



Addendum No. 1

NJSDA
32 East Front Street
Trenton, NJ 08625
Phone: 609-858-2981
Fax: 609-656-4642

DATE: June 20, 2014
PROJECT #: GP-0211-R01
Independent Auditor Consultant Services
DESCRIPTION: Addendum No. 1

This addendum shall be considered part of the Bid Documents issued in connection with the referenced project. Should information conflict with the Bid Documents, this Addendum shall supersede the relevant information in the Bid Documents.

A. CHANGES TO THE PROCUREMENT PROCESS:

1. Not Applicable.

B. BIDDER'S QUESTIONS, REQUESTS FOR INFORMATION AND RESPONSES:

B.1 QUESTION: How long has the incumbent firm been providing audit services to NJSDA?
Is the incumbent firm permitted to bid?

ANSWER: Ten (10) years. The incumbent firm is permitted to bid on this contract.

B.2 QUESTION: Are there any improvements you would like to see in the audit process?

ANSWER: No.

B.3 QUESTION: Are there any significant changes in operations in the current year vs. the prior year including changes in policies and procedures, personnel, or the reporting entity?

ANSWER: No.

B.4 QUESTION: What additional funding sources are expected over the next 3-5 years?

ANSWER: Essentially all of the Authority's revenue is derived from the proceeds associated with the sale of School Facilities Construction Bonds issued by the New Jersey Economic Development Authority. To date, the Authority has received \$9.08 billion of the designated \$12.5 billion principal amount of bond proceeds authorized for the School Construction Program. During the next 3-5 years the amount of bond revenue to be received by the Authority is anticipated to be upwards of \$2.0 billion based upon preliminary planning estimates and schedules for approved projects and projects under consideration.

B.5 QUESTION: In the Affidavit form, there is a required submittals checklist. It says to provide a copy of a valid "DPMC Classification/Prequalification Notice"? Does this need to be provided or is this for construction companies only?

ANSWER: The DPMC Classification/Prequalification Notice *is not required* for the services to be performed for this contract. Please refer to the revised "Moral Integrity Questionnaire" dated 6/19/14, enclosed as Attachment 1.2 to this Addendum No. 1.

B.6 QUESTION: What were the prior year audit fees?

ANSWER: The prior year audit fee (2013) was \$95,700.00.

B.7 QUESTION: What is the level of effort/hours that the incumbent has provided for the previous years' audits?

ANSWER: See the Authority's response to question B.10.

B.8 QUESTION: Does NJSDA prepare the financial statements or are the auditors asked to provide that as a non-audit service?

ANSWER: NJSDA staff prepares the Authority's financial statements.

B.9 QUESTION: What was the annual audit fee in prior years?

ANSWER: Fees for last three years: 2013 – \$95,700.00; 2012 – \$92,900.00; 2011 – \$90,175.00.

B.10 QUESTION: What were the budgeted audit hours for 12/31/13 audit?

ANSWER: The independent auditor services are to be provided on an annual lump sum basis as described in Section 7.1 of the RFP. As a result, the Authority does not require the independent auditor to provide a budget for the number of hours for the audit; however, in accordance with the Agreement Scope of Services, Appendix B – Section C.2.1, "In auditing the NJSDA financial statements, the Consultant shall plan to complete interim fieldwork by mid-December of each Fiscal Year. The Consultant shall plan to complete final fieldwork by no later than the 20th day of February following the end of the Fiscal Year of the audit." This audit schedule permits the Annual

Financial Statements to be presented to the NJSDA Audit Committee in mid-March of each year and to the Board of Directors for approval in early April of each year.

B.11 QUESTION: Have there been any change orders to the original contract?

ANSWER: No.

B.12 QUESTION: Is the Authority looking to hire a big four accounting firm only?

ANSWER: No, the Authority is looking to hire the firm that can best provide the independent auditor services as described in the RFP.

B.13 QUESTION: I was wondering if I could get a copy of the previous audit report? Also, if possible, could I get a copy of the previous contract for the advertised services?

ANSWER: The Authority's 2013 audited financial statements are provided in the RFP in Attachment G, "NJSDA 2013 Annual Report". The current contract provided in Attachment A of the RFP is in all material respects the same as the previous contract.

C. CHANGES TO PREVIOUS ADDENDA:

1. Not Applicable.

D. ATTACHMENTS:

Attachment 1.1 Notice of Intent to Participate - Contact List


Attachment 1.2 Moral Integrity Questionnaire - Revised June 19, 2014

E. SUPPLEMENTAL INFORMATION:

1. Not Applicable.

Any bidder attempting to contact government officials (elected or appointed), including NJSDA Board members, NJSDA Staff, and Selection Committee members in an effort to influence the selection process may be immediately disqualified.

End of Addendum No. 1



NJSDA Director

6-20-14

Date

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Acknowledgement of Receipt of Addendum

Contractor must acknowledge the receipt of the Addendum by signing in the space provided below and returning via fax (609-656-4642) or email (djohnson@njsda.gov). Signed acknowledgement must be received prior to the Bid Due Date. Acknowledgement of the Addendum must also be made in the Technical Proposal Submission.

Signature

Print Name

Company Name

Date

ATTACHMENT 1.1 - Notice of Intent to Participate - Contact List

<p>Caudill & Associates CPA Joe Caudill 856-220-7069 jcaudill@cgacpas.com</p>	<p>CliftonLarsonAllen LLP Nancy L. Gunza, CPA, Principal 610 W Germantown Pike, Suite 400 Plymouth Meeting, PA 19462 Main 215-643-3900 Fax 215-643-4030 Direct 267-419-1162, Mobile 610-996-4608 nancy.gunza@CLAconnect.com</p>
<p>Ernst & Young, LLP Kimberly Hancy 99 Wood Avenue South Iselin, NJ 08830 732.516.4839 p 866.829.8352 f kimberly.hancy@ey.com</p>	<p>Holman Frenia Allison, P.C. Certified Public Accountants and Consultants Lindsey S. Nesselbush 618 Stokes Road Medford, NJ 08055 (609) 953-0612 lnesselbush@hfacpas.com</p>
<p>Mercadien, P.C. Warren A. Broudy P.O. Box 7648 Princeton, NJ 08543 609.689.2326 p 609.689.9720 f wbroudy@mercadien.com</p>	<p>SMOLIN, LUPIN & CO., P.A. Susan T. White 165 Passaic Avenue Fairfield, NJ 07004 P: 973-461-7320 Direct Phone Line P: 973-439-7200 ext. 1178 Main F: 973-439-0720 swhite@smolin.com</p>



MORAL INTEGRITY QUESTIONNAIRE
NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
PROCUREMENT DEPARTMENT
32 EAST FRONT STREET, P.O. BOX 991
TRENTON, N.J. 08625-0991

Form with multiple sections: CHECK ONE (Contractor/Professional Services), BUSINESS LEGAL NAME AND ADDRESS, TELEPHONE #, DUNS #, TYPE OF BUSINESS, NEW JERSEY DIVISION OF REVENUE & ENTERPRISE SERVICES, CONTACT PERSON, and FOR CORPORATIONS, LIMITED LIABILITY COMPANIES AND LIMITED PARTNERSHIPS ONLY.

1. How long has the Applicant Business Concern done business under its present name? _____ years.
2. List each other name the Applicant Business Concern has done business under in the past ten (10) years:

D/B/A _____	Dates Name Used: _____
D/B/A _____	Dates Name Used: _____
D/B/A _____	Dates Name Used: _____
3. At any time during the past five (5) years, has the Applicant Business Concern shared office space, warehouse space, yard, plant or shop facilities, staff, equipment, telecommunications or other assets with any other business concern? (If yes, disclose the name of the other business concern and provide a description of the sharing arrangement, including the location of the facilities.)

YES NO

DISCLOSURE OF OWNERS AND KEY PERSONS

4. "Key Person" means any individual employed by the Applicant Business Concern in a supervisory capacity or empowered to make discretionary decisions with respect to bids and/or contracts with the State of New Jersey. "Key Person" also means any person who owns a beneficial interest of 10% or more in the business concern, and the managing members of limited liability companies and corporate directors and officers (e.g., president, vice presidents, secretary and treasurer.)

For purposes of this questionnaire, "supervisory capacity or empowered to make discretionary decisions" means able to bind the Applicant Business Concern to New Jersey bids and/or contracts of \$50,000 or more and/or authorized to sign checks to make payments of \$50,000 or more in connection with New Jersey contracts.

Use this table to enter identifying information for each individual who is a "Key Person" of the Applicant Business Concern. Identify any entity or business concern that owns a beneficial interest of 10% or more as well. For entities or business concerns, disregard birth date and provide federal tax identification number instead of social security number.

Name (Last, First, Middle)	Address	Birth Date (MM/DD/YYYY)	Social Security Number	Position	Ownership %

AT ANY TIME DURING THE PAST (10) YEARS HAS THE APPLICANT BUSINESS CONCERN:

5. Been indebted to an individual or entity, other than a bank or other commercial lending institution, in the cumulative amount of \$100,000 or more? (if yes, give details, including the name of each party to the transaction, the date and the amount of indebtedness.)

YES NO
6. Loaned monies generated by this business concern, in the cumulative amount of \$100,000 or more, to another business concern or individual? (If yes, give details, including the name of each party to the transaction, the date and the amount of indebtedness.)

YES NO
7. Had an injunction, order or lien entered against it in favor of any governmental agency including, but not limited to, judgments or liens based on taxes assessed or fines and penalties imposed by any government agency? If yes, give details, including the name of the government agency, caption, date, case number or docket number, and disposition. Be sure to note any judgments or liens that have not been fully satisfied.)

YES NO
8. Been a party in any civil litigation or administrative proceeding alleging violation of any of the following: antitrust statutes; racketeering statutes; environmental laws; laws banning workplace discrimination; laws governing wages, hours or labor standards (i.e. Dept. of Labor); laws governing the conduct of occupations, professions or regulated industries (i.e., OSHA); or any other law indicating a lack of business integrity or honesty? (If yes, give details, including the nature of the claims and defenses, the caption, date, case number or docket number, and name of the court or agency before which the case is pending or before which it was heard and current status.)

YES NO

9. Paid a fine or otherwise paid to settle any of the allegations listed in Question 8, whether with or without an admission of responsibility? (If yes, give details, including the caption, date, case number or docket number, and name of the court or agency before which the case was brought.)

YES NO

10. Been denied any license, permit or other similar authorization required to engage in the business concern's trade(s) or professional discipline(s), or has any such license, permit or similar authorization been suspended or revoked by any agency of federal, state or local government? (If yes, give details, including name of the licensing or permitting agency, caption, date, case number or docket number, and disposition.)

YES NO

11. Been suspended, debarred, disqualified, denied a classification rating or prequalification or otherwise been declared not responsible to bid on or to perform work on any public contract or subcontract? (If yes, give details, including name of the contracting agency, caption, date, case number or docket number and disposition.)

YES NO

12. Been required by an agreement or settlement with any governmental agency (including any school board) to refrain from bidding or proposing on any public contract? (If yes, describe the agreement and give the name of the government agency, date, caption and case number or docket number, if any.)

YES NO

13. Been required to engage a monitor or independent private sector inspection general (IPSIG) as a condition of being classified or prequalified, or as a condition of any contract award, or as a condition for being permitted to complete a contract? (If yes, describe the agreement and give the name of the government agency, date and the name of the monitor or IPSIG.)

YES NO

14. Been indicted or otherwise charged as a defendant, or named as an unindicted co-conspirator, alleged to have committed any crime or offense other than a motor vehicle offense? (If yes, give details, including the conduct alleged, the caption, date, case number or docket number, and the name of the court before which the case is pending or before which it was heard.)

YES NO

15. Been convicted, after trial or by plea, of any crime or offense other than a motor vehicle offense? (If yes, give details, including the crime or offense, the caption, date, case number or docket number, and name of the court before which the case was heard.)

YES NO

16. Filed with, or submitted to, a government agency, or to any employee or representative thereof, any document which contained a false statement or false information? Filing or submission could be by any means, including telefax, e-mail, and any other form of electronic communication. (If yes, explain. Your explanation should include a description of the document(s), the date and the name of the government agency.)

YES NO

17. Paid anyone other than its own key persons or its own employees commissions or finders fees to obtain contracts or work? (If yes, give details, including a description of the transaction, the name of each party to the transaction, the date and the amount of the commission or finders fee paid.)

YES NO

18. Given, or offered to give money, gifts or anything of value, or any other benefit, to a labor official, public official, public employee or public servant with whom the Applicant Business Concern, or any affiliated entity disclosed in this questionnaire, conducted business? (If yes, give details, including the date(s), location(s), a description of the benefit(s) and the name(s) of the individual(s) to whom the benefits were given or offered.

YES NO

19. Agreed with another business concern or representative thereof to submit identical or complementary bids, prices or proposals or to otherwise not bid competitively or to withdraw or abstain from bidding or proposing? (If yes, give details, including date(s), location(s), description(s) of the contract(s) that were the subject of the bid(s), who put the contract(s) out to bid and the name(s) of the other individual(s) with whom the Applicant Business Concern or any affiliated entity disclosed in this questionnaire agreed.)

YES NO

REQUIRED SUBMITTALS CHECKLIST

- Additional attachments necessary to support disclosures made in answer to any question.
- Notarized Affidavit of the Key Person (see Question #4) submitting this Moral Integrity Questionnaire on behalf of the Applicant Business Concern.

AFFIDAVIT

State of: _____

County of: _____

I, _____, hereby represent and state as follows:
(full name)

That I am _____ of _____, that I am duly authorized to
(title) *(business concern name and Federal Tax ID Number)*

submit this Moral Integrity Questionnaire ("Questionnaire") on behalf of the Applicant Business Concern, and that I have read and understood the nineteen (19) questions asked in the previous three (3) pages.

I represent and state that the information given in response to each questions is full, complete and truthful. Further, I represent and state that truthfully answering this Questionnaire is an event entirely within my control.

I recognize that all the information submitted is for the express purpose of inducing the State of New Jersey to award a contract and/or allow the Applicant Business Concern to participate in school facilities projects financed through the Educational Facilities Construction and Financing Act as a contractor, consultant or vendor. I understand and agree that the Questionnaire and any attachments filed with the State of New Jersey shall become the property of the State.

I acknowledge that the State of New Jersey may, by means it deems appropriate, determine the accuracy, truth and completeness of the statements made in this Questionnaire and any attachments submitted with it. Therefore, I authorize the State of New Jersey to contact any entity or person named in this Questionnaire for purposes of determining the accuracy, truth and completeness of the information supplied by me on behalf of the Applicant Business Concern. If required, a photocopy of this affidavit shall be considered as effective and valid as the original as evidence of the permission given by the Applicant Business Concern for others to release information to the State for purposes of verifying the accuracy, truth and completeness of the information supplied by me.

I represent that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment. Further, I am aware that a false statement or omission made in connection with this application may subject me to civil and criminal penalties available at law and is sufficient cause for denial of the application, revocation of a prior approval or termination for cause of any school facilities project contract that may be awarded to the Applicant Business Concern.

Sworn and subscribed to before me
on this _____ day of _____ 20____

SIGNATURE:

(Notary Public: Not an officer of the firm)
(Notary stamp/seal)

SIGNATURE
Name: _____
(PRINT OR TYPE)
SSN: _____

