

RESOLUTION NO. 19 - 05

RESOLUTION AUTHORIZING THE AWARD OF A FINANCIAL AUDITING SERVICES CONTRACT

WHEREAS, the New Jersey Infrastructure Bank (I-Bank) is authorized to make and enter all contracts necessary or incidental to the performance of its duties pursuant to N.J.S.A. 58:11B-5(d); and

WHEREAS, pursuant to Resolution No. 18-59, the Board established the Evaluation Committee, consisting of its own Audit Committee, non-I-Bank staff, members; Robert A. Briant, Jr., Vice Chairman, Roger Ellis, Treasurer and Mark Longo, Secretary of the Board, and authorized the Audit Committee, in consultation with counsel and I-Bank staff, to distribute a Request for Proposals for financial auditing services; and

WHEREAS, pursuant to Executive Order number 122 (McGreevey), N.J.S.A. 58:11B-24, and I-Bank Policy and Procedure 4.00, a Request for Proposals was issued to 26 financial auditing firms; and

WHEREAS, three proposals were received from RSM US LLP; CliftonLarsenAllen, LLP; and PKF O'Connor Davies, LLP (hereafter "Participating Firms"), which meet the terms and conditions of the proposal; and

WHEREAS, the Evaluation Committee members independently reviewed the proposals and prepared a report summarizing each member's ranking of the Participating Firms, and the Audit Committee is recommending that the contract for auditing services be awarded to CliftonLarsenAllen LLP (hereafter, "CLA") due to its submission of the highest ranked proposal in consideration of price (hereafter "Recommendation Report") for a contract period that covers work associated with the fiscal years from 2019 through 2021 with the option to renew through fiscal year 2023 with further authorization of the Board.

NOW THEREFORE BE IT RESOLVED, the Executive Director is authorized to send a Letter of Intent to make the appointment to CLA, advising, inter alia, that the appointment is contingent upon the subsequent execution by all parties of an agreement substantially in the form of the agreement attached to the Financial Auditing Services Request for Proposals; and

BE IT FURTHER RESOLVED, that an Authorized Officer of the I-Bank, defined as the Chairman, Vice Chairman or Executive Director, is hereby authorized to execute an agreement, substantially in the form of the agreement attached to the Request for Proposal (RFP), with CLA, the terms and conditions of that agreement shall include but not be limited to:

- a. the provision of services as outlined in the New Jersey Infrastructure Bank's (I-Bank) RFP distributed on November 16, 2018 and the proposal submitted by CLA, dated December 13, 2018; and
- b. a contract term of three years commencing with work associated to perform audits for fiscal year 2019 and expiring with the completion of work associated to perform audits for fiscal year 2021 with the right to extend the term of the agreement for additional periods with the prior approval of the Board not to extend beyond work associated to

complete audits for fiscal year 2023; and

- c. The payment of all fees for all services as detailed in CLA's December 13, 2018 and Best and Final Offer dated January 9, 2019 submittals; and
- d. I-Bank's agreement to pay CLA for said auditing services for FY2019, FY2020, and FY2021 shall not exceed a total of \$232,000 without prior approval of the Chair of the Audit Committee; and
- e. If an extension for audit work for two additional years is approved by the Board at the end of the third year, the I-Bank's agreement to pay CLA for additional auditing services shall not exceed a total of \$166,700 for the additional two-year term without prior approval of the Chair of the Audit Committee; and
- f. Such other terms and conditions as may be contemplated by the RFP and the materials enclosed therewith as deemed necessary and appropriate by an Authorized Officer of the I-Bank.

BE IT FURTHER RESOLVED THAT total expenditures pursuant to this agreement shall not exceed \$398,700 absent separate authorization by the Chair of the Audit Committee.

Adopted Date: January 17, 2019

Motion Made By: Mr. Michael Kanef

Motion Seconded By: Mr. Robert Long

Ayes: 6

Nays: 0

Abstentions: 0