



**REQUEST FOR QUOTATION
ACCOUNTING UNIT – REVIEW AND ANALYSIS**

	Date	Time
Due Date for Electronic Questions	02/03/2023	4:00 PM
Quotation/Proposal Submission Date	03/10/2023	2:00 PM

1 INTRODUCTION AND SUMMARY OF THE REQUEST FOR QUOTE

This Request for Quotation (RFQ) is issued by the Department of Labor and Workforce Development (NJDOL), Division of Accounting and Finance. Quotations/Proposals submitted in response to this RFQ shall be submitted in accordance with RFQ Section 3 Quotation Submission. Bidders are advised to thoroughly read all sections of this RFQ and follow all instructions.

1.1 PURPOSE AND INTENT

The purpose of this RFQ is to solicit Proposals from qualified accounting firms to provide a thorough review and analysis and to document procedures and practices of an accounting unit (Unit), within the NJDOL, Division of Accounting and Finance, while identifying opportunities for greater efficiencies through automation or other means.

It is the intent of the NJDOL to award one (1) Contract to that responsible Bidder whose Proposal, conforming to this RFQ is most advantageous to the State, price and other factors considered.

The NJDOL intends to award one (1) Contract in accordance with requirements set forth in *RFQ Section 6 – Quotation Evaluation and Award*.

The State of New Jersey Standard Terms and Conditions (SSTCs) included with this RFQ shall apply to all Contracts made with the NJDOL. 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

Among the numerous programs and services that the NJDOL provides to the citizens of New Jersey (NJ), the NJDOL is responsible for the collection and disbursement of funds for several different benefit programs. The Unit is currently comprised of approximately 12 employees that perform a plethora of accounting functions.

The Unit is responsible for the accounting and financial statement preparation for eight (8) special revenue funds, four (4) custodial funds, and one (1) proprietary fund. Additionally, the Unit is responsible for ensuring that sufficient funds are available daily to pay applicable benefits. Applicable payroll taxes are collected by the Department of Labor and by the NJ Department of the Treasury. The Unit ensures transactions are recorded, deposited into the proper accounts. The Unit also transfer applicable payroll taxes to the IRS. The subsidiary records for employers are kept on a separate system within NJDOL's Division of Employer Accounts.

In NJ, workers' pay for unemployment insurance (UI), disability insurance (DI), family leave insurance (FLI), workforce development (WDPF), and supplemental workforce development (SWF) through payroll contributions. The UI, WDPF and SWF rates are set by law. The Unit calculates the DI and FLI worker rates in accordance with applicable law and provides the calculation to determine what tax tables and schedules the employer will pay for UI and DI. The Unit also prepare estimated data based on information provided from the NJ's Treasurer's Office and NJDOL's Office of Research and Information. Each fund has a unique payment/benefit process. For example, Unemployment benefit payments are initiated from NJDOL's Local Office Online Payment System (LOOPS), Temporary Disability and Family Leave are initiated from NJDOL's Disability Automated Benefits System (DABS), Worker's Compensation Second Injury Fund benefit payments are initiated through a file transfer to the State's General Fund. The current general ledger is reliant on information received from several stand-alone benefit systems as well as manual reports. The Unit manages 23 State bank accounts and the related daily banking processes. They draw funds from the federal government to reimburse benefit expenditures in conformity with the Federal Cash Management Improvement Act (CMIA). Additionally, the Unit prepares, and files required federal reports.

2 QUOTATION SUBMISSION INFORMATION

2.1 ELECTRONIC QUESTION AND ANSWER PERIOD

The NJDOL will electronically accept questions and inquiries from all potential Bidders. Questions should be directly tied to a Section of the RFQ, the Price Sheet, Form, or Attachment.

The cut-off date for electronic questions and inquiries relating to this RFQ is indicated below and on the RFQ cover page. In the event that questions are posed by Bidders, answers to such questions will be issued and posted on the NJDOL's website at the below referenced link:

<https://www.nj.gov/labor/aboutlwd/index.shtml#vendors>

All questions must be sent electronically through the below referenced email address no later than 4:00 p.m. on February 3, 2023:

AURA@dol.nj.gov

2.2 QUOTATION/PROPOSAL SUBMISSION REQUIREMENTS

2.2.1 QUOTATION SUBMISSION

Proposals submitted in response to this RFQ must be submitted electronically through the below referenced email address, no later than 2:00 P M, on March 10, 2023:

AURA@dol.nj.gov

The date and time of the Quotation opening is indicated above and on the RFQ cover sheet. If the Quotation/Proposal opening deadline has been revised, the new Quotation/Proposal opening deadline shall be posted on the NJDOL's website. Proposals not received prior to the Quotation opening deadline shall be rejected.

2.2.2 QUOTATION CONTENT

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

As part of its Quotation/Proposal, a Bidder may request that portions of the Quotation/Proposal be exempt from public disclosure under OPRA and/or the common law. Bidder must provide a detailed statement clearly identifying those sections of the Quotation/Proposal 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 Bidder to designate its price sheet, price list/catalog, and/or the entire Quotation/Proposal as proprietary and/or confidential, and/or to claim copyright protection for its entire Quote. If the State does not agree with a Bidder's designation of proprietary and/or confidential information, the State will use commercially reasonable efforts to advise the Bidder. Copyright law does not prohibit access to a record which is otherwise available under OPRA.

The State reserves the right to make the determination as to what to disclose in response to an OPRA request. Any information that the State determines to be exempt from disclosure under OPRA will be redacted.

In the event of any challenge to the Bidder's assertion of confidentiality that is contrary to the State's determination of confidentiality, the 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 Bidder. The State assumes no such responsibility or liability.

The Proposal should be submitted with the attachments organized in following manner:

- Forms – refer to the attached Information Sheet and Checklist for Waivers and Delegated Purchasing Authority (DPA) Transactions
- Technical Quotation/Proposal
- NJDOL Supplied Price Sheet

The Bidder(s) should not password protect any submitted documents.

3 QUOTE SUBMISSION REQUIREMENTS

3.1 FORMS, REGISTRATIONS AND CERTIFICATIONS TO BE SUBMITTED WITH QUOTATION/PROPOSAL

Bidders are required to complete and submit the following forms and certifications. Additionally, a Bidder may attach completed forms to its NJSTART Vendor Profile. Refer to QRGs “Vendor Forms” and “Attaching Files” for additional instructions.

- A. Ownership Disclosure Form;
- B. Disclosure Of Investment Activities In Iran Form;
- C. Disclosure of Investigations and Other Actions Involving Bidder Form;
- D. MacBride Principles Form;
- E. Source Disclosure;
- F. Two-Year Vendor Certification and Disclosure of Political Contributions” Chapter 51 Forms”;
- G. Affirmative Action Certificate (This can now be completed online, and it takes five (5) business days to update in NJSTART);
- H. Proof of Business Registration;
- I. Proof of Insurance (Acord Certificate) listing the State as an additional insured, with respect to General Liability and Automobile Liability, meeting at a minimum the amounts detailed in Section 4.2 of the SSTCs; and
- J. Certification Regarding Prohibited Activities with Russia or Belarus.

These forms can be found at: <https://www.state.nj.us/treasury/purchase/forms.shtml>

3.2 STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS

In addition to the forms referenced above, the Bidder must agree to the State of New Jersey’s Standard Terms and Conditions (SSTCs).

All Bidder forms should be submitted with the Proposal. If the Bidder does not submit the forms with the Proposal, the Bidder must comply within five (5) business days of the NJDOL’s request, or the Proposal may be deemed non-responsive and not eligible for award.

3.3 ADDITIONAL DETAILS

Vendors should create a Vendor profile on NJSTART which is the e-procurement system for all procurements. The link to register is www.njstart.gov

Vendors can visit the NJSTART Vendor Support Page, which contains Quick Reference Guides (QRGs), supporting videos, a glossary of NJSTART terms, and helpdesk contact information.

Inquiries concerning the use of NJSTART may be directed to njstart@treas.nj.gov.

3.4 TECHNICAL QUOTATION/PROPOSAL

The Bidder shall describe its approach and plans for accomplishing the work outlined in the Scope of Work. The response must include the Bidder’s plan to organize and present the many processes that are reviewed and documented. They also must indicate what the final product will look like. The Bidder must set forth its understanding of the requirements of this RFQ and its approach to successfully complete the Contract. The Bidder should include the level of detail it determines necessary to assist the Evaluation Committee in its review of the Bidder’s Quotation/Proposal.

3.5 MANAGEMENT OVERVIEW

The Bidder shall set forth its overall technical approach plans to meet the requirements of the RFQ in a narrative format. This narrative should demonstrate to the Evaluation Committee that the Bidder understands the objectives that the Contract is intended to meet, the nature of the required work, and the level of effort necessary to successfully complete the Contract. The narrative should demonstrate that the Bidder’s approach and plans to undertake and complete the Contract are appropriate to the tasks involved.

3.6 CONTRACT MANAGEMENT

The Bidder should describe its specific plans to manage, control, and supervise the Contract to ensure satisfactory Contract completion according to the required schedule. The plan should include the Bidder's approach to communicate with the State Contract Manager including, but not limited to, status meetings, status reports, etc.

3.7 ORGANIZATIONAL EXPERIENCE

The Bidder should 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. The Bidder should include the level of detail it determines necessary to assist the Evaluation Committee in its review of the Bidder's Quotation/Proposal.

3.8 ORGANIZATION CHARTS

The Bidder should include an organization chart, with names showing management, supervisory and other key personnel (including, supervisory, or other key personnel) to be assigned to the Contract. The chart should include the labor category and title of each such individual.

3.9 RESUMES

Detailed resumes should be submitted for all management, supervisory, and key personnel to be assigned to the Contract. Resumes should 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 should include the following:

- A. The individual's previous experience in completing each similar Contract;
- B. Beginning and ending dates for each similar Contract;
- C. 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; and
- D. 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.

3.10 EXPERIENCE WITH CONTRACTS OF SIMILAR SIZE AND SCOPE

The Bidder should provide a comprehensive listing of contracts of similar size and scope that it has successfully completed, as evidence of the Bidder's ability to successfully complete services similar to those required by this RFQ. Emphasis should be placed on contracts that are similar in size and scope to the work 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. For each such contract listed, the Bidder should provide two (2) names and telephone numbers of individuals for contracting party. Beginning and ending dates should also be given for each contract.

3.10 PRICE SHEET INSTRUCTIONS

Bidders must submit pricing using the NJDOL Price Sheet accompanying this RFQ.

- A. **Price Lines 1 to 5 - Staffing Positions:** Bidders must submit an All-Inclusive hourly rate for each of the following staffing positions referenced on the NJDOL Price Sheet:
 - i. Staff Accountant;
 - ii. Senior Accountant;
 - iii. Business Analyst;
 - iv. Manager; and

V. Partner.

- B. Price Lines 7 to 33 Tasks A to BB:** For these Price Lines, the NJDOL has provided an estimated number of hours determined to be needed to complete each task. In order to determine the total cost per each task, Bidders must enter the total number of hours determined to be utilized by each staffing position for each task. **Note: The number of hours for all staffing positions combined must total the estimated hours provided by the NJDOL. For example, the estimated hours for "Task A" are 950 hours, the 950 hours must be divided by all five (5) positions, with the total number of hours for all staffing positions combined totaling the 950 hours provided by the NJDOL.**

The NJDOL makes no guarantee of any minimum or maximum number of hours. The hours listed on the NJDOL price sheet are estimates only and do not represent any minimum or maximum number of hours that will be worked by the awarded Bidder.

The NJDOL reserves the right to request that a Bidder explain, in detail, how the Quotation price was determined.

4 SCOPE OF WORK

The Scope of Work detailed within this RFQ, requires the Contractor to provide a thorough analysis of the duties and functions performed by the Unit and to thoroughly document current procedures and practices, while identifying opportunities for greater efficiencies through automation or other means.

The Contractor shall:

- A. Ensure that all services are performed in accordance with Generally Accepted Accounting Principles (GAAP) and Government Accounting Standards Board (GASB) Pronouncements;
- B. Thoroughly review, document, and evaluate each function performed;
- C. If inefficiencies are identified, make recommendations to achieve greater efficiencies;
- D. Attend and participate in weekly status updates meetings;
- E. Upon request of the SCM, assist with the implementation and/or support recommendations; and
- F. Ensure that employment background screening checks are conducted and successfully passed for all personnel assigned to provide the services required by this RFQ, prior to beginning work or granted access to relevant State information.

4.1 CONTRACTOR REQUIREMENTS

The Contractor shall be required to review and thoroughly document the functions of the Unit, including but not limited to the data flow of information in and out of the unit. This documentation must include a list of critical daily, monthly, quarterly and yearly activity, required filings and reports in narrative and calendar format.

The processes shall be clearly detailed and documented in flowcharts. The key contacts for each process evaluated must be clearly stated. The Contractor shall make recommendations for efficiencies and improvements with the current policies, procedures and practices and assist in creating best practice standard operating procedures and policies. The Contractor may be called upon to help implement and or support recommendations. The following is a list of functions and processes that the Contractor shall be required to review, document, and evaluate:

- A. The accounting and financial statement preparation for the following funds that are reported on the NJ Annual Comprehensive Financial Report (ACFR):
 - I. the State Disability Benefit Fund;
 - II. the Unemployment Fund;
 - III. the Supplemental Workforce Fund for Basic Skills;
 - IV. the New Jersey Workforce Development Partnership Fund;
 - V. the Unemployment Compensation Auxiliary Fund;
 - VI. the Unemployment Interest Repayment Fund;
 - VII. the Pollution Prevention Fund;
 - VIII. the Catastrophic Illness in Children Relief Fund; and
 - IX. the Worker and Community Right to Know fund
- B. The accounting for the Second Injury and Uninsured Employers Funds;
- C. The accounting for the Wage and Hour Custodial Funds;
- D. The recording, closing, and reporting processes of the funds listed above in bullets A, B and C;
- E. The cash receipts procedures and the financial records recording for the funds listed above in bullets A, B and C;
- F. The collection and cash receipts for fees and or penalties that are deposited into the State's General Fund, the Unemployment Compensation and the State Disability Fund;
- G. The cash disbursement/benefit payment processes and the corresponding financial recording;
- H. The escheatment processes;
- I. The reconciliation procedures of the Unit;
- J. The accounting for garnishments for child support and the processes involved in the transactions to move the funds to NJKIDS and other states;
- K. The payment, billing and collection of the Combined Wage Claims (CWC) to other states;
- L. The Units role in the formation of tax rates that employees and employers are required to pay.

- M. The processes involved in the preparation of the State Disability Benefits, Second Injury and Uninsured employers Fund assessment rates;
- N. The process involved in calculating the amount required for the SIF and UEF rates that the Compensation, Ratings and Inspection Bureau (CRIB) utilizes in calculating rates for the Insurance Carriers;
- O. The billing and collection of the assessment receipts for the Second Injury and the Uninsured Employers Fund;
- P. The billing and collection of UI reimbursements from Governmental Entities that on a reimbursement basis;
- Q. The Units role in the formulation of the State Account Temporary Disability Contribution Rate;
- R. The Unit's role in providing the information needed to recommend the UI Government Entities Contribution Rate for governmental entities that choose the contributory method;
- S. The bank reconciliation processes of not only cash but also to the systems that send benefit payment files to the bank. The documentation must include a list of the reports provided by the bank and how they are utilized;
- T. The process of determining what funds are needed to fund daily disbursements and what funds can be transfer to the NJ Cash Management Fund to maximize investment earnings;
- U. The process involved in formulating an assessment to employers, collecting the assessment and paying the federal government accrued interest when the State borrows funds from the Federal Government to meet their Unemployment Benefit Obligation. Pursuant to NJ State Appropriations law, the possibility exists of an employer assessment for the interest accrued on the loan;
- V. The process involved in making daily transfers to the Internal Revenue Service (IRS) for Federal Income Tax (FIT) and Social Security (FICA) from UC and DI payments. This documentation shall include the process of filing the necessary federal forms;
- W. The filing of Federal tax forms including the source documents need for the following forms:
 - i. IRS Form 945 Annual Return of Withheld Federal Income Tax for UI Benefits;
 - ii. 945A Annual Record of Federal Tax Liability daily withholdings;
 - iii. 941 Quarterly Report of FICA withheld from Disability Benefits;
 - iv. 941B Record of daily FICA withholdings and 8922 Third Party Sick Pay Recap;
- X. The filing and the source documents of the required federal government Employment and Training Administration (ETA) following forms:
 - i. 8401 Monthly Analysis Benefit Payment Account;
 - ii. 8405 Monthly Analysis Clearing Account;
 - iii. 8413 Income-Expense Analysis UC/Benefit Payment Account;
 - iv. Form 8414 Income-Expense Analysis, UC/Clearing Account;
 - v. Form 191 Statement of Expenditures/Financial Adjustments for UCFE-UCX and
 - vi. 2112 UI Financial Transaction Summary;
- Y. The billing and collection of the assessment for NJ businesses that elect to provide Temporary Disability Insurance through a private plan;
- Z. The filing of NJDOL Insurer's Quarterly Workers' Compensation Surcharge return;
- AA. The process involved in paying the Second Injury Fund (SIF) benefits bi-weekly along with the reconciliation process and source documents; and
- BB. The collection and management of collateral security and deposits for DI Private Plan.

4.2 STAFFING REQUIREMENTS

The Contractor shall provide the following personnel, when appropriate for each Task identified in RFQ Section 4.1 Contractor Requirements:

- A. Staff Accountant;
- B. Senior Accountant;
- C. Business Analyst;
- D. Manager; and
- E. Partner.

The Contractor shall ensure that all personnel assigned to this Contract possess the necessary qualifications and certifications.

4.3 DISASTER RECOVERY PLAN

Upon request of the SCM, the Contractor may be required to assist the SCM in formulating and documenting a disaster recovery plan to ensure continuation of benefit payments to NJ's most vulnerable citizens.

4.4 DELIVERABLES

The Contractor shall provide the following:

- A. A clear, detailed description of every process and function that the Unit performs, as listed above in RFQ Section 4.1 Contractor Requirements. The final product must consist of an outline of each process and duty with corresponding timelines and a detailed documentation of data flow. The detailed data flow must include the contact information of the data source and when applicable, an example of the system documentation. The data flow must be clearly represented in a narrative format as well as flow charts.
- B. For each process and/or function reviewed, make recommendations for efficiencies and improvements with the current policies, procedures, practices and create best practice standard operating procedures and policies.
- C. In a calendar format, a complete list of daily, weekly, biweekly, monthly, quarterly and yearly critical functions of the Unit.

Note: Upon request of the SCM, the Contractor may be called upon to document and evaluate additional related process that are identified during the course of the engagement.

4.5 PROGRESS REPORTS

The Contractor must provide written progress reports (Report), which shall be submitted electronically, via email to the SCM on a monthly basis. Therefore, the Contractor shall ensure that each report:

- A. Is submitted to the SCM within seven (7) calendar days after each month's end;
- B. Includes the following:
 - I. Documentation status to date;
 - II. Recommendations completed to date;
 - III. Pending issues; and
 - IV. Any other issues deemed important by the Contractor and/or SCM.

In addition to the final monthly report referenced above, draft reports shall be submitted to the SCM for each process as it is completed.

4.6 STATUS MEETINGS

The Contractor shall attend and participate in:

- A. Weekly meetings with the SCM to determine project priorities;
- B. Virtual, in person, or teleconference status update meetings; and
- A. Periodic conference calls with the SCM.

Note: the number of meetings will be determined by circumstances as they may arise during the Contract period. When warranted, an in-person meeting will be set up in advance.

4.7 WORKING SPACE AND EQUIPMENT

When onsite work is required, the Contractor and its personnel will be provided with office space, including desks and chairs. However, equipment such as computers, cellular phones, and any other technology equipment that may be required, shall be provided by the Contractor, at no additional cost to the NJDOL.

4.8 FRAUD OR SUSPICION OF FRAUD

The Contractor shall contact the SCM via phone or email immediately upon any of the following:

- A. The suspicion of fraud;
- B. Recognition of fraud;
- C. Major accounting system deficiencies; or
- D. Material misstatements of accounts.

The Contractor shall perform no further work relating to these items unless instructed to do so by the SCM in writing. Upon request of the SCM, the Contractor may be required to provide a written report via email attachment detailing the nature of the findings in these situations.

4.9 EMPLOYMENT SCREENING CHECKS

The Contractor shall ensure that all employees assigned to this Contract undergo employment background checks.

At a minimum, the Contractor shall:

- A. Bear the cost of the employment screening checks;
- B. Ensure that any newly hired, rehired, or transferred personnel are not permitted to work until the results of the employment screening have been furnished to the Contractor; and
- C. Retain the results of each employment screening for as long as that employee is assigned to this Contract. The results of the employment screening shall be made available to the SCM upon request.

Note: If the Contractor has previously conducted a State Police background, criminal and fingerprinting check for an employee, the SCM **may** accept the results of said Background Check, provided that the check was performed during the Blanket P.O. period or no earlier than six (6) months prior to the Blanket P.O. start date. **Be advised that acceptance of previously acquired Background Checks is at the sole discretion of the SCM.**

Additionally, the Contractor shall follow all additional Using Agency security clearance requirements, as required

4.10 EXPERIENCE

The Contractor should possess a minimum of five (5) years' experience working with governmental and or fund accounting.

4.11 PAYMENT INVOICES

The Contractor may submit progress billings prior to the completion of the engagement. All progress billings shall be submitted by the Contractor monthly and subject to the final approval of the SCM. The Contractor shall ensure that all invoices submitted for payment include the following information:

- A. Staffing title, including the relevant assigned task; and
- B. The number of hours worked for each staffing title, for each task.

5 GENERAL CONTRACT TERMS

5.1 CONTRACT TERM

The base term of this Contract will be for three (3), one (1) year periods.

However, the NJDOL reserves the right to shorten the term of the Contract, if it is considered to be in the best interest of the NJDOL.

5.2 RETAINAGE

The State will retain 10% of payment to the Contractor which will be payable to the Contractor upon project completion.

5.3 OWNERSHIP OF MATERIAL

- A. **State Data** – The State owns State Data. Contractor shall not obtain any right, title, or interest in any State Data, or information derived from or based on State Data. State Data provided to Contractor 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. Except as specifically required by the requirements of the RFQ, State Data shall not 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 State Contract Manager.
- B. **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.
- C. **Vendor Intellectual Property; Commercial off the Shelf Software (COTS) and Customized Software** – Contractor retains ownership of all Vendor Intellectual Property, and any modifications thereto and derivatives thereof, that the Contractor supplies to the State pursuant to the Contract, and grants the State a non-exclusive, royalty-free license to use Vendor Intellectual Property delivered to the State for the purposes contemplated by the Contract for the duration of the Contract including all extensions. In the event Contractor provides its standard license agreement terms with its Quote, such terms and conditions must comply with the *RFQ*.
- D. **Third Party Intellectual Property** – Unless otherwise specified in the RFQ that the State, on its own, will acquire and obtain a license to Third Party Intellectual Property, 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 Quote price. In the event Contractor is obligated to flow-down commercially standard Third-Party terms and conditions customarily provided to the public associated with Third-Party Intellectual Property and such terms and conditions conflict with RFQ requirements, including the SSTC, the State will accept such terms and conditions with the exception of the following: indemnification, limitation of liability, choice of law, governing law, jurisdiction, and confidentiality. The RFQ including the SSTC shall prevail with respect to such conflicting terms and conditions. In addition, the State will not accept any provision requiring the State to indemnify a third party or to submit to arbitration. Such terms are considered void and of no effect. Third-Party terms and conditions should be submitted with the Quote. If Contractor uses Third-Party Intellectual Property, Contractor must indemnify the State for infringement claims with respect to the Third-Party Intellectual Property. 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 RFQ, or otherwise supplied by the State.
- E. **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 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.

- F. **State Intellectual Property** – The State owns all State Intellectual Property provided to Contractor pursuant to the Contract. State Intellectual Property 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. The State grants Contractor a non-exclusive, royalty-free, license to use State Intellectual Property for the purposes contemplated by the Contract. Except as specifically required by the requirements of the RFQ, State Intellectual Property shall not 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 State Contract Manager. The State’s license to Contractor is limited by the term of the Contract.
- G. **No Rights** – Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon 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 Vendor Intellectual Property that is now owned or subsequently owned by 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.

5.4 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 Purchase Order (PO) 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, 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 State Contract Managers/Project Manager’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 State Contract Manager’s/Project Manager’s written approval.

5.5 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.

6 QUOTE EVALUATION AND AWARD

6.1 CLARIFICATION OF QUOTATION

After the Quotations/Proposals are reviewed, one (1), some or all of the Vendors may be asked to clarify certain aspects of its Quotation/Proposals. A request for clarification may be made in order to resolve minor ambiguities, irregularities, informalities or clerical errors. Clarifications cannot correct any deficiencies or material omissions, or revise or modify a Quotation/Proposal, except to the extent that correction of apparent clerical mistakes results in a modification.

The NJDOL reserves the right to request that a Bidder explain, in detail, how the Quote price was determined.

6.2 EVALUATION CRITERIA

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate the Quotations/Proposals received in response to this RFQ. The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process.

6.2.1 TECHNICAL EVALUATION CRITERIA

The following criteria will be used to evaluate and score Quotations/Proposals received in response to this RFQ. Each criterion will be scored, and each score multiplied by a predetermined weight to develop the Technical Evaluation Score:

- A. Personnel: The qualifications and experience of the Bidder's management, supervisory, and key personnel assigned to the Contract, including the candidates recommended for each of the positions/roles required;
- B. Experience of firm: The Bidder's documented experience in successfully completing Contract of a similar size and scope in relation to the work required by this RFQ; and
- C. Ability of firm to complete the Scope of Work based on its Technical Quotations/Proposal: The Bidder's demonstration in the Quotation/Proposal that the Bidder understands the requirements of the Scope of Work and presents an approach that would permit successful performance of the technical requirements of the Contract.

6.2.2 PRICE EVALUATION

Pricing will be ranked and will not be the sole determining factor in the evaluation and subsequent award of this Contract.

6.3 NEGOTIATION

In accordance with N.J.S.A. 52:34-12(f) and N.J.A.C. 17:12-2-7, after evaluating Quotes, the NJDOL may establish a competitive range and enter into negotiations with one (1) Bidder or multiple Bidders within this competitive range. The primary purpose of negotiations is to maximize the State's ability to obtain the best value based on the mandatory requirements, evaluation criteria, and cost. Multiple rounds of negotiations may be conducted with one (1) Bidder or multiple Bidders. Negotiations will be structured by the NJDOL Procurement Office to safeguard information and ensure that all Bidders are treated fairly.

Negotiations will be conducted only in those circumstances where it is deemed by the NJDOL to be in the State's best interests and to maximize the State's ability to get the best value. Therefore, the Bidder is advised to submit its best technical and price Quote in response to this RFQ since the State may, after evaluation, make a Contract award based on the content of the initial submission.

6.3.1 BEST AND FINAL OFFER (BAFO)

The NJDOL may invite one (1) Bidder or multiple Bidders to submit a Best and Final Offer (BAFO). Said invitation will establish the time and place for submission of the BAFO. Any BAFO that does not result in more advantageous pricing to the State will not be considered, and the NJDOL will evaluate the Bidder's most advantageous previously submitted pricing.

The NJDOL may conduct more than one (1) round of BAFO in order to attain the best value for the State.

BAFOs will be conducted only in those circumstances where it is deemed by the NJDOL to be in the State's best interests and to maximize the State's ability to get the best value. Therefore, the Bidder is advised to submit its best technical and price Quote in response to this RFQ since the State may, after evaluation, make a Contract award based on the content of the initial submission

6.4 CONTRACT AWARD

Contract award will be made with reasonable promptness by written notice to that responsible Bidder, whose Quotation/Proposal, conforming to this RFQ, is most advantageous to the State, price, and other factors considered.

The State will award one (1) Contract in accordance with the evaluation criteria set forth in RFQ Section 6.

6.4.1 ADDITIONAL CONTRACT AWARD INFORMATION

Upon written notice of award, the successful Bidder must create a Vendor profile on NJSTART the State's e-procurement system for all procurements. The link to register is www.njstart.gov

Inquiries concerning the use of NJSTART may be directed to njstart@treas.nj.gov.

All forms should be submitted with the Quote. If they are not included with the Quote, they shall be submitted within five (5) business days of the NJDOL's request. Failure to submit the required forms within the timeframe specified, shall result with the Quote deemed non-responsive and not eligible for award.

GLOSSARY

Unless otherwise specified in the RFQ, the following definitions will be part of any Contract awarded, or order placed, as a result of this RFQ.

Acceptance – The written confirmation by the Using Agency that Contractor has completed a Deliverable according to the specified requirements.

All-Inclusive Hourly Rate – An hourly rate 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.

Amendment – Written clarification or revision to this Request for Quotation issued by the NJDOL. Amendments, if any, will be issued prior to Quotation/Proposal opening.

Best and Final Offer or BAFO – Pricing timely submitted by a Bidder upon invitation by the NJDOL after Quote opening, with or without prior discussion or negotiation.

Quotation Opening Date – The date Quotations/Proposals will be opened for evaluation and closed to further Quotation/Proposal submissions.

Bidder – An entity offering a Quotation/Proposal in response to the NJDOL's Request for Quote.

Business Day – Any weekday, excluding Saturdays, Sundays, State legal holidays, and State-mandated closings unless otherwise indicated.

Calendar Day – Any day, including Saturdays, Sundays, State legal holidays, and State-mandated closings unless otherwise indicated.

Contract – The Contract consists of the State of NJ Standard Terms and Conditions (SSTC), the Request for Quotation, the responsive Quotation/Proposal submitted by a responsible Bidder as accepted by the State, the notice of award, any Best and Final Offer, any subsequent written document memorializing the agreement, any modifications to any of these documents approved by the State and any attachments, Bid Amendment or other supporting documents, or post-award documents including Change Orders agreed to by the State and the Contractor, in writing.

Contractor – The Bidder awarded a Contract resulting from this Request for Quote.

Days After Receipt of Order (ARO) – The number of calendar days 'After Receipt of Order' in which the Using Agency will receive the ordered materials and/or services.

Deliverable – Goods, products, Services and Work Product that Contractor is required to deliver to the State under the Contract.

Discount – The standard price reduction applied by the Bidder to all items.

Evaluation Committee – A group of individuals or a Division staff member assigned to review and evaluate Quotes submitted in response to this Request for Quote and recommend a Contract award.

Firm Fixed Price – A price that is all-inclusive of direct cost and indirect costs, including, but not limited to, direct labor costs, overhead, fee or profit, clerical support, equipment, materials, supplies, managerial (administrative) support, all documents, reports, forms, travel, reproduction and any other costs.

May – Denotes that which is permissible or recommended, not mandatory.

Must – Denotes that which is a mandatory requirement.

NJDOL Supplied Price Sheet – the bidding document created by the NJDOL and attached to this Request for Quote on which the Bidder submits its Quote pricing as is referenced and described in the Request for Quote.

No Bid – The Bidder is not submitting a price Quote for an item on a price line.

No Charge – The Bidder will supply an item on a price line free of charge.

Quotation/Proposal – The Bidder's timely response to the Request for Quotation including, but not limited to, technical Quotation/Proposal, price Quote including Best and Final Offer, any licenses, forms, certifications, clarifications, negotiated documents, and/or other documentation required by the Request for Quotation.

Quote Opening Date - The date Quotes will be opened for evaluation and closed to further Quote submissions.

Request for Quotation – The documents which establish the bidding and Contract requirements and solicits Quotations to meet the needs of the Using Agencies as identified herein, and includes the Request for Quote, State of New Jersey Standard Terms and Conditions (SSTC), Price Sheet, Attachments, and Amendments

Retainage – The amount withheld from the Contractor payment that is retained and subsequently released upon

satisfactory completion of performance milestones by the Contractor.

Revision – A response to a BAFO request or a requested clarification of the Bidder's Quote.

Shall – Denotes that which is a mandatory requirement.

Should – Denotes that which is permissible or recommended, not mandatory.

State Contract Manager or SCM – The individual, responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work.

State Data - means all data and metadata created or in any way originating with the State, and all data that is the output of computer processing of or other electronic manipulation of any data that was created by or in any way originated with the State, whether such data or output is stored on the State's hardware, the Provider's hardware or exists in any system owned, maintained or otherwise controlled by the State or by the Provider. State Data includes Personal Data and Non-Public Data.

Task – A discrete unit of work to be performed.

Unit Cost or Unit Price – All-inclusive, firm fixed price charged by the Bidder for a single unit identified on a price line.

Vendor – Either the Bidder or the Contractor

CONTRACT SPECIFIC DEFINITIONS/ACRONYMS NOT SURE IF ALL OF THESE ARE NEEDED

Annual Comprehensive Financial Report (ACFR) - New Jersey government financial statements that comply with the accounting requirements promulgated by the Governmental Accounting (GASB).

Cash Management Improvement Account (CMIS)– NJ State account that is managed by the Department of Treasury, Division of Investments.

Combined Wage Claims (CWC) – The program that allows an unemployed individual with employment and wages in more than one state to combine their wages to establish a CWC under the law of a single state to qualify for benefits.

Disability Automated Benefit System (DABS) – Is the automated system currently used by the NJDOL to process disability claims.

Disability Insurance (DI) – Is a type of insurance that will provide income in the event a worker is unable to perform their work due to disability. DI refers to the State of NJ's temporary disability insurance program.

Federal Insurance Contributions Act (FICA) – FICA Is a federal payroll tax withheld for the Federal Social Security program and the Federal Medicare program.

Federal Income Tax (FIT) – Is the federal income tax collected by the federal government.

Family Leave Insurance (FLI) – Refers to the State of NJ's family leave insurance program.

Generally Accepted Accounting Principles (GAAP) – A common set of accounting rules, standards and procedures issued by the Financial Accounting Standards Board (FASB).

Governmental Accounting Standards Board (GASB) – Establishes accounting and reporting standards for U.S. states and local governments that are in accordance with GAAP.

Local Office Online Payment System (LOOPA) –The current system utilized by NJDOL to process unemployment claims.

New Jersey Compensation, Rating and Inspection Bureau (NJCRIB) – The Bureau responsible for the administration of all Workers' Compensation rates and rating programs.

NJDOL – Is the New Jersey Department of Labor and Workforce Development.

New Jersey Kids Deserve Support (NJKIDS) – Is the child support computer system administered by the NJ Department of Human Services.

Second Injury Fund (SIF) - The fund that provides benefit payments to totally and permanently disabled workers in cases where the cause of disability was subsequent to a prior disability rendering the worker permanently and partially disabled.

SNJ – The State of New Jersey.

Supplemental Workforce Fund for Basic Skills (SWF) – The fund that is used for basic skills training, reemployment services and training programs for displaced and disadvantaged workers. Workers contribute 0.0175 percent of their wages based on an annual wage limit.

Unemployment Compensation (UC) – A benefit paid to people who have recently lost a job, through no fault of their own.

Uninsured Employers Fund (UEF) – The fund that provides for temporary disability benefit payments to uninsured employees.

Workforce Development Partnership Fund (WDPF) – The fund that provides training services for qualified displaced, disadvantaged and employed workers when funding is not available from federal or other sources. Workers and employers contribute to the fund an amount equal to 0.025 percent of the workers' wages based on an annual wage limit.

Unit – The accounting unit within the NJDOL Division of Accounting and Finance.