesses the requisite skills, and experience recognized by a union, apprentice program or a referral agency, provided the referral agency is acceptable to the Dept. of LWD, Construction EEO Monitoring Program. If necessary, the contractor or subcontractor shall hire or schedule minority and women workers who qualify as trainees pursuant to these rules. All of the requirements, however, are limited by the provisions of (C) below.

(iii) The name of any interested women or minority individual shall be maintained on a waiting list, and shall be considered for employment as described in (i) above, whenever vacancies occur. At the request of the Dept. of LWD, Construction EEO Monitoring Program, the contractor or subcontractor shall provide evidence of its good faith efforts to employ women and minorities from the list to fill vacancies.

(iv) If, for any reason, said contractor or subcontractor determines that a minority individual or a woman is not qualified or if the individual qualifies as an advanced trainee or apprentice, the contractor or subcontractor shall inform the individual in writing of the reasons for the determination, maintain a copy of the determination in its files, and send a copy to the public agency compliance officer and to the Dept. of LWD, Construction EEO Monitoring Program.

(7) To keep a complete and accurate record of all requests made for the referral of workers in any trade covered by the contract, on forms made available by the Dept. of LWD, Construction EEO Monitoring Program and submitted promptly to the Dept. of LWD, Construction EEO Monitoring Program upon request.

(C) The contractor or subcontractor agrees that nothing contained in (B) above shall preclude the contractor or subcontractor from complying with the union hiring hall or apprenticeship policies in any applicable collective bargaining agreement or union hiring hall arrangement, and, where required by custom or agreement, it shall send journeymen and trainees to the union for referral, or to the apprenticeship program for admission, pursuant to such agreement or arrangement. However, where the practices of a union or apprenticeship program will result in the exclusion of minorities and women or the failure to refer minorities and women consistent with the targeted county employment goal, the contractor or subcontractor shall consider for employment persons referred pursuant to (B) above without regard to such agreement or arrangement; provided further, however, that the contractor or subcontractor shall not be required to employ women and minority advanced trainees and trainees in numbers which result in the employment of advanced trainees and trainees as a percentage of the total workforce for the construction trade, which percentage significantly exceeds the apprentice to journey worker ratio specified in the applicable collective bargaining agreement, or in the absence of a collective bargaining agreement, exceeds the ratio established by practice in the area for said construction trade. Also, the contractor or subcontractor agrees that, in implementing the procedures of (B) above, it shall, where applicable, employ minority and women workers residing within the geographical jurisdiction of the union.

After notification of award, but prior to signing a construction contract, the contractor shall submit to the public agency compliance officer and the Dept. of LWD, Construction EEO Monitoring Program an initial project workforce report (Form AA-201) electronically provided to the public agency by the Dept. of LWD, Construction EEO Monitoring Program, through its website, for distribution to and completion by the contractor, in accordance with N.J.A.C. 17:27-7.

The contractor also agrees to submit a copy of the Monthly Project Workforce Report once a month thereafter for the duration of this contract to the Dept. of LWD, Construction EEO Monitoring Program and to the public agency compliance officer.

The contractor agrees to cooperate with the public agency in the payment of budgeted funds, as is necessary, for on the job and/or off the job programs for outreach and training of minorities and women.

- (D) The contractor and its subcontractors shall furnish such reports or other documents to the Dept. of LWD, Construction EEO Monitoring Program as may be requested by the Dept. of LWD, Construction EEO Monitoring Program from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Dept. of LWD, Construction EEO Monitoring Program for conducting a compliance investigation pursuant to N.J.A.C. 17:27-1.1 et seq.

EXECUTIVE ORDER NO. 151 REQUIREMENTS

It is the policy of the Division of Purchase and Property that its contracts should create a workforce that reflects the diversity of the State of New Jersey. Therefore, contractors engaged by the Division of Purchase and Property to perform under a construction contract shall put forth a good faith effort to engage in recruitment and employment practices that further the goal of fostering equal opportunities to minorities and women.

The contractor must demonstrate to the Division of Purchase and Property's satisfaction that a good faith effort was made to ensure that minorities and women have been afforded equal opportunity to gain employment under the Division of Purchase and Property's contract with the contractor. Payment may be withheld from a contractor's contract for failure to comply with these provisions.

Evidence of a "good faith effort" includes, but is not limited to:

1. The Contractor shall recruit prospective employees through the State Job bank website, managed by the Department of Labor and Workforce Development, available online at <http://NJ.gov>/<http://NJ.gov/JobCentralNJ>;
2. The Contractor shall keep specific records of its efforts, including records of all individuals interviewed and hired, including the specific numbers of minorities and women;
3. The Contractor shall actively solicit and shall provide the Division of Purchase and Property with proof of solicitations for employment, including but not limited to advertisements in general circulation media, professional service publications and electronic media; and
4. The Contractor shall provide evidence of efforts described at 2 above to the Division of Purchase and Property no less frequently than once every 12 months.
5. The Contractor shall comply with the requirements set forth at N.J.A.C. 17:27.

This language is in addition to and does not replace good faith efforts requirements for construction contracts required by N.J.A.C. 17:27-3.6, 3.7 and 3.8, also known as Exhibit B.

State of New Jersey Standard Terms and Conditions

(Rev: 10/21/19)

**I HEREBY ACCEPT THE TERMS AND CONDITIONS OF
THIS CONTRACT**



Signature

5/5/2020

Date

Chad Wilson, President

Print Name and Title

Navient B.P.O., LLC

Print Name of Contractor

**WAIVERED CONTRACTS SUPPLEMENT TO THE
STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS**
(Rev. 6/14/2018)

- A. WAIVERED CONTRACTS SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS** - This Supplement to the State of New Jersey Standard Terms and Conditions ("Supplement") shall apply to all contracts or purchase agreements made with the State of New Jersey ("State") under N.J.S.A. 52:34-9 or -10 ("Waivered Contracts"). The terms in this Supplement modify the terms of the New Jersey Division of Purchase and Property's Standard Terms and Conditions as may be updated from time to time ("Standard Terms and Conditions"). The combined terms of the Standard Terms and Conditions and this Supplement, in addition to the terms and conditions set forth in the Request for Proposal, Request for Quotation, and/or other agency request ("Solicitation"), if applicable, shall prevail over any conflicts set forth in or incorporated by reference into a contractor's proposal submitted in response to a Solicitation including any standard license, service or other agreement ("Contractor Standard Form Agreement").

The "Contract" shall consist of this Supplement, the Standard Terms and Conditions, the Solicitation, and the proposal submitted by the contractor.

The Standard Terms and Conditions are hereby incorporated by reference. Section numbering of the changes and additions enumerated below continue the number scheme of the Standard Terms and Conditions.

- B. CHANGES/ADDITIONS TO THE STANDARD TERMS AND CONDITIONS FOR ALL GOODS, SERVICES, AND INFORMATION TECHNOLOGY WAIVERED CONTRACTS:**

2.13 OWNERSHIP DISCLOSURE

Pursuant to N.J.S.A. 52:25-24.2, in the event the contractor is a corporation, partnership or limited liability company, the contractor must complete an Ownership Disclosure Form.

A current completed Ownership Disclosure Form must be received prior to or accompany the submitted proposal. A contractor's failure to submit the completed and signed form with its proposal will result in the rejection of the proposal as non-responsive and preclude the award of a Contract to said contractor unless the Division has on file a signed and accurate Ownership Disclosure Form dated and received no more than six (6) months prior to the receipt of the proposal. If any ownership change has occurred within the last six (6) months, a new Ownership Disclosure Form must be completed, signed and submitted with the proposal.

In the alternative, to comply with this section, a contractor with any direct or indirect parent entity which is publicly traded may submit the name and address of each publicly traded entity and the name and address of each person that holds a 10 percent or greater beneficial interest in the publicly traded entity as of the last annual filing with the federal Securities and Exchange Commission or the foreign equivalent, and, if there is any person that holds a 10 percent or greater beneficial interest, also shall submit links to the websites containing the last annual filings with the federal Securities and Exchange Commission or the foreign equivalent and the relevant page numbers of the filings that contain the information on each person that holds a 10 percent or greater beneficial interest. N.J.S.A. 52:25-24.2.

2.14 PROHIBITED INVESTMENT IN IRAN

Pursuant to N.J.S.A. 52:32-58, the contractor must utilize this Disclosure of Investment Activities in Iran form to certify that neither the contractor, nor one (1) of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32-56(e)(3)), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither the contractor, nor one (1) of its parents, subsidiaries, and/or affiliates, is involved in any of the investment activities set forth in N.J.S.A. 52:32-56(f). If the contractor is unable to so certify, the contractor shall provide a detailed and precise description of such activities as directed on the form.

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2.15 STATE'S RIGHT TO INSPECT CONTRACTOR'S FACILITIES

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

The State may also consult with clients of the contractor to assist the State in making a contract award that is most advantageous to the State.

2.16 STATE'S RIGHT TO REQUEST FURTHER INFORMATION

The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the contractor's financial capabilities to perform the Contract. Further, the Director reserves the right to request a contractor to explain, in detail, how the proposal price was determined.

2.17 DELIVERY TIME AND COSTS

Unless otherwise noted elsewhere in the Solicitation, all delivery times are 30 calendar days after receipt of order (ARO) and prices for items in proposals shall be submitted Freight On Board (F.O.B.) Destination (30 calendar days ARO/F.O.B.). The contractor shall assume all costs, liability and responsibility for the delivery of merchandise in good condition to the State's Using Agency or designated purchaser. Thirty calendar days ARO/F.O.B. does not cover "spotting" but does include delivery on the receiving platform of the Using Agency at any destination in the State of New Jersey unless otherwise specified.

No additional charges will be allowed for any additional transportation costs resulting from partial shipments made at the contractor's convenience when a single shipment is ordered.

The weights and measures of the State's Using Agency receiving the shipment shall govern.

2.18 COLLECT ON DELIVERY (C.O.D) TERMS

C.O.D. terms will not be accepted.

2.19 CASH DISCOUNTS

The contractor is encouraged to offer cash discounts based on expedited payment by the State. The State will make efforts to take advantage of discounts.

Should the contractor choose to offer cash discounts the following shall apply:

- A. Discount periods shall be calculated starting from the next business day after the Using Agency has accepted the goods or services, received a properly signed and executed invoice and, when required, a properly executed performance security, whichever is latest; and
- B. The date on the check issued by the State in payment of that invoice shall be deemed the date of the State's response to that invoice.

2.20 CLAIMS AND REMEDIES

- A. All claims asserted against the State by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

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- B. Nothing in this Contract shall be construed to be a waiver by the State of any warranty, expressed or implied, of any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.
- C. In the event that the contractor fails to comply with any material Contract requirements, the Director may take steps to terminate this Contract in accordance with the Standard Terms and Conditions, authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor, as provided for in the State administrative code, or take any other action or seek any other remedies available at law or in equity.

2.21 NEWS RELEASES & ADVERTISING

- A. The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this Contract without the prior written consent of the Director.
- B. The contractor shall not use the State's name, logos, images, or any data or results arising from this Contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

2.22 ORGAN DONATION

As required by N.J.S.A. 52:32-33.1, the State encourages the contractor to disseminate information relative to organ donation and to notify its employees, through information and materials or through an organ and tissue awareness program, of organ donation options. The information provided to employees should be prepared in collaboration with the organ procurement organizations designated pursuant to 42 U.S.C. 1320b-8 to serve in this State.

3.8 PERFORMANCE SECURITY

If performance security is required, such security must be submitted with the bid in the amount listed in the Solicitation. N.J.A.C. 17:12-2.5. Acceptable forms of performance security are as follows:

- 1. A properly executed individual or annual performance bond issued by an insurance or security company authorized to do business in the State of New Jersey,
- 2. A certified or cashier's check drawn to the order of "Treasurer, State of New Jersey," or
- 3. An irrevocable letter of credit issued by a federally insured financial institution and naming "Treasurer, State of New Jersey," as beneficiary.

The Performance Security must be submitted to the State within 30 days of the effective date of the Contract award and cover the period of the Contract and any extensions thereof. Failure to submit performance security may result in cancellation of the Contract for cause and nonpayment for work performed.

Although the performance bond is required for the full term of the Contract, the Director recognizes that the industry practice of sureties is to issue a one (1) year performance bond for goods and services contracts. Thus, the contractor is permitted to submit a one (1) year performance bond for the amount required under the Contract and, on each succeeding anniversary date of the Contract, provide a continuation or renewal certificate to evidence that the bond is in effect for the next year of the Contract. This procedure will remain in place for each year of the Contract thereafter until the termination of the Contract. Failure to provide such proof on the anniversary date of the Contract shall result in suspension of the Contract, and possibly, termination of the Contract.

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For performance bonds based on a percentage of the total estimated Contract price. On each anniversary of the effective date of the Contract, the amount of the required performance bond, unless otherwise noted, is calculated by applying the established RFQ performance bond percentage to the outstanding balance of the estimated amount of the Contract price to be paid to the contractor.

In the event that the Contract price is increased by a Contract Amendment, the contractor may be required to provide, within 30 calendar days of the effective date of the Contract Amendment, performance bond coverage for the increase in Contract price. The required increase in the performance bond amount is calculated by applying the established bond percentage set forth above to the increase in Contract price. Failure to provide such proof to the Director of this required coverage may result in the suspension of payment to the contractor until such time the contractor complies with this requirement.

3.9 RETAINAGE

If retainage is required on the Contract as stated in the Solicitation, the state and/or agency will retain the stated percentage or retainage from each invoice. Payment of retainage will be authorized after satisfactory completion and submission of all services, deliverables or work products by the contractor and acceptance by the agency of all services, deliverables or work products required by the Contract.

For ongoing contracts, the agency will retain the stated percentage of each invoice submitted. At the end of the three (3) month period after payment of each invoice, the agency will review the contractor's performance and if performance has been satisfactory, the agency will release the retainage for the preceding three (3) month period. Following the expiration of the Contract, retained fees will be released to the contractor after certification by the agency's project manager, if any, that all services have been satisfactorily performed.

3.10 SUBCONTRACTOR UTILIZATION PLAN

A contractor that will subcontract any of the work or services to be provided under the Contract shall submit to the agency along with its proposal a Subcontractor Utilization Plan located at the following webpage: <http://www.state.nj.us/treasury/purchase/forms/subcontracting.pdf>. See also Section 5.8 of the Standard Terms and Conditions.

5.17 CONFIDENTIALITY

- a. The State's obligation to maintain the confidentiality of the contractor's confidential information provided to the State under the Contract is conditioned upon and subject to the State's obligations under the New Jersey Public Records Act, N.J.S.A. 47:1A-1 et seq., ("OPRA"), the New Jersey common law right to know, and any other lawful document request or subpoena.
- b. By virtue of the Contract, the parties may have access to information that is confidential to one another. The parties agree to disclose only information that is required for the performance of their obligations under the Contract. The contractor's confidential information, to the extent not expressly prohibited by law, shall consist of all information clearly identified as confidential at the time of disclosure ("Contractor Confidential Information"). Notwithstanding the previous sentence, the contractor acknowledges the terms and pricing of the Contract are subject to disclosure under OPRA, the New Jersey common law right to know, and any other lawful document request or subpoena.
- c. The State's Confidential Information shall consist of all information or data in any form whatsoever supplied by the State, any information or data gathered by the contractor in fulfillment of the Contract and any analysis thereof (whether in fulfillment of the Contract or not).
- d. A party's Confidential Information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party, except that if the information is personally identifying to a person or entity regardless of whether it has become part of the public

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domain through other means, the other party must maintain full efforts under the Contract to keep it confidential; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently developed by the other party.

- e. The parties agree to hold each other's Confidential Information in confidence, using at least the same degree of care in doing so that it uses to protect its own confidential information.
- f. In the event that the State receives a request for Contractor Confidential Information related to the Contract pursuant to a court order, subpoena, lawful document request or other operation of law, the State agrees, if permitted by law, to provide the contractor with as much notice, in writing, as is reasonably practicable and the State's intended response to such request. The contractor shall take any action it deems appropriate to protect its documents and/or information.
- g. In addition, in the event the contractor receives a request for State Confidential Information pursuant to a court order, subpoena, or other operation of law, the contractor shall, if permitted by law, provide the State with as much notice, in writing, as is reasonably practicable and the contractor's intended response to such request. The State shall take any action it deems appropriate to protect its documents and/or information. Notice to the State shall not relieve the contractor of its obligation to take action to protect such information if the contractor is aware of a legal reason to do so.
- h. Notwithstanding the requirements of nondisclosure described in this Section 5.17, either party may release the other party's Confidential Information (i) if directed to do so by a court or arbitrator of competent jurisdiction, (ii) pursuant to a lawfully issued subpoena or other lawful document request, (iii) in the case of the State, if the State determines the documents or information are subject to disclosure and the contractor does not exercise its rights as described in subsection (f), or if the contractor is unsuccessful in defending its rights as described in subsection (f), or (iv) in the case of the contractor, if the contractor determines the documents or information are subject to disclosure and the State does not exercise its rights as described in subsection (g), or if the State is unsuccessful in defending its rights as described in subsection (g).

C. CHANGES/ADDITIONS TO THE STANDARD TERMS AND CONDITIONS APPLICABLE TO SERVICES AND INFORMATION TECHNOLOGY WAIVERED CONTRACTS:

4.2 INSURANCE

The following paragraph D is added to section 4.2 of the Standard Terms and Conditions:

- D. Professional Liability Insurance: When it is common to the contractor's profession to do so, 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.

5.18 OWNERSHIP

Capitalized terms used but not defined are defined in Subsection D of this Supplement, below.

- a. Contractor Intellectual Property; COTS and Customized Software – The contractor retains ownership of all Contractor Intellectual Property, and any modifications thereto and derivatives thereof, that the contractor supplies to the State pursuant to the Contract. The contractor grants the State a non-exclusive, perpetual royalty-free license to use Contractor Intellectual Property delivered to the State for the purposes contemplated by the Contract.

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- b. Third Party Intellectual Property – Unless otherwise specified in the Solicitation that the State, on its own, will acquire and obtain a license to Third Party Intellectual Property, the contractor shall secure on the State's behalf, in the name of the State and subject to the State's approval, a license to Third Party Intellectual Property sufficient to fulfill the business objectives, requirements and specifications identified in the Contract at no additional cost to the State beyond that in the bid price. Under no circumstances will the State accept a license for Third Party Intellectual Property that contains terms and conditions that conflict with the terms and conditions of the Contract. If the contractor uses Third Party Intellectual Property, the contractor must indemnify the State for infringement claims with respect to the Third Party Intellectual Property. The contractor agrees that its use of Third Party Intellectual Property shall be consistent with the license for the Third Party Intellectual Property, whether supplied by the contractor, secured by the State as required by the Solicitation, or otherwise supplied by the State.
- c. Work Product; Custom Software – The State owns all Custom Software which shall be considered "work made for hire", i.e., the State, not the contractor, subcontractor, or third party, shall have full and complete ownership of all such Custom Software. To the extent that any Custom Software may not, by operation of the law, be a "work made for hire" in accordance with the terms of the Contract, contractor, subcontractor, or third party hereby assigns to the State, or the contractor shall cause to be assigned to the State, all right, title and interest in and to any such Custom Software and any copyright thereof, and the State shall have the right to obtain and hold in its own name any copyrights, registrations and any other proprietary rights that may be available.
- d. Work Product; Services – The State owns all Deliverables developed for the State in the course of providing Services under the Contract, including but not limited to, 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, 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 the Contract.
- e. State Intellectual Property – Data and Background Information. The State owns all State Intellectual Property and State data and background information provided to the contractor pursuant to the Contract. The State's data and background information shall include, without limitation, all data, technical information, and materials provided to the contractor by the State to facilitate performance of the Contract, including but not limited to all reports, 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. The items described in the preceding sentence shall be delivered or returned to the State of New Jersey upon thirty (30) days' notice by the State or thirty (30) days after the expiration or termination of the Contract. Only to fulfill the purposes of the Contract does the State grant the contractor a non-exclusive, royalty-free, world-wide license to use, copy, display, distribute, transmit and prepare derivative works of State Intellectual Property and State data and background information. Notwithstanding anything to the contrary contained in the Terms and Conditions or this Supplement, no part of the State's data will be disclosed, sold, assigned, leased or otherwise disposed of to any person or entity other than the State unless specifically directed to do so in writing by the Contract Manager. The State's license to the contractor is limited by the term of the Contract and the confidentiality obligations set forth in Section 5.17 of this Supplement.
- f. No Rights – Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the contractor any right, title, or interest in State Intellectual Property or any intellectual property that is now owned or licensed to or subsequently owned by or licensed by the State. Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the State any right, title, or interest in any Contractor Intellectual Property that is now owned or subsequently owned by the contractor. Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the State any right, title, or interest in any Third Party Intellectual Property that is now owned or subsequently owned by a Third Party.

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**D. CHANGES/ADDITIONS TO THE STANDARD TERMS AND CONDITIONS FOR ALL INFORMATION
TECHNOLOGY WAIVERED CONTRACTS:**

1.2 DEFINITIONS

The following definitions shall apply to information technology contracts:

- i. The term "Acceptance" means the written confirmation by an Agency that the contractor has completed a Deliverable according to the specified requirements.
- ii. The term "Contractor Intellectual Property" means any intellectual property that is owned by the contractor and contained in or necessary for the use of the Deliverables or which the contractor makes available for the State to use as part of the work under the Contract. Contractor Intellectual Property includes COTS or Customized Software owned by the contractor, the contractor's technical documentation, and derivative works and compilations of any Contractor Intellectual Property.
- iii. The term Commercial Off the Shelf Software ("COTS") means Software provided by the contractor that is intended for general use.
- iv. The term "Custom Software" means Software and Work Product that is developed by the contractor at the request of the Agency to meet the specific requirements of the Agency and is intended for its use.
- v. The term "Customized Software" means COTS that is adapted by the contractor to meet specific requirements of the Agency that differ from the standard requirements of the base product.
- vi. The term "Deliverable" means the goods, products, Services and Work Product that the contractor is required to deliver to the State under the Contract;
- vii. The terms "goods" and "products" shall be deemed to include, without limitation, Software and Hardware.
- viii. The term "Hardware" shall be deemed to include computer equipment and any Software provided with the Hardware that is necessary for the Hardware to operate.
- ix. The term "Information Technology Contract" shall mean, notwithstanding any definition in New Jersey Statutes, a Contract for one or more of the following: Hardware, Software, Services, telecommunication goods and services, and all related goods.
- x. The terms "Services" shall be deemed to include, without limitation (i) Information Technology ("IT") professional services; (ii) Software and Hardware-related services, including without limitation, installation, configuration, and training and (iii) Software and Hardware maintenance and support and/or Software and Hardware technical support services.
- xi. The term "Software" means, without limitation, computer programs, source codes, routines, or subroutines supplied by the contractor, including operating software, programming aids, application programs, application programming interfaces and software products, and includes COTS, Customized Software and Custom Software, unless the context indicates otherwise.
- xii. The term "State Intellectual Property" means any intellectual property that is owned by the State. State Intellectual Property includes any derivative works and compilations of any State Intellectual Property.
- xiii. The term "Third Party Intellectual Property" means any intellectual property owned by parties other than the State or the contractor and contained in or necessary for the use of the Deliverables. Third Party Intellectual Property includes COTS owned by Third Parties, and derivative works and compilations of any Third Party Intellectual Property.
- xiv. The term "Work Product" means every invention, modification, discovery, design, development, customization, configuration, improvement, process, Software program, work of authorship, documentation, formula, datum, technique, know how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection) that is specifically made, conceived, discovered, or reduced to practice by the contractor or the contractor's subcontractors or a third party engaged by the contractor or its subcontractor pursuant to the Contract. Notwithstanding anything to the contrary in the preceding sentence, Work Product does not include State Intellectual Property, Contractor Intellectual Property or Third Party Intellectual Property.

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2.10 COMPLIANCE - LAWS

The following is added to section 2.10 of the Standard Terms and Conditions:

COMPLIANCE – DATA AND PRIVACY LAWS – The contractor must comply with all State and Federal data and privacy laws, rules and regulations applicable to both the contractor and the State under the Contract.

4.1 INDEMNIFICATION

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

INDEMNIFICATION AND LIMITATION OF LIABILITY:

1. INDEMNIFICATION - The contractor's liability to the State and its employees in third party suits shall be as follows:
 - a) The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State and its officers, agents, servants and employees, from and against any and all third party claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith:
 - i. For or on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or products supplied under the Contract or the order; and
 - ii. For or on account of the use of any patent, copyright, trademark, trade secret or other proprietary right of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance ("Intellectual Property Rights") furnished or used in the performance of the Contract; and
 - iii. The contractor's indemnification and liability under subsection (a) is not limited by, but is in addition to the insurance obligations contained in these Standard Terms and Conditions.
 - b) In the event of a claim or suit involving third-party Intellectual Property Rights, the contractor, at its option, may: (1) procure for the State the legal right to continue the use of the product; (2) replace or modify the product to provide a non-infringing product that is the functional equivalent; or (3) refund the purchase price less a reasonable allowance for use that is agreed to by both parties. The State will (1) promptly notify the contractor in writing of the claim or suit; (2) the contractor shall have control of the defense and settlement of any claim that is subject to subsection (a); provided, however, that the State must approve any settlement of the alleged claim, which approval shall not be unreasonably withheld. The State may observe the proceedings relating to the alleged claim and confer with the contractor at its expense. Furthermore, neither the contractor nor any attorney engaged by the contractor shall defend the claim in the name of the State of New Jersey or any Agency, nor purport to act as legal representative of the State of New Jersey or any Agency, without having provided notice to the Director of the Division of Law in the Department of Law and Public Safety and to the Director of DPP. The State of New Jersey may, at its election and expense, assume its own defense and settlement.
 - c) Notwithstanding the foregoing, the contractor has no obligation or liability for any claim or suit concerning third-party Intellectual Property Rights arising from: (1) the State's unauthorized combination, operation, or use of a product supplied under the Contract with any product, device, or Software not supplied by the contractor; (2) the State's unauthorized alteration or modification of any product supplied under the Contract; (3) the contractor's compliance with the State's designs, specifications, requests, or instructions, provided that if the State provides the contractor with such designs, specifications, requests, or instructions, the contractor reviews same and advises that such designs, specifications, requests or instructions present potential issues of patent or copyright infringement and the State nonetheless directs the contractor to proceed with one or more designs, specifications, requests or instructions that

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present potential issues of patent or copyright infringement; or (4) the State's failure to promptly implement a required update or modification to the product provided by the contractor.

- d) The contractor will be relieved of its responsibilities under subsection (a)(i) and (ii) for any claims made by an unaffiliated third party that arise solely from the actions or omissions of the State, its officers, employees or agents.
- e) This section states the entire obligation of the contractor and its suppliers, and the exclusive remedy of the State, in respect of any infringement or alleged infringement of any Intellectual Property Rights. This indemnity obligation and remedy are given to the State solely for its benefit and in lieu of, and the contractor disclaims, all warranties, conditions and other terms of non-infringement or title with respect to any product.
- f) The provisions of this indemnification clause shall in no way limit the contractor's obligations assumed in the Contract, nor shall they be construed to relieve the contractor from any liability, nor preclude the State from taking any other actions available to it under any other provisions of the Contract or otherwise at law or equity.
- g) The contractor agrees that any approval by the State or Using Agency of the work performed and/or reports, plans or specifications provided by the contractor shall not operate to limit the obligations of the contractor assumed in the Contract.
- h) The State of New Jersey will not indemnify, defend or hold harmless the contractor. The State will not pay or reimburse for claims absent compliance with Section 4.1(2) of this Supplement and a determination by the State to pay the claim or a final order of a court of competent jurisdiction.

2. STATE RESPONSIBILITIES

Subject to the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.), the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.) and the appropriation and availability of funds, the State will be responsible for any cost or damage arising out of actions or inactions of the State, its employees or agents under Section 4.1(1)(a)(i) and (ii) of this Supplement which results in an unaffiliated third party claim. This is the contractor's exclusive remedy for these claims.

3. LIMITATION OF LIABILITY

- a) The contractor's liability to the State for actual, direct damages resulting from the contractor's performance or non-performance of, or in any manner related to, the Contract for any and all claims, shall be limited in the aggregate to 200% of the fees paid to the contractor for the products or Services giving rise to such damages, except that such limitation of liability shall not apply to the following:
 - i. The contractor's indemnification obligations as described in Section 4.1(1) of this Supplement; and
 - ii. The contractor's breach of its obligations of confidentiality described in Section 5.17 of this Supplement; and
- b) The contractor shall not be liable for consequential or incidental damages.

5.11 CONTRACTOR PERFORMANCE WARRANTIES

Section 5.11 of the Standard Terms and Conditions is deleted in its entirety and replaced with the following:

1. COTS and Customized Software

- a. Unless the Contractor Standard Form Agreement provides greater coverage as determined by the State, in its sole discretion, the contractor warrants that COTS and Customized Software products licensed to the State shall operate in all material respects as described in the Solicitation and/or contractor technical documentation for ninety (90) days after Acceptance. The State shall

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notify the contractor of any COTS or Customized Software product deficiency within ninety (90) days after Acceptance. For a Contract requiring the delivery of COTS or Customized Software and Custom Software, a notice within one hundred eighty (180) days that describes a deficiency in functional terms without specifying whether the deficiency is with COTS, Customized Software or Custom Software shall be deemed a notice that triggers the warranty provisions in both Section 5.11(a) and 5.11(b) of this Supplement.

- b. Except for the portion of the contractor's COTS or Customized Software product that intentionally contains one or more of the following for the purpose of anti-virus protection, the contractor warrants that, at the time of delivery and installation of the COTS or Customized Software provided pursuant to the Contract, its product shall be free of what are commonly defined as viruses, backdoors, worms, spyware, malware and other malicious code that will hamper performance of the COTS or Customized Software, collect unlawful personally identifiable information on users, or prevent the COTS or Customized Software from performing as required under the Contract.
- c. In the event of any breach of this warranty, the contractor shall correct the product errors that caused the breach of warranty, or if the contractor cannot substantially correct such breach in a commercially reasonable manner, the State may end its usage and recover the fees paid to the contractor for the license and any unused, prepaid, technical support fees paid. Under no circumstances does this warranty provision limit the contractor's obligation in the event of a breach of confidentiality.
- d. The contractor does not warrant that COTS or Customized Software is error-free or that it will operate uninterrupted.

2. Custom Software

- a. Unless the Contractor Standard Form Agreement provides greater coverage, as determined by the State, in its sole discretion, the contractor warrants that Custom Software Deliverables shall operate in all material respects as described in the applicable specification documentation for one hundred and eighty (180) days after Acceptance. The State shall notify the contractor of any Custom Software deficiency within one hundred and eighty (180) days after Acceptance of the Custom Software Deliverable (the "Notice Period"). Where the contractor is providing multiple Custom Software Deliverables over the term of the Contract, the Notice Period shall begin to run after the Acceptance of the final Custom Software Deliverable under the Contract. At that time, the State may assert defect claims relating to any and all of the Custom Software Deliverables provided under the Contract; however, the State may also assert claims earlier, in its discretion, without waiving the Notice Period.
- b. For a Contract requiring the delivery of COTS or Customized Software and Custom Software, a notice within one hundred eighty (180) days that describes a deficiency in functional terms without specifying whether the deficiency is with COTS, Customized Software or Custom Software shall be deemed a notice that triggers the warranty provisions in both Section 5.11(a) and 5.11(b) of this Supplement.
- c. The contractor warrants that, at the time of Acceptance of the Custom Software Deliverable provided pursuant to the Contract, its product shall be free of what are commonly defined as viruses, backdoors, worms, spyware, malware and other malicious code that will hamper performance of the Custom Software, collect unlawful personally identifiable information on users, or prevent the Custom Software from performing as required under the Contract. Under no circumstances does this warranty provision limit the contractor's obligation in the event of a breach of confidentiality.
- d. In the event of any breach of this warranty, the contractor shall correct the Custom Software errors that caused the breach of warranty, or if the contractor cannot substantially correct such breach in a commercially reasonable manner, the State may recover a portion of the fees paid to the contractor for the Custom Software with the uncorrected defect or in the event that the Custom Software is still deemed, by the State in its sole discretion, to be usable by the State even with the uncorrected defect, the State may recover a portion of the fees paid to the

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contractor for the Custom Software (up to the total amount of such charges for such Custom Software) to reflect any reduction in the value of the Custom Software Deliverable as a result of the uncorrected defect. Under no circumstances does this warranty provision limit the contractor's obligations in the event of a breach of confidentiality.

- e. The contractor does not warrant that Custom Software is error-free or that it will operate uninterrupted.

3. IT Services

- a. Unless the Contractor Standard Form Agreement provides greater coverage, as determined by the State, in its sole discretion, the contractor warrants that all Services will be provided in a professional manner consistent with industry standards. The State shall notify the contractor of any Services warranty deficiencies within ninety (90) days from performance of the deficient Services.
- b. In the event of any breach of this warranty, the contractor shall re-perform the deficient Services, or if the contractor cannot substantially correct a breach in a commercially reasonable manner, the State may end the relevant Services and recover the fees paid to the contractor for the deficient Services.

4. Hardware

- a. Unless the Contractor Standard Form Agreement provides greater coverage, as determined by the State, in its sole discretion, the contractor warrants that 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. The contractor warrants that all equipment supplied to the State and operated by electrical current is UL listed where applicable.
 - c. The contractor warrants that all new machines are to be guaranteed as fully operational for one (1) year from time of Acceptance by the State. For the avoidance of doubt, Acceptance with respect to Hardware in this subsection (d) shall occur no later than sixty (60) days after delivery, as evidenced by a signed delivery receipt. The contractor shall render prompt service without charge, regardless of geographic location.
 - d. The contractor warrants that sufficient quantities of parts necessary for proper service to equipment shall be maintained at distribution points and service headquarters.
 - e. The contractor warrants that 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. The contractor warrants that all Software included with the Hardware shall perform substantially in accordance with specifications, for one (1) year from the time of Acceptance. The contractor warrants that Software media will be free from material defects in materials and workmanship for a period of one (1) year from the date of Acceptance.
 - g. In the event of any breach of this warranty, the contractor shall promptly repair, replace or refund the purchase price of product rejected for failure to conform with the contractor's product specifications.
5. THE WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, AND THE CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.

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5.19 AUDIT NOTICE AND DISPUTE RESOLUTION

To the extent the contractor's proposal or Standard Form Agreement permits the contractor to conduct periodic audits of the State's usage of the Contractor Intellectual Property provided thereunder, such provision is amended to include the following audit notice and dispute resolution process:

- a. **AUDIT NOTICE** – Notwithstanding anything to the contrary in the contractor's proposal or Standard Form Agreement, in the event that the contractor seeks to exercise a right in its proposal or Standard Form Agreement to audit the State's use of Contractor Intellectual Property, the contractor shall deliver simultaneous written notice, no less than thirty days in advance of the audit start date (unless the contractor's notice provides a longer notice period), to the:
 - i. Director of the New Jersey Department of Treasury, Division of Purchase and Property:
Procurement Bureau, Technology Unit
P.O. Box 230
Trenton, NJ 08625-0230
 - ii. Chief of Staff of the New Jersey Office of Information Technology:
Office of the Chief Technology Officer
300 Riverview Plaza
Trenton, NJ 08625
 - iii. State Contract Manager.

The notice shall reference the specific audit provision(s) in the contractor's proposal or Standard Form Agreement being exercised and include copies of same, specify the means by which the contractor will conduct the audit, and shall require the audit to be conducted in accordance with generally accepted standards in the field of such audits.

- b. **AUDIT DISPUTE RESOLUTION** -- If the State, in good faith, provides the contractor with written notice of an alleged error in the amount of underpaid fees due the contractor as a result of an audit (the "dispute"), then the parties will endeavor to resolve the dispute in accordance with this paragraph. Each party will appoint a Vice President, Assistant Director, or the equivalent (hereinafter referred to as "Representative") to discuss the dispute and no formal proceedings for the judicial resolution of such dispute, except for the seeking of equitable relief or those required to avoid non-compliance with the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., may begin until either such Representative concludes, after a good faith effort to resolve the dispute, that resolution through continued discussion is unlikely. In addition, the parties shall refrain from exercising any termination right related to the dispute being considered under this paragraph and shall continue to perform their respective obligations under the Contract while they endeavor to resolve the dispute under this paragraph.
- c. **STATE NOT LIABLE FOR AUDIT COSTS** -- Notwithstanding anything to the contrary in the contractor's proposal or Standard Form Agreement, the State will not reimburse the contractor for any costs related to an audit.
- d. **NO AUDIT RIGHT CREATED** -- In the event that the contractor's proposal or Standard Form Agreement does not permit audits of the State's usage of Contractor Intellectual Property, Section 5.19 of this Supplement shall not be interpreted to provide such an audit right.

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**I HEREBY ACCEPT THE TERMS AND CONDITIONS
OF THIS CONTRACT**



Signature

5/5/2020

Date

Chad Wilson, President

Print Name and Title

Navient B.P.O., LLC

Print Name of Contractor