

**RESOLUTION NO. 20 - 51**

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK AUTHORIZING THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR ARBITRAGE COMPLIANCE SERVICES**

**WHEREAS**, pursuant to Section 5 of the New Jersey Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (codified at N.J.S.A. 58:11B-1 et seq.), the New Jersey Infrastructure Bank (“I-Bank”) is authorized to enter agreements necessary to the performance of its duties; and

**WHEREAS**, as an issuer of tax-exempt government bonds, there is a need for the I-Bank to engage a firm to perform arbitrage compliance services.

**NOW THEREFORE BE IT RESOLVED**, that the I-Bank Board of Directors (“Board”) hereby authorizes the Executive Director, in consultation with counsel, to prepare and distribute a Request for Proposals for a provider of arbitrage compliance services as may be determined in accordance with the provisions of I-Bank Policy and Procedure 4.00, “Purchase of Goods and Services” for a contract period of two years with options for two additional one-year terms upon approval by the Board; and

**BE IT FURTHER RESOLVED**, that the Executive Director is further authorized to establish a committee to review all proposals in accordance with the I-Bank’s Policy and Procedures and to make a report and recommendation to the Executive Director for concurrence and presentation to the Board as to the selection of an Arbitrage Compliance Services Provider; and the Executive Director shall in turn recommend to the Board the firm to be selected to serve as the Arbitrage Rebate Compliance Services Provider; and

**BE IT FURTHER RESOLVED** that the Executive Director is authorized to take all other actions consistent with approved procedures to facilitate the procurement of the services of an Arbitrage Compliance Services Provider.

Adopted Date: August 13, 2020

Motion Made By: Mr. Michael Kanef

Motion Seconded By: Mr. Mark Longo

Ayes: 6

Nays: 0

Abstentions: 0



## **Request for Proposals**

### **Arbitrage Compliance Services**

Issued by the  
New Jersey Infrastructure Bank

Date Issued:  
**August 28, 2020**

RFP Questions Cut-Off Date:  
**3:00PM EST September 11, 2020**

Proposals Due Date:  
**12:00PM EST September 25, 2020**

In the Office of the Executive Director  
3131 Princeton Pike, Building 4, Suite 216  
Lawrenceville, NJ 08648  
(609) 219-8600

Please Label Proposals with Firm's Name and  
**"Proposal for I-Bank Arbitrage Compliance Services"**

**NEW JERSEY INFRASTRUCTURE BANK  
REQUEST FOR PROPOSALS  
FOR ARBITRAGE COMPLIANCE SERVICES 2021-2022**

**I. OBJECTIVE**

The New Jersey Infrastructure Bank (“I-Bank”) is looking to procure the services of an Arbitrage Compliance Firm. Pursuant to this request for proposal (“RFP”), the I-Bank shall select an Arbitrage Compliance Firm for both the New Jersey Environmental Infrastructure Financing Program and the Transportation Bank Financing Program. Pursuant to this request for proposals (the “RFP”), the I-Bank shall select an Arbitrage Compliance firm from the list of responsive bidders as prescribed below in Section IV.

**II. I-BANK / PROGRAM BACKGROUND**

**a. Powers and Structure**

The I-Bank was organized pursuant to N.J.S.A. 58:11B-1 et seq. (the “Enabling Act”), in 1986 as an instrumentality of the State of New Jersey exercising public and essential government functions in recognition of the State’s need for an independent State Authority to manage efficient and low-cost financing for environmental infrastructure projects. The Enabling Act was amended effective in January 2018 granting it the authority to finance certain transportation infrastructure projects. The I-Bank now manages two separate financing programs: (i) the longstanding New Jersey Environmental Infrastructure Financing Program (“NJEIFP” or “Water Bank”) which leverages the State’s clean water and drinking water revolving funds to finance eligible water quality infrastructure projects, and (ii) the newly formed New Jersey Transportation Infrastructure Financing Program (“Transportation Bank”). This procurement is to secure Arbitrage Compliance Services for both the Water Bank and the Transportation Bank.

**b. The Water Bank**

Through the NJEIFP, the Department of Environmental Protection (“DEP”) and the I-Bank issue short-term and long-term loans to provide funding for all aspects, phases and components of designing and building environmental infrastructure projects. NJEIFP Loans are issued for costs incurred for designing and constructing projects (and land preservation) that enhance and protect ground and surface water resources, ensure the safety of drinking water, and facilitate responsible, sustainable economic development upon approval of applicable NJEIFP program requirements.

The Water Bank Financing Program funds projects with short-term loans through the completion of construction. Short-term loans are issued for the project’s construction period typically with a maximum time frame of up to five fiscal years: up to two years for planning and design activities and up to three additional fiscal years for construction activities. Borrowers in the short-term

loan program pay a blended interest rate which is set quarterly by the I-Bank Board of Directors. The Borrower is not obligated to repay principal or interest during the term of the short-term loan. These cost totals are rolled into the Borrower's long-term Financing Program loan. As of June 30, 2020, there are about 105 Water Bank projects under construction under the long-term loan program.

The Water Bank's short-term construction loans are converted into two long-term loans, one issued by the I-Bank and another issued by the DEP. The I-Bank utilizes revenue bonds to fund its loan with borrower loan repayments timed to pay the debt service (March 1st and September 1st). On each semi-annual loan repayment due date, a borrower makes one payment in an amount equal to the I-Bank loan repayment (principal and interest), the I-Bank semi-annual administrative fee payment, the State loan repayment and State administrative fee payment. Upon receipt of each such payment, the Loan Servicer applies it in accordance with the directions in the applicable bond resolution.

Loan repayments on the DEP loan serve as coverage for principal and interest payments due to bond investors. These repayments are held in the Master Program Trust Account for six (6) months plus one (1) day to provide additional coverage on the subsequent payment date. A summary of the flow of funds may be found in the Official Statements for each Bond Series. A copy of the I-Bank's most recent Official Statement, the Series 2020A-1, is available on the I-Bank's website under "Finance/Official Statements".

Each Water Bank Long Term loan is funded from one or more of the following sources: 1) United States Environmental Protection Agency (USEPA) capitalization grants issued pursuant to the Water Pollution Control Act Amendments of 1972 and Safe Drinking Water Act Amendments of 1996; 2) various state bond issues; 3) loan repayments; 4) interest earnings; 5) I-Bank bond proceeds; 6) I-Bank operating revenues; and 7) I-Bank Commercial Paper or Line of Credit. In addition, special appropriations through the Disaster Relief Emergency Appropriations Act of 2013 (PL 2013-2) are utilized for Superstorm Sandy Loans.

The I-Bank issues multiple Series (tax-exempt, AMT and taxable) of long-term bonds based upon the pool of borrowers. It is anticipated that the I-Bank will issue Water Bank bonds twice a year in SFY2021 and SFY2022. Since its inception, the Water Bank has issued roughly 1,300 long term loans totaling over \$7.0 billion, with approximately \$2.8 billion funded from the I-Bank and the remaining \$4.2 billion funded from the DEP. As of June 30, 2020, the I-Bank has 43 outstanding publicly issued Revenue Bond Series totaling over \$963 million with maturities spanning over 30 years.

### **c. The Transportation Bank**

The Transportation Bank provides financial assistance to New Jersey local government units or consortia thereof, authorized to construct, operate and maintain transportation projects. The I-Bank works in conjunction with the New Jersey Department of Transportation ("DOT") to co-

administer the Transportation Bank. The I-Bank makes loans to finance all or a portion of the costs of transportation projects which may lawfully be financed through borrowings. The I-Bank receives State appropriations to fund the Transportation Bank.

In the first few years of the program, the I-Bank has issued short-term loans for the Transportation Bank utilizing cash-on-hand, as the source of funds for projects eligible to receive Transportation Bank loans. Upon completion of construction, such financing will be converted to long-term loans. It is anticipated that the majority of long-term Transportation Bank loans will be made with funds from the State Transportation Infrastructure Bank Fund and proceeds from the issuance of bonds in a structure that will mirror the Water Bank. To the extent that the I-Bank levers its transportation funds through the issuance of tax-exempt bonds, a portion of such transportation funds may be transferred to a bond trustee to serve as collateral. The Transportation Bank is expected to issue its first long term loans in SFY2022.

### **III. Information Relevant to Customized Procurement**

Pursuant to this RFP, the I-Bank shall select an Arbitrage Compliance Consultant for the purpose of providing complete arbitrage compliance services for all tax-exempt bonds included in *Exhibit A "Schedule of Bonds"*, and all tax-exempt bonds issued during the period of this contract.

Your proposals should address compliance with all arbitrage related requirements including, but not limited to: (i) determination of applicability of any exceptions to rebate; (ii) calculation and reporting of the rebate and yield restriction liabilities (a) annually as of each June 30, and (b) for fifth-year and final installment calculation dates.

Fifth-year installment calculations and final calculations are required no later than four weeks prior to the dates payments are due to the I.R.S. Annual interim arbitrage calculations showing the accrued arbitrage liabilities as of each June 30, beginning June 30, 2021, are required no later than July 21 of each year. Interim calculations may be based upon investing activity occurring through the immediately preceding April 30, if necessary to meet the July 21 reporting deadline. A more detailed Scope of Services is set forth in Section IV – Scope of Services later in this RFP.

During the term of the contract, the I-Bank may:

- Issue more than one pooled financing in any given year. Separate Tax-Exempt, AMT and Taxable bond issues may be necessary as well as separate bond issues for large complex projects and/or separate bond issues for the Transportation Infrastructure Financing Program.
- Issue refunding bonds when advisable to refund all or a portion of an outstanding bond Series.
- Periodically, the I-Bank will defease bonds in accordance with the IRS Code for the handling of unexpended funds or due to borrowers' desire to prepay all or a part of

their obligation.

- Issue commercial paper or similar vehicle (Tax-exempt or Taxable)

The Term of this procurement shall be two (2) years, commencing on January 1, 2021 and terminating on December 31, 2022. The I-Bank reserves the right to extend the term of the contract two additional one-year terms, until December 31, 2024, at the option of the I-Bank's Board of Directors.

#### **IV. Minimum Qualifications**

To be considered for contract award, the Firm and/or Project Staff must demonstrate experience in each of the following areas:

1. Working with issuers performing all of the normal duties associated with arbitrage calculations and reporting to the Internal Revenue Service.
2. Advising issuers on matters related to compliance with IRS arbitrage rebate and yield restriction requirements.
3. Familiarity with appropriate sections of the Internal Revenue Code related to arbitrage.
4. Each Project Staff member shall have a minimum of (5) years experience within the last ten (10) years in arbitrage calculations.
5. The Firm must be capable of servicing the account and meeting the required due dates for any number of issues (recent issuance has approximated two bond issues per year).
6. The Firm must be in sound financial condition.
7. The Firm must have professional errors and omissions liability insurance coverage with limits of at least \$1 million, underwritten by carriers acceptable to the I-Bank.
8. The Firm must have access to and/or affiliation with qualified tax attorneys.

**SOLICITATION SCHEDULE/PROCUREMENT SCHEDULE (SUBJECT TO CHANGE AS REQUIRED)**

<b>RFP published and distributed:</b>	<b>August 28, 2020</b>
<b>Question Cut-Off Date:</b>	<b>3:00 pm EST September 11, 2020</b>
<b>Response to RFP Questions:</b>	<b>September 16, 2020</b>
<b>Proposals due:</b>	<b>12:00 noon EST, September 25, 2020</b>
<b>Finalists interviews in person or via conference call:</b>	<b>Week of October 5, 2020</b>
<b>Board of Directors approval:</b>	<b>October 15, 2020</b>
<b>Contract term:</b>	<b>January 1, 2021 to December 31, 2022 with two one-year options to renew</b>

### **QUESTION AND ANSWER PROCEDURE**

The I-Bank will accept questions pertaining to this RFP from all potential bidders electronically. Questions shall be directed to the following e-mail address:

[PROCUREMENT@NJIB.GOV](mailto:PROCUREMENT@NJIB.GOV)

**Please note that the “subject” line of your e-mail must specifically reference this RFP as follows: “RFP for Arbitrage Compliance Services Provider 2021-2022.”**

**Questions will be accepted until 3:00 pm EST on Friday, September 11, 2020**

In the event the I-Bank determines that additional clarification to this RFP or additional information is necessary, the I-Bank reserves the right to do so through telephone conference calls with eligible firms for the purpose of providing the same.

#### **IV. SCOPE OF WORK**

The services to be provided for each issue of tax-exempt debt subject to the contract are as follows:

1. Determine the Gross Proceeds allocable to each issue of tax-exempt debt subject to the contract during each of the periods covered by the contract.
2. Calculate the arbitrage earnings through June 30 of each fiscal year or other designated time period for the issues listed on the attached schedule (Exhibit A), and any new bonds or commercial paper (or similar vehicle) issued by the I-Bank during the term of the contract. Present an interim arbitrage calculation report on each bond issue through June 30 of each fiscal year, and for fifth-year and final installment

calculation dates. The report shall be delivered to the I-Bank by July 21, of each fiscal year or earlier if requested by the I-Bank. The report shall contain a summary of the liability for each bond issue; a summary of the computed bond yield for each bond issue; and a list of all assumptions used in computing the arbitrage calculation.

3. Fifth year installment calculations and final calculations are required no later than four weeks prior to the dates payments are due to the I.R.S. Provide an aggregated arbitrage report of all reports presented in item 2 above (see attached example) *Exhibit F*.
4. Provide appropriate documentation that supports all calculations. Provide all relevant data/calculations used to create the summary report in excel spreadsheet or similar format for the I-Bank to maintain its own data.
5. In the letter that accompanies each report, the Vendor is required to include a statement that each of the following funds was included in the calculation of arbitrage rebate or a statement why the funds were not included in the calculation of arbitrage rebate:
  - a. Project funds
    - i. Vendor may be required to track numerous project loan accounts. See attached summary for a breakdown of the amount of project loan accounts related to each transaction.
    - ii. Unspent project loan accounts (if any) are transferred to defeasance escrows.
  - b. Reserve funds
    - i. Reserve funds are funded by Sale Proceeds as well as other proceeds.
  - c. Master Program Trust Account
    - i. The Master Program Trust Account is funded by loan repayments and operates as a commingled reserve fund, sinking fund, or replacement fund within the meaning of Treasury Regulations Section 1.148-6(e)(6). The Master Program Trust must be tracked and allocated to each bond issue in accordance with Treasury Regulations Section 1.148-6(e)(6).
  - d. Cost of issuance funds
  - e. Transferred proceeds
  - f. Debt service funds
    - i. Vendor is required to test the funds treated as used to pay debt service on each issue covered by the contract for the computation period to determine if the funds are excludable from gross proceeds as part of a bona fide fund. A copy of the test is required to be included with each calculation.
  - g. Refunding escrow funds
  - h. Capitalized interest accounts; and

- i. Any other funds containing Gross Proceeds not otherwise covered or that get considered above.
6. Coordinate between the Bond Trustee, the I-Bank and bond counsel so all necessary information is provided to perform calculations accurately.
7. Preparation of required Internal Revenue Service forms and returns.
8. Assist the I-Bank as necessary in the event of an Internal Revenue Service inquiry involving the computation of rebate or yield restriction with respect to any computation covered by the contract.
9. Assist the I-Bank in planning and budgeting for the arbitrage compliance services each fiscal year.
10. The successful Firm shall obtain past tickler system information from the current contractor. The Firm shall maintain a tickler system which monitors critical deadlines for all I-Bank bond issues, including all calculation due dates, including interim calculation dates, fifth year anniversary dates and those relating to revised calculation dates when bonds have been refunded.
11. Provide consultation to I-Bank staff as necessary on matters related to the Internal Revenue Code Provisions.
12. Provide assistance and consultation as necessary for proper retention of arbitrage records and documentation by the I-Bank.
13. Provide a legal opinion from a nationally recognized bond counsel firm as to the liability due to the I.R.S. under any of the arbitrage regulations. The opinion must include a statement that the calculation methodology used is consistent with current tax laws and regulations and may be relied upon by the I-Bank in determining its liability payments to the I.R.S.

The Firm's legal counsel is required to work with and be available to the I-Bank's legal counsel throughout the term of the contract at no additional cost.

#### **IV. EVALUATION PROCEDURE and CRITERIA**

- a. **Ranking Criteria** - The I-Bank has appointed a committee to review the proposals submitted in response to this request for proposals and to make recommendations to the I-Bank's Board of Directors. The committee members will individually review all proposals considering the following major evaluation criteria, ranking each firm on a scale of 1 to 10

and assign the following weights for each such criterion:

- The Firm's proposal for arbitrage compliance services which specifically addresses compliance with federal tax law, and experience with similar public programs (2)
- The relevant experience and qualifications of the team to provide service to the I-Bank including experience in managing similar State accounts (3)
- The Firm's experience and qualifications to efficiently manage arbitrage compliance, and provide all required services, specifically Tax Law and Bond Law expertise (3)
- The Firm's reputation as a respected, nationally known, experienced Arbitrage Compliance consultant (2)
- The firm's presence in New Jersey, and the team's proximity to the I-Bank (2).

In addition, at the I-Bank's discretion;

- Presentation -- the firms having the highest preliminary rankings based on the above criteria, may, at the I-Bank's discretion, be invited to conduct a presentation of their proposals either in person or via conference call with the I-Bank ((3) – to be additive to each Firm's original score ranking).
- The proposed cost for services and the methodology stated for setting compensation. Fee Proposal (separately sealed)

Please be advised that cost will not be the sole determining factor.

Please Note: Joint ventures will not be considered.

**b. Submission Requirements (# copies, addressee, etc.)**

**Both an electronic copy** (via e-mail or "soft" copy on a flash drive/stick) and one unbound original (via courier or overnight express mail) of your proposal, including all required Appendices and Forms, should be delivered to:

David E. Zimmer  
Executive Director  
New Jersey Infrastructure Bank  
3131 Princeton Pike, Building 4, Suite 216  
Lawrenceville, NJ 08648  
[procurement@njib.gov](mailto:procurement@njib.gov)  
(609) 219-8600  
Attn: Arbitrage Compliance Services Provider

**All proposals must be received by 12:00 noon EST, Friday, September 25, 2020.**

Proposals received after this date and time will not receive further consideration.

All documents and information submitted in response to this RFP generally shall be available to the general public as required by applicable law and the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq. and applicable law.

Communications with representatives of the I-Bank concerning this RFP, by your firm or on your firm's behalf, are **NOT** permitted during the submission and evaluation process (except as specified below). No telephone inquiries will be accepted. If you have questions or require clarification on any aspect of this RFP, please forward the request via email to [procurement@njib.gov](mailto:procurement@njib.gov). **Failure to adhere to these communication restrictions will result in the immediate rejection of your firm's proposals.** Questions must be submitted by 3:00 pm EST on Friday, September 11, 2020.

The I-Bank will not be responsible for any expenses in the preparation and/or presentation of the proposals and oral interviews, if any, or for the disclosure of any information or material received in connection with the solicitation, whether by negligence or otherwise.

Responding firms may withdraw their proposal at any time prior to the filing date and time by written notification signed by an authorized agent of the firm. The proposal may thereafter be resubmitted, but only up to the final filing date and time.

The responding firm assumes sole responsibility for the complete effort required in this RFP. No special consideration shall be given after proposals are opened because of a firm's failure to be knowledgeable about all the requirements of this RFP. By submitting a proposal in response to this RFP, the firm represents that it has satisfied itself, from its own investigation, of all the requirements of this RFP.

**c. Oral Presentation(s) and/or Clarification of Proposal**

A bidder may be required to give an oral presentation to the Review Committee concerning its proposal. The Review Committee may also require a bidder to submit written responses to questions regarding its proposal.

The purpose of such communication with a bidder, either through an oral presentation or a letter of clarification, is to provide an opportunity for the bidder to clarify its proposal. Original proposals submitted, however, cannot be supplemented, changed, or corrected in any way. No comments regarding other proposals are permitted. Proposers may not attend presentations made by their competitors.

It is within the Review Committee's discretion whether to require a proposer to give an oral presentation or require a proposer to submit written responses to questions regarding its proposal. Action by the Review Committee in this regard should not be construed to imply acceptance or rejection of a proposal. The Project Manager will be the sole point of contact regarding any request for an oral presentation or clarification.

If it is necessary to interview one or more firms, the interviews will take place the week of October 5, 2020. You will be notified by phone if your firm needs to appear.

#### **V. TECHNICAL PROPOSAL - INFORMATION REQUIRED TO BE PROVIDED BY BIDDER**

It is the proposing firm's responsibility to provide all required information, including required attachments. No information beyond that specifically requested is required and proposing firms are requested to keep their submissions to the shortest length consistent with making a complete presentation of qualifications. To this end, the proposing firm shall complete and/or submit the following documents as part of his/her sealed proposal package presented in the following format and order. **Unless otherwise indicated, a proposal that does not provide all of the information requested below may be rejected.**

1. An Executive summary of not more than three (3) pages identifying and substantiating the basis of your contention that you are the best qualified firm to provide the requested services for the I-Bank. Please provide a brief history of your Firm's experience and expertise in providing arbitrage services, including (i) financial and analytical expertise; (ii) tax law expertise, including the ability to provide a legal opinion; and (iii) bond law expertise. In addition, please address what it is that your firm offers to the I-Bank that competing firms cannot, a statement that the proposal is a firm and irrevocable offer for the engagement period. Include the signature of an authorized official of the firm who has been designated to submit the proposal on behalf of their firm. Provide the name and address of the firm, the name, telephone number, fax number, and e-mail address of individual or individuals responsible for the preparation of this proposal who may be contacted in the event of questions or notification, and the location of the office, if other than

that shown above at which the services to be provided hereunder will be performed.

2. A staffing plan listing those persons who will be assigned to the engagement if your firm is selected, including the designation of the person who would be responsible for the engagement. (The "Proposed Team") This portion of the proposal should include the relevant resume information for the individuals who would be assigned including, at a minimum, a description of the person's relevant professional experience, years and type of experience, and number of years with the firm.

3. A description of resources of the firm (i.e., background, location, experience, staff resources, financial resources, other resources, etc.). Provide a copy of the firm's most recent audited financial statements.

4. A listing of all current public clients, including information on the type of engagement.

5. Six references, including at least three clients for whom services have been provided for at least three years. Provide the contact names, positions, email addresses, and phone numbers.

6. Describe the resources dedicated to risk management compliance at your firm. Describe the risk management system, specifically addressing who is responsible for risk management as well as the processes in place for the identification, resolution and notification of errors and policy warnings.

7. Provide a description of any pending or concluded claim, investigation or litigation involving your firm implicating a sum of \$5 million or more since January 1, 2015.

8. Describe any pending or concluded claim, investigation or litigation involving a Proposed Team member implicating the sum of \$100,000 or more since January 1, 2015.

9. Provide a listing of any and all suspensions or pending or concluded investigations or disciplinary actions by any regulatory agency of your firm or any of its personnel since January 1, 2015 with an explanation of the reason for any suspensions or expulsions and the time period for such actions.

10. Describe all regulatory, professional or business licenses held and maintained by your firm, its directors, or officers and principals and any of the individuals who will be responsible for providing the services described in this RFP that are required in order to do business in the State or elsewhere.

11. Please describe your firm's presence in New Jersey including location of offices.
12. Identify any existing or potential conflicts of interest, as well as your representation of parties or other relationships that might be considered a conflict of interest, that may affect or involve transactions for the I-Bank.

**Note: The I-Bank reserves the right: 1) to reject any and all proposals or 2) to waive any informalities or irregularities therein. The award will be made to the firm whose appointment as Arbitrage Compliance Consultant is deemed to be in the best interest of the I-Bank and the State.**

## **VI. OTHER REQUIREMENTS**

### **Attachments**

#### **a. Specific to RFP**

##### **Exhibits**

Exhibit A - Schedule of Bonds

Exhibit B - Standard Terms and Form of Contract for Arbitrage Compliance Services

Exhibit C - State Required Forms

Exhibit D - Ranking Sheet

Exhibit E - Form Pricing Schedule

Exhibit F - Sample Aggregated Arbitrage Report (showing both rebate and yield restriction computations)

#### **b. Forms and Other Requirements**

The following documents must be completed and submitted with the bid proposal. All forms listed below can be downloaded from the Department of Treasury website: <http://www.state.nj.us/treasury/purchase/forms.shtml>.

The required forms are also attached as **Attachment B – State Requirement Forms.**

1. Ownership Disclosure Form (N.J.S.A. 52:25-24.2)
2. New Jersey Business Registration Certificate. Please provide a copy of your firm's business registration certification (or interim registration) (N.J.S.A. 52:32-44). If the firm is not already registered with the New Jersey Division of Revenue, the form should be completed online at the Division of Revenue website:  
<https://www.state.nj.us/treasury/revenue/busregcert.shtml>.
3. Disclosure of Investigations and Other Actions Involving Bidder Form

4. Disclosure of Investment Activities in Iran (N.J.S.A. 52:32-58)
5. Affirmative Action Employee Report
6. Two-Year Chapter 51/Executive Order No. 117 (Corzine) - Vendor Certification and Disclosure of Political Contributions (“E.O. No. 117”)

**a. Specific Statutory Requirements**

**Chapter 51 and Executive Order No. 117.** Pursuant to Public Law 2005, Chapter 51 (“Chapter 51”) and Executive Order No. 117 (Corzine 2008) (“E.O. No. 117”), State departments, agencies and authorities are precluded from awarding contracts exceeding \$17,500 to vendors who make certain political contributions on and after October 15, 2004, to avoid any appearance that the selection of contracts is based on the contractors’ political contributions. Chapter 51 also requires the disclosure of all contributions to any political organization organized under 26 U.S.C. 527 that also meets the definition of a “Continuing Political Committee” within the meaning of N.J.S.A. 19:44A-3(n) and N.J.A.C. 19:25-1.7. **Failure to submit the certification and disclosure form(s) shall be cause for rejection of your institution’s proposal. Please consult the website listed below for information and forms relating to Chapter 51 and E.O. No. 117.**

<https://www.nj.gov/treasury/purchase/forms/eo134/CH51-FAQ.pdf>

The firm selected pursuant to this RFP shall be required to maintain compliance with Chapter 51 and E.O. No. 117 throughout the term of its engagement.

7. **Chapter 271.** Pursuant to Public Law 2005, Chapter 271 (“Chapter 271”), the firm is required to disclose its (and its principals’) political contributions within the immediately preceding twelve (12) month period prior to entering into a contract. No prospective firm will be precluded from entering a contract with the State by virtue of the information provided in the Chapter 271 disclosure provided the form is fully and accurately completed. Prior to award of this engagement, the financial institution selected pursuant to this RFP shall be required to submit Chapter 271 disclosures, although completion and submission of the form is not required to be included in your proposal. For a copy of the Chapter 271 disclosure form please refer to:

<http://www.state.nj.us/treasury/purchase/forms/CertandDisc2706.pdf>.

If selected pursuant to this RFP, please also be advised of your firm’s responsibility to file an annual disclosure statement on political contributions with the NJ Election Law Enforcement Commission (“ELEC”) pursuant to N.J.S.A. 19:44A-20.13 (L. 2005, c. 271, section 3) if your firm receives contracts in excess of \$50,000 from a public entity during a calendar year. It is your financial institution’s responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at (888) 313-3532 or [www.elec.state.nj.us](http://www.elec.state.nj.us).

8. Source Disclosure Form (N.J.S.A. 52:34-13.2; E.O. No. 129 McGreevey)

**Chapter 92 and Executive Order No. 129.** Pursuant to Public Law 2005, Chapter 92 and Executive Order No. 129 (McGreevey 2002), all services performed pursuant to this engagement shall be performed within the United States of America.

9. **Emergency Preparedness** – To support continuity of operations during an emergency, including a pandemic, I-Bank needs a strategy for maintaining operations for an extended period of time. One part of this strategy is to ensure that essential contracts that provide critical business services to I-Bank have planned for such an emergency and put contingencies in place to provide needed goods and services.

- a. Describe how you anticipate such a crisis will impact your operations.
- b. Describe your emergency response continuity of operations plan. Please attach a copy of your plan, or at a minimum, summarize how your plan addresses the following aspects of pandemic preparedness:
  - Employee training (describe your organization’s training plan, and how frequently your plan will be shared with employees).
  - Identify essential business functions and key employees (within your organization) necessary to carry them out.
  - Contingency plans for:
    - How your organization will handle staffing issues when a portion of key employees are incapacitated due to illness.
    - How employees in your organization will carry out the essential functions if contagion control measures prevent them from coming to the primary workplace.
  - How your organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.
  - How and when your emergency plan will be tested, and if the plan will be tested by a third-party.

10. Contractor’s Insurance

10.1 Any insurance company providing coverage must be authorized to do business in the State of New Jersey. The contractor shall not commence work under this contract, until the contractor has obtained all insurance required under this paragraph and such insurance has been approved by the I-Bank, nor shall the Contractor allow any subcontractor to commence work, in his/her subcontract until all similar insurance required of the subcontractor has been so obtained and approved.

10.2 Insurance coverage shall remain in effect during the contract period. The Contractor shall furnish the I-Bank with proof of Insurance by execution of the Certificate of Insurance, of which a copy is included herein. The I-Bank shall be named additional insured. The Contractor's insurance shall apply to and provide coverage for all subcontractors and/or suppliers unless the Contractor forwards to the I-Bank the Certificate of Insurance for the subcontractor and/or supplier. The Contractor shall give the I-Bank 30 days written notice of any material change in, cancellation of, or expiration of the policies.

10.3 Certificates of the Required Insurance Certificates as listed below shall be submitted along with the contract as evidence covering Comprehensive General Liability, Comprehensive Automobile Liability, and where applicable, necessary Workers' Compensation and Employers' Liability Insurance. Such coverage shall be with acceptable insurance companies operating on an admitted basis in the State of New Jersey and shall name the I-Bank as an additional insured. The following types of insurance are required:

a. General Liability Insurance. This insurance shall have limits of not less than \$1,000,000 any one person and \$1,000,000 any one accident for bodily injury and \$2,000,000 aggregate for property damage, and shall be maintained in force during the life of this contract by the bidder.

b. Automobile Liability Insurance. This insurance covering bidder for claims arising from owned, hired and non-owned vehicles with limits of not less than \$1,000,000 any one person and \$1,000,000 any one accident for bodily injury and \$1,000,000 each accident for property damage, shall be maintained in force during the life of this contract by the bidder.

c. Excess Liability

d. Workers' Compensation and Employers' Liability. This insurance shall be maintained in force during the life of this contract by the bidder covering all employees engaged in the performance of this contract in accordance with the applicable statute. Minimum Employers' Liability \$1,000,000.00.

11. **Applicable Law.** The Agreement, including this RFP and any and all litigation arising there from 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 law principles. Any litigation

arising from this Agreement shall be under the jurisdiction of and filed in Mercer County, New Jersey.

12. **Claims.** All claims asserted against the I-Bank by any Bidder or Contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq., and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

**NOTE:** Each firm submitting a response to this RFP is required to provide the State with proof of business registration in New Jersey. Further, in compliance with Executive Order No. 129 issued September 9, 2004 each firm submitting a response to this RFP is required to indicate in their proposal the location by country where services under the contract will be performed.

**FURTHER NOTE:** The firm selected pursuant to this RFP will be required to comply with Executive Order 134 issued on September 22, 2004, limiting the ability of State agencies and independent authorities to enter contracts with business entities that have made certain political contributions.

#### **VII. COST PROPOSAL – (Please include in a separate sealed envelope labeled Cost Proposal)**

Provide a compensation schedule by providing the following information (see attached Pricing Schedule, this format must be used):

- Provide your methodology for calculation of fees.

The Cost Proposal shall be submitted in an envelope separately sealed from the technical proposal and labeled with the bidder's name and "Cost Proposal". The cost proposal shall be comprised of the bidder's completed Pricing Schedule which is attached as *Exhibit E*. Upon determination of the highest ranked technical bidder, the cost proposals shall be reviewed and a cost for providing services shall be negotiated with the highest ranked bidder. If an acceptable fee is unable to be negotiated, the I-Bank shall enter negotiations with the second highest ranked bidder. Please be advised that cost will not be the sole determining factor.

#### **VIII. CONTRACT TERMS**

##### 1. Period of Services:

The term of the contract shall be for the period commencing on or about January 1, 2021 and shall continue until December 31, 2022. The I-Bank reserves the right, at the option of the I-

Bank's Board of Directors, to extend the contract for two additional one-year terms, until December 31, 2024.

2. Standard Terms and Conditions:

The attached Standard Contract Terms and Conditions (*Exhibit B*) are in addition to the terms and conditions set forth in the Request for Proposal (RFP) and should be read in conjunction with same unless the RFP specifically indicates otherwise. If a bidder proposes changes or modifications or takes exception to any of I-Bank's terms and conditions, modification or exception in I-Bank's terms and conditions by a bidder will be a factor in the determination of an award of a contractor purchase agreement.

All of I-Bank's terms and conditions will become a part of any contract(s) or order(s) awarded as a result of the Request for Proposal, whether stated in part, in summary or by reference. In the event the bidder's terms and conditions conflict with I-Bank's, I-Bank's terms and conditions will prevail, unless the bidder is notified in writing of I-Bank's acceptance of the bidder's terms and conditions.

Dated: August 28, 2020